

ABAG PLAN Corporation - Liability Program (\$100K and \$1M Analysis)  
Paid between \$100,000 and \$1,000,000 Loss Development

Losses Paid 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
1991-1992											
1992-1993											361,078
1993-1994										1,417,622	1,417,622
1994-1995									1,724,048	1,724,048	1,724,048
1995-1996								341,390	341,390	341,390	341,390
1996-1997							265,021	271,001	271,001	271,001	271,001
1997-1998						2,012,369	2,251,313	2,251,313	2,251,313	2,251,313	2,096,852
1998-1999					1,000,106	1,275,187	1,823,244	1,823,244	1,823,244	1,823,244	1,823,244
1999-2000				880,149	1,000,578	1,023,612	1,023,612	1,023,612	964,842	964,842	964,842
2000-2001			873,114	953,412	953,532	953,532	1,579,410	1,581,139	1,581,139	1,581,139	1,581,139
2001-2002		309,735	1,022,186	1,490,294	1,947,824	2,029,466	2,041,384	2,943,619	2,943,619	2,943,619	2,949,541
2002-2003	75,543	903,527	2,226,102	3,446,317	3,946,802	3,910,106	4,427,910	4,439,396	4,439,396	4,432,327	4,432,327
2003-2004		15,692	363,636	379,734	682,512	766,935	1,013,004	1,283,354	2,244,553	2,205,001	
2004-2005		6,598	310,953	1,675,075	1,675,075	1,675,075	1,675,075	1,675,075	1,675,075		
2005-2006		208,642	211,412	862,224	2,089,131	2,710,478	2,891,138	2,950,433			
2006-2007	6,182	15,240	69,317	308,983	521,929	942,901	1,426,352				
2007-2008		54,284	602,929	1,401,455	2,571,860	3,424,876					
2008-2009		19,904	228,676	1,724,990	2,057,605						
2009-2010	219,495	285,835	559,909	1,786,817							
2010-2011		244,011	492,996								
2011-2012		183,567									
2012-2013											

Paid 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
1991-1992											
1992-1993											1.000
1993-1994										1.000	1.000
1994-1995									1.000	1.000	1.000
1995-1996								1.000	1.000	1.000	1.000
1996-1997							1.023	1.000	1.000	1.000	1.000
1997-1998						1.119	1.000	1.000	1.000	0.931	1.000
1998-1999					1.275	1.430	1.000	1.000	1.000	1.000	1.000
1999-2000				1.137	1.023	1.000	1.000	0.943	1.000	1.000	1.000
2000-2001			1.092	1.000	1.000	1.656	1.001	1.000	1.000	1.000	1.000
2001-2002		3.300	1.458	1.307	1.042	1.006	1.442	1.000	1.000	1.002	1.000
2002-2003	11.960	2.464	1.548	1.145	0.991	1.132	1.003	1.000	0.998	1.000	
2003-2004		23.173	1.044	1.797	1.124	1.321	1.267	1.749	0.982		
2004-2005		47.128	5.387	1.000	1.000	1.000	1.000	1.000			
2005-2006		1.013	4.078	2.423	1.297	1.067	1.021				
2006-2007	2.465	4.548	4.458	1.689	1.807	1.513					
2007-2008		11.107	2.324	1.835	1.332						
2008-2009		11.489	7.543	1.193							
2009-2010	1.302	1.959	3.191								
2010-2011		2.020									
2011-2012											

	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	5.242	10.820	3.212	1.453	1.189	1.224	1.076	1.069	0.998	0.993	1.000
Dollar-weighted											
Averages											
3-yr		2.331	3.531	1.499	1.366	1.125	1.059	1.130	0.995	1.001	1.000
4-yr		3.120	3.575	1.685	1.276	1.149	1.034	1.093	0.996	1.001	1.000
Comparative											
Factors											
Prior	9.143	3.115	1.786	1.350	1.168	1.090	1.065	1.042	1.030	1.017	1.009
Selected	12.000	5.000	3.200	1.600	1.250	1.100	1.070	1.025	1.010	1.008	1.006
Cumulated	12.000	5.000	3.200	1.600	1.250	1.100	1.070	1.025	1.010	1.008	1.006
Cumulated	481.740	40.145	8.029	2.509	1.568	1.254	1.140	1.065	1.039	1.029	1.021

ABAG PLAN Corporation - Liability Program (\$100K and \$1M Analysis)  
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Accident Year	Losses Paid as of:										
	138 Months	150 Months	162 Months	174 Months	186 Months	198 Months	210 Months	222 Months	234 Months	246 Months	258 Months
1991-1992	1,243,337	1,243,337	1,243,337	1,243,337	1,243,337	1,243,490	1,243,490	1,243,490	1,243,490	1,243,490	1,243,490
1992-1993	361,078	361,078	361,078	361,078	361,078	1,261,078	1,261,078	1,261,078	1,261,078	1,261,078	1,261,078
1993-1994	1,417,622	1,417,622	1,422,569	1,422,668	1,422,668	1,422,668	1,422,668	1,422,668	1,422,668	1,422,668	
1994-1995	1,724,048	1,724,048	1,633,372	1,633,372	1,633,372	1,633,372	1,633,372	1,633,372	1,633,372		
1995-1996	341,390	341,390	341,390	460,061	460,061	460,061	460,061				
1996-1997	271,001	271,001	271,001	271,001	271,001	271,001	271,001				
1997-1998	2,096,852	2,096,852	2,096,852	2,096,852	2,096,852						
1998-1999	1,823,244	1,823,244	1,823,244	1,823,244							
1999-2000	964,842	964,492	964,492								
2000-2001	1,581,139	1,676,162									
2001-2002	2,949,541										
2002-2003											
2003-2004											
2004-2005											
2005-2006											
2006-2007											
2007-2008											
2008-2009											
2009-2010											
2010-2011											
2011-2012											
2012-2013											
	138-150 Months	150-162 Months	162-174 Months	174-186 Months	186-198 Months	198-210 Months	210-222 Months	222-234 Months	234-246 Months	246-258 Months	258-Ult. Months
1991-1992	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1992-1993	1.000	1.000	1.000	1.000	3.493	1.000	1.000	1.000	1.000		
1993-1994	1.000	1.003	1.000	1.000	1.000	1.000	1.000	1.000			
1994-1995	1.000	0.947	1.000	1.000	1.000	1.000	1.000				
1995-1996	1.000	1.000	1.348	1.000	1.000	1.000					
1996-1997	1.000	1.000	1.000	1.000	1.000						
1997-1998	1.000	1.000	1.000	1.000							
1998-1999	1.000	1.000	1.000								
1999-2000	1.000	1.000									
2000-2001	1.060										
2001-2002											
2002-2003											
2003-2004											
2004-2005											
2005-2006											
2006-2007											
2007-2008											
2008-2009											
2009-2010											
2010-2011											
2011-2012											
	138-150 Months	150-162 Months	162-174 Months	174-186 Months	186-198 Months	198-210 Months	210-222 Months	222-234 Months	234-246 Months	246-258 Months	258-Ult. Months
Average Dollar-weighted Averages	1.006	0.994	1.044	1.000	1.416	1.000	1.000	1.000	1.000	1.000	
3-yr	1.022	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
4-yr	1.015	1.000	1.026	1.000	1.000	1.000	1.000				
Comparative Factors	1.008	1.006	1.006	1.004	1.004	1.003	1.002	1.002	1.001	1.000	1.001
Prior	1.005	1.004	1.003	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.005	1.004	1.003	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	1.015	1.010	1.006	1.003	1.001	1.000	1.000	1.000	1.000	1.000	1.000

## ABAG PLAN Corporation - Liability Program (\$100K and \$1M Analysis)

Exposure and Development Method  
Based on Reported Losses

Accident Year	Composite Exposure (A)	Reported Losses as of 12/31/12 (B)	Loss Development Factor (C)	Percentage of Losses Yet to Be Reported (D)	\$1M Limited Rate (E)	Incurred but not Reported (IBNR) (F)	Ultimate \$1M Limited Losses (G)
1986-1992	13,215,814	\$17,467,045	1.000	0.000	\$1.113	\$0	\$17,467,045
1992-1993	2,949,692	4,252,338	1.000	0.000	1.477	0	4,252,338
1993-1994	2,936,833	3,929,985	1.000	0.000	1.265	0	3,929,985
1994-1995	2,998,754	4,425,406	1.000	0.000	1.401	0	4,425,406
1995-1996	3,082,910	2,606,086	1.000	0.000	1.066	0	2,606,086
1996-1997	3,082,566	2,844,489	1.000	0.000	1.300	0	2,844,489
1997-1998	3,191,970	5,144,132	1.000	0.000	1.513	0	5,144,132
1998-1999	3,379,524	4,333,966	1.001	0.001	1.199	4,052	4,338,018
1999-2000	3,576,122	2,790,112	1.002	0.002	0.841	6,015	2,796,127
2000-2001	3,733,565	4,227,843	1.004	0.004	1.115	16,652	4,244,495
2001-2002	4,050,257	5,949,576	1.006	0.006	1.266	30,766	5,980,342
2002-2003	4,404,512	9,414,748	1.009	0.009	1.970	78,092	9,492,840
2003-2004	4,491,917	5,765,544	1.012	0.012	1.409	75,949	5,841,493
2004-2005	5,130,850	4,541,277	1.017	0.017	1.018	88,794	4,630,071
2005-2006	5,109,865	6,902,380	1.026	0.025	1.377	175,907	7,078,287
2006-2007	5,224,943	4,866,112	1.039	0.038	1.244	246,994	5,113,106
2007-2008	5,389,375	8,741,234	1.064	0.060	1.511	488,601	9,229,835
2008-2009	5,431,532	6,883,735	1.112	0.101	1.548	849,209	7,732,944
2009-2010	5,126,857	6,291,969	1.256	0.204	1.589	1,661,901	7,953,870
2010-2011	4,639,177	7,174,842	1.482	0.325	1.627	2,453,081	9,627,923
2011-2012	3,836,878	8,985,631	2.386	0.581	1.667	3,716,120	12,701,751
Totals	\$94,983,913	\$127,538,450				\$9,892,133	\$137,430,583

## Notes:

- (A) Provided by ABAG.
- (B) Provided by ABAG. These losses exclude amounts incurred above the Authority's SIR for each year.
- (C) From Appendix B, Page 4a, Column (F).
- (D)  $1 - 1/(C)$ .
- (E) From Appendix B, Page 6c, 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 exposure 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.

ABAG PLAN Corporation - Liability Program (\$100K and \$1M Analysis)

Exposure and Development Method  
Based on Paid Losses

Accident Year	Composite Exposure (A)	Paid Losses as of 12/31/12 (B)	Loss Development Factor (C)	Percentage of Losses Yet to Be Paid (D)	\$1M Limited Rate (E)	Incurred but not Paid (F)	Ultimate \$1M Limited Losses (G)
1986-1992	13,215,814	\$17,467,045	1.000	0.000	\$1.113	\$0	\$17,467,045
1992-1993	2,949,692	4,252,338	1.000	0.000	1.477	0	4,252,338
1993-1994	2,936,833	3,929,985	1.000	0.000	1.265	0	3,929,985
1994-1995	2,998,754	4,425,406	1.000	0.000	1.401	0	4,425,406
1995-1996	3,082,910	2,606,086	1.000	0.000	1.066	0	2,606,086
1996-1997	3,082,566	2,844,489	1.000	0.000	1.300	0	2,844,489
1997-1998	3,191,970	5,144,132	1.000	0.000	1.513	0	5,144,132
1998-1999	3,379,524	4,333,966	1.001	0.001	1.199	4,052	4,338,018
1999-2000	3,576,122	2,790,112	1.002	0.002	0.841	6,015	2,796,127
2000-2001	3,733,565	4,158,567	1.004	0.004	1.115	16,652	4,175,219
2001-2002	4,050,257	5,949,576	1.007	0.007	1.266	35,893	5,985,469
2002-2003	4,404,512	9,394,835	1.011	0.011	1.970	95,446	9,490,281
2003-2004	4,491,917	5,765,544	1.016	0.016	1.409	101,266	5,866,810
2004-2005	5,130,850	4,541,228	1.023	0.022	1.018	114,911	4,656,139
2005-2006	5,109,865	6,716,966	1.039	0.038	1.377	267,379	6,984,345
2006-2007	5,224,943	4,817,777	1.078	0.072	1.244	467,988	5,285,765
2007-2008	5,389,375	7,633,709	1.139	0.122	1.511	993,488	8,627,197
2008-2009	5,431,532	5,168,064	1.279	0.218	1.548	1,832,947	7,001,011
2009-2010	5,126,857	4,603,908	1.621	0.383	1.589	3,120,139	7,724,047
2010-2011	4,639,177	2,185,192	2.647	0.622	1.627	4,694,819	6,880,011
2011-2012	3,836,878	1,016,280	5.994	0.833	1.667	5,327,931	6,344,211
Totals	\$94,983,913	\$109,745,205				\$17,078,926	\$126,824,131

Notes:

- (A) Provided by ABAG.
- (B) Provided by ABAG. These losses exclude amounts paid above the Authority's SIR for each year.
- (C) From Appendix B, Page 5a, Column (F).
- (D)  $1 - 1/(C)$ .
- (E) From Appendix B, Page 6c, 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 exposure 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.

ABAG PLAN Corporation - Liability Program (\$100K and \$1M Analysis)

Exposure and Development Method

Accident Year	Composite Exposure (A)	Ultimate \$100K Limited Losses (B)	Trend Factor (C)	Trended \$100K Limited Losses (D)	Trended \$100K Limited Loss Rate (E)	\$100K Limited Loss Rate (F)	Factor to SIR (G)	\$1M Limited Loss Rate (H)
1986-1992	13,215,814	\$10,946,719	1.087	\$11,899,084	\$0.900	\$0.828	1.344	\$1.113
1992-1993	2,949,692	2,991,260	1.083	3,239,535	1.098	1.014	1.457	1.477
1993-1994	2,936,833	2,507,317	1.079	2,705,395	0.921	0.854	1.481	1.265
1994-1995	2,998,754	2,792,035	1.075	3,001,438	1.001	0.931	1.505	1.401
1995-1996	3,082,910	2,146,026	1.070	2,296,248	0.745	0.696	1.531	1.066
1996-1997	3,082,566	2,573,489	1.066	2,743,339	0.890	0.835	1.557	1.300
1997-1998	3,191,970	3,047,280	1.062	3,236,211	1.014	0.955	1.585	1.513
1998-1999	3,379,524	2,510,722	1.057	2,653,833	0.785	0.743	1.614	1.199
1999-2000	3,576,122	1,825,620	1.053	1,922,378	0.538	0.511	1.646	0.841
2000-2001	3,733,565	2,482,404	1.049	2,604,042	0.697	0.665	1.677	1.115
2001-2002	4,050,257	3,000,035	1.045	3,135,037	0.774	0.741	1.709	1.266
2002-2003	4,404,512	4,978,000	1.041	5,182,098	1.177	1.130	1.744	1.970
2003-2004	4,491,917	3,560,542	1.037	3,692,282	0.822	0.793	1.777	1.409
2004-2005	5,130,850	2,879,000	1.032	2,971,128	0.579	0.561	1.814	1.018
2005-2006	5,109,865	3,802,000	1.028	3,908,456	0.765	0.744	1.851	1.377
2006-2007	5,224,943	3,443,000	1.024	3,525,632	0.675	0.659	1.888	1.244
2007-2008	5,389,375	4,448,000	1.020	4,536,960	0.842	0.784	1.927	1.511
2008-2009	5,431,532	3,468,000	1.016	3,523,488	0.649	0.787	1.968	1.548
2009-2010	5,126,857	3,355,000	1.012	3,395,260	0.662	0.791	2.008	1.589
2010-2011	4,639,177	3,096,000	1.008	3,120,768	0.673	0.794	2.049	1.627
2011-2012	3,836,878	4,887,000	1.004	4,906,548	1.279	0.797	2.092	1.667
Total/Avg	\$94,983,913	\$74,739,449		\$78,199,160	\$0.823			
07/08-11/12	24,423,819	19,254,000		19,483,024	\$0.798			
08/09-11/12	19,034,444	14,806,000		14,946,064	\$0.785			
				Selected \$100K Limited Rate:	\$0.800			
				Prior:	\$0.840			

Notes:

- (A) Provided by ABAG.
- (B) Selected average of results from Appendices B and B.
- (C) From Appendix E, Column (B).
- (D) (B) x (C).
- (E) (D) / (A).
- (F) Selected \$100K Limited Rate / (C). For 2006-2007 and prior (B) / (A).
- (G) Based on a Burr distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

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

## ABAG PLAN Corporation - Liability Program (\$100K and \$1M Analy

## Frequency and Severity Method

Accident Year	Ultimate \$1M Limited Severity (A)	Ultimate Claims (B)	Ultimate \$1M Limited Losses (C)
1986-1992	\$4,813	3,057	\$14,713,341
1992-1993	6,288	693	4,357,584
1993-1994	5,696	652	3,713,792
1994-1995	5,837	720	4,202,640
1995-1996	4,628	710	3,285,880
1996-1997	5,458	734	4,006,172
1997-1998	6,438	750	4,828,500
1998-1999	5,684	713	4,052,692
1999-2000	4,695	640	3,004,800
2000-2001	6,848	608	4,163,584
2001-2002	7,089	723	5,125,347
2002-2003	10,757	807	8,680,899
2003-2004	9,500	666	6,327,000
2004-2005	7,154	730	5,222,420
2005-2006	9,897	711	7,036,767
2006-2007	9,247	703	6,500,641
2007-2008	10,474	819	8,578,206
2008-2009	11,008	731	8,046,848
2009-2010	11,576	656	7,593,856
2010-2011	12,167	518	6,302,506
2011-2012	12,794	486	6,217,884
Total		16,827	\$125,961,359

## Notes:

- (A) From Appendix D, Page 7b, Column (H).  
 (B) From Appendix D, Page 7b, 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.

ABAG PLAN Corporation - Liability Program (\$100K and \$1M Analysis)

Frequency and Severity Method

Accident Year	Ultimate	Ultimate Claims (B)	Ultimate	Trend Factor (D)	Trended		Factor to SIR (G)	\$1M Limited Severity (H)
	\$100K Limited Losses (A)		\$100K Limited Severity (C)		\$100K Limited Severity (E)	\$100K Limited Severity (F)		
1986-1992	\$10,946,719	3,057	\$3,581	1.860	\$6,661	\$3,581	1.344	\$4,813
1992-1993	2,991,260	693	4,316	1.806	7,795	4,316	1.457	6,288
1993-1994	2,507,317	652	3,846	1.754	6,746	3,846	1.481	5,696
1994-1995	2,792,035	720	3,878	1.702	6,600	3,878	1.505	5,837
1995-1996	2,146,026	710	3,023	1.653	4,997	3,023	1.531	4,628
1996-1997	2,573,489	734	3,506	1.605	5,627	3,506	1.557	5,458
1997-1998	3,047,280	750	4,063	1.558	6,330	4,063	1.585	6,438
1998-1999	2,510,722	713	3,521	1.513	5,327	3,521	1.614	5,684
1999-2000	1,825,620	640	2,853	1.469	4,191	2,853	1.646	4,695
2000-2001	2,482,404	608	4,083	1.426	5,822	4,083	1.677	6,848
2001-2002	3,000,035	723	4,149	1.384	5,742	4,149	1.709	7,089
2002-2003	4,978,000	807	6,169	1.344	8,291	6,169	1.744	10,757
2003-2004	3,560,542	666	5,346	1.305	6,977	5,346	1.777	9,500
2004-2005	2,879,000	730	3,944	1.267	4,997	3,944	1.814	7,154
2005-2006	3,802,000	711	5,347	1.230	6,577	5,347	1.851	9,897
2006-2007	3,443,000	703	4,898	1.194	5,848	4,898	1.888	9,247
2007-2008	4,446,000	819	5,429	1.159	6,292	5,436	1.927	10,474
2008-2009	3,489,000	731	4,773	1.126	5,374	5,595	1.968	11,008
2009-2010	3,390,000	656	5,168	1.093	5,649	5,764	2.008	11,576
2010-2011	3,129,000	518	6,041	1.061	6,410	5,938	2.049	12,167
2011-2012	4,631,000	486	9,529	1.030	9,815	6,117	2.092	12,794
Average \$100K Limited Severity:					\$6,289			
Average 06/07-10/11:					\$5,915			
Average 07/08-11/12:					\$6,708			
Selected \$100K Limited Severity:					\$6,300			
Prior:					\$6,300			

Notes:

- (A) Selected average of results from Appendices B, B, and B.
- (B) Appendix D, Page 7c, Column (C).
- (C) (A) / (B).
- (D) From Appendix E, Column (J).
- (E) (C) x (D).
- (F) Selected Limited Severity / (D).
- (G) Based on a Burr 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.

ABAG PLAN Corporation - Liability Program (\$100K and \$1M Analysis)

Frequency and Severity Method  
Projection of Ultimate Claims

Accident Year	Reported Claim Development (A)	Closed Claim Development (B)	Selected Ultimate Claims (C)	Composite Exposure (10,000s) (D)	Claim Frequency (E)	Trend Factor (F)	Trended Claim Frequency (G)
1986-1992	3,057	3,056	3,057	1,321.581	2.313	0.588	1.360
1992-1993	693	693	693	294.969	2.349	0.603	1.416
1993-1994	652	652	652	293.683	2.220	0.618	1.372
1994-1995	720	720	720	299.875	2.401	0.634	1.522
1995-1996	710	710	710	308.291	2.303	0.650	1.497
1996-1997	734	734	734	308.257	2.381	0.667	1.588
1997-1998	750	751	750	319.197	2.350	0.684	1.607
1998-1999	713	714	713	337.952	2.110	0.702	1.481
1999-2000	640	642	640	357.612	1.790	0.720	1.289
2000-2001	608	609	608	373.357	1.628	0.738	1.201
2001-2002	723	727	723	405.026	1.785	0.757	1.351
2002-2003	807	811	807	440.451	1.832	0.776	1.422
2003-2004	666	671	666	449.192	1.483	0.796	1.180
2004-2005	730	737	730	513.085	1.423	0.817	1.163
2005-2006	711	715	711	510.987	1.391	0.838	1.166
2006-2007	703	710	703	522.494	1.345	0.859	1.155
2007-2008	819	825	819	538.938	1.520	0.881	1.339
2008-2009	731	734	731	543.153	1.346	0.904	1.217
2009-2010	656	660	656	512.686	1.280	0.927	1.187
2010-2011	518	521	518	463.918	1.117	0.951	1.062
2011-2012	486	430	486	383.688	1.267	0.975	1.235

Total 16,827 16,822 16,827 9,498.391 1.306

(H) Selected 2012-2013 Frequency: 1.210  
Prior: 1.250

Program Year:	2012-2013	2013-2014
(I) Trend Factor:	1.000	0.975
(J) Selected Frequency:	1.210	1.180
(K) Composite Exposure:	361.896	367.817
(L) Ultimate Claims:	438	434

Notes:

- (A) From Appendix D, Page 7d, (C).
- (B) From Appendix D, Page 7e, (C).
- (C) Selected from (A) and (B).
- (D) From Appendix B, Page 8b, (G).
- (E) (C) / (D).
- (F) From Appendix E.
- (G) (E) x (F).
- (H) The selected frequency of 1.210 is based on (G).
- (I) From Appendix E.
- (J) (H) x (I).
- (K) From Appendix B, Page 8b, (G).
- (L) (J) x (K).

This exhibit summarizes the estimated numbers of claims and shows the estimated frequencies per 10,000 units of composite exposure, Appendix B, Page 8b, Item (G).

## ABAG PLAN Corporation - Liability Program (\$100K and \$1M Analysis)

Frequency and Severity Method  
Reported Claim Count Development

Accident Year	Claims Reported as of 12/31/2012 (A)	Reported Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
1986-1992	3,057	1.000	3,057	1.360
1992-1993	693	1.000	693	1.417
1993-1994	652	1.000	652	1.372
1994-1995	720	1.000	720	1.522
1995-1996	710	1.000	710	1.497
1996-1997	734	1.000	734	1.588
1997-1998	750	1.000	750	1.607
1998-1999	713	1.000	713	1.481
1999-2000	640	1.000	640	1.289
2000-2001	608	1.000	608	1.202
2001-2002	723	1.000	723	1.351
2002-2003	807	1.000	807	1.422
2003-2004	666	1.000	666	1.180
2004-2005	730	1.000	730	1.162
2005-2006	710	1.001	711	1.166
2006-2007	701	1.003	703	1.156
2007-2008	814	1.006	819	1.339
2008-2009	724	1.010	731	1.217
2009-2010	646	1.015	656	1.186
2010-2011	505	1.025	518	1.062
2011-2012	452	1.076	486	1.235
Total	16,755		16,827	1.306

## Notes:

- (A) Provided by ABAG.  
 (B) From Appendix B, Page 7f.  
 (C) (A) x (B).  
 (D) (C) / [Appendix D, Page 7c, (D)] x [Appendix D, Page 7c, (F)].

This exhibit shows the calculation of estimated ultimate claims for each year based on reported claims as provided by ABAG. 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.

ABAG PLAN Corporation - Liability Program (\$100K and \$1M Analysis)

Frequency and Severity Method  
Closed Claim Count Development

Accident Year	Claims Closed as of 12/31/2012 (A)	Closed Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
1986-1992	3,056	1.000	3,056	1.360
1992-1993	693	1.000	693	1.417
1993-1994	652	1.000	652	1.372
1994-1995	720	1.000	720	1.522
1995-1996	710	1.000	710	1.497
1996-1997	734	1.000	734	1.588
1997-1998	750	1.001	751	1.609
1998-1999	713	1.002	714	1.483
1999-2000	640	1.003	642	1.293
2000-2001	607	1.004	609	1.204
2001-2002	723	1.005	727	1.359
2002-2003	806	1.006	811	1.429
2003-2004	666	1.007	671	1.189
2004-2005	730	1.009	737	1.174
2005-2006	707	1.012	715	1.173
2006-2007	699	1.016	710	1.167
2007-2008	808	1.021	825	1.349
2008-2009	712	1.031	734	1.222
2009-2010	631	1.046	660	1.193
2010-2011	470	1.109	521	1.068
2011-2012	285	1.508	430	1.093
Total	16,512		16,822	1.305

Notes:

- (A) Provided by ABAG.
- (B) From Appendix B, Page 7g.
- (C) (A) x (B).
- (D) (C) / [Appendix D, Page 7c, (D)] x [Appendix D, Page 7c, (F)].

This exhibit shows the calculation of estimated ultimate claims for each year based on closed claims as provided by ABAG. 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.

ABAG PLAN Corporation - Liability Program (\$100K and \$1M Analysis)

Reported Claim Count Development

Number of 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	
1991-1992													590	590	569
1992-1993											691	691	691	691	
1993-1994										652	652	652	652	652	
1994-1995									719	719	719	718	719	719	
1995-1996								707	707	707	707	708	709	709	
1996-1997							732	733	732	731	732	732	732	732	733
1997-1998						752	748	749	747	747	747	747	750	750	
1998-1999					708	709	710	700	702	702	702	712	713	713	
1999-2000				639	641	640	564	567	567	566	640	640	640	640	
2000-2001			594	597	605	589	589	590	590	607	607	608	608		
2001-2002		686	717	719	707	709	710	710	722	722	723	723			
2002-2003	253	775	796	790	791	792	792	806	807	807	807				
2003-2004	206	637	631	652	656	656	668	667	668	666					
2004-2005	244	619	720	721	723	728	729	730	730						
2005-2006	192	669	695	697	706	708	710	710							
2006-2007	234	660	677	696	696	700	701								
2007-2008	242	659	803	809	814	814									
2008-2009	243	693	716	721	724										
2009-2010	238	632	647	646											
2010-2011	168	494	505												
2011-2012	129	452													
2012-2013	169														

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
1991-1992												1.000	0.964	1.000
1992-1993											1.000	1.000	1.000	1.000
1993-1994										1.000	1.000	1.000	1.000	1.000
1994-1995									1.000	1.000	0.999	1.001	1.000	1.000
1995-1996								1.000	1.000	1.000	1.001	1.001	1.000	1.001
1996-1997							1.001	0.999	0.999	1.001	1.000	1.000	1.001	1.000
1997-1998						0.995	1.001	0.997	1.000	1.000	1.000	1.004	1.000	1.000
1998-1999					1.001	1.001	0.986	1.003	1.000	1.000	1.014	1.001	1.000	1.000
1999-2000				1.003	0.998	0.881	1.005	1.000	0.998	1.131	1.000	1.000	1.000	
2000-2001			1.005	1.013	0.974	1.000	1.002	1.000	1.029	1.000	1.002	1.000		
2001-2002		1.045	1.003	0.983	1.003	1.001	1.000	1.017	1.000	1.001	1.000			
2002-2003	3.063	1.027	0.992	1.001	1.001	1.000	1.018	1.001	1.000	1.000				
2003-2004	3.092	0.991	1.033	1.006	1.000	1.018	0.999	1.001	0.997					
2004-2005	2.537	1.163	1.001	1.003	1.007	1.001	1.001	1.000						
2005-2006	3.484	1.039	1.003	1.013	1.003	1.003	1.000							
2006-2007	2.821	1.026	1.028	1.000	1.006	1.001								
2007-2008	2.723	1.219	1.007	1.006	1.000									
2008-2009	2.852	1.033	1.007	1.004										
2009-2010	2.655	1.024	0.998											
2010-2011	2.940	1.022												
2011-2012	3.504													
Average	2.967	1.059	1.008	1.003	0.999	0.990	1.001	1.002	1.002	1.013	1.002	1.001	0.996	1.000
Claim-weighted Averages														
3-yr	2.950	1.027	1.005	1.004	1.003	1.002	1.000	1.001	0.999	1.000	1.001	1.001	1.000	1.000
4-yr	2.919	1.078	1.010	1.006	1.004	1.006	1.005	1.005	1.005	1.028	1.004	1.001	1.000	1.000
Comparative Factors														
Prior	2.633	1.136	1.018	1.005	1.005	1.004	1.004	1.002	1.002	1.001	1.000	1.000	1.000	1.000
Selected	2.900	1.050	1.009	1.005	1.003	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	3.000	1.050	1.010	1.005	1.004	1.003	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000

ABAG PLAN Corporation - Liability Program (\$100K and \$1M 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	
1991-1992													590	590	569
1992-1993												690	691	691	691
1993-1994											651	651	651	651	652
1994-1995									719	719	719	718	719	719	719
1995-1996								707	707	707	707	708	708	709	
1996-1997							730	731	732	731	732	732	732	732	733
1997-1998						749	748	749	747	747	747	747	749	750	
1998-1999					701	704	707	697	700	701	701	712	712	713	
1999-2000				628	636	636	563	567	567	566	640	640	640	640	640
2000-2001			544	583	593	582	587	589	589	607	607	607	607	607	
2001-2002		474	664	700	698	705	707	709	721	721	722	723			
2002-2003	44	536	734	766	783	789	791	805	805	805	806				
2003-2004	36	465	585	636	648	649	662	663	666	666					
2004-2005	54	414	668	706	712	726	727	730	730						
2005-2006	50	487	637	672	692	701	707	707							
2006-2007	83	518	632	681	687	692	699								
2007-2008	94	480	742	786	800	808									
2008-2009	89	509	664	704	712										
2009-2010	45	464	599	631											
2010-2011	46	331	470												
2011-2012	27	285													
2012-2013	36														

Closed Claim Count Development Factors:

	6-18	18-30	30-42	42-54	54-66	66-78	78-90	90-102	102-114	114-126	126-138	138-150	150-162	162-174
	Months	Months	Months	Months	Months	Months								
1991-1992												1.000	0.964	1.000
1992-1993											1.001	1.000	1.000	1.000
1993-1994										1.000	1.000	1.000	1.002	1.000
1994-1995									1.000	1.000	0.999	1.001	1.000	1.000
1995-1996								1.000	1.000	1.000	1.001	1.000	1.001	1.001
1996-1997							1.001	1.001	0.999	1.001	1.000	1.000	1.001	1.000
1997-1998						0.999	1.001	0.997	1.000	1.000	1.000	1.003	1.001	1.000
1998-1999					1.004	1.004	0.986	1.004	1.001	1.000	1.016	1.000	1.001	1.000
1999-2000				1.013	1.000	0.885	1.007	1.000	0.998	1.131	1.000	1.000	1.000	
2000-2001			1.072	1.017	0.981	1.009	1.003	1.000	1.031	1.000	1.000	1.000		
2001-2002		1.401	1.054	0.997	1.010	1.003	1.003	1.017	1.000	1.001	1.001			
2002-2003	12.182	1.369	1.044	1.022	1.008	1.003	1.018	1.000	1.000	1.001				
2003-2004	12.917	1.258	1.087	1.019	1.002	1.020	1.002	1.005	1.000					
2004-2005	7.667	1.614	1.057	1.008	1.020	1.001	1.004	1.000						
2005-2006	9.740	1.308	1.055	1.030	1.013	1.009	1.000							
2006-2007	6.241	1.220	1.078	1.009	1.007	1.010								
2007-2008	5.106	1.546	1.059	1.018	1.010									
2008-2009	5.719	1.305	1.060	1.011										
2009-2010	10.311	1.291	1.053											
2010-2011	7.196	1.420												
2011-2012	10.556													

	6-18	18-30	30-42	42-54	54-66	66-78	78-90	90-102	102-114	114-126	126-138	138-150	150-162	162-174
	Months	Months	Months	Months	Months	Months								
Average	8.764	1.373	1.062	1.014	1.006	0.994	1.003	1.002	1.003	1.013	1.002	1.000	0.997	1.000
Claim-weighted Averages														
3-yr	9.153	1.329	1.058	1.013	1.010	1.007	1.002	1.001	1.000	1.001	1.001	1.000	1.001	1.000
4-yr	7.676	1.387	1.063	1.017	1.012	1.010	1.006	1.005	1.006	1.028	1.004	1.001	1.001	1.000
Comparative Factors														
Prior	3.387	1.495	1.122	1.051	1.033	1.020	1.012	1.010	1.007	1.005	1.005	1.003	1.003	1.001
Selected	8.000	1.350	1.060	1.015	1.005	1.004	1.003	1.002	1.001	1.001	1.001	1.001	1.001	1.001
Cumulated	8.250	1.360	1.060	1.015	1.010	1.005	1.004	1.003	1.002	1.001	1.001	1.001	1.001	1.001
Cumulated	12.441	1.508	1.109	1.046	1.031	1.021	1.016	1.012	1.009	1.007	1.006	1.005	1.004	1.003

## ABAG PLAN Corporation - Liability Program (\$100K and \$1M Analysis)

## Exposure Measures

Accident Year	Population (A)	Gross Revenue (\$00) (B)	Total Payroll (\$00) (C)	Sheriff's Payroll (\$00) (D)	Number of Police Vehicles (E)	Number of Employees (FTE) (F)	Inflation Trend Factor (G)
1986-1992			7,871,241				1.679
1992-1993			1,800,789				1.638
1993-1994			1,837,818				1.598
1994-1995			1,923,511				1.559
1995-1996			2,026,897				1.521
1996-1997			2,077,201				1.484
1997-1998			2,204,399				1.448
1998-1999			2,391,737				1.413
1999-2000			2,593,272				1.379
2000-2001			2,775,885				1.345
2001-2002			3,087,086				1.312
2002-2003			3,441,025				1.280
2003-2004			3,596,411				1.249
2004-2005			4,209,065				1.219
2005-2006			4,297,616				1.189
2006-2007			4,504,261				1.160
2007-2008			4,760,932				1.132
2008-2009			4,919,866				1.104
2009-2010			4,760,313				1.077
2010-2011			4,414,060				1.051
2011-2012			3,743,296				1.025
2012-2013			3,618,957				1.000
2013-2014			3,678,173				1.000

Notes: All exposure data provided by ABAG.

ABAG PLAN Corporation - Liability Program (\$100K and \$1M Analysis)

Adjusted Exposure Measures

Accident Year	Population (A)	Gross Revenue (B)	Total Payroll (C)	Sheriff's Payroll (D)	Number of Police Vehicles (E)	Number of Employees (FTE) (F)	Composite Exposure (G)
1986-1992			13,215,814				13,215,814
1992-1993			2,949,692				2,949,692
1993-1994			2,936,833				2,936,833
1994-1995			2,998,754				2,998,754
1995-1996			3,082,910				3,082,910
1996-1997			3,082,566				3,082,566
1997-1998			3,191,970				3,191,970
1998-1999			3,379,524				3,379,524
1999-2000			3,576,122				3,576,122
2000-2001			3,733,565				3,733,565
2001-2002			4,050,257				4,050,257
2002-2003			4,404,512				4,404,512
2003-2004			4,491,917				4,491,917
2004-2005			5,130,850				5,130,850
2005-2006			5,109,865				5,109,865
2006-2007			5,224,943				5,224,943
2007-2008			5,389,375				5,389,375
2008-2009			5,431,532				5,431,532
2009-2010			5,126,857				5,126,857
2010-2011			4,639,177				4,639,177
2011-2012			3,836,878				3,836,878
2012-2013			3,618,957				3,618,957
2013-2014			3,678,173				3,678,173
Weight	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	

Notes: Monetary exposures have been adjusted for inflation before calculating the adjusted exposure measures. All exposures from page 1 have been adjusted to a common level.  
 Composite Exposure = (0.0% x Population) + (0.0% x Revenue) + (100.0% x Total Payroll) + (0.0% x Sheriff's Payroll) + (0.0% x Police Vehicles) + (0.0% x (FTE)).

## ABAG PLAN Corporation - Liability Program (\$100K to \$1M Analysis)

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

Accident Year	Estimated Ultimate \$100K - \$1M Losses (A)	Claim Cost Trend Factor (B)	Adjusted \$100K - \$1M Losses (C)	Composite Exposure (D)	Trended Ultimate \$100K - \$1M Loss Rate (E)
1986-1992				13,215,814	
1992-1993	1,261,078	2.653	3,346,000	2,949,692	1.134
1993-1994	1,422,668	2.527	3,595,000	2,936,833	1.224
1994-1995	1,633,372	2.407	3,931,000	2,998,754	1.311
1995-1996	460,061	2.292	1,054,000	3,082,910	0.342
1996-1997	271,001	2.183	592,000	3,082,566	0.192
1997-1998	2,096,852	2.079	4,359,000	3,191,970	1.366
1998-1999	1,823,244	1.980	3,610,000	3,379,524	1.068
1999-2000	964,492	1.886	1,819,000	3,576,122	0.509
2000-2001	1,762,596	1.796	3,165,000	3,733,565	0.848
2001-2002	2,949,541	1.710	5,045,000	4,050,257	1.246
2002-2003	4,521,000	1.629	7,364,000	4,404,512	1.672
2003-2004	2,205,001	1.551	3,421,000	4,491,917	0.762
2004-2005	1,675,074	1.477	2,475,000	5,130,850	0.482
2005-2006	3,280,000	1.407	4,615,000	5,109,865	0.903
2006-2007	1,613,000	1.340	2,162,000	5,224,943	0.414
2007-2008	4,819,000	1.276	6,150,000	5,389,375	1.141
2008-2009	3,716,000	1.216	4,517,000	5,431,532	0.832
2009-2010	4,574,000	1.158	5,295,000	5,126,857	1.033
2010-2011	6,170,000	1.103	6,802,000	4,639,177	1.466
2011-2012	13,162,000	1.050	13,820,000	3,836,878	3.602
Total	60,379,980		87,137,000	94,983,913	0.917
02/03-11/12	45,735,075		56,621,000	48,785,906	1.161
				Prior:	0.950
			Selected Loss Rate for 2012-13		1.080
			Selected Loss Rate for 2013-14		1.134

## Notes:

- (A) From Appendix C, Page 2, Column (F).  
 (B) We assume that losses are increasing at 5.0% per year.  
 (C) (A) x (B).  
 (D) From Appendix E, Page 1.  
 (E) (C) / (D)

## ABAG PLAN Corporation - Liability Program (\$100K to \$1M Analysis)

## Estimated Ultimate Program Losses for the \$100,000 - \$1,000,000 Layer

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)	Selected Ultimate Limited Losses (E)
1986-1992	\$6,520,327	\$6,520,327	\$6,520,327	\$6,520,327	\$6,520,327
1992-1993	1,261,078	1,261,078	1,261,078	1,261,078	1,261,078
1993-1994	1,422,668	1,422,668	1,422,668	1,422,668	1,422,668
1994-1995	1,633,372	1,633,372	1,633,372	1,633,372	1,633,372
1995-1996	460,061	460,061	460,061	460,061	460,061
1996-1997	271,001	271,001	271,001	271,001	271,001
1997-1998	2,098,949	2,098,949	2,098,949	2,098,949	2,098,949
1998-1999	1,828,714	1,828,714	1,828,709	1,828,709	1,823,244
1999-2000	970,279	970,279	970,285	970,285	964,492
2000-2001	1,762,893	1,692,924	1,763,061	1,693,784	1,762,596
2001-2002	2,993,784	2,993,784	2,993,770	2,993,770	2,949,541
2002-2003	4,530,511	4,525,406	4,532,227	4,527,227	4,521,000
2003-2004	2,266,741	2,268,946	2,264,550	2,266,756	2,205,001
2004-2005	1,738,727	1,740,403	1,736,962	1,738,636	1,675,074
2005-2006	3,300,872	3,142,211	3,299,064	3,150,546	3,280,000
2006-2007	1,585,290	1,626,041	1,587,704	1,624,936	1,613,000
2007-2008	4,874,537	4,294,795	4,847,919	4,359,189	4,819,000
2008-2009	4,207,237	3,226,325	4,318,824	3,821,299	3,716,000
2009-2010	4,793,589	4,483,124	4,804,207	4,689,346	4,574,000
2010-2011	9,365,572	3,958,265	6,850,311	4,507,624	6,170,000
2011-2012	38,123,839	7,369,297	8,880,507	4,066,679	13,162,000
2012-2013					3,908,000
2013-2014					4,171,000
Totals					\$74,979,307

## Notes:

- (A) From Appendix C, Page 3a, Column (D).
- (B) From Appendix C, Page 4a, Column (D).
- (C) Based on results in Appendix C, Page 5a.
- (D) Based on results in Appendix C, Page 5b.
- (E) Selected averages of (A), (B), (C), and (D).

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.

## ABAG PLAN Corporation - Liability Program (\$100K to \$1M Analysis)

## Reported Loss Development

Accident Year (A)	Limited Reported Losses as of 12/31/12 (B)	Reported Loss Development Factor (C)	Estimated Ultimate Limited Losses (D)
1986-1992	\$6,520,327	1.000	\$6,520,327
1992-1993	1,261,078	1.000	1,261,078
1993-1994	1,422,668	1.000	1,422,668
1994-1995	1,633,372	1.000	1,633,372
1995-1996	460,061	1.000	460,061
1996-1997	271,001	1.000	271,001
1997-1998	2,096,852	1.001	2,098,949
1998-1999	1,823,244	1.003	1,828,714
1999-2000	964,492	1.006	970,279
2000-2001	1,745,439	1.010	1,762,893
2001-2002	2,949,541	1.015	2,993,784
2002-2003	4,437,327	1.021	4,530,511
2003-2004	2,205,001	1.028	2,266,741
2004-2005	1,675,074	1.038	1,738,727
2005-2006	3,131,757	1.054	3,300,872
2006-2007	1,474,688	1.075	1,585,290
2007-2008	4,360,051	1.118	4,874,537
2008-2009	3,485,698	1.207	4,207,237
2009-2010	3,176,666	1.509	4,793,589
2010-2011	4,432,358	2.113	9,365,572
2011-2012	5,467,351	6.973	38,123,839
Totals	\$54,994,046		\$96,010,041

## Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by ABAG. These losses include amounts between \$100,000 and \$1,000,000.
- (C) From Appendix C, Page 3b.
- (D) (B) x (C). These estimated losses include amounts between \$100,000 and \$1,000,000.

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.

ABAG PLAN Corporation - Liability Program (\$100K to \$1M Analysis)

Limited Losses Reported as of:

Accident Year	<u>Losses Reported 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	
1991-1992												
1992-1993												361,078
1993-1994											1,468,781	1,468,781
1994-1995									1,724,047	1,724,047	1,724,047	1,724,047
1995-1996								341,390	341,390	341,390	341,390	341,390
1996-1997							272,521	279,522	271,001	271,001	271,001	271,001
1997-1998						2,414,333	2,251,313	2,251,313	2,251,313	2,251,313	2,096,852	2,096,852
1998-1999					1,658,625	1,823,243	1,823,243	1,823,243	1,823,243	1,823,243	1,823,243	1,823,243
1999-2000				896,513	1,005,578	1,060,578	1,023,612	1,023,612	964,842	964,842	1,825,620	1,825,620
2000-2001			965,485	958,981	953,812	1,008,532	1,579,410	1,581,139	1,581,139	2,382,404	2,382,404	2,382,404
2001-2002		365,699	1,446,885	1,633,894	2,059,086	2,967,377	2,941,383	2,955,718	2,956,981	2,951,981	3,039,481	3,039,481
2002-2003	365,543	1,476,042	3,953,355	3,589,550	4,887,581	4,262,606	4,441,309	4,901,984	4,966,984	5,011,984	4,977,421	4,977,421
2003-2004		86,478	363,636	398,884	890,862	986,705	3,560,692	3,460,542	3,560,542	3,560,542		
2004-2005		586,598	1,140,449	1,700,075	1,700,074	2,861,424	2,893,524	2,858,702	2,866,202			
2005-2006	25,000	331,278	1,741,278	2,362,206	3,669,875	3,689,497	3,765,682	3,770,624				
2006-2007	200,000	292,450	332,811	3,039,627	3,179,650	3,297,534	3,391,424					
2007-2008	100,000	633,000	3,743,710	4,332,780	4,420,360	4,381,184						
2008-2009		2,839,064	3,484,984	3,288,639	3,398,037							
2009-2010	763,697	3,371,740	3,848,137	3,115,304								
2010-2011	510,509	2,770,955	2,742,484									
2011-2012	602,255	3,518,281										
2012-2013	465,105											

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
1991-1992											
1992-1993											1.000
1993-1994										1.000	1.000
1994-1995									1.000	1.000	1.000
1995-1996								1.000	1.000	1.000	1.000
1996-1997							1.026	0.970	1.000	1.000	1.000
1997-1998						0.932	1.000	1.000	1.000	0.931	1.000
1998-1999					1.099	1.000	1.000	1.000	1.000	1.000	1.376
1999-2000				1.119	1.055	0.965	1.000	0.943	1.000	1.892	1.000
2000-2001			0.993	0.995	1.057	1.566	1.001	1.000	1.507	1.000	1.000
2001-2002		3.956	1.129	1.260	1.441	0.991	1.005	1.000	0.998	1.030	0.987
2002-2003	4.038	2.678	0.908	1.362	0.872	1.042	1.104	1.013	1.009	0.993	
2003-2004		5.470	1.097	2.233	1.108	3.609	0.972	1.029	1.000		
2004-2005		1.944	1.491	1.000	1.683	1.011	0.988	1.003			
2005-2006	13.251	5.256	1.357	1.554	1.005	1.021	1.001				
2006-2007	1.482	1.138	9.133	1.046	1.037	1.028					
2007-2008	6.330	5.914	1.157	1.020	0.991						
2008-2009		1.228	0.944	1.033							
2009-2010	4.415	1.141	0.810								
2010-2011	5.428	0.990									
2011-2012	5.842										
Average	5.824	2.972	1.902	1.262	1.135	1.317	1.010	0.996	1.051	1.085	1.036
Dollar-weighted Averages											
3-yr	5.149	1.122	0.969	1.032	1.009	1.021	0.987	1.015	1.003	1.005	0.995
4-yr		1.437	1.207	1.126	1.097	1.256	1.023	1.012	1.064	1.081	1.071
Comparative Industry	4.658	1.905	1.333	1.139	1.034	1.015	1.006	1.000	1.000	1.000	1.000
Prior	6.000	3.400	1.500	1.300	1.080	1.040	1.020	1.015	1.010	1.007	1.006
Selected	6.000	3.300	1.400	1.250	1.080	1.040	1.020	1.015	1.010	1.007	1.006
Cumulated	41.838	6.973	2.113	1.509	1.207	1.118	1.075	1.054	1.038	1.028	1.021

ABAG PLAN Corporation - Liability Program (\$100K to \$1M Analysis)

Limited Losses Reported as of:

Accident Year	Limited Losses Reported as of:										
	138 Months	150 Months	162 Months	174 Months	186 Months	198 Months	210 Months	222 Months	234 Months	246 Months	258 Months
1991-1992	1,243,337	1,243,337	1,243,337	1,243,337	1,243,337	1,243,490	1,243,490	2,173,587	2,173,587	2,173,587	2,173,587
1992-1993	361,078	361,078	361,078	361,078	361,078	1,261,078	2,991,260	2,991,260	2,991,260	2,991,260	
1993-1994	1,468,781	1,468,781	1,422,569	1,422,668	1,422,668	2,507,317	2,507,317	2,507,317	2,507,317		
1994-1995	1,724,047	1,724,047	1,633,372	1,633,372	2,792,035	2,792,035	2,792,035	2,792,035			
1995-1996	341,390	341,390	341,390	2,146,026	2,146,026	2,146,026	2,146,026				
1996-1997	271,001	271,001	2,573,489	2,573,489	2,575,789	2,573,489					
1997-1998	2,096,852	2,997,280	2,997,280	3,047,280	3,047,280						
1998-1999	2,509,278	2,515,050	2,510,722	2,510,722							
1999-2000	1,825,620	1,825,620	1,825,620								
2000-2001	2,382,504	2,482,404									
2001-2002	3,000,035										
2002-2003											
2003-2004											
2004-2005											
2005-2006											
2006-2007											
2007-2008											
2008-2009											
2009-2010											
2010-2011											
2011-2012											
2012-2013											

	138-150 Months	150-162 Months	162-174 Months	174-186 Months	186-198 Months	198-210 Months	210-222 Months	222-234 Months	234-246 Months	246-258 Months	258-Ult. Months
1991-1992	1.000	1.000	1.000	1.000	1.000	1.000	1.748	1.000	1.000	1.000	
1992-1993	1.000	1.000	1.000	1.000	3.493	2.372	1.000	1.000	1.000		
1993-1994	1.000	0.969	1.000	1.000	1.762	1.000	1.000	1.000			
1994-1995	1.000	0.947	1.000	1.709	1.000	1.000	1.000				
1995-1996	1.000	1.000	6.286	1.000	1.000	1.000					
1996-1997	1.000	9.496	1.000	1.001	0.999						
1997-1998	1.429	1.000	1.017	1.000							
1998-1999	1.002	0.998	1.000								
1999-2000	1.000	1.000									
2000-2001	1.042										
2001-2002											
2002-2003											
2003-2004											
2004-2005											
2005-2006											
2006-2007											
2007-2008											
2008-2009											
2009-2010											
2010-2011											
2011-2012											

	138-150 Months	150-162 Months	162-174 Months	174-186 Months	186-198 Months	198-210 Months	210-222 Months	222-234 Months	234-246 Months	246-258 Months	258-Ult. Months
Average	1.047	1.934	1.663	1.101	1.542	1.274	1.167	1.000	1.000	1.000	
Dollar-weighted Averages											
3-yr	1.016	0.999	1.006	1.000	1.000	1.000	1.000	1.000			
4-yr	1.114	1.302	1.220	1.124	1.121	1.199	1.098				
Comparative Industry	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Prior	1.005	1.004	1.003	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.005	1.004	1.003	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	1.015	1.010	1.006	1.003	1.001	1.000	1.000	1.000	1.000	1.000	1.000

## ABAG PLAN Corporation - Liability Program (\$100K to \$1M Analysis)

## Paid Loss Development

Accident Year (A)	Limited Paid Losses as of 12/31/12 (B)	Paid Loss Development Factor (C)	Estimated Ultimate Limited Losses (D)
1986-1992	\$6,520,327	1.000	\$6,520,327
1992-1993	1,261,078	1.000	1,261,078
1993-1994	1,422,668	1.000	1,422,668
1994-1995	1,633,372	1.000	1,633,372
1995-1996	460,061	1.000	460,061
1996-1997	271,001	1.000	271,001
1997-1998	2,096,852	1.001	2,098,949
1998-1999	1,823,244	1.003	1,828,714
1999-2000	964,492	1.006	970,279
2000-2001	1,676,162	1.010	1,692,924
2001-2002	2,949,541	1.015	2,993,784
2002-2003	4,432,327	1.021	4,525,406
2003-2004	2,205,001	1.029	2,268,946
2004-2005	1,675,075	1.039	1,740,403
2005-2006	2,950,433	1.065	3,142,211
2006-2007	1,426,352	1.140	1,626,041
2007-2008	3,424,876	1.254	4,294,795
2008-2009	2,057,605	1.568	3,226,325
2009-2010	1,786,817	2.509	4,483,124
2010-2011	492,996	8.029	3,958,265
2011-2012	183,567	40.145	7,369,297
Totals	\$41,713,847		\$57,787,970

## Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by ABAG. These losses include amounts between \$100,000 and \$1,000,000.
- (C) From Appendix C, Page 4b.
- (D) (B) x (C). These estimated losses include amounts between \$100,000 and \$1,000,000.

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.

ABAG PLAN Corporation - Liability Program (\$100K to \$1M Analysis)

Limited Losses Paid as of:

Accident Year	<u>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
1991-1992											
1992-1993											
1993-1994											361,078
1994-1995										1,417,622	1,417,622
1995-1996									1,724,048	1,724,048	1,724,048
1996-1997								341,390	341,390	341,390	341,390
1997-1998							265,021	271,001	271,001	271,001	271,001
1998-1999						2,012,369	2,251,313	2,251,313	2,251,313	2,251,313	2,096,852
1999-2000					1,000,106	1,275,187	1,823,244	1,823,244	1,823,244	1,823,244	1,823,244
2000-2001				880,149	1,000,578	1,023,612	1,023,612	1,023,612	964,842	964,842	2,382,404
2001-2002			873,114	953,412	953,532	953,532	1,579,410	1,581,139	1,581,139	2,939,481	2,998,047
2002-2003		309,735	1,022,186	1,490,294	1,947,824	2,029,466	2,041,384	2,943,619	4,893,323	4,930,307	4,962,508
2003-2004	75,543	903,527	2,226,102	3,446,317	3,946,802	3,910,106	4,427,910	3,460,542	3,560,542	3,560,542	
2004-2005		15,692	363,636	379,734	682,512	766,935	2,853,463	2,858,654	2,866,154		
2005-2006		6,598	310,953	1,675,075	1,675,075	3,654,071	3,764,224	3,766,533			
2006-2007		208,642	211,412	862,224	3,103,547	3,253,555	3,391,424				
2007-2008	6,182	15,240	69,317	3,650,448	4,101,554	4,208,833					
2008-2009		54,284	2,186,680	2,792,089	3,110,459						
2009-2010		1,046,459	2,274,617	2,817,091							
2010-2011	106,645	872,432	1,692,195								
2011-2012	114,916	832,713									
2012-2013	98,607										

Paid 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
1991-1992											
1992-1993											
1993-1994											1.000
1994-1995										1.000	1.000
1995-1996									1.000	1.000	1.000
1996-1997								1.000	1.000	1.000	1.000
1997-1998							1.023	1.000	1.000	1.000	1.000
1998-1999						1.119	1.000	1.000	1.000	0.931	1.000
1999-2000					1.275	1.430	1.000	1.000	1.000	1.000	1.001
2000-2001				1.137	1.023	1.000	1.000	0.943	1.000	2.469	1.000
2001-2002			1.092	1.000	1.000	1.656	1.001	1.000	1.859	1.020	1.001
2002-2003		3.300	1.458	1.307	1.042	1.006	1.442	1.662	1.008	1.007	
2003-2004	11.960	2.464	1.548	1.145	0.991	1.132	0.782	1.029	1.000		
2004-2005		23.173	1.044	1.797	1.124	3.721	1.002	1.003			
2005-2006		47.128	5.387	1.000	2.181	1.030	1.001				
2006-2007		1.013	4.078	3.599	1.048	1.042					
2007-2008	2.465	4.548	52.663	1.124	1.026						
2008-2009		40.282	1.277	1.114							
2009-2010		2.174	1.238								
2010-2011	8.181	1.940									
2011-2012	7.246										
Average	7.463	14.002	7.754	1.469	1.190	1.460	1.028	1.071	1.096	1.159	1.000
Dollar-weighted Averages											
3-yr		3.119	2.044	1.412	1.252	1.304	0.913	1.222	1.139	1.171	1.001
4-yr		3.130	2.134	1.335	1.243	1.246	0.996	1.190	1.127	1.142	1.000
Comparative Industry	11.043	3.182	1.786	1.350	1.166	1.088	1.062	1.040	1.026	1.013	1.005
Prior	12.000	5.000	3.200	1.600	1.250	1.100	1.070	1.025	1.010	1.008	1.006
Selected	12.000	5.000	3.200	1.600	1.250	1.100	1.070	1.025	1.010	1.008	1.006
Cumulated	481.740	40.145	8.029	2.509	1.568	1.254	1.140	1.065	1.039	1.029	1.021

ABAG PLAN Corporation - Liability Program (\$100K to \$1M Analysis)

Limited Losses Paid as of:

Accident Year	Losses Paid as of:										
	138 Months	150 Months	162 Months	174 Months	186 Months	198 Months	210 Months	222 Months	234 Months	246 Months	258 Months
1991-1992		1,290,374	1,290,374	1,290,374	1,290,374	1,290,374	1,290,374	1,290,374	2,173,587	2,173,587	2,173,587
1992-1993	1,243,337	1,243,337	1,243,337	1,243,337	1,243,337	1,243,490	1,243,490	2,991,260	2,991,260	2,991,260	
1993-1994	361,078	361,078	361,078	361,078	361,078	1,261,078	2,507,317	2,507,317	2,507,317		
1994-1995	1,417,622	1,417,622	1,422,569	1,422,668	1,422,668	2,792,035	2,792,035	2,792,035			
1995-1996	1,724,048	1,724,048	1,633,372	1,633,372	2,146,026	2,146,026	2,146,026				
1996-1997	341,390	341,390	341,390	2,573,489	2,573,489	2,573,489					
1997-1998	271,001	271,001	2,997,280	3,047,280	3,047,280						
1998-1999	2,096,852	2,510,050	2,510,722	2,510,722							
1999-2000	1,825,620	1,825,620	1,825,620								
2000-2001	2,382,404	2,482,404									
2001-2002	3,000,035										
2002-2003											
2003-2004											
2004-2005											
2005-2006											
2006-2007											
2007-2008											
2008-2009											
2009-2010											
2010-2011											
2011-2012											
2012-2013											

	138-150 Months	150-162 Months	162-174 Months	174-186 Months	186-198 Months	198-210 Months	210-222 Months	222-234 Months	234-246 Months	246-258 Months	258-Ult. Months
1991-1992		1.000	1.000	1.000	1.000	1.000	1.000	1.684	1.000	1.000	
1992-1993	1.000	1.000	1.000	1.000	1.000	1.000	2.406	1.000	1.000		
1993-1994	1.000	1.000	1.000	1.000	3.493	1.988	1.000	1.000			
1994-1995	1.000	1.003	1.000	1.000	1.963	1.000	1.000				
1995-1996	1.000	0.947	1.000	1.314	1.000	1.000					
1996-1997	1.000	1.000	7.538	1.000	1.000						
1997-1998	1.000	11.060	1.017	1.000							
1998-1999	1.197	1.000	1.000								
1999-2000	1.000	1.000									
2000-2001	1.042										
2001-2002											
2002-2003											
2003-2004											
2004-2005											
2005-2006											
2006-2007											
2007-2008											
2008-2009											
2009-2010											
2010-2011											
2011-2012											

	138-150 Months	150-162 Months	162-174 Months	174-186 Months	186-198 Months	198-210 Months	210-222 Months	222-234 Months	234-246 Months	246-258 Months	258-Ult. Months
Average	1.027	2.112	1.819	1.045	1.576	1.198	1.352	1.228	1.000	1.000	
Dollar-weighted Averages											
3-yr	1.081	1.592	1.390	1.071	1.223	1.201	1.267	1.130			
4-yr	1.078	1.551	1.305	1.059	1.349	1.167	1.223				
Comparative Industry	1.005	1.005	1.004	1.004	1.004	1.003	1.002	1.002	1.001	1.000	1.001
Prior	1.005	1.004	1.003	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.005	1.004	1.003	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	1.015	1.010	1.006	1.003	1.001	1.000	1.000	1.000	1.000	1.000	1.000

## ABAG PLAN Corporation - Liability Program (\$100K to \$1M Analysis)

Exposure and Development Method  
Based on Reported Losses

Accident Year	Composite Exposure (A)	Reported Losses as of 12/31/12 (B)	Loss Development Factor (C)	Percentage of Losses Yet to Be Reported (D)	Program Rate (E)	Incurred but not Reported (IBNR) (F)	Estimated Ultimate Losses (G)
1986-1992	13,215,814	\$6,520,327	1.000	0.000	\$0.493	\$0	\$6,520,327
1992-1993	2,949,692	1,261,078	1.000	0.000	0.428	0	1,261,078
1993-1994	2,936,833	1,422,668	1.000	0.000	0.484	0	1,422,668
1994-1995	2,998,754	1,633,372	1.000	0.000	0.545	0	1,633,372
1995-1996	3,082,910	460,061	1.000	0.000	0.149	0	460,061
1996-1997	3,082,566	271,001	1.000	0.000	0.088	0	271,001
1997-1998	3,191,970	2,096,852	1.001	0.001	0.657	2,097	2,098,949
1998-1999	3,379,524	1,823,244	1.003	0.003	0.539	5,465	1,828,709
1999-2000	3,576,122	964,492	1.006	0.006	0.270	5,793	970,285
2000-2001	3,733,565	1,745,439	1.010	0.010	0.472	17,622	1,763,061
2001-2002	4,050,257	2,949,541	1.015	0.015	0.728	44,229	2,993,770
2002-2003	4,404,512	4,437,327	1.021	0.021	1.026	94,900	4,532,227
2003-2004	4,491,917	2,205,001	1.028	0.027	0.491	59,549	2,264,550
2004-2005	5,130,850	1,675,074	1.038	0.037	0.326	61,888	1,736,962
2005-2006	5,109,865	3,131,757	1.054	0.051	0.642	167,307	3,299,064
2006-2007	5,224,943	1,474,688	1.075	0.070	0.309	113,016	1,587,704
2007-2008	5,389,375	4,360,051	1.118	0.106	0.854	487,868	4,847,919
2008-2009	5,431,532	3,485,698	1.207	0.171	0.897	833,126	4,318,824
2009-2010	5,126,857	3,176,666	1.509	0.337	0.942	1,627,541	4,804,207
2010-2011	4,639,177	4,432,358	2.113	0.527	0.989	2,417,953	6,850,311
2011-2012	3,836,878	5,467,351	6.973	0.857	1.038	3,413,156	8,880,507
Totals	\$94,983,913	\$54,994,046				\$9,351,510	\$64,345,556

## Notes:

- (A) Provided by ABAG.
- (B) Provided by ABAG. These losses include amounts between \$100,000 and \$1,000,000.
- (C) From Appendix C, Page 3a, Column (C).
- (D)  $1 - 1/(C)$ .
- (E) From Appendix C, Page 5c, 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 exposure 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.

## ABAG PLAN Corporation - Liability Program (\$100K to \$1M Analysis)

Exposure and Development Method  
Based on Paid Losses

Accident Year	Composite Exposure (A)	Paid Losses as of 12/31/12 (B)	Loss Development Factor (C)	Percentage of Losses Yet to Be Paid (D)	Program Rate (E)	Incurred but not Paid (F)	Estimated Ultimate Losses (G)
1986-1992	13,215,814	\$6,520,327	1.000	0.000	\$0.493	\$0	\$6,520,327
1992-1993	2,949,692	1,261,078	1.000	0.000	0.428	0	1,261,078
1993-1994	2,936,833	1,422,668	1.000	0.000	0.484	0	1,422,668
1994-1995	2,998,754	1,633,372	1.000	0.000	0.545	0	1,633,372
1995-1996	3,082,910	460,061	1.000	0.000	0.149	0	460,061
1996-1997	3,082,566	271,001	1.000	0.000	0.088	0	271,001
1997-1998	3,191,970	2,096,852	1.001	0.001	0.657	2,097	2,098,949
1998-1999	3,379,524	1,823,244	1.003	0.003	0.539	5,465	1,828,709
1999-2000	3,576,122	964,492	1.006	0.006	0.270	5,793	970,285
2000-2001	3,733,565	1,676,162	1.010	0.010	0.472	17,622	1,693,784
2001-2002	4,050,257	2,949,541	1.015	0.015	0.728	44,229	2,993,770
2002-2003	4,404,512	4,432,327	1.021	0.021	1.026	94,900	4,527,227
2003-2004	4,491,917	2,205,001	1.029	0.028	0.491	61,755	2,266,756
2004-2005	5,130,850	1,675,075	1.039	0.038	0.326	63,561	1,738,636
2005-2006	5,109,865	2,950,433	1.065	0.061	0.642	200,113	3,150,546
2006-2007	5,224,943	1,426,352	1.140	0.123	0.309	198,584	1,624,936
2007-2008	5,389,375	3,424,876	1.254	0.203	0.854	934,313	4,359,189
2008-2009	5,431,532	2,057,605	1.568	0.362	0.897	1,763,694	3,821,299
2009-2010	5,126,857	1,786,817	2.509	0.601	0.942	2,902,529	4,689,346
2010-2011	4,639,177	492,996	8.029	0.875	0.989	4,014,628	4,507,624
2011-2012	3,836,878	183,567	40.145	0.975	1.038	3,883,112	4,066,679
Totals	\$94,983,913	\$41,713,847				\$14,192,395	\$55,906,242

## Notes:

- (A) Provided by ABAG.
- (B) Provided by ABAG. These losses include amounts between \$100,000 and \$1,000,000.
- (C) From Appendix C, Page 4a, Column (C).
- (D)  $1 - 1/(C)$ .
- (E) From Appendix C, Page 5c, 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 exposure 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.

## ABAG PLAN Corporation - Liability Program (\$100K to \$1M Analysis)

## Exposure and Development Method

Accident Year	Composite Exposure (A)	Estimated Ultimate Limited Losses (B)	Claim Cost Trend Factor (C)	Adjusted Losses (D)	Ratio of Adjusted Losses to Exposure (E)	Limited Rate (F)	Factor to SIR (G)	Program Rate (H)
1986-1992	13,215,814	\$6,520,327	2.786	\$18,165,387	\$1.375	\$0.493	1.000	\$0.493
1992-1993	2,949,692	1,261,078	2.653	3,346,015	1.134	0.428	1.000	0.428
1993-1994	2,936,833	1,422,668	2.527	3,595,011	1.224	0.484	1.000	0.484
1994-1995	2,998,754	1,633,372	2.407	3,930,904	1.311	0.545	1.000	0.545
1995-1996	3,082,910	460,061	2.292	1,054,468	0.342	0.149	1.000	0.149
1996-1997	3,082,566	271,001	2.183	591,561	0.192	0.088	1.000	0.088
1997-1998	3,191,970	2,096,852	2.079	4,359,205	1.366	0.657	1.000	0.657
1998-1999	3,379,524	1,823,244	1.980	3,609,898	1.068	0.539	1.000	0.539
1999-2000	3,576,122	964,492	1.886	1,818,694	0.509	0.270	1.000	0.270
2000-2001	3,733,565	1,762,596	1.796	3,165,369	0.848	0.472	1.000	0.472
2001-2002	4,050,257	2,949,541	1.710	5,044,716	1.246	0.728	1.000	0.728
2002-2003	4,404,512	4,521,000	1.629	7,364,233	1.672	1.026	1.000	1.026
2003-2004	4,491,917	2,205,001	1.551	3,420,680	0.762	0.491	1.000	0.491
2004-2005	5,130,850	1,675,074	1.477	2,474,847	0.482	0.326	1.000	0.326
2005-2006	5,109,865	3,280,000	1.407	4,615,289	0.903	0.642	1.000	0.642
2006-2007	5,224,943	1,613,000	1.340	2,161,574	0.414	0.309	1.000	0.309
2007-2008	5,389,375	4,819,000	1.276	6,150,401	1.141	0.854	1.000	0.854
2008-2009	5,431,532	3,716,000	1.216	4,516,821	0.832	0.897	1.000	0.897
2009-2010	5,126,857	4,574,000	1.158	5,294,977	1.033	0.942	1.000	0.942
2010-2011	4,639,177	5,874,000	1.103	6,476,085	1.396	0.989	1.000	0.989
2011-2012	3,836,878	14,185,000	1.050	14,894,250	3.882	1.038	1.000	1.038
Total/Avg	\$94,983,913	\$67,627,307		\$106,050,385	\$1.117			
01/02-10/11	48,999,285	35,226,616		47,519,623	\$0.970			
02/03-11/12	48,785,906	46,462,075		57,369,157	\$1.176			

Selected Limited Rate: \$1.090  
Prior: \$0.950

## Notes:

- (A) Provided by ABAG.
- (B) Selected average of results from Appendices C, Page 3a and Page 4a.
- (C) We assume that losses are increasing at 5.0% per year.
- (D) (B) x (C).
- (E) (D) / (A).
- (F) Selected Limited Rate / (C). For 1992-93 and prior (B) / (A).
- (G) Based on a Burr distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

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

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Appendix D  
Page 1

ADAD PLAN CORPORATION  
Expense as Deductible Discount Factor

Member	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00	1998-99	1997-98	1996-97	1995-96	1994-95	1993-94	1992-93	1991-92	1990-91	1989-90	1988-89	1987-88	1986-87				
American Canyon	244	718	723	350	866	848	770	730	648	560	468	378	306	287	274	245	180	172	158	141	118	0	0	0	0	0	0	0	0	0		
Altaville	601	477	607	624	682	696	627	615	615	608	595	647	494	308	424	460	388	346	270	251	224	199	167	181	180	168	157	177	177	177		
Bethesda	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Buena	2364	2304	2378	2404	2628	2441	2395	2431	2447	2318	2201	2027	1925	1708	1640	1468	1315	1345	1278	1217	1209	1189	1119	1064	1004	950	748	697	603	500		
Burleson	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Burleson	1428	1278	1304	1367	1371	1380	1378	1331	1333	1278	1201	1137	1058	1004	948	888	822	758	694	630	566	502	438	374	310	246	182	118	54	0	0	
Camphor	1780	1738	1706	1650	1740	1757	1705	1621	1588	1508	1407	1327	1245	1165	1085	1005	925	845	765	685	605	525	445	365	285	205	125	45	0	0	0	
Colton	638	638	640	695	678	621	605	601	438	393	368	307	290	273	231	197	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Cupertino	1138	1143	1030	1000	996	956	904	1714	1168	1131	1121	1094	967	848	807	745	683	621	559	497	435	373	311	249	187	125	63	0	0	0	0	
Dublin	1057	1065	1047	945	883	950	955	907	801	817	745	684	656	465	308	356	296	288	232	180	161	224	213	178	143	100	66	0	0	0	0	
East Palo Alto	844	860	885	1088	1056	1162	1092	1048	1030	902	778	658	465	391	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Folsom	1830	1808	1785	1825	2363	2152	2078	1987	1894	1885	1871	1738	1574	1478	1367	1263	1174	1084	1004	924	844	764	684	604	524	444	364	284	204	124	44	0
Folsom	3084	3070	2925	2933	2927	2927	2927	2927	2927	2927	2927	2927	2927	2927	2927	2927	2927	2927	2927	2927	2927	2927	2927	2927	2927	2927	2927	2927	2927	2927	2927	2927
Folsom	240	225	176	405	644	608	608	602	627	648	608	602	457	306	343	307	272	244	213	180	155	124	0	0	0	0	0	0	0	0	0	0
Fullerton	1255	1231	1184	1342	1603	1572	1479	1385	1284	1131	987	845	0	0	304	273	272	244	213	180	155	124	0	0	0	0	0	0	0	0	0	
Half Moon Bay	0	0	1277	1304	1148	1137	1051	938	808	674	543	417	284	150	161	143	117	103	80	64	74	84	84	84	84	84	84	84	84	84	84	84
Hawthorne	258	240	240	240	250	228	214	212	200	181	161	146	130	114	100	88	76	64	52	40	28	16	4	0	0	0	0	0	0	0	0	0
Los Altos Hills	1340	1324	1311	1311	1323	1303	1267	1211	1136	1061	1070	1058	1032	1001	973	974	937	908	878	848	818	788	758	728	698	668	638	608	578	548	518	
Madison	609	610	602	1380	941	947	898	804	679	563	458	353	248	143	37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Marina	3388	3347	3446	3658	4413	4488	4481	4237	4263	4448	4385	4216	3866	3254	3230	3137	3039	2932	2826	2720	2614	2508	2402	2296	2190	2084	1978	1872	1766	1660	1554	
Morgan Hill	1081	1088	1088	1070	2008	2048	1906	1721	1480	1377	1244	1148	1021	1188	978	869	811	738	743	783	834	870	738	778	778	651	646	488	384	284	184	
Newark	1447	1381	1382	1308	2174	2489	2360	2117	2414	2488	2436	2121	1887	1727	1577	1435	1345	1280	1242	1244	1211	1091	1033	1188	1284	1384	1484	1584	1684	1784	1884	
Pacifica	1768	1770	2026	2749	2981	2149	2084	2016	1873	1620	1483	1348	1207	1066	913	844	887	848	868	847	782	766	702	614	568	494	414	334	254	174	94	
Parlin Valley	164	187	186	166	154	148	133	116	100	103	86	85	84	77	71	61	52	47	45	42	40	37	33	30	27	24	21	18	15	12		
Philo	186	201	208	208	201	232	281	250	208	208	208	183	160	138	118	100	80	60	40	20	0	0	0	0	0	0	0	0	0	0	0	0
Reno - Town of	2348	2347	2307	2309	2337	2308	2299	2270	2170	2040	2046	2041	1997	1904	1863	1828	1788	1748	1708	1668	1628	1588	1548	1508	1468	1428	1388	1348	1308	1268	1228	
San Carlos	950	920	917	922	1218	1151	1128	1181	1160	1116	1100	1083	1062	1040	1020	1000	980	960	940	920	900	880	860	840	820	800	780	760	740	720	700	
San Mateo	0	0	2844	4203	4318	4180	3923	3625	3472	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
San Jose	781	710	713	740	838	817	856	877	865	814	821	818	805	792	779	766	753	740	727	714	701	688	675	662	649	636	623	610	597	584	571	
South SF	4309	4266	4226	4204	4488	4342	4223	4107	3991	3888	3888	3888	3888	3888	3888	3888	3888	3888	3888	3888	3888	3888	3888	3888	3888	3888	3888	3888	3888	3888	3888	
Sunnyvale	787	788	880	800	821	818	788	791	819	817	808	808	830	808	848	848	848	848	848	848	848	848	848	848	848	848	848	848	848	848	848	
Tamien	427	448	381	482	582	498	478	488	338	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	328	
Woodside	257	268	268	318	313	368	332	241	218	208	204	187	168	148	128	118	108	104	91	87	80	81	71	68	47	30	24	18	12	6		
<b>Total</b>	<b>38,004</b>	<b>38,018</b>	<b>38,318</b>	<b>43,276</b>	<b>48,134</b>	<b>48,778</b>	<b>48,872</b>	<b>48,741</b>	<b>43,866</b>	<b>42,334</b>	<b>37,832</b>	<b>34,808</b>	<b>32,138</b>	<b>28,919</b>	<b>27,904</b>	<b>25,008</b>	<b>22,828</b>	<b>21,481</b>	<b>20,841</b>	<b>19,784</b>	<b>18,784</b>	<b>18,117</b>	<b>18,077</b>									
<b>Avg 3ER Discount</b>	<b>1.032</b>	<b>1.011</b>	<b>1.050</b>	<b>0.979</b>	<b>1.011</b>	<b>1.012</b>	<b>1.010</b>	<b>1.018</b>	<b>1.013</b>	<b>1.000</b>	<b>1.041</b>	<b>1.041</b>	<b>1.014</b>	<b>1.016</b>	<b>1.048</b>	<b>1.046</b>	<b>1.038</b>	<b>1.054</b>	<b>1.032</b>	<b>1.029</b>	<b>1.023</b>	<b>1.023</b>	<b>1.045</b>	<b>1.022</b>								

See also Appendix D, Page 2 and Appendix D, Page 3.

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ABAO PLAN CONTRIBUTION

Estimated Payroll By Member

Member	2013-14	2013-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00	1998-97	1997-96	1996-95	1995-94	1994-93	1993-92	1992-91	1991-90	1990-89	1989-88	1988-87	1987-86	1986-85		
<b>Amherst College</b>	85,420	83,471	83,001	80,922	80,922	80,922	80,922	84,210	89,389	94,567	99,746	104,925	110,104	115,283	120,462	125,641	130,820	136,000	141,179	146,358	151,537	156,716	161,895	167,074	172,253	177,432	182,611	187,790		
<b>Amherst State</b>	27,916	26,638	27,616	28,594	29,572	30,550	31,528	32,506	33,484	34,462	35,440	36,418	37,396	38,374	39,352	40,330	41,308	42,286	43,264	44,242	45,220	46,198	47,176	48,154	49,132	50,110	51,088	52,066		
<b>Berkshire</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Bowdoin</b>	176,025	171,634	169,886	161,176	160,760	223,482	218,370	201,117	184,706	178,347	167,020	157,824	148,628	132,910	121,142	107,068	102,188	105,708	100,743	96,476	96,646	90,427	80,951	81,280	70,780	62,957	61,589	43,380	18,847	
<b>Brown</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Colby</b>	260,000	247,776	261,860	273,023	249,440	263,140	270,414	247,718	238,030	233,028	232,607	233,180	230,907	240,241	248,744	244,880	237,261	231,880	227,261	222,642	218,023	213,404	208,785	204,166	199,547	194,928	190,309	185,690	181,071	
<b>Connecticut</b>	175,000	172,027	170,913	165,856	170,030	175,000	170,455	182,543	169,774	168,918	168,710	162,214	139,649	127,110	118,458	110,701	99,140	88,144	82,342	63,438	57,452	100,245	92,451	78,187	70,901	72,913	63,600	52,919	43,608	
<b>Cornell</b>	45,000	44,444	43,887	43,330	42,773	42,216	41,659	41,102	40,545	40,000	39,455	38,910	38,365	37,820	37,275	36,730	36,185	35,640	35,095	34,550	34,005	33,460	32,915	32,370	31,825	31,280	30,735	30,190	29,645	
<b>Dartmouth</b>	102,025	100,000	142,004	140,110	140,817	139,791	139,341	139,437	139,533	139,629	139,725	139,821	139,917	140,013	140,109	140,205	140,301	140,397	140,493	140,589	140,685	140,781	140,877	140,973	141,069	141,165	141,261	141,357	141,453	
<b>Duquesne</b>	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	88,499	
<b>East Penn State</b>	84,473	80,791	80,802	108,789	108,871	124,048	109,188	104,916	102,955	102,955	102,955	102,955	102,955	102,955	102,955	102,955	102,955	102,955	102,955	102,955	102,955	102,955	102,955	102,955	102,955	102,955	102,955	102,955	102,955	102,955
<b>Fairleigh Dickinson</b>	103,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	
<b>Illinois</b>	390,827	364,630	367,605	377,827	381,577	394,718	399,848	391,543	372,313	370,079	369,427	369,770	370,113	370,456	370,800	371,143	371,487	371,830	372,174	372,517	372,861	373,204	373,548	373,891	374,235	374,578	374,922	375,265	375,609	
<b>Indiana</b>	117,916	117,426	115,324	117,484	117,000	115,000	113,000	111,000	109,000	107,000	105,000	103,000	101,000	99,000	97,000	95,000	93,000	91,000	89,000	87,000	85,000	83,000	81,000	79,000	77,000	75,000	73,000	71,000	69,000	
<b>Los Angeles</b>	0	0	112,464	109,378	108,862	107,188	105,514	103,840	102,166	100,492	98,818	97,144	95,470	93,796	92,122	90,448	88,774	87,100	85,426	83,752	82,078	80,404	78,730	77,056	75,382	73,708	72,034	70,360	68,686	
<b>Michigan</b>	18,280	18,004	18,221	18,579	18,862	19,146	19,430	19,714	20,000	20,286	20,572	20,858	21,144	21,430	21,716	22,002	22,288	22,574	22,860	23,146	23,432	23,718	24,004	24,290	24,576	24,862	25,148	25,434	25,720	
<b>Minnesota</b>	164,484	163,321	167,488	167,804	168,119	168,389	167,820	166,800	165,287	164,266	163,117	161,892	160,617	159,292	157,917	156,492	155,017	153,492	151,917	150,292	148,617	146,892	145,117	143,292	141,417	139,492	137,517	135,492	133,417	
<b>Mississippi</b>	328,000	324,719	344,491	366,026	441,054	448,889	441,053	432,705	420,280	411,023	401,801	392,613	383,465	374,347	365,259	356,201	347,172	338,172	329,201	320,259	311,347	302,465	293,613	284,791	276,001	267,241	258,511	249,811	241,141	
<b>Montana</b>	188,000	180,816	180,876	187,804	190,886	190,520	172,000	149,910	137,770	124,384	114,774	106,909	100,320	95,000	90,000	85,000	80,000	75,000	70,000	65,000	60,000	55,000	50,000	45,000	40,000	35,000	30,000	25,000	20,000	
<b>Newark</b>	148,700	139,140	136,150	139,610	141,251	140,856	139,826	138,152	135,827	132,852	129,127	124,652	119,427	113,452	106,727	99,252	91,027	82,052	72,327	61,902	50,677	38,652	25,927	12,602	0	0	0	0	0	
<b>New York</b>	100,000	144,611	171,323	189,839	178,749	170,481	170,714	171,337	170,038	167,064	162,408	156,064	148,064	138,219	126,569	113,119	97,769	80,519	61,369	40,319	17,269	0	0	0	0	0	0	0	0	0
<b>Pennsylvania</b>	12,743	11,802	11,802	11,802	10,887	9,972	8,788	7,288	5,788	4,288	2,788	1,288	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>Rhode Island</b>	13,749	14,672	16,237	16,737	16,737	16,737	16,737	16,737	16,737	16,737	16,737	16,737	16,737	16,737	16,737	16,737	16,737	16,737	16,737	16,737	16,737	16,737	16,737	16,737	16,737	16,737	16,737	16,737	16,737	
<b>San Diego</b>	234,978	234,689	238,980	238,925	232,714	230,730	202,847	208,989	209,000	203,802	204,520	201,470	190,884	169,400	148,259	117,038	102,586	106,124	108,459	105,999	102,326	97,227	81,100	74,846	71,927	67,809	62,282	56,265		
<b>San Carlos</b>	85,000	85,000	78,884	82,713	121,768	116,656	117,847	116,162	114,540	112,917	111,294	109,671	108,048	106,425	104,802	103,179	101,556	100,000	98,425	96,850	95,275	93,700	92,125	90,550	88,975	87,400	85,825	84,250	82,675	
<b>San Mateo</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
<b>Seattle</b>	58,380	53,376	53,156	53,800	52,789	53,711	54,648	55,590	56,532	57,474	58,416	59,358	60,300	61,242	62,184	63,126	64,068	65,010	65,952	66,894	67,836	68,778	69,720	70,662	71,604	72,546	73,488	74,430		
<b>South EP</b>	432,000	426,284	427,836	429,010	430,260	431,573	432,937	434,352	435,818	437,335	438,903	440,522	442,192	443,913	445,684	447,505	449,376	451,297	453,268	455,289	457,360	459,481	461,652	463,873	466,144	468,465	470,836	473,257	475,728	
<b>Stevens</b>	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	87,000	
<b>Texas</b>	35,549	37,730	33,848	37,381	48,134	42,225	48,288	34,001	24,969	28,000	27,001	28,014	29,000	30,000	31,000	32,000	33,000	34,000	35,000	36,000	37,000	38,000	39,000	40,000	41,000	42,000	43,000	44,000	45,000	
<b>Worcester</b>	18,149	19,784	22,232	23,865	23,466	20,800	24,822	19,129	16,323	15,104	15,442	14,220	11,813	10,443	9,230	8,443	8,430	8,161	7,179	6,059	7,044	6,813	6,730	3,917	3,000	2,017	1,400	1,000		
<b>Total</b>	5,675,715	5,618,957	5,743,700	4,418,000	4,760,313	4,919,846	4,760,902	4,801,791	4,297,618	4,200,006	3,900,411	3,441,829	3,170,972	2,888,612	2,603,772	2,301,727	2,204,309	2,077,201	2,026,887	1,873,611	1,837,619	1,800,780	1,824,129	1,810,380	1,863,452	1,250,172	1,100,683	696,616		

Provided by ABAO



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ABAG PLAN Corporation

Appendix E  
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Liability

Summary of Incurred Losses and LAE as of December 31, 2012  
Within ABAG Plan Retention

Member	1986-1987	1987-1988	1988-1989	1989-1990	1990-1991	1991-1992	1992-1993	1993-1994	1994-1995	1995-1996
American Canyon	NA	NA	NA	NA	NA	NA	250	7,011	0	85,460
Alhambra	0	0	0	498,483	0	0	68,979	0	0	0
Belvedere	305,544	0	0	0	0	94,523	49,220	362,962	0	0
Benicia	40,084	0	235,024	21,420	134,139	180,308	106,588	0	43,611	142,621
Brisbane	64,649	0	0	0	0	0	0	0	6,550	0
Burlingame	NA	NA	NA	NA	NA	NA	0	0	0	160,241
Campbell	0	0	0	0	0	0	0	0	189,890	0
Colma	NA	NA	NA	NA	NA	NA	NA	NA	NA	0
Cupertino	84,753	0	0	0	0	0	0	0	0	0
Dublin	0	0	0	0	0	0	0	0	0	0
East Palo Alto	NA	NA	NA	NA	NA	NA	NA	NA	NA	0
Foster City	0	0	93,377	0	0	0	0	0	0	0
Galton	0	0	0	164,735	0	651,855	154,488	0	39,080	4,860
Half Moon Bay	NA	NA	NA	NA	NA	NA	4,975,000	39,781	0	0
Hillsborough	NA	NA	0	0	0	227,416	0	0	117,162	0
Los Altos	0	0	0	0	0	0	0	18,152	0	0
Los Altos Hills	0	0	1,000	0	0	0	0	0	17,469	12,228
Los Gatos, Town C	908,818	24,947	2,982	0	103,629	35,033	64,529	0	0	0
Milbrae	0	0	0	0	70,883	0	0	0	296,268	0
Milpitas	0	505,549	81,027	0	0	24,983	0	0	0	0
Morgan Hill	0	0	0	320,555	83,555	21,304	0	0	42,102	0
Newark	0	0	0	190,382	832,116	0	74,634	194,108	1,096,379	0
Pacifica	0	0	0	0	0	0	0	0	951,547	22,965
Portola Valley	0	0	0	0	0	0	0	82,228	0	0
Ross	0	0	0	0	0	0	0	0	2,596	210,203
San Bruno	0	0	0	0	0	0	0	15,216	0	0
San Carlos	0	0	0	0	0	161,712	44,330	0	108,089	0
San Mateo	0	0	0	0	0	0	0	0	0	0
Saratoga	4,925	9,356	31,082	70,583	7,988	0	39,081	808	0	0
South San Francisco	193,810	0	0	326,621	0	0	0	0	0	0
Suisun City	0	0	0	78,210	0	0	0	24,334	0	0
Tiburon	33,516	0	0	0	266,193	0	71,388	0	8,637	0
Woodside	0	0	116,083	544,503	11,756	173,119	163,916	0	8,131	36,266
<b>Total</b>	<b>1,635,899</b>	<b>539,652</b>	<b>560,575</b>	<b>2,213,502</b>	<b>1,510,260</b>	<b>1,570,233</b>	<b>5,810,402</b>	<b>1,898,149</b>	<b>1,997,926</b>	<b>651,879</b>

Notes:  
Data Provided by ABAG. Note that American Canyon joined ABAG on 7/1/1993, Burlingame and Half Moon Bay on 7/1/1992, Hillsborough on 7/1/1988, Ross on 7/1/1995, Colma on 7/1/1998, and East Palo Alto on 7/1/2000  
Brisbane left the program effective 7/1/1998 and Hillsborough on 7/1/2000

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ABAG PLAN Corporation

Appendix E  
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Liability

Summary of Incurred Losses and ALAE as of December 31, 2012  
Within ABAG Plan Retention

Member	1996-1997	1997-1998	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
American Canyon	0	0	0	0	0	0	65,755	164,501	0	0
Alherton	8,394	0	0	0	0	10,949	80,000	0	0	0
Belvedere	1,317	0	0	0	0	0	0	0	0	0
Benicia	168,278	53,300	171,880	164,875	159,177	2,036,705	519,700	161,052	154,525	155,841
Brisbane	0	0	0	0	0	0	0	0	0	0
Burlingame	0	0	0	0	449,118	0	0	0	0	0
Campbell	0	0	0	0	0	0	15,374	0	0	0
Colma	0	0	0	0	0	37,786	211,136	0	0	8,951
Cupertino	0	0	0	0	0	0	0	11,617	0	0
Dublin	0	0	51,770	0	0	0	141,621	0	68	0
East Palo Alto	0	0	0	0	0	0	0	0	0	159,180
Foster City	0	338,944	0	0	0	0	0	0	0	0
Gilroy	26,013	37,467	0	73,034	98,928	0	21,784	0	12,704	74,317
Half Moon Bay	0	142,072	22,919	0	0	28,388	13,663	0	0	0
Hillsborough	0	0	0	0	0	0	669,044	0	0	0
Los Altos	0	22,747	0	0	0	0	240,934	0	250,344	150,000
Los Altos Hills	0	30,385	0	0	0	0	0	0	0	0
Los Gatos, Town C	0	632,866	33,309	0	0	0	62,938	50,858	0	0
Milbrae	0	0	1,823,375	149,332	139,478	0	3,677,870	0	0	1,295,203
Milpitas	0	317,871	0	0	0	48,823	0	178,016	0	0
Morgan Hill	0	14,047	42,972	0	0	0	116,242	1,329,090	0	0
Newark	0	0	0	0	627,606	117,491	0	0	0	0
Pacifica	26,355	0	0	0	0	1,320,210	463,152	28,489	508,687	0
Portola Valley	110,287	0	0	0	0	35,555	0	0	0	0
Ross	0	0	0	0	0	0	372,184	0	0	2,420,979
San Bruno	0	678,483	3,421,541	0	0	588,202	0	0	0	19,363
San Carlos	0	0	0	481,085	146,278	301,216	121,383	639,440	0	205,929
San Mateo	0	0	0	0	0	0	0	0	0	125,000
Saratoga	0	0	0	0	22,580	0	0	4,000	0	405,467
South San Francis	0	121,981	23,244	264,780	164,637	66,800	1,944,425	0	949,813	76,503
Suisun City	287,061	0	0	66,458	66,343	25,000	55,455	0	0	0
Tiburon	0	0	2,712	0	0	0	0	0	0	0
Woodside	0	0	0	0	0	0	0	1,739	0	0
<b>Total</b>	<b>627,703</b>	<b>2,390,163</b>	<b>5,593,721</b>	<b>1,199,565</b>	<b>1,874,146</b>	<b>4,615,125</b>	<b>8,792,658</b>	<b>2,568,802</b>	<b>1,876,140</b>	<b>5,096,734</b>

Notes:

Data Provided by ABAG. Note that American Canyon joined ABAG on 7/1/1993; Burlingame and Half Moon Bay on 7/1/1992; Hillsborough on 7/1/1988; Ross on 7/1/1995; Colma on 7/1/1996, and East Palo Alto on 7/1/2000  
Brisbane left the program effective 7/1/1996 and Hillsborough on 7/1/2000

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ABAG PLAN Corporation

Appendix E  
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Liability

Summary of Incurred Loss and ALAE as of December 31, 2012  
Within ABAG Plan Retention

Member	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	Total
American Canyon	582,928	0	0	15,000	0	0	0	920,904
Alhambra	0	2,848	1,599,482	0	0	325,000	0	2,590,145
Belvedere	0	0	0	0	0	0	0	813,588
Berkeley	192,519	1,304,360	917,931	18,809	5,050,000	14,083	25,000	12,171,829
Brisbane	0	0	0	0	0	0	0	71,200
Burlingame	0	0	0	175,000	100,000	25,000	0	909,359
Campbell	0	21,353	311,902	0	0	0	0	538,519
Colma	0	0	0	0	0	225,000	0	482,872
Cupertino	0	0	0	0	0	150,000	0	246,370
Dublin	0	0	2,300,521	0	0	0	0	2,493,979
East Palo Alto	129,420	150,001	0	0	95,000	1,510,000	0	2,043,900
Foster City	60,000	0	0	0	0	250,000	0	742,321
Gilroy	0	3,028,760	0	644,019	137,000	0	0	5,187,088
Half Moon Bay	0	33,980	100,050	21,589	0	0	0	5,377,432
Hillsborough	51,544	38,328	72,997	0	86,723	385,000	0	1,628,215
Los Altos	0	137,234	0	0	1,700,000	0	0	2,519,411
Los Altos Hills	0	0	0	244,522	0	0	0	305,804
Los Gatos, Town C	137,890	1,252,948	0	245,867	5,208,706	125,000	0	8,890,020
Millbrae	0	0	0	2,111	0	0	0	7,453,516
Milpitas	343,564	424,758	0	0	50,000	0	0	1,974,572
Morgan Hill	8,750	50,050	100,000	191,088	25,000	1,020,000	0	3,384,735
Newark	27,000	0	0	0	0	0	0	3,159,718
Pacifica	47,850	156,921	0	300,000	0	0	0	3,828,177
Portola Valley	0	0	0	0	0	0	0	228,089
Ross	0	58,742	0	0	0	0	0	3,082,704
San Bruno	0	0	0	202,288	311,929	428,588	0	5,683,589
San Carlos	0	54,284	0	121,597	0	0	0	2,385,342
San Mateo	0	172,046	0	1,050,050	0	0	0	1,347,098
Saratoga	0	148,811	57,999	0	39,812	0	0	842,093
South San Francisco	138,163	0	0	0	0	1,603,765	0	5,872,322
Suisun City	0	0	128,153	35,000	630,073	0	0	1,394,088
Tiburon	0	0	0	0	185,000	75,000	0	642,444
Woodside	0	0	0	350,050	0	0	0	1,406,581
<b>Total</b>	<b>1,717,827</b>	<b>7,031,234</b>	<b>5,587,036</b>	<b>3,616,630</b>	<b>13,599,043</b>	<b>6,136,433</b>	<b>25,000</b>	<b>90,534,437</b>

Notes:

Data Provided by ABAG. Note that American Canyon joined ABAG on 7/1/1993; Burlingame and Half Moon Bay on 7/1/1992; Hillsborough on 7/1/1988; Ross on 7/1/1995; Colma on 7/1/1998; and East Palo Alto on 7/1/2000. Brisbane left the program effective 7/1/1996 and Hillsborough on 7/1/2000.

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Liability

Summary of Paid Loss and ALAE as of December 31, 2012  
Within ABAG Plan Retention

Member	1986-1987	1987-1988	1988-1989	1989-1990	1990-1991	1991-1992	1992-1993	1993-1994	1994-1995	1995-1996
American Canyon	NA	NA	NA	NA	NA	NA	250	7,011	0	65,460
Alherton	0	0	0	496,493	0	0	66,979	0	0	0
Belvedere	305,544	0	0	0	0	94,523	49,220	362,962	0	0
Benicia	40,084	0	235,024	21,420	134,139	180,308	106,588	0	43,611	142,621
Brisbane	64,840	0	0	0	0	0	0	0	6,550	0
Burlingame	NA	NA	NA	NA	NA	NA	0	0	0	160,241
Campbell	0	0	0	0	0	0	0	0	169,860	0
Colma	NA	NA	NA	NA	NA	NA	NA	NA	NA	0
Cupertino	84,753	0	0	0	0	0	0	0	0	0
Dublin	0	0	0	0	0	0	0	0	0	0
East Palo Alto	NA	NA	NA	NA	NA	NA	NA	NA	NA	0
Foster City	0	0	93,377	0	0	0	0	0	0	0
Gilroy	0	0	0	164,735	0	651,655	154,468	0	39,080	4,860
Half Moon Bay	NA	NA	NA	NA	NA	NA	4,976,000	39,781	0	0
Hillsborough	NA	NA	0	0	0	227,416	0	0	117,162	0
Los Altos	0	0	0	0	0	0	0	18,152	0	0
Los Altos Hills	0	0	1,000	0	0	0	0	0	17,469	12,228
Los Gatos, Town Of	908,818	24,947	2,982	0	103,629	35,033	64,529	0	0	0
Millbrae	0	0	0	0	70,863	0	0	0	295,268	0
Milpitas	0	505,549	81,027	0	0	24,963	0	0	0	42,102
Morgan Hill	0	0	0	320,555	83,555	21,304	0	0	0	0
Newark	0	0	0	190,382	832,118	0	74,634	194,108	1,096,379	0
Pacifica	0	0	0	0	0	0	0	951,547	22,965	0
Portola Valley	0	0	0	0	0	0	0	82,228	0	0
Ross	0	0	0	0	0	0	0	0	2,596	210,203
San Bruno	0	0	0	0	0	0	0	15,218	0	0
San Carlos	0	0	0	0	0	161,712	44,330	0	108,089	0
San Mateo	0	0	0	0	0	0	0	0	0	0
Saratoga	4,925	9,356	31,082	70,563	7,988	0	39,061	808	0	0
South San Francisco	193,610	0	0	326,621	0	0	0	0	0	0
Sunnyvale	0	0	0	78,210	0	0	0	24,334	0	0
Tiburon	33,516	0	0	0	266,193	0	71,386	0	8,837	0
Woodside	0	0	116,083	544,503	11,756	173,119	163,915	0	8,131	36,266
<b>Total</b>	<b>1,635,899</b>	<b>539,852</b>	<b>560,575</b>	<b>2,213,502</b>	<b>1,510,280</b>	<b>1,570,233</b>	<b>5,810,402</b>	<b>1,696,149</b>	<b>1,997,928</b>	<b>651,879</b>

Notes:  
Data Provided by ABAG. Note that American Canyon joined ABAG on 7/1/1993; Burlingame and Half Moon Bay on 7/1/1992; Hillsborough on 7/1/1988; Ross on 7/1/1995; Colma on 7/1/1996; and East Palo Alto on 7/1/2000  
Brisbane left the program effective 7/1/1996 and Hillsborough on 7/1/2000

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Liability

Summary of Paid Loss and ALAE as of December 31, 2012  
Within ABAG Plan Retention

Member	1996-1997	1997-1998	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
American Canyon	0	0	0	0	0	0	65,755	164,501	0	0
Alherton	8,394	0	0	0	0	10,949	60,087	0	0	0
Belvedere	1,317	0	0	0	0	0	0	0	0	0
Benicia	168,278	53,300	171,880	164,875	159,177	2,036,705	519,700	161,052	154,525	155,841
Brisbane	0	0	0	0	0	0	0	0	0	0
Burlingame	0	0	0	0	449,118	0	0	0	0	0
Campbell	0	0	0	0	0	0	15,374	0	0	0
Colma	0	0	0	0	0	37,786	211,136	0	0	8,951
Cupertino	0	0	0	0	0	0	0	11,817	0	0
Dublin	0	0	51,770	0	0	0	141,821	0	68	0
East Palo Alto	0	0	0	0	0	0	0	0	0	159,180
Foster City	0	338,944	0	0	0	0	0	0	0	0
Gitoy	26,013	37,487	0	73,034	98,928	0	21,784	0	12,704	74,317
Half Moon Bay	0	142,072	22,919	0	0	28,388	13,863	0	0	0
Hillsborough	0	0	0	0	0	0	689,044	0	0	0
Los Altos	0	22,747	0	0	0	0	240,934	0	250,344	111,193
Los Altos Hills	0	30,385	0	0	0	0	0	0	0	0
Los Gatos, Town Of	0	632,868	33,309	0	0	0	62,936	50,858	0	0
Millbrae	0	0	1,623,375	149,332	139,476	0	3,677,870	0	0	1,097,203
Milpitas	0	317,871	0	0	0	48,823	0	178,016	0	0
Morgan Hill	0	14,047	42,972	0	0	0	116,242	1,329,090	0	0
Newark	0	0	0	0	627,608	117,491	0	0	0	0
Pacifica	28,355	0	0	0	0	1,320,210	463,152	28,489	508,667	0
Portola Valley	110,287	0	0	0	0	35,555	0	0	0	0
Ross	0	0	0	0	0	0	372,184	0	0	2,420,979
San Bruno	0	876,483	3,421,541	0	0	588,202	0	0	0	19,383
San Carlos	0	0	0	481,085	146,278	301,216	121,383	639,440	0	205,929
San Mateo	0	0	0	0	0	0	0	0	0	0
Saratoga	0	0	0	0	22,580	0	0	4,000	0	405,487
South San Francisco	0	121,961	23,244	264,780	95,361	66,800	1,944,425	0	949,813	76,503
Suisun City	287,061	0	0	66,458	66,343	25,000	55,455	0	0	0
Tiburon	0	0	2,712	0	0	0	0	0	0	0
Woodside	0	0	0	0	0	0	0	1,739	0	0
<b>Total</b>	<b>627,703</b>	<b>2,390,163</b>	<b>5,593,721</b>	<b>1,199,585</b>	<b>1,804,869</b>	<b>4,815,125</b>	<b>8,772,745</b>	<b>2,568,802</b>	<b>1,878,140</b>	<b>4,734,927</b>

Notes:

Data Provided by ABAG. Note that American Canyon joined ABAG on 7/1/1993, Burlingame and Half Moon Bay on 7/1/1992, Hillsborough on 7/1/1988, Ross on 7/1/1995, Colma on 7/1/1998; and East Palo Alto on 7/1/2000  
Brisbane left the program effective 7/1/1998 and Hillsborough on 7/1/2000

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Liability

Summary of Paid Loss and ALAE as of December 31, 2012  
Within ABAG Plan Retention

Member	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	Total
American Canyon	592,926	0	0	0	0	0	0	905,904
Atherton	0	2,849	1,599,482	0	0	0	0	2,245,232
Belvedere	0	0	0	0	0	0	0	813,586
Benicia	192,519	1,304,360	349,315	18,809	0	14,083	0	6,528,213
Brisbane	0	0	0	0	0	0	0	71,200
Burlingame	0	0	0	0	0	0	0	600,359
Campbell	0	21,353	311,902	0	0	0	0	538,519
Colma	0	0	0	0	0	0	0	257,872
Cupertino	0	0	0	0	0	0	0	96,370
Dublin	0	0	187,307	0	0	0	0	380,766
East Palo Alto	129,420	43,946	0	0	0	0	0	332,546
Foster City	19,963	0	0	0	0	0	0	452,283
Gilroy	0	3,026,760	0	844,019	131,052	0	0	5,161,117
Half Moon Bay	0	33,990	0	21,569	0	0	0	5,277,382
Hillsborough	51,544	38,328	72,997	0	0	0	0	1,176,492
Los Altos	0	137,234	0	0	0	0	0	780,803
Los Altos Hills	0	0	0	244,522	0	0	0	305,604
Los Gatos, Town Of	137,890	170,030	0	245,667	195,043	0	0	2,669,339
Milbrae	0	0	0	2,111	0	0	0	7,255,518
Milpitas	343,564	424,758	0	0	0	0	0	1,924,572
Morgan Hill	8,760	0	0	189,068	0	0	0	2,187,885
Newark	18,702	0	0	0	0	0	0	3,151,420
Pacifica	47,850	156,921	0	78,363	0	0	0	3,604,540
Portola Valley	0	0	0	0	0	0	0	228,089
Ross	0	56,742	0	0	0	0	0	3,062,704
San Bruno	0	0	0	202,268	236,929	147,322	0	5,307,325
San Carlos	0	54,284	0	121,597	0	0	0	2,385,342
San Mateo	0	172,046	0	0	0	0	0	172,046
Saratoga	0	148,811	57,999	0	39,812	0	0	842,093
South San Francisco	136,163	0	0	0	0	38,248	0	4,235,526
Suisun City	0	0	102,092	15,736	2,073	0	0	722,763
Tiburon	0	0	0	0	79,973	0	0	482,417
Woodside	0	0	0	310,261	0	0	0	1,365,772
<b>Total</b>	<b>1,669,292</b>	<b>5,793,113</b>	<b>2,681,095</b>	<b>2,093,691</b>	<b>684,882</b>	<b>197,650</b>	<b>0</b>	<b>65,490,158</b>

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Appendix E  
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Liability

Summary of Incurred Losses and ALAE as of December 31, 2012  
\$250,000 Limit

Member	1986-1987	1987-1988	1988-1989	1989-1990	1990-1991	1991-1992	1992-1993	1993-1994	1994-1995	1995-1996
American Canyon	NA	NA	NA	NA	NA	NA	250	35,151	562	122,464
Atherlon	22,940	12,362	7,889	250,000	4,673	0	95,536	13,844	11,209	15,447
Belvedere	250,000	148	0	0	15,804	119,523	95,320	251,895	3,919	0
Benicia	84,487	38,715	275,959	110,521	218,462	280,008	236,477	30,194	135,369	249,733
Brisbane	164,066	25,848	28,315	1,357	9,704	20,725	0	14,427	37,845	3,553
Burlingame	NA	NA	NA	NA	NA	NA	253,036	103,270	110,300	403,800
Campbell	62,256	51,589	98,119	168,192	105,879	74,980	134,946	86,814	272,370	58,027
Colma	NA	0								
Cupertino	222,285	102,807	27,750	64,949	47,948	17,809	19,882	46,812	75,169	7,540
Dublin	10,637	18,878	5,477	1,006	5,241	45,629	2,044	9,128	1,514	47,052
East Palo Alto	NA	0								
Foster City	19,245	51,009	198,990	111,947	25,022	7,910	15,254	11,178	131,240	81,535
Gilroy	53,728	92,727	12,709	318,089	59,600	328,578	256,020	162,890	158,812	75,977
Half Moon Bay	NA	NA	NA	NA	NA	NA	274,889	121,024	1,825	25,213
Hillsborough	NA	NA	0	0	58,525	258,840	91,299	33,277	239,399	125,769
Los Altos	35,929	62,257	29,877	21,882	133,157	42,642	136,040	149,666	144,391	1,270
Los Altos Hills	475	0	28,000	0	0	0	6,425	162	49,170	37,228
Los Gatos, Town Of	434,434	144,371	58,889	34,887	197,267	198,882	230,265	94,798	75,851	24,233
Milbrae	32,930	54,732	44,862	21,914	228,679	29,441	29,577	30,377	297,433	10,979
Milpitas	62,768	343,348	202,588	115,338	90,182	174,128	64,808	182,078	109,033	39,259
Morgan Hill	57,842	55,474	17,410	348,126	329,638	188,141	37,801	87,425	269,248	94,309
Newark	82,027	100,564	65,839	346,991	280,156	72,140	336,890	562,988	257,087	91,378
Pacifica	86,970	49,575	85,176	109,182	81,248	187,402	32,085	315,172	181,786	17,708
Portola Valley	0	0	0	13,662	0	0	16,015	107,229	7,824	0
Rosa	0	0	0	0	0	0	0	0	2,598	288,646
San Bruno	53,791	21,011	127,856	93,826	24,721	93,647	174,350	195,237	230,491	142,531
San Carlos	139,717	20,477	198,047	22,136	58,492	441,393	446,184	35,296	445,430	210,131
San Mateo	0	0	0	0	0	0	0	0	0	0
Saratoga	55,088	37,439	98,167	117,923	65,789	15,034	98,636	39,177	18,034	19,385
South San Francisco	329,701	88,187	42,967	329,798	49,492	62,135	55,284	199,701	138,531	177,829
Suisun City	48,102	34,611	24,579	174,597	12,210	40,898	36,287	92,367	3,182	15,418
Tiburon	94,701	8,909	50,982	33,308	270,277	496	128,284	10,051	58,837	2,088
Woodside	8,338	1,692	154,829	330,610	39,855	198,119	198,915	580	48,032	61,377
<b>Total</b>	<b>2,432,433</b>	<b>1,394,701</b>	<b>1,867,274</b>	<b>3,135,041</b>	<b>2,409,882</b>	<b>2,876,093</b>	<b>3,502,338</b>	<b>3,042,023</b>	<b>3,490,250</b>	<b>2,445,845</b>

Notes:

Data Provided by ABAG. Note that American Canyon joined ABAG on 7/1/1993; Burlingame and Half Moon Bay on 7/1/1992; Hillsborough on 7/1/1988; Rosa on 7/1/1995; Colma on 7/1/1998, and East Palo Alto on 7/1/2000  
Brisbane left the program effective 7/1/1996 and Hillsborough on 7/1/2000

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Liability

Summary of Incurred Losses and ALAE as of December 31, 2012  
\$250,000 Limit

Member	1996-1997	1997-1998	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
American Canyon	1,209	3,576	19,560	1,481	92	1,862	91,572	241,441	6,394	11,857
Atherton	49,011	23,137	2,951	4,915	951	46,015	108,426	827	1,200	3,790
Belvedere	26,317	394	0	0	0	0	0	3,696	1,500	0
Benicia	297,007	228,705	326,304	254,844	290,980	295,966	644,493	334,782	302,300	291,510
Brisbane	0	0	0	0	0	0	0	0	0	0
Burlingame	215,832	151,922	106,581	70,855	608,274	288,419	606,264	371,794	197,141	604,401
Campbell	47,253	139,729	211,223	26,861	88,235	75,994	147,523	105,671	42,985	63,161
Colma	0	0	10,815	0	1,684	171,967	256,887	2,908	34,218	59,101
Cupertino	29,150	86,274	81,801	3,576	6,440	40,837	26,505	413,660	77,586	41,696
Dublin	285	24,681	152,800	0	288	15,096	241,621	5,549	50,068	1,676
East Palo Alto	0	0	0	0	25,052	55,938	103,601	58,042	128,024	396,704
Foster City	19,049	270,319	40,141	3,595	12,172	17,969	13,345	8,840	4,984	88,884
Glroy	148,651	128,415	112,167	130,185	303,118	73,916	191,233	8,962	130,553	211,006
Half Moon Bay	46,280	200,024	87,025	0	390	88,118	86,404	17,999	5,258	10,000
Hillsborough	132,125	141,110	53,908	10,347	0	0	640,249	116,320	63,208	12,403
Los Altos	66,826	164,154	4,736	4,651	2,234	91,201	289,224	38,347	256,683	250,000
Los Altos Hills	0	66,929	0	0	10,211	0	3,933	0	0	0
Los Gatos, Town Of	98,112	493,535	221,846	59,356	70,021	55,690	180,260	136,377	104,671	74,172
Milbrae	31,207	90,950	290,827	290,565	308,697	31,643	409,905	59,021	3,629	322,554
Milpitas	99,174	558,839	29,041	35,988	99,475	208,862	95,355	424,675	67,680	35,519
Morgan Hill	81,678	112,931	123,496	79,468	100,744	10,905	333,006	782,603	171,283	46,927
Newark	74,545	12,016	58,519	32,153	288,185	238,860	50,674	25,260	63,915	26,308
Pacifica	368,794	87,094	76,566	18,080	51,309	466,939	551,905	339,257	509,169	150,580
Portola Valley	135,267	0	0	0	0	60,555	138	0	0	0
Ross	13,360	5,222	0	0	0	0	308,589	4,948	2,651	250,000
San Bruno	163,407	649,693	342,982	189,872	186,409	601,201	206,442	140,849	309,602	302,939
San Carlos	63,602	43,870	197,670	928,295	397,895	655,290	528,081	731,407	132,673	592,950
San Mateo	0	0	0	0	0	0	0	0	184,311	703,028
Saratoga	2,886	6,684	11,219	265	48,102	9,297	5,750	35,668	8,446	250,760
South San Francisco	237,845	424,683	188,347	264,254	292,627	222,110	888,728	94,116	439,429	277,543
Suisun City	343,193	24,888	32,753	91,958	94,913	54,010	111,658	12,588	32,285	7,966
Tiburon	17,703	0	52,712	84,667	0	0	1,248	0	500	0
Woodside	1,760	21,859	0	0	0	2,566	0	28,856	0	2,300
<b>Total</b>	<b>2,809,537</b>	<b>4,161,532</b>	<b>2,633,966</b>	<b>2,566,030</b>	<b>3,288,480</b>	<b>3,877,249</b>	<b>7,123,216</b>	<b>4,545,059</b>	<b>3,332,246</b>	<b>5,087,733</b>

Notes:  
Data Provided by ABAG. Note that American Canyon joined ABAG on 7/1/1993; Burlingame and Half Moon Bay on 7/1/1992; Hillsborough on 7/1/1988; Ross on 7/1/1995; Colma on 7/1/1996, and East Palo Alto on 7/1/2000  
Brisbane left the program effective 7/1/1996 and Hillsborough on 7/1/2000

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Liability

Summary of Incurred Loss and LAE as of December 31, 2012  
\$250,000 Limit

Member	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	Total
American Canyon	327,691	2,822	2,706	50,692	2,397	42,462	14,886	981,128
Alhambra	6,640	29,249	500,000	3,101	1,857	259,411	0	1,475,380
Belvedere	0	0	0	0	0	0	0	768,316
Benicia	260,677	794,459	645,971	89,005	420,954	103,627	62,821	7,302,530
Brisbane	0	0	0	0	0	0	0	303,840
Burlingame	393,597	532,310	318,717	335,664	408,434	502,404	97,080	6,677,875
Campbell	54,052	124,857	256,337	29,919	42,779	16,456	5,150	2,585,254
Colma	15,463	31,137	0	0	6,536	287,208	10,050	887,572
Cupertino	51,490	12,503	9,496	6,705	2,480	467,543	10,916	2,001,409
Dublin	17,345	12,360	342,869	3,213	3,933	39,107	11,063	1,068,466
East Palo Alto	324,730	400,174	21,343	159,429	208,433	291,766	10,370	2,183,803
Foster City	182,728	140,135	3,075	8,073	6,285	430,097	4,240	1,905,261
Gilroy	43,194	751,478	45,015	359,320	246,003	93,132	29,274	4,522,749
Half Moon Bay	7,986	83,990	158,088	71,569	3,137	368	0	1,287,582
Hillsborough	130,202	112,542	176,744	7,285	139,326	441,520	689	2,962,076
Los Altos	15,157	372,215	30,836	13,327	253,554	58,533	0	2,668,788
Los Altos Hills	12,397	0	0	260,000	0	100	0	475,050
Los Gatos, Town Of	209,332	275,627	48,545	278,533	622,893	178,311	0	4,498,947
Millbrae	83,791	41,296	67,790	248,764	40,571	18,936	4,599	3,099,679
Milpitas	420,243	309,136	39,350	57,707	257,076	35,830	20,160	4,187,612
Morgan Hill	142,339	172,375	205,090	549,696	170,554	401,353	5,923	4,978,388
Newark	184,847	82,282	187,873	40,490	7,380	238,847	3,270	3,600,189
Pacifica	108,635	303,006	16,358	290,929	6,087	43,901	28,915	4,525,805
Portola Valley	0	0	0	0	0	0	0	340,708
Ross	10,392	81,742	0	8,355	0	306	100	974,906
San Bruno	149,072	188,738	85,774	340,624	773,418	772,240	41,962	6,560,564
San Carlos	161,125	205,308	155,956	464,647	2,976	32,902	67,618	7,399,568
San Mateo	221,578	580,287	668,810	544,203	133,173	0	0	3,035,390
Saratoga	68	201,918	107,999	433	88,200	3,685	0	1,341,989
South San Francisco	857,860	211,325	231,988	68,789	28,222	831,389	33,410	7,042,263
Suisun City	24,828	16,298	206,869	67,288	298,774	26,799	1,339	1,930,637
Tiburon	1,300	29,953	4,774	3,000	235,000	130,000	100	1,198,977
Woodside	0	5,178	0	251,300	50	50	1,191	1,355,474
<b>Total</b>	<b>4,378,981</b>	<b>6,082,681</b>	<b>4,543,186</b>	<b>4,630,080</b>	<b>4,308,454</b>	<b>5,748,281</b>	<b>465,105</b>	<b>96,375,676</b>

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Liability

Summary of Paid Loss and ALAE as of December 31, 2012  
\$250,000 Limit

Member	1986-1987	1987-1988	1988-1989	1989-1990	1990-1991	1991-1992	1992-1993	1993-1994	1994-1995	1995-1996
American Canyon	NA	NA	NA	NA	NA	NA	250	35,151	582	122,464
Alherton	22,940	12,382	7,889	250,000	4,873	0	95,538	13,844	11,209	15,447
Belvedere	250,000	148	0	0	15,804	119,523	95,320	251,695	3,919	0
Benicia	84,487	36,715	275,959	110,521	218,482	280,008	236,477	30,194	135,369	249,733
Brisbane	164,066	25,848	28,315	1,357	9,704	20,725	0	14,427	37,645	3,553
Burlingame	NA	NA	NA	NA	NA	NA	253,038	103,270	110,300	403,800
Campbell	62,256	51,589	96,119	166,192	105,879	74,980	134,946	86,814	272,370	56,027
Colma	NA	0								
Cupertino	222,285	102,807	27,750	64,949	47,948	17,609	19,882	46,812	75,189	7,540
Dublin	10,637	18,879	5,477	1,006	5,241	45,829	2,044	9,129	1,514	47,052
East Palo Alto	NA	0								
Foster City	19,245	51,009	198,990	111,947	25,022	7,910	15,254	11,176	131,240	81,535
Giroy	53,728	92,727	12,709	316,089	59,600	328,578	256,020	162,890	158,812	75,977
Half Moon Bay	NA	NA	NA	NA	NA	NA	274,869	121,024	1,825	25,213
Hillsborough	NA	NA	0	0	58,525	256,840	91,299	33,277	239,399	125,759
Los Altos	35,929	62,257	29,877	21,882	133,157	42,642	136,040	149,666	144,391	1,270
Los Altos Hills	475	0	26,000	0	0	0	8,425	182	49,170	37,228
Los Gatos, Town Of	434,434	144,371	58,889	34,687	197,267	198,882	230,265	94,798	75,851	24,233
Millbrae	32,930	54,732	44,852	21,914	226,679	29,441	29,577	30,377	287,433	10,079
Milpitas	82,788	343,348	202,586	115,338	90,162	174,128	64,806	162,078	109,033	39,259
Morgan Hill	57,642	55,474	17,410	348,128	329,538	188,141	37,801	87,425	269,248	94,309
Newark	82,027	100,554	55,839	345,991	280,156	72,140	336,890	582,988	257,067	91,376
Pacifica	86,970	49,575	85,176	109,182	81,248	167,402	32,085	315,172	161,766	17,706
Portola Valley	0	0	0	13,862	0	0	18,015	107,228	7,824	0
Ross	0	0	0	0	0	0	0	0	2,586	286,846
San Bruno	53,791	21,011	127,856	93,826	24,721	93,847	174,350	195,237	230,491	142,531
San Carlos	139,717	20,477	198,047	22,136	58,492	441,393	446,184	35,296	445,430	210,131
San Mateo	0	0	0	0	0	0	0	0	0	0
Saratoga	55,088	37,439	98,167	117,923	65,789	16,034	98,836	39,177	16,034	19,365
South San Francisco	329,701	88,167	42,967	329,798	49,492	62,135	55,284	199,701	136,531	177,829
Suisun City	48,102	34,811	24,579	174,597	12,210	40,896	38,267	92,367	3,182	15,418
Tiburon	94,701	8,909	50,992	33,308	270,277	498	128,284	10,051	58,637	2,088
Woodside	8,338	1,692	154,829	330,610	39,855	198,119	198,915	580	46,032	61,377
<b>Total</b>	<b>2,432,433</b>	<b>1,394,701</b>	<b>1,887,274</b>	<b>3,135,041</b>	<b>2,409,882</b>	<b>2,676,093</b>	<b>3,502,338</b>	<b>3,042,023</b>	<b>3,480,250</b>	<b>2,445,645</b>

Notes:  
Data Provided by ABAG. Note that American Canyon joined ABAG on 7/1/1993; Burlingame and Half Moon Bay on 7/1/1992; Hillsborough on 7/1/1998; Ross on 7/1/1995; Colma on 7/1/1998; and East Palo Alto on 7/1/2000  
Brisbane left the program effective 7/1/1996 and Hillsborough on 7/1/2000

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Liability

Summary of Paid Loss and ALAE as of December 31, 2012  
\$250,000 Limit

Member	1996-1997	1997-1998	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
American Canyon	1,209	3,576	19,560	1,481	92	1,862	91,572	241,441	6,394	11,857
Alhambra	49,011	23,137	2,951	4,915	951	48,015	88,513	827	1,200	3,790
Belvedere	26,317	394	0	0	0	0	0	3,896	1,500	0
Benicia	297,007	226,705	326,304	254,844	290,980	295,968	644,493	334,782	302,300	291,510
Brisbane	0	0	0	0	0	0	0	0	0	0
Burlingame	215,832	151,922	106,561	70,655	608,274	288,419	606,264	371,794	197,141	600,310
Campbell	47,253	139,729	211,223	26,861	88,235	75,994	147,523	105,571	42,985	83,161
Colma	0	0	10,815	0	1,694	171,967	256,867	2,508	34,218	59,101
Cupertino	29,150	88,274	81,801	3,576	6,440	40,837	26,505	413,660	77,588	41,695
Dublin	285	24,581	152,800	0	288	15,096	241,821	5,549	50,068	1,678
East Palo Alto	0	0	0	0	25,052	55,936	103,601	58,042	128,024	396,704
Foster City	19,049	270,319	40,141	3,595	12,172	17,969	13,345	8,640	4,984	66,884
Gitoy	148,851	128,415	112,167	130,185	303,118	73,916	191,233	8,962	130,553	211,008
Half Moon Bay	46,280	200,024	87,025	0	390	86,116	86,404	17,999	6,258	10,000
Hillsborough	132,125	141,110	53,908	10,347	0	0	640,249	115,320	63,208	12,403
Los Altos	66,826	184,154	4,736	4,651	2,234	91,201	289,224	36,347	256,683	211,193
Los Altos Hills	0	66,929	0	0	10,211	0	3,933	0	0	0
Los Gatos, Town Of	98,112	493,535	221,848	59,358	70,021	55,690	180,280	138,377	104,871	74,172
Milbrae	31,207	90,950	290,627	290,665	306,697	31,843	409,905	59,021	3,929	322,554
Milpitas	99,174	556,839	29,041	35,988	99,475	208,862	95,355	424,875	67,680	35,519
Morgan Hill	81,878	112,931	123,498	79,468	100,744	10,905	333,006	782,503	171,283	46,927
Newark	74,545	12,016	58,519	32,153	288,165	238,860	50,874	25,260	63,667	28,306
Pacifica	368,794	87,094	76,566	18,080	51,309	466,939	551,905	339,257	509,169	150,580
Portola Valley	135,267	0	0	0	0	80,555	138	0	0	0
Ross	13,360	5,222	0	0	0	0	308,589	4,948	2,851	250,000
San Bruno	163,407	649,693	342,982	189,872	180,409	601,201	206,442	140,849	309,502	302,939
San Carlos	63,602	43,870	197,670	928,295	397,895	655,290	528,081	731,407	132,673	592,950
San Mateo	0	0	0	0	0	0	0	0	184,311	685,512
Saratoga	2,886	6,684	11,219	265	48,102	9,297	5,750	35,666	8,446	250,760
South San Francisco	237,845	424,683	186,347	264,254	237,988	222,110	888,728	94,116	439,429	277,543
Suisun City	343,193	24,888	32,753	91,858	94,913	54,010	111,856	12,588	32,265	7,968
Tiburon	17,703	0	52,712	64,667	0	0	1,246	0	500	0
Woodside	1,750	21,859	0	0	0	2,596	0	28,856	0	2,300
<b>Total</b>	<b>2,609,537</b>	<b>4,181,532</b>	<b>2,833,968</b>	<b>2,566,030</b>	<b>3,231,841</b>	<b>3,877,249</b>	<b>7,103,303</b>	<b>4,545,059</b>	<b>3,332,198</b>	<b>5,027,319</b>

Notes:

Data Provided by ABAG. Note that American Canyon joined ABAG on 7/1/1993; Burlingame and Half Moon Bay on 7/1/1992; Hillsborough on 7/1/1988; Ross on 7/1/1995; Colma on 7/1/1998, and East Palo Alto on 7/1/2000  
Brisbane left the program effective 7/1/1996 and Hillsborough on 7/1/2000

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Liability

Summary of Paid Loss and ALAE as of December 31, 2012  
\$250,000 Limit

Member	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	Total
American Canyon	327,891	2,822	2,706	16,458	2,397	8,967	420	898,933
Alherton	6,840	29,249	500,000	3,101	1,857	1,568	0	1,187,624
Belvedere	0	0	0	0	0	0	0	788,318
Benicia	260,877	794,459	477,355	74,005	88,596	56,381	22,318	6,696,807
Brisbane	0	0	0	0	0	0	0	303,840
Burlingame	393,587	532,310	318,717	98,812	177,034	45,980	32,249	5,882,077
Campbell	54,052	124,857	256,337	29,819	20,279	5,915	0	2,547,064
Colma	15,463	31,137	0	0	6,036	38,948	0	828,762
Cupertino	51,490	12,503	9,498	6,705	2,480	13,529	0	1,538,479
Dublin	17,345	12,360	330,176	3,213	3,883	14,567	2,062	1,022,180
East Palo Alto	324,730	294,098	20,184	106,949	28,377	13,024	2,084	1,553,803
Foster City	142,891	118,351	3,075	8,073	6,265	13,912	4,240	1,427,253
Gitoy	43,194	751,478	45,015	359,473	218,874	6,787	1,782	4,381,917
Half Moon Bay	7,986	83,990	8,038	71,589	3,137	388	0	1,137,512
Hillsborough	130,202	112,642	178,744	7,285	58,113	6,470	0	2,463,126
Los Altos	15,157	372,215	30,836	13,327	84,187	9,587	0	2,391,689
Los Altos Hills	12,397	0	0	250,000	0	0	0	464,950
Los Gatos, Town Of	209,332	248,658	48,545	278,533	311,110	16,222	0	4,098,015
Milbrae	63,791	41,296	67,790	218,879	35,571	683	4,599	3,046,521
Milpitas	420,243	309,138	39,350	57,707	64,788	31,737	7,160	3,988,228
Morgan Hill	142,339	87,907	98,059	547,898	111,437	114,717	755	4,430,988
Newark	156,550	82,262	187,673	38,512	3,380	41,043	0	3,583,392
Pacifica	108,635	303,008	18,358	169,292	6,087	18,901	2,383	4,352,637
Portola Valley	0	0	0	0	0	0	0	340,708
Ross	10,392	81,742	0	8,355	0	308	100	974,906
San Bruno	149,072	166,738	84,774	324,774	583,185	309,890	3,770	5,852,980
San Carlos	161,125	205,308	155,906	484,847	2,228	7,993	8,931	7,315,172
San Mateo	221,578	580,287	658,581	465,177	68,659	0	0	2,884,104
Saratoga	68	201,918	107,999	433	88,200	3,363	0	1,341,687
South San Francisco	857,860	95,200	144,217	68,789	26,947	224,556	4,538	6,148,754
Suisun City	24,828	18,298	182,809	48,024	45,433	3,210	1,239	1,610,282
Tiburon	1,300	29,853	4,774	3,000	129,973	7,059	0	988,610
Woodside	0	5,178	0	251,300	0	0	0	1,354,183
<b>Total</b>	<b>4,330,826</b>	<b>5,725,156</b>	<b>3,977,515</b>	<b>4,006,806</b>	<b>2,130,509</b>	<b>1,016,280</b>	<b>98,607</b>	<b>67,369,416</b>

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Liability

Summary of Incurred Loss and ALAE as of December 31, 2012  
Total Limits

Member	1986-1987	1987-1988	1988-1989	1989-1990	1990-1991	1991-1992	1992-1993	1993-1994	1994-1995	1995-1996
American Canyon	NA	NA	NA	NA	NA	NA	250	35,151	562	122,484
Alherton	22,940	12,382	7,889	521,493	4,673	0	95,536	13,844	11,209	15,447
Belvedere	330,544	148	0	0	15,804	119,523	95,320	389,657	3,919	0
Benicia	84,487	38,715	285,983	110,521	218,482	280,008	236,477	30,194	135,369	249,733
Brisbane	164,066	25,849	26,315	1,357	9,704	20,725	0	14,427	37,845	3,553
Burlingame	NA	NA	NA	NA	NA	NA	253,036	103,270	110,300	564,041
Campbell	02,256	51,589	96,119	166,182	106,879	74,980	134,946	86,814	312,260	56,027
Colma	NA	0								
Cupertino	222,285	102,807	27,750	84,949	47,948	17,609	19,882	46,812	75,169	7,540
Dublin	10,637	18,879	5,477	1,006	5,241	45,629	2,044	9,128	1,514	47,052
East Palo Alto	NA	0								
Foster City	19,245	51,009	198,990	111,947	25,022	7,910	15,254	11,178	131,240	81,535
Gilroy	53,726	92,727	12,709	316,089	59,600	780,432	256,020	162,890	158,812	75,977
Half Moon Bay	NA	NA	NA	NA	NA	NA	5,024,869	121,024	1,825	25,213
Hillsborough	NA	NA	0	0	58,525	334,256	91,299	33,277	239,399	125,759
Los Altos	35,929	62,257	29,877	21,882	133,157	42,642	136,040	149,666	144,391	1,270
Los Altos Hills	475	0	26,000	0	0	0	8,425	182	49,170	37,228
Los Gatos, Town Of	1,084,092	144,371	58,889	34,697	197,267	198,882	230,265	94,798	75,851	24,233
Millbrae	32,930	54,732	44,852	21,914	226,879	29,441	29,577	30,377	442,700	10,979
Milpitas	82,788	698,997	202,586	115,338	90,162	174,126	64,606	162,076	109,033	39,259
Morgan Hill	67,842	65,474	17,410	518,681	329,538	168,141	37,601	87,425	289,248	94,309
Newark	82,027	100,664	55,839	388,373	962,272	72,140	338,690	562,988	1,203,448	91,376
Pacifica	86,970	49,575	85,176	109,182	81,248	167,402	32,085	1,116,720	161,766	17,706
Portola Valley	0	0	0	13,662	0	0	16,015	107,228	7,824	0
Ross	0	0	0	0	0	0	0	0	2,596	286,846
San Bruno	53,791	21,011	127,856	93,826	24,721	93,647	174,350	195,237	230,491	142,531
San Carlos	139,717	20,477	198,047	22,136	58,492	453,105	446,184	35,296	445,430	210,131
San Mateo	0	0	0	0	0	0	0	0	0	0
Saratoga	55,088	37,439	98,167	117,923	66,789	15,034	98,636	39,177	16,034	19,365
South San Francisco	373,310	68,167	42,967	506,419	49,492	62,135	55,284	199,701	138,531	177,829
Suisun City	48,102	34,611	24,579	174,597	12,210	40,698	36,267	92,367	3,162	15,418
Tiburon	94,701	8,909	50,992	33,308	338,470	488	128,264	10,051	58,637	2,088
Woodside	8,338	1,692	154,829	594,503	39,855	198,119	198,915	580	46,032	61,377
<b>Total</b>	<b>3,206,245</b>	<b>1,750,250</b>	<b>1,877,298</b>	<b>4,057,984</b>	<b>3,158,191</b>	<b>3,417,076</b>	<b>8,252,338</b>	<b>3,981,532</b>	<b>4,621,785</b>	<b>2,606,086</b>

Notes:  
Data Provided by ABAG. Note that American Canyon joined ABAG on 7/1/1993; Burlingame and Half Moon Bay on 7/1/1992; Hillsborough on 7/1/1988; Ross on 7/1/1995; Colma on 7/1/1998; and East Palo Alto on 7/1/2000  
Brisbane left the program effective 7/1/1996 and Hillsborough on 7/1/2000

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Liability

Summary of Incurred Loss and ALAE as of December 31, 2012  
Total Limits

Member	1996-1997	1997-1998	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
American Canyon	1,209	3,576	19,580	1,481	92	1,862	91,572	241,441	6,394	11,657
Atherton	49,011	23,137	2,951	4,915	951	46,015	108,428	827	1,200	3,790
Balvedere	28,317	394	0	0	0	0	0	3,696	1,500	0
Bericia	297,007	228,705	328,304	254,644	290,980	2,107,670	661,352	334,782	302,300	291,510
Brisbane	0	0	0	0	0	0	0	0	0	0
Burlingame	215,832	151,922	108,581	70,655	1,057,392	288,419	606,284	371,794	107,141	604,401
Campbell	47,253	139,729	211,223	26,861	88,235	75,994	147,523	105,571	42,985	63,181
Colma	0	0	10,815	0	1,684	171,967	268,022	2,508	34,218	59,101
Cupertino	29,150	86,274	81,801	3,576	6,440	40,837	26,505	413,660	77,586	41,695
Dublin	285	24,581	152,800	0	288	15,098	241,821	5,549	50,088	1,678
East Palo Alto	0	0	0	0	25,052	55,938	103,601	58,042	128,024	405,884
Foster City	19,049	459,283	40,141	3,595	12,172	17,969	13,345	8,840	4,884	86,884
Giray	148,651	128,415	112,167	130,185	303,118	73,916	191,233	8,962	130,553	211,008
Half Moon Bay	48,280	200,024	87,025	0	390	68,116	86,404	17,999	5,258	10,000
Hillsborough	132,125	141,110	53,908	10,347	0	0	895,735	115,320	63,208	12,403
Los Altos	66,826	164,154	4,736	4,651	2,234	91,201	380,158	38,347	357,026	250,000
Los Altos Hills	0	66,929	0	0	10,211	0	3,933	0	0	0
Los Gatos, Town Of	98,112	888,308	221,846	59,356	70,021	55,890	180,260	138,377	104,671	74,172
Millbrae	31,207	90,950	1,984,202	290,565	308,897	31,843	3,937,778	59,021	3,829	1,487,757
Milpitas	99,174	599,238	29,041	35,988	99,475	208,862	95,355	452,891	67,880	35,519
Morgan Hill	81,878	112,931	123,498	79,488	100,744	10,905	333,006	1,881,593	171,283	48,927
Newark	74,545	12,018	58,519	32,153	765,773	238,860	50,674	25,260	63,915	29,308
Pacifica	368,794	87,094	76,568	18,080	51,309	1,608,140	855,427	339,257	867,856	150,580
Portola Valley	135,287	0	0	0	0	80,555	138	0	0	0
Ross	13,380	6,222	0	0	0	0	422,184	4,948	2,851	2,446,979
San Bruno	163,407	1,028,176	3,614,523	189,672	186,409	1,031,403	208,442	140,849	309,502	302,939
San Carlos	63,602	43,870	197,670	1,037,598	397,895	797,415	528,081	1,044,786	132,673	592,950
San Mateo	0	0	0	0	0	0	0	0	184,311	828,028
Saratoga	2,888	6,684	11,219	265	48,102	9,297	5,750	35,666	8,446	431,227
South San Francisco	237,845	424,683	186,347	379,034	307,264	222,110	2,436,939	94,116	1,229,795	277,543
Suisun City	378,146	24,888	32,753	91,958	94,913	54,010	111,858	12,588	32,285	7,968
Tiburon	17,703	0	52,712	64,667	0	0	1,246	0	500	0
Woodside	1,750	21,859	0	0	0	2,698	0	28,856	0	2,300
<b>Total</b>	<b>2,844,489</b>	<b>5,144,132</b>	<b>7,778,881</b>	<b>2,790,112</b>	<b>4,227,843</b>	<b>7,402,482</b>	<b>12,990,829</b>	<b>5,765,544</b>	<b>4,581,643</b>	<b>6,743,563</b>

Notes:

Data Provided by ABAG. Note that American Canyon joined ABAG on 7/1/1993; Burlingame and Half Moon Bay on 7/1/1992; Hillsborough on 7/1/1988; Ross on 7/1/1995; Colma on 7/1/1998; and East Palo Alto on 7/1/2000  
Brisbane left the program effective 7/1/1996 and Hillsborough on 7/1/2000

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Liability

Summary of Incurred Loss and LAE as of December 31, 2012  
Total Limits

Member	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	Total
American Canyon	636,518	2,822	2,706	50,692	2,397	42,482	14,866	1,289,955
Alhambra	6,640	29,249	1,649,482	3,101	1,857	359,411	0	2,996,355
Belvedere	0	0	0	0	0	0	0	986,821
Benicia	260,877	1,467,931	1,045,971	89,005	5,170,954	103,627	82,821	14,964,590
Brisbane	0	0	0	0	0	0	0	303,840
Burkingame	393,697	532,310	318,717	510,864	508,434	527,404	97,080	7,587,234
Campbell	54,052	124,857	418,240	29,918	42,779	16,456	5,150	2,787,047
Colma	15,463	31,137	0	0	6,536	312,208	10,050	823,708
Cupertino	51,490	12,503	9,496	6,705	2,480	617,543	10,916	2,151,409
Dublin	17,345	12,360	2,443,390	3,213	3,933	39,107	11,063	3,168,986
East Palo Alto	324,730	400,175	21,343	159,429	208,433	1,651,766	10,370	3,552,783
Foster City	182,728	140,135	3,075	8,073	6,285	480,097	4,240	2,144,204
Gilroy	43,194	3,292,051	45,015	753,802	246,003	93,132	29,274	7,909,660
Half Moon Bay	7,988	83,990	158,088	71,589	3,137	366	0	6,037,562
Hillsborough	130,202	112,542	176,744	7,285	139,326	491,520	689	3,364,979
Los Altos	15,157	372,215	30,836	13,327	1,803,554	58,533	0	4,410,066
Los Altos Hills	12,397	0	0	279,522	0	100	0	494,572
Los Gatos, Town Of	209,332	1,328,575	48,545	324,100	5,581,589	178,311	0	11,680,600
Millbrae	83,791	41,296	67,790	246,784	40,571	18,936	4,599	9,591,393
Milpitas	598,568	583,895	39,350	57,707	257,076	35,830	20,160	5,074,680
Morgan Hill	142,339	172,375	206,090	549,898	170,554	1,271,353	5,923	6,888,031
Newark	164,847	62,262	167,673	40,490	7,360	238,847	3,270	5,946,674
Pacific	108,635	303,006	18,358	390,929	6,087	43,901	28,915	7,230,763
Portola Valley	0	0	0	0	0	0	0	340,708
Rosa	10,392	81,742	0	8,355	0	306	100	3,284,480
San Bruno	149,072	168,738	85,774	392,891	828,100	905,825	41,982	10,901,345
San Carlos	161,125	205,308	155,956	484,647	2,976	32,902	67,618	7,976,087
San Mateo	221,578	752,333	668,810	1,594,253	133,173	0	0	4,382,486
Saratoga	68	201,918	107,999	433	66,200	3,685	0	1,522,456
South San Francisco	857,660	211,325	231,998	68,789	28,222	2,035,135	33,410	10,934,252
Suisun City	24,828	16,298	206,899	67,288	701,774	26,799	1,339	2,368,590
Tiburon	1,300	29,953	4,774	3,000	235,000	130,000	100	1,262,870
Woodside	0	5,178	0	376,350	50	50	1,191	1,744,417
<b>Total</b>	<b>4,866,112</b>	<b>10,796,479</b>	<b>8,355,091</b>	<b>6,592,019</b>	<b>16,224,842</b>	<b>9,715,631</b>	<b>465,105</b>	<b>156,213,584</b>

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Liability

Summary of Paid Losses and ALAE as of December 31, 2012  
Total Limits

Member	1986-1987	1987-1988	1988-1989	1989-1990	1990-1991	1991-1992	1992-1993	1993-1994	1994-1995	1995-1996
American Canyon	NA	NA	NA	NA	NA	NA	250	35,151	562	122,464
Alhambra	22,940	12,362	7,889	521,483	4,673	0	95,536	13,644	11,209	15,447
Belvedere	330,544	148	0	0	15,804	119,523	95,320	389,657	3,919	0
Benicia	84,487	36,715	285,983	110,521	218,462	290,008	236,477	30,194	135,369	249,733
Brisbane	164,066	25,848	26,315	1,357	9,704	20,725	0	14,427	37,845	3,553
Burlingame	NA	NA	NA	NA	NA	NA	253,036	103,270	110,300	584,041
Campbell	62,258	51,589	98,119	166,192	105,879	74,980	134,946	66,814	312,260	58,027
Colma	NA	0								
Cupertino	222,285	102,807	27,750	64,949	47,948	17,609	19,882	46,812	75,169	7,540
Dublin	10,837	18,879	5,477	1,006	5,241	45,829	2,044	9,128	1,514	47,052
East Palo Alto	NA	0								
Foster City	19,245	51,009	198,990	111,947	25,022	7,910	15,254	11,176	131,240	81,535
Galaxy	53,728	92,727	12,709	316,089	59,600	780,432	256,020	162,890	156,812	75,977
Half Moon Bay	NA	NA	NA	NA	NA	NA	5,024,869	121,024	1,825	25,213
Hillsborough	NA	NA	0	0	58,525	334,256	91,299	33,277	239,399	125,759
Los Altos	35,929	62,257	29,877	21,882	133,157	42,642	138,040	149,866	144,391	1,270
Los Altos Hills	475	0	26,000	0	0	0	8,425	182	49,170	37,228
Los Gatos, Town Of	1,084,092	144,371	58,889	34,687	197,267	198,882	230,265	94,798	75,851	24,233
Millbrae	32,930	54,732	44,852	21,914	226,679	29,441	29,577	30,377	442,700	10,979
Milpitas	82,788	698,897	202,586	115,338	90,182	174,128	64,606	182,078	109,033	39,259
Morgan Hill	57,842	55,474	17,410	518,681	329,538	188,141	37,601	87,425	269,248	94,309
Newark	82,027	100,554	55,839	386,373	982,272	72,140	336,890	582,988	1,203,446	91,378
Pacifica	86,970	49,575	85,176	109,182	81,248	167,402	32,085	1,116,720	161,766	17,706
Portola Valley	0	0	0	13,882	0	0	16,015	107,226	7,824	0
Ross	0	0	0	0	0	0	0	0	2,596	286,846
San Bruno	53,791	21,011	127,856	93,826	24,721	93,647	174,350	195,237	230,491	142,531
San Carlos	139,717	20,477	199,047	22,136	58,492	453,105	446,184	35,296	445,430	210,131
San Mateo	0	0	0	0	0	0	0	0	0	0
Saratoga	55,068	37,439	98,167	117,923	65,769	15,034	98,638	39,177	16,034	19,385
South San Francisco	373,310	68,167	42,967	508,419	49,492	62,135	55,264	199,701	136,531	177,829
Suisun City	46,102	34,611	24,579	174,597	12,210	40,688	36,287	92,387	3,182	15,418
Tiburon	94,701	8,909	50,992	33,308	338,470	498	126,264	10,051	58,637	2,088
Woodside	8,338	1,692	154,829	594,503	39,855	198,119	198,915	580	46,032	61,377
<b>Total</b>	<b>3,208,245</b>	<b>1,750,250</b>	<b>1,877,298</b>	<b>4,057,984</b>	<b>3,158,191</b>	<b>3,417,076</b>	<b>8,252,338</b>	<b>3,981,532</b>	<b>4,621,785</b>	<b>2,606,086</b>

Notes:  
Data Provided by ABAG. Note that American Canyon joined ABAG on 7/1/1993; Burlingame and Half Moon Bay on 7/1/1992; Hillsborough on 7/1/1988; Ross on 7/1/1995; Colma on 7/1/1998, and East Palo Alto on 7/1/2000  
Brisbane left the program effective 7/1/1996 and Hillsborough on 7/1/2000

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Liability

Summary of Paid Loss and ALAE as of December 31, 2012  
Total Limits

Member	1996-1997	1997-1998	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
American Canyon	1,209	3,576	19,560	1,481	92	1,862	91,572	241,441	6,394	11,857
Atherlon	49,011	23,137	2,951	4,815	951	48,015	88,513	827	1,200	3,790
Belvedere	26,317	394	0	0	0	0	0	3,698	1,500	0
Benicia	297,007	228,705	326,304	254,844	290,980	2,107,670	661,352	334,782	302,300	291,510
Brisbane	0	0	0	0	0	0	0	0	0	0
Burlingame	215,832	151,822	106,561	70,655	1,057,392	288,419	608,284	371,794	197,141	600,310
Campbell	47,253	139,729	211,223	28,861	88,235	75,994	147,523	105,571	42,985	63,161
Colma	0	0	10,815	0	1,684	171,967	268,022	2,508	34,218	59,101
Cupertino	29,150	86,274	81,801	3,576	6,440	40,837	26,505	413,660	77,586	41,895
Dublin	285	24,581	152,800	0	288	15,098	241,621	5,549	50,068	1,678
East Palo Alto	0	0	0	0	25,052	55,936	103,601	58,042	128,024	405,884
Foster City	19,049	459,263	40,141	3,595	12,172	17,989	13,345	8,640	4,984	86,864
Gilroy	148,651	128,415	112,167	130,185	303,118	73,916	191,233	8,962	130,553	211,008
Half Moon Bay	46,280	200,024	87,025	0	390	86,116	88,404	17,989	5,258	10,000
Hillsborough	132,125	141,110	53,908	10,347	0	0	895,735	115,320	63,208	12,403
Los Altos	66,826	164,154	4,738	4,651	2,234	91,201	380,158	38,347	357,026	211,193
Los Altos Hills	0	68,929	0	0	10,211	0	3,933	0	0	0
Los Gatos, Town Of	96,112	888,308	221,846	59,356	70,021	55,690	180,280	138,377	104,871	74,172
Millbrae	31,207	90,950	1,084,202	290,565	308,897	31,643	3,937,776	59,021	3,629	1,269,757
Milpitas	99,174	599,238	29,041	35,988	99,475	208,862	95,355	452,891	67,880	35,519
Morgan Hill	81,878	112,931	123,496	79,488	100,744	10,905	333,006	1,661,693	171,283	48,927
Newark	74,545	12,016	58,519	32,163	765,773	238,860	50,674	25,290	63,867	28,306
Pacifica	368,794	87,094	76,566	18,080	51,309	1,608,140	855,427	339,257	867,856	150,580
Portola Valley	135,287	0	0	0	0	80,555	138	0	0	0
Ross	13,360	5,222	0	0	0	0	422,184	4,948	2,851	2,445,979
San Bruno	163,407	1,026,178	3,614,523	189,872	186,409	1,031,403	206,442	140,849	309,502	302,939
San Carlos	63,602	43,870	197,670	1,037,598	397,895	797,415	528,081	1,044,786	132,673	592,950
San Mateo	0	0	0	0	0	0	0	0	184,311	685,512
Saratoga	2,888	6,684	11,219	265	48,102	9,297	5,750	35,066	8,446	431,227
South San Francisco	237,845	424,683	188,347	379,034	237,988	222,110	2,436,939	94,116	1,229,795	277,543
Suisun City	378,146	24,888	32,753	81,958	94,913	64,010	111,858	12,588	32,285	7,966
Tiburon	17,703	0	52,712	64,667	0	0	1,246	0	500	0
Woodside	1,750	21,859	0	0	0	2,596	0	28,856	0	2,300
Total	2,844,469	5,144,132	7,778,881	2,790,112	4,158,567	7,402,482	12,970,916	5,765,544	4,581,595	8,360,149

Notes:

Data Provided by ABAG. Note that American Canyon joined ABAG on 7/1/1993; Burlingame and Half Moon Bay on 7/1/1992; Hillsborough on 7/1/1988; Ross on 7/1/1995; Colma on 7/1/1998; and East Palo Alto on 7/1/2000  
Brisbane left the program effective 7/1/1996 and Hillsborough on 7/1/2000

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Liability

Summary of Paid Loss and ALAE as of December 31, 2012  
Total Limits

Member	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	Total
American Canyon	636,518	2,822	2,706	16,458	2,397	8,967	420	1,207,759
Alhambra	6,640	29,249	1,649,482	3,101	1,857	1,588	0	2,618,598
Belvedere	0	0	0	0	0	0	0	988,821
Benicia	260,877	1,467,931	477,355	74,005	86,596	56,381	22,318	9,208,866
Brisbane	0	0	0	0	0	0	0	303,840
Burlingame	393,597	532,310	318,717	96,812	177,034	45,980	32,249	6,291,436
Campbell	54,052	124,857	418,240	29,919	20,279	5,915	0	2,748,856
Colma	15,463	31,137	0	0	6,036	38,948	0	639,898
Cupertino	51,490	12,503	9,496	6,705	2,480	13,529	0	1,536,479
Dublin	17,345	12,360	330,176	3,213	3,883	14,567	2,082	1,022,180
East Palo Alto	324,730	294,098	20,184	105,949	26,377	13,024	2,084	1,562,982
Foster City	142,691	118,351	3,075	8,073	6,285	13,912	4,240	1,618,197
Gilroy	43,194	3,282,051	45,015	753,955	218,874	6,787	1,782	7,788,827
Half Moon Bay	7,986	83,990	8,038	71,569	3,137	386	0	6,887,512
Hillsborough	130,202	112,542	178,744	7,285	56,113	6,470	0	2,796,027
Los Altos	15,157	372,215	30,836	13,327	64,187	9,587	0	2,582,946
Los Altos Hills	12,397	0	0	269,522	0	0	0	464,472
Los Gatos, Town Of	209,332	246,558	48,545	324,100	311,110	16,222	0	5,166,014
Milbrae	63,791	41,296	67,790	216,879	35,571	683	4,599	9,340,235
Milpitas	598,568	583,895	39,350	57,707	64,788	31,737	7,160	4,865,277
Morgan Hill	142,339	87,807	98,059	547,898	111,437	114,717	765	6,480,810
Newark	156,550	82,262	187,873	38,512	3,380	41,843	0	5,729,877
Pacifica	108,635	303,006	18,358	169,292	6,087	18,901	2,363	6,957,585
Portola Valley	0	0	0	0	0	0	0	340,708
Ross	10,392	81,742	0	8,355	0	308	100	3,284,480
San Bruno	149,072	186,736	84,774	377,042	617,867	309,890	3,770	10,040,135
San Carlos	181,125	205,308	155,906	484,847	2,226	7,993	8,931	7,891,891
San Mateo	221,578	752,333	858,581	465,177	68,659	0	0	3,036,150
Saratoga	68	201,918	107,999	433	86,200	3,363	0	1,522,134
South San Francisco	857,860	95,200	144,217	68,789	26,947	224,556	4,536	8,820,341
Suisun City	24,828	16,298	182,809	48,024	45,433	3,210	1,239	1,645,235
Tiburon	1,300	29,953	4,774	3,000	129,973	7,059	0	1,034,803
Woodside	0	5,178	0	336,661	0	0	0	1,703,337
<b>Total</b>	<b>4,817,777</b>	<b>9,386,006</b>	<b>5,268,899</b>	<b>4,603,908</b>	<b>2,185,192</b>	<b>1,016,280</b>	<b>98,607</b>	<b>126,122,322</b>

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Liability

Summary of Reported Claim Counts as of December 31, 2012  
Total Limits

Member	1986-1987	1987-1988	1988-1989	1989-1990	1990-1991	1991-1992	1992-1993	1993-1994	1994-1995	1995-1996
American Canyon	NA	NA	NA	NA	NA	NA	1	5	8	11
Atherton	2	5	5	3	14	4	9	7	11	7
Belvedere	1	2	1	1	3	3	6	7	3	0
Benicia	26	16	20	25	14	34	74	41	43	28
Brisbane	17	8	10	2	5	7	4	8	7	12
Burlingame	NA	NA	NA	NA	NA	NA	60	51	49	56
Campbell	26	16	27	31	24	20	25	21	21	25
Colma	NA	0								
Cupertino	26	30	25	81	51	40	22	15	21	24
Dublin	12	11	10	11	7	12	16	11	5	14
East Palo Alto	NA	0								
Foster City	11	15	18	16	21	23	26	20	27	26
Gatrey	21	28	14	27	32	29	34	35	25	34
Half Moon Bay	NA	NA	NA	NA	NA	NA	9	11	8	10
Hillsborough	NA	1	2	3	10	5	7	14	12	22
Los Altos	12	6	14	16	15	8	10	13	17	11
Los Altos Hills	1	0	5	1	2	1	6	2	10	2
Los Gatos, Town Of	44	46	37	78	83	92	104	71	99	89
Millbrae	26	23	26	28	20	17	28	31	32	38
Milpitas	19	26	32	41	34	47	35	29	43	35
Morgan Hill	17	36	32	32	26	25	25	29	33	26
Newark	38	24	18	20	24	21	22	26	26	31
Pacifica	20	19	29	35	27	39	27	38	37	39
Portola Valley	0	0	1	3	0	0	3	2	3	0
Rosa	0	0	0	0	0	0	0	0	1	4
San Bruno	25	14	19	27	12	8	22	41	42	43
San Carlos	31	25	30	36	33	48	29	34	42	33
San Mateo	0	0	0	0	0	0	0	0	0	0
Saratoga	12	8	15	24	15	15	18	14	17	7
South San Francisco	55	37	39	35	35	38	39	54	55	65
Suisun City	23	16	24	17	17	26	17	17	10	12
Tiburon	13	7	3	6	4	6	10	4	9	3
Woodside	4	3	6	4	3	4	3	2	7	3
Total	484	424	462	586	531	570	693	652	720	710

Notes:  
Data Provided by ABAG. Note that American Canyon joined ABAG on 7/1/1993; Burlingame and Half Moon Bay on 7/1/1992; Hillsborough on 7/1/1988; Rosa on 7/1/1995; Colma on 7/1/1998; and East Palo Alto on 7/1/2000  
Brisbane left the program effective 7/1/1996 and Hillsborough on 7/1/2000

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ABAG PLAN Corporation

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Liability

Summary of Reported Claim Counts as of December 31, 2012  
Total Limits

Member	1996-1997	1997-1998	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006
American Canyon	6	4	4	7	3	6	9	13	10	33
Alhambra	14	12	16	10	4	11	8	4	6	12
Belvedere	6	6	3	2	2	0	1	2	4	3
Bericia	33	36	47	26	28	34	30	39	54	38
Brisbane	0	0	0	0	0	0	0	0	0	0
Burlingame	78	71	80	53	75	71	97	74	55	46
Campbell	25	20	32	19	13	18	22	15	6	14
Colma	0	1	7	3	4	14	15	7	9	5
Cupertino	37	29	24	34	17	34	29	24	11	14
Dublin	5	4	13	11	9	17	13	14	6	24
East Palo Alto	0	0	0	0	37	20	24	16	19	17
Foster City	15	15	21	13	16	9	15	22	10	11
Glroy	42	39	35	33	35	25	32	23	41	46
Half Moon Bay	7	10	8	3	7	7	3	5	3	4
Hillsborough	15	19	9	5	0	0	17	11	25	12
Los Altos	6	6	4	8	5	20	19	15	10	5
Los Altos Hills	2	7	2	2	2	1	3	2	1	2
Los Gatos, Town Of	75	79	58	73	82	57	51	26	33	47
Milbrae	25	34	40	23	21	28	27	12	13	21
Milpitas	49	53	31	33	27	36	43	26	31	31
Morgan Hill	46	46	34	23	31	37	35	26	20	34
Newark	47	28	47	44	45	42	63	47	46	22
Pacifica	35	40	33	17	11	29	46	36	30	19
Portola Valley	1	2	0	0	0	2	1	0	0	0
Ross	2	2	2	1	3	1	3	2	1	2
San Bruno	41	56	45	70	52	76	61	49	46	43
San Carlos	31	34	48	62	35	42	49	48	40	34
San Mateo	0	0	0	0	0	0	0	0	110	95
Saratoga	15	11	6	6	16	21	11	19	6	11
South San Francisco	56	65	49	36	35	46	56	56	55	44
Suisun City	12	12	5	6	6	10	20	23	20	14
Tiburon	4	7	11	14	6	6	4	3	7	4
Woodside	2	4	1	1	1	3	0	3	3	3
Total	734	750	713	640	806	723	607	666	730	710

Notes:  
Data Provided by ABAG. Note that American Canyon joined ABAG on 7/1/1993; Burlingame and Half Moon Bay on 7/1/1992; Hillsborough on 7/1/1988; Ross on 7/1/1995; Colma on 7/1/1998; and East Palo Alto on 7/1/2000  
Brisbane left the program effective 7/1/1996 and Hillsborough on 7/1/2000

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ABAG PLAN Corporation

Appendix E  
Page 7c

Liability

Summary of Reported Claim Counts as of December 31, 2012  
Total Limits

Member	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	Total
American Canyon	21	5	14	11	12	11	4	196
Alhambra	9	7	6	6	6	3	1	202
Belvedere	0	0	0	0	0	0	0	58
Benicia	38	43	32	27	24	19	13	880
Brisbane	0	0	0	0	0	0	0	80
Builingame	42	61	57	49	38	44	15	1,222
Campbell	18	14	18	23	28	16	10	545
Colma	4	2	0	1	4	4	2	82
Cupertino	25	16	30	26	19	19	7	710
Dublin	13	8	12	12	10	14	5	299
East Palo Alto	38	19	20	14	13	20	5	280
Foster City	15	15	8	13	5	9	1	418
Gilroy	35	37	22	23	21	29	15	812
Half Moon Bay	7	4	8	7	4	3	0	128
Hillsborough	21	20	10	9	16	12	1	278
Los Altos	11	14	14	17	9	8	0	295
Los Altos Hills	1	0	2	4	1	3	1	86
Los Gatos, Town Of	38	29	45	28	15	5	0	1,482
Milbrae	18	23	13	23	22	12	1	627
Milpitas	29	23	20	31	32	31	10	879
Morgan Hill	30	29	23	37	23	32	8	797
Newark	29	157	108	27	13	19	5	1,035
Pacifica	19	21	19	22	12	13	9	721
Portola Valley	1	0	0	1	1	0	0	21
Ross	1	2	2	2	0	2	2	35
San Bruno	37	36	39	49	38	41	15	1,048
San Carlos	43	36	35	34	16	24	17	969
San Mateo	82	101	98	89	65	1	0	641
Saratoga	7	11	8	6	10	5	0	318
South San Francisco	50	54	35	36	24	42	14	1,207
Suisun City	15	13	24	10	19	8	3	399
Tiburon	8	13	2	7	3	2	3	168
Woodside	2	1	0	2	2	1	2	70
<b>Total</b>	<b>701</b>	<b>814</b>	<b>724</b>	<b>848</b>	<b>505</b>	<b>452</b>	<b>189</b>	<b>16,924</b>

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ABAG PLAN Corporation

Appendix E  
Page 8

Liability

Summary of Reported Claim Counts as of December 31, 2012  
With Incurred Amounts Greater than \$1

Member	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	Total
American Canyon	5	2	2	7	4	20
Atherton	2	1	2	3	0	8
Belvedere	0	0	0	0	0	0
Benicia	17	16	12	17	3	65
Brisbane	0	0	0	0	0	0
Burlingame	28	23	20	36	13	120
Campbell	4	3	13	6	4	30
Colma	0	0	2	3	2	7
Cupertino	9	3	3	7	5	27
Dublin	4	1	4	6	5	20
East Palo Alto	2	7	3	14	3	29
Foster City	3	5	2	8	1	19
Glroy	9	7	7	16	13	52
Half Moon Bay	6	1	1	1	0	9
Hillsborough	7	5	9	9	1	31
Los Altos	5	4	2	5	0	16
Los Altos Hills	0	2	0	2	0	4
Los Gatos, Town Of	8	9	8	5	0	30
Millbrae	7	8	7	7	1	30
Milpitas	12	15	12	22	6	67
Morgan Hill	9	16	11	14	7	57
Newark	11	8	4	15	5	43
Pacifica	8	11	6	12	8	45
Portola Valley	0	0	0	0	0	0
Ross	0	1	0	2	1	4
San Bruno	15	15	22	27	10	89
San Carlos	15	18	5	15	9	62
San Mateo	52	34	19	0	0	105
Saratoga	2	2	2	3	0	9
South San Francisco	18	9	6	25	9	67
Suisun City	9	6	9	4	3	31
Tiburon	1	1	1	2	1	6
Woodside	0	2	1	1	1	5
Total	268	235	195	294	115	1,107

Notes:  
Data Provided by ABAG.

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Appendix F

ABAG PLAN CORPORATION - Liability  
Duration for Outstanding Loss and LAE Liabilities at  
June 30, 2013

Accident Year	Outstanding as of 6/30/2013	Paid During 2013-2014	Paid During 2014-2015	Paid During 2015-2016	Paid During 2016-2017	Paid During 2017-2018	Paid During 2018-2019	Paid During 2019-2020	Paid During 2020-2021	Paid During 2021-2022	Paid During 2022-2023	Paid During 2023-2024	Paid During 2024-2025	Paid During 2025-2026	Paid During 2026-2027	Paid During 2027-2028	Paid During 2028-2029
1999-2000	0	0	0	0													
2000-2001	77,740	38,710	10,476	10,554	0												
2001-2002	0	0	0	0	0	0											
2002-2003	183,785	60,450	40,814	41,081	20,864	20,747	0										
2003-2004	0	0	0	0	0	0	0	0									
2004-2005	0	0	0	0	0	0	0	0	0								
2005-2006	508,828	170,457	87,299	89,044	50,888	40,428	40,662	20,468	20,551	0							
2006-2007	155,082	71,483	27,999	14,340	11,341	9,837	6,841	6,884	3,362	3,378	0						
2007-2008	1,719,308	747,899	447,819	175,402	89,832	71,048	61,824	41,801	41,873	21,062	21,147	0					
2008-2009	3,050,109	1,298,298	782,908	456,807	178,923	91,835	72,473	62,981	42,438	42,713	21,485	21,571	0				
2009-2010	3,172,937	1,310,423	791,568	465,881	278,944	109,257	65,958	44,255	38,385	114,573	77,346	77,851	13,172	0			
2010-2011	14,503,288	5,032,834	3,911,372	2,382,688	1,390,510	832,598	326,112	187,018	132,083	88,360	57,558	38,856	30,110	30,317	0		
2011-2012	9,130,315	1,844,324	2,528,239	1,964,952	1,186,940	698,549	418,270	163,829	83,905	40,903	35,476	23,950	24,107	19,751	0		
2012-2013	5,999,789	371,988	1,138,812	1,558,387	1,211,185	731,611	436,575	257,815	190,981	51,718	40,903	35,476	23,950	24,107	12,120	12,174	0
<b>Total</b>	<b>38,501,105</b>	<b>10,944,679</b>	<b>9,754,307</b>	<b>7,128,094</b>	<b>4,428,208</b>	<b>2,805,708</b>	<b>1,412,343</b>	<b>784,531</b>	<b>463,588</b>	<b>325,714</b>	<b>244,521</b>	<b>188,876</b>	<b>116,392</b>	<b>83,069</b>	<b>31,877</b>	<b>12,174</b>	<b>0</b>
Reserve Payout % of Total	100.0%	28.4%	25.3%	18.5%	11.5%	8.8%	3.7%	2.0%	1.2%	0.8%	0.6%	0.5%	0.3%	0.2%	0.1%	0.0%	0.0%
Years Since Reserved		0.5	1.5	2.5	3.5	4.5	5.5	6.5	7.5	8.5	9.5	10.5	11.5	12.5	13.5	14.5	15.5
Reserve Payout PV at 3.0%	93.4%	28.0%	24.2%	17.2%	10.4%	5.9%	3.1%	1.6%	1.0%	0.7%	0.5%	0.4%	0.2%	0.1%	0.1%	0.0%	0.0%
Time Weighted	210.6%	14.0%	36.4%	43.0%	36.3%	26.7%	17.1%	10.7%	7.2%	5.6%	4.6%	3.7%	2.6%	1.9%	0.7%	0.3%	0.0%
Liability Duration	2.25																



DRAFT



Thursday, May 9, 2013

Mr. James Hill  
Risk Manager  
Association of Bay Area Governments  
101 Eighth Street  
Oakland, CA 94607

Re: 2012-13 vs. 2013-14 Premium Calculation Comparison

Dear Mr. Hill:

As you requested, we have completed the comparison of 2012-13 vs. 2013-14 premium calculation for members of ABAG's self-insured liability program (the PLAN). For each member, there are three exhibits attached showing a comparison of key components of premium calculation, 5-year losses and payrolls, large loss listing.

Funding for losses, expenses, and excess insurance are allocated between members using various methods, which are set forth in this document, including an example. Losses are allocated using experience modification factors. The experience modification factor (x-mod) for each member represents the relationship between the loss experience of the member and the loss experience of the pool as a whole. Generally, a factor greater than 1.00 indicates that the members expected loss rate is worse than the pool average. Conversely, a factor less than 1.00 indicates that the members expected loss rate is better than the pool average.

On page "a" of each member exhibit, components of the premium calculation affecting x-mod are compared side-by-side for 2012-13 and 2013-14. Indicated differential shown on row (5) of each page "a" has the biggest affect on premium calculation. It is a relative ratio of each member's losses to their payrolls. The 5-year losses are capped at \$250,000 per claim. Capping losses reduces the impact of single large fortuitous losses, and makes the plan more sensitive to the frequency of claims, a measure that is typically easier for the member to control. Increasing the cap introduces more volatility in the factors from year to year, but encourages the members to contain losses to the extent possible. The annual change in the premium is capped at +/-30% per year. 5-year limited losses and payrolls are shown in details on page "b". A list of claims with greater than \$25,000 incurred losses is shown on page "c".

## DRAFT

The following table shows premium comparison in detail for the City of Dublin. The numbers in parenthesis signify row number from the table below. In the case of Dublin, the 5-year limited losses used in 2013-14 premium calculation were \$401,483 (1). This amount is 1.8% (2) of total limited losses for all PLAN members. Dublin's share of the 5-year payrolls is 2.1% (4). The indicated differential is a ratio of 5-year limited losses to 5-year payrolls (5). The credibility factor (6) is a weight given to each member's own experience. Indicated experience modification factor for Dublin is 92% (7) which is calculated by multiplying the credibility factor of 0.600 (6) by the indicated differential of 0.863 (5) then adding the complement of credibility factor times the average PLAN differential of 1.000. The adjusted experience modification factor for Dublin is 93% (8) after applying an off-balance factor to the indicated experience modification factor. An off-balance factor is often required when there is capping of the experience modification factor and/or premium.

In this case, premium changes are limited to 30% from the prior year's premium. Dublin has a \$50,000 deductible (10) and a 1.192 (11) deductible factor. The deductible factor of 1.192 (11) is multiplied to PLAN's average loss rate for a \$100,000 member deductible. Uncapped indicated loss funding, excess insurance costs, administrative expenses, and loss prevention expenses are \$136,754 (13); \$35,706 (14), \$65,675 (15) and \$11,808 (16), respectively. The total uncapped premium of \$249,943 (17) is adjusted to \$263,756 (19) based on capping procedures (pages 4-5).

It should be noted that the 2012-13 column for rows (1) through (19) come directly from the prior actuarial report. The 2012-13 premiums in row (20) are those actually charged by ABAG. Rows (19) and (20) may differ as a result of updated payroll or excess insurance information received after the prior actuarial report was completed.

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$402,276	\$401,483	-0.2%
(2) 5-Year Payrolls (00)	\$392,855	\$403,790	2.8%
(3) % 5-Year Limited Losses	1.9%	1.8%	-8.2%
(4) % 5-Year Payrolls (00)	2.0%	2.1%	3.9%
(5) Indicated Differential	0.976	0.863	-11.7%
(6) Credibility	0.600	0.600	0.0%
(7) Indicated Ex Mod	99%	92%	-6.9%
(8) Adjusted Ex Mod	99%	93%	-6.2%
(9) Prior Ex Mod	99%	99%	-0.1%
(10) Deductible	\$50,000	\$50,000	0.0%
(11) Deductible Factor	1.199	1.192	-0.6%
(12) Current Year Payroll (00)	\$88,649	\$88,649	0.0%
(13) Indicated Loss Funding	\$115,078	\$136,754	4.7%
(14) Excess Insurance	\$35,760	\$35,706	946.8%
(15) Adjusted Administrative Expense	\$113,209	\$65,675	-41.2%
(16) Loss Prevention Expense	\$0	\$11,808	N/A
(17) Uncapped Premium	\$264,047	\$249,943	1.7%
(18) Prior Capped vs. Current Uncapped	\$266,287	\$249,943	-0.1%
(19) Prior Capped vs. Current Capped	\$266,287	\$263,756	5.4%
(20) Prior Total vs. Current Total	\$266,287	\$263,756	5.4%

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The table below summarizes the allocation of deposit premiums by member, which include ultimate loss and ALAE assuming a \$5M retention per occurrence, claims administration, loss prevention, other administration and excess insurance costs from \$5M to \$25M per occurrence at the expected confidence level on a discounted basis (3%). This is shown in further detail on Exhibit 1, page 2.

Member	Loss Funding	Excess Insurance	Admin Expenses	Loss Prevention Expense	Burlingame Hillsborough CCFD Adjustments	Total Deposit
American Canyon	\$76,697	\$14,896	\$65,370	\$8,216	\$0	\$165,178
Atherton	135,643	5,281	50,013	8,801	0	199,739
Benicia	588,440	20,563	141,073	24,370	0	774,447
Burlingame	378,663	22,234	150,468	18,210	35,088	604,664
Campbell	174,519	30,465	77,086	12,934	0	295,004
Colma	51,245	1,127	47,214	5,082	0	104,667
Cupertino	113,055	44,305	50,787	8,846	0	216,993
Dublin	150,567	35,706	65,675	11,808	0	263,756
East Palo Alto	185,885	21,745	78,693	11,375	0	297,699
Foster City	122,874	23,600	57,289	8,743	0	212,506
Gilroy	408,039	38,330	246,600	20,223	0	713,191
Half Moon Bay	29,320	8,757	39,633	4,187	0	81,897
Hillsborough	215,372	9,426	79,761	10,163	(35,088)	279,633
Los Altos Hills	37,703	6,087	47,729	4,752	0	96,271
Los Gatos	290,932	22,917	211,522	16,290	0	541,661
Millbrae	121,544	16,858	96,298	10,549	0	245,249
Milpitas	196,106	51,544	132,181	15,176	0	395,006
Morgan Hill	320,772	30,743	184,053	16,529	0	552,098
Newark	127,991	32,878	88,559	9,815	0	259,244
Pacifica	207,533	28,766	100,154	12,732	0	349,186
Portola Valley	18,160	3,323	18,556	2,872	0	42,910
Ross, Town of	26,209	1,866	23,275	4,675	0	56,025
San Bruno	411,439	31,319	278,465	20,886	0	742,109
San Carlos	193,820	21,847	143,295	13,856	0	372,818
Saratoga	137,316	23,194	59,884	9,560	0	229,953
South SF	394,724	48,889	125,619	17,813	0	587,044
Suisun City	156,948	21,372	81,687	11,411	0	271,417
Tiburon	64,478	6,846	63,715	6,532	0	141,571
Woodside	48,009	4,114	45,347	4,995	0	102,465
<b>Total</b>	<b>\$5,384,000</b>	<b>\$629,000</b>	<b>\$2,850,000</b>	<b>\$331,400</b>	<b>\$0</b>	<b>\$9,194,400</b>

As shown in the previous table, total PLAN contributions are \$9,194,400, and can be broken down into three categories (1) Loss Funding, (2) Fixed Expenses, and (3) Variable Expenses. These costs are allocated to each individual member using the various methods discussed below.

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The loss funding category actually can be broken down into two components: (1) PLAN loss fund contributions and (2) excess insurance. The PLAN loss fund contributions are based on the member's loss experience relative to the overall PLAN average and member's projected exposure (payroll) for 2013-14. The member's loss experience is factored into the allocation by using the experience modification factor developed in Exhibit 1, page 9. The experience modification factor calculation compares the prior five year's loss experience (2007-08 through 2011-12) per \$100 of payroll to the average of all PLAN members. A factor of 100% indicates that the member's loss experience is equal to the PLAN average.

The number of years of loss experience utilized depends on the degree of stability vs. responsiveness desired. Using more years in the calculation may stabilize year-to-year premium changes, but will not be responsive to changes in loss experience. On the other hand, using a limited number of years results in a quick response to changes in loss experience, but changes in year-to-year premiums by member will be dramatic. A five-year time period provides a reasonable balance between stability and responsiveness.

Furthermore, the experience modification factors are developed based on losses limited to \$250,000 per occurrence. Without such a loss limit, a member incurring one catastrophic loss will pay disproportionately higher premiums as long as that loss remains in the experience period. The member will not realize financial benefits from loss control, even though its claim frequency may have decreased.

The experience modification and deductible factors are applied to the selected funding rate to obtain the adjusted rate. The adjusted rate is multiplied by the members' payroll to determine the base deposit.

The excess insurance portion of the loss funding is allocated to each member based upon estimated member population. The assumption here is that losses in excess of the PLAN retention are random, and thus more appropriately related to exposure than loss experience. This calculation is shown on Exhibit 1, Page 6.

Total budgeted administrative costs for 2013-14 are \$2,850,000. Total PLAN administrative expenses of \$2,850,000 are split into \$2,280,000 for general liability and \$570,000 for property coverages then again split into fixed and variable portions. Thirty-three percent of these expenses are assumed to be fixed, and every individual member is initially allocated the same amount of fixed expense regardless of its size. Given total fixed expenses of \$940,500 and 29 members for the 2013-14 fiscal year, this results in an initial charge of \$32,431 per member.

The remaining sixty-seven percent of administrative expenses are assumed to vary by member and are initially allocated based upon one-third weight to reported claims greater than \$1 (i.e. excluding claims closed without payment) and two-thirds weight to paid losses in the period 2008-09 through 2011-12. Liability and Property are treated separately for the allocation, then added into the premium in total.

The loss prevention expenses are allocated based on budgeted loss prevention expense by member. The total loss prevention expense is equal to amount necessary to increase the total premium by 20% from the 2012-13 total premium collected.

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The total expenses (fixed plus variable) are then capped at each member's loss funding (excluding excess insurance). The amount removed by capping expenses at loss funding is then allocated back to other members whose expenses were not capped. The allocation of expenses is shown on Exhibit 1, Pages 7, 8 and 9.

In order to prevent extreme year-to-year fluctuations in each member's deposit, there is a limit in the annual change in deposit between the upcoming year and the current year. As directed by PLAN, the annual change in deposit is limited to 30%, assuming the member keeps the same deductible. The net impact of limiting the change in deposit is spread back to all members whose deposits are not already limited so that total deposit collected for the 2013-14 after limiting will be equal to prior deposit.

This report should be viewed as a supplement to our most recent actuarial review of PLAN's self-insured liability program (as documented in our May 9, 2013 report.) As such the limitations and conditions described in that report also apply to the estimates presented in this report.

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

Sincerely,

Bickmore

**DRAFT**

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Mike Harrington, FCAS, MAAA  
Director, Property and Casualty Actuarial Services, Bickmore  
Fellow, Casualty Actuarial Society  
Member, American Academy of Actuaries

**DRAFT**

ABAG PLAN CORPORATION

Liability

Premium Allocation by Member Breakdown

2012-13 VS 2013-14 Premiums

City	Current Year						Prior Year					
	Deductible (1)	5-year Incurred Losses (2)	5-year Projected Payroll (3)	Mod Factor (4)	Loss Funding (5)	Total Premium (6)	Deductible (7)	5 year Incurred Losses (8)	5 year Projected Payroll (9)	Mod Factor (10)	Loss Funding (11)	Total Premium (12)
American Canyon	\$25,000	\$101,099	\$293,909	66%	\$68,046	\$165,178	\$25,000	\$158,739	\$296,138	76%	\$64,160	\$145,775
Atherton	25,000	291,618	335,178	100%	135,183	199,214	25,000	641,594	341,659	163%	78,890	165,418
Benav	25,000	2,054,017	987,702	167%	547,882	734,447	25,000	2,057,856	1,018,927	175%	434,093	687,757
Burkegame	250,000	2,097,529	1,346,820	139%	348,834	604,664	250,000	1,570,698	1,747,650	117%	225,813	481,093
Campbell	100,000	470,348	861,648	64%	199,074	295,004	100,000	603,794	833,183	78%	148,282	304,058
Colton	30,000	324,880	211,045	115%	85,809	104,667	30,000	65,151	209,964	72%	39,686	80,513
Cupertino	250,000	498,727	685,398	75%	118,151	216,993	250,000	232,116	665,926	54%	63,644	166,917
Dublin	50,000	401,483	403,780	91%	316,254	261,356	50,000	402,276	792,855	99%	113,078	266,287
East Palo Alto	100,000	1,081,145	546,218	145%	170,294	297,699	100,000	1,069,584	557,031	152%	167,163	251,776
Foster City	100,000	587,665	1,027,419	61%	154,088	212,506	100,000	265,446	1,045,812	40%	79,972	163,466
Gilroy	50,000	1,494,948	1,189,493	108%	464,937	713,191	50,000	1,391,064	1,213,463	108%	351,000	548,609
Half Moon Bay	50,000	317,149	202,546	116%	39,633	81,897	50,000	199,770	345,478	89%	18,476	62,998
Hillsborough	50,000	877,418	632,821	116%	198,890	279,633	50,000	592,354	632,370	93%	127,881	211,091
Los Altos Hills	25,000	760,100	89,065	132%	47,729	96,271	25,000	272,647	86,782	141%	40,199	74,055
Los Gatos	50,000	1,309,399	788,173	135%	319,634	541,661	50,000	1,050,170	781,305	120%	241,610	416,662
Millbrae	100,000	415,377	502,950	84%	108,200	245,249	100,000	572,338	497,345	107%	108,533	234,055
Millington	100,000	699,100	2,044,564	17%	175,419	395,006	100,000	962,993	2,132,778	49%	187,236	379,289
Morgan Hill	100,000	1,502,069	938,781	134%	307,946	552,098	100,000	1,421,296	935,000	137%	259,835	424,691
Nisqually	100,000	556,633	989,330	60%	120,517	239,244	100,000	492,382	1,104,869	54%	82,138	199,418
Pacific	50,000	662,381	892,946	76%	189,246	349,186	50,000	797,190	892,945	90%	170,488	297,308
Petaluma Valley	25,000	0	55,763	81%	18,556	42,910	25,000	50	52,954	80%	14,626	33,008
Rose, Town of	25,000	90,402	121,297	91%	23,225	36,025	25,000	100,489	114,885	96%	21,245	72,547
San Bruno	100,000	2,138,794	1,118,965	155%	505,237	747,109	100,000	1,515,707	1,095,233	126%	319,464	570,833
San Carlos	100,000	881,789	509,562	132%	174,295	372,818	100,000	1,195,656	548,985	166%	155,242	335,821
Saratoga	25,000	406,236	272,673	115%	125,273	229,953	25,000	460,518	265,217	134%	100,897	190,867
South SF	100,000	1,371,704	2,159,034	60%	363,980	587,044	100,000	1,417,712	2,118,516	68%	309,050	467,779
Summer City	25,000	616,078	735,925	134%	142,734	271,417	25,000	845,559	313,240	178%	108,613	255,971
Tiburon	50,000	402,727	201,075	131%	78,852	141,571	50,000	274,027	703,028	103%	49,737	108,901
Woodside	25,000	256,578	121,383	127%	45,347	102,465	25,000	256,478	117,279	133%	39,316	78,819
<b>Total</b>		<b>\$22,657,743</b>	<b>\$19,657,322</b>		<b>\$3,840,000</b>	<b>\$9,194,400</b>		<b>\$20,844,665</b>	<b>\$19,877,757</b>		<b>\$4,183,000</b>	<b>\$7,662,000</b>

Notes:

(1) through (7) From Backmore report dated May 9, 2013.

(8) through (12) From Backmore report dated May 29, 2012.

(14) through (18) = [(1) through (7)] / [(9) through (13)] - 1, respectively

Mod factors are based on credibility weighting of incurred losses and projected payroll. Credibility is based on payroll. Loss funding is based on deductible, incurred loss, mod factor, and projected payroll

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ADAA PLAN CORPORATION

Liability

Premium Allocation by Member Breakdown

2012-13 VS. 2011-14 Premiums

City (1)	Change in					Total Premium (18)
	Incurred Losses (14)	Projected Payroll (15)	Med Factor (16)	Loss Funding (17)		
American Canyon	-36%	0%	-14%	6%	13%	
Atherton	23%	-1%	11%	59%	21%	
Belmont	0%	-3%	-3%	26%	13%	
Burlingame	14%	0%	18%	54%	26%	
Campbell	-22%	1%	-18%	7%	-3%	
Colma	399%	1%	57%	116%	36%	
Cupertino	115%	3%	40%	86%	30%	
Dublin	0%	3%	-6%	19%	-1%	
East Palo Alto	1%	-1%	-4%	2%	18%	
Foster City	121%	2%	53%	93%	30%	
Glenn	7%	1%	0%	32%	30%	
Half Moon Bay	59%	-17%	30%	113%	30%	
Hillsborough	48%	0%	24%	56%	32%	
Los Altos Hills	-5%	3%	-6%	19%	30%	
Los Gatos	24%	1%	10%	43%	30%	
Milpitas	28%	1%	21%	0%	9%	
Milpitas	-27%	-4%	-24%	-6%	4%	
Morgan Hill	6%	-1%	-2%	19%	10%	
Newark	13%	-10%	10%	47%	30%	
Pacifica	-17%	0%	-16%	11%	17%	
Portola Valley	-100%	5%	1%	27%	30%	
Ross, Town of	10%	6%	-5%	10%	-3%	
San Bruno	41%	2%	22%	58%	30%	
San Carlos	-26%	-7%	-20%	12%	11%	
Saratoga	-13%	3%	-14%	24%	20%	
South SF	-3%	2%	-11%	18%	23%	
Stinson City	-27%	3%	-25%	-15%	7%	
Tiburon	80%	-1%	28%	57%	30%	
Woodside	0%	3%	-5%	15%	30%	
Total	9%	-1%		29%	20%	

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ADAG PLAN CORPORATION

Liability

Premium Allocation by Member Breakdown

2012-13 VS. 2011-14 Premiums

City (1)	Current Year			Prior Year			Change In		
	Administrative Expense (2)	Reported Counts (3)	CY Paid Losses (4)	Administrative Expense (5)	Reported Counts (6)	CY Paid Losses (7)	Administrative Expense (8)	Reported Counts (9)	CY Paid Losses (10)
American Canyon	365,370	15	\$78,242	\$64,816	10	\$50,199	1%	50%	-40%
Atherton	50,011	6	6,526	78,890	5	1,452,630	-12%	20%	-100%
Benicia	141,073	48	239,300	233,980	41	566,463	-12%	17%	-58%
Burlingame	150,468	92	351,875	184,492	70	529,196	-18%	31%	-34%
Castroville	77,086	36	56,113	129,183	15	453,268	-40%	73%	89%
Colma	47,214	7	44,983	38,564	1	5,801	22%	600%	675%
Cupertino	50,787	18	22,713	56,748	17	17,098	-11%	6%	33%
Dublin	65,675	16	23,725	113,209	7	215,085	-42%	139%	-82%
East Palo Alto	78,693	27	147,434	59,714	14	57,287	32%	93%	157%
Foster City	57,289	16	32,510	58,105	10	37,433	-11%	60%	86%
Glencoe	246,600	41	981,379	151,944	24	338,611	62%	79%	311%
Half Moon Bay	39,633	3	73,072	18,476	7	87,344	115%	-57%	-59%
Hillsborough	79,761	24	69,869	114,337	20	235,855	-30%	20%	-70%
Los Altos Hills	47,729	4	269,522	49,199	1	262,810	19%	300%	3%
Los Gatos	211,522	22	651,412	146,697	25	136,851	44%	-12%	414%
Millbrae	96,298	23	252,732	95,824	18	233,202	0%	28%	10%
Mountain View	332,181	55	161,390	135,538	43	141,580	-2%	28%	14%
Menlo Park	184,053	48	774,605	158,221	39	557,890	16%	23%	-4%
Newark	88,599	32	81,516	82,138	22	242,009	8%	45%	-60%
Pacifica	100,154	37	196,663	97,053	28	83,854	9%	32%	133%
Portola Valley	18,556	0	0	14,626	0	0	27%	0%	0%
Ripon, Town of	23,275	4	8,760	21,245	1	8,355	10%	300%	2%
San Bruno	278,465	74	1,308,569	267,834	52	1,089,203	4%	42%	20%
San Carlos	141,295	47	501,297	154,618	33	539,623	-7%	24%	-10%
Saratoga	59,884	7	89,997	64,607	6	110,317	-7%	17%	-18%
South SF	175,619	49	324,828	104,013	32	172,863	21%	53%	89%
Stinson City	81,687	22	97,906	85,565	21	112,958	-5%	9%	12%
Tiburon	63,715	5	140,032	33,952	3	39,367	18%	67%	256%
Woodside	45,347	5	336,561	40,414	2	15,198	12%	150%	2115%
<b>Total</b>	<b>\$2,850,000</b>	<b>775</b>	<b>\$7,283,050</b>	<b>\$2,850,000</b>	<b>569</b>	<b>\$7,658,378</b>	<b>0%</b>	<b>36%</b>	<b>-5%</b>

Notes:

(1), (3), and (4) From Dickman report dated May 9, 2013.

(5), (6) and (7) From Dickman report dated May 29, 2012.

(8) through (10) - (1) through (4) / (5) through (7) - 1, respectively.

Variable expenses are based on a function that weights CY paid loss by two-thirds and reported counts by one-third.

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
American Canyon**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$158,759	\$101,099	-36.3%
(2) 5-Year Payrolls (00)	\$296,138	\$295,909	-0.1%
(3) % 5-Year Limited Losses	0.8%	0.4%	-41.4%
(4) % 5-Year Payrolls (00)	1.5%	1.5%	1.0%
(5) Indicated Differential	0.511	0.296	-42.0%
(6) Credibility	0.500	0.500	0.0%
(7) Indicated Ex Mod	76%	65%	-14.2%
(8) Adjusted Ex Mod	76%	66%	-13.6%
(9) Prior Ex Mod	73%	76%	4.4%
(10) Deductible	\$25,000	\$25,000	0.0%
(11) Deductible Factor	1.356	1.343	-1.0%
(12) Current Year Payroll (00)	\$57,020	\$55,420	-2.8%
(13) Indicated Loss Funding	\$64,160	\$68,046	6.1%
(14) Excess Insurance	\$14,918	\$14,896	-0.1%
(15) Adjusted Admin Expense	\$64,816	\$65,370	0.9%
(16) Loss Prevention Expense	\$0	\$8,216	N/A
(17) Uncapped Premium	\$143,894	\$156,527	8.8%
(18) Prior Capped vs. Current Uncapped	\$145,775	\$156,527	7.4%
(19) Prior Capped vs. Current Capped	\$145,775	\$165,178	13.3%
(20) Prior Total vs. Current Total	\$145,775	\$165,178	13.3%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6) [(2) / ((2) + 300,000)]. Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7) ((5) x (6)) + (1.00 - (6))
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14, {[\$5,384,000 / Total (12)] x [(11) / Weighted Average of (11)] x (8) x (12)}. \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate)
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
American Canyon**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$77,691		
2007-2008	2,822	2007-2008	\$2,822
2008-2009	2,706	2008-2009	2,706
2009-2010	15,742	2009-2010	50,692
2010-2011	59,797	2010-2011	2,397
		2011-2012	42,482
Total	\$158,759	Total	\$101,099

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$5,420,978		
2007-2008	5,850,177	2007-2008	\$5,850,177
2008-2009	6,343,248	2008-2009	6,343,248
2009-2010	6,397,207	2009-2010	6,397,207
2010-2011	5,602,186	2010-2011	5,602,186
		2011-2012	5,398,066
Total	\$29,613,796	Total	\$29,590,885

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
American Canyon**

i. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid	Case	Incurred	Recovery	Limited Incurred Losses
			Losses	Reserves	Losses		
			As of 12/31/12	As of 12/31/12	As of 12/31/12		
2009-10	70755	O	5,766	34,234	40,000	0	40,000
Total			5,766	34,234	40,000	0	40,000

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
American Canyon**

I. Large Claims for 2012-13 Calculation:

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2006-07	PI058830	C	74,100	0	74,100	0	74,100
2010-11	71266	O	0	57,000	57,000	0	57,000
Total			74,100	57,000	131,100	0	131,100

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Atherton**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$643,594	\$793,618	23.3%
(2) 5-Year Payrolls (00)	\$243,659	\$235,179	-3.5%
(3) % 5-Year Limited Losses	3.1%	3.5%	13.4%
(4) % 5-Year Payrolls (00)	1.2%	1.2%	-2.4%
(5) Indicated Differential	2.519	2.928	16.2%
(6) Credibility	0.400	0.400	0.0%
(7) Indicated Ex Mod	161%	177%	10.2%
(8) Adjusted Ex Mod	162%	180%	11.0%
(9) Prior Ex Mod	164%	162%	-1.7%
(10) Deductible	\$25,000	\$25,000	0.0%
(11) Deductible Factor	1.356	1.343	-1.0%
(12) Current Year Payroll (00)	\$32,955	\$37,315	13.2%
(13) Indicated Loss Funding	\$78,890	\$125,183	58.7%
(14) Excess Insurance	\$5,504	\$5,281	-4.0%
(15) Adjusted Admin Expense	\$78,890	\$50,013	-36.6%
(16) Loss Prevention Expense	\$0	\$8,801	N/A
(17) Uncapped Premium	\$163,284	\$189,278	15.9%
(18) Prior Capped vs. Current Uncapped	\$165,418	\$189,278	14.4%
(19) Prior Capped vs. Current Capped	\$165,418	\$199,739	20.7%
(20) Prior Total vs. Current Total	\$165,418	\$199,739	20.7%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6)  $[(2) / ((2) + 300,000)]$ . Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7)  $((5) \times (6)) + (1.00 - (6))$
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14,  $\{[\$5,384,000 / \text{Total (12)}] \times [(11) / \text{Weighted Average of (11)}] \times (8) \times (12)\}$ . \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%.
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Atherton**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$6,640	2007-2008	\$29,249
2007-2008	29,249	2008-2009	500,000
2008-2009	500,000	2009-2010	3,101
2009-2010	105,799	2010-2011	1,857
2010-2011	1,907	2011-2012	259,411
<b>Total</b>	<b>\$643,594</b>	<b>Total</b>	<b>\$793,618</b>

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$4,629,596	2007-2008	\$4,713,684
2007-2008	4,713,684	2008-2009	5,219,493
2008-2009	5,219,493	2009-2010	5,140,070
2009-2010	5,140,070	2010-2011	4,663,052
2010-2011	4,663,052	2011-2012	3,781,578
<b>Total</b>	<b>\$24,365,895</b>	<b>Total</b>	<b>\$23,517,877</b>

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Atherton**

I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2007-08	70998	C	27,849	0	27,849	0	27,849
2011-12	71703	O	1,568	348,432	350,000	0	250,000
2008-09	GL060595	C	528,646	0	528,646	0	250,000
2008-09	GL060669	C	1,120,835	0	1,120,835	0	250,000
Total			1,678,898	348,432	2,027,330	0	777,849

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Atherton**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2007-08	70998	C	27,849	0	27,849	0	27,849
2008-09	GL060595	O	327,167	47,833	375,000	0	250,000
2008-09	GL060669	C	1,120,505	0	1,120,505	0	250,000
2009-10	70528	O	3,101	96,899	100,000	0	100,000
Total			1,478,622	144,732	1,623,354	0	627,849

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Benicia**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$2,057,856	\$2,054,017	-0.2%
(2) 5-Year Payrolls (00)	\$1,018,927	\$987,702	-3.1%
(3) % 5-Year Limited Losses	9.9%	9.1%	-8.2%
(4) % 5-Year Payrolls (00)	5.1%	5.0%	-2.0%
(5) Indicated Differential	1.926	1.804	-6.3%
(6) Credibility	0.800	0.800	0.0%
(7) Indicated Ex Mod	174%	164%	-5.6%
(8) Adjusted Ex Mod	175%	167%	-4.9%
(9) Prior Ex Mod	166%	175%	5.2%
(10) Deductible	\$25,000	\$25,000	0.0%
(11) Deductible Factor	1.356	1.343	-1.0%
(12) Current Year Payroll (00)	\$167,460	\$176,005	5.1%
(13) Indicated Loss Funding	\$434,093	\$547,882	26.2%
(14) Excess Insurance	\$20,809	\$20,563	-1.2%
(15) Adjusted Admin Expense	\$223,980	\$141,073	-37.0%
(16) Loss Prevention Expense	\$0	\$24,370	N/A
(17) Uncapped Premium	\$678,882	\$733,889	8.1%
(18) Prior Capped vs. Current Uncapped	\$687,757	\$733,889	6.7%
(19) Prior Capped vs. Current Capped	\$687,757	\$774,447	12.6%
(20) Prior Total vs. Current Total	\$687,757	\$774,447	12.6%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6) [(2) / ((2) + 300,000)]. Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7) ((5) x (6)) + (1.00 - (6))
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14, {[\$5,384,000 / Total (12)] x [(11) / Weighted Average of (11)] x (8) x (12)}. \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Benicia**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$260,877	2007-2008	\$794,459
2007-2008	783,635	2008-2009	645,971
2008-2009	610,971	2009-2010	89,005
2009-2010	139,273	2010-2011	420,954
2010-2011	263,100	2011-2012	103,627
<b>Total</b>	<b>\$2,057,856</b>	<b>Total</b>	<b>\$2,054,017</b>

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$20,111,181	2007-2008	\$21,637,883
2007-2008	21,637,883	2008-2009	22,349,165
2008-2009	22,349,165	2009-2010	19,676,884
2009-2010	19,676,884	2010-2011	18,117,593
2010-2011	18,117,593	2011-2012	16,988,627
<b>Total</b>	<b>\$101,892,706</b>	<b>Total</b>	<b>\$98,770,152</b>

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Benicia**

I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2010-11	71500	O	21,626	4,978,374	5,000,000	0	250,000
2007-08	70141	C	924,506	0	924,506	-1,035	250,000
2009-10	70215	C	43,809	0	43,809	0	43,809
2008-09	70278	O	135,651	514,349	650,000	0	250,000
2007-08	70868	C	90,824	0	90,824	0	90,824
2011-12	71414	C	39,083	0	39,083	0	39,083
2010-11	71484	O	16,375	83,625	100,000	0	100,000
2007-08	GL059049	C	196,840	0	196,840	0	196,840
2007-08	GL059604	C	84,163	0	84,163	0	84,163
2007-08	GL059690	C	134,062	0	134,062	0	134,062
2008-09	GL059989	C	49,415	0	49,415	0	49,415
2008-09	GL060505	C	218,723	0	218,723	-207	218,723
2008-09	GL060800	O	45,733	54,267	100,000	0	100,000
Total			2,000,810	5,630,614	7,631,424	-1,241	1,806,918

## ABAG PLAN

Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Benicia

## I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2006-07	GL059086	C	217,519	0	217,519	0	217,519
2007-08	70141	O	924,127	5,873	930,000	0	250,000
2007-08	70868	O	29,479	50,521	80,000	0	80,000
2007-08	GL059049	C	196,840	0	196,840	0	196,840
2007-08	GL059604	C	84,163	0	84,163	0	84,163
2007-08	GL059690	C	134,062	0	134,062	0	134,062
2008-09	70278	O	114,158	535,842	650,000	0	250,000
2008-09	GL059989	C	49,415	0	49,415	0	49,415
2008-09	GL060505	C	218,723	0	218,723	-207	218,723
2008-09	GL060800	O	23,326	41,674	65,000	0	65,000
2009-10	70215	C	43,809	0	43,809	0	43,809
2009-10	70570	O	4,716	20,334	25,050	0	25,050
2009-10	GL060876	O	7,566	44,934	52,500	0	52,500
2010-11	71172	O	0	200,000	200,000	0	200,000
Total			2,047,903	899,177	2,947,080	-207	1,867,080

ABAG PLAN

Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Burlingame

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$1,570,698	\$2,097,529	33.5%
(2) 5-Year Payrolls (00)	\$1,242,650	\$1,246,880	0.3%
(3) % 5-Year Limited Losses	7.5%	9.3%	22.9%
(4) % 5-Year Payrolls (00)	6.3%	6.3%	1.5%
(5) Indicated Differential	1.205	1.459	21.1%
(6) Credibility	0.800	0.800	0.0%
(7) Indicated Ex Mod	116%	137%	17.5%
(8) Adjusted Ex Mod	117%	139%	18.3%
(9) Prior Ex Mod	177%	117%	-33.9%
(10) Deductible	\$250,000	\$250,000	0.0%
(11) Deductible Factor	0.710	0.721	1.5%
(12) Current Year Payroll (00)	\$248,747	\$250,833	0.8%
(13) Indicated Loss Funding	\$225,813	\$348,834	54.5%
(14) Excess Insurance	\$22,447	\$22,234	-1.0%
(15) Adjusted Admin Expense	\$184,492	\$150,468	-18.4%
(16) Loss Prevention Expense	\$0	\$18,210	N/A
(17) Uncapped Premium	\$432,753	\$539,746	24.7%
(18) Prior Capped vs. Current Uncapped	\$438,410	\$539,746	23.1%
(19) Prior Capped vs. Current Capped	\$438,410	\$569,575	29.9%
(20) Prior Total vs. Current Total	\$481,093	\$604,664	25.7% *

\* 2012-13 premium includes CCFD adjustment of \$42,683.

\* 2013-14 premium includes CCFD adjustment of \$35,088.

(1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years.

Losses are capped at \$250,000 per occurrence.

(3), (4) Percentage of limited losses and payrolls compared to PLAN.

(5) (3) / (4)

(6) [(2) / ((2) + 300,000)]. Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10.

Assumes that a member with five-year payroll of \$30 million is 50% credible.

(7) ((5) x (6)) + (1.00 - (6))

(8) Adjusted for off-balance using payroll as weights.

(9) Prior Adjusted Ex Mod

(10) Provided by ABAG.

(11) \$100K Deductible = 1.000

(12) Provided by ABAG.

(13) For 2013-14, {[\$5,384,000 / Total (12)] x [(11) / Weighted Average of (11)] x (8) x (12)}.

\$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).

(14) Allocated to member based on population.

(15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.

(16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.

(17) (13) + (14) + (15) + (16)

(18) Prior Capped from Prior Review. Current Uncapped from (16).

Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,

(19) or (17) adjusted upward to compensate for capping of other members.

(19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Burlingame**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$393,597	2007-2008	\$532,310
2007-2008	532,310	2008-2009	318,717
2008-2009	367,674	2009-2010	335,664
2009-2010	120,664	2010-2011	408,434
2010-2011	156,453	2011-2012	502,404
Total	\$1,570,698	Total	\$2,097,529

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$24,771,645	2007-2008	\$26,041,419
2007-2008	26,041,419	2008-2009	26,314,038
2008-2009	26,314,038	2009-2010	24,944,595
2009-2010	24,944,595	2010-2011	22,193,328
2010-2011	22,193,328	2011-2012	25,194,611
Total	\$124,265,024	Total	\$124,687,990

## ABAG PLAN

Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Burlingame

## I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2010-11	70726	C	93,417	0	93,417	0	93,417
2011-12	71738	O	0	50,000	50,000	0	50,000
2009-10	70819	O	10,948	414,052	425,000	0	250,000
2011-12	71952	O	0	50,000	50,000	0	50,000
2011-12	72064	O	3,107	271,893	275,000	0	250,000
2007-08	GL059047	C	36,774	0	36,774	0	36,774
2007-08	GL059230	C	25,569	0	25,569	0	25,569
2007-08	GL059583	C	45,000	0	45,000	0	45,000
2007-08	GL059735	C	129,830	0	129,830	0	129,830
2007-08	GL059807	C	215,133	0	215,133	0	215,133
2008-09	GL060443	C	125,658	0	125,658	0	125,658
2008-09	GL060470	C	58,195	0	58,195	-1,831	58,195
2008-09	GL060708	C	51,043	0	51,043	0	51,043
2010-11	71896	O	21,100	328,900	350,000	0	250,000
Total			815,775	1,114,845	1,930,619	-1,831	1,630,619

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Burlingame**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2006-07	GL058228	C	54,387	0	54,387	0	54,387
2006-07	GL058385	C	68,748	0	68,748	0	68,748
2006-07	GL059105	C	204,010	0	204,010	0	204,010
2007-08	GL059047	C	36,774	0	36,774	0	36,774
2007-08	GL059230	C	25,569	0	25,569	0	25,569
2007-08	GL059583	C	45,000	0	45,000	0	45,000
2007-08	GL059735	C	129,830	0	129,830	0	129,830
2007-08	GL059807	C	215,133	0	215,133	0	215,133
2008-09	GL060443	C	125,658	0	125,658	0	125,658
2008-09	GL060470	C	58,195	0	58,195	-1,831	58,195
2008-09	GL060708	O	20,038	79,962	100,000	0	100,000
2009-10	70819	O	0	35,000	35,000	0	35,000
2010-11	70726	C	93,417	0	93,417	0	93,417
<b>Total</b>			<b>1,076,760</b>	<b>114,962</b>	<b>1,191,722</b>	<b>-1,831</b>	<b>1,191,722</b>

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Campbell**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$603,794	\$470,348	-22.1%
(2) 5-Year Payrolls (00)	\$853,183	\$861,648	1.0%
(3) % 5-Year Limited Losses	2.9%	2.1%	-28.3%
(4) % 5-Year Payrolls (00)	4.3%	4.4%	2.1%
(5) Indicated Differential	0.675	0.474	-29.8%
(6) Credibility	0.700	0.700	0.0%
(7) Indicated Ex Mod	77%	63%	-18.2%
(8) Adjusted Ex Mod	78%	64%	-17.6%
(9) Prior Ex Mod	74%	78%	5.2%
(10) Deductible	\$100,000	\$100,000	0.0%
(11) Deductible Factor	1.000	1.000	0.0%
(12) Current Year Payroll (00)	\$174,810	\$178,590	2.2%
(13) Indicated Loss Funding	\$148,282	\$159,070	7.3%
(14) Excess Insurance	\$30,344	\$30,465	0.4%
(15) Adjusted Admin Expense	\$129,183	\$77,086	-40.3%
(16) Loss Prevention Expense	\$0	\$12,934	N/A
(17) Uncapped Premium	\$307,809	\$279,554	-9.2%
(18) Prior Capped vs. Current Uncapped	\$304,058	\$279,554	-8.1%
(19) Prior Capped vs. Current Capped	\$304,058	\$295,004	-3.0%
(20) Prior Total vs. Current Total	\$304,058	\$295,004	-3.0%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6) [(2) / ((2) + 300,000)]. Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7) ((5) x (6)) + (1.00 - (6))
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14, {[\$5,384,000 / Total (12)] x [(11) / Weighted Average of (11)] x (8) x (12)}. \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Campbell**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$52,582		
2007-2008	124,857	2007-2008	\$124,857
2008-2009	256,337	2008-2009	256,337
2009-2010	139,543	2009-2010	29,919
2010-2011	30,474	2010-2011	42,779
		2011-2012	16,456
Total	\$603,794	Total	\$470,348

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$16,214,766		
2007-2008	17,048,462	2007-2008	\$17,048,462
2008-2009	17,565,879	2008-2009	17,565,879
2009-2010	17,903,631	2009-2010	17,903,631
2010-2011	16,585,526	2010-2011	16,585,526
		2011-2012	17,061,309
Total	\$85,318,264	Total	\$86,164,807

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Campbell**

I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2007-08	AL059766	C	121,353	0	121,353	0	121,353
2008-09	GL060427	C	411,902	0	411,902	0	250,000
Total			533,255	0	533,255	0	371,353

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Campbell**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2006-07	PI058817	C	40,885	0	40,885	0	40,885
2007-08	AL059766	C	121,353	0	121,353	0	121,353
2008-09	GL060427	C	411,902	0	411,902	0	250,000
2009-10	70232	O	4,944	120,056	125,000	0	125,000
Total			579,083	120,056	699,140	0	537,237

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Colma**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$65,151	\$324,880	398.7%
(2) 5-Year Payrolls (00)	\$209,964	\$211,045	0.5%
(3) % 5-Year Limited Losses	0.3%	1.4%	358.8%
(4) % 5-Year Payrolls (00)	1.1%	1.1%	1.6%
(5) Indicated Differential	0.296	1.336	351.3%
(6) Credibility	0.400	0.400	0.0%
(7) Indicated Ex Mod	72%	113%	57.9%
(8) Adjusted Ex Mod	72%	115%	59.1%
(9) Prior Ex Mod	82%	72%	-12.2%
(10) Deductible	\$50,000	\$50,000	0.0%
(11) Deductible Factor	1.199	1.192	-0.6%
(12) Current Year Payroll (00)	\$41,957	\$45,000	7.3%
(13) Indicated Loss Funding	\$39,686	\$85,809	116.2%
(14) Excess Insurance	\$1,224	\$1,127	-8.0%
(15) Adjusted Admin Expense	\$38,564	\$47,214	22.4%
(16) Loss Prevention Expense	\$0	\$5,082	N/A
(17) Uncapped Premium	\$79,474	\$139,232	75.2%
(18) Prior Capped vs. Current Uncapped	\$80,513	\$139,232	72.9%
(19) Prior Capped vs. Current Capped	\$80,513	\$104,667	30.0%
(20) Prior Total vs. Current Total	\$80,513	\$104,667	30.0%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6) [(2) / ((2) + 300,000)]. Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7) ((5) x (6)) + (1.00 - (6))
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14, {[\$5,384,000 / Total (12)] x [(11) / Weighted Average of (11)] x (8) x (12)}. \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Colma**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$15,463		
2007-2008	31,137	2007-2008	\$31,137
2008-2009	0	2008-2009	0
2009-2010	0	2009-2010	0
2010-2011	18,550	2010-2011	6,536
		2011-2012	287,208
Total	\$65,151	Total	\$324,880

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$4,258,559		
2007-2008	4,281,575	2007-2008	\$4,281,575
2008-2009	4,243,349	2008-2009	4,243,349
2009-2010	4,037,441	2009-2010	4,037,441
2010-2011	4,175,455	2010-2011	4,175,455
		2011-2012	4,366,710
Total	\$20,996,378	Total	\$21,104,529

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Colma**

I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2011-12	71580	C	36,092	0	36,092	0	36,092
2011-12	72060	O	1,740	273,260	275,000	0	250,000
2007-08	GL058946	C	31,281	0	31,281	-144	31,281
Total			69,113	273,260	342,373	-144	317,373

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Colma**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2007-08	GL058946	C	31,281	0	31,281	-144	31,281
Total			31,281	0	31,281	-144	31,281

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Cupertino**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$232,116	\$498,727	114.9%
(2) 5-Year Payrolls (00)	\$665,926	\$685,398	2.9%
(3) % 5-Year Limited Losses	1.1%	2.2%	97.7%
(4) % 5-Year Payrolls (00)	3.4%	3.5%	4.1%
(5) Indicated Differential	0.332	0.631	89.9%
(6) Credibility	0.700	0.700	0.0%
(7) Indicated Ex Mod	53%	74%	39.3%
(8) Adjusted Ex Mod	54%	75%	40.3%
(9) Prior Ex Mod	52%	54%	4.0%
(10) Deductible	\$250,000	\$250,000	0.0%
(11) Deductible Factor	0.710	0.721	1.5%
(12) Current Year Payroll (00)	\$153,237	\$156,605	2.2%
(13) Indicated Loss Funding	\$63,644	\$118,151	85.6%
(14) Excess Insurance	\$44,372	\$44,305	-0.1%
(15) Adjusted Admin Expense	\$56,748	\$50,787	-10.5%
(16) Loss Prevention Expense	\$0	\$8,846	N/A
(17) Uncapped Premium	\$164,763	\$222,089	34.8%
(18) Prior Capped vs. Current Uncapped	\$166,917	\$222,089	33.1%
(19) Prior Capped vs. Current Capped	\$166,917	\$216,993	30.0%
(20) Prior Total vs. Current Total	\$166,917	\$216,993	30.0%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6)  $[(2) / ((2) + 300,000)]$ . Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7)  $((5) \times (6)) + (1.00 - (6))$
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14,  $\{[\$5,384,000 / \text{Total (12)}] \times [(11) / \text{Weighted Average of (11)}] \times (8) \times (12)\}$ . \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Cupertino**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$51,490	2007-2008	\$12,503
2007-2008	12,503	2008-2009	9,496
2008-2009	9,496	2009-2010	6,705
2009-2010	155,046	2010-2011	2,480
2010-2011	3,580	2011-2012	467,543
Total	\$232,116	Total	\$498,727

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$12,143,198	2007-2008	\$12,834,667
2007-2008	12,834,667	2008-2009	13,528,079
2008-2009	13,528,079	2009-2010	14,014,735
2009-2010	14,014,735	2010-2011	14,071,922
2010-2011	14,071,922	2011-2012	14,090,429
Total	\$66,592,601	Total	\$68,539,832

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Cupertino**

I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2011-12	71785	O	470	199,530	200,000	0	200,000
2011-12	71562	O	3,779	396,221	400,000	0	250,000
Total			4,250	595,750	600,000	0	450,000

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Cupertino**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2006-07	PI058771	C	46,955	0	46,955	0	46,955
2009-10	70244	O	0	150,000	150,000	0	150,000
Total			46,955	150,000	196,955	0	196,955

ABAG PLAN

Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Dublin

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$402,276	\$401,483	-0.2%
(2) 5-Year Payrolls (00)	\$392,855	\$403,790	2.8%
(3) % 5-Year Limited Losses	1.9%	1.8%	-8.2%
(4) % 5-Year Payrolls (00)	2.0%	2.1%	3.9%
(5) Indicated Differential	0.976	0.863	-11.7%
(6) Credibility	0.600	0.600	0.0%
(7) Indicated Ex Mod	99%	92%	-6.9%
(8) Adjusted Ex Mod	99%	93%	-6.2%
(9) Prior Ex Mod	99%	99%	-0.1%
(10) Deductible	\$50,000	\$50,000	0.0%
(11) Deductible Factor	1.199	1.192	-0.6%
(12) Current Year Payroll (00)	\$88,649	\$88,649	0.0%
(13) Indicated Loss Funding	\$115,078	\$136,754	18.8%
(14) Excess Insurance	\$35,760	\$35,706	-0.1%
(15) Adjusted Admin Expense	\$113,209	\$65,675	-42.0%
(16) Loss Prevention Expense	\$0	\$11,808	N/A
(17) Uncapped Premium	\$264,047	\$249,943	-5.3%
(18) Prior Capped vs. Current Uncapped	\$266,287	\$249,943	-6.1%
(19) Prior Capped vs. Current Capped	\$266,287	\$263,756	-1.0%
(20) Prior Total vs. Current Total	\$266,287	\$263,756	-1.0%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6)  $[(2) / ((2) + 300,000)]$ . Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7)  $((5) \times (6)) + (1.00 - (6))$
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14,  $\{[\$5,384,000 / \text{Total (12)}] \times [(11) / \text{Weighted Average of (11)}] \times (8) \times (12)\}$ . \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Dublin**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$17,345		
2007-2008	12,360	2007-2008	\$12,360
2008-2009	342,869	2008-2009	342,869
2009-2010	3,213	2009-2010	3,213
2010-2011	26,488	2010-2011	3,933
		2011-2012	39,107
<b>Total</b>	<b>\$402,276</b>	<b>Total</b>	<b>\$401,483</b>

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$7,716,350		
2007-2008	8,097,498	2007-2008	\$8,097,498
2008-2009	8,300,251	2008-2009	8,300,251
2009-2010	8,042,597	2009-2010	8,042,597
2010-2011	7,128,821	2010-2011	7,128,821
		2011-2012	8,809,808
<b>Total</b>	<b>\$39,285,516</b>	<b>Total</b>	<b>\$40,378,974</b>

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Dublin**

I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2008-09	70110	O	236,786	2,113,214	2,350,000	521	250,000
2008-09	AL059878	C	48,306	0	48,306	0	48,306
2008-09	GL060253	C	42,515	0	42,515	0	42,515
Total			327,607	2,113,214	2,440,821	521	340,821

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Dublin**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2008-09	70110	O	127,144	1,122,856	1,250,000	521	250,000
2008-09	AL059878	C	48,306	0	48,306	0	48,306
2008-09	GL060253	C	42,515	0	42,515	0	42,515
2010-11	71472	O	0	25,000	25,000	0	25,000
Total			217,965	1,147,856	1,365,821	521	365,821

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
East Palo Alto**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$1,069,584	\$1,081,145	1.1%
(2) 5-Year Payrolls (00)	\$552,431	\$546,218	-1.1%
(3) % 5-Year Limited Losses	5.1%	4.8%	-7.0%
(4) % 5-Year Payrolls (00)	2.8%	2.8%	0.0%
(5) Indicated Differential	1.846	1.717	-7.0%
(6) Credibility	0.600	0.600	0.0%
(7) Indicated Ex Mod	151%	143%	-5.1%
(8) Adjusted Ex Mod	152%	145%	-4.4%
(9) Prior Ex Mod	109%	152%	39.8%
(10) Deductible	\$100,000	\$100,000	0.0%
(11) Deductible Factor	1.000	1.000	0.0%
(12) Current Year Payroll (00)	\$100,954	\$84,413	-16.4%
(13) Indicated Loss Funding	\$167,163	\$170,294	1.9%
(14) Excess Insurance	\$21,650	\$21,745	0.4%
(15) Adjusted Admin Expense	\$59,714	\$78,693	31.8%
(16) Loss Prevention Expense	\$0	\$11,375	N/A
(17) Uncapped Premium	\$248,527	\$282,108	13.5%
(18) Prior Capped vs. Current Uncapped	\$251,776	\$282,108	12.0%
(19) Prior Capped vs. Current Capped	\$251,776	\$297,699	18.2%
(20) Prior Total vs. Current Total	\$251,776	\$297,699	18.2%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6)  $[(2) / ((2) + 300,000)]$ . Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7)  $((5) \times (6)) + (1.00 - (6))$
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14,  $\{[\$5,384,000 / \text{Total (12)}] \times [(11) / \text{Weighted Average of (11)}] \times (8) \times (12)\}$ . \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**  
**5-Year Loss & Payroll Comparison**  
**2012-13 VS. 2013-14 Premium Calculation**  
**East Palo Alto**

I. 5-Year Limited Losses

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$335,563		
2007-2008	400,174	2007-2008	\$400,174
2008-2009	21,343	2008-2009	21,343
2009-2010	248,871	2009-2010	159,429
2010-2011	63,633	2010-2011	208,433
		2011-2012	291,766
Total	\$1,069,584	Total	\$1,081,145

II. 5-Year Payrolls (00)

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$10,481,555		
2007-2008	10,919,928	2007-2008	\$10,919,928
2008-2009	12,404,602	2008-2009	12,404,602
2009-2010	10,557,148	2009-2010	10,557,148
2010-2011	10,879,890	2010-2011	10,879,890
		2011-2012	9,860,210
Total	\$55,243,123	Total	\$54,621,778

## ABAG PLAN

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
East Palo Alto**

## I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2007-08	70185	O	143,946	106,055	250,001	0	250,000
2009-10	70744	O	21,570	53,480	75,050	0	75,050
2009-10	70791	C	40,051	0	40,051	0	40,051
2011-12	71523	O	9,808	1,600,192	1,610,000	0	250,000
2010-11	71127	O	12,943	182,057	195,000	0	195,000
2007-08	GL059146	C	48,661	0	48,661	0	48,661
2007-08	GL059819	C	68,419	0	68,419	0	68,419
Total			345,399	1,941,783	2,287,182	0	927,181

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
East Palo Alto**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2006-07	GL058352	C	25,031	0	25,031	0	25,031
2006-07	GL058755	O	229,420	10,834	240,253	0	240,253
2006-07	GL059353	C	33,933	0	33,933	0	33,933
2007-08	70185	O	110,846	139,155	250,001	0	250,000
2007-08	GL059146	C	48,661	0	48,661	0	48,661
2007-08	GL059819	C	68,419	0	68,419	0	68,419
2009-10	70272	O	0	75,000	75,000	0	75,000
2009-10	70744	O	0	75,050	75,050	0	75,050
2009-10	70791	O	1,109	76,891	78,000	0	78,000
2010-11	71127	O	0	50,000	50,000	0	50,000
<b>Total</b>			<b>517,419</b>	<b>426,929</b>	<b>944,348</b>	<b>0</b>	<b>944,347</b>

ABAG PLAN

Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Foster City

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$265,446	\$587,665	121.4%
(2) 5-Year Payrolls (00)	\$1,045,812	\$1,027,419	-1.8%
(3) % 5-Year Limited Losses	1.3%	2.6%	103.7%
(4) % 5-Year Payrolls (00)	5.3%	5.2%	-0.7%
(5) Indicated Differential	0.242	0.496	105.0%
(6) Credibility	0.800	0.800	0.0%
(7) Indicated Ex Mod	39%	60%	51.7%
(8) Adjusted Ex Mod	40%	61%	52.8%
(9) Prior Ex Mod	48%	40%	-16.7%
(10) Deductible	\$100,000	\$100,000	0.0%
(11) Deductible Factor	1.000	1.000	0.0%
(12) Current Year Payroll (00)	\$185,000	\$183,000	-1.1%
(13) Indicated Loss Funding	\$79,972	\$154,088	92.7%
(14) Excess Insurance	\$23,279	\$23,600	1.4%
(15) Adjusted Admin Expense	\$58,105	\$57,289	-1.4%
(16) Loss Prevention Expense	\$0	\$8,743	N/A
(17) Uncapped Premium	\$161,357	\$243,721	51.0%
(18) Prior Capped vs. Current Uncapped	\$163,466	\$243,721	49.1%
(19) Prior Capped vs. Current Capped	\$163,466	\$212,506	30.0%
(20) Prior Total vs. Current Total	\$163,466	\$212,506	30.0%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6) [(2) / ((2) + 300,000)]. Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7) ((5) x (6)) + (1.00 - (6))
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14, {[\$5,384,000 / Total (12)] x [(11) / Weighted Average of (11)] x (8) x (12)}. \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Foster City**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$107,728		
2007-2008	140,135	2007-2008	\$140,135
2008-2009	3,075	2008-2009	3,075
2009-2010	8,123	2009-2010	8,073
2010-2011	6,385	2010-2011	6,285
		2011-2012	430,097
Total	\$265,446	Total	\$587,665

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$19,666,562		
2007-2008	20,781,425	2007-2008	\$20,781,425
2008-2009	21,570,970	2008-2009	21,570,970
2009-2010	23,527,810	2009-2010	23,527,810
2010-2011	19,034,412	2010-2011	19,034,412
		2011-2012	17,827,241
Total	\$104,581,179	Total	\$102,741,858

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Foster City**

I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
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**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Foster City**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2006-07	GL060436	O	63,725	21,275	85,000	0	85,000
2007-08	GL059279	O	44,883	31,118	76,001	0	76,001
2007-08	GL059873	C	50,354	0	50,354	0	50,354
Total			158,963	52,393	211,355	0	211,355

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Gilroy**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$1,391,064	\$1,494,948	7.5%
(2) 5-Year Payrolls (00)	\$1,213,463	\$1,199,493	-1.2%
(3) % 5-Year Limited Losses	6.7%	6.6%	-1.1%
(4) % 5-Year Payrolls (00)	6.1%	6.1%	0.0%
(5) Indicated Differential	1.093	1.081	-1.1%
(6) Credibility	0.800	0.800	0.0%
(7) Indicated Ex Mod	107%	107%	-0.9%
(8) Adjusted Ex Mod	108%	108%	-0.1%
(9) Prior Ex Mod	108%	108%	0.0%
(10) Deductible	\$50,000	\$50,000	0.0%
(11) Deductible Factor	1.199	1.192	-0.6%
(12) Current Year Payroll (00)	\$248,644	\$259,662	4.4%
(13) Indicated Loss Funding	\$351,800	\$464,937	32.2%
(14) Excess Insurance	\$37,785	\$38,330	1.4%
(15) Adjusted Admin Expense	\$151,944	\$246,600	62.3%
(16) Loss Prevention Expense	\$0	\$20,223	N/A
(17) Uncapped Premium	\$541,530	\$770,089	42.2%
(18) Prior Capped vs. Current Uncapped	\$548,609	\$770,089	40.4%
(19) Prior Capped vs. Current Capped	\$548,609	\$713,191	30.0%
(20) Prior Total vs. Current Total	\$548,609	\$713,191	30.0%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6) [(2) / ((2) + 300,000)]. Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7) ((5) x (6)) + (1.00 - (6))
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14, {[\$5,384,000 / Total (12)] x [(11) / Weighted Average of (11)] x (8) x (12)}. \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Gilroy**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$43,194		
2007-2008	761,478	2007-2008	\$751,478
2008-2009	45,015	2008-2009	45,015
2009-2010	364,783	2009-2010	359,320
2010-2011	176,594	2010-2011	246,003
		2011-2012	93,132
Total	\$1,391,064	Total	\$1,494,948

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$25,156,268		
2007-2008	26,984,829	2007-2008	\$26,984,829
2008-2009	25,871,775	2008-2009	25,871,775
2009-2010	21,132,740	2009-2010	21,132,740
2010-2011	22,200,692	2010-2011	22,200,692
		2011-2012	23,759,275
Total	\$121,346,304	Total	\$119,949,311

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Gilroy**

I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2009-10	70429	C	99,537	0	99,537	0	99,537
2010-11	70735	O	10,820	21,180	32,000	0	32,000
2007-08	GL059451	C	2,752,297	0	2,752,297	0	250,000
2010-11	71297	O	181,052	5,948	187,000	0	187,000
2009-10	70802	C	645,023	0	645,023	-541	250,000
2007-08	GL058998	C	30,720	0	30,720	0	30,720
2007-08	GL059481	C	81,466	0	81,466	0	81,466
2007-08	GL060194	C	104,720	0	104,720	0	104,720
2007-08	GL060280	C	288,277	0	288,277	0	250,000
<b>Total</b>			<b>4,193,912</b>	<b>27,129</b>	<b>4,221,040</b>	<b>-541</b>	<b>1,285,444</b>

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Gilroy**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2006-07	GL058745	C	39,169	0	39,169	0	39,169
2007-08	GL058998	C	30,720	0	30,720	0	30,720
2007-08	GL059451	O	343,438	1,106,562	1,450,000	0	250,000
2007-08	GL059481	C	81,466	0	81,466	0	81,466
2007-08	GL060194	C	104,720	0	104,720	0	104,720
2007-08	GL060280	C	288,277	0	288,277	0	250,000
2009-10	70429	O	99,009	5,991	105,000	0	105,000
2009-10	70802	O	45,652	354,348	400,000	0	250,000
2010-11	70735	O	10,820	21,180	32,000	0	32,000
2010-11	71297	O	0	110,000	110,000	0	110,000
<b>Total</b>			<b>1,043,272</b>	<b>1,598,081</b>	<b>2,641,353</b>	<b>0</b>	<b>1,253,076</b>

ABAG PLAN

Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Half Moon Bay

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$199,770	\$317,149	58.8%
(2) 5-Year Payrolls (00)	\$245,478	\$202,546	-17.5%
(3) % 5-Year Limited Losses	1.0%	1.4%	46.1%
(4) % 5-Year Payrolls (00)	1.2%	1.0%	-16.6%
(5) Indicated Differential	0.776	1.358	75.1%
(6) Credibility	0.500	0.400	-20.0%
(7) Indicated Ex Mod	89%	114%	28.8%
(8) Adjusted Ex Mod	89%	116%	29.7%
(9) Prior Ex Mod	90%	89%	-0.5%
(10) Deductible	\$50,000	\$50,000	0.0%
(11) Deductible Factor	1.199	1.192	-0.6%
(12) Current Year Payroll (00)	\$15,802	\$20,618	30.5%
(13) Indicated Loss Funding	\$18,476	\$39,633	114.5%
(14) Excess Insurance	\$8,733	\$8,757	0.3%
(15) Adjusted Admin Expense	\$18,476	\$39,633	114.5%
(16) Loss Prevention Expense	\$0	\$4,187	N/A
(17) Uncapped Premium	\$45,686	\$92,210	101.8%
(18) Prior Capped vs. Current Uncapped	\$62,998	\$92,210	46.4%
(19) Prior Capped vs. Current Capped	\$62,998	\$81,897	30.0%
(20) Prior Total vs. Current Total	\$62,998	\$81,897	30.0%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6) [(2) / ((2) + 300,000)]. Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7) ((5) x (6)) + (1.00 - (6))
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14, {[\$5,384,000 / Total (12)] x [(11) / Weighted Average of (11)] x (8) x (12)}. \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Half Moon Bay**

I. 5-Year Limited Losses

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$7,986		
2007-2008	83,990	2007-2008	\$83,990
2008-2009	8,088	2008-2009	158,088
2009-2010	71,569	2009-2010	71,569
2010-2011	28,137	2010-2011	3,137
		2011-2012	366
Total	\$199,770	Total	\$317,149

II. 5-Year Payrolls (00)

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$5,795,975		
2007-2008	5,839,796	2007-2008	\$5,839,796
2008-2009	5,155,635	2008-2009	5,155,635
2009-2010	4,341,619	2009-2010	4,341,619
2010-2011	3,414,769	2010-2011	3,414,769
		2011-2012	1,502,769
Total	\$24,547,793	Total	\$20,254,587

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Half Moon Bay**

I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2009-10	70472	C	71,569	0	71,569	0	71,569
2007-08	GL060227	C	83,990	0	83,990	0	83,990
2008-09	GL060911	O	0	150,050	150,050	0	150,050
Total			155,559	150,050	305,609	0	305,609

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Half Moon Bay**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2007-08	GL060227	C	83,990	0	83,990	0	83,990
2009-10	70472	C	71,569	0	71,569	0	71,569
2010-11	71603	O	0	25,000	25,000	0	25,000
<b>Total</b>			<b>155,559</b>	<b>25,000</b>	<b>180,559</b>	<b>0</b>	<b>180,559</b>

ABAG PLAN

Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Hillsborough

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$592,534	\$877,418	48.1%
(2) 5-Year Payrolls (00)	\$632,570	\$632,821	0.0%
(3) % 5-Year Limited Losses	2.8%	3.9%	36.2%
(4) % 5-Year Payrolls (00)	3.2%	3.2%	1.2%
(5) Indicated Differential	0.893	1.203	34.7%
(6) Credibility	0.700	0.700	0.0%
(7) Indicated Ex Mod	93%	114%	23.4%
(8) Adjusted Ex Mod	93%	116%	24.4%
(9) Prior Ex Mod	82%	93%	14.1%
(10) Deductible	\$50,000	\$50,000	0.0%
(11) Deductible Factor	1.054	1.053	-0.1%
(12) Current Year Payroll (00)	\$119,446	\$117,316	-1.8%
(13) Indicated Loss Funding	\$127,881	\$198,890	55.5%
(14) Excess Insurance	\$8,281	\$9,426	13.8%
(15) Adjusted Admin Expense	\$114,337	\$79,761	-30.2%
(16) Loss Prevention Expense	\$0	\$10,163	N/A
(17) Uncapped Premium	\$250,499	\$298,239	19.1%
(18) Prior Capped vs. Current Uncapped	\$253,774	\$298,239	17.5%
(19) Prior Capped vs. Current Capped	\$253,774	\$314,721	24.0%
(20) Prior Total vs. Current Total	\$211,091	\$279,633	32.5% *

\* 2012-13 premium includes CCFD adjustment of -\$42,683.

\* 2013-14 premium includes CCFD adjustment of -\$35,088.

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6)  $[(2) / ((2) + 300,000)]$ . Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7)  $((5) \times (6)) + (1.00 - (6))$
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14,  $\{[\$5,384,000 / \text{Total (12)}] \times [(11) / \text{Weighted Average of (11)}] \times (8) \times (12)\}$ . \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Hillsborough**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$130,202		
2007-2008	127,542	2007-2008	\$112,542
2008-2009	176,744	2008-2009	176,744
2009-2010	7,285	2009-2010	7,285
2010-2011	150,760	2010-2011	139,326
		2011-2012	441,520
Total	\$592,534	Total	\$877,418

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$11,508,426		
2007-2008	12,487,148	2007-2008	\$12,487,148
2008-2009	13,308,106	2008-2009	13,308,106
2009-2010	13,204,000	2009-2010	13,204,000
2010-2011	12,749,366	2010-2011	12,749,366
		2011-2012	11,533,432
Total	\$63,257,047	Total	\$63,282,053

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Hillsborough**

I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2010-11	71170	O	36,723	80,000	116,723	0	116,723
2011-12	72318	O	0	300,000	300,000	0	250,000
2011-12	71744	O	0	185,000	185,000	0	185,000
2007-08	GL058954	C	88,328	0	88,328	0	88,328
2008-09	GL060511	C	71,500	0	71,500	0	71,500
2008-09	GL060733	C	101,498	0	101,498	0	101,498
Total			298,049	565,000	863,049	0	813,049

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Hillsborough**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2006-07	GL057946	C	101,544	0	101,544	0	101,544
2007-08	GL058954	C	88,328	0	88,328	0	88,328
2008-09	GL060511	C	71,500	0	71,500	0	71,500
2008-09	GL060733	C	101,498	0	101,498	0	101,498
2010-11	71170	O	36,723	80,000	116,723	0	116,723
Total			399,593	80,000	479,593	0	479,593

ABAG PLAN

Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Los Altos Hills

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$272,447	\$260,100	-4.5%
(2) 5-Year Payrolls (00)	\$86,782	\$89,065	2.6%
(3) % 5-Year Limited Losses	1.3%	1.1%	-12.2%
(4) % 5-Year Payrolls (00)	0.4%	0.5%	3.8%
(5) Indicated Differential	2.994	2.534	-15.4%
(6) Credibility	0.200	0.200	0.0%
(7) Indicated Ex Mod	140%	131%	-6.6%
(8) Adjusted Ex Mod	141%	132%	-5.9%
(9) Prior Ex Mod	93%	141%	50.8%
(10) Deductible	\$25,000	\$25,000	0.0%
(11) Deductible Factor	1.356	1.343	-1.0%
(12) Current Year Payroll (00)	\$19,299	\$19,283	-0.1%
(13) Indicated Loss Funding	\$40,199	\$47,729	18.7%
(14) Excess Insurance	\$6,036	\$6,087	0.9%
(15) Adjusted Admin Expense	\$40,199	\$47,729	18.7%
(16) Loss Prevention Expense	\$0	\$4,752	N/A
(17) Uncapped Premium	\$86,433	\$106,298	23.0%
(18) Prior Capped vs. Current Uncapped	\$74,055	\$106,298	43.5%
(19) Prior Capped vs. Current Capped	\$74,055	\$96,271	30.0%
(20) Prior Total vs. Current Total	\$74,055	\$96,271	30.0%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6) [(2) / ((2) + 300,000)]. Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7) ((5) x (6)) + (1.00 - (6))
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14, {[\$5,384,000 / Total (12)] x [(11) / Weighted Average of (11)] x (8) x (12)}. \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Los Altos Hills**

I. 5-Year Limited Losses

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$12,397		
2007-2008	0	2007-2008	\$0
2008-2009	0	2008-2009	0
2009-2010	260,000	2009-2010	260,000
2010-2011	50	2010-2011	0
		2011-2012	100
Total	\$272,447	Total	\$260,100

II. 5-Year Payrolls (00)

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$1,603,789		
2007-2008	1,604,518	2007-2008	\$1,604,518
2008-2009	1,716,783	2008-2009	1,716,783
2009-2010	1,895,177	2009-2010	1,895,177
2010-2011	1,857,913	2010-2011	1,857,913
		2011-2012	1,832,097
Total	\$8,678,180	Total	\$8,906,488

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Los Altos Hills**

I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2009-10	70838	C	269,522	0	269,522	0	250,000
Total			269,522	0	269,522	0	250,000

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Los Altos Hills**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2009-10	70838	O	262,810	212,240	475,050	0	250,000
Total			262,810	212,240	475,050	0	250,000

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Los Gatos**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$1,050,170	\$1,303,899	24.2%
(2) 5-Year Payrolls (00)	\$781,305	\$788,173	0.9%
(3) % 5-Year Limited Losses	5.0%	5.8%	14.2%
(4) % 5-Year Payrolls (00)	3.9%	4.0%	2.0%
(5) Indicated Differential	1.282	1.435	12.0%
(6) Credibility	0.700	0.700	0.0%
(7) Indicated Ex Mod	120%	130%	9.0%
(8) Adjusted Ex Mod	120%	132%	9.8%
(9) Prior Ex Mod	112%	120%	8.0%
(10) Deductible	\$50,000	\$50,000	0.0%
(11) Deductible Factor	1.199	1.192	-0.6%
(12) Current Year Payroll (00)	\$153,282	\$154,834	1.0%
(13) Indicated Loss Funding	\$241,639	\$339,624	40.6%
(14) Excess Insurance	\$22,951	\$22,917	-0.1%
(15) Adjusted Admin Expense	\$146,697	\$211,522	44.2%
(16) Loss Prevention Expense	\$0	\$16,290	N/A
(17) Uncapped Premium	\$411,286	\$590,353	43.5%
(18) Prior Capped vs. Current Uncapped	\$416,662	\$590,353	41.7%
(19) Prior Capped vs. Current Capped	\$416,662	\$541,661	30.0%
(20) Prior Total vs. Current Total	\$416,662	\$541,661	30.0%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6)  $[(2) / ((2) + 300,000)]$ . Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7)  $((5) \times (6)) + (1.00 - (6))$
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14,  $\{[\$5,384,000 / \text{Total (12)}] \times [(11) / \text{Weighted Average of (11)}] \times (8) \times (12)\}$ . \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Los Gatos**

**I. 5-Year Limited Losses**

	<u><b>2012-13</b></u>		<u><b>2013-14</b></u>
2006-2007	\$209,332		
2007-2008	275,627	2007-2008	\$275,627
2008-2009	48,545	2008-2009	48,545
2009-2010	278,533	2009-2010	278,533
2010-2011	238,133	2010-2011	522,883
		2011-2012	178,311
Total	\$1,050,170	Total	\$1,303,899

**II. 5-Year Payrolls (00)**

	<u><b>2012-13</b></u>		<u><b>2013-14</b></u>
2006-2007	\$15,060,015		
2007-2008	15,750,794	2007-2008	\$15,750,794
2008-2009	16,539,906	2008-2009	16,539,906
2009-2010	15,511,895	2009-2010	15,511,895
2010-2011	15,267,887	2010-2011	15,267,887
		2011-2012	15,746,832
Total	\$78,130,496	Total	\$78,817,314

## ABAG PLAN

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Los Gatos**

## I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2010-11	71649	O	43,184	5,206,816	5,250,000	0	250,000
2009-10	70978	C	295,567	0	295,567	0	250,000
2007-08	GL058939	O	220,983	1,082,017	1,303,000	-52	250,000
2011-12	71866	O	12,910	162,090	175,000	0	175,000
2010-11	71077	O	246,337	63,663	310,000	-1,294	250,000
<b>Total</b>			<b>818,981</b>	<b>6,514,586</b>	<b>7,333,567</b>	<b>-1,346</b>	<b>1,175,000</b>

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Los Gatos**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2006-07	GL058249	C	187,890	0	187,890	0	187,890
2007-08	GL058939	O	137,110	140,890	278,000	0	250,000
2009-10	70978	O	24,162	325,838	350,000	0	250,000
2010-11	71077	O	1,731	198,269	200,000	0	200,000
Total			350,893	664,997	1,015,890	0	887,890

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Millbrae**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$577,330	\$415,377	-28.1%
(2) 5-Year Payrolls (00)	\$497,345	\$502,950	1.1%
(3) % 5-Year Limited Losses	2.8%	1.8%	-33.8%
(4) % 5-Year Payrolls (00)	2.5%	2.6%	2.3%
(5) Indicated Differential	1.107	0.717	-35.3%
(6) Credibility	0.600	0.600	0.0%
(7) Indicated Ex Mod	106%	83%	-22.0%
(8) Adjusted Ex Mod	107%	84%	-21.4%
(9) Prior Ex Mod	134%	107%	-20.4%
(10) Deductible	\$100,000	\$100,000	0.0%
(11) Deductible Factor	1.000	1.000	0.0%
(12) Current Year Payroll (00)	\$92,869	\$92,864	0.0%
(13) Indicated Loss Funding	\$108,533	\$108,700	0.2%
(14) Excess Insurance	\$16,806	\$16,858	0.3%
(15) Adjusted Admin Expense	\$95,824	\$96,298	0.5%
(16) Loss Prevention Expense	\$0	\$10,549	N/A
(17) Uncapped Premium	\$221,164	\$232,405	5.1%
(18) Prior Capped vs. Current Uncapped	\$224,055	\$232,405	3.7%
(19) Prior Capped vs. Current Capped	\$224,055	\$245,249	9.5%
(20) Prior Total vs. Current Total	\$224,055	\$245,249	9.5%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6)  $[(2) / ((2) + 300,000)]$ . Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7)  $((5) \times (6)) + (1.00 - (6))$
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14,  $\{[\$5,384,000 / \text{Total (12)}] \times [(11) / \text{Weighted Average of (11)}] \times (8) \times (12)\}$ . \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Millbrae**

**I. 5-Year Limited Losses**

	<u><b>2012-13</b></u>		<u><b>2013-14</b></u>
2006-2007	\$63,791		
2007-2008	41,296	2007-2008	\$41,296
2008-2009	67,790	2008-2009	67,790
2009-2010	337,900	2009-2010	246,784
2010-2011	66,554	2010-2011	40,571
		2011-2012	18,936
Total	\$577,330	Total	\$415,377

**II. 5-Year Payrolls (00)**

	<u><b>2012-13</b></u>		<u><b>2013-14</b></u>
2006-2007	\$8,943,843		
2007-2008	9,264,492	2007-2008	\$9,264,492
2008-2009	9,424,684	2008-2009	9,424,684
2009-2010	9,414,495	2009-2010	9,414,495
2010-2011	12,687,008	2010-2011	12,687,008
		2011-2012	9,504,323
Total	\$49,734,522	Total	\$50,295,003

ABAG PLAN

Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Millbrae

I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2009-10	70142	C	102,111	0	102,111	0	102,111
2009-10	70556	O	37,095	19,905	57,000	0	57,000
2009-10	70561	C	60,337	0	60,337	-6,453	60,337
2008-09	GL060504	C	45,662	0	45,662	0	45,662
Total			245,205	19,905	265,109	-6,453	265,109

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Millbrae**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2006-07	GL058245	C	37,787	0	37,787	0	37,787
2008-09	GL060504	C	45,662	0	45,662	0	45,662
2009-10	70142	C	102,111	0	102,111	0	102,111
2009-10	70556	O	10,601	41,399	52,000	0	52,000
2009-10	70561	O	4,038	145,962	150,000	0	150,000
<b>Total</b>			<b>200,199</b>	<b>187,361</b>	<b>387,560</b>	<b>0</b>	<b>387,560</b>

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Milpitas**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$962,993	\$699,100	-27.4%
(2) 5-Year Payrolls (00)	\$2,132,778	\$2,044,564	-4.1%
(3) % 5-Year Limited Losses	4.6%	3.1%	-33.2%
(4) % 5-Year Payrolls (00)	10.7%	10.4%	-3.1%
(5) Indicated Differential	0.431	0.297	-31.1%
(6) Credibility	0.900	0.900	0.0%
(7) Indicated Ex Mod	49%	37%	-24.7%
(8) Adjusted Ex Mod	49%	37%	-24.2%
(9) Prior Ex Mod	49%	49%	0.6%
(10) Deductible	\$100,000	\$100,000	0.0%
(11) Deductible Factor	1.000	1.000	0.0%
(12) Current Year Payroll (00)	\$349,723	\$338,903	-3.1%
(13) Indicated Loss Funding	\$187,236	\$175,419	-6.3%
(14) Excess Insurance	\$51,621	\$51,544	-0.1%
(15) Adjusted Admin Expense	\$135,538	\$132,181	-2.5%
(16) Loss Prevention Expense	\$0	\$15,176	N/A
(17) Uncapped Premium	\$374,395	\$374,320	0.0%
(18) Prior Capped vs. Current Uncapped	\$379,289	\$374,320	-1.3%
(19) Prior Capped vs. Current Capped	\$379,289	\$395,006	4.1%
(20) Prior Total vs. Current Total	\$379,289	\$395,006	4.1%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6) [(2) / ((2) + 300,000)]. Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7) ((5) x (6)) + (1.00 - (6))
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14, {[\$5,384,000 / Total (12)] x [(11) / Weighted Average of (11)] x (8) x (12)}. \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Milpitas**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$420,243		
2007-2008	309,136	2007-2008	\$309,136
2008-2009	39,350	2008-2009	39,350
2009-2010	57,707	2009-2010	57,707
2010-2011	136,556	2010-2011	257,076
		2011-2012	35,830
Total	\$962,993	Total	\$699,100

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$43,270,465		
2007-2008	44,409,293	2007-2008	\$44,409,293
2008-2009	44,888,875	2008-2009	44,888,875
2009-2010	44,105,390	2009-2010	44,105,390
2010-2011	36,603,771	2010-2011	36,603,771
		2011-2012	34,449,054
Total	\$213,277,795	Total	\$204,456,383

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Milpitas**

I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2010-11	70982	O	37,921	42,291	80,212	0	80,212
2010-11	71976	O	0	150,000	150,000	0	150,000
2007-08	GL059723	C	524,758	0	524,758	0	250,000
Total			562,680	192,291	754,970	0	480,212

## ABAG PLAN

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Milpitas**

## I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2006-07	AL058211	C	41,533	0	41,533	0	41,533
2006-07	GL057945	C	115,240	0	115,240	0	115,240
2006-07	GL058429	O	428,324	46,676	475,000	0	250,000
2007-08	GL059723	C	524,758	0	524,758	0	250,000
2010-11	70982	O	14,073	36,139	50,212	0	50,212
2010-11	71218	O	0	40,000	40,000	0	40,000
<b>Total</b>			<b>1,123,929</b>	<b>122,814</b>	<b>1,246,743</b>	<b>0</b>	<b>746,985</b>

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Morgan Hill**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$1,423,296	\$1,502,069	5.5%
(2) 5-Year Payrolls (00)	\$935,000	\$928,781	-0.7%
(3) % 5-Year Limited Losses	6.8%	6.6%	-2.9%
(4) % 5-Year Payrolls (00)	4.7%	4.7%	0.4%
(5) Indicated Differential	1.452	1.403	-3.3%
(6) Credibility	0.800	0.800	0.0%
(7) Indicated Ex Mod	136%	132%	-2.9%
(8) Adjusted Ex Mod	137%	134%	-2.1%
(9) Prior Ex Mod	109%	137%	26.0%
(10) Deductible	\$100,000	\$100,000	0.0%
(11) Deductible Factor	1.000	1.000	0.0%
(12) Current Year Payroll (00)	\$173,807	\$165,096	-5.0%
(13) Indicated Loss Funding	\$259,835	\$307,946	18.5%
(14) Excess Insurance	\$30,789	\$30,743	-0.1%
(15) Adjusted Admin Expense	\$158,221	\$184,053	16.3%
(16) Loss Prevention Expense	\$0	\$16,529	N/A
(17) Uncapped Premium	\$448,845	\$539,271	20.1%
(18) Prior Capped vs. Current Uncapped	\$424,691	\$539,271	27.0%
(19) Prior Capped vs. Current Capped	\$424,691	\$552,098	30.0%
(20) Prior Total vs. Current Total	\$424,691	\$552,098	30.0%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6) [(2) / ((2) + 300,000)]. Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7) ((5) x (6)) + (1.00 - (6))
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14, {[\$5,384,000 / Total (12)] x [(11) / Weighted Average of (11)] x (8) x (12)}. \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

## ABAG PLAN

5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Morgan Hill

## I. 5-Year Limited Losses

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$142,339		
2007-2008	147,375	2007-2008	\$172,375
2008-2009	8,090	2008-2009	208,090
2009-2010	967,084	2009-2010	549,696
2010-2011	158,408	2010-2011	170,554
		2011-2012	401,353
Total	\$1,423,296	Total	\$1,502,069

## II. 5-Year Payrolls (00)

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$17,209,343		
2007-2008	19,053,040	2007-2008	\$19,053,040
2008-2009	20,479,594	2008-2009	20,479,594
2009-2010	20,053,566	2009-2010	20,053,566
2010-2011	16,704,415	2010-2011	16,704,415
		2011-2012	16,587,463
Total	\$93,499,957	Total	\$92,878,078

## ABAG PLAN

Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Morgan Hill

## I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2009-10	70259	C	107,394	0	107,394	0	107,394
2009-10	70389	C	230,373	0	230,373	0	230,373
2008-09	70481	O	89,969	110,031	200,000	0	200,000
2009-10	70644	C	31,413	0	31,413	0	31,413
2010-11	70894	O	65,883	59,117	125,000	0	125,000
2007-08	70971	O	65,582	84,468	150,050	0	150,050
2011-12	71558	O	23,017	1,096,983	1,120,000	0	250,000
2011-12	71502	C	84,912	0	84,912	0	84,912
2011-12	71849	O	0	50,000	50,000	0	50,000
2009-10	GL061002	O	151,301	2,000	153,301	0	153,301
Total			849,844	1,402,599	2,252,443	0	1,382,443

## ABAG PLAN

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Morgan Hill**

## I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2006-07	GL058482	C	108,750	0	108,750	0	108,750
2007-08	70971	O	29,107	95,943	125,050	0	125,050
2009-10	70259	O	105,953	154,047	260,000	0	250,000
2009-10	70389	O	149,144	650,856	800,000	0	250,000
2009-10	70427	O	0	50,000	50,000	0	50,000
2009-10	70432	O	2,288	97,712	100,000	0	100,000
2009-10	70481	O	47,447	62,553	110,000	0	110,000
2009-10	70644	C	31,413	0	31,413	0	31,413
2009-10	GL061002	O	151,301	2,000	153,301	0	153,301
2010-11	70894	O	8,872	51,128	60,000	0	60,000
2010-11	71005	O	1,628	78,372	80,000	0	80,000
<b>Total</b>			<b>635,903</b>	<b>1,242,611</b>	<b>1,878,514</b>	<b>0</b>	<b>1,318,514</b>

ABAG PLAN

Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Newark

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$492,382	\$556,633	13.0%
(2) 5-Year Payrolls (00)	\$1,104,869	\$989,330	-10.5%
(3) % 5-Year Limited Losses	2.4%	2.5%	4.0%
(4) % 5-Year Payrolls (00)	5.6%	5.0%	-9.5%
(5) Indicated Differential	0.425	0.488	14.9%
(6) Credibility	0.800	0.800	0.0%
(7) Indicated Ex Mod	54%	59%	9.4%
(8) Adjusted Ex Mod	54%	60%	10.2%
(9) Prior Ex Mod	63%	54%	-13.4%
(10) Deductible	\$100,000	\$100,000	0.0%
(11) Deductible Factor	1.000	1.000	0.0%
(12) Current Year Payroll (00)	\$138,513	\$144,702	4.5%
(13) Indicated Loss Funding	\$82,138	\$120,517	46.7%
(14) Excess Insurance	\$32,569	\$32,878	0.9%
(15) Adjusted Admin Expense	\$82,138	\$88,559	7.8%
(16) Loss Prevention Expense	\$0	\$9,815	N/A
(17) Uncapped Premium	\$196,845	\$251,770	27.9%
(18) Prior Capped vs. Current Uncapped	\$199,418	\$251,770	26.3%
(19) Prior Capped vs. Current Capped	\$199,418	\$259,244	30.0%
(20) Prior Total vs. Current Total	\$199,418	\$259,244	30.0%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6) [(2) / ((2) + 300,000)]. Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7) ((5) x (6)) + (1.00 - (6))
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14, {[\$5,384,000 / Total (12)] x [(11) / Weighted Average of (11)] x (8) x (12)}. \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Newark**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$164,847		
2007-2008	82,262	2007-2008	\$82,262
2008-2009	187,673	2008-2009	187,673
2009-2010	46,868	2009-2010	40,490
2010-2011	10,731	2010-2011	7,360
		2011-2012	238,847
Total	\$492,382	Total	\$556,633

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$25,173,481		
2007-2008	25,603,512	2007-2008	\$25,603,512
2008-2009	24,993,474	2008-2009	24,993,474
2009-2010	21,735,112	2009-2010	21,735,112
2010-2011	12,981,307	2010-2011	12,981,307
		2011-2012	13,619,608
Total	\$110,486,885	Total	\$98,933,012

ABAG PLAN

Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Newark

I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2008-09	70225	C	29,502	0	29,502	0	29,502
2011-12	71634	O	9,978	31,121	41,099	0	41,099
2011-12	71701	O	10,633	65,184	75,817	0	75,817
2011-12	71949	O	1,230	59,433	60,663	0	60,663
2007-08	GL059772	C	66,700	0	66,700	0	66,700
2008-09	GL060301	C	49,391	0	49,391	0	49,391
2008-09	GL060817	C	74,719	0	74,719	0	74,719
Total			242,152	155,739	397,891	0	397,891

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Newark**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2006-07	GL058738	O	114,040	12,960	127,000	0	127,000
2006-07	PI058734	C	32,533	0	32,533	0	32,533
2007-08	GL059772	C	66,700	0	66,700	0	66,700
2008-09	70225	C	29,502	0	29,502	0	29,502
2008-09	GL060301	C	49,391	0	49,391	0	49,391
2008-09	GL060817	C	74,719	0	74,719	0	74,719
Total			366,885	12,960	379,845	0	379,845

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Portola Valley**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$50	\$0	-100.0%
(2) 5-Year Payrolls (00)	\$52,954	\$55,763	5.3%
(3) % 5-Year Limited Losses	0.0%	0.0%	-100.0%
(4) % 5-Year Payrolls (00)	0.3%	0.3%	6.5%
(5) Indicated Differential	0.001	0.000	-100.0%
(6) Credibility	0.200	0.200	0.0%
(7) Indicated Ex Mod	80%	80%	0.0%
(8) Adjusted Ex Mod	80%	81%	0.7%
(9) Prior Ex Mod	92%	80%	-12.5%
(10) Deductible	\$25,000	\$25,000	0.0%
(11) Deductible Factor	1.356	1.343	-1.0%
(12) Current Year Payroll (00)	\$12,274	\$12,245	-0.2%
(13) Indicated Loss Funding	\$14,626	\$18,556	26.9%
(14) Excess Insurance	\$3,330	\$3,323	-0.2%
(15) Adjusted Admin Expense	\$14,626	\$18,556	26.9%
(16) Loss Prevention Expense	\$0	\$2,872	N/A
(17) Uncapped Premium	\$32,582	\$43,306	32.9%
(18) Prior Capped vs. Current Uncapped	\$33,008	\$43,306	31.2%
(19) Prior Capped vs. Current Capped	\$33,008	\$42,910	30.0%
(20) Prior Total vs. Current Total	\$33,008	\$42,910	30.0%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years.  
Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6) [(2) / ((2) + 300,000)]. Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10.  
Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7) ((5) x (6)) + (1.00 - (6))
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14, {[\$5,384,000 / Total (12)] x [(11) / Weighted Average of (11)] x (8) x (12)}.  
\$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Portola Valley**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$0		
2007-2008	0	2007-2008	\$0
2008-2009	0	2008-2009	0
2009-2010	0	2009-2010	0
2010-2011	50	2010-2011	0
		2011-2012	0
Total	\$50	Total	\$0

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$875,540		
2007-2008	997,158	2007-2008	\$997,158
2008-2009	1,089,689	2008-2009	1,089,689
2009-2010	1,150,444	2009-2010	1,150,444
2010-2011	1,182,619	2010-2011	1,182,619
		2011-2012	1,156,406
Total	\$5,295,449	Total	\$5,576,315

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Portola Valley**

I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
Total			0	0	0	0	0

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Portola Valley**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
Total			0	0	0	0	0

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Ross**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$100,489	\$90,402	-10.0%
(2) 5-Year Payrolls (00)	\$114,885	\$121,297	5.6%
(3) % 5-Year Limited Losses	0.5%	0.4%	-17.2%
(4) % 5-Year Payrolls (00)	0.6%	0.6%	6.8%
(5) Indicated Differential	0.834	0.647	-22.5%
(6) Credibility	0.300	0.300	0.0%
(7) Indicated Ex Mod	95%	89%	-5.9%
(8) Adjusted Ex Mod	96%	91%	-5.2%
(9) Prior Ex Mod	176%	96%	-45.6%
(10) Deductible	\$25,000	\$25,000	0.0%
(11) Deductible Factor	1.356	1.343	-1.0%
(12) Current Year Payroll (00)	\$15,014	\$13,745	-8.5%
(13) Indicated Loss Funding	\$21,245	\$23,275	9.6%
(14) Excess Insurance	\$1,863	\$1,866	0.2%
(15) Adjusted Admin Expense	\$21,245	\$23,275	9.6%
(16) Loss Prevention Expense	\$0	\$4,675	N/A
(17) Uncapped Premium	\$44,353	\$53,091	19.7%
(18) Prior Capped vs. Current Uncapped	\$72,547	\$53,091	-26.8%
(19) Prior Capped vs. Current Capped	\$72,547	\$56,025	-22.8%
(20) Prior Total vs. Current Total	\$72,547	\$56,025	-22.8%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6)  $[(2) / ((2) + 300,000)]$ . Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7)  $((5) \times (6)) + (1.00 - (6))$
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14,  $\{[\$5,384,000 / \text{Total (12)}] \times [(11) / \text{Weighted Average of (11)}] \times (8) \times (12)\}$ . \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Ross**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$10,392		
2007-2008	81,742	2007-2008	\$81,742
2008-2009	0	2008-2009	0
2009-2010	8,355	2009-2010	8,355
2010-2011	0	2010-2011	0
		2011-2012	306
Total	\$100,489	Total	\$90,402

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$1,882,465		
2007-2008	2,110,679	2007-2008	\$2,110,679
2008-2009	2,490,185	2008-2009	2,490,185
2009-2010	2,478,202	2009-2010	2,478,202
2010-2011	2,526,954	2010-2011	2,526,954
		2011-2012	2,523,692
Total	\$11,488,486	Total	\$12,129,713

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Ross**

I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2007-08	AL059901	C	81,742	0	81,742	0	81,742
Total			81,742	0	81,742	0	81,742

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Ross**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2007-08	AL059901	C	81,742	0	81,742	0	81,742
Total			81,742	0	81,742	0	81,742

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
San Bruno**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$1,515,707	\$2,138,794	41.1%
(2) 5-Year Payrolls (00)	\$1,095,273	\$1,118,965	2.2%
(3) % 5-Year Limited Losses	7.3%	9.4%	29.8%
(4) % 5-Year Payrolls (00)	5.5%	5.7%	3.3%
(5) Indicated Differential	1.320	1.658	25.7%
(6) Credibility	0.800	0.800	0.0%
(7) Indicated Ex Mod	126%	153%	21.6%
(8) Adjusted Ex Mod	126%	155%	22.5%
(9) Prior Ex Mod	101%	126%	24.6%
(10) Deductible	\$100,000	\$100,000	0.0%
(11) Deductible Factor	1.000	1.000	0.0%
(12) Current Year Payroll (00)	\$231,659	\$234,876	1.4%
(13) Indicated Loss Funding	\$319,464	\$505,737	58.3%
(14) Excess Insurance	\$31,366	\$31,319	-0.1%
(15) Adjusted Admin Expense	\$267,834	\$278,465	4.0%
(16) Loss Prevention Expense	\$0	\$20,886	N/A
(17) Uncapped Premium	\$618,665	\$836,407	35.2%
(18) Prior Capped vs. Current Uncapped	\$570,853	\$836,407	46.5%
(19) Prior Capped vs. Current Capped	\$570,853	\$742,109	30.0%
(20) Prior Total vs. Current Total	\$570,853	\$742,109	30.0%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6)  $[(2) / ((2) + 300,000)]$ . Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7)  $((5) \times (6)) + (1.00 - (6))$
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14,  $\{[\$5,384,000 / \text{Total (12)}] \times [(11) / \text{Weighted Average of (11)}] \times (8) \times (12)\}$ . \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%.
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
San Bruno**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$149,072		
2007-2008	166,738	2007-2008	\$166,738
2008-2009	85,774	2008-2009	85,774
2009-2010	354,057	2009-2010	340,624
2010-2011	760,065	2010-2011	773,418
		2011-2012	772,240
Total	\$1,515,707	Total	\$2,138,794

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$20,699,838		
2007-2008	20,285,714	2007-2008	\$20,285,714
2008-2009	22,077,875	2008-2009	22,077,875
2009-2010	23,371,414	2009-2010	23,371,414
2010-2011	23,092,486	2010-2011	23,092,486
		2011-2012	23,068,991
Total	\$109,527,327	Total	\$111,896,480

## ABAG PLAN

Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
San Bruno

## I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2009-10	70379	O	19,251	15,849	35,100	0	35,100
2010-11	70777	C	82,105	0	82,105	0	82,105
2010-11	70844	C	132,246	0	132,246	0	132,246
2010-11	70925	C	304,682	0	304,682	0	250,000
2010-11	70932	C	32,495	0	32,495	0	32,495
2010-11	70957	O	0	175,000	175,000	0	175,000
2010-11	71265	C	27,466	0	27,466	0	27,466
2010-11	71362	O	0	35,183	35,183	0	35,183
2011-12	71433	O	29,234	33,555	62,789	0	62,789
2011-12	71672	O	9,269	150,731	160,000	0	160,000
2011-12	71687	O	247,322	136,264	383,586	0	250,000
2011-12	71874	O	0	185,000	185,000	0	185,000
2011-12	72156	O	0	40,000	40,000	0	40,000
2007-08	GL058822	C	31,618	0	31,618	0	31,618
2007-08	GL058951	C	32,201	0	32,201	0	32,201
2007-08	GL059648	C	43,814	0	43,814	0	43,814
2007-08	GL059998	C	50,219	0	50,219	-2,500	50,219
2008-09	GL060694	O	31,473	1,000	32,473	0	32,473
2009-10	GL060954	C	302,268	0	302,268	0	250,000
Total			1,375,662	772,583	2,148,245	-2,500	1,907,710

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
San Bruno**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2006-07	GL058064	C	94,761	0	94,761	-411	94,761
2007-08	GL058822	C	31,618	0	31,618	0	31,618
2007-08	GL058951	C	32,201	0	32,201	0	32,201
2007-08	GL059648	C	43,814	0	43,814	0	43,814
2007-08	GL059998	C	50,219	0	50,219	-2,500	50,219
2008-09	GL060694	O	31,473	1,000	32,473	0	32,473
2009-10	70379	O	19,251	15,849	35,100	0	35,100
2009-10	GL060954	C	302,268	0	302,268	0	250,000
2010-11	70777	O	80,143	14,310	94,453	0	94,453
2010-11	70844	O	127,969	926	128,895	0	128,895
2010-11	70925	O	290,883	27,249	318,132	0	250,000
2010-11	70932	C	32,495	0	32,495	0	32,495
2010-11	70957	O	0	175,000	175,000	0	175,000
2010-11	71265	O	1,089	33,911	35,000	0	35,000
<b>Total</b>			<b>1,138,184</b>	<b>268,245</b>	<b>1,406,429</b>	<b>-2,911</b>	<b>1,286,029</b>

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
San Carlos**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$1,195,656	\$881,789	-26.3%
(2) 5-Year Payrolls (00)	\$548,985	\$509,562	-7.2%
(3) % 5-Year Limited Losses	5.7%	3.9%	-32.2%
(4) % 5-Year Payrolls (00)	2.8%	2.6%	-6.1%
(5) Indicated Differential	2.077	1.501	-27.7%
(6) Credibility	0.600	0.600	0.0%
(7) Indicated Ex Mod	165%	130%	-21.0%
(8) Adjusted Ex Mod	166%	132%	-20.4%
(9) Prior Ex Mod	238%	166%	-30.4%
(10) Deductible	\$100,000	\$100,000	0.0%
(11) Deductible Factor	1.000	1.000	0.0%
(12) Current Year Payroll (00)	\$85,875	\$95,000	10.6%
(13) Indicated Loss Funding	\$155,242	\$174,295	12.3%
(14) Excess Insurance	\$20,838	\$21,847	4.8%
(15) Adjusted Admin Expense	\$154,618	\$143,295	-7.3%
(16) Loss Prevention Expense	\$0	\$13,856	N/A
(17) Uncapped Premium	\$330,698	\$353,293	6.8%
(18) Prior Capped vs. Current Uncapped	\$335,021	\$353,293	5.5%
(19) Prior Capped vs. Current Capped	\$335,021	\$372,818	11.3%
(20) Prior Total vs. Current Total	\$335,021	\$372,818	11.3%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6)  $[(2) / ((2) + 300,000)]$ . Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7)  $((5) \times (6)) + (1.00 - (6))$
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14,  $\{[\$5,384,000 / \text{Total (12)}] \times [(11) / \text{Weighted Average of (11)}] \times (8) \times (12)\}$ . \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
San Carlos**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$163,625	2007-2008	\$205,308
2007-2008	205,308	2008-2009	155,956
2008-2009	252,642	2009-2010	484,647
2009-2010	559,777	2010-2011	2,976
2010-2011	14,304	2011-2012	32,902
Total	\$1,195,656	Total	\$881,789

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$11,610,703	2007-2008	\$11,284,242
2007-2008	11,284,242	2008-2009	11,605,617
2008-2009	11,605,617	2009-2010	12,176,574
2009-2010	12,176,574	2010-2011	8,221,334
2010-2011	8,221,334	2011-2012	7,668,389
Total	\$54,898,470	Total	\$50,956,156

ABAG PLAN

Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
San Carlos

I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2009-10	70871	C	135,275	0	135,275	0	135,275
2007-08	GL059406	C	154,284	0	154,284	0	154,284
2008-09	GL060572	O	37,108	0	37,108	0	37,108
2008-09	GL060833	C	81,314	0	81,314	0	81,314
2009-10	GL060858	C	142,266	0	142,266	0	142,266
2009-10	GL060955	C	144,056	0	144,056	0	144,056
Total			694,303	0	694,303	0	694,303

## ABAG PLAN

Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
San Carlos

## I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2006-07	GL058636	C	28,048	0	28,048	0	28,048
2006-07	GL060494	C	68,400	0	68,400	0	68,400
2007-08	GL059406	C	154,284	0	154,284	0	154,284
2008-09	GL060572	O	33,212	3,896	37,108	0	37,108
2008-09	GL060833	O	65,422	109,579	175,000	0	175,000
2009-10	70727	O	18,133	106,917	125,050	0	125,050
2009-10	70871	O	73,188	31,812	105,000	0	105,000
2009-10	GL060858	C	142,266	0	142,266	0	142,266
2009-10	GL060955	C	144,056	0	144,056	0	144,056
Total			727,009	252,204	979,213	0	979,213

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Saratoga**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$460,518	\$400,236	-13.1%
(2) 5-Year Payrolls (00)	\$265,217	\$272,673	2.8%
(3) % 5-Year Limited Losses	2.2%	1.8%	-20.0%
(4) % 5-Year Payrolls (00)	1.3%	1.4%	4.0%
(5) Indicated Differential	1.656	1.273	-23.1%
(6) Credibility	0.500	0.500	0.0%
(7) Indicated Ex Mod	133%	114%	-14.4%
(8) Adjusted Ex Mod	134%	115%	-13.7%
(9) Prior Ex Mod	171%	134%	-21.7%
(10) Deductible	\$25,000	\$25,000	0.0%
(11) Deductible Factor	1.356	1.343	-1.0%
(12) Current Year Payroll (00)	\$50,923	\$58,180	14.3%
(13) Indicated Loss Funding	\$100,697	\$125,273	24.4%
(14) Excess Insurance	\$23,100	\$23,194	0.4%
(15) Adjusted Admin Expense	\$64,607	\$59,884	-7.3%
(16) Loss Prevention Expense	\$0	\$9,560	N/A
(17) Uncapped Premium	\$188,404	\$217,910	15.7%
(18) Prior Capped vs. Current Uncapped	\$190,867	\$217,910	14.2%
(19) Prior Capped vs. Current Capped	\$190,867	\$229,953	20.5%
(20) Prior Total vs. Current Total	\$190,867	\$229,953	20.5%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6) [(2) / ((2) + 300,000)]. Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7) ((5) x (6)) + (1.00 - (6))
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14, {[\$5,384,000 / Total (12)] x [(11) / Weighted Average of (11)] x (8) x (12)}. \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Saratoga**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$68		
2007-2008	201,918	2007-2008	\$201,918
2008-2009	107,999	2008-2009	107,999
2009-2010	433	2009-2010	433
2010-2011	150,100	2010-2011	86,200
		2011-2012	3,685
Total	\$460,518	Total	\$400,236

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$4,573,907		
2007-2008	4,994,789	2007-2008	\$4,994,789
2008-2009	5,371,124	2008-2009	5,371,124
2009-2010	6,275,864	2009-2010	6,275,864
2010-2011	5,306,020	2010-2011	5,306,020
		2011-2012	5,319,467
Total	\$26,521,704	Total	\$27,267,264

## ABAG PLAN

Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Saratoga

## I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2010-11	71461	C	80,765	0	80,765	-16,153	80,765
2007-08	GL059226	C	101,070	0	101,070	0	101,070
2007-08	GL059453	C	97,541	0	97,541	0	97,541
2008-09	GL060696	C	56,159	0	56,159	0	56,159
2008-09	GL060810	C	51,840	0	51,840	0	51,840
Total			387,375	0	387,375	-16,153	387,375

## ABAG PLAN

Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Saratoga

## I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2007-08	GL059226	C	101,070	0	101,070	0	101,070
2007-08	GL059453	C	97,541	0	97,541	0	97,541
2008-09	GL060696	C	56,159	0	56,159	0	56,159
2008-09	GL060810	C	51,840	0	51,840	0	51,840
2010-11	71151	O	1,885	73,165	75,050	0	75,050
2010-11	71461	O	0	75,000	75,000	0	75,000
Total			308,495	148,165	456,660	0	456,660

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
South SF**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$1,417,732	\$1,371,704	-3.2%
(2) 5-Year Payrolls (00)	\$2,118,516	\$2,159,024	1.9%
(3) % 5-Year Limited Losses	6.8%	6.1%	-11.0%
(4) % 5-Year Payrolls (00)	10.7%	11.0%	3.1%
(5) Indicated Differential	0.638	0.551	-13.6%
(6) Credibility	0.900	0.900	0.0%
(7) Indicated Ex Mod	67%	60%	-11.6%
(8) Adjusted Ex Mod	68%	60%	-10.9%
(9) Prior Ex Mod	97%	68%	-30.2%
(10) Deductible	\$100,000	\$100,000	0.0%
(11) Deductible Factor	1.000	1.000	0.0%
(12) Current Year Payroll (00)	\$417,319	\$432,932	3.7%
(13) Indicated Loss Funding	\$309,050	\$363,980	17.8%
(14) Excess Insurance	\$48,680	\$48,889	0.4%
(15) Adjusted Admin Expense	\$104,013	\$125,619	20.8%
(16) Loss Prevention Expense	\$0	\$17,813	N/A
(17) Uncapped Premium	\$461,743	\$556,301	20.5%
(18) Prior Capped vs. Current Uncapped	\$467,779	\$556,301	18.9%
(19) Prior Capped vs. Current Capped	\$467,779	\$587,044	25.5%
(20) Prior Total vs. Current Total	\$467,779	\$587,044	25.5%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6)  $[(2) / ((2) + 300,000)]$ . Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7)  $((5) \times (6)) + (1.00 - (6))$
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14,  $\{[\$5,384,000 / \text{Total (12)}] \times [(11) / \text{Weighted Average of (11)}] \times (8) \times (12)\}$ . \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
South SF**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$857,860	2007-2008	\$211,325
2007-2008	211,325	2008-2009	231,998
2008-2009	246,998	2009-2010	68,789
2009-2010	68,789	2010-2011	28,222
2010-2011	32,760	2011-2012	831,369
Total	\$1,417,732	Total	\$1,371,704

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$38,232,662	2007-2008	\$43,420,258
2007-2008	43,420,258	2008-2009	44,962,478
2008-2009	44,962,478	2009-2010	42,935,157
2009-2010	42,935,157	2010-2011	42,301,003
2010-2011	42,301,003	2011-2012	42,283,545
Total	\$211,851,558	Total	\$215,902,441

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
South SF**

I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2009-10	70421	C	26,863	0	26,863	0	26,863
2008-09	70798	O	55,477	39,523	95,000	0	95,000
2007-08	70927	O	6,338	93,662	100,000	0	100,000
2011-12	71398	C	53,632	0	53,632	0	53,632
2008-09	71432	O	1,741	48,259	50,000	0	50,000
2011-12	71960	O	13,761	840,004	853,765	0	250,000
2011-12	71841	O	2,427	847,573	850,000	0	250,000
2007-08	GL059370	O	45,539	22,464	68,002	0	68,002
2008-09	GL060737	C	37,755	0	37,755	0	37,755
2011-12	71839	O	136,246	63,755	200,000	0	200,000
<b>Total</b>			<b>379,779</b>	<b>1,955,238</b>	<b>2,335,018</b>	<b>0</b>	<b>1,131,252</b>

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
South SF**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2006-07	AL058268	C	130,908	0	130,908	0	130,908
2006-07	GL058075	C	87,475	0	87,475	0	87,475
2006-07	GL058082	C	68,588	0	68,588	-1,452	68,588
2006-07	GL058506	C	64,529	0	64,529	0	64,529
2006-07	GL058601	C	69,967	0	69,967	0	69,967
2006-07	GL058674	C	68,696	0	68,696	0	68,696
2006-07	GL059034	C	26,627	0	26,627	0	26,627
2006-07	GL059070	C	89,931	0	89,931	0	89,931
2006-07	GL060198	C	205,255	0	205,255	0	205,255
2007-08	70927	O	6,338	93,662	100,000	0	100,000
2007-08	GL059370	O	45,414	22,589	68,002	0	68,002
2008-09	70798	O	8,222	101,778	110,000	0	110,000
2008-09	71432	O	1,741	48,259	50,000	0	50,000
2008-09	GL060737	C	37,755	0	37,755	0	37,755
2009-10	70421	C	26,863	0	26,863	0	26,863
Total			938,308	266,288	1,204,596	-1,452	1,204,596

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Suisun City**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$845,559	\$616,028	-27.1%
(2) 5-Year Payrolls (00)	\$317,540	\$325,925	2.6%
(3) % 5-Year Limited Losses	4.1%	2.7%	-33.0%
(4) % 5-Year Payrolls (00)	1.6%	1.7%	3.8%
(5) Indicated Differential	2.539	1.640	-35.4%
(6) Credibility	0.500	0.500	0.0%
(7) Indicated Ex Mod	177%	132%	-25.4%
(8) Adjusted Ex Mod	178%	134%	-24.9%
(9) Prior Ex Mod	81%	178%	120.8%
(10) Deductible	\$25,000	\$25,000	0.0%
(11) Deductible Factor	1.356	1.343	-1.0%
(12) Current Year Payroll (00)	\$63,984	\$57,090	-10.8%
(13) Indicated Loss Funding	\$168,615	\$142,734	-15.3%
(14) Excess Insurance	\$22,076	\$21,372	-3.2%
(15) Adjusted Admin Expense	\$85,565	\$81,687	-4.5%
(16) Loss Prevention Expense	\$0	\$11,411	N/A
(17) Uncapped Premium	\$276,255	\$257,203	-6.9%
(18) Prior Capped vs. Current Uncapped	\$252,971	\$257,203	1.7%
(19) Prior Capped vs. Current Capped	\$252,971	\$271,417	7.3%
(20) Prior Total vs. Current Total	\$252,971	\$271,417	7.3%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6) [(2) / ((2) + 300,000)]. Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7) ((5) x (6)) + (1.00 - (6))
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14, {[\$5,384,000 / Total (12)] x [(11) / Weighted Average of (11)] x (8) x (12)}. \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Suisun City**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$34,328	2007-2008	\$16,298
2007-2008	16,298	2008-2009	206,869
2008-2009	223,008	2009-2010	67,288
2009-2010	42,288	2010-2011	298,774
2010-2011	529,638	2011-2012	26,799
Total	\$845,559	Total	\$616,028

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$5,731,456	2007-2008	\$5,919,993
2007-2008	5,919,993	2008-2009	6,861,666
2008-2009	6,861,666	2009-2010	6,515,837
2009-2010	6,515,837	2010-2011	6,725,036
2010-2011	6,725,036	2011-2012	6,569,921
Total	\$31,753,987	Total	\$32,592,452

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Suisun City**

I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2008-09	70146	C	68,861	0	68,861	0	68,861
2010-11	70849	C	27,073	0	27,073	0	27,073
2009-10	71298	O	40,736	19,264	60,000	0	60,000
2010-11	71622	O	4,159	648,841	653,000	0	250,000
2008-09	71730	O	40,939	24,061	65,000	0	65,000
2008-09	AL060385	C	67,292	0	67,292	0	67,292
<b>Total</b>			<b>249,060</b>	<b>692,166</b>	<b>941,226</b>	<b>0</b>	<b>538,226</b>

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Suisun City**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2008-09	70146	O	8,783	141,217	150,000	0	150,000
2008-09	AL060385	C	67,292	0	67,292	0	67,292
2009-10	71298	O	16,797	18,203	35,000	0	35,000
2010-11	71365	O	0	350,000	350,000	0	250,000
2010-11	71622	O	0	300,000	300,000	0	250,000
Total			92,871	809,421	902,292	0	752,292

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Tiburon**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$224,027	\$402,727	79.8%
(2) 5-Year Payrolls (00)	\$203,028	\$201,075	-1.0%
(3) % 5-Year Limited Losses	1.1%	1.8%	65.4%
(4) % 5-Year Payrolls (00)	1.0%	1.0%	0.1%
(5) Indicated Differential	1.052	1.738	65.1%
(6) Credibility	0.400	0.400	0.0%
(7) Indicated Ex Mod	102%	130%	26.9%
(8) Adjusted Ex Mod	103%	131%	27.8%
(9) Prior Ex Mod	71%	103%	44.7%
(10) Deductible	\$50,000	\$50,000	0.0%
(11) Deductible Factor	1.199	1.192	-0.6%
(12) Current Year Payroll (00)	\$37,000	\$35,848	-3.1%
(13) Indicated Loss Funding	\$49,737	\$78,052	56.9%
(14) Excess Insurance	\$6,856	\$6,846	-0.1%
(15) Adjusted Admin Expense	\$53,952	\$63,715	18.1%
(16) Loss Prevention Expense	\$0	\$6,532	N/A
(17) Uncapped Premium	\$110,545	\$155,145	40.3%
(18) Prior Capped vs. Current Uncapped	\$108,901	\$155,145	42.5%
(19) Prior Capped vs. Current Capped	\$108,901	\$141,571	30.0%
(20) Prior Total vs. Current Total	\$108,901	\$141,571	30.0%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6) [(2) / ((2) + 300,000)]. Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7) ((5) x (6)) + (1.00 - (6))
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14, {[\$5,384,000 / Total (12)] x [(11) / Weighted Average of (11)] x (8) x (12)}. \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
- (16) For 2013-14, Total Loss Prevention Expense of \$331,400 is allocated based on budgeted loss prevention expense by member.
- (17) (13) + (14) + (15) + (16)
- (18) Prior Capped from Prior Review. Current Uncapped from (16).  
Prior Capped from Prior Review. Current Capped is either the change in (17) capped at 30%,
- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Tiburon**

I. 5-Year Limited Losses

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$1,300		
2007-2008	29,953	2007-2008	\$29,953
2008-2009	4,774	2008-2009	4,774
2009-2010	3,000	2009-2010	3,000
2010-2011	185,000	2010-2011	235,000
		2011-2012	130,000
Total	\$224,027	Total	\$402,727

II. 5-Year Payrolls (00)

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$3,400,146		
2007-2008	4,029,626	2007-2008	\$4,029,626
2008-2009	4,223,506	2008-2009	4,223,506
2009-2010	4,913,403	2009-2010	4,913,403
2010-2011	3,736,134	2010-2011	3,736,134
		2011-2012	3,204,841
Total	\$20,302,814	Total	\$20,107,510

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Tiburon**

I. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2010-11	71420	O	129,973	105,027	235,000	0	235,000
2011-12	71550	O	7,059	117,941	125,000	0	125,000
Total			137,032	222,968	360,000	0	360,000

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Tiburon**

I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2010-11	71420	O	31,593	153,407	185,000	0	185,000
Total			31,593	153,407	185,000	0	185,000

## ABAG PLAN

**Calculation of Experience Modification Factor & Premium  
2012-13 VS. 2013-14 Premium Calculation  
Woodside**

	2012-13	2013-14	% Change
(1) 5-Year Limited Losses	\$256,478	\$256,578	0.0%
(2) 5-Year Payrolls (00)	\$117,279	\$121,383	3.5%
(3) % 5-Year Limited Losses	1.2%	1.1%	-8.0%
(4) % 5-Year Payrolls (00)	0.6%	0.6%	4.7%
(5) Indicated Differential	2.085	1.834	-12.1%
(6) Credibility	0.300	0.300	0.0%
(7) Indicated Ex Mod	133%	125%	-5.7%
(8) Adjusted Ex Mod	133%	127%	-5.0%
(9) Prior Ex Mod	85%	133%	57.3%
(10) Deductible	\$25,000	\$25,000	0.0%
(11) Deductible Factor	1.356	1.343	-1.0%
(12) Current Year Payroll (00)	\$19,916	\$19,149	-3.9%
(13) Indicated Loss Funding	\$39,316	\$45,347	15.3%
(14) Excess Insurance	\$4,082	\$4,114	0.8%
(15) Adjusted Admin Expense	\$40,414	\$45,347	12.2%
(16) Loss Prevention Expense	\$0	\$4,995	N/A
(17) Uncapped Premium	\$83,812	\$99,802	19.1%
(18) Prior Capped vs. Current Uncapped	\$78,819	\$99,802	26.6%
(19) Prior Capped vs. Current Capped	\$78,819	\$102,465	30.0%
(20) Prior Total vs. Current Total	\$78,819	\$102,465	30.0%

- (1), (2) The 2012-13 calculation included 2006-07 through 2010-11 years and the 2013-14 calculation, 2007-08 through 2011-12 years. Losses are capped at \$250,000 per occurrence.
- (3), (4) Percentage of limited losses and payrolls compared to PLAN.
- (5) (3) / (4)
- (6)  $[(2) / ((2) + 300,000)]$ . Ltd to minimum of 0.10 and maximum of 1.00, rounded to nearest 0.10. Assumes that a member with five-year payroll of \$30 million is 50% credible.
- (7)  $((5) \times (6)) + (1.00 - (6))$
- (8) Adjusted for off-balance using payroll as weights.
- (9) Prior Adjusted Ex Mod
- (10) Provided by ABAG.
- (11) \$100K Deductible = 1.000
- (12) Provided by ABAG.
- (13) For 2013-14,  $\{[\$5,384,000 / \text{Total (12)}] \times [(11) / \text{Weighted Average of (11)}] \times (8) \times (12)\}$ . \$5,384,000 is the discounted loss & ALAE at 60% Confidence Level. (4% Discount Rate).
- (14) Allocated to member based on population.
- (15) For 2013-14, Total administrative expense of \$2,850,000 is allocated based on the formula.
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- (19) or (17) adjusted upward to compensate for capping of other members.
- (19) Prior Actual per ABAG PLAN. Current Capped from (18).

**ABAG PLAN**

**5-Year Loss & Payroll Comparison  
2012-13 VS. 2013-14 Premium Calculation  
Woodside**

**I. 5-Year Limited Losses**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$0	2007-2008	\$5,178
2007-2008	5,178	2008-2009	0
2008-2009	0	2009-2010	251,300
2009-2010	251,300	2010-2011	50
2010-2011	0	2011-2012	50
Total	\$256,478	Total	\$256,578

**II. 5-Year Payrolls (00)**

	<u>2012-13</u>		<u>2013-14</u>
2006-2007	\$1,812,848	2007-2008	\$2,492,169
2007-2008	2,492,169	2008-2009	2,690,895
2008-2009	2,690,895	2009-2010	2,346,474
2009-2010	2,346,474	2010-2011	2,385,546
2010-2011	2,385,546	2011-2012	2,223,190
Total	\$11,727,931	Total	\$12,138,273

**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Woodside**

i. Large Claims for 2013-14 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/12	Case Reserves As of 12/31/12	Incurred Losses As of 12/31/12	Recovery	Limited Incurred Losses
2009-10	70959	O	335,261	39,789	375,050	0	250,000
Total			335,261	39,789	375,050	0	250,000

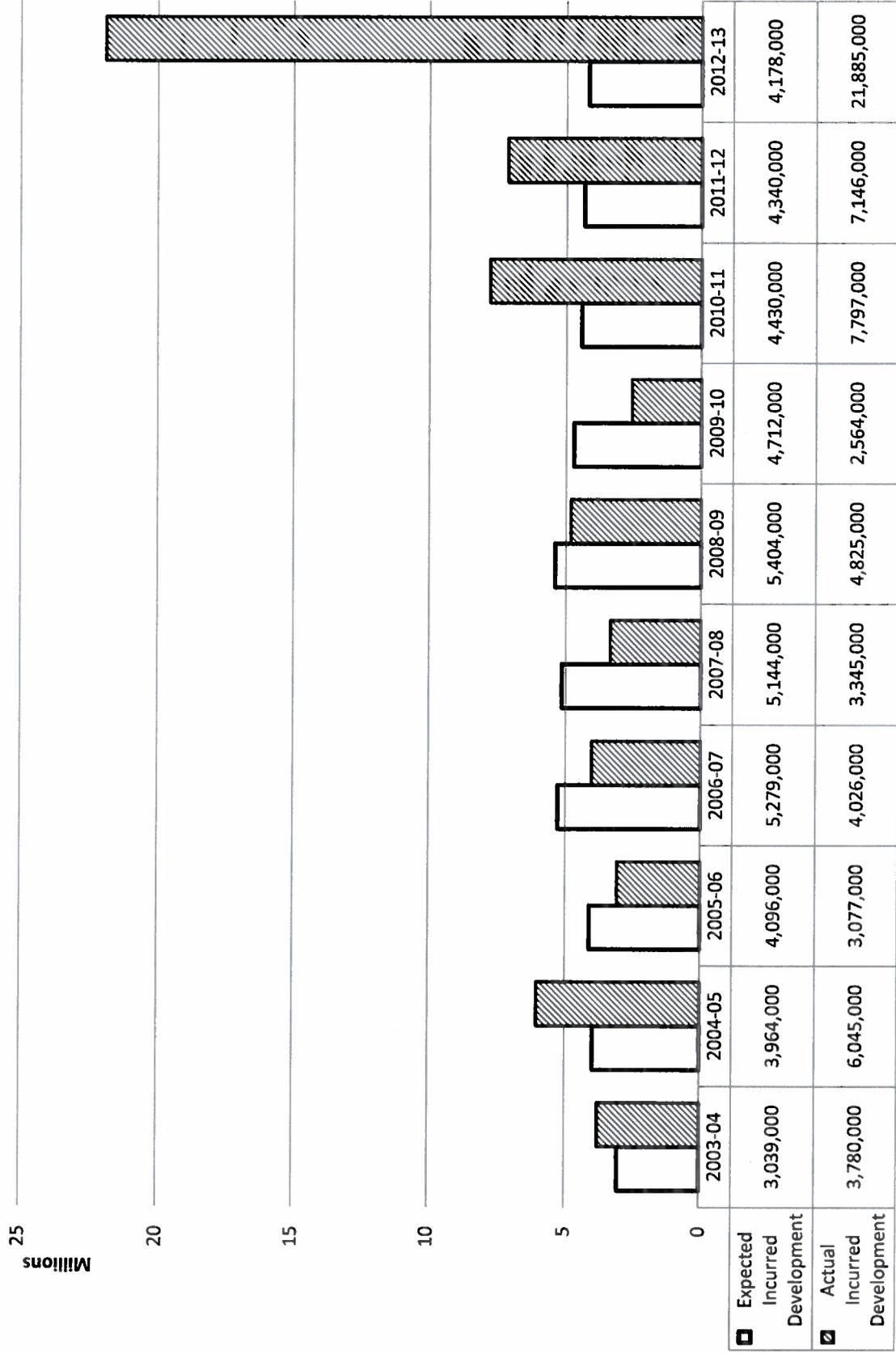
**ABAG PLAN**

**Large Claims Greater than \$25,000 in Incurred Losses  
2012-13 VS. 2013-14 Premium Calculation  
Woodside**

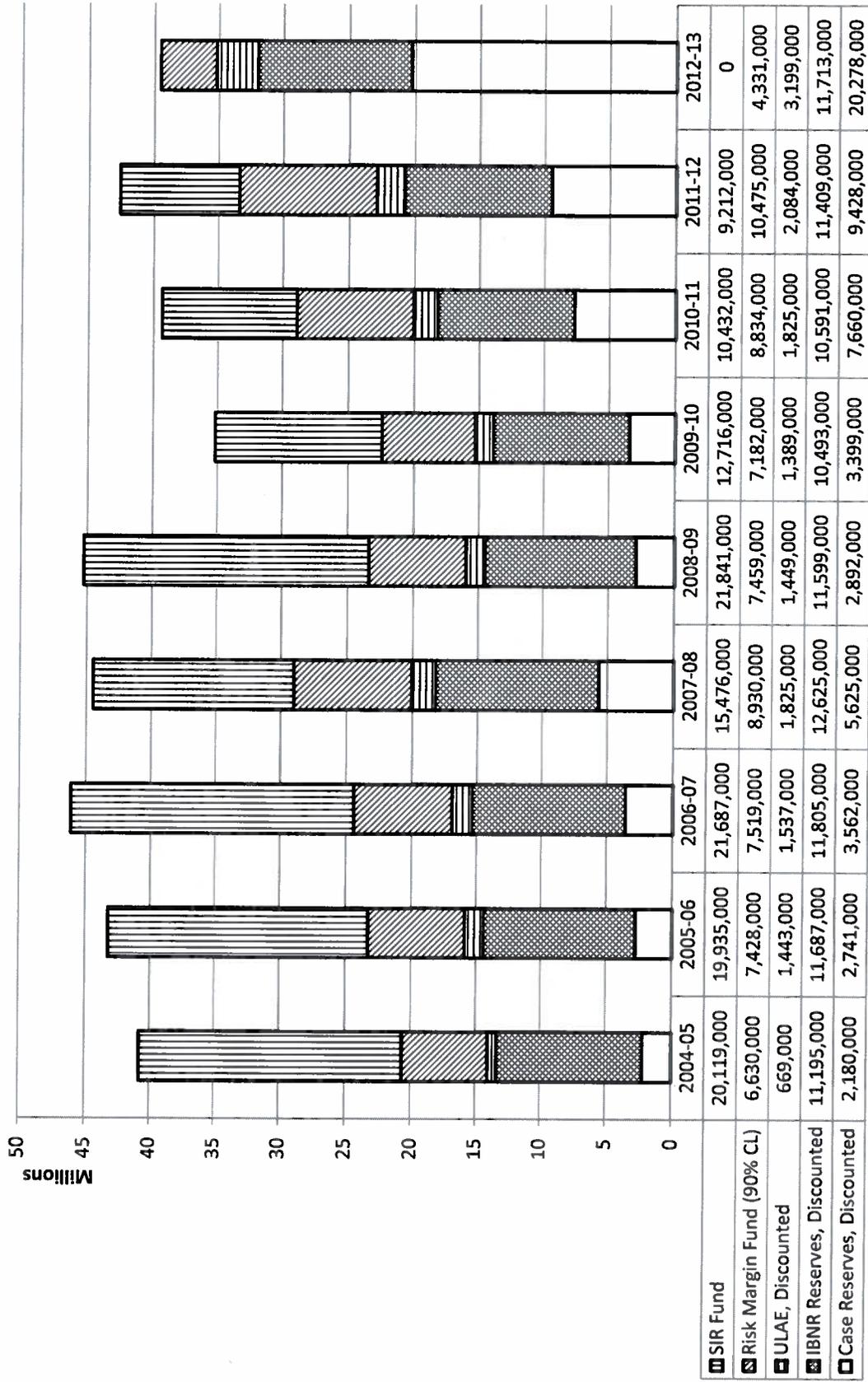
I. Large Claims for 2012-13 Calculation.

Fiscal Year	Claim Number	Status	Paid Losses As of 12/31/11	Case Reserves As of 12/31/11	Incurred Losses As of 12/31/11	Recovery	Limited Incurred Losses
2009-10	70959	O	13,898	336,152	350,050	0	250,000
Total			13,898	336,152	350,050	0	250,000

**PLAN**  
**Historical Actual vs Expected Incurred Loss Development**



# PLAN Historical Fund Balance



Note: Risk Margin Fund for 2012-13 is at 69% confidence level.

## ABAG PLAN - TARGET EQUITY ANALYSIS - April 24, 2013

### FUNDING BENCHMARKS

	Equity	SIR	Score	Target	Comments
1) Equity to SIR	\$ 4,331,000	\$ 5,000,000	0.87	> 5:1	This ratio is a measure of the maximum amount equity could decline due to a single full limits loss. A high ratio is desirable.
2) Net Premium to Equity	Net Premium \$ 4,997,000	Equity \$ 4,331,000	1.15	< 2:1	This ratio measure whether adverse loss development can be absorbed by new premium. Net premium equals premium received by PLAN, less premium paid by PLAN to others.
3) Claim Reserves/IBNR to Equity	Claim Reserve/IBNR \$ 35,001,000	Equity \$ 4,331,000	8.08	< 3.5:1	The ratio is a measure of how equity is leveraged against total reserves. A low ratio is desirable.
4) Prior Years Loss Development to Equity	Loss Development \$ 16,776,221	Equity \$ 4,331,000	3.87	< 20%	This ratio is a measure of the development in prior year's ultimate loss reserves from one year to the next.



 Association of Bay Area Governments

**Date:** April 24, 2013  
**To:** ABAG PLAN Actuary Committee  
**From:** James Hill, PLAN Risk Manager  
**Subject:** **Excess Liability and Property Insurance Coverage for 2013-14**

**Recommendation** – None; Information only.

#### **Overview**

Alliant Insurance Services will provide the Committee with an update on all marketing activity associated with the renewal of ABAG PLAN excess property and liability programs. Our program will be aggressively marketed due to current market conditions and the appearance of a hardening insurance market.

The Alliant appraisal project has been completed. The project was very helpful in updating member property schedules and in ensuring accurate property values are maintained by members for internal financial reporting and also accurately reported by PLAN to underwriters. Members have worked diligently with Alliant to provide final validation of property schedule information and Seth will identify any areas of concern that require involvement of the committee.

Alliant's report will include an update on the current insurance market. The report will provide the committee with current renewal premium estimates. Committee will evaluate renewal premium projections and analyze the impact to member funding contributions. When marketing efforts are finalized, PLAN will procure renewal policies and the committee will determine whether an adjustment in member premiums above those indicated in the Actuarial review are necessary.

Alliant will also work with Risk Manager to evaluate excess insurance options within ABAG PLAN retained loss layer (Example: \$3mm xs \$2mm layer). Given the recent and continued trend in actual losses exceeding expected losses, we are exploring the feasibility of alternative risk transfer options to ensure pricing stability of the program.

Alliant will continue to partner with staff in providing member training and education on Insurance Risk in Contracts. Alliant will also continue to work with Risk Management on Alternative Risk Financing options for Employment Practices Liability, Optional Excess Limits and Optional Catastrophic coverage for selected properties.

**Action Required** – None; Information Only



**Alliant**

# ABAG PLAN Actuary Committee Meeting

April 24, 2013

**Alliant: The specialty insurance leader.**



# U.S. Property & Casualty Industry

## Key Financial Metrics\*

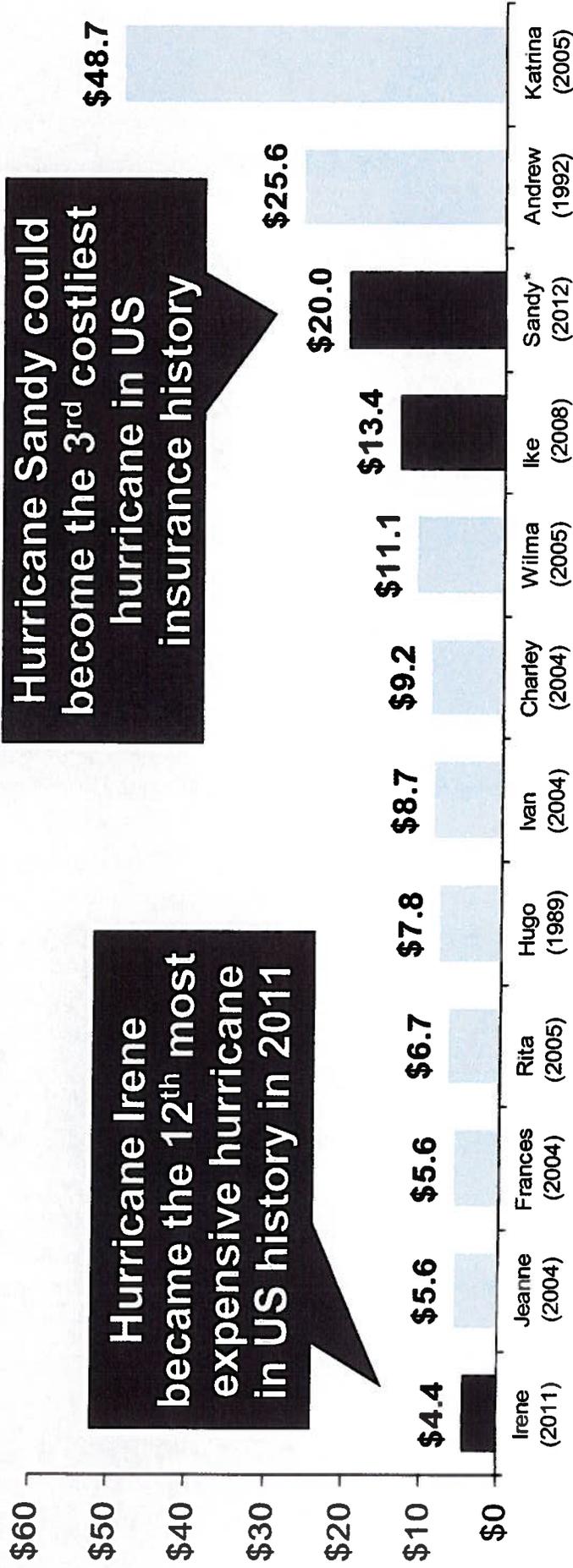
	September 30, 2012	Year End 2011
Combined ratio	100.1%	107.7%
Premium growth	4.1%	3.6%
Policy holder surplus	\$584B	\$552B
CAT related losses	\$21.8B	\$44B
Investment income	\$35.6B	\$56.2B
After tax net income	\$31.2B	\$43.1B
Best performing line	Medical Malpractice	Medical Malpractice
Worst performing lines	Workers' Compensation/ Property	Workers' Compensation/ Property

\* Excludes mortgages and financial security segments; Source: AM Best

# Top 12 Most Costly Hurricanes in U.S. History

(Insured Losses, 2012 Dollars, \$ Billions)

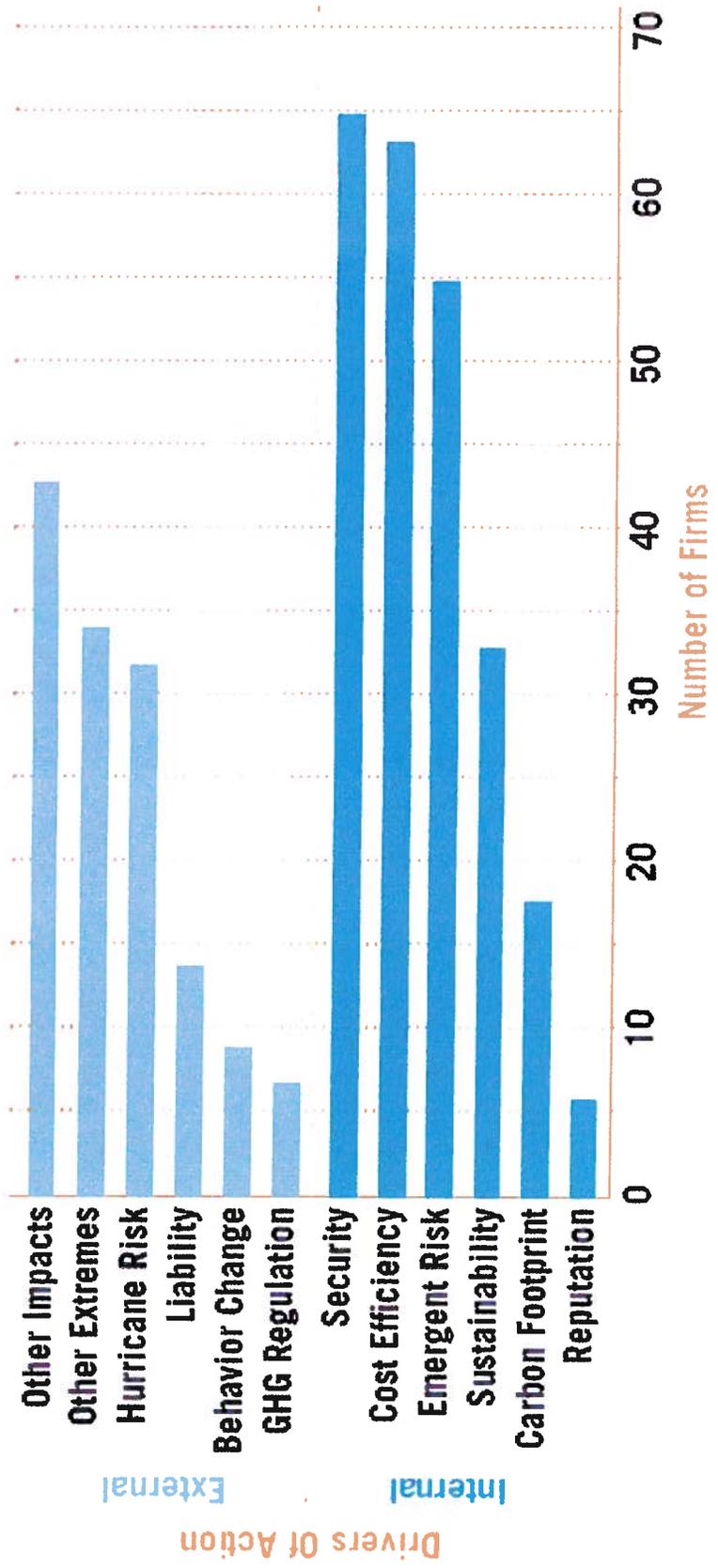
10 of the 12 most costly hurricanes in insurance history occurred over the past 9 years (2004—2012)



\*Estimate as of 12/09/12 based on estimates of catastrophe modeling firms and reported losses as of 1/12/13. Estimates range up to \$25B.  
 © 2008 Alliant Insurance & Information Institute inflation adjustments to 2012 dollars using the CPI.

# How Will Climate Change Impact Insurers?

FIGURE 5: DRIVERS OF ACTION—PROPERTY & CASUALTY COMPANIES



Source; Ceres Climate Risk Disclosure Survey 2012

# Increased Commercial Rate

## Average Fourth Quarter 2012 Commercial Rate Increases Accelerated

	Small Accounts	Medium Accounts	Large Accounts	Avg
Fourth Quarter 2012	5.5%	5.1%	4.4%	5.0%
Third Quarter 2012	3.7%	4.5%	3.5%	3.9%
Second Quarter 2012	4.3%	4.9%	3.7%	4.3%
First Quarter 2012	4.2%	4.9%	4.1%	4.4%
Fourth Quarter 2011	3.1%	3.5%	1.6%	2.7%
High (4Q01)	20.8%	31.7%	33.0%	28.5%
Low (3Q07)	-10.0% (1Q08)	-15.0%	-15.9%	-13.3%

Source: The Council of Insurance Agents & Brokers. Chart prepared by Barclays Research.

## Renewal Thoughts

- Property Appraisals/Values
- Markets
  - PEPIP (Lexington/Everest), ACE, Allianz, Alterra, Arch, Aspen, Axis, Colony, Commonwealth, CV Starr, Ironshore, Liberty, Maiden, RSUI, Swiss Re, Torus, Zurich
- Flood Zone A/V Limits

# Marketing Due Diligence

- Markets
  - AIG (Insurance Company of State of Penn. / Lexington)
  - Starr
  - Ironshore
  - AWAC
  - Houston Casualty
  - Civic Risk
  - AmTrust
- Excess Limits