Bickmore Actuarial

Actuarial Review of the Self-Insured Liability and Property Program

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

Presented to
Santa Clara County Schools' Insurance Group

March 10, 2023

SCOPE AND SIGNATURE

Santa Clara County Schools' Insurance Group ("the Group") has engaged Bickmore Actuarial to conduct an actuarial review of unpaid loss and loss adjustment expenses for claims that occurred on or before June 30, 2023 for its self-insured Liability and Property program utilizing data valued as of December 31, 2022. The Group also seeks guidance on the appropriate funding level for claims to be incurred during the upcoming program year.

The specific objectives of the study are:

1. Estimate the Group's net liability for outstanding claims as of June 30, 2023. Liabilities net of reinsurance are presented on both an undiscounted basis as well as a discounted basis. The net liabilities are also presented at the expected level (i.e. without a risk margin) and with risk margins, which are quantified via confidence levels. The net liabilities include provisions for loss and allocated loss adjustment expense (ALAE) but excludes unallocated loss adjustment expense (ULAE). ALAE and ULAE are defined in the Glossary section of this report.
2. Project ultimate claims costs for the 2023-24 program year. Similar to the liability projections, the ultimate program year costs are presented on both undiscounted and discounted bases. Projections with and without risk margins are also included.
3. Provide a statement of compliance with Governmental Accounting Standards Board Statement #10.

We appreciate the opportunity to be of service to the Group in preparing this report. Please feel free to call Mike Harrington at (916) 244-1162 or Derek Burkhalter at (916) 244-1167 with any questions you may have concerning this report.

Mike Harrington and Derek Burkhalter meet the Casualty Actuarial Society continuing education requirements and the American Academy of Actuaries' qualification standards to sign Statements of Actuarial Opinion.

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President and Principal

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EXECUTIVE SUMMARY

Net Claim Liabilities

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

Liability and Property
Loss & ALAE Claim Liabilities
As of June 30, 2023, Net of Reinsurance

		←	Confidence Level			→
Dollars ($000s)	Expected[1]	70%	75%	80%	85%	90%
Loss & ALAE	$1,398	$1,596	$1,685	$1,789	$1,916	$2,086
NPV Adjustment[2]	(51)	(58)	(61)	(65)	(68)	(74)
Discounted Loss & ALAE	**$1,347**	**$1,538**	**$1,624**	**$1,724**	**$1,848**	**$2,012**
Assets	6,385	6,385	6,385	6,385	6,385	6,385
Surplus/(Deficit)	5,038	4,847	4,761	4,661	4,537	4,373
Short Term[3]	$650	$745	$789	$840	$902	$986
Long Term[3]	697	793	835	884	946	1,026

1 Expected values represent the "best actuarial" or "central" estimate.
2 Net present value is based on an annual discount rate of 2.0%.
3 Short-term liabilities are projected to be paid within 12 months of the accounting date. Long-term liabilities are projected to be paid after 12 months.

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

Loss & ALAE Claim Liabilities and Assets
As of June 30, 2023, Net of Reinsurance
($000s)

We generally recommend that entities maintain funding at the 75% - 85% confidence level. However, we understand that each entity is unique, and that proper funding levels can vary based on issues such as the organization's risk tolerance, financial circumstances, and priorities.

Statement of Compliance with GASB #10

The outstanding liabilities presented in this section comply with the requirements promulgated by GASB #10.

Funding Projections

The following tables present our estimates of ultimate costs for program year 2023-24 assuming a self-insured retention (SIR) of $100,000 per occurrence.

Liability Only
Projected Ultimate Costs
Fiscal Year 2023-24, SIR: $100,000

		← Confidence Level				→
Dollars ($000s)	Expected[1]	70%	75%	80%	85%	90%
Loss & ALAE	$426	$509	$549	$597	$656	$736
NPV Adjustment[2]	(19)	(23)	(24)	(27)	(29)	(33)
Discounted Loss & ALAE	**$407**	**$486**	**$525**	**$570**	**$627**	**$703**
Total Funding Rate[3]	$6.93	$8.27	$8.93	$9.70	$10.67	$11.96

Property Only
Projected Ultimate Costs
Fiscal Year 2023-24, SIR: $100,000

		← Confidence Level				→
Dollars ($000s)	Expected[1]	70%	75%	80%	85%	90%
Loss & ALAE	$537	$637	$685	$742	$812	$907
NPV Adjustment[2]	(8)	(9)	(10)	(11)	(12)	(14)
Discounted Loss & ALAE	**$529**	**$628**	**$675**	**$731**	**$800**	**$893**
Total Funding Rate[3]	$0.178	$0.212	$0.227	$0.246	$0.269	$0.301

Liability and Property Combined
Projected Ultimate Costs
Fiscal Year 2023-24, SIR: Liability - $100,000, Property - $100,000

		← Confidence Level				→
Dollars ($000s)	Expected[1]	70%	75%	80%	85%	90%
Loss & ALAE	$963	$1,146	$1,234	$1,339	$1,468	$1,643
NPV Adjustment[2]	(27)	(32)	(34)	(38)	(41)	(47)
Discounted Loss & ALAE	**$936**	**$1,114**	**$1,200**	**$1,301**	**$1,427**	**$1,596**

1 Expected values represent the "best actuarial" or "central" estimate.
2 Net present value is based on an annual discount rate of 2.0%.
3 Rates are per ADA for liability and per $1,000 of TIV for property.

The following tables present our estimates of ultimate costs for program year 2023-24 assuming a self-insured retention (SIR) of $250,000 per occurrence.

Liability Only
Projected Ultimate Costs
Fiscal Year 2023-24, SIR: $250,000

		← Confidence Level →				
Dollars ($000s)	Expected[1]	70%	75%	80%	85%	90%
Loss & ALAE	$681	$819	$888	$969	$1,072	$1,209
NPV Adjustment[2]	(39)	(47)	(51)	(55)	(61)	(69)
Discounted Loss & ALAE	**$642**	**$772**	**$837**	**$914**	**$1,011**	**$1,140**
Total Funding Rate[3]	$10.93	$13.14	$14.24	$15.56	$17.21	$19.40

Property Only
Projected Ultimate Costs
Fiscal Year 2023-24, SIR: $250,000

		← Confidence Level →				
Dollars ($000s)	Expected[1]	70%	75%	80%	85%	90%
Loss & ALAE	$805	$963	$1,040	$1,133	$1,248	$1,402
NPV Adjustment[2]	(18)	(22)	(23)	(26)	(28)	(32)
Discounted Loss & ALAE	**$787**	**$941**	**$1,017**	**$1,107**	**$1,220**	**$1,370**
Total Funding Rate[3]	$0.265	$0.317	$0.343	$0.373	$0.411	$0.461

Liability and Property Combined
Projected Ultimate Costs
Fiscal Year 2023-24, SIR: Liability - $250,000, Property - $250,000

		← Confidence Level →				
Dollars ($000s)	Expected[1]	70%	75%	80%	85%	90%
Loss & ALAE	$1,486	$1,782	$1,928	$2,102	$2,320	$2,611
NPV Adjustment[2]	(57)	(69)	(74)	(81)	(89)	(101)
Discounted Loss & ALAE	**$1,429**	**$1,713**	**$1,854**	**$2,021**	**$2,231**	**$2,510**

1 Expected values represent the "best actuarial" or "central" estimate.
2 Net present value is based on an annual discount rate of 2.0%.
3 Rates are per ADA for liability and per $1,000 of TIV for property.

BACKGROUND

Santa Clara County Schools' Insurance Group's liability and property program began July 1, 1980. Its current self-insured retention is $100,000, with the exception of the following coverages: For auto comprehensive and collision, comprehensive crime, and electronic DP, the self-insured retentions are $1,500, $500, and $5,000, respectively. Claims administration services are provided by ASCIP.

San Francisco Unified School District joined the Group on July 1, 2022. However, the District is not included in this analysis since it currently does not obtain coverage from the Group for claims below $250,000 per occurrence.

Additional background on the program is given in Appendix J.

OBSERVATIONS AND ANALYSIS

In this section, we present a comparison to the prior analysis as well as an overview of claims trends that we have observed. The prior report for the Group was dated March 7, 2022, and relied on data evaluated as of December 31, 2021. The current analysis relies on data evaluated as of December 31, 2022.

Comparison of Actual versus Expected Activity

The following tables describe how paid and reported losses have emerged between the two points in time referenced above for both liability and property, separately. We also compare how our projected ultimate loss & ALAE amounts have changed between these two points in time.

Liability
Actual Versus Expected Incurred Loss & ALAE[1]
Prior vs. Current Reports
($000s)

Fiscal Year	Expected Emergence	Actual Emergence	Actual Minus Expected Emergence
2008-09	$0	$100	$100
2009-10	0	0	0
2010-11	0	0	0
2011-12	0	0	0
2012-13	0	(100)	(100)
2013-14	0	100	100
2014-15	0	0	0
2015-16	0	(19)	(19)
2016-17	11	(10)	(22)
2017-18	25	(83)	(108)
2018-19	14	0	(14)
2019-20	14	(188)	(202)
2020-21	98	1	(97)
2021-22	328	163	(165)
Total	**$491**	**($36)**	**($527)**

[1] Loss & ALAE are limited to the Group's self-insured retention.

Property
Actual Versus Expected Incurred Loss & ALAE[1]
Prior vs. Current Reports
($000s)

Fiscal Year	Expected Emergence	Actual Emergence	Actual Minus Expected Emergence
2008-09	$0	$0	$0
2009-10	0	0	0
2010-11	0	0	0
2011-12	0	0	0
2012-13	0	0	0
2013-14	0	0	0
2014-15	0	0	0
2015-16	0	0	0
2016-17	0	0	0
2017-18	0	0	0
2018-19	3	0	(3)
2019-20	0	0	0
2020-21	41	(1)	(43)
2021-22	260	377	117
Total	**$304**	**$376**	**$72**

[1] Loss & ALAE are limited to the Group's self-insured retention.

Liability
Actual Versus Expected Paid Loss & ALAE[1]
Prior vs. Current Reports
($000s)

Fiscal Year	Expected Payments	Actual Payments	Actual Minus Expected Payments
2008-09	$0	$100	$100
2009-10	0	0	0
2010-11	0	0	0
2011-12	0	0	0
2012-13	4	(37)	(40)
2013-14	0	86	86
2014-15	0	0	0
2015-16	15	9	(6)
2016-17	7	2	(5)
2017-18	102	53	(48)
2018-19	75	33	(41)
2019-20	168	82	(87)
2020-21	109	22	(87)
2021-22	77	41	(36)
Total	**$555**	**$391**	**($164)**

[1] Loss & ALAE are limited to the Group's self-insured retention.

Property
Actual Versus Expected Paid Loss & ALAE[1]
Prior vs. Current Reports
($000s)

Fiscal Year	Expected Payments	Actual Payments	Actual Minus Expected Payments
2008-09	$0	$0	$0
2009-10	0	0	0
2010-11	0	0	0
2011-12	0	0	0
2012-13	0	0	0
2013-14	0	0	0
2014-15	0	0	0
2015-16	0	0	0
2016-17	0	0	0
2017-18	0	0	0
2018-19	3	0	(3)
2019-20	0	0	0
2020-21	43	(1)	(45)
2021-22	548	693	146
Total	**$593**	**$692**	**$98**

[1] Loss & ALAE are limited to the Group's self-insured retention.

Liability
Change in Projected Ultimate Loss & ALAE[1]
Prior vs. Current Reports
($000s)

Fiscal Year	Prior Ultimate	Current Ultimate	Change in Ultimate
2008-09	$191	$291	$100
2009-10	1,078	1,078	0
2010-11	500	500	0
2011-12	320	320	0
2012-13	358	258	(100)
2013-14	318	418	100
2014-15	356	356	0
2015-16	782	767	(15)
2016-17	245	223	(22)
2017-18	549	431	(118)
2018-19	280	255	(25)
2019-20	474	264	(210)
2020-21	272	148	(124)
2021-22	512	393	(119)
Total	**$6,234**	**$5,701**	**($532)**

[1] Projected ultimate loss & ALAE are limited to the Group's self-insured retention, at expected (no risk margin), and not discounted to reflect net present value.

Property
Change in Projected Ultimate Loss & ALAE[1]
Prior vs. Current Reports
($000s)

Fiscal Year	Prior Ultimate	Current Ultimate	Change in Ultimate
2008-09	$342	$342	$0
2009-10	331	331	0
2010-11	371	371	0
2011-12	44	44	0
2012-13	85	85	0
2013-14	22	22	0
2014-15	282	282	0
2015-16	108	108	0
2016-17	73	73	0
2017-18	211	211	0
2018-19	534	531	(3)
2019-20	276	276	0
2020-21	175	118	(57)
2021-22	731	855	124
Total	**$3,583**	**$3,648**	**$65**

[1] Projected ultimate loss & ALAE are limited to the Group's self-insured retention, at expected (no risk margin), and not discounted to reflect net present value.

Comparison of Liabilities: Prior vs. Current Reports

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

Liability
Change in Claims Liabilities
At Expected (without Risk Margin), Net of Reinsurance

Dollars ($000s)	Prior Report at 6/30/2022	Current Report at 6/30/2023	Dollar Change	Percent Change
Case Reserves[1]	$841	$621	($220)	-26.2%
IBNR[2]	389	342	(47)	-12.1%
Total (Undiscounted)	**$1,230**	**$963**	**($267)**	**-21.7%**
NPV Adjustment[3]	(50)	(45)	5	-10.8%
Total (Discounted)	**$1,180**	**$919**	**($262)**	**-22.2%**

1 Established by the claims administrator.
2 IBNR: Incurred But Not Reported for development beyond the case reserves.
3 Net present value is based on an annual discount rate of 2.0%.

Property
Change in Claims Liabilities
At Expected (without Risk Margin), Net of Reinsurance

Dollars ($000s)	Prior Report at 6/30/2022	Current Report at 6/30/2023	Dollar Change	Percent Change
Case Reserves[1]	$321	$262	($59)	-18.4%
IBNR[2]	171	173	2	1.2%
Total (Undiscounted)	**$492**	**$435**	**($57)**	**-11.6%**
NPV Adjustment[3]	(8)	(7)	1	-13.1%
Total (Discounted)	**$485**	**$428**	**($56)**	**-11.6%**

1 Established by the claims administrator.
2 IBNR: Incurred But Not Reported for development beyond the case reserves.
3 Net present value is based on an annual discount rate of 2.0%.

Comparison of Funding Projections: Prior vs. Current Reports

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

Liability
Change in Funding Estimates
At Expected (without Risk Margin), Net of Reinsurance

Dollars ($000s)	Prior Report[1] 2022-23	Current Report[1] 2023-24	Dollar Change	Percent Change
Total Loss & ALAE (Undiscounted)	**$502**	**$426**	**($76)**	**-15.1%**
NPV Adjustment[2]	(21)	(19)	2	-9.5%
Total Loss & ALAE (Discounted)	**$481**	**$407**	**($74)**	**-15.4%**
Rate (Discounted)[3]	$7.55	$6.93	($0.62)	-8.2%

1 The SIR in both the prior and current reports is $100,000.
2 Net present value is based on an annual discount rate of 2.0%.
3 Rate is per ADA.

Property
Change in Funding Estimates
At Expected (without Risk Margin), Net of Reinsurance

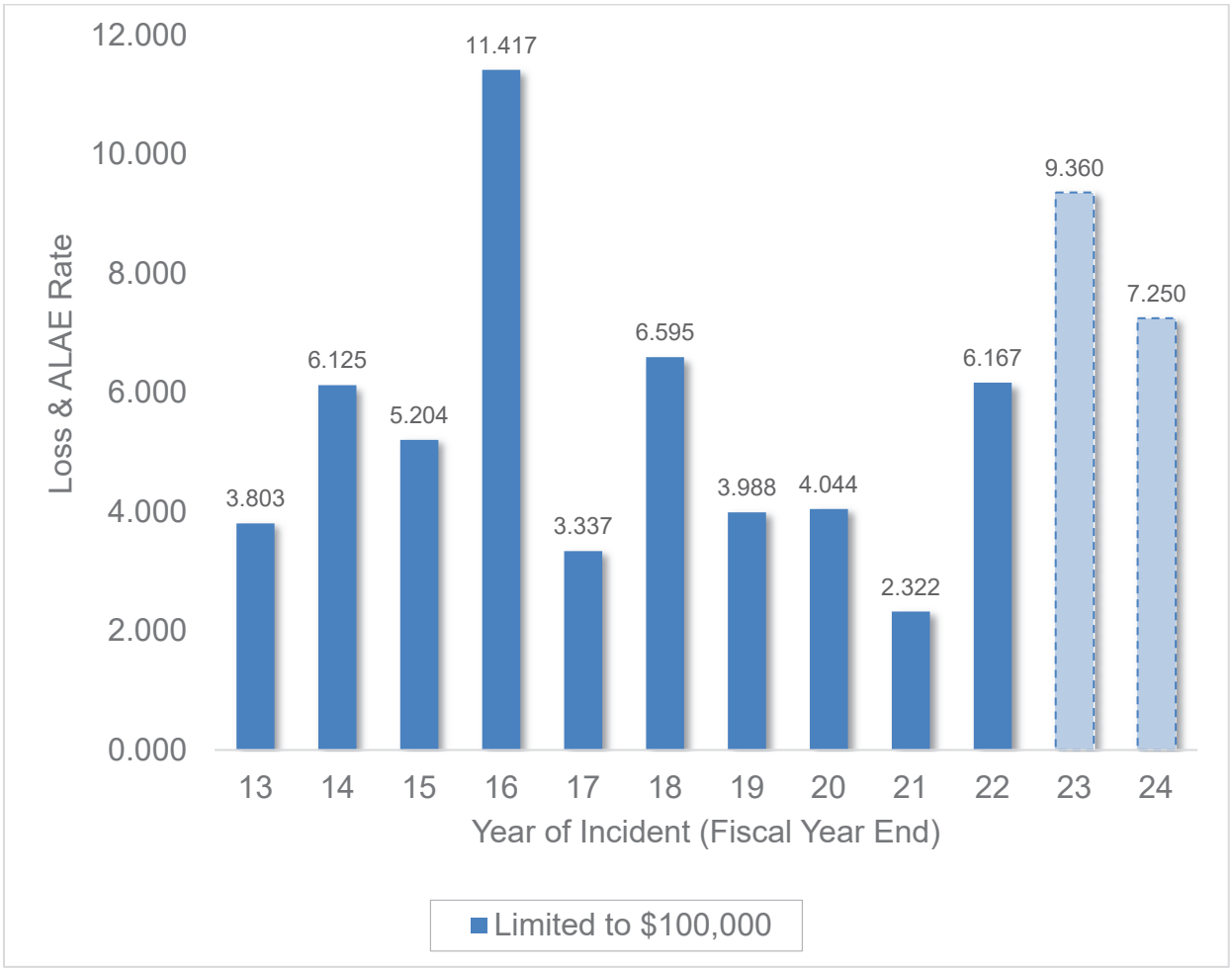
Dollars ($000s)	Prior Report[1] 2022-23	Current Report[1] 2023-24	Dollar Change	Percent Change
Total Loss & ALAE (Undiscounted)	$449	$537	$88	19.6%
NPV Adjustment[2]	(7)	(8)	(1)	14.3%
Total Loss & ALAE (Discounted)	**$442**	**$529**	**$87**	**19.7%**
Rate (Discounted)[3]	$0.163	$0.178	$0.015	9.2%

1 The SIR in both the prior and current reports is $100,000.
2 Net present value is based on an annual discount rate of 2.0%.
3 Rate is per $1,000 of TIV.

Loss Rate Trend - Liability

We have evaluated the trend in the Group's projected ultimate loss & ALAE rate. This rate equals projected ultimate loss and ALAE (limited to the SIR of $100,000 per occurrence divided average daily attendance (ADA), as displayed in the following graph.

Loss & ALAE Rate Trend[1]
Ultimate Loss & ALAE / ADA



[1] Losses are at expected (no risk margin) and are not discounted to reflect net present value.

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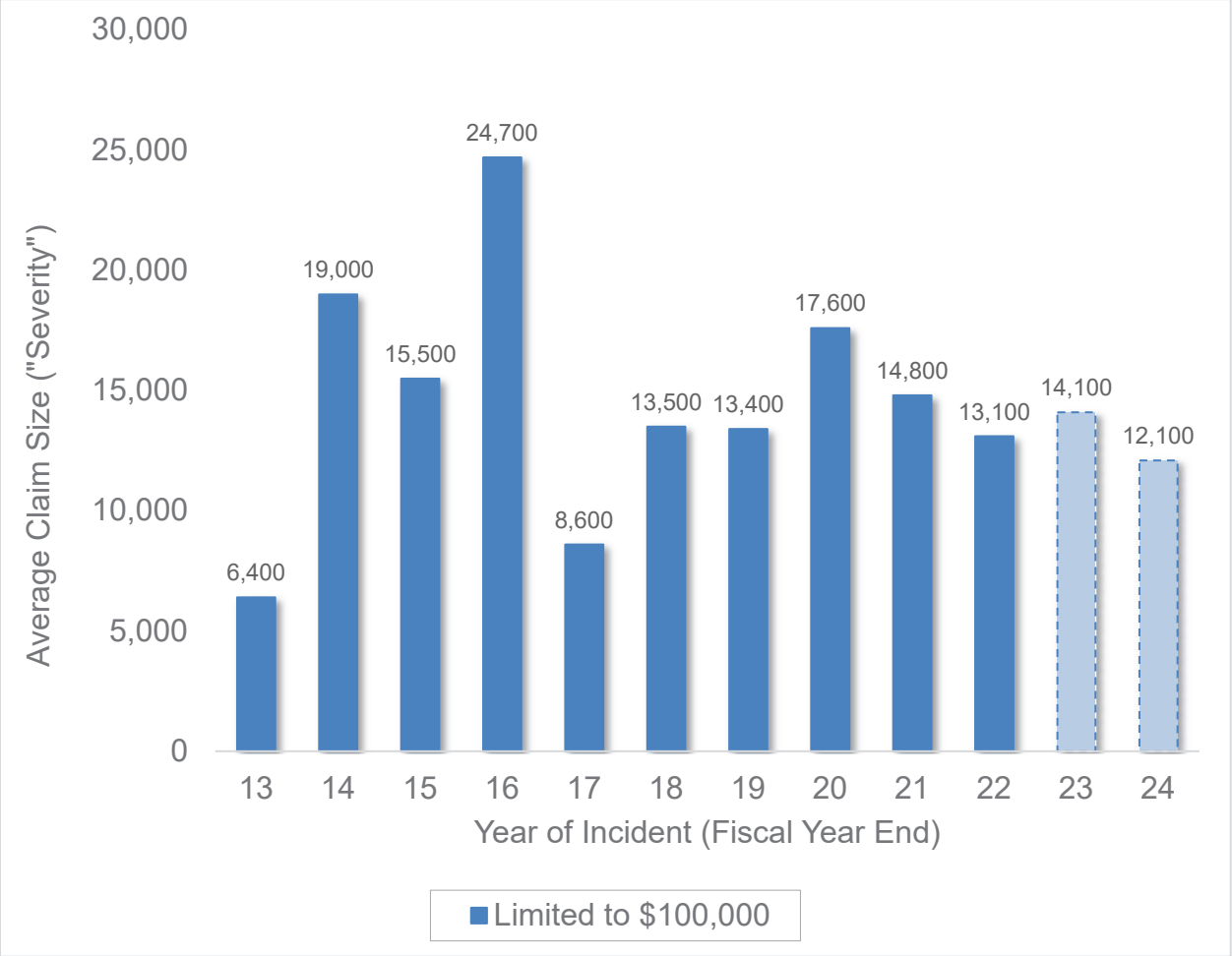
Average Claim Size (Severity) Trend - Liability

We have evaluated the trend in the Group's projected ultimate claim size (or "severity"). The ultimate claim size equals projected ultimate loss & ALAE (limited to the SIR of$100,000 per occurrence divided by the projected ultimate number of reported claims, as displayed in the following graph.

Average Claim Size Trend[1]
Ultimate Loss & ALAE / Ultimate Reported Claims



[1] Losses are at expected (no risk margin) and are not discounted to reflect net present value.

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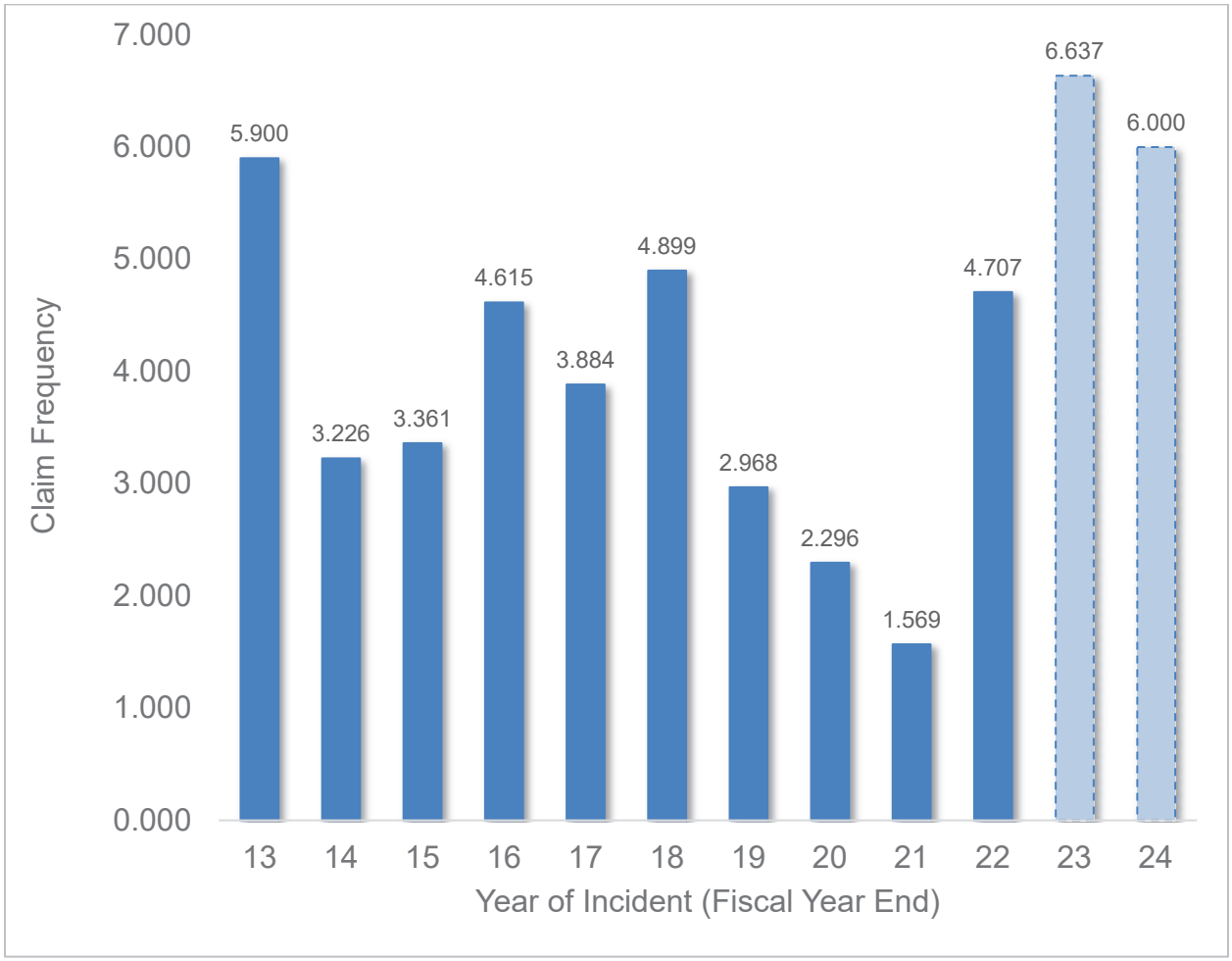
Claim Frequency Trend - Liability

We have evaluated the trend in the Group's claim frequency. The claim frequency equals projected ultimate number of reported claims divided by 10,000 of ADA, as displayed in the following graph.

Claim Frequency Trend
Ultimate Reported Claims / ADA (10,000)



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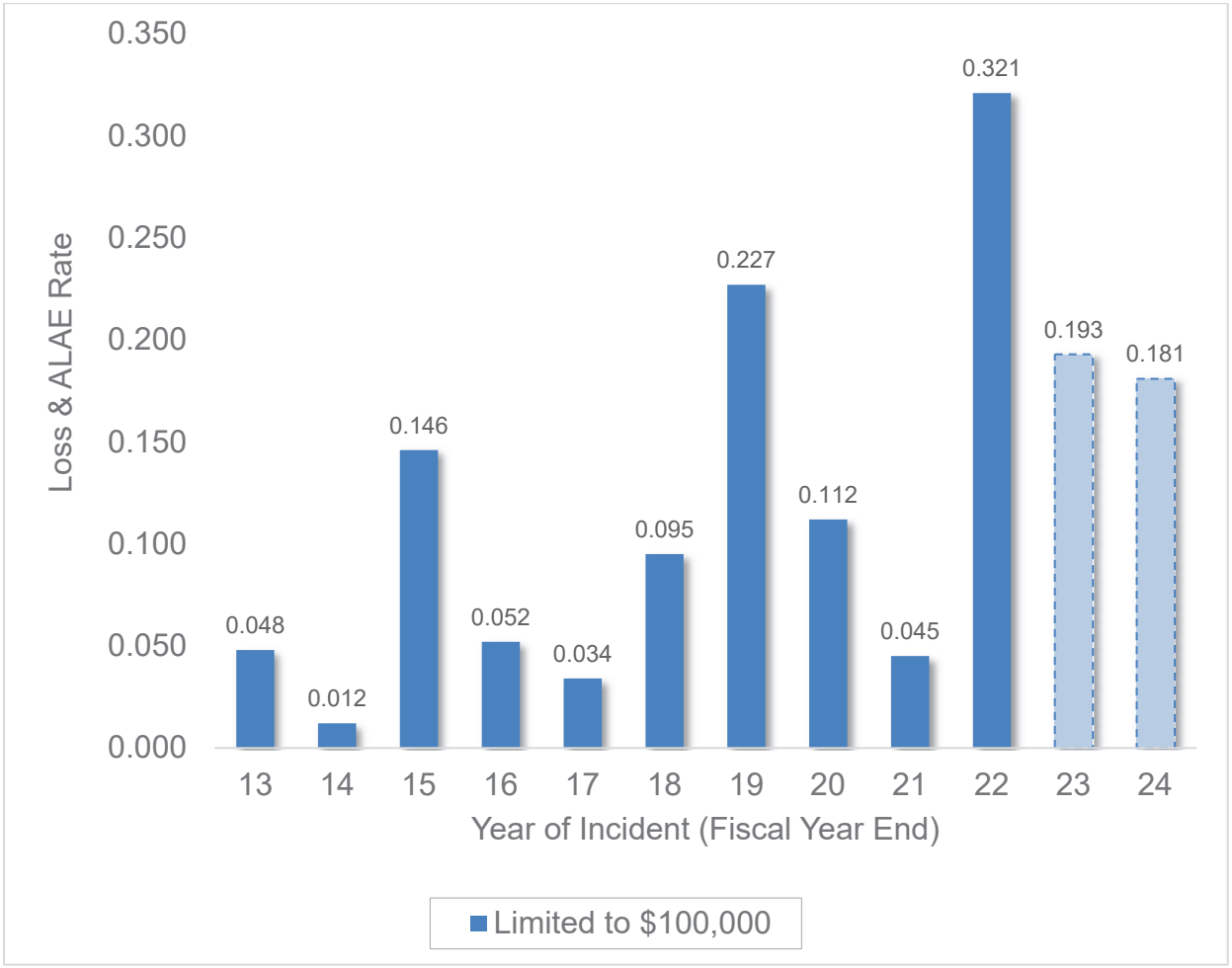
Loss Rate Trend - Property

We have evaluated the trend in the Group's projected ultimate loss & ALAE rate. This rate equals projected ultimate loss and ALAE (limited to the SIR of $100,000 per occurrence) divided by total insured value (TIV) in $1000s, as displayed in the following graph.

Loss & ALAE Rate Trend[1]
Ultimate Loss & ALAE / TIV ($1000s)

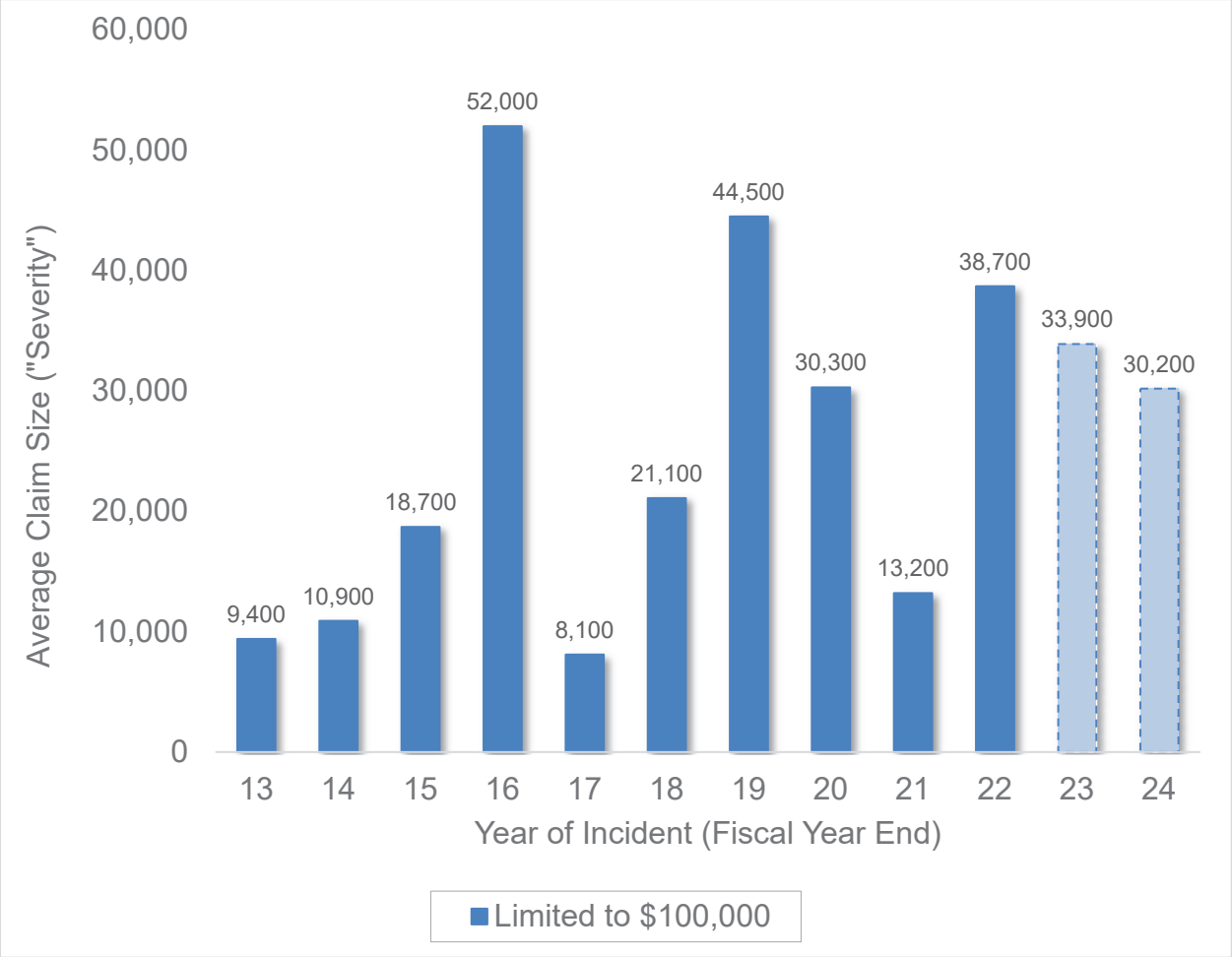


[2] Losses are at expected (no risk margin) and are not discounted to reflect net present value.

Average Claim Size (Severity) Trend - Property

We have evaluated the trend in the Group's projected ultimate claim size (or "severity"). The ultimate claim size equals projected ultimate loss & ALAE (limited to the SIR of $100,000 per occurrence) divided by the projected ultimate number of reported claims, as displayed in the following graph.

Average Claim Size Trend[1]
Ultimate Loss & ALAE / Ultimate Reported Claims



[2] Losses are at expected (no risk margin) and are not discounted to reflect net present value.

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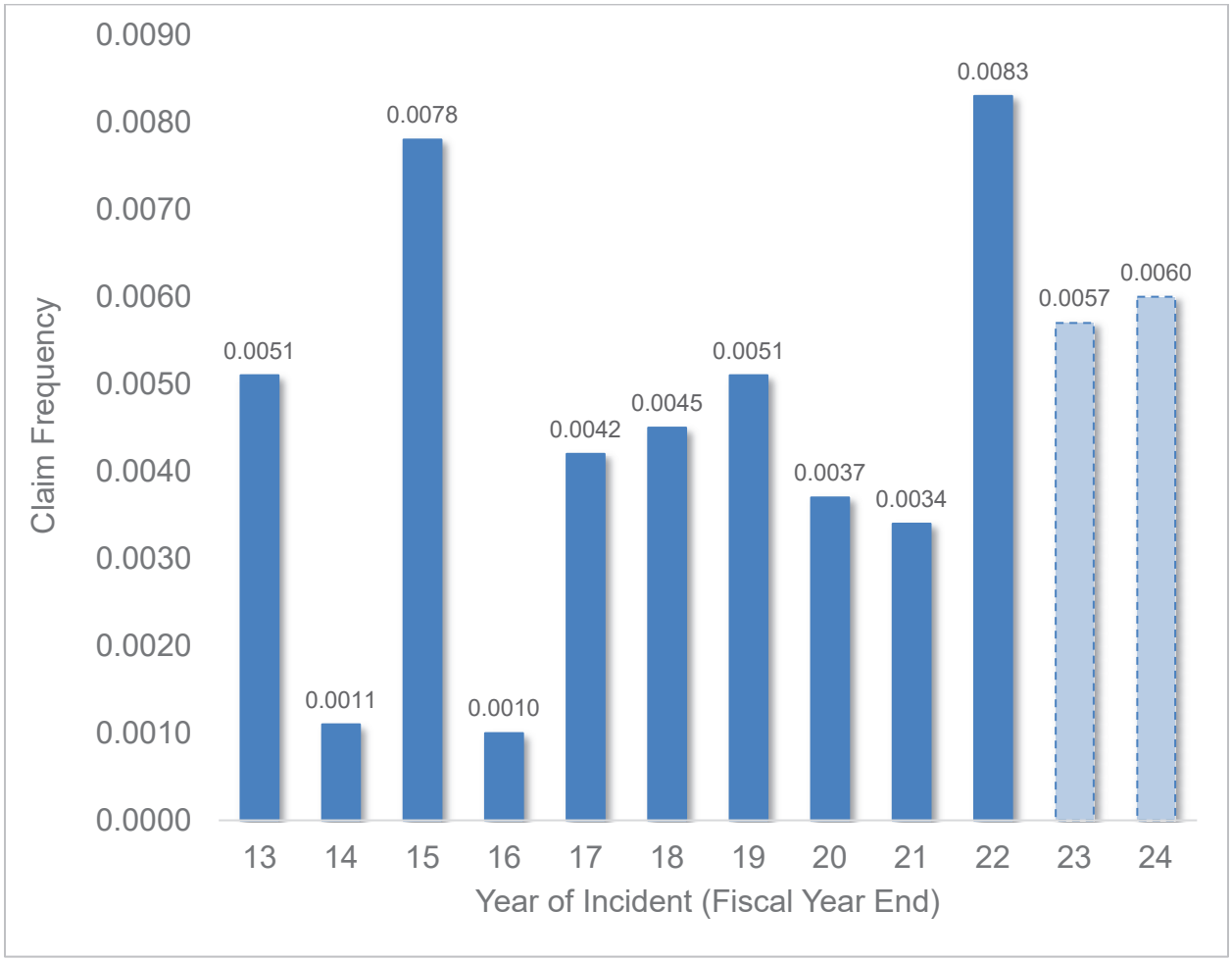
Claim Frequency Trend - Property

We have evaluated the trend in the Group's claim frequency. The claim frequency equals projected ultimate number of reported claims divided by TIV in $ millions, as displayed in the following graph.

Claim Frequency Trend
Ultimate Reported Claims / TIV ($ Millions)



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Loss and ALAE Liabilities by Category

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

Loss & ALAE Liabilities by Category and Year[1]
As of June 30, 2023, Net of Reinsurance
($000s)

Fiscal Year	Case Reserves	Incurred but Not Reported (IBNR)	Total Liabilities
2002-03	$0	$0	$0
2003-04	0	0	0
2004-05	0	0	0
2005-06	0	0	0
2006-07	0	0	0
2007-08	0	0	0
2008-09	0	0	0
2009-10	0	0	0
2010-11	0	0	0
2011-12	0	0	0
2012-13	0	0	0
2013-14	13	0	13
2014-15	0	0	0
2015-16	41	4	45
2016-17	0	0	0
2017-18	18	0	18
2018-19	38	0	38
2019-20	0	0	0
2020-21	61	28	88
2021-22	287	78	365
2022-23	425	405	831
Total Loss & ALAE	$883	$515	$1,398

[1] Loss & ALAE liabilities are limited to the Group's self-insured retention, at expected (no risk margin), and not discounted to reflect net present value.

Losses by Component

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

Ultimate Loss & ALAE by Component
As of June 30, 2022[1]

[1] Projected 2022-23 year is informational and displayed for comparison purposes.

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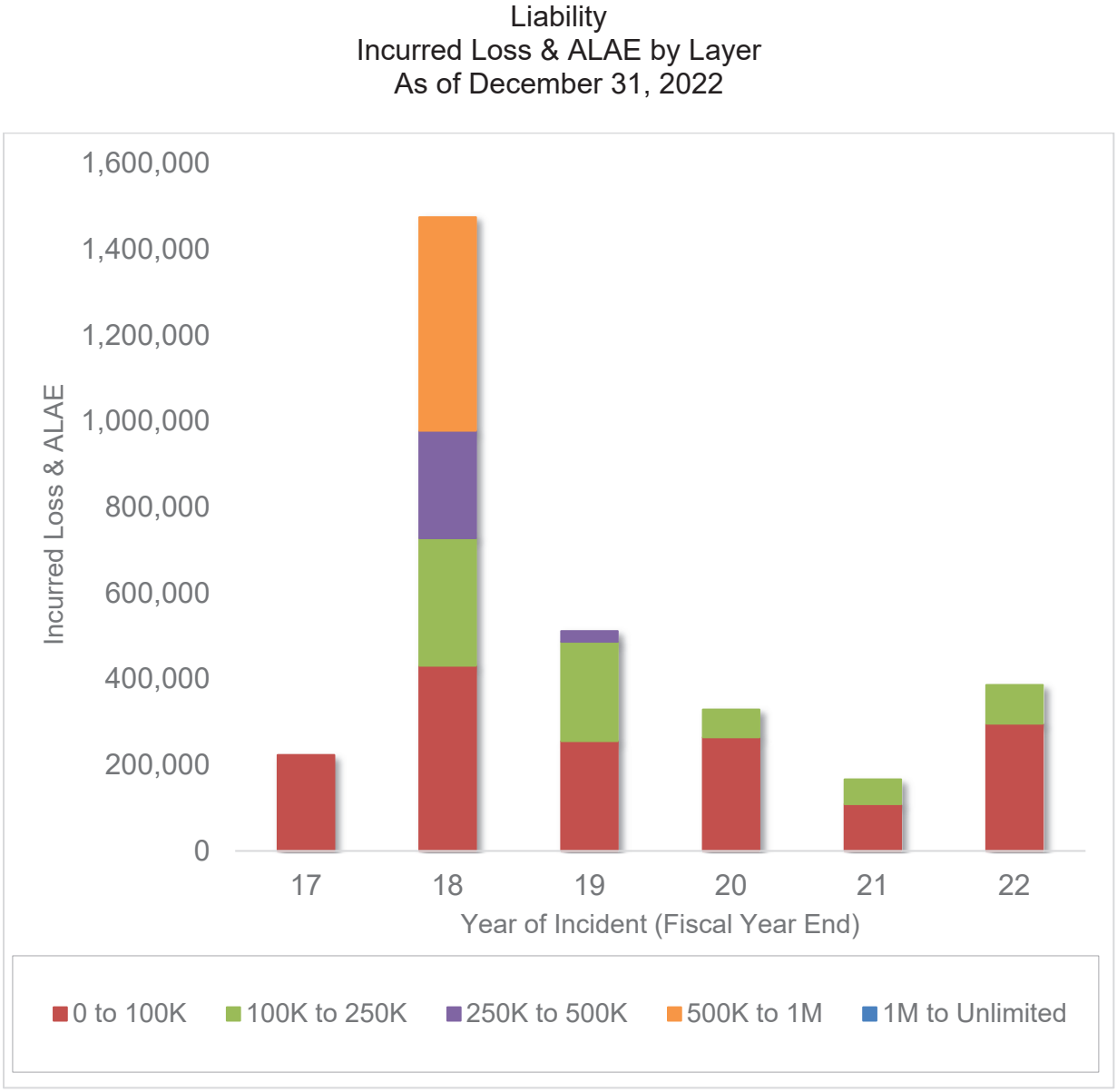
Losses by Layer

The following graph shows the incurred losses by layer as of the valuation date of December 31, 2022.



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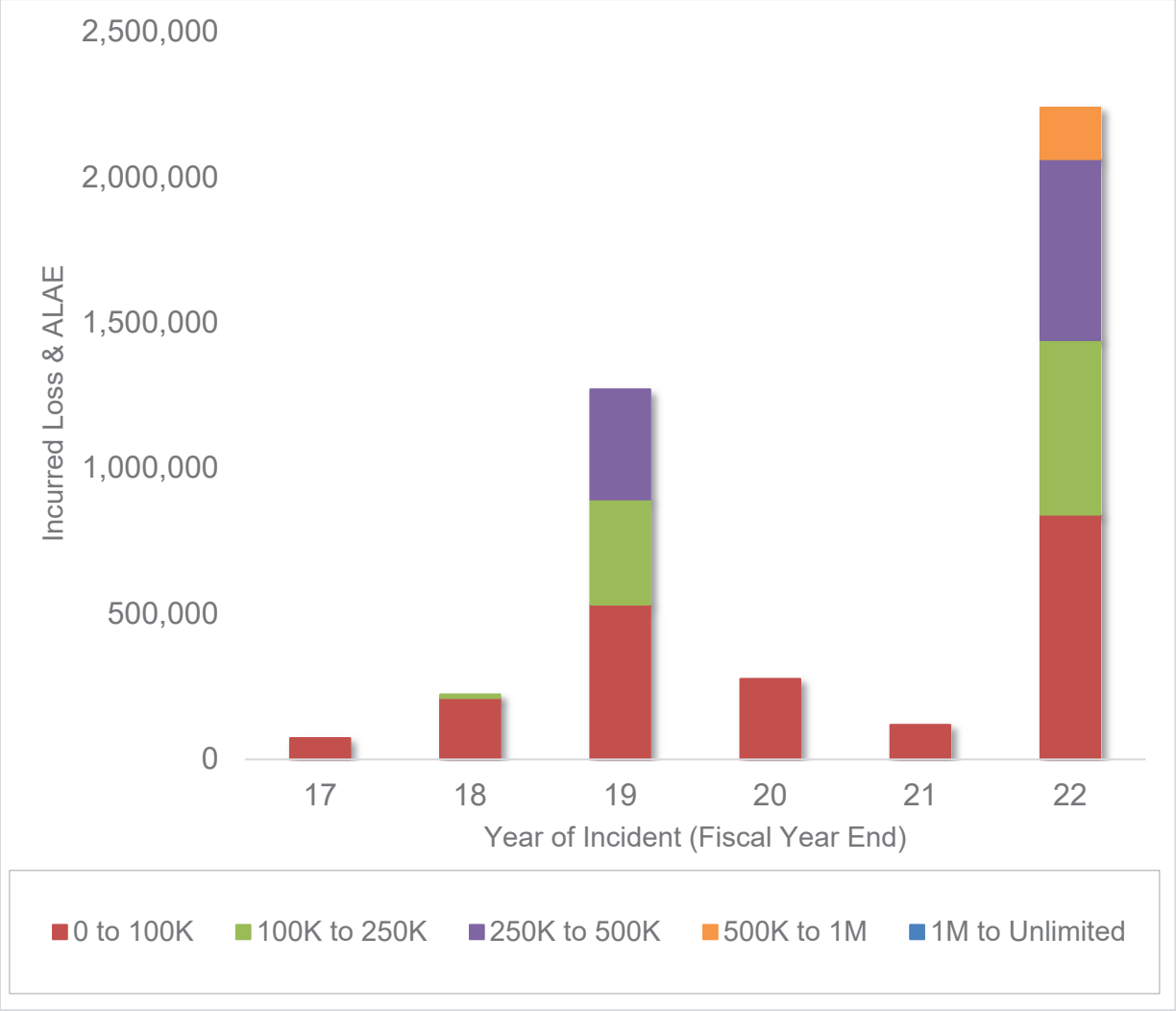
Property
Incurred Loss & ALAE by Layer
As of December 31, 2022



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METHODOLOGY

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

1. Estimate Ultimate Loss & ALAE: The ultimate value of losses associated with a given policy year is usually not known until many years after the policy year has expired. One estimate of future payments for a given policy year is the case reserve. However, to accurately project future payments for a given policy year, we also calculate indicated IBNR reserves that consider the following three factors:

    - The amount that case reserves are redundant or deficient.
    - Losses that occurred during the policy period but have not yet been reported. This is called "Pure IBNR".
    - Future payments on claims which are closed but will reopen in the future.

    Separate ultimate loss & ALAE projections are developed for costs limited to $100,000 and limited to the retention. Loss development factors are primarily based on the Group's own historical experience supplemented with industry data. The following methods are used to estimate ultimate loss & ALAE:

    - Reported Loss Development: Includes paid losses and case reserves.
    - Paid Loss Development: Based on payments only.
    - Reported Exposure Method: This calculates IBNR based on expected ultimate loss times an IBNR factor. For the first layer of losses, the expected ultimate loss is based on exposure times initial loss rates. These loss rates are based on historical losses in that layer developed to ultimate using loss development factors. The loss rates in the higher layer incorporate increased limits factors based on the Group's historical losses and industry data. Where appropriate, historical data is adjusted for both claims and exposure trend, to reflect issues such as inflation, benefit level changes, and legal changes.
    - Paid Exposure Method: This calculates unpaid costs based on expected ultimate loss times an unpaid factor. The loss rates are identical to those utilized in the reported exposure method.
    - Frequency x Severity: This calculates ultimate costs based on expected ultimate severity and expected ultimate frequency derived from historical experience.

2. Select Ultimate Loss & ALAE: Based on the indicated ultimate loss and ALAE from the various methods described previously, the ultimate losses by year are selected.

3. Calculate Expected Undiscounted Unpaid Loss & ALAE: Unpaid loss & ALAE equals ultimate Loss & ALAE (calculated in step #2, above) minus payments to date.

4. Discounting/Net Present Value: Since payments associated with claims liabilities will be spread out over several years, they are discounted to reflect anticipated investment income on the assets set aside to pay these costs. The expected Loss & ALAE payout pattern is based on the paid loss development factors previously described.

5. Claims Administration: Liabilities associated with claims administration expenses are not included in this analysis.

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

CONSIDERATIONS AND KEY ASSUMPTIONS

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

Data

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

Exposure: The exposure base utilized in this study is average daily attendance (ADA) for liability and total insured value (TIV) for property, which was provided to us by the Group. A list of exposure by year can be found in Appendix L.

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

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

Key Dates

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

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

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

Accounting Standard

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

Other Actuarial Considerations

Discounting to Reflect Net Present Value: Reserves in this report are presented on both undiscounted and discounted bases. At the Group's instruction, we have assumed that assets held for investment will generate an average annual rate of return of 2.0% over the time during which the loss liabilities are paid out. It should be noted that actual future investment returns may vary significantly from this assumption, depending upon prevailing investment market conditions.

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

Trending: We have adjusted historical TIV and claims costs to reflect inflation as well as other changes in the claims environment. The ADA, TIV, claim frequency, and claim cost trend factors by year are in Appendices L and E, respectively.

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

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

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

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

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

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

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

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

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

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

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

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

Operational Changes: This analysis has not made special adjustment for any specific operational changes at the Group.

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

Claims Administration Costs (Unallocated Loss Adjustment Expense or ULAE): ULAE costs have been

- excluded in our estimate of outstanding liabilities, and
- excluded in our estimate of funding amounts for future program years.

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

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

CONDITIONS AND LIMITATIONS

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

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

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

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

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

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

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

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

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

DISTRIBUTION AND USE

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

GLOSSARY OF ACTUARIAL TERMS

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

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

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

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

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

Claim Frequency – Number of claims per 10,000 of ADA for liability and $1 million of TIV for property.

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

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

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

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

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

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

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

Loss Rate – Ultimate losses per ADA for liability and $1,000 of TIV for liability.

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

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

Paid Losses – Losses actually paid on all reported claims.

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

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

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

Severity – Average claim cost.

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

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

EXHIBITS AND APPENDICES

Santa Clara County Schools Insurance Group - Property & Liability Combined

Funding Guidelines for Outstanding Liabilities at
December 31, 2022

(A)	Estimated Ultimate Losses Incurred through 12/31/22: (Sum of Liability and Property)	$9,929,671
(B)	Estimated Paid Losses through 12/31/22: (Sum of Liability and Property)	8,621,282
(C)	Estimated Liability for Claims Outstanding at 12/31/22: (Sum of Liability and Property)	$1,308,389
(D)	Estimated Liability for Outstanding Claims Administration Fees at 12/31/22: (Sum of Liability and Property)	0
(E)	Total Outstanding Liability for Claims at 12/31/22: ((C) + (D))	$1,308,389
(F)	Reserve Discount Factor (Based on a Discount Rate of 2.0%.): ((G) / (E))	0.962
(G)	Discounted Outstanding Liability for Claims at 12/31/22: (Sum of Liability and Property)	$1,258,092

		Marginally Acceptable	Recommended			Conservative
	Confidence Level of Adequacy:	70%	75%	80%	85%	90%
(H)	Confidence Level Factor: ((J) / (G))	1.144	1.207	1.283	1.376	1.499
(I)	Margin for Adverse Experience: (Sum of Liability and Property)	181,000	261,000	356,000	473,000	628,000
(J)	Total Required Assets at 12/31/22: ((G) + (I))	$1,439,092	$1,519,092	$1,614,092	$1,731,092	$1,886,092

Santa Clara County Schools Insurance Group - Property & Liability Combined

Funding Guidelines for Outstanding Liabilities at
June 30, 2023

(A)	Estimated Ultimate Losses Incurred through 6/30/23: (Sum of Liability and Property)	$10,443,671
(B)	Estimated Paid Losses through 6/30/23: (Sum of Liability and Property)	9,045,705
(C)	Estimated Liability for Claims Outstanding at 6/30/23: (Sum of Liability and Property)	$1,397,966
(D)	Estimated Liability for Outstanding Claims Administration Fees at 6/30/23: (Sum of Liability and Property)	0
(E)	Total Outstanding Liability for Claims at 6/30/23: ((C) + (D))	$1,397,966
(F)	Reserve Discount Factor (Based on a Discount Rate of 2.0%.): ((G) / (E))	0.963
(G)	Discounted Outstanding Liability for Claims at 6/30/23: (Sum of Liability and Property)	$1,346,850

		Marginally Acceptable	Recommended			Conservative
	Confidence Level of Adequacy:	70%	75%	80%	85%	90%
(H)	Confidence Level Factor: ((J) / (G))	1.142	1.206	1.280	1.372	1.494
(I)	Margin for Adverse Experience: (Sum of Liability and Property)	191,000	277,000	377,000	501,000	665,000
(J)	Total Required Assets at 6/30/23: ((G) + (I))	$1,537,850	$1,623,850	$1,723,850	$1,847,850	$2,011,850
(K)	Estimated Total Assets at 6/30/23: (Provided by the Group)	$6,385,000	$6,385,000	$6,385,000	$6,385,000	$6,385,000
(L)	Indicated Funding Redundancy/ (Deficiency): ((K) - (J))	$4,847,150	$4,761,150	$4,661,150	$4,537,150	$4,373,150

Santa Clara County Schools Insurance Group - Property & Liability Combined

Funding Options for Program Year 2023-2024 (Liability SIR = $100,000, Property SIR = $100,000)

		Dollar Amount
(A)	Estimated Ultimate Losses Incurred in Accident Year 2023-2024: (Sum of Liability and Property)	$963,000
(B)	Estimated Claims Administration Fees Incurred in Accident Year 2023-2024: (Sum of Liability and Property)	0
(C)	Total Claims Costs Incurred in Accident Year 2023-2024: ((A) + (B))	$963,000
(D)	Loss Discount Factor (Based on a Discount Rate of 2.0%.): ((E) / (C))	0.972
(E)	Discounted Total Claims Costs Incurred in Accident Year 2023-2024: (Sum of Liability and Property)	$936,000
		Recommended 80%
(F)	Confidence Level Factor: ((H) / (E))	1.390
(G)	Margin for Adverse Experience: (Sum of Liability and Property)	365,000
(H)	Recommended Funding in 2023-2024 for Claims Costs and Other Expenses: ((E) + (G))	$1,301,000

Santa Clara County Schools Insurance Group - Liability

Funding Guidelines for Outstanding Liabilities at
December 31, 2022

(A)	Estimated Ultimate Losses Incurred through 12/31/22: (From Appendix F - GL)	$5,976,445
(B)	Estimated Paid Losses through 12/31/22: (From Appendix F - GL)	5,128,715
(C)	Estimated Liability for Claims Outstanding at 12/31/22: (From Appendix F - GL)	$847,730
(D)	Estimated Liability for Outstanding Claims Administration Fees at 12/31/22: (Not Applicable)	0
(E)	Total Outstanding Liability for Claims at 12/31/22: ((C) + (D))	$847,730
(F)	Reserve Discount Factor (Based on a Discount Rate of 2.00%.): (Appendix H - GL, Page 1, (G))	0.951
(G)	Discounted Outstanding Liability for Claims at 12/31/22: ((E) x (F))*	$805,852

		Marginally Acceptable	Recommended			Conservative
	Confidence Level of Adequacy:	70%	75%	80%	85%	90%
(H)	Confidence Level Factor: (From Appendix I - GL)	1.131	1.189	1.257	1.341	1.452
(I)	Margin for Adverse Experience: ((G) x [(H) - 1])	106,000	152,000	207,000	275,000	364,000
(J)	Total Required Assets at 12/31/22: ((G) + (I))	$912,000	$958,000	$1,013,000	$1,081,000	$1,170,000

* May differ from (E) x (F) due to rounding.

Santa Clara County Schools Insurance Group - Liability

Funding Guidelines for Outstanding Liabilities at
June 30, 2023

(A)	Estimated Ultimate Losses Incurred through 6/30/23: (From Appendix F - GL)	$6,251,445
(B)	Estimated Paid Losses through 6/30/23: (From Appendix F - GL)	5,288,392
(C)	Estimated Liability for Claims Outstanding at 6/30/23: (From Appendix F - GL)	$963,053
(D)	Estimated Liability for Outstanding Claims Administration Fees at 6/30/23: (Not Applicable)	0
(E)	Total Outstanding Liability for Claims at 6/30/23: ((C) + (D))	$963,053
(F)	Reserve Discount Factor (Based on a Discount Rate of 2.00%.): (Appendix H - GL, Page 1, (H))	0.954
(G)	Discounted Outstanding Liability for Claims at 6/30/23: ((E) x (F))	$918,529

		Marginally Acceptable	Recommended			Conservative
	Confidence Level of Adequacy:	70%	75%	80%	85%	90%
(H)	Confidence Level Factor: (From Appendix I - GL)	1.131	1.189	1.257	1.341	1.452
(I)	Margin for Adverse Experience: ((G) x [(H) - 1])	120,000	174,000	236,000	313,000	415,000
(J)	Total Required Assets at 6/30/23: ((G) + (I))	$1,039,000	$1,093,000	$1,155,000	$1,232,000	$1,334,000

* May differ from (E) x (F) due to rounding.

Santa Clara County Schools Insurance Group - Liability

Funding Options for Program Year 2023-2024 (SIR = $100,000)

	Dollar Amount	ADA Rate
(A) Estimated Ultimate Losses Incurred in Accident Year 2023-2024: (From Appendix F - GL)	$426,000	$7.250
(B) Estimated Claims Administration Fees Incurred in Accident Year 2023-2024: (From Exhibit 5 - GL, Page 1, (L))	0	0.000
(C) Total Claims Costs Incurred in Accident Year 2023-2024: ((A) + (B))	$426,000	$7.250
(D) Loss Discount Factor (Based on a Discount Rate of 2.00%.): (Appendix H - GL, Page 2, (G))	0.955	
(E) Discounted Total Claims Costs Incurred in Accident Year 2023-2024: ((C) x (D))	$407,000	$6.927

	Marginally Acceptable	Recommended			Conservative
	70%	75%	80%	85%	90%
(F) Confidence Level Factor: (From Appendix I - GL)	1.195	1.289	1.401	1.540	1.727
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	79,000	118,000	163,000	220,000	296,000
(H) Recommended Funding in 2023-2024 for Claims Costs and Other Expenses: ((E) + (G))	$486,000	$525,000	$570,000	$627,000	$703,000
(I) Rate per ADA: ((H) / 58,759)	$8.271	$8.935	$9.701	$10.671	$11.964

ADA rates are per 2023-2024 ADA of 58,759.

Santa Clara County Schools Insurance Group - Liability

IBNR as of 6/30/23 at Expected Claims Level

Accident Year	Estimated Ultimate (A)	Reported as of 12/31/22 (B)	Estimated IBNR as of 12/31/22 (C)	Estimated Percent of IBNR Reported Between 1/1/23 and 6/30/23 (D)	Estimated IBNR Reported (E)	Estimated IBNR as of 6/30/23 (F)
2008-2009	$290,591	$290,591	$0	19.9%	$0	$0
2009-2010	1,077,633	1,077,633	0	0.0%	0	0
2010-2011	500,472	500,472	0	0.0%	0	0
2011-2012	319,504	319,504	0	0.0%	0	0
2012-2013	257,795	257,795	0	0.0%	0	0
2013-2014	417,674	417,674	0	0.0%	0	0
2014-2015	356,073	356,073	0	0.0%	0	0
2015-2016	767,000	762,753	4,247	0.0%	0	4,247
2016-2017	223,357	223,357	0	0.0%	0	0
2017-2018	430,831	430,831	0	14.2%	0	0
2018-2019	255,269	255,269	0	24.8%	0	0
2019-2020	264,246	264,246	0	22.3%	0	0
2020-2021	148,000	108,430	39,570	29.1%	12,000	27,570
2021-2022	393,000	296,051	96,949	28.5%	28,000	68,949
2022-2023	550,000	128,100	146,900	42.9%	181,000	240,900
Totals	$6,251,445	$5,688,779	$287,666		$221,000	$341,666

Notes:

(A) From Exhibit 4 - GL, Page 1.
(B) Provided by the Group. These losses exclude amounts incurred above the Group's SIR for each year.
(C) (A) - (B).
(D) Percentage of incurred but not reported (IBNR) expected to be reported between 1/1/23 and 6/30/23. The percentage is based on the development pattern selected in Appendix A - GL.
(E) ((A) - (B)) x (D).
(F) (A) - (B) - (E).

This exhibit shows the calculation of the amount of incurred but not reported losses we expect as of 6/30/23. This amount is dependent on both the strength of the case reserves and the average frequency and severity of the losses incurred.

Santa Clara County Schools Insurance Group - Liability

Estimated Ultimate Program Losses

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Estimate of Ultimate Losses (F)	Selected Estimate of Ultimate Losses Limited to Aggregate (G)
2008-2009	$292,044	$294,950	$292,044	$294,950	$290,576	$290,591	$290,591
2009-2010	1,083,021	1,094,875	1,083,021	1,094,876	1,077,636	1,077,633	1,077,633
2010-2011	502,974	508,980	502,975	508,981	500,490	500,472	500,472
2011-2012	321,102	325,255	321,101	325,255	319,514	319,504	319,504
2012-2013	259,084	262,693	259,084	262,694	257,800	257,795	257,795
2013-2014	419,762	411,845	419,762	412,123	417,670	417,674	417,674
2014-2015	357,853	363,551	357,853	363,551	356,063	356,073	356,073
2015-2016	766,567	735,243	766,588	736,290	767,002	767,000	767,000
2016-2017	224,474	229,388	224,474	229,165	223,366	223,357	223,357
2017-2018	433,847	425,389	433,519	424,034	441,376	430,831	430,831
2018-2019	258,332	221,147	260,007	237,428	275,006	255,269	255,269
2019-2020	270,059	350,126	273,557	367,940	227,985	264,246	264,246
2020-2021	114,177	58,943	130,098	246,139	159,560	148,000	148,000
2021-2022	335,130	346,994	349,312	436,055	502,860	393,000	393,000
2022-2023	718,513	585,851	490,349	444,600	686,400	550,000	550,000
Totals						$6,251,445	$6,251,445
		Projected Losses for the Year 2022-2023 (H)				$550,000	$550,000
		Projected Losses for the Year 2023-2024 (I)				426,000	426,000

Notes:

(A) From Appendix A - GL, Page 1, Column (G).
(B) From Appendix B - GL, Page 1, Column (G).
(C) From Appendix C - GL, Page 1, Column (G).
(D) From Appendix C - GL, Page 2, Column (G).
(E) From Appendix D - GL, Page 1, Column (C).
(F) Selected averages of (A), (B), (C), (D), and (E).
(G) (F) limited to applicable aggregate.
(H) From Exhibit 5 - GL, Page 1, Line (K).
(I) From Exhibit 5 - GL, Page 1, Line (K).

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

Santa Clara County Schools Insurance Group - Liability

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

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Ultimate Limited Losses (F)
2008-2009	$292,044	$294,950	$292,044	$294,950	$290,576	$290,591
2009-2010	1,083,021	1,094,875	1,083,021	1,094,876	1,077,636	1,077,633
2010-2011	502,974	508,980	502,975	508,981	500,490	500,472
2011-2012	321,102	325,255	321,101	325,255	319,514	319,504
2012-2013	259,084	262,693	259,084	262,694	257,800	257,795
2013-2014	419,762	411,845	419,762	412,123	417,670	417,674
2014-2015	357,853	363,551	357,853	363,551	356,063	356,073
2015-2016	766,567	735,243	766,588	736,290	767,002	767,000
2016-2017	224,474	229,388	224,474	229,165	223,366	223,357
2017-2018	433,847	425,389	433,519	424,034	441,376	430,831
2018-2019	258,332	221,147	260,007	237,428	275,006	255,269
2019-2020	270,059	350,126	273,557	367,940	227,985	264,246
2020-2021	114,177	58,943	130,098	246,139	159,560	148,000
2021-2022	335,130	346,994	349,312	436,055	502,860	393,000
2022-2023	718,513	585,851	490,349	444,600	686,400	550,000
Totals						$6,251,445
			Projected Losses for the Year 2022-2023 (G)			$550,000
			Projected Losses for the Year 2023-2024 (H)			426,000

Notes:

(A) From Appendix A - GL, Page 1, Column (D).
(B) From Appendix B - GL, Page 1, Column (D).
(C) Based on results in Appendix C - GL, Page 1.
(D) Based on results in Appendix C - GL, Page 2.
(E) Based on results in Appendix D - GL, Page 1.
(F) Selected averages of (A), (B), (C), (D), and (E).
(G) From Exhibit 5 - GL, Page 1, Line (K) / Line (G).
(H) From Exhibit 5 - GL, Page 1, Line (K) / Line (G).

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.

Santa Clara County Schools Insurance Group - Liability

Selection of Projected Limited Loss Rate
and Projection of Program Losses and ALAE

Accident Year	Ultimate Limited Losses (A)	Trend Factor (B)	Trended Limited Losses (C)	ADA (D)	Trended Limited Loss Rate (E)
2008-2009	$290,591	1.981	$575,661	$65,974	$8.726
2009-2010	1,077,633	1.887	2,033,493	66,915	30.389
2010-2011	500,472	1.797	899,348	67,335	13.356
2011-2012	319,504	1.712	546,991	67,177	8.143
2012-2013	257,795	1.630	420,206	67,793	6.198
2013-2014	417,674	1.553	648,648	68,189	9.512
2014-2015	356,073	1.478	526,276	68,425	7.691
2015-2016	767,000	1.408	1,079,936	67,179	16.075
2016-2017	223,357	1.340	299,298	66,942	4.471
2017-2018	430,831	1.276	549,740	65,323	8.416
2018-2019	255,269	1.216	310,407	64,013	4.849
2019-2020	264,246	1.158	305,997	65,345	4.683
2020-2021	148,000	1.103	163,244	63,730	2.561
2021-2022	393,000	1.050	412,650	63,730	6.475
2022-2023	550,000	1.000	550,000	58,759	9.360
Totals	$6,251,445		$9,321,895	986,829	$9.446
16/17-22/23	2,264,703		2,591,337	447,842	5.786
18/19-22/23	1,610,515		1,742,298	315,577	5.521
				(F) Selected Limited Rate:	$6.900
				Prior:	$7.500

Program Year:	2022-2023	2023-2024
(G) Factor to SIR:	1.000	1.000
(H) Trend Factor:	1.000	1.050
(I) Program Rate:	$9.360	$7.245
(J) ADA:	58,759	58,759
(K) Projected Program Losses:	550,000	426,000
(L) Projected ULAE:	0	0
(M) Projected Loss and ULAE:	$550,000	$426,000

Notes appear on the next page.

Santa Clara County Schools Insurance Group - Liability

Selection of Projected Limited Loss Rate
and Projection of Program Losses and ALAE

Notes:

(A) From Exhibit 4 - GL, Page 2, Column (F).
For purposes of projecting future losses, losses are capped at $100,000 per occurrence.
(B) From Appendix E - GL, Page 1, Column (B).
(C) (A) x (B).
(D) Appendix L - GL, Column (C).
(E) (C) / (D).
(F) Selected based on (E).
(G) Based on a Burr distribution, a mathematical model of claims sizes. 2022-2023 is (K) / (A).
(H) From Appendix E - GL.
(I) (F) x (G) x (H). 2022-2023 is (K) / (J).
(J) Appendix L - GL, Column (C).
(K) (I) x (J). 2022-2023 is from Exhibit 4 - GL, Page 1.
(L) Based on an estimated claim closing pattern and the Group's historical claims administration expenses.
(M) (K) + (L).

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

Santa Clara County Schools Insurance Group - Liability

Reported Loss Development

Accident Year (A)	Limited Reported Losses as of 12/31/22 (B)	Reported Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Reported Losses as of 12/31/22 (E)	Reported Loss Development Factor (F)	Ultimate Program Losses (G)
2008-2009	$290,591	1.005	$292,044	$290,591	1.005	$292,044
2009-2010	1,077,633	1.005	1,083,021	1,077,633	1.005	1,083,021
2010-2011	500,472	1.005	502,974	500,472	1.005	502,974
2011-2012	319,504	1.005	321,102	319,504	1.005	321,102
2012-2013	257,795	1.005	259,084	257,795	1.005	259,084
2013-2014	417,674	1.005	419,762	417,674	1.005	419,762
2014-2015	356,073	1.005	357,853	356,073	1.005	357,853
2015-2016	762,753	1.005	766,567	762,753	1.005	766,567
2016-2017	223,357	1.005	224,474	223,357	1.005	224,474
2017-2018	430,831	1.007	433,847	430,831	1.007	433,847
2018-2019	255,269	1.012	258,332	255,269	1.012	258,332
2019-2020	264,246	1.022	270,059	264,246	1.022	270,059
2020-2021	108,430	1.053	114,177	108,430	1.053	114,177
2021-2022	296,051	1.132	335,130	296,051	1.132	335,130
2022-2023	128,100	5.609	718,513	128,100	5.609	718,513
Totals	$5,688,779		$6,356,939	$5,688,779		$6,356,939

Notes:

(A) Years are 7/1 to 6/30.
(B) Provided by the Group. These losses exclude amounts over $100,000 per occurrence.
(C) From Appendix A - GL, Page 2.
(D) (B) x (C). These estimated losses exclude amounts over $100,000 per occurrence.
(E) Losses capped at the Group's SIR. Amounts are provided by the Group.
(F) Derived from factors on Appendix A - GL, Page 4.
(G) (E) x (F).

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

This exhibit shows the calculation of estimated ultimate losses for each year based on paid losses 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.

Santa Clara County Schools Insurance Group - Liability

Reported Loss Development

Limited Losses Reported as of:

Accident Year	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months
2008-2009						190,591	190,591	190,591	190,591	190,591	190,591
2009-2010					1,035,064	977,633	977,633	977,633	977,633	977,633	1,077,633
2010-2011				594,729	500,472	500,472	500,472	500,472	500,472	500,472	500,472
2011-2012			377,300	333,173	333,376	319,340	319,340	319,504	319,504	319,504	319,504
2012-2013		309,397	349,089	254,010	258,531	257,795	257,795	257,795	257,795	357,795	257,795
2013-2014	66,533	328,535	334,198	324,198	315,931	328,594	317,674	317,674	317,674	417,674	
2014-2015	118,947	411,487	554,987	484,133	350,506	351,316	351,316	356,073	356,073		
2015-2016	110,185	577,813	595,355	736,843	749,905	749,905	782,128	762,753			
2016-2017	99,763	266,121	269,363	270,178	259,556	233,644	223,357				
2017-2018	159,160	591,780	524,999	512,247	514,103	430,831					
2018-2019	6,283	293,144	253,892	255,269	255,269						
2019-2020	122,005	479,713	451,979	264,246							
2020-2021	5,634	107,530	108,430								
2021-2022	132,712	296,051									
2022-2023	128,100										

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
2008-2009						1.000	1.000	1.000	1.000	1.000	1.000
2009-2010					0.945	1.000	1.000	1.000	1.000	1.102	1.000
2010-2011				0.842	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2011-2012			0.883	1.001	0.958	1.000	1.001	1.000	1.000	1.000	1.000
2012-2013		1.128	0.728	1.018	0.997	1.000	1.000	1.000	1.388	0.721	
2013-2014	4.938	1.017	0.970	0.975	1.040	0.967	1.000	1.000	1.315		
2014-2015	3.459	1.349	0.872	0.724	1.002	1.000	1.014	1.000			
2015-2016	5.244	1.030	1.238	1.018	1.000	1.043	0.975				
2016-2017	2.668	1.012	1.003	0.961	0.900	0.956					
2017-2018	3.718	0.887	0.976	1.004	0.838						
2018-2019	46.657	0.866	1.005	1.000							
2019-2020	3.932	0.942	0.585								
2020-2021	19.086	1.008									
2021-2022	2.231										

	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	10.215	1.027	0.918	0.949	0.964	0.996	0.999	1.000	1.117	0.965	1.000
Dollar-Wtd. Avgs.											
Total	4.082	1.023	0.925	0.940	0.961	1.003	0.996	1.000	1.078	1.000	1.000
3-yr	3.393	0.925	0.838	0.992	0.928	1.016	0.990	1.000	1.223	0.915	1.000
4-yr	4.412	0.910	0.868	1.002	0.942	1.007	0.991	1.000	1.143	1.000	1.000
Comparative Factors	3.155	1.344	1.039	1.006	1.001	1.002	1.003	1.005	1.005	1.003	1.002
Prior	5.500	1.075	1.030	1.010	1.005	1.002	1.000	1.000	1.000	1.000	1.000
Selected	4.955	1.075	1.030	1.010	1.005	1.002	1.000	1.000	1.000	1.000	1.000
Cumulated	5.609	1.132	1.053	1.022	1.012	1.007	1.005	1.005	1.005	1.005	1.005

Santa Clara County Schools Insurance Group - Liability

Reported Loss Development

Limited Losses Reported as of:

Accident Year	138 Months	150 Months	162 Months	174 Months
2008-2009	190,591	190,591	190,591	290,591
2009-2010	1,077,633	1,077,633	1,077,633	
2010-2011	500,472	500,472		
2011-2012	319,504			
2012-2013				
2013-2014				
2014-2015				
2015-2016				
2016-2017				
2017-2018				
2018-2019				
2019-2020				
2020-2021				
2021-2022				
2022-2023				

Reported Loss Development Factors:

	138-150 Months	150-162 Months	162-174 Months	174-Ult. Months
2008-2009	1.000	1.000	1.525	
2009-2010	1.000	1.000		
2010-2011	1.000			
2011-2012				
2012-2013				
2013-2014				
2014-2015				
2015-2016				
2016-2017				
2017-2018				
2018-2019				
2019-2020				
2020-2021				
2021-2022				

	138-150 Months	150-162 Months	162-174 Months	174-Ult. Months
Average	1.000	1.000	1.525	
Dollar-Wtd. Avgs				
Total	1.000	1.000	1.525	
3-yr	1.000			
4-yr				
Comparative				
Factors	1.003	1.003	1.002	1.012
Prior	1.000	1.000	1.000	
Selected	1.000	1.000	1.000	1.005
Cumulated	1.005	1.005	1.005	1.005

Santa Clara County Schools Insurance Group - Liability

Reported between $100,000 and $500,000 Loss Development

Losses Reported as of:

Accident Year	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months
2008-2009											
2009-2010					470,248	531,271	392,740	392,740	392,740	392,740	792,740
2010-2011				448,030	288,880	213,157	213,157	213,157	213,157	213,157	213,157
2011-2012			210,000	180,000	160,349	150,349	150,349	150,349	150,349	150,349	150,349
2012-2013				25,000	125,039	186,305	186,305	186,305	186,305	367,143	186,305
2013-2014		25,000	80,000	135,000	85,000	85,000	85,000	74,520	74,520	255,358	
2014-2015		400,000	455,000	435,932	430,932	430,932	430,932	430,932	430,932		
2015-2016		475,000	283,966	248,966	436,367	436,367	446,417	435,792			
2016-2017											
2017-2018	170,000	620,500	458,203	416,875	446,625	546,875					
2018-2019			182,000	199,100	256,200						
2019-2020			275,000	64,640							
2020-2021		75,000	58,000								
2021-2022		90,000									
2022-2023											

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
2008-2009											
2009-2010					1.130	0.739	1.000	1.000	1.000	2.018	1.000
2010-2011				0.645	0.738	1.000	1.000	1.000	1.000	1.000	1.000
2011-2012			0.857	0.891	0.938	1.000	1.000	1.000	1.000	1.000	1.000
2012-2013				5.002	1.490	1.000	1.000	1.000	1.971	0.507	
2013-2014		3.200	1.688	0.630	1.000	1.000	0.877	1.000	3.427		
2014-2015		1.138	0.958	0.989	1.000	1.000	1.000	1.000			
2015-2016		0.598	0.877	1.753	1.000	1.023	0.976				
2016-2017											
2017-2018	3.650	0.738	0.910	1.071	1.224						
2018-2019			1.094	1.287							
2019-2020			0.235								
2020-2021		0.773									
2021-2022											

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
Average	3.650	1.289	0.946	1.534	1.065	0.966	0.979	1.000	1.680	1.131	1.000
Dollar-Wtd. Avgs.											
Total	3.650	0.837	0.864	1.067	1.056	0.937	0.989	1.000	1.356	1.195	1.000
3-yr			0.744				0.978	1.000	1.880	0.752	1.000
4-yr							0.982	1.000	1.579	1.195	
Comparative Factors	3.914	1.840	1.319	1.118	1.040	1.020	1.015	1.014	1.009	1.003	1.003
Prior	4.850	1.866	1.298	1.130	1.052	1.030	1.017	1.007	1.003	1.000	1.000
Selected	4.850	1.500	1.200	1.125	1.045	1.025	1.015	1.010	1.006	1.002	1.002
Cumulated	11.126	2.294	1.529	1.274	1.132	1.083	1.057	1.041	1.031	1.025	1.023

Santa Clara County Schools Insurance Group - Liability

Reported between $100,000 and $500,000 Loss Development

Accident Year	Losses Reported as of: 138 Months	150 Months	162 Months	174 Months
2008-2009				400,000
2009-2010	792,740	792,740	792,740	
2010-2011	213,157	213,157		
2011-2012	150,349			
2012-2013				
2013-2014				
2014-2015				
2015-2016				
2016-2017				
2017-2018				
2018-2019				
2019-2020				
2020-2021				
2021-2022				
2022-2023				

	Reported Loss Development Factors: 138-150 Months	150-162 Months	162-174 Months	174-Ult. Months
2008-2009				
2009-2010	1.000	1.000		
2010-2011	1.000			
2011-2012				
2012-2013				
2013-2014				
2014-2015				
2015-2016				
2016-2017				
2017-2018				
2018-2019				
2019-2020				
2020-2021				
2021-2022				

	138-150 Months	150-162 Months	162-174 Months	174-Ult. Months
Average	1.000	1.000		
Dollar-Wtd. Avgs				
Total	1.000	1.000		
3-yr				
4-yr				
Comparative Factors	1.004	1.003	1.005	1.019
Prior	1.000	1.000		
Selected	1.002	1.002	1.002	1.015
Cumulated	1.021	1.019	1.017	1.015

Santa Clara County Schools Insurance Group - Liability

Paid Loss Development

Accident Year (A)	Limited Paid Losses as of 12/31/22 (B)	Paid Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Paid Losses as of 12/31/22 (E)	Paid Loss Development Factor (F)	Ultimate Program Losses (G)
2008-2009	$290,591	1.015	$294,950	$290,591	1.015	$294,950
2009-2010	1,077,633	1.016	1,094,875	1,077,633	1.016	1,094,875
2010-2011	500,472	1.017	508,980	500,472	1.017	508,980
2011-2012	319,504	1.018	325,255	319,504	1.018	325,255
2012-2013	257,795	1.019	262,693	257,795	1.019	262,693
2013-2014	403,770	1.020	411,845	403,770	1.020	411,845
2014-2015	356,073	1.021	363,551	356,073	1.021	363,551
2015-2016	719,416	1.022	735,243	719,416	1.022	735,243
2016-2017	223,357	1.027	229,388	223,357	1.027	229,388
2017-2018	410,211	1.037	425,389	410,211	1.037	425,389
2018-2019	200,314	1.104	221,147	200,314	1.104	221,147
2019-2020	264,246	1.325	350,126	264,246	1.325	350,126
2020-2021	29,457	2.001	58,943	29,457	2.001	58,943
2021-2022	60,951	5.693	346,994	60,951	5.693	346,994
2022-2023	14,925	39.253	585,851	14,925	39.253	585,851
Totals	$5,128,715		$6,215,230	$5,128,715		$6,215,230

Notes:

(A) Years are 7/1 to 6/30.
(B) Provided by the Group. These losses exclude amounts over $100,000 per occurrence.
(C) From Appendix B - GL, Page 2.
(D) (B) x (C). These estimated losses exclude amounts over $100,000 per occurrence.
(E) Losses capped at the Group's SIR. Amounts are provided by the Group.
(F) Derived from factors on Appendix B - GL, Page 4.
(G) (E) x (F).

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

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

Santa Clara County Schools Insurance Group - Liability

Paid Loss Development

Limited 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
2008-2009						190,591	190,591	190,591	190,591	190,591	190,591
2009-2010					906,468	977,633	977,633	977,633	977,633	977,633	1,077,633
2010-2011				454,896	500,472	500,472	500,472	500,472	500,472	500,472	500,472
2011-2012			201,420	234,380	314,318	319,340	319,340	319,504	319,504	319,504	319,504
2012-2013		84,771	142,560	234,096	258,531	257,795	257,795	257,795	257,795	294,323	257,795
2013-2014	1,485	54,155	234,680	281,544	287,511	317,674	317,674	317,674	317,674	403,770	
2014-2015	10,030	58,530	213,390	330,097	350,506	351,316	351,316	356,073	356,073		
2015-2016	4,375	118,489	245,864	473,960	660,029	694,439	710,659	719,416			
2016-2017	18,894	59,621	146,592	170,780	183,372	221,506	223,357				
2017-2018	7,682	51,246	220,025	290,230	356,861	410,211					
2018-2019	3,283	26,222	73,660	166,868	200,314						
2019-2020	19,114	83,050	182,620	264,246							
2020-2021	5,634	7,672	29,457								
2021-2022	20,229	60,951									
2022-2023	14,925										

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
2008-2009						1.000	1.000	1.000	1.000	1.000	1.000
2009-2010					1.079	1.000	1.000	1.000	1.000	1.102	1.000
2010-2011				1.100	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2011-2012			1.164	1.341	1.016	1.000	1.001	1.000	1.000	1.000	1.000
2012-2013		1.682	1.642	1.104	0.997	1.000	1.000	1.000	1.142	0.876	
2013-2014	36.468	4.333	1.200	1.021	1.105	1.000	1.000	1.000	1.271		
2014-2015	5.835	3.646	1.547	1.062	1.002	1.000	1.014	1.000			
2015-2016	27.083	2.075	1.928	1.393	1.052	1.023	1.012				
2016-2017	3.156	2.459	1.165	1.074	1.208	1.008					
2017-2018	6.671	4.294	1.319	1.230	1.149						
2018-2019	7.987	2.809	2.265	1.200							
2019-2020	4.345	2.199	1.447								
2020-2021	1.362	3.840									
2021-2022	3.013										

	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	10.658	3.037	1.520	1.169	1.068	1.003	1.003	1.000	1.069	0.996	1.000
Dollar-Wtd. Avgs.											
Total	5.731	2.738	1.473	1.180	1.061	1.005	1.004	1.000	1.048	1.028	1.000
3-yr	3.372	2.443	1.514	1.179	1.105	1.014	1.010	1.000	1.137	0.967	1.000
4-yr	3.686	3.007	1.432	1.271	1.082	1.011	1.008	1.000	1.088	1.030	1.000
Comparative Factors	4.760	2.200	1.444	1.145	1.044	1.019	1.015	1.011	1.009	1.008	1.006
Prior	8.500	2.965	1.545	1.170	1.040	1.010	1.005	1.001	1.001	1.001	1.001
Selected	6.895	2.845	1.510	1.200	1.065	1.010	1.005	1.001	1.001	1.001	1.001
Cumulated	39.253	5.693	2.001	1.325	1.104	1.037	1.027	1.022	1.021	1.020	1.019

Santa Clara County Schools Insurance Group - Liability

Paid Loss Development

Limited Losses Paid as of:

Accident Year	138 Months	150 Months	162 Months	174 Months
2008-2009	190,591	190,591	190,591	290,591
2009-2010	1,077,633	1,077,633	1,077,633	
2010-2011	500,472	500,472		
2011-2012	319,504			
2012-2013				
2013-2014				
2014-2015				
2015-2016				
2016-2017				
2017-2018				
2018-2019				
2019-2020				
2020-2021				
2021-2022				
2022-2023				

Paid Loss Development Factors:

	138-150 Months	150-162 Months	162-174 Months	174-Ult. Months
2008-2009	1.000	1.000	1.525	
2009-2010	1.000	1.000		
2010-2011	1.000			
2011-2012				
2012-2013				
2013-2014				
2014-2015				
2015-2016				
2016-2017				
2017-2018				
2018-2019				
2019-2020				
2020-2021				
2021-2022				

	138-150 Months	150-162 Months	162-174 Months	174-Ult. Months
Average	1.000	1.000	1.525	
Dollar-Wtd. Avgs				
Total	1.000	1.000	1.525	
3-yr	1.000			
4-yr				
Comparative Factors	1.006	1.004	1.004	1.017
Prior	1.001	1.014	1.000	
Selected	1.001	1.001	1.001	1.015
Cumulated	1.018	1.017	1.016	1.015

Santa Clara County Schools Insurance Group - Liability

Paid between $100,000 and $500,000 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
2008-2009											
2009-2010					325,751	371,380	392,740	392,740	392,740	392,740	404,990
2010-2011				197,860	212,259	213,157	213,157	213,157	213,157	213,157	213,157
2011-2012					150,349	150,349	150,349	150,349	150,349	150,349	150,349
2012-2013					125,039	186,305	186,305	186,305	186,305	186,305	186,305
2013-2014				36,090	59,082	59,594	68,349	74,520	74,520	74,520	
2014-2015				430,932	430,932	430,932	430,932	430,932	430,932		
2015-2016			61,693	113,921	435,792	435,792	435,792	435,792			
2016-2017											
2017-2018			400,000	400,000	400,000	400,000					
2018-2019					76,243						
2019-2020				64,640							
2020-2021											
2021-2022											
2022-2023											

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
2008-2009											
2009-2010					1.140	1.058	1.000	1.000	1.000	1.031	1.545
2010-2011				1.073	1.004	1.000	1.000	1.000	1.000	1.000	1.000
2011-2012					1.000	1.000	1.000	1.000	1.000	1.000	1.000
2012-2013					1.490	1.000	1.000	1.000	1.000	1.000	
2013-2014				1.637	1.009	1.147	1.090	1.000	1.000		
2014-2015				1.000	1.000	1.000	1.000	1.000			
2015-2016			1.847	3.825	1.000	1.000	1.000				
2016-2017											
2017-2018			1.000	1.000	1.000						
2018-2019											
2019-2020											
2020-2021											
2021-2022											

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
Average			1.424	1.707	1.080	1.029	1.013	1.000	1.000	1.008	1.182
Dollar-Wtd. Avgs.											
Total			1.113	1.305	1.051	1.016	1.003	1.000	1.000	1.013	1.287
3-yr							1.007	1.000	1.000	1.000	1.287
4-yr							1.006	1.000	1.000	1.013	
Comparative Factors	38.826	4.564	2.255	1.469	1.201	1.111	1.051	1.032	1.027	1.017	1.008
Prior	30.265	3.997	1.997	1.397	1.166	1.087	1.067	1.044	1.025	1.016	1.009
Selected	30.265	3.997	1.997	1.397	1.166	1.087	1.067	1.044	1.025	1.016	1.009
Cumulated	524.402	17.327	4.335	2.171	1.554	1.333	1.226	1.149	1.101	1.074	1.057

Santa Clara County Schools Insurance Group - Liability

Paid between $100,000 and $500,000 Loss Development

Losses Paid as of:

Accident Year	138 Months	150 Months	162 Months	174 Months
2008-2009				400,000
2009-2010	625,864	792,740	792,740	
2010-2011	213,157	213,157		
2011-2012	150,349			
2012-2013				
2013-2014				
2014-2015				
2015-2016				
2016-2017				
2017-2018				
2018-2019				
2019-2020				
2020-2021				
2021-2022				
2022-2023				

Paid Loss Development Factors:

	138-150 Months	150-162 Months	162-174 Months	174-Ult. Months
2008-2009				
2009-2010	1.267	1.000		
2010-2011	1.000			
2011-2012				
2012-2013				
2013-2014				
2014-2015				
2015-2016				
2016-2017				
2017-2018				
2018-2019				
2019-2020				
2020-2021				
2021-2022				

	138-150 Months	150-162 Months	162-174 Months	174-Ult. Months
Average	1.134	1.000		
Dollar-Wtd. Avgs				
Total	1.199	1.000		
3-yr				
4-yr				
Comparative Factors	1.007	1.007	1.009	1.053
Prior	1.048	1.000		
Selected	1.007	1.005	1.003	1.033
Cumulated	1.048	1.041	1.036	1.033

Santa Clara County Schools Insurance Group - Liability

Exposure and Development Method
Based on Reported Losses

Accident Year	ADA (A)	Reported Losses as of 12/31/22 (B)	Reported Loss Development Factor (C)	Percentage of Losses Yet to Be Reported (D)	Program Rate (E)	Incurred but not Reported (IBNR) (F)	Ultimate Program Losses (G)
2008-2009	$65,974	$290,591	1.005	0.005	$4.405	$1,453	$292,044
2009-2010	66,915	1,077,633	1.005	0.005	16.105	5,388	1,083,021
2010-2011	67,335	500,472	1.005	0.005	7.433	2,503	502,975
2011-2012	67,177	319,504	1.005	0.005	4.756	1,597	321,101
2012-2013	67,793	257,795	1.005	0.005	3.803	1,289	259,084
2013-2014	68,189	417,674	1.005	0.005	6.125	2,088	419,762
2014-2015	68,425	356,073	1.005	0.005	5.204	1,780	357,853
2015-2016	67,179	762,753	1.005	0.005	11.417	3,835	766,588
2016-2017	66,942	223,357	1.005	0.005	3.337	1,117	224,474
2017-2018	65,323	430,831	1.007	0.007	5.878	2,688	433,519
2018-2019	64,013	255,269	1.012	0.012	6.168	4,738	260,007
2019-2020	65,345	264,246	1.022	0.022	6.477	9,311	273,557
2020-2021	63,730	108,430	1.053	0.050	6.800	21,668	130,098
2021-2022	63,730	296,051	1.132	0.117	7.143	53,261	349,312
2022-2023	58,759	128,100	5.609	0.822	7.500	362,249	490,349
Totals	986,829	$5,688,779				$474,967	$6,163,746

Notes:

(A) Appendix L - GL, Column (C).
(B) Provided by the Group. These losses exclude amounts incurred above the Group's SIR for each year.
(C) From Appendix A - GL, Page 1, Column (F).
(D) 1 - 1 / (C).
(E) From Appendix C - GL, Page 3, Column (H).
(F) (A) x (D) x (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.

Santa Clara County Schools Insurance Group - Liability

Exposure and Development Method
Based on Paid Losses

Accident Year	ADA (A)	Paid Losses as of 12/31/22 (B)	Paid Loss Development Factor (C)	Percentage of Losses Yet to Be Paid (D)	Program Rate (E)	Incurred but not Paid (F)	Ultimate Program Losses (G)
2008-2009	$65,974	$290,591	1.015	0.015	$4.405	$4,359	$294,950
2009-2010	66,915	1,077,633	1.016	0.016	16.105	17,243	1,094,876
2010-2011	67,335	500,472	1.017	0.017	7.433	8,509	508,981
2011-2012	67,177	319,504	1.018	0.018	4.756	5,751	325,255
2012-2013	67,793	257,795	1.019	0.019	3.803	4,899	262,694
2013-2014	68,189	403,770	1.020	0.020	6.125	8,353	412,123
2014-2015	68,425	356,073	1.021	0.021	5.204	7,478	363,551
2015-2016	67,179	719,416	1.022	0.022	11.417	16,874	736,290
2016-2017	66,942	223,357	1.027	0.026	3.337	5,808	229,165
2017-2018	65,323	410,211	1.037	0.036	5.878	13,823	424,034
2018-2019	64,013	200,314	1.104	0.094	6.168	37,114	237,428
2019-2020	65,345	264,246	1.325	0.245	6.477	103,694	367,940
2020-2021	63,730	29,457	2.001	0.500	6.800	216,682	246,139
2021-2022	63,730	60,951	5.693	0.824	7.143	375,104	436,055
2022-2023	58,759	14,925	39.253	0.975	7.500	429,675	444,600
Totals	986,829	$5,128,715				$1,255,364	$6,384,079

Notes:

(A) Appendix L - GL, Column (C).
(B) Provided by the Group. These losses exclude amounts paid above the Group's SIR for each year.
(C) From Appendix B - GL, Page 1, Column (F).
(D) 1 - 1 / (C).
(E) From Appendix C - GL, Page 3, Column (H).
(F) (A) x (D) x (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 unpaid will cost what this relationship would suggest.

Santa Clara County Schools Insurance Group - Liability

Exposure and Development Method

Accident Year	ADA (A)	Ultimate Limited Losses (B)	Trend Factor (C)	Trended Limited Losses (D)	Trended Limited Loss Rate (E)	Limited Loss Rate (F)	Factor to SIR (G)	Program Loss Rate (H)
2008-2009	$65,974	$290,591	1.981	$575,661	$8.726	$4.405	1.000	$4.405
2009-2010	66,915	1,077,633	1.887	2,033,493	30.389	16.105	1.000	16.105
2010-2011	67,335	500,472	1.797	899,348	13.356	7.433	1.000	7.433
2011-2012	67,177	319,504	1.712	546,991	8.143	4.756	1.000	4.756
2012-2013	67,793	257,795	1.630	420,206	6.198	3.803	1.000	3.803
2013-2014	68,189	417,674	1.553	648,648	9.512	6.125	1.000	6.125
2014-2015	68,425	356,073	1.478	526,276	7.691	5.204	1.000	5.204
2015-2016	67,179	767,000	1.408	1,079,936	16.075	11.417	1.000	11.417
2016-2017	66,942	223,357	1.340	299,298	4.471	3.337	1.000	3.337
2017-2018	65,323	430,831	1.276	549,740	8.416	5.878	1.000	5.878
2018-2019	64,013	255,269	1.216	310,407	4.849	6.168	1.000	6.168
2019-2020	65,345	264,246	1.158	305,997	4.683	6.477	1.000	6.477
2020-2021	63,730	115,000	1.103	126,845	1.990	6.800	1.000	6.800
2021-2022	63,730	336,000	1.050	352,800	5.536	7.143	1.000	7.143
2022-2023	58,759	653,000	1.000	653,000	11.113	7.500	1.000	7.500
Total/Avg	986,829	$6,264,445		$9,328,646	$9.453			
16/17-22/23	447,842	2,277,703		2,598,088	5.801			
18/19-22/23	315,577	1,623,515		1,749,049	5.542			
				Selected Limited Rate:	$7.500			
				Prior:	$7.500			

Notes:

(A) Appendix L - GL, Column (C).
(B) Selected average of results from Appendices L and L.
(C) From Appendix E - GL, Page 1, Column (B).
(D) (B) x (C).
(E) (D) / (A).
(F) Selected Limited Rate / (C). For 2016-2017 and prior (B) / (A).
(G) Based on a 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.

Santa Clara County Schools Insurance Group - Liability

Frequency and Severity Method

Accident Year	Ultimate Program Severity (A)	Adjusted Ultimate Claims (B)	Ultimate Program Losses (C)
2008-2009	$6,604	44	$290,576
2009-2010	25,658	42	1,077,636
2010-2011	11,122	45	500,490
2011-2012	12,289	26	319,514
2012-2013	6,445	40	257,800
2013-2014	18,985	22	417,670
2014-2015	15,481	23	356,063
2015-2016	24,742	31	767,002
2016-2017	8,591	26	223,366
2017-2018	13,793	32	441,376
2018-2019	14,474	19	275,006
2019-2020	15,199	15	227,985
2020-2021	15,956	10	159,560
2021-2022	16,762	30	502,860
2022-2023	17,600	39	686,400
Total		444	$6,503,304

Notes:

(A) From Appendix D - GL, Page 2, Column (H).
(B) From Appendix D - GL, Page 2, 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.

Santa Clara County Schools Insurance Group - Liability

Frequency and Severity Method

Accident Year	Ultimate Limited Losses (A)	Adjusted Ultimate Claims (B)	Ultimate Limited Severity (C)	Trend Factor (D)	Trended Limited Severity (E)	Limited Severity (F)	Factor to SIR (G)	Program Severity (H)
2008-2009	$290,591	44	$6,604	1.981	$13,083	$6,604	1.000	$6,604
2009-2010	1,077,633	42	25,658	1.887	48,417	25,658	1.000	25,658
2010-2011	500,472	45	11,122	1.797	19,986	11,122	1.000	11,122
2011-2012	319,504	26	12,289	1.712	21,039	12,289	1.000	12,289
2012-2013	257,795	40	6,445	1.630	10,505	6,445	1.000	6,445
2013-2014	417,674	22	18,985	1.553	29,484	18,985	1.000	18,985
2014-2015	356,073	23	15,481	1.478	22,881	15,481	1.000	15,481
2015-2016	767,000	31	24,742	1.408	34,837	24,742	1.000	24,742
2016-2017	223,357	26	8,591	1.340	11,512	8,591	1.000	8,591
2017-2018	430,831	32	13,463	1.276	17,179	13,793	1.000	13,793
2018-2019	255,269	19	13,435	1.216	16,337	14,474	1.000	14,474
2019-2020	264,246	15	17,616	1.158	20,399	15,199	1.000	15,199
2020-2021	148,000	10	14,800	1.103	16,324	15,956	1.000	15,956
2021-2022	383,000	30	12,767	1.050	13,405	16,762	1.000	16,762
2022-2023	550,000	39	14,103	1.000	14,103	17,600	1.000	17,600

Average Limited Severity:	$20,633
Average 16/17-20/21 Limited Severity:	16,350
Average 17/18-21/22 Limited Severity:	16,729
Selected Limited Severity:	$17,600
Prior:	$21,350

Notes:

(A) Selected average of results from Appendices L, L, and L.
(B) Appendix D - GL, Page 3, Column (C).
(C) (A) / (B).
(D) From Appendix E - GL, Page 1, 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.

Santa Clara County Schools Insurance Group - Liability

Frequency and Severity Method
Projection of Ultimate Claims

Accident Year	Reported Claim Development (A)	Closed Claim Development (B)	Selected Ultimate Claims (C)	ADA (10,000) (D)	Claim Frequency (E)	Trend Factor (F)	Trended Claim Frequency (G)
2008-2009	44	43	44	65,974.000	0.001	1.000	0.001
2009-2010	42	41	42	6.692	6.277	1.000	6.277
2010-2011	45	45	45	6.734	6.683	1.000	6.683
2011-2012	26	26	26	6.718	3.870	1.000	3.870
2012-2013	40	40	40	6.779	5.900	1.000	5.900
2013-2014	22	21	22	6.819	3.226	1.000	3.226
2014-2015	23	23	23	6.843	3.361	1.000	3.361
2015-2016	31	30	31	6.718	4.615	1.000	4.615
2016-2017	26	26	26	6.694	3.884	1.000	3.884
2017-2018	32	31	32	6.532	4.899	1.000	4.899
2018-2019	19	18	19	6.401	2.968	1.000	2.968
2019-2020	15	17	15	6.535	2.296	1.000	2.296
2020-2021	10	12	10	6.373	1.569	1.000	1.569
2021-2022	30	38	30	6.373	4.707	1.000	4.707
2022-2023	45	69	39	5.876	6.637	1.000	6.637
Total	450	480	444	66,066.1			0.007
16/17-20/21	102	104	102	32.5			3.135

(H) Selected Frequency:		6.000
Prior:		3.500

	Program Year:	2022-2023	2023-2024
(I)	Trend Factor:	1.000	1.000
(J)	Selected Frequency:	6.637	6.000
(K)	Est. ADA (10,000):	5.876	5.876
(L)	Ultimate Claims:	39	35

Notes:

(A) Appendix D - GL, Page 4, (C).
(B) Appendix D - GL, Page 5, (C).
(C) Selected from (A) and (B).
(D) Appendix L - GL, Column (C) / 10,000.
(E) (C) / (D).
(F) Appendix E - GL, Page 1, Column (F).
(G) (E) x (F).
(H) The selected frequency of 6.000 is based on (G).
(I) Appendix E - GL, Page 1, Column (F).
(J) (H) x (I). 2022-2023 is (L) / (K).
(K) Appendix L - GL, Column (C) / 10,000.
(L) (J) x (K). 2022-2023 is (C).

This exhibit summarizes the estimated numbers of claims and shows the
#REF!

Santa Clara County Schools Insurance Group - Liability

Frequency and Severity Method
Reported Claim Count Development

Accident Year	Claims Reported as of 12/31/2022 (A)	Reported Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
2008-2009	44	1.000	44	0.001
2009-2010	42	1.000	42	6.277
2010-2011	45	1.000	45	6.683
2011-2012	26	1.000	26	3.870
2012-2013	40	1.000	40	5.900
2013-2014	22	1.000	22	3.226
2014-2015	23	1.000	23	3.361
2015-2016	31	1.000	31	4.615
2016-2017	26	1.000	26	3.884
2017-2018	32	1.000	32	4.899
2018-2019	19	1.000	19	2.968
2019-2020	15	1.004	15	2.296
2020-2021	10	1.010	10	1.569
2021-2022	29	1.018	30	4.707
2022-2023	18	2.514	45	7.658
Total	422		450	0.007

Notes:

(A) Provided by the Group.
(B) From Appendix D - GL, Page 6.
(C) (A) x (B).
(D) (C) / [Appendix D - GL, Page 3, (D)] x [Appendix D - GL, Page 3, (F)].

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

Santa Clara County Schools Insurance Group - Liability

Frequency and Severity Method
Closed Claim Count Development

Accident Year	Claims Closed as of 12/31/2022 (A)	Closed Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
2008-2009	43	1.003	43	0.001
2009-2010	41	1.003	41	6.127
2010-2011	45	1.003	45	6.683
2011-2012	26	1.003	26	3.870
2012-2013	40	1.003	40	5.900
2013-2014	21	1.004	21	3.080
2014-2015	23	1.006	23	3.361
2015-2016	30	1.009	30	4.466
2016-2017	26	1.014	26	3.884
2017-2018	30	1.039	31	4.746
2018-2019	17	1.075	18	2.812
2019-2020	15	1.156	17	2.602
2020-2021	9	1.329	12	1.883
2021-2022	22	1.728	38	5.963
2022-2023	4	17.280	69	11.743
Total	392		480	0.007

Notes:

(A) Provided by the Group.
(B) From Appendix D - GL, Page 7.
(C) (A) x (B).
(D) (C) / [Appendix D - GL, Page 3, (D)] x [Appendix D - GL, Page 3, (F)].

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

Santa Clara County Schools Insurance Group - Liability

Reported Claim Count Development

Claims Reported as of:

Accident Year	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months	138 Months	150 Months	162 Months
2008-2009						43	43	43	43	43	43	43	43	43
2009-2010					41	41	41	41	41	41	42	42	42	42
2010-2011				45	45	45	45	45	45	45	45	45	45	
2011-2012			26	26	26	26	26	26	26	26	26	26		
2012-2013		36	41	40	40	40	40	40	40	41	40			
2013-2014	7	23	20	20	21	21	21	21	21	22				
2014-2015	10	24	23	23	23	23	23	23	23					
2015-2016	12	27	30	30	30	31	31	31						
2016-2017	16	28	27	28	29	26	26							
2017-2018	17	38	35	35	33	32								
2018-2019	5	21	19	19	19									
2019-2020	9	19	17	15										
2020-2021	4	9	10											
2021-2022	11	29												
2022-2023	18													

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
2008-2009						1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.023
2009-2010					1.000	1.000	1.000	1.000	1.000	1.024	1.000	1.000	1.000	
2010-2011				1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2011-2012			1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
2012-2013		1.139	0.976	1.000	1.000	1.000	1.000	1.000	1.025	0.976				
2013-2014	3.286	0.870	1.000	1.050	1.000	1.000	1.000	1.000	1.048					
2014-2015	2.400	0.958	1.000	1.000	1.000	1.000	1.000	1.000						
2015-2016	2.250	1.111	1.000	1.000	1.033	1.000	1.000							
2016-2017	1.750	0.964	1.037	1.036	0.897	1.000								
2017-2018	2.235	0.921	1.000	0.943	0.970									
2018-2019	4.200	0.905	1.000	1.000										
2019-2020	2.111	0.895	0.882											
2020-2021	2.250	1.111												
2021-2022	2.636													

	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
Average	2.569	0.986	0.988	1.003	0.989	1.000	1.000	1.000	1.012	1.000	1.000	1.000	1.000	1.023
Claim-Wtd. Avgs.														
Total	2.396	0.987	0.992	1.000	0.990	1.000	1.000	1.000	1.009	1.000	1.000	1.000	1.000	1.023
3-yr	2.375	0.939	0.972	0.988	0.967	1.000	1.000	1.000	1.023	0.991	1.000	1.000		
4-yr	2.690	0.931	0.990	0.991	0.974	1.000	1.000	1.000	1.015	1.000	1.000			
Comparative Factors	2.653	1.144	1.017	1.010	1.006	1.004	1.005	1.004	1.003	1.003	1.003	1.002	1.003	1.002
Prior	2.250	1.008	1.006	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	2.470	1.008	1.006	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	2.514	1.018	1.010	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Santa Clara County Schools Insurance Group - Liability

Closed Claim Development

Claims Closed 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
2008-2009						43	43	43	43	43	43	43	43	43
2009-2010					37	39	41	41	41	41	41	41	41	41
2010-2011				43	44	45	45	45	45	45	45	45	45	
2011-2012			23	24	25	26	26	26	26	26	26	26		
2012-2013		29	34	37	40	40	40	40	40	40	40			
2013-2014		12	17	17	18	19	20	21	21	21				
2014-2015	2	15	17	19	23	23	23	23	23					
2015-2016	1	15	18	22	29	30	30	30						
2016-2017	2	17	22	24	26	25	26							
2017-2018	1	22	26	31	29	30								
2018-2019	1	14	17	17	17									
2019-2020	1	7	10	15										
2020-2021	2	7	9											
2021-2022	2	22												
2022-2023	4													

Closed Claim Count Development Factors:

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months	138-150 Months	150-162 Months	162-174 Months
2008-2009						1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2009-2010					1.054	1.051	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2010-2011				1.023	1.023	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2011-2012			1.043	1.042	1.040	1.000	1.000	1.000	1.000	1.000	1.000			
2012-2013		1.172	1.088	1.081	1.000	1.000	1.000	1.000	1.000	1.000				
2013-2014		1.417	1.000	1.059	1.056	1.053	1.050	1.000	1.000					
2014-2015	7.500	1.133	1.118	1.211	1.000	1.000	1.000	1.000						
2015-2016	15.000	1.200	1.222	1.318	1.034	1.000	1.000							
2016-2017	8.500	1.294	1.091	1.083	0.962	1.040								
2017-2018	22.000	1.182	1.192	0.935	1.034									
2018-2019	14.000	1.214	1.000	1.000										
2019-2020	7.000	1.429	1.500											
2020-2021	3.500	1.286												
2021-2022	11.000													

	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
Average	11.063	1.259	1.139	1.084	1.023	1.016	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Claim-Wtd. Avgs.														
Total	9.917	1.232	1.120	1.073	1.022	1.014	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3-yr	7.200	1.286	1.189	1.000	1.012	1.013	1.014	1.000	1.000	1.000	1.000	1.000		
4-yr	8.333	1.240	1.160	1.074	1.009	1.021	1.009	1.000	1.000	1.000	1.000			
Comparative Factors	3.720	1.528	1.096	1.038	1.019	1.011	1.009	1.008	1.008	1.006	1.004	1.005	1.004	1.004
Prior	10.000	1.300	1.150	1.075	1.035	1.025	1.005	1.003	1.002	1.001	1.000	1.000	1.000	1.003
Selected	10.000	1.300	1.150	1.075	1.035	1.025	1.005	1.003	1.002	1.001	1.000	1.000	1.000	1.000
Cumulated	17.280	1.728	1.329	1.156	1.075	1.039	1.014	1.009	1.006	1.004	1.003	1.003	1.003	1.003

Santa Clara County Schools Insurance Group - Liability

Loss Trend Factors

Accident Year	Benefit Level Factor (A)	Factor to 2022-2023 Loss Rate Level (B)	Factor to 2023-2024 Loss Rate Level (C)	Factor to 2024-2025 Loss Rate Level (D)	Factor to 2025-2026 Loss Rate Level (E)	Factor to 2022-2023 Frequency Level (F)	Factor to 2023-2024 Frequency Level (G)	Factor to 2024-2025 Frequency Level (H)	Factor to 2025-2026 Frequency Level (I)	Factor to 2022-2023 Severity Level (J)
2001-2002	1.000	2.787	2.926	3.073	3.227	1.000	1.000	1.000	1.000	2.787
2002-2003	1.000	2.654	2.786	2.927	3.073	1.000	1.000	1.000	1.000	2.654
2003-2004	1.000	2.528	2.654	2.788	2.927	1.000	1.000	1.000	1.000	2.528
2004-2005	1.000	2.408	2.528	2.655	2.788	1.000	1.000	1.000	1.000	2.408
2005-2006	1.000	2.293	2.407	2.529	2.655	1.000	1.000	1.000	1.000	2.293
2006-2007	1.000	2.184	2.293	2.409	2.529	1.000	1.000	1.000	1.000	2.184
2007-2008	1.000	2.080	2.184	2.294	2.409	1.000	1.000	1.000	1.000	2.080
2008-2009	1.000	1.981	2.080	2.185	2.294	1.000	1.000	1.000	1.000	1.981
2009-2010	1.000	1.887	1.981	2.081	2.185	1.000	1.000	1.000	1.000	1.887
2010-2011	1.000	1.797	1.887	1.982	2.081	1.000	1.000	1.000	1.000	1.797
2011-2012	1.000	1.712	1.797	1.888	1.982	1.000	1.000	1.000	1.000	1.712
2012-2013	1.000	1.630	1.712	1.798	1.888	1.000	1.000	1.000	1.000	1.630
2013-2014	1.000	1.553	1.630	1.712	1.798	1.000	1.000	1.000	1.000	1.553
2014-2015	1.000	1.478	1.552	1.630	1.712	1.000	1.000	1.000	1.000	1.478
2015-2016	1.000	1.408	1.478	1.552	1.630	1.000	1.000	1.000	1.000	1.408
2016-2017	1.000	1.340	1.407	1.478	1.552	1.000	1.000	1.000	1.000	1.340
2017-2018	1.000	1.276	1.340	1.408	1.478	1.000	1.000	1.000	1.000	1.276
2018-2019	1.000	1.216	1.277	1.341	1.408	1.000	1.000	1.000	1.000	1.216
2019-2020	1.000	1.158	1.216	1.277	1.341	1.000	1.000	1.000	1.000	1.158
2020-2021	1.000	1.103	1.158	1.216	1.277	1.000	1.000	1.000	1.000	1.103
2021-2022	1.000	1.050	1.102	1.158	1.216	1.000	1.000	1.000	1.000	1.050
2022-2023	1.000	1.000	1.050	1.103	1.158	1.000	1.000	1.000	1.000	1.000
2023-2024	1.000	--	1.000	1.050	1.103	--	1.000	1.000	1.000	--
2024-2025	1.000	--	--	1.000	1.050	--	--	1.000	1.000	--
2025-2026	1.000	--	--	--	1.000	--	--	--	1.000	--

Notes:

(A)	No benefit level adjustment applied.
(B) - (E)	(A) adjusted for a 5.0% annual loss rate trend.
(F) - (I)	(A) adjusted for a 0.0% annual frequency trend.
(J)	(A) adjusted for a 5.0% annual severity trend.

This exhibit shows the calculation of the ways in which we expect claims costs to have changed over the past twenty years due to changes in inflation.

Santa Clara County Schools Insurance Group - Liability

Residual Trend Factors

Accident Year	Initial Estimate of Ultimate Limited Losses (A)	Ultimate Reported Claims (B)	BLF (C)	Adjusted Limited Severity (D)	Trended 0 ADA (E)	Ultimate Frequency (F)
2008-2009	290,591	44	1.000	6,604	65,974	6.669
2009-2010	1,077,633	42	1.000	25,658	66,915	6.277
2010-2011	500,472	45	1.000	11,122	67,335	6.683
2011-2012	319,504	26	1.000	12,289	67,177	3.870
2012-2013	257,795	40	1.000	6,445	67,793	5.900
2013-2014	417,674	22	1.000	18,985	68,189	3.226
2014-2015	356,073	23	1.000	15,481	68,425	3.361
2015-2016	767,000	31	1.000	24,742	67,179	4.615
2016-2017	223,357	26	1.000	8,591	66,942	3.884
2017-2018	430,831	32	1.000	13,463	65,323	4.899
2018-2019	255,269	19	1.000	13,435	64,013	2.968
2019-2020	264,246	15	1.000	17,616	65,345	2.296
2020-2021	115,000	10	1.000	11,500	63,730	1.569
2021-2022	336,000	30	1.000	11,200	63,730	4.707

	Severity Trend Factors	Frequency Trend Factors
Latest 10 x 2021-2022	1.020	0.918
Mvg 5-Yr Wtd Latest 10 x 2021-2022	1.012	0.938
Latest 5 x 2021-2022	1.089	0.773
Mvg 5-Yr Wtd Latest 5 x 2021-2022	0.973	0.937
Prior	1.050	1.000
Default	1.030	0.975
Selected Residual Trend	1.050	1.000

Notes:

(A) Selected average of results from GL - Appendices L and L.
(B) Appendix D - GL, Page 3, Column (C).
(C) Appendix E - GL, Page 1, Column (A).
(D) (A) x (C) / (B).
(E) Appendix L - GL, Column (C).
(F) (B) / (E) x 10,000.

Santa Clara County Schools Insurance Group - Liability

Payment and Reserve Forecast

Accident Year	As of 12/31/2022	Calendar Period 1/1/2023 to 6/30/2023	Calendar Period 7/1/2023 to 6/30/2024
2008-2009			
Ultimate Loss	$290,591	$290,591	$290,591
Paid in Calendar Period	-		
Paid to Date	290,591	290,591	290,591
Outstanding Liability			
2009-2010			
Ultimate Loss	$1,077,633	$1,077,633	$1,077,633
Paid in Calendar Period	-		
Paid to Date	1,077,633	1,077,633	1,077,633
Outstanding Liability			
2010-2011			
Ultimate Loss	$500,472	$500,472	$500,472
Paid in Calendar Period	-		
Paid to Date	500,472	500,472	500,472
Outstanding Liability			
2011-2012			
Ultimate Loss	$319,504	$319,504	$319,504
Paid in Calendar Period	-		
Paid to Date	319,504	319,504	319,504
Outstanding Liability			
2012-2013			
Ultimate Loss	$257,795	$257,795	$257,795
Paid in Calendar Period	-		
Paid to Date	257,795	257,795	257,795
Outstanding Liability			
2013-2014			
Ultimate Loss	$417,674	$417,674	$417,674
Paid in Calendar Period	-	681	688
Paid to Date	403,770	404,451	405,139
Outstanding Liability	13,904	13,223	12,535
2014-2015			
Ultimate Loss	$356,073	$356,073	$356,073
Paid in Calendar Period	-		
Paid to Date	356,073	356,073	356,073
Outstanding Liability			
2015-2016			
Ultimate Loss	$767,000	$767,000	$767,000
Paid in Calendar Period	-	2,141	2,136
Paid to Date	719,416	721,557	723,693
Outstanding Liability	47,584	45,443	43,307

Santa Clara County Schools Insurance Group - Liability

Payment and Reserve Forecast

Accident Year	As of 12/31/2022	Calendar Period 1/1/2023 to 6/30/2023	Calendar Period 7/1/2023 to 6/30/2024
2016-2017			
Ultimate Loss	$223,357	$223,357	$223,357
Paid in Calendar Period	-		
Paid to Date	223,357	223,357	223,357
Outstanding Liability			
2017-2018			
Ultimate Loss	$430,831	$430,831	$430,831
Paid in Calendar Period	-	2,701	4,372
Paid to Date	410,211	412,912	417,284
Outstanding Liability	20,620	17,919	13,547
2018-2019			
Ultimate Loss	$255,269	$255,269	$255,269
Paid in Calendar Period	-	17,311	19,575
Paid to Date	200,314	217,625	237,200
Outstanding Liability	54,955	37,644	18,069
2019-2020			
Ultimate Loss	$264,246	$264,246	$264,246
Paid in Calendar Period	-		
Paid to Date	264,246	264,246	264,246
Outstanding Liability			
2020-2021			
Ultimate Loss	$148,000	$148,000	$148,000
Paid in Calendar Period	-	30,228	48,132
Paid to Date	29,457	59,685	107,817
Outstanding Liability	118,543	88,315	40,183
2021-2022			
Ultimate Loss	$393,000	$393,000	$393,000
Paid in Calendar Period	-	65,414	116,519
Paid to Date	60,951	126,365	242,884
Outstanding Liability	332,049	266,635	150,116
2022-2023			
Ultimate Loss	$275,000	$550,000	$550,000
Paid in Calendar Period	-	41,201	130,383
Paid to Date	14,925	56,126	186,509
Outstanding Liability	260,075	493,874	363,491
2023-2024			
Ultimate Loss	-	-	$426,000
Paid in Calendar Period	-	-	43,026
Paid to Date	-	-	43,026
Outstanding Liability	-	-	382,974

Santa Clara County Schools Insurance Group - Liability

Payment and Reserve Forecast

Accident Year	As of 12/31/2022	Calendar Period 1/1/2023 to 6/30/2023	Calendar Period 7/1/2023 to 6/30/2024
Totals			
Ultimate Loss	$5,976,445	$6,251,445	$6,677,445
Paid in Calendar Period	-	159,677	364,831
Paid to Date	5,128,715	5,288,392	5,653,223
Outstanding Liability	847,730	963,053	1,024,222
Total Outstanding ULAE	0	0	0
Outstanding Liability plus ULAE	847,730	963,053	1,024,222

Notes appear on the next page.

Santa Clara County Schools Insurance Group - Liability

Payment and Reserve Forecast

Notes to previous page:

- Accident Year is associated with date of loss. Calendar Period is associated with date of transaction. For example, for the losses which occurred during 2020-2021, $30,228 is expected to be paid between 1/1/23 and 6/30/23, $59,685 will have been paid by 6/30/23, and the reserve for remaining payments on these claims should be $88,315.

- Ultimate Losses for each accident year are from Exhibit 4 - GL, Page 1.

- Paid in Calendar Period is a proportion of the Outstanding Liability from the previous calendar period. These proportions are derived from the paid loss development pattern selected in Appendix B. For example, $48,132 = $88,315 x 54.5%.

- Paid to Date is Paid in Calendar Period plus Paid to Date from previous calendar period. For example, $107,817 = $48,132 + $59,685.

- Outstanding Liability is Ultimate Loss minus Paid to Date. For example, $88,315 = $148,000 - $59,685.

This exhibit shows the calculation of the liability for outstanding claims as of the date of evaluation, the end of the current fiscal year, and the end of the coming fiscal year. It also shows the expected claims payout during the remainder of the current fiscal year and the coming fiscal year. Refer to the Totals at the end of the exhibit for the balance sheet information. The top parts of the exhibit show information for each program year.

Santa Clara County Schools Insurance Group - Liability

Short- and Long-Term Liabilities

		Expected	Discounted
Liabilities as of 12/31/22:			
Current (Short Term)	Loss and ALAE:	$267,383	$264,749
	ULAE:	0	0
	Short-Term Loss and LAE:	$267,383	$264,749
Non-Current (Long Term)	Loss and ALAE:	$580,347	$541,103
	ULAE:	0	0
	Long-Term Loss and LAE:	$580,347	$541,103
Total Liability	Loss and ALAE:	$847,730	$805,852
	ULAE:	0	0
	Total Loss and LAE:	$847,730	$805,852
Liabilities as of 6/30/23:			
Current (Short Term)	Loss and ALAE:	$321,805	$318,634
	ULAE:	0	0
	Short-Term Loss and LAE:	$321,805	$318,634
Non-Current (Long Term)	Loss and ALAE:	$641,248	$599,895
	ULAE:	0	0
	Long-Term Loss and LAE:	$641,248	$599,895
Total Liability	Loss and ALAE:	$963,053	$918,529
	ULAE:	0	0
	Total Loss and LAE:	$963,053	$918,529

		Discounted with a Margin for Contingencies				
		70% Confidence	75% Confidence	80% Confidence	85% Confidence	90% Confidence
Liabilities as of 12/31/22:						
Current (Short Term)	Loss and ALAE:	$299,431	$314,787	$332,789	$355,028	$384,416
	ULAE:	0	0	0	0	0
	Short-Term Loss and LAE:	$299,431	$314,787	$332,789	$355,028	$384,416
Non-Current (Long Term)	Loss and ALAE:	$611,988	$643,371	$680,167	$725,620	$785,681
	ULAE:	0	0	0	0	0
	Long-Term Loss and LAE:	$611,988	$643,371	$680,167	$725,620	$785,681
Total Liability	Loss and ALAE:	$911,419	$958,158	$1,012,956	$1,080,648	$1,170,097
	ULAE:	0	0	0	0	0
	Total Loss and LAE:	$911,419	$958,158	$1,012,956	$1,080,648	$1,170,097
Liabilities as of 6/30/23:						
Current (Short Term)	Loss and ALAE:	$360,375	$378,856	$400,523	$427,288	$462,657
	ULAE:	0	0	0	0	0
	Short-Term Loss and LAE:	$360,375	$378,856	$400,523	$427,288	$462,657
Non-Current (Long Term)	Loss and ALAE:	$678,481	$713,275	$754,068	$804,459	$871,047
	ULAE:	0	0	0	0	0
	Long-Term Loss and LAE:	$678,481	$713,275	$754,068	$804,459	$871,047
Total Liability	Loss and ALAE:	$1,038,856	$1,092,131	$1,154,591	$1,231,747	$1,333,704
	ULAE:	0	0	0	0	0
	Total Loss and LAE:	$1,038,856	$1,092,131	$1,154,591	$1,231,747	$1,333,704

Note: Current (short term) liabilities are the portion of the total estimated liability shown on Appendix F - GL that is expected to be paid out within the coming year. Totals may vary from Exhibit 1 - GL, due to rounding.

Santa Clara County Schools Insurance Group - Liability

Discount Factors to be Applied to Overall Reserves

Accident Year	Full Value of Reserve at 12/31/22 (A)	Discount Factor (B)	Discounted Reserve at 12/31/22 (C)	Full Value of Reserve at 6/30/23 (D)	Discount Factor (E)	Discounted Reserve at 6/30/23 (F)
2020-2021	$118,543	0.967	$114,679	$88,315	0.968	$85,478
2021-2022	332,049	0.963	319,769	266,635	0.967	257,819
2022-2023	260,075	0.952	247,643	493,874	0.959	473,673
Totals	$847,730		$805,852	$963,053		$918,529

(G) Discount Factor at 12/31/22 for Overall Reserve: 0.951
(H) Discount Factor at 6/30/23 for Overall Reserve: 0.954

Notes:

(A) From Appendix F - GL, Outstanding Liability at 12/31/22.
(B) Based on Appendix H - GL, Page 2, Column (F).
(C) (A) x (B).
(D) From Appendix F - GL, Outstanding Liability at 6/30/23.
(E) Based on Appendix H - GL, Page 2, Column (F).
(F) (D) x (E).
(G) Total of (C) / Total of (A).
(H) Total of (F) / Total of (D).

This exhibit shows the expected impact of anticipated investment income on the liability for outstanding claims at the date of evaluation and the end of the current fiscal year. For example, if the discount factor in item (G) is 0.951, the discounted liability for outstanding claims is 95.1% of the full value.

Santa Clara County Schools Insurance Group - Liability

Calculation of Discount Factors

Payment Year (A)	Payment Pattern (B)	Return on Investment (C)	Discounted Reserves (D)	Undiscounted Reserves (E)	Discount Factor (F)
22	0.1%	2.00%	0.001	0.001	0.990
21	0.2%	2.00%	0.003	0.003	0.984
20	0.1%	2.00%	0.004	0.004	0.971
19	0.2%	2.00%	0.006	0.006	0.965
18	0.2%	2.00%	0.008	0.008	0.957
17	0.2%	2.00%	0.009	0.010	0.948
16	0.3%	2.00%	0.012	0.013	0.943
15	0.2%	2.00%	0.014	0.015	0.934
14	0.1%	2.00%	0.014	0.016	0.920
13	0.1%	2.00%	0.015	0.017	0.907
12	0.1%	2.00%	0.016	0.018	0.895
11	0.1%	2.00%	0.016	0.019	0.883
10	0.1%	2.00%	0.017	0.020	0.872
9	0.1%	2.00%	0.018	0.021	0.861
8	0.3%	2.00%	0.020	0.023	0.862
7	0.8%	2.00%	0.027	0.031	0.881
6	3.4%	2.00%	0.060	0.065	0.929
5	10.5%	2.00%	0.163	0.169	0.960
4	20.3%	2.00%	0.361	0.373	0.968
3	29.0%	2.00%	0.640	0.662	0.967
2	23.7%	2.00%	0.863	0.899	0.959
1	10.1%	2.00%	0.945	1.000	0.945
		(G) Discount Factor for Future Funding:		2022-2023	0.955
				2023-2024	0.955

Notes:

(A) This is the year of payment relative to the accident year. For example, year 7 refers to payments made in the seventh year after the inception of the accident year. We assume that payments are made at midyear.

(B) Percent of ultimate loss paid this year. This payment pattern is based on the paid loss development pattern selected in Appendix B - GL, Page 2.

(C) Assumed Investment Income Rates.

(D) Discounted Reserves at the beginning of this year is next year's Discounted Reserves discounted one year plus this year's payments discounted six months. For example, in year 2, 86.3% = [64.0% / 1.020] + [23.7% / (1.010)].

(E) Summation of future (B) values. This is the percent of ultimate loss unpaid at the beginning of the year.

(F) (D) / (E).

(G) (F) at year 1, with interest accumulated for six months. We assume that the required funding is deposited at the middle of the first year.

This exhibit shows the calculation of the effect of anticipated investment income on future claims costs. Thus, if the discount factor in item (F) is 0.95, on a discounted basis, $0.95 must be budgeted for every $1 that will actually be paid on claims that will be incurred in the next fiscal year.

Santa Clara County Schools Insurance Group - Liability

Confidence Level Table

Probability	Projected Losses	Outstanding Losses
95%	2.038	1.636
90%	1.727	1.452
85%	1.540	1.341
80%	1.401	1.257
75%	1.289	1.189
70%	1.195	1.131
65%	1.112	1.080
60%	1.037	1.034
55%	0.969	0.991
50%	0.903	0.950
45%	0.842	0.911
40%	0.782	0.873
35%	0.723	0.834
30%	0.664	0.796
25%	0.604	0.755

To read table: For the above retention, there is a 90% chance that final loss settlements will be less than 1.727 times the average expected amount of losses.

This exhibit shows the loads that must be applied to bring estimated losses at the expected level to the various indicated confidence levels.

Santa Clara County Schools Insurance Group - Liability

Program History

Policy Year Start Date	Policy Year End Date	Policy Year	Self-Insured Retention Per Occurrence	Self-Insured Retention Aggregate
7/1/2008	6/30/2009	2008-2009	$100,000	(none)
7/1/2009	6/30/2010	2009-2010	100,000	(none)
7/1/2010	6/30/2011	2010-2011	100,000	(none)
7/1/2011	6/30/2012	2011-2012	100,000	(none)
7/1/2012	6/30/2013	2012-2013	100,000	(none)
7/1/2013	6/30/2014	2013-2014	100,000	(none)
7/1/2014	6/30/2015	2014-2015	100,000	(none)
7/1/2015	6/30/2016	2015-2016	100,000	(none)
7/1/2016	6/30/2017	2016-2017	100,000	(none)
7/1/2017	6/30/2018	2017-2018	100,000	(none)
7/1/2018	6/30/2019	2018-2019	100,000	(none)
7/1/2019	6/30/2020	2019-2020	100,000	(none)
7/1/2020	6/30/2021	2020-2021	100,000	(none)
7/1/2021	6/30/2022	2021-2022	100,000	(none)
7/1/2022	6/30/2023	2022-2023	100,000	(none)
7/1/2023	6/30/2024	2023-2024	100,000	(none)

Third Party Claims Administrator	Begin Date	End Date
ASCIP	7/1/2008	Current

This exhibit summarizes some of the key facts about the history of the program.

Santa Clara County Schools Insurance Group - Liability

Incurred Losses as of 12/31/22

Accident Year (A)	Unlimited Incurred (B)	Subtractions from Losses (C)	Subtractions from Losses (D)	Adjusted Incurred (E)	Incurred Over SIR (F)	Incurred Over $100,000 (G)	Incurred Capped at $100,000 (H)	Incurred $100,000 to SIR Layer (I)	Incurred Capped at SIR (J)	Incurred Capped at SIR & Aggregate (K)
2008-2009	$5,583,145	$28,564	$23,990	$5,530,591	$5,240,000	$5,240,000	$290,591	$0	$290,591	$290,591
2009-2010	29,603,518	13,038	120,107	29,470,373	28,392,740	28,392,740	1,077,633	0	1,077,633	1,077,633
2010-2011	845,945	29,567	102,748	713,630	213,157	213,157	500,472	0	500,472	500,472
2011-2012	474,930	5,077	0	469,853	150,349	150,349	319,504	0	319,504	319,504
2012-2013	536,652	57,760	34,792	444,100	186,305	186,305	257,795	0	257,795	257,795
2013-2014	682,732	3,947	5,753	673,032	255,358	255,358	417,674	0	417,674	417,674
2014-2015	8,965,248	4,929	4,513	8,955,805	8,599,732	8,599,732	356,073	0	356,073	356,073
2015-2016	1,259,532	25,689	35,299	1,198,545	435,792	435,792	762,753	0	762,753	762,753
2016-2017	264,513	25,334	15,822	223,357	0	0	223,357	0	223,357	223,357
2017-2018	1,534,146	39,497	19,369	1,475,280	1,044,449	1,044,449	430,831	0	430,831	430,831
2018-2019	546,553	0	35,085	511,469	256,200	256,200	255,269	0	255,269	255,269
2019-2020	387,128	50,038	8,204	328,886	64,640	64,640	264,246	0	264,246	264,246
2020-2021	195,080	24,665	3,985	166,430	58,000	58,000	108,430	0	108,430	108,430
2021-2022	445,573	59,003	518	386,051	90,000	90,000	296,051	0	296,051	296,051
2022-2023	163,401	35,301	0	128,100	0	0	128,100	0	128,100	128,100
Total	$51,488,096	$402,408	$410,186	$50,675,502	$44,986,723	$44,986,723	$5,688,779	$0	$5,688,779	$5,688,779

Notes:

(A) Years are 7/1 to 6/30.
(B) Provided by the Group.
(C) Amount over SIR for claims with SIR < $100,000.
(D) Subrogation recoveries.
(E) (B) + (C) - (D).
(F) Sum of incurred losses in excess of SIR.
(G) Sum of incurred losses in excess of $100,000.
(H) (E) - (G).
(I) (G) - (F).
(J) (E) - (F).
(K) Minimum of (J) and the aggregate stop loss. See Appendix J - GL.

Santa Clara County Schools Insurance Group - Liability

Paid Losses as of 12/31/22

Accident Year (A)	Unlimited Paid (B)	Subtractions from Losses (C)	Subtractions from Losses (D)	Adjusted Paid (E)	Paid Over SIR (F)	Paid Over $100,000 (G)	Paid Capped at $100,000 (H)	Paid $100,000 to SIR Layer (I)	Paid Capped at SIR (J)	Paid Capped at SIR & Aggregate (K)
2008-2009	$5,537,725	$28,564	$23,990	$5,485,171	$5,194,580	$5,194,580	$290,591	$0	$290,591	$290,591
2009-2010	3,250,159	13,038	120,107	3,117,014	2,039,381	2,039,381	1,077,633	0	1,077,633	1,077,633
2010-2011	845,945	29,567	102,748	713,630	213,157	213,157	500,472	0	500,472	500,472
2011-2012	474,930	5,077	0	469,853	150,349	150,349	319,504	0	319,504	319,504
2012-2013	536,652	57,760	34,792	444,100	186,305	186,305	257,795	0	257,795	257,795
2013-2014	487,990	3,947	5,753	478,290	74,520	74,520	403,770	0	403,770	403,770
2014-2015	8,965,248	4,929	4,513	8,955,805	8,599,732	8,599,732	356,073	0	356,073	356,073
2015-2016	1,216,196	25,689	35,299	1,155,208	435,792	435,792	719,416	0	719,416	719,416
2016-2017	264,513	25,334	15,822	223,357	0	0	223,357	0	223,357	223,357
2017-2018	1,366,650	39,497	19,369	1,307,785	897,574	897,574	410,211	0	410,211	410,211
2018-2019	311,642	0	35,085	276,557	76,243	76,243	200,314	0	200,314	200,314
2019-2020	387,128	50,038	8,204	328,886	64,640	64,640	264,246	0	264,246	264,246
2020-2021	58,107	24,665	3,985	29,457	0	0	29,457	0	29,457	29,457
2021-2022	115,689	54,219	518	60,951	0	0	60,951	0	60,951	60,951
2022-2023	41,576	26,651	0	14,925	0	0	14,925	0	14,925	14,925
Total	$23,860,149	$388,974	$410,186	$23,060,989	$17,932,273	$17,932,273	$5,128,716	$0	$5,128,716	$5,128,716

Notes:

(A) Years are 7/1 to 6/30.
(B) Provided by the Group.
(C) Paid excess of deductibles.
(D) Subrogation recoveries.
(E) (B) + (C) - (D).
(F) Sum of paid losses in excess of SIR.
(G) Sum of paid losses in excess of $100,000.
(H) (E) - (G).
(I) (G) - (F).
(J) (E) - (F).
(K) Minimum of (J) and the aggregate stop loss. See Appendix J - GL.

Santa Clara County Schools Insurance Group - Liability

Case Reserves as of 12/31/22

Accident Year (A)	Unlimited Reserves (B)	Subtractions from Losses (C)	Subtractions from Losses (D)	Adjusted Reserves (E)	Reserves Over SIR (F)	Reserves Over $100,000 (G)	Reserves Capped at $100,000 (H)	Reserves $100,000 to SIR Layer (I)	Reserves Capped at SIR (J)	Reserves Capped at SIR & Aggregate (K)
2008-2009	$45,420	$0	$0	$45,420	$45,420	$45,420	$0	$0	$0	$0
2009-2010	26,353,359	0	0	26,353,359	26,353,359	26,353,359	0	0	0	0
2010-2011	0	0	0	0	0	0	0	0	0	0
2011-2012	0	0	0	0	0	0	0	0	0	0
2012-2013	0	0	0	0	0	0	0	0	0	0
2013-2014	194,741	0	0	194,741	180,838	180,838	13,903	0	13,903	13,903
2014-2015	0	0	0	0	0	0	0	0	0	0
2015-2016	43,337	0	0	43,337	0	0	43,337	0	43,337	43,337
2016-2017	0	0	0	0	0	0	0	0	0	0
2017-2018	167,496	0	0	167,496	146,875	146,875	20,621	0	20,621	20,621
2018-2019	234,911	0	0	234,911	179,957	179,957	54,954	0	54,954	54,954
2019-2020	0	0	0	0	0	0	0	0	0	0
2020-2021	136,973	0	0	136,973	58,000	58,000	78,973	0	78,973	78,973
2021-2022	329,884	4,784	0	325,100	90,000	90,000	235,100	0	235,100	235,100
2022-2023	121,826	8,650	0	113,176	0	0	113,176	0	113,176	113,176
Total	$27,627,947	$13,434	$0	$27,614,513	$27,054,449	$27,054,449	$560,063	$0	$560,063	$560,063

Notes:

(A) Years are 7/1 to 6/30.
(B) Appendix K - GL, Page 1, Column (B) - Appendix K - GL, Page 2, Column (B).
(C) Appendix K - GL, Page 1, Column (C) - Appendix K - GL, Page 2, Column (C).
(D) Appendix K - GL, Page 1, Column (D) - Appendix K - GL, Page 2, Column (D).
(E) (B) + (C) - (D).
(F) Sum of case reserves in excess of SIR.
(G) Sum of case reserves in excess of $100,000.
(H) (E) - (G).
(I) (G) - (F).
(J) (E) - (F).
(K) Minimum of (J) and the aggregate stop loss. See Appendix J - GL.

Santa Clara County Schools Insurance Group - Liability

Claim Counts as of 12/31/22

Accident Year (A)	Reported Claims (B)	Additions to Reported Claims (C)	Subtractions from Reported Claims (D)	Adjusted Reported Claims (E)	Closed Claims (F)	Additions to Closed Claims (G)	Subtractions from Closed Claims (H)	Adjusted Closed Claims (I)	Open Claims (J)	Adjusted Open Claims (K)
2008-2009	44	0	0	44	43	0	0	43	1	1
2009-2010	42	0	0	42	41	0	0	41	1	1
2010-2011	45	0	0	45	45	0	0	45	0	0
2011-2012	26	0	0	26	26	0	0	26	0	0
2012-2013	42	0	2	40	42	0	2	40	0	0
2013-2014	29	0	7	22	28	0	7	21	1	1
2014-2015	44	0	21	23	44	0	21	23	0	0
2015-2016	49	0	18	31	48	0	18	30	1	1
2016-2017	39	0	13	26	39	0	13	26	0	0
2017-2018	48	0	16	32	46	0	16	30	2	2
2018-2019	27	0	8	19	25	0	8	17	2	2
2019-2020	21	0	6	15	21	0	6	15	0	0
2020-2021	11	0	1	10	10	0	1	9	1	1
2021-2022	35	0	6	29	28	0	6	22	7	7
2022-2023	23	0	5	18	9	0	5	4	14	14
Total	525	0	103	422	495	0	103	392	30	30

Notes:

(A) Years are 7/1 to 6/30.
(B) Provided by the Group.
(C)
(D) Closed without payment.
(E) (B) + (C) - (D).
(F) Provided by the Group.
(G)
(H) Closed without payment.
(I) (F) + (G) - (H).
(J) (B) - (F).
(K) (E) - (I).

Santa Clara County Schools Insurance Group - Liability

Exposure Measures

Accident Year	ADA (A)	Inflation Trend Factor (B)	ADA (C)
2008-2009	65,974	1.000	65,974
2009-2010	66,915	1.000	66,915
2010-2011	67,335	1.000	67,335
2011-2012	67,177	1.000	67,177
2012-2013	67,793	1.000	67,793
2013-2014	68,189	1.000	68,189
2014-2015	68,425	1.000	68,425
2015-2016	67,179	1.000	67,179
2016-2017	66,942	1.000	66,942
2017-2018	65,323	1.000	65,323
2018-2019	64,013	1.000	64,013
2019-2020	65,345	1.000	65,345
2020-2021	63,730	1.000	63,730
2021-2022	63,730	1.000	63,730
2022-2023	58,759	1.000	58,759
2023-2024	58,759	1.000	58,759

Notes:

(A) Provided by the Group.
(B) N/A.
(C) (A) x (B).

Santa Clara County Schools Insurance Group - Property

Funding Guidelines for Outstanding Liabilities at
December 31, 2022

(A)	Estimated Ultimate Losses Incurred through 12/31/22: (From Appendix F - PR)	$3,953,226
(B)	Estimated Paid Losses through 12/31/22: (From Appendix F - PR)	3,492,567
(C)	Estimated Liability for Claims Outstanding at 12/31/22: (From Appendix F - PR)	$460,659
(D)	Estimated Liability for Outstanding Claims Administration Fees at 12/31/22: (Not Applicable)	0
(E)	Total Outstanding Liability for Claims at 12/31/22: ((C) + (D))	$460,659
(F)	Reserve Discount Factor (Based on a Discount Rate of 2.00%.): (Appendix H - PR, Page 1, (G))	0.982
(G)	Discounted Outstanding Liability for Claims at 12/31/22: ((E) x (F))*	$452,240

		Marginally Acceptable	Recommended			Conservative
	Confidence Level of Adequacy:	70%	75%	80%	85%	90%
(H)	Confidence Level Factor: (From Appendix I - PR)	1.166	1.241	1.329	1.438	1.583
(I)	Margin for Adverse Experience: ((G) x [(H) - 1])	75,000	109,000	149,000	198,000	264,000
(J)	Total Required Assets at 12/31/22: ((G) + (I))	$527,000	$561,000	$601,000	$650,000	$716,000

* May differ from (E) x (F) due to rounding.

Santa Clara County Schools Insurance Group - Property

Funding Guidelines for Outstanding Liabilities at
June 30, 2023

(A)	Estimated Ultimate Losses Incurred through 6/30/23: (From Appendix F - PR)	$4,192,226
(B)	Estimated Paid Losses through 6/30/23: (From Appendix F - PR)	3,757,313
(C)	Estimated Liability for Claims Outstanding at 6/30/23: (From Appendix F - PR)	$434,913
(D)	Estimated Liability for Outstanding Claims Administration Fees at 6/30/23: (Not Applicable)	0
(E)	Total Outstanding Liability for Claims at 6/30/23: ((C) + (D))	$434,913
(F)	Reserve Discount Factor (Based on a Discount Rate of 2.00%.): (Appendix H - PR, Page 1, (H))	0.985
(G)	Discounted Outstanding Liability for Claims at 6/30/23: ((E) x (F))	$428,321

		Marginally Acceptable	Recommended			Conservative
	Confidence Level of Adequacy:	70%	75%	80%	85%	90%
(H)	Confidence Level Factor: (From Appendix I - PR)	1.166	1.241	1.329	1.438	1.583
(I)	Margin for Adverse Experience: ((G) x [(H) - 1])	71,000	103,000	141,000	188,000	250,000
(J)	Total Required Assets at 6/30/23: ((G) + (I))	$499,000	$531,000	$569,000	$616,000	$678,000

* May differ from (E) x (F) due to rounding.

Santa Clara County Schools Insurance Group - Property

Funding Options for Program Year 2023-2024 (SIR = $100,000)

	Dollar Amount	TIV Rate
(A) Estimated Ultimate Losses Incurred in Accident Year 2023-2024: (From Appendix F - PR)	$537,000	$0.181
(B) Estimated Claims Administration Fees Incurred in Accident Year 2023-2024: (From Exhibit 5 - PR, Page 1, (L))	0	0.000
(C) Total Claims Costs Incurred in Accident Year 2023-2024: ((A) + (B))	$537,000	$0.181
(D) Loss Discount Factor (Based on a Discount Rate of 2.00%.): (Appendix H - PR, Page 2, (G))	0.985	
(E) Discounted Total Claims Costs Incurred in Accident Year 2023-2024: ((C) x (D))	$529,000	$0.178

	Marginally Acceptable	Recommended			Conservative
	70%	75%	80%	85%	90%
(F) Confidence Level Factor: (From Appendix I - PR)	1.187	1.276	1.381	1.513	1.689
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	99,000	146,000	202,000	271,000	364,000
(H) Recommended Funding in 2023-2024 for Claims Costs and Other Expenses: ((E) + (G))	$628,000	$675,000	$731,000	$800,000	$893,000
(I) Rate per $1,000 ofTIV: ((H) / $2,968,646)	$0.212	$0.227	$0.246	$0.269	$0.301

TIV rates are per thousand dollars of 2023-2024 TIV of $2,968,646,000.

Santa Clara County Schools Insurance Group - Property

IBNR as of 6/30/23 at Expected Claims Level

Accident Year	Estimated Ultimate (A)	Reported as of 12/31/22 (B)	Estimated IBNR as of 12/31/22 (C)	Estimated Percent of IBNR Reported Between 1/1/23 and 6/30/23 (D)	Estimated IBNR Reported (E)	Estimated IBNR as of 6/30/23 (F)
2008-2009	$341,735	$341,735	$0	100.0%	$0	$0
2009-2010	331,278	331,278	0	100.0%	0	0
2010-2011	370,502	370,502	0	100.0%	0	0
2011-2012	43,519	43,519	0	100.0%	0	0
2012-2013	84,769	84,769	0	100.0%	0	0
2013-2014	21,756	21,756	0	100.0%	0	0
2014-2015	282,415	282,415	0	100.0%	0	0
2015-2016	107,854	107,854	0	100.0%	0	0
2016-2017	72,992	72,992	0	100.0%	0	0
2017-2018	210,500	210,500	0	100.0%	0	0
2018-2019	531,454	531,454	0	100.0%	0	0
2019-2020	276,166	276,166	0	100.0%	0	0
2020-2021	118,286	118,286	0	59.9%	0	0
2021-2022	855,000	840,377	14,623	39.5%	6,000	8,623
2022-2023	544,000	225,602	46,398	48.5%	154,000	164,398
Totals	$4,192,226	$3,859,205	$61,021		$160,000	$173,021

Notes:

(A) From Exhibit 4 - PR, Page 1.
(B) Provided by the Group. These losses exclude amounts incurred above the Group's SIR for each year.
(C) (A) - (B).
(D) Percentage of incurred but not reported (IBNR) expected to be reported between 1/1/23 and 6/30/23. The percentage is based on the development pattern selected in Appendix A - PR.
(E) ((A) - (B)) x (D).
(F) (A) - (B) - (E).

This exhibit shows the calculation of the amount of incurred but not reported losses we expect as of 6/30/23. This amount is dependent on both the strength of the case reserves and the average frequency and severity of the losses incurred.

Santa Clara County Schools Insurance Group - Property

Estimated Ultimate Program Losses

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Estimate of Ultimate Losses (F)	Selected Estimate of Ultimate Losses Limited to Aggregate (G)
2008-2009	$341,735	341,735	341,735	341,735	341,740	341,735	341,735
2009-2010	331,278	331,278	331,278	331,278	331,275	331,278	331,278
2010-2011	370,502	370,502	370,502	370,502	370,500	370,502	370,502
2011-2012	43,519	43,519	43,519	43,519	43,520	43,519	43,519
2012-2013	84,769	84,769	84,769	84,769	84,771	84,769	84,769
2013-2014	21,756	21,756	21,756	21,756	21,756	21,756	21,756
2014-2015	282,415	282,415	282,415	282,415	282,420	282,415	282,415
2015-2016	107,854	107,854	107,854	107,854	107,854	107,854	107,854
2016-2017	72,992	72,992	72,992	72,992	72,990	72,992	72,992
2017-2018	210,500	210,500	210,500	210,500	279,650	210,500	210,500
2018-2019	531,454	531,454	531,454	531,454	347,556	531,454	531,454
2019-2020	276,166	277,547	276,166	278,619	269,838	276,166	276,166
2020-2021	118,877	124,792	120,905	145,520	279,414	118,286	118,286
2021-2022	857,185	914,401	851,188	824,069	706,772	855,000	855,000
2022-2023	678,836	160,601	612,228	562,876	532,000	544,000	544,000
Totals						$4,192,226	$4,192,226
		Projected Losses for the Year 2022-2023 (H)				$544,000	$544,000
		Projected Losses for the Year 2023-2024 (I)				537,000	537,000

Notes:

(A) From Appendix A - PR, Page 1, Column (G).
(B) From Appendix B - PR, Page 1, Column (G).
(C) From Appendix C - PR, Page 1, Column (G).
(D) From Appendix C - PR, Page 2, Column (G).
(E) From Appendix D - PR, Page 1, Column (C).
(F) Selected averages of (A), (B), (C), (D), and (E).
(G) (F) limited to applicable aggregate.
(H) From Exhibit 5 - PR, Page 1, Line (K).
(I) From Exhibit 5 - PR, Page 1, Line (K).

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

Santa Clara County Schools Insurance Group - Property

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

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Ultimate Limited Losses (F)
2008-2009	$341,735	$341,735	$341,735	$341,735	$341,740	$341,735
2009-2010	331,278	331,278	331,278	331,278	331,275	331,278
2010-2011	370,502	370,502	370,502	370,502	370,500	370,502
2011-2012	43,519	43,519	43,519	43,519	43,520	43,519
2012-2013	84,769	84,769	84,769	84,769	84,771	84,769
2013-2014	21,756	21,756	21,756	21,756	21,756	21,756
2014-2015	282,415	282,415	282,415	282,415	282,420	282,415
2015-2016	107,854	107,854	107,854	107,854	107,854	107,854
2016-2017	72,992	72,992	72,992	72,992	72,990	72,992
2017-2018	210,500	210,500	210,500	210,500	279,650	210,500
2018-2019	531,454	531,454	531,454	531,454	347,556	531,454
2019-2020	276,166	277,547	276,166	278,619	269,838	276,166
2020-2021	118,877	124,792	120,905	145,520	279,414	118,286
2021-2022	857,185	914,401	851,188	824,069	706,772	855,000
2022-2023	678,836	160,601	612,228	562,876	532,000	544,000
Totals						$4,192,226
			Projected Losses for the Year 2022-2023 (G)			$544,000
			Projected Losses for the Year 2023-2024 (H)			537,000

Notes:

(A) From Appendix A - PR, Page 1, Column (D).
(B) From Appendix B - PR, Page 1, Column (D).
(C) Based on results in Appendix C - PR, Page 1.
(D) Based on results in Appendix C - PR, Page 2.
(E) Based on results in Appendix D - PR, Page 1.
(F) Selected averages of (A), (B), (C), (D), and (E).
(G) From Exhibit 5 - PR, Page 1, Line (K) / Line (G).
(H) From Exhibit 5 - PR, Page 1, Line (K) / Line (G).

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.

Santa Clara County Schools Insurance Group - Property

Selection of Projected Limited Loss Rate
and Projection of Program Losses and ALAE

Accident Year	Ultimate Limited Losses (A)	Trend Factor (B)	Trended Limited Losses (C)	Trended TIV ($000) (D)	Trended Limited Loss Rate (E)
2008-2009	$341,735	1.621	$553,952	$23,031,759	$0.024
2009-2010	331,278	1.566	518,781	2,270,234	0.229
2010-2011	370,502	1.513	560,570	2,234,596	0.251
2011-2012	43,519	1.461	63,581	2,197,485	0.029
2012-2013	84,769	1.412	119,694	2,243,242	0.053
2013-2014	21,756	1.364	29,675	2,325,889	0.013
2014-2015	282,415	1.318	372,223	2,354,243	0.158
2015-2016	107,854	1.273	137,298	2,471,839	0.056
2016-2017	72,992	1.230	89,780	2,483,560	0.036
2017-2018	210,500	1.189	250,285	2,505,967	0.100
2018-2019	531,454	1.148	610,109	2,579,056	0.237
2019-2020	276,166	1.109	306,268	2,652,106	0.115
2020-2021	118,286	1.071	126,684	2,742,094	0.046
2021-2022	855,000	1.035	884,925	2,730,105	0.324
2022-2023	544,000	1.000	544,000	2,823,327	0.193
Totals	$4,192,226		$5,167,826	57,645,502	$0.090
16/17-20/21	1,209,398		1,383,126	12,962,783	0.107
17/18-22/22	2,324,906		2,471,987	13,526,688	0.183
				(F) Selected Limited Rate:	$0.175
				Prior:	$0.160

Program Year:	2022-2023	2023-2024
(G) Factor to SIR:	1.000	1.000
(H) Trend Factor:	1.000	1.035
(I) Program Rate:	$0.193	$0.181
(J) Trended TIV ($000):	2,823,327	2,968,646
(K) Projected Program Losses:	544,000	537,000
(L) Projected ULAE:	0	0
(M) Projected Loss and ULAE:	$544,000	$537,000

Notes appear on the next page.

Santa Clara County Schools Insurance Group - Property

Selection of Projected Limited Loss Rate
and Projection of Program Losses and ALAE

Notes:

(A) From Exhibit 4 - PR, Page 2, Column (F).
For purposes of projecting future losses, losses are capped at $100,000 per occurrence.
(B) From Appendix E - PR, Page 1, Column (B).
(C) (A) x (B).
(D) Appendix L - PR, Column (C).
(E) (C) / (D).
(F) Selected based on (E).
(G) Based on a Burr distribution, a mathematical model of claims sizes. 2022-2023 is (K) / (A).
(H) From Appendix E - PR.
(I) (F) x (G) x (H). 2022-2023 is (K) / (J).
(J) Appendix L - PR, Column (C).
(K) (I) x (J). 2022-2023 is from Exhibit 4 - PR, Page 1.
(L) Based on an estimated claim closing pattern and the Group's historical claims administration expenses.
(M) (K) + (L).

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

Santa Clara County Schools Insurance Group - Property

Reported Loss Development

Accident Year (A)	Limited Reported Losses as of 12/31/22 (B)	Reported Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Reported Losses as of 12/31/22 (E)	Reported Loss Development Factor (F)	Ultimate Program Losses (G)
2008-2009	$341,735	1.000	$341,735	$341,735	1.000	$341,735
2009-2010	331,278	1.000	331,278	331,278	1.000	331,278
2010-2011	370,502	1.000	370,502	370,502	1.000	370,502
2011-2012	43,519	1.000	43,519	43,519	1.000	43,519
2012-2013	84,769	1.000	84,769	84,769	1.000	84,769
2013-2014	21,756	1.000	21,756	21,756	1.000	21,756
2014-2015	282,415	1.000	282,415	282,415	1.000	282,415
2015-2016	107,854	1.000	107,854	107,854	1.000	107,854
2016-2017	72,992	1.000	72,992	72,992	1.000	72,992
2017-2018	210,500	1.000	210,500	210,500	1.000	210,500
2018-2019	531,454	1.000	531,454	531,454	1.000	531,454
2019-2020	276,166	1.000	276,166	276,166	1.000	276,166
2020-2021	118,286	1.005	118,877	118,286	1.005	118,877
2021-2022	840,377	1.020	857,185	840,377	1.020	857,185
2022-2023	225,602	3.009	678,836	225,602	3.009	678,836
Totals	$3,859,205		$4,329,838	$3,859,205		$4,329,838

Notes:

(A) Years are 7/1 to 6/30.
(B) Provided by the Group. These losses exclude amounts over $100,000 per occurrence.
(C) From Appendix A - PR, Page 2.
(D) (B) x (C). These estimated losses exclude amounts over $100,000 per occurrence.
(E) Losses capped at the Group's SIR. Amounts are provided by the Group.
(F) Derived from factors on Appendix A - PR, Page 4.
(G) (E) x (F).

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

This exhibit shows the calculation of estimated ultimate losses for each year based on paid losses 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.

Santa Clara County Schools Insurance Group - Property
Reported Loss Development

Limited Losses Reported as of:

Accident Year	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months
2008-2009						353,880	352,302	350,508	349,266	347,669	346,289
2009-2010					331,279	331,278	331,278	331,278	331,278	331,278	331,278
2010-2011				371,497	370,353	370,502	370,502	370,502	370,502	370,502	370,502
2011-2012			43,519	43,519	43,519	43,519	43,519	43,519	43,519	43,019	43,519
2012-2013		136,355	141,355	84,769	84,769	84,769	84,769	84,769	84,769	84,769	84,769
2013-2014		21,756	21,756	21,756	21,756	21,756	21,756	21,256	21,756	21,756	
2014-2015	329,091	285,059	282,415	282,415	282,415	282,415	282,415	282,415	282,415		
2015-2016	102,000	115,000	115,000	107,854	107,854	107,854	107,854	107,854			
2016-2017	28,516	175,119	64,596	64,596	64,096	72,992	72,992				
2017-2018	122,090	343,941	205,767	205,767	210,500	210,500					
2018-2019	160,000	591,417	530,954	531,454	531,454						
2019-2020	295,453	378,403	276,166	276,166							
2020-2021	41,309	119,758	118,286								
2021-2022	463,318	840,377									
2022-2023	225,602										

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
2008-2009						0.996	0.995	0.996	0.995	0.996	0.994
2009-2010					1.000	1.000	1.000	1.000	1.000	1.000	0.995
2010-2011				0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2011-2012			1.000	1.000	1.000	1.000	1.000	1.000	0.989	1.012	1.000
2012-2013		1.037	0.600	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2013-2014		1.000	1.000	1.000	1.000	1.000	0.977	1.024	1.000		
2014-2015	0.866	0.991	1.000	1.000	1.000	1.000	1.000	1.000			
2015-2016	1.127	1.000	0.938	1.000	1.000	1.000	1.000				
2016-2017	6.141	0.369	1.000	0.992	1.139	1.000					
2017-2018	2.817	0.598	1.000	1.023	1.000						
2018-2019	3.696	0.898	1.001	1.000							
2019-2020	1.281	0.730	1.000								
2020-2021	2.899	0.988									
2021-2022	1.814										

	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	2.580	0.846	0.949	1.001	1.015	1.000	0.997	1.003	0.997	1.002	0.997
Dollar-Wtd. Avgs.											
Total	1.848	0.811	0.962	1.002	1.006	0.999	0.999	1.000	0.998	0.999	0.997
3-yr	1.673	0.849	1.000	1.005	1.023	1.000	0.999	1.001	0.997	1.001	0.998
4-yr	2.010	0.789	1.000	1.005	1.013	1.000	0.999	1.001	0.999	1.001	0.997
Comparative Factors	3.158	1.337	1.035	1.007	1.006	1.004	1.005	1.004	1.004	1.003	1.003
Prior	2.950	1.015	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	2.950	1.015	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	3.009	1.020	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Santa Clara County Schools Insurance Group - Property
Reported Loss Development

Limited Losses Reported as of:

Accident Year	138 Months	150 Months	162 Months	174 Months
2008-2009	344,219	342,477	341,735	341,735
2009-2010	329,778	331,278	331,278	
2010-2011	370,502	370,502		
2011-2012	43,519			
2012-2013				
2013-2014				
2014-2015				
2015-2016				
2016-2017				
2017-2018				
2018-2019				
2019-2020				
2020-2021				
2021-2022				
2022-2023				

Reported Loss Development Factors:

	138-150 Months	150-162 Months	162-174 Months	174-Ult. Months
2008-2009	0.995	0.998	1.000	
2009-2010	1.005	1.000		
2010-2011	1.000			
2011-2012				
2012-2013				
2013-2014				
2014-2015				
2015-2016				
2016-2017				
2017-2018				
2018-2019				
2019-2020				
2020-2021				
2021-2022				

	138-150 Months	150-162 Months	162-174 Months	174-Ult. Months
Average	1.000	0.999	1.000	
Dollar-Wtd. Avgs				
Total	1.000	0.999	1.000	
3-yr	1.000			
4-yr				
Comparative Factors	1.003	1.003	1.003	1.010
Prior	1.000	1.000	1.000	
Selected	1.000	1.000	1.000	1.000
Cumulated	1.000	1.000	1.000	1.000

Santa Clara County Schools Insurance Group - Property
Reported between $100,000 and $500,000 Loss Development

Losses Reported as of:

Accident Year	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months
2008-2009						422,334	422,334	422,334	422,334	422,334	422,334
2009-2010					150,631	150,631	150,631	150,631	150,631	150,631	150,631
2010-2011				85,753	85,753	85,753	85,753	85,753	85,753	85,753	85,753
2011-2012											
2012-2013											
2013-2014											
2014-2015	10,000	110,000	113,108	113,108	113,108	113,108	113,108	113,108	113,108		
2015-2016	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000			
2016-2017											
2017-2018	400,000	358,924	12,577	12,577	12,577	12,577					
2018-2019	85,000	825,269	741,145	739,451	739,451						
2019-2020	82,500	65,983									
2020-2021											
2021-2022	528,831	1,221,536									
2022-2023	75,000										

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
2008-2009						1.000	1.000	1.000	1.000	1.000	1.000
2009-2010					1.000	1.000	1.000	1.000	1.000	1.000	1.000
2010-2011				1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2011-2012											
2012-2013											
2013-2014											
2014-2015	11.000	1.028	1.000	1.000	1.000	1.000	1.000	1.000			
2015-2016	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2016-2017											
2017-2018	0.897	0.035	1.000	1.000	1.000						
2018-2019	9.709	0.898	0.998	1.000							
2019-2020	0.800										
2020-2021											
2021-2022	2.310										

	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	4.286	0.740	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Dollar-Wtd. Avgs.											
Total	1.979	0.748	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3-yr											
4-yr											
Comparative											
Factors	3.998	1.869	1.328	1.129	1.050	1.027	1.020	1.012	1.008	1.005	1.004
Prior	4.611	1.861	1.298	1.135	1.045	1.025	1.013	1.004	1.002	1.000	1.000
Selected	3.998	1.300	1.050	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	5.513	1.379	1.061	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Santa Clara County Schools Insurance Group - Property
Reported between $100,000 and $500,000 Loss Development

Losses Reported as of:

Accident Year	138 Months	150 Months	162 Months	174 Months
2008-2009	422,334	422,334	422,334	422,334
2009-2010	150,631	150,631	150,631	
2010-2011	85,753	85,753		
2011-2012				
2012-2013				
2013-2014				
2014-2015				
2015-2016				
2016-2017				
2017-2018				
2018-2019				
2019-2020				
2020-2021				
2021-2022				
2022-2023				

Reported Loss Development Factors:

	138-150 Months	150-162 Months	162-174 Months	174-Ult. Months
2008-2009	1.000	1.000	1.000	
2009-2010	1.000	1.000		
2010-2011	1.000			
2011-2012				
2012-2013				
2013-2014				
2014-2015				
2015-2016				
2016-2017				
2017-2018				
2018-2019				
2019-2020				
2020-2021				
2021-2022				

	138-150 Months	150-162 Months	162-174 Months	174-Ult. Months
Average	1.000	1.000	1.000	
Dollar-Wtd. Avgs				
Total	1.000	1.000	1.000	
3-yr	1.000			
4-yr				
Comparative				
Factors	1.003	1.003	1.003	1.016
Prior	1.000	1.000	1.000	
Selected	1.000	1.000	1.000	1.000
Cumulated	1.000	1.000	1.000	1.000

Santa Clara County Schools Insurance Group - Property

Paid Loss Development

Accident Year (A)	Limited Paid Losses as of 12/31/22 (B)	Paid Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Paid Losses as of 12/31/22 (E)	Paid Loss Development Factor (F)	Ultimate Program Losses (G)
2008-2009	$341,735	1.000	$341,735	$341,735	1.000	$341,735
2009-2010	331,278	1.000	331,278	331,278	1.000	331,278
2010-2011	370,502	1.000	370,502	370,502	1.000	370,502
2011-2012	43,519	1.000	43,519	43,519	1.000	43,519
2012-2013	84,769	1.000	84,769	84,769	1.000	84,769
2013-2014	21,756	1.000	21,756	21,756	1.000	21,756
2014-2015	282,415	1.000	282,415	282,415	1.000	282,415
2015-2016	107,854	1.000	107,854	107,854	1.000	107,854
2016-2017	72,992	1.000	72,992	72,992	1.000	72,992
2017-2018	210,500	1.000	210,500	210,500	1.000	210,500
2018-2019	531,454	1.000	531,454	531,454	1.000	531,454
2019-2020	276,166	1.005	277,547	276,166	1.005	277,547
2020-2021	118,286	1.055	124,792	118,286	1.055	124,792
2021-2022	693,253	1.319	914,401	693,253	1.319	914,401
2022-2023	6,088	26.380	160,601	6,088	26.380	160,601
Totals	$3,492,567		$3,876,115	$3,492,567		$3,876,115

Notes:

(A) Years are 7/1 to 6/30.
(B) Provided by the Group. These losses exclude amounts over $100,000 per occurrence.
(C) From Appendix B - PR, Page 2.
(D) (B) x (C). These estimated losses exclude amounts over $100,000 per occurrence.
(E) Losses capped at the Group's SIR. Amounts are provided by the Group.
(F) Derived from factors on Appendix B - PR, Page 4.
(G) (E) x (F).

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

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

Santa Clara County Schools Insurance Group - Property
Paid Loss Development

Limited 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
2008-2009						353,880	352,302	350,508	349,266	347,669	346,289
2009-2010					331,278	331,278	331,278	331,278	331,278	331,278	331,278
2010-2011				369,710	370,353	370,502	370,502	370,502	370,502	370,502	370,502
2011-2012			43,519	43,519	43,519	43,519	43,519	43,519	43,519	43,019	43,519
2012-2013		61,355	72,155	84,769	84,769	84,769	84,769	84,769	84,769	84,769	84,769
2013-2014		21,756	21,756	21,756	21,756	21,756	21,756	21,256	21,756	21,756	
2014-2015	99,453	278,059	282,415	282,415	282,415	282,415	282,415	282,415	282,415		
2015-2016	100,000	100,000	100,000	107,854	107,854	107,854	107,854	107,854			
2016-2017	18	30,004	64,596	64,596	64,096	72,992	72,992				
2017-2018	3,090	343,848	205,767	205,767	210,500	210,500					
2018-2019	5,000	542,774	530,954	531,454	531,454						
2019-2020	32,941	237,412	276,166	276,166							
2020-2021	33,809	119,758	118,286								
2021-2022	14	693,253									
2022-2023	6,088										

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
2008-2009						0.996	0.995	0.996	0.995	0.996	0.994
2009-2010					1.000	1.000	1.000	1.000	1.000	1.000	0.995
2010-2011				1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2011-2012			1.000	1.000	1.000	1.000	1.000	1.000	0.989	1.012	1.000
2012-2013		1.176	1.175	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2013-2014		1.000	1.000	1.000	1.000	1.000	0.977	1.024	1.000		
2014-2015	2.796	1.016	1.000	1.000	1.000	1.000	1.000	1.000			
2015-2016	1.000	1.000	1.079	1.000	1.000	1.000	1.000				
2016-2017	1,666.889	2.153	1.000	0.992	1.139	1.000					
2017-2018	111.278	0.598	1.000	1.023	1.000						
2018-2019	108.555	0.978	1.001	1.000							
2019-2020	7.207	1.163	1.000								
2020-2021	3.542	0.988									
2021-2022	49,518.071										

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
Average	6,427.417	1.119	1.028	1.002	1.015	1.000	0.997	1.003	0.997	1.002	0.997
Dollar-Wtd. Avgs.											
Total	8.549	0.964	1.013	1.003	1.006	0.999	0.999	1.000	0.998	0.999	0.997
3-yr	15.733	1.028	1.000	1.005	1.023	1.000	0.999	1.001	0.997	1.001	0.998
4-yr	22.201	0.909	1.000	1.005	1.013	1.000	0.999	1.001	0.999	1.001	0.997
Comparative Factors	4.740	2.195	1.443	1.145	1.045	1.021	1.017	1.012	1.009	1.009	1.008
Prior	20.000	1.250	1.050	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	20.000	1.250	1.050	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	26.380	1.319	1.055	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Santa Clara County Schools Insurance Group - Property
Paid Loss Development

Limited Losses Paid as of:

Accident Year	138 Months	150 Months	162 Months	174 Months
2008-2009	344,219	342,477	341,735	341,735
2009-2010	329,778	331,278	331,278	
2010-2011	370,502	370,502		
2011-2012	43,519			
2012-2013				
2013-2014				
2014-2015				
2015-2016				
2016-2017				
2017-2018				
2018-2019				
2019-2020				
2020-2021				
2021-2022				
2022-2023				

Paid Loss Development Factors:

	138-150 Months	150-162 Months	162-174 Months	174-Ult. Months
2008-2009	0.995	0.998	1.000	
2009-2010	1.005	1.000		
2010-2011	1.000			
2011-2012				
2012-2013				
2013-2014				
2014-2015				
2015-2016				
2016-2017				
2017-2018				
2018-2019				
2019-2020				
2020-2021				
2021-2022				

	138-150 Months	150-162 Months	162-174 Months	174-Ult. Months
Average	1.000	0.999	1.000	
Dollar-Wtd. Avgs				
Total	1.000	0.999	1.000	
3-yr	1.000			
4-yr				
Comparative				
Factors	1.007	1.005	1.005	1.019
Prior	1.000	1.000	1.000	
Selected	1.000	1.000	1.000	1.000
Cumulated	1.000	1.000	1.000	1.000

Santa Clara County Schools Insurance Group - Property
Paid between $100,000 and $500,000 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
2008-2009						422,334	422,334	422,334	422,334	422,334	422,334
2009-2010					150,631	150,631	150,631	150,631	150,631	150,631	150,631
2010-2011				85,753	85,753	85,753	85,753	85,753	85,753	85,753	85,753
2011-2012											
2012-2013											
2013-2014											
2014-2015		97,160	113,108	113,108	113,108	113,108	113,108	113,108	113,108		
2015-2016	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000			
2016-2017											
2017-2018		356,012	12,577	12,577	12,577	12,577					
2018-2019		747,583	739,451	739,451	739,451						
2019-2020											
2020-2021											
2021-2022		710,224									
2022-2023											

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
2008-2009						1.000	1.000	1.000	1.000	1.000	1.000
2009-2010					1.000	1.000	1.000	1.000	1.000	1.000	1.000
2010-2011				1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2011-2012											
2012-2013											
2013-2014											
2014-2015		1.164	1.000	1.000	1.000	1.000	1.000	1.000			
2015-2016	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2016-2017											
2017-2018		0.035	1.000	1.000	1.000						
2018-2019		0.989	1.000	1.000							
2019-2020											
2020-2021											
2021-2022											

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months
Average	1.000	0.797	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Dollar-Wtd. Avgs.											
Total	1.000	0.790	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3-yr											
4-yr											
Comparative											
Factors	41.020	4.488	2.270	1.474	1.194	1.110	1.054	1.032	1.027	1.017	1.009
Prior	9.143	3.115	1.786	1.350	1.168	1.090	1.065	1.042	1.030	1.017	1.009
Selected	41.020	3.000	1.750	1.100	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	236.891	5.775	1.925	1.100	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Santa Clara County Schools Insurance Group - Property
Paid between $100,000 and $500,000 Loss Development

Losses Paid as of:

Accident Year	138 Months	150 Months	162 Months	174 Months
2008-2009	422,334	422,334	422,334	422,334
2009-2010	150,631	150,631	150,631	
2010-2011	85,753	85,753		
2011-2012				
2012-2013				
2013-2014				
2014-2015				
2015-2016				
2016-2017				
2017-2018				
2018-2019				
2019-2020				
2020-2021				
2021-2022				
2022-2023				

Paid Loss Development Factors:

	138-150 Months	150-162 Months	162-174 Months	174-Ult. Months
2008-2009	1.000	1.000	1.000	
2009-2010	1.000	1.000		
2010-2011	1.000			
2011-2012				
2012-2013				
2013-2014				
2014-2015				
2015-2016				
2016-2017				
2017-2018				
2018-2019				
2019-2020				
2020-2021				
2021-2022				

	138-150 Months	150-162 Months	162-174 Months	174-Ult. Months
Average	1.000	1.000	1.000	
Dollar-Wtd. Avgs				
Total	1.000	1.000	1.000	
3-yr	1.000			
4-yr				
Comparative				
Factors	1.008	1.008	1.009	1.056
Prior	1.007	1.003	1.000	
Selected	1.000	1.000	1.000	
Cumulated	1.000	1.000	1.000	

Santa Clara County Schools Insurance Group - Property

Exposure and Development Method
Based on Reported Losses

Accident Year	Trended TIV ($000) (A)	Reported Losses as of 12/31/22 (B)	Reported Loss Development Factor (C)	Percentage of Losses Yet to Be Reported (D)	Program Rate (E)	Incurred but not Reported (IBNR) (F)	Ultimate Program Losses (G)
2008-2009	$23,031,759	$341,735	1.000	0.000	$0.015	$0	$341,735
2009-2010	2,270,234	331,278	1.000	0.000	0.146	0	331,278
2010-2011	2,234,596	370,502	1.000	0.000	0.166	0	370,502
2011-2012	2,197,485	43,519	1.000	0.000	0.020	0	43,519
2012-2013	2,243,242	84,769	1.000	0.000	0.038	0	84,769
2013-2014	2,325,889	21,756	1.000	0.000	0.009	0	21,756
2014-2015	2,354,243	282,415	1.000	0.000	0.120	0	282,415
2015-2016	2,471,839	107,854	1.000	0.000	0.044	0	107,854
2016-2017	2,483,560	72,992	1.000	0.000	0.029	0	72,992
2017-2018	2,505,967	210,500	1.000	0.000	0.172	0	210,500
2018-2019	2,579,056	531,454	1.000	0.000	0.179	0	531,454
2019-2020	2,652,106	276,166	1.000	0.000	0.185	0	276,166
2020-2021	2,742,094	118,286	1.005	0.005	0.191	2,619	120,905
2021-2022	2,730,105	840,377	1.020	0.020	0.198	10,811	851,188
2022-2023	2,823,327	225,602	3.009	0.668	0.205	386,626	612,228
Totals	57,645,502	$3,859,205				$400,056	$4,259,261

Notes:

(A) Appendix L - PR, Column (C).
(B) Provided by the Group. These losses exclude amounts incurred above the Group's SIR for each year.
(C) From Appendix A - PR, Page 1, Column (F).
(D) 1 - 1 / (C).
(E) From Appendix C - PR, Page 3, Column (H).
(F) (A) x (D) x (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.

Santa Clara County Schools Insurance Group - Property

Exposure and Development Method
Based on Paid Losses

Accident Year	Trended TIV ($000) (A)	Paid Losses as of 12/31/22 (B)	Paid Loss Development Factor (C)	Percentage of Losses Yet to Be Paid (D)	Program Rate (E)	Incurred but not Paid (F)	Ultimate Program Losses (G)
2008-2009	$23,031,759	$341,735	1.000	0.000	$0.015	$0	$341,735
2009-2010	2,270,234	331,278	1.000	0.000	0.146	0	331,278
2010-2011	2,234,596	370,502	1.000	0.000	0.166	0	370,502
2011-2012	2,197,485	43,519	1.000	0.000	0.020	0	43,519
2012-2013	2,243,242	84,769	1.000	0.000	0.038	0	84,769
2013-2014	2,325,889	21,756	1.000	0.000	0.009	0	21,756
2014-2015	2,354,243	282,415	1.000	0.000	0.120	0	282,415
2015-2016	2,471,839	107,854	1.000	0.000	0.044	0	107,854
2016-2017	2,483,560	72,992	1.000	0.000	0.029	0	72,992
2017-2018	2,505,967	210,500	1.000	0.000	0.172	0	210,500
2018-2019	2,579,056	531,454	1.000	0.000	0.179	0	531,454
2019-2020	2,652,106	276,166	1.005	0.005	0.185	2,453	278,619
2020-2021	2,742,094	118,286	1.055	0.052	0.191	27,234	145,520
2021-2022	2,730,105	693,253	1.319	0.242	0.198	130,816	824,069
2022-2023	2,823,327	6,088	26.380	0.962	0.205	556,788	562,876
Totals	57,645,502	$3,492,567				$717,292	$4,209,859

Notes:

(A) Appendix L - PR, Column (C).
(B) Provided by the Group. These losses exclude amounts paid above the Group's SIR for each year.
(C) From Appendix B - PR, Page 1, Column (F).
(D) 1 - 1 / (C).
(E) From Appendix C - PR, Page 3, Column (H).
(F) (A) x (D) x (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 unpaid will cost what this relationship would suggest.

Santa Clara County Schools Insurance Group - Property

Exposure and Development Method

Accident Year	Trended TIV ($000) (A)	Ultimate Limited Losses (B)	Trend Factor (C)	Trended Limited Losses (D)	Trended Limited Loss Rate (E)	Limited Loss Rate (F)	Factor to SIR (G)	Program Loss Rate (H)
2008-2009	$23,031,759	$341,735	1.621	$553,952	$0.024	$0.015	1.000	$0.015
2009-2010	2,270,234	331,278	1.566	518,781	0.229	0.146	1.000	0.146
2010-2011	2,234,596	370,502	1.513	560,570	0.251	0.166	1.000	0.166
2011-2012	2,197,485	43,519	1.461	63,581	0.029	0.020	1.000	0.020
2012-2013	2,243,242	84,769	1.412	119,694	0.053	0.038	1.000	0.038
2013-2014	2,325,889	21,756	1.364	29,675	0.013	0.009	1.000	0.009
2014-2015	2,354,243	282,415	1.318	372,223	0.158	0.120	1.000	0.120
2015-2016	2,471,839	107,854	1.273	137,298	0.056	0.044	1.000	0.044
2016-2017	2,483,560	72,992	1.230	89,780	0.036	0.029	1.000	0.029
2017-2018	2,505,967	210,500	1.189	250,285	0.100	0.172	1.000	0.172
2018-2019	2,579,056	531,454	1.148	610,109	0.237	0.179	1.000	0.179
2019-2020	2,652,106	276,166	1.109	306,268	0.115	0.185	1.000	0.185
2020-2021	2,742,094	118,286	1.071	126,684	0.046	0.191	1.000	0.191
2021-2022	2,730,105	858,000	1.035	888,030	0.325	0.198	1.000	0.198
2022-2023	2,823,327	679,000	1.000	679,000	0.240	0.205	1.000	0.205
Total/Avg	57,645,502	$4,330,226		$5,305,931	$0.092			
16/17-20/21	12,962,783	1,209,398		1,383,126	0.107			
21/22-22/23	5,553,432	1,537,000		1,567,030	0.282			
				Selected Limited Rate:	$0.205			
				Prior:	$0.150			

Notes:

(A) Appendix L - PR, Column (C).
(B) Selected average of results from Appendices R and R.
(C) From Appendix E - PR, Page 1, Column (B).
(D) (B) x (C).
(E) (D) / (A).
(F) Selected Limited Rate / (C). For 2016-2017 and prior (B) / (A).
(G) Based on a 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.

Santa Clara County Schools Insurance Group - Property

Frequency and Severity Method

Accident Year	Ultimate Program Severity (A)	Adjusted Ultimate Claims (B)	Ultimate Program Losses (C)
2008-2009	$34,174	10	$341,740
2009-2010	22,085	15	331,275
2010-2011	30,875	12	370,500
2011-2012	5,440	8	43,520
2012-2013	9,419	9	84,771
2013-2014	10,878	2	21,756
2014-2015	18,828	15	282,420
2015-2016	53,927	2	107,854
2016-2017	8,110	9	72,990
2017-2018	27,965	10	279,650
2018-2019	28,963	12	347,556
2019-2020	29,982	9	269,838
2020-2021	31,046	9	279,414
2021-2022	32,126	22	706,772
2022-2023	33,250	16	532,000
Total		160	$4,072,056

Notes:

(A) From Appendix D - PR, Page 2, Column (H).
(B) From Appendix D - PR, Page 2, 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.

Santa Clara County Schools Insurance Group - Property

Frequency and Severity Method

Accident Year	Ultimate Limited Losses (A)	Adjusted Ultimate Claims (B)	Ultimate Limited Severity (C)	Trend Factor (D)	Trended Limited Severity (E)	Limited Severity (F)	Factor to SIR (G)	Program Severity (H)
2008-2009	$341,735	10	$34,174	1.621	$55,396	$34,174	1.000	$34,174
2009-2010	331,278	15	22,085	1.566	34,585	22,085	1.000	22,085
2010-2011	370,502	12	30,875	1.513	46,714	30,875	1.000	30,875
2011-2012	43,519	8	5,440	1.461	7,948	5,440	1.000	5,440
2012-2013	84,769	9	9,419	1.412	13,300	9,419	1.000	9,419
2013-2014	21,756	2	10,878	1.364	14,838	10,878	1.000	10,878
2014-2015	282,415	15	18,828	1.318	24,815	18,828	1.000	18,828
2015-2016	107,854	2	53,927	1.273	68,649	53,927	1.000	53,927
2016-2017	72,992	9	8,110	1.230	9,975	8,110	1.000	8,110
2017-2018	210,500	10	21,050	1.189	25,028	27,965	1.000	27,965
2018-2019	531,454	12	44,288	1.148	50,843	28,963	1.000	28,963
2019-2020	276,166	9	30,685	1.109	34,030	29,982	1.000	29,982
2020-2021	118,286	9	13,143	1.071	14,076	31,046	1.000	31,046
2021-2022	855,000	22	38,864	1.035	40,224	32,126	1.000	32,126
2022-2023	646,000	16	40,375	1.000	40,375	33,250	1.000	33,250

Average Limited Severity:	$32,053
Average 16/17-20/21 Limited Severity:	26,790
Average 18/19-22/23 Limited Severity:	35,910
Selected Limited Severity:	$33,250
Prior:	$32,200

Notes:

(A) Selected average of results from Appendices R, R, and R.
(B) Appendix D - PR, Page 3, Column (C).
(C) (A) / (B).
(D) From Appendix E - PR, Page 1, 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.

Santa Clara County Schools Insurance Group - Property

Frequency and Severity Method
Projection of Ultimate Claims

Accident Year	Reported Claim Development (A)	Closed Claim Development (B)	Selected Ultimate Claims (C)	Trended TIV ($000,000) (D)	Claim Frequency (E)	Trend Factor (F)	Trended Claim Frequency (G)
2008-2009	10	10	10	2,303.2	0.004	1.000	0.004
2009-2010	15	15	15	2,270.2	0.007	1.000	0.007
2010-2011	12	12	12	2,235	0.005	1.000	0.005
2011-2012	8	8	8	2,197	0.004	1.000	0.004
2012-2013	9	9	9	2,243	0.004	1.000	0.004
2013-2014	2	2	2	2,326	0.001	1.000	0.001
2014-2015	15	15	15	2,354	0.006	1.000	0.006
2015-2016	2	2	2	2,472	0.001	1.000	0.001
2016-2017	9	9	9	2,484	0.004	1.000	0.004
2017-2018	10	10	10	2,506	0.004	1.000	0.004
2018-2019	12	12	12	2,579	0.005	1.000	0.005
2019-2020	9	9	9	2,652	0.003	1.000	0.003
2020-2021	9	9	9	2,742	0.003	1.000	0.003
2021-2022	23	20	22	2,730	0.008	1.000	0.008
2022-2023	16	0	16	2,823	0.006	1.000	0.006
Total	161	142	160	36,916.9			0.004
16/17-20/21	49	49	49	12,962.8			0.004

(H) Selected Frequency:	0.006
Prior:	0.005

	Program Year:	2022-2023	2023-2024
(I)	Trend Factor:	1.000	1.000
(J)	Selected Frequency:	0.006	0.006
(K)	Est. TIV ($000,000):	2,823.3	2,968.6
(L)	Ultimate Claims:	16	18

Notes:

(A) Appendix D - PR, Page 4, (C).
(B) Appendix D - PR, Page 5, (C).
(C) Selected from (A) and (B).
(D) Appendix L - PR, Column (C) / 1,000.
(E) (C) / (D).
(F) Appendix E - PR, Page 1, Column (F).
(G) (E) x (F).
(H) The selected frequency of 0.006 is based on (G).
(I) Appendix E - PR, Page 1, Column (F).
(J) (H) x (I). 2022-2023 is (L) / (K).
(K) Appendix L - PR, Column (C) / 1,000.
(L) (J) x (K). 2022-2023 is (C).

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

Santa Clara County Schools Insurance Group - Property

Frequency and Severity Method
Reported Claim Count Development

Accident Year	Claims Reported as of 12/31/2022 (A)	Reported Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
2008-2009	10	1.000	10	0.004
2009-2010	15	1.000	15	0.007
2010-2011	12	1.000	12	0.005
2011-2012	8	1.000	8	0.004
2012-2013	9	1.000	9	0.004
2013-2014	2	1.000	2	0.001
2014-2015	15	1.000	15	0.006
2015-2016	2	1.000	2	0.001
2016-2017	9	1.000	9	0.004
2017-2018	10	1.000	10	0.004
2018-2019	12	1.000	12	0.005
2019-2020	9	1.004	9	0.003
2020-2021	9	1.010	9	0.003
2021-2022	23	1.018	23	0.008
2022-2023	8	2.061	16	0.006
Total	153		161	0.004

Notes:

(A) Provided by the Group.
(B) From Appendix D - PR, Page 6.
(C) (A) x (B).
(D) (C) / [Appendix D - PR, Page 3, (D)] x [Appendix D - PR, Page 3, (F)].

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

Santa Clara County Schools Insurance Group - Property

Frequency and Severity Method
Closed Claim Count Development

Accident Year	Claims Closed as of 12/31/2022 (A)	Closed Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
2008-2009	10	1.000	10	0.004
2009-2010	15	1.000	15	0.007
2010-2011	12	1.000	12	0.005
2011-2012	8	1.000	8	0.004
2012-2013	9	1.000	9	0.004
2013-2014	2	1.000	2	0.001
2014-2015	15	1.000	15	0.006
2015-2016	2	1.000	2	0.001
2016-2017	9	1.000	9	0.004
2017-2018	10	1.000	10	0.004
2018-2019	12	1.000	12	0.005
2019-2020	9	1.010	9	0.003
2020-2021	9	1.035	9	0.003
2021-2022	15	1.346	20	0.007
2022-2023	0	9.422	0	
Total	137		142	0.004

Notes:

(A) Provided by the Group.
(B) From Appendix D - PR, Page 7.
(C) (A) x (B).
(D) (C) / [Appendix D - PR, Page 3, (D)] x [Appendix D - PR, Page 3, (F)].

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

Santa Clara County Schools Insurance Group - Property
Reported Claim Count Development

Claims Reported as of:

Accident Year	6 Months	18 Months	30 Months	42 Months	54 Months	66 Months	78 Months	90 Months	102 Months	114 Months	126 Months	138 Months	150 Months	162 Months
2008-2009						10	10	10	10	10	10	10	10	10
2009-2010					15	15	15	15	15	15	15	15	15	15
2010-2011				12	12	12	12	12	12	12	12	12	12	
2011-2012			8	8	8	8	8	8	8	8	8	8		
2012-2013		8	9	9	9	9	9	9	9	9	9			
2013-2014		2	2	2	2	2	2	2	2	2				
2014-2015	7	15	15	15	15	15	15	15	15					
2015-2016	2	2	2	2	2	2	2	2						
2016-2017	5	10	7	7	7	9	9							
2017-2018	5	10	10	10	10	10								
2018-2019	6	12	12	12	12									
2019-2020	6	10	9	9										
2020-2021	5	9	9											
2021-2022	9	23												
2022-2023	8													

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
2008-2009						1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2009-2010					1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2010-2011				1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2011-2012			1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
2012-2013		1.125	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2013-2014		1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000					
2014-2015	2.143	1.000	1.000	1.000	1.000	1.000	1.000	1.000						
2015-2016	1.000	1.000	1.000	1.000	1.000	1.000	1.000							
2016-2017	2.000	0.700	1.000	1.000	1.286	1.000								
2017-2018	2.000	1.000	1.000	1.000	1.000									
2018-2019	2.000	1.000	1.000	1.000										
2019-2020	1.667	0.900	1.000											
2020-2021	1.800	1.000												
2021-2022	2.556													

	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
Average	1.896	0.969	1.000	1.000	1.032	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Claim-Wtd. Avgs.														
Total	2.022	0.962	1.000	1.000	1.025	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3-yr	2.100	0.968	1.000	1.000	1.105	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
4-yr	2.077	0.976	1.000	1.000	1.059	1.000	1.000	1.000	1.000	1.000	1.000			
Comparative														
Factors	2.648	1.144	1.019	1.010	1.008	1.005	1.006	1.005	1.004	1.003	1.003	1.003	1.003	1.003
Prior	2.000	1.008	1.006	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	2.025	1.008	1.006	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	2.061	1.018	1.010	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Santa Clara County Schools Insurance Group - Property
Closed Claim Development

Claims Closed 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
2008-2009						10	10	10	10	10	9	9	9	10
2009-2010					14	15	15	15	15	15	15	15	15	15
2010-2011				11	12	12	12	12	12	12	12	12	12	
2011-2012			8	8	8	8	8	8	8	8	8	8		
2012-2013		7	8	9	9	9	9	9	9	9	9			
2013-2014		2	2	2	2	2	2	2	2	2				
2014-2015	1	13	15	15	15	15	15	15	15					
2015-2016				1	1	1	2	2						
2016-2017		3	7	7	7	9	9							
2017-2018	1	8	10	10	10	10								
2018-2019	1	7	10	11	12									
2019-2020	2	5	9	9										
2020-2021	2	8	9											
2021-2022		15												
2022-2023														

Closed Claim Count Development Factors:

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months	138-150 Months	150-162 Months	162-174 Months
2008-2009						1.000	1.000	1.000	1.000	0.900	1.000	1.000	1.111	1.000
2009-2010					1.071	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2010-2011				1.091	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2011-2012			1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
2012-2013		1.143	1.125	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2013-2014		1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000					
2014-2015	13.000	1.154	1.000	1.000	1.000	1.000	1.000	1.000						
2015-2016				1.000	1.000	2.000	1.000							
2016-2017		2.333	1.000	1.000	1.286	1.000								
2017-2018	8.000	1.250	1.000	1.000	1.000									
2018-2019	7.000	1.429	1.100	1.091										
2019-2020	2.500	1.800	1.000											
2020-2021	4.000	1.125												
2021-2022														

	6-18 Months	18-30 Months	30-42 Months	42-54 Months	54-66 Months	66-78 Months	78-90 Months	90-102 Months	102-114 Months	114-126 Months	126-138 Months	138-150 Months	150-162 Months	162-174 Months
Average	6.900	1.404	1.028	1.020	1.040	1.111	1.000	1.000	1.000	0.980	1.000	1.000	1.056	1.000
Claim-Wtd. Avgs.														
Total	5.857	1.321	1.029	1.027	1.038	1.012	1.000	1.000	1.000	0.981	1.000	1.000	1.042	1.000
3-yr		1.400	1.034	1.036	1.111	1.040	1.000	1.000	1.000	1.000	1.000	1.000		
4-yr		1.357	1.028	1.034	1.061	1.037	1.000	1.000	1.000	1.000	1.000			
Comparative														
Factors	3.724	1.533	1.099	1.040	1.019	1.013	1.010	1.009	1.010	1.007	1.006	1.005	1.005	1.005
Prior	7.000	1.300	1.025	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	7.000	1.300	1.025	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	9.422	1.346	1.035	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Santa Clara County Schools Insurance Group - Property

Loss Trend Factors

Accident Year	Benefit Level Factor (A)	Factor to 2022-2023 Loss Rate Level (B)	Factor to 2023-2024 Loss Rate Level (C)	Factor to 2024-2025 Loss Rate Level (D)	Factor to 2025-2026 Loss Rate Level (E)	Factor to 2022-2023 Frequency Level (F)	Factor to 2023-2024 Frequency Level (G)	Factor to 2024-2025 Frequency Level (H)	Factor to 2025-2026 Frequency Level (I)	Factor to 2022-2023 Severity Level (J)
2001-2002	1.000	2.062	2.134	2.208	2.285	1.000	1.000	1.000	1.000	2.062
2002-2003	1.000	1.993	2.062	2.133	2.208	1.000	1.000	1.000	1.000	1.993
2003-2004	1.000	1.925	1.992	2.061	2.133	1.000	1.000	1.000	1.000	1.925
2004-2005	1.000	1.860	1.924	1.991	2.061	1.000	1.000	1.000	1.000	1.860
2005-2006	1.000	1.797	1.859	1.924	1.991	1.000	1.000	1.000	1.000	1.797
2006-2007	1.000	1.736	1.796	1.859	1.924	1.000	1.000	1.000	1.000	1.736
2007-2008	1.000	1.678	1.736	1.796	1.859	1.000	1.000	1.000	1.000	1.678
2008-2009	1.000	1.621	1.677	1.735	1.796	1.000	1.000	1.000	1.000	1.621
2009-2010	1.000	1.566	1.620	1.676	1.735	1.000	1.000	1.000	1.000	1.566
2010-2011	1.000	1.513	1.565	1.619	1.676	1.000	1.000	1.000	1.000	1.513
2011-2012	1.000	1.461	1.512	1.564	1.619	1.000	1.000	1.000	1.000	1.461
2012-2013	1.000	1.412	1.460	1.511	1.564	1.000	1.000	1.000	1.000	1.412
2013-2014	1.000	1.364	1.411	1.460	1.511	1.000	1.000	1.000	1.000	1.364
2014-2015	1.000	1.318	1.363	1.411	1.460	1.000	1.000	1.000	1.000	1.318
2015-2016	1.000	1.273	1.317	1.363	1.411	1.000	1.000	1.000	1.000	1.273
2016-2017	1.000	1.230	1.273	1.317	1.363	1.000	1.000	1.000	1.000	1.230
2017-2018	1.000	1.189	1.230	1.272	1.317	1.000	1.000	1.000	1.000	1.189
2018-2019	1.000	1.148	1.188	1.229	1.272	1.000	1.000	1.000	1.000	1.148
2019-2020	1.000	1.109	1.148	1.187	1.229	1.000	1.000	1.000	1.000	1.109
2020-2021	1.000	1.071	1.108	1.147	1.187	1.000	1.000	1.000	1.000	1.071
2021-2022	1.000	1.035	1.071	1.108	1.147	1.000	1.000	1.000	1.000	1.035
2022-2023	1.000	1.000	1.035	1.071	1.108	1.000	1.000	1.000	1.000	1.000
2023-2024	1.000	--	1.000	1.035	1.071	--	1.000	1.000	1.000	--
2024-2025	1.000	--	--	1.000	1.035	--	--	1.000	1.000	--
2025-2026	1.000	--	--	--	1.000	--	--	--	1.000	--

Notes:

(A)	No benefit level adjustment applied.
(B) - (E)	(A) adjusted for a 3.5% annual loss rate trend.
(F) - (I)	(A) adjusted for a 0.0% annual frequency trend.
(J)	(A) adjusted for a 3.5% annual severity trend.

This exhibit shows the calculation of the ways in which we expect claims costs to have changed over the past twenty years due to changes in inflation.

Santa Clara County Schools Insurance Group - Property

Residual Trend Factors

Accident Year	Initial Estimate of Ultimate Limited Losses (A)	Ultimate Reported Claims (B)	BLF (C)	Adjusted Limited Severity (D)	Trended TIV ($000) (E)	Ultimate Frequency (F)
2008-2009	341,735	10	1.000	34,174	23,031,759	0.004
2009-2010	331,278	15	1.000	22,085	2,270,234	0.066
2010-2011	370,502	12	1.000	30,875	2,234,596	0.054
2011-2012	43,519	8	1.000	5,440	2,197,485	0.036
2012-2013	84,769	9	1.000	9,419	2,243,242	0.040
2013-2014	21,756	2	1.000	10,878	2,325,889	0.009
2014-2015	282,415	15	1.000	18,828	2,354,243	0.064
2015-2016	107,854	2	1.000	53,927	2,471,839	0.008
2016-2017	72,992	9	1.000	8,110	2,483,560	0.036
2017-2018	210,500	10	1.000	21,050	2,505,967	0.040
2018-2019	531,454	12	1.000	44,288	2,579,056	0.047
2019-2020	276,166	9	1.000	30,685	2,652,106	0.034
2020-2021	118,286	9	1.000	13,143	2,742,094	0.033
2021-2022	858,000	22	1.000	39,000	2,730,105	0.081

	Severity Trend Factors	Frequency Trend Factors
Latest 10 x 2021-2022	1.140	1.040
Mvg 5-Yr Wtd Latest 10 x 2021-2022	1.023	1.075
Latest 5 x 2021-2022	1.144	0.965
Mvg 5-Yr Wtd Latest 5 x 2021-2022	1.149	1.045
Prior	1.030	1.000
Default	1.030	0.975
Selected Residual Trend	1.035	1.000

Notes:

(A) Selected average of results from PR - Appendices R and R.
(B) Appendix D - PR, Page 3, Column (C).
(C) Appendix E - PR, Page 1, Column (A).
(D) (A) x (C) / (B).
(E) Appendix L - PR, Column (C).
(F) (B) / (E) x 10,000.

Santa Clara County Schools Insurance Group - Property

Payment and Reserve Forecast

Accident Year	As of 12/31/2022	Calendar Period 1/1/2023 to 6/30/2023	Calendar Period 7/1/2023 to 6/30/2024
2008-2009			
Ultimate Loss	$341,735	$341,735	$341,735
Paid in Calendar Period	-		
Paid to Date	341,735	341,735	341,735
Outstanding Liability			
2009-2010			
Ultimate Loss	$331,278	$331,278	$331,278
Paid in Calendar Period	-		
Paid to Date	331,278	331,278	331,278
Outstanding Liability			
2010-2011			
Ultimate Loss	$370,502	$370,502	$370,502
Paid in Calendar Period	-		
Paid to Date	370,502	370,502	370,502
Outstanding Liability			
2011-2012			
Ultimate Loss	$43,519	$43,519	$43,519
Paid in Calendar Period	-		
Paid to Date	43,519	43,519	43,519
Outstanding Liability			
2012-2013			
Ultimate Loss	$84,769	$84,769	$84,769
Paid in Calendar Period	-		
Paid to Date	84,769	84,769	84,769
Outstanding Liability			
2013-2014			
Ultimate Loss	$21,756	$21,756	$21,756
Paid in Calendar Period	-		
Paid to Date	21,756	21,756	21,756
Outstanding Liability			
2014-2015			
Ultimate Loss	$282,415	$282,415	$282,415
Paid in Calendar Period	-		
Paid to Date	282,415	282,415	282,415
Outstanding Liability			
2015-2016			
Ultimate Loss	$107,854	$107,854	$107,854
Paid in Calendar Period	-		
Paid to Date	107,854	107,854	107,854
Outstanding Liability			

Santa Clara County Schools Insurance Group - Property

Payment and Reserve Forecast

Accident Year	As of 12/31/2022	Calendar Period 1/1/2023 to 6/30/2023	Calendar Period 7/1/2023 to 6/30/2024
2016-2017			
Ultimate Loss	$72,992	$72,992	$72,992
Paid in Calendar Period	-		
Paid to Date	72,992	72,992	72,992
Outstanding Liability			
2017-2018			
Ultimate Loss	$210,500	$210,500	$210,500
Paid in Calendar Period	-		
Paid to Date	210,500	210,500	210,500
Outstanding Liability			
2018-2019			
Ultimate Loss	$531,454	$531,454	$531,454
Paid in Calendar Period	-		
Paid to Date	531,454	531,454	531,454
Outstanding Liability			
2019-2020			
Ultimate Loss	$276,166	$276,166	$276,166
Paid in Calendar Period	-		
Paid to Date	276,166	276,166	276,166
Outstanding Liability			
2020-2021			
Ultimate Loss	$118,286	$118,286	$118,286
Paid in Calendar Period	-		
Paid to Date	118,286	118,286	118,286
Outstanding Liability			
2021-2022			
Ultimate Loss	$855,000	$855,000	$855,000
Paid in Calendar Period	-	63,567	79,329
Paid to Date	693,253	756,820	836,149
Outstanding Liability	161,747	98,180	18,851
2022-2023			
Ultimate Loss	$305,000	$544,000	$544,000
Paid in Calendar Period	-	201,179	254,570
Paid to Date	6,088	207,267	461,837
Outstanding Liability	298,912	336,733	82,163
2023-2024			
Ultimate Loss	-	-	$537,000
Paid in Calendar Period	-	-	213,726
Paid to Date	-	-	213,726
Outstanding Liability	-	-	323,274

Santa Clara County Schools Insurance Group - Property

Payment and Reserve Forecast

Accident Year	As of 12/31/2022	Calendar Period 1/1/2023 to 6/30/2023	Calendar Period 7/1/2023 to 6/30/2024
Totals			
Ultimate Loss	$3,953,226	$4,192,226	$4,729,226
Paid in Calendar Period	-	264,746	547,625
Paid to Date	3,492,567	3,757,313	4,304,938
Outstanding Liability	460,659	434,913	424,288
Total Outstanding ULAE	0	0	0
Outstanding Liability plus ULAE	460,659	434,913	424,288

Notes appear on the next page.

Santa Clara County Schools Insurance Group - Property

Payment and Reserve Forecast

Notes to previous page:

- Accident Year is associated with date of loss. Calendar Period is associated with date of transaction. For example, for the losses which occurred during 2020-2021, $0 is expected to be paid between 1/1/23 and 6/30/23, $118,286 will have been paid by 6/30/23, and the reserve for remaining payments on these claims should be $0.

- Ultimate Losses for each accident year are from Exhibit 4 - PR, Page 1.

- Paid in Calendar Period is a proportion of the Outstanding Liability from the previous calendar period. These proportions are derived from the paid loss development pattern selected in Appendix B. For example, $0 = $0 x 92.9%.

- Paid to Date is Paid in Calendar Period plus Paid to Date from previous calendar period. For example, $118,286 = $0 + $118,286.

- Outstanding Liability is Ultimate Loss minus Paid to Date. For example, $0 = $118,286 - $118,286.

This exhibit shows the calculation of the liability for outstanding claims as of the date of evaluation, the end of the current fiscal year, and the end of the coming fiscal year. It also shows the expected claims payout during the remainder of the current fiscal year and the coming fiscal year. Refer to the Totals at the end of the exhibit for the balance sheet information. The top parts of the exhibit show information for each program year.

Santa Clara County Schools Insurance Group - Property

Short- and Long-Term Liabilities

		Expected	Discounted
Liabilities as of 12/31/22:			
Current (Short Term)	Loss and ALAE:	$300,859	$297,895
	ULAE:	0	0
	Short-Term Loss and LAE:	$300,859	$297,895
Non-Current (Long Term)	Loss and ALAE:	$159,800	$154,345
	ULAE:	0	0
	Long-Term Loss and LAE:	$159,800	$154,345
Total Liability	Loss and ALAE:	$460,659	$452,240
	ULAE:	0	0
	Total Loss and LAE:	$460,659	$452,240
Liabilities as of 6/30/23:			
Current (Short Term)	Loss and ALAE:	$333,899	$330,609
	ULAE:	0	0
	Short-Term Loss and LAE:	$333,899	$330,609
Non-Current (Long Term)	Loss and ALAE:	$101,014	$97,712
	ULAE:	0	0
	Long-Term Loss and LAE:	$101,014	$97,712
Total Liability	Loss and ALAE:	$434,913	$428,321
	ULAE:	0	0
	Total Loss and LAE:	$434,913	$428,321

		Discounted with a Margin for Contingencies				
		70% Confidence	75% Confidence	80% Confidence	85% Confidence	90% Confidence
Liabilities as of 12/31/22:						
Current (Short Term)	Loss and ALAE:	$347,346	$369,688	$395,902	$428,373	$471,568
	ULAE:	0	0	0	0	0
	Short-Term Loss and LAE:	$347,346	$369,688	$395,902	$428,373	$471,568
Non-Current (Long Term)	Loss and ALAE:	$179,966	$191,542	$205,125	$221,948	$244,328
	ULAE:	0	0	0	0	0
	Long-Term Loss and LAE:	$179,966	$191,542	$205,125	$221,948	$244,328
Total Liability	Loss and ALAE:	$527,312	$561,230	$601,027	$650,321	$715,896
	ULAE:	0	0	0	0	0
	Total Loss and LAE:	$527,312	$561,230	$601,027	$650,321	$715,896
Liabilities as of 6/30/23:						
Current (Short Term)	Loss and ALAE:	$385,490	$410,286	$439,379	$475,416	$523,354
	ULAE:	0	0	0	0	0
	Short-Term Loss and LAE:	$385,490	$410,286	$439,379	$475,416	$523,354
Non-Current (Long Term)	Loss and ALAE:	$113,932	$121,260	$129,860	$140,510	$154,678
	ULAE:	0	0	0	0	0
	Long-Term Loss and LAE:	$113,932	$121,260	$129,860	$140,510	$154,678
Total Liability	Loss and ALAE:	$499,422	$531,546	$569,239	$615,926	$678,032
	ULAE:	0	0	0	0	0
	Total Loss and LAE:	$499,422	$531,546	$569,239	$615,926	$678,032

Note: Current (short term) liabilities are the portion of the total estimated liability shown on Appendix F - PR that is expected to be paid out within the coming year. Totals may vary from Exhibit 1 - PR, due to rounding.

Santa Clara County Schools Insurance Group - Property

Discount Factors to be Applied to Overall Reserves

Accident Year	Full Value of Reserve at 12/31/22 (A)	Discount Factor (B)	Discounted Reserve at 12/31/22 (C)	Full Value of Reserve at 6/30/23 (D)	Discount Factor (E)	Discounted Reserve at 6/30/23 (F)
2021-2022	$161,747	0.985	$159,371	$98,180	0.986	$96,821
2022-2023	298,912	0.980	292,869	336,733	0.984	331,500
Totals	$460,659		$452,240	$434,913		$428,321

(G) Discount Factor at 12/31/22 for Overall Reserve: 0.982
(H) Discount Factor at 6/30/23 for Overall Reserve: 0.985

Notes:

(A) From Appendix F - PR, Outstanding Liability at 12/31/22.
(B) Based on Appendix H - PR, Page 2, Column (F).
(C) (A) x (B).
(D) From Appendix F - PR, Outstanding Liability at 6/30/23.
(E) Based on Appendix H - PR, Page 2, Column (F).
(F) (D) x (E).
(G) Total of (C) / Total of (A).
(H) Total of (F) / Total of (D).

This exhibit shows the expected impact of anticipated investment income on the liability for outstanding claims at the date of evaluation and the end of the current fiscal year. For example, if the discount factor in item (G) is 0.982, the discounted liability for outstanding claims is 98.2% of the full value.

Santa Clara County Schools Insurance Group - Property

Calculation of Discount Factors

Payment Year (A)	Payment Pattern (B)	Return on Investment (C)	Discounted Reserves (D)	Undiscounted Reserves (E)	Discount Factor (F)
22	0.0%	2.00%	0.000	0.000	1.000
21	0.0%	2.00%	0.000	0.000	1.000
20	0.0%	2.00%	0.000	0.000	1.000
19	0.0%	2.00%	0.000	0.000	1.000
18	0.0%	2.00%	0.000	0.000	1.000
17	0.0%	2.00%	0.000	0.000	1.000
16	0.0%	2.00%	0.000	0.000	1.000
15	0.0%	2.00%	0.000	0.000	1.000
14	0.0%	2.00%	0.000	0.000	1.000
13	0.0%	2.00%	0.000	0.000	1.000
12	0.0%	2.00%	0.000	0.000	1.000
11	0.0%	2.00%	0.000	0.000	1.000
10	0.0%	2.00%	0.000	0.000	1.000
9	0.0%	2.00%	0.000	0.000	1.000
8	0.0%	2.00%	0.000	0.000	1.000
7	0.0%	2.00%	0.000	0.000	1.000
6	0.0%	2.00%	0.000	0.000	1.000
5	0.2%	2.00%	0.002	0.002	0.990
4	2.6%	2.00%	0.028	0.028	0.989
3	11.9%	2.00%	0.145	0.147	0.986
2	45.5%	2.00%	0.593	0.602	0.984
1	39.8%	2.00%	0.975	1.000	0.975
		(G) Discount Factor for Future Funding:		2022-2023	0.985
				2023-2024	0.985

Notes:

(A) This is the year of payment relative to the accident year. For example, year 7 refers to payments made in the seventh year after the inception of the accident year. We assume that payments are made at midyear.

(B) Percent of ultimate loss paid this year. This payment pattern is based on the paid loss development pattern selected in Appendix B - PR, Page 2.

(C) Assumed Investment Income Rates.

(D) Discounted Reserves at the beginning of this year is next year's Discounted Reserves discounted one year plus this year's payments discounted six months. For example, in year 2, 59.3% = [14.5% / 1.020] + [45.5% / (1.010)].

(E) Summation of future (B) values. This is the percent of ultimate loss unpaid at the beginning of the year.

(F) (D) / (E).

(G) (F) at year 1, with interest accumulated for six months. We assume that the required funding is deposited at the middle of the first year.

This exhibit shows the calculation of the effect of anticipated investment income on future claims costs. Thus, if the discount factor in item (F) is 0.98, on a discounted basis, $0.98 must be budgeted for every $1 that will actually be paid on claims that will be incurred in the next fiscal year.

Santa Clara County Schools Insurance Group - Property

Confidence Level Table

Probability	Projected Losses	Outstanding Losses
95%	1.983	1.823
90%	1.689	1.583
85%	1.513	1.438
80%	1.381	1.329
75%	1.276	1.241
70%	1.187	1.166
65%	1.108	1.100
60%	1.037	1.040
55%	0.972	0.985
50%	0.910	0.932
45%	0.852	0.882
40%	0.795	0.833
35%	0.739	0.784
30%	0.682	0.734
25%	0.625	0.682

To read table: For the above retention, there is a 90% chance that final loss settlements will be less than 1.689 times the average expected amount of losses.

This exhibit shows the loads that must be applied to bring estimated losses at the expected level to the various indicated confidence levels.

Santa Clara County Schools Insurance Group - Property

Program History

Policy Year Start Date	Policy Year End Date	Policy Year	Self-Insured Retention Per Occurrence	Self-Insured Retention Aggregate
7/1/2008	6/30/2009	2008-2009	$100,000	(none)
7/1/2009	6/30/2010	2009-2010	100,000	(none)
7/1/2010	6/30/2011	2010-2011	100,000	(none)
7/1/2011	6/30/2012	2011-2012	100,000	(none)
7/1/2012	6/30/2013	2012-2013	100,000	(none)
7/1/2013	6/30/2014	2013-2014	100,000	(none)
7/1/2014	6/30/2015	2014-2015	100,000	(none)
7/1/2015	6/30/2016	2015-2016	100,000	(none)
7/1/2016	6/30/2017	2016-2017	100,000	(none)
7/1/2017	6/30/2018	2017-2018	100,000	(none)
7/1/2018	6/30/2019	2018-2019	100,000	(none)
7/1/2019	6/30/2020	2019-2020	100,000	(none)
7/1/2020	6/30/2021	2020-2021	100,000	(none)
7/1/2021	6/30/2022	2021-2022	100,000	(none)
7/1/2022	6/30/2023	2022-2023	100,000	(none)
7/1/2023	6/30/2024	2023-2024	100,000	(none)

Third Party Claims Administrator	Begin Date	End Date
ASCIP	7/1/2008	Current

This exhibit summarizes some of the key facts about the history of the program.

Santa Clara County Schools Insurance Group - Property

Incurred Losses as of 12/31/22

Accident Year (A)	Unlimited Incurred (B)	Subtractions from Losses (C)	Subtractions from Losses (D)	Adjusted Incurred (E)	Incurred Over SIR (F)	Incurred Over $100,000 (G)	Incurred Capped at $100,000 (H)	Incurred $100,000 to SIR Layer (I)	Incurred Capped at SIR (J)	Incurred Capped at SIR & Aggregate (K)
2008-2009	$960,818	$2,672	$23,090	$935,056	$593,321	$593,321	$341,735	$0	$341,735	$341,735
2009-2010	540,760	8,712	50,139	481,908	150,631	150,631	331,278	0	331,278	331,278
2010-2011	540,984	0	84,729	456,255	85,753	85,753	370,502	0	370,502	370,502
2011-2012	76,550	33,031	0	43,519	0	0	43,519	0	43,519	43,519
2012-2013	122,882	34,047	4,066	84,769	0	0	84,769	0	84,769	84,769
2013-2014	26,156	4,400	0	21,756	0	0	21,756	0	21,756	21,756
2014-2015	417,375	11,673	10,179	395,523	113,108	113,108	282,415	0	282,415	282,415
2015-2016	12,730,426	0	0	12,730,426	12,622,572	12,622,572	107,854	0	107,854	107,854
2016-2017	87,956	9,523	5,441	72,992	0	0	72,992	0	72,992	72,992
2017-2018	708,490	0	485,413	223,077	12,577	12,577	210,500	0	210,500	210,500
2018-2019	1,401,271	0	130,366	1,270,905	739,451	739,451	531,454	0	531,454	531,454
2019-2020	361,040	0	84,874	276,166	0	0	276,166	0	276,166	276,166
2020-2021	522,764	396,311	8,166	118,286	0	0	118,286	0	118,286	118,286
2021-2022	2,241,572	0	2,659	2,238,913	1,398,536	1,398,536	840,377	0	840,377	840,377
2022-2023	370,602	70,000	0	300,602	75,000	75,000	225,602	0	225,602	225,602
Total	$21,109,645	$570,370	$889,124	$19,650,151	$15,790,948	$15,790,948	$3,859,202	$0	$3,859,202	$3,859,202

Notes:

(A) Years are 7/1 to 6/30.
(B) Provided by the Group.
(C) Amount over SIR for claims with SIR < $100,000.
(D) Subrogation recoveries.
(E) (B) + (C) - (D).
(F) Sum of incurred losses in excess of SIR.
(G) Sum of incurred losses in excess of $100,000.
(H) (E) - (G).
(I) (G) - (F).
(J) (E) - (F).
(K) Minimum of (J) and the aggregate stop loss. See Appendix J - PR.

Santa Clara County Schools Insurance Group - Property

Paid Losses as of 12/31/22

Accident Year (A)	Unlimited Paid (B)	Subtractions from Losses (C)	Subtractions from Losses (D)	Adjusted Paid (E)	Paid Over SIR (F)	Paid Over $100,000 (G)	Paid Capped at $100,000 (H)	Paid $100,000 to SIR Layer (I)	Paid Capped at SIR (J)	Paid Capped at SIR & Aggregate (K)
2008-2009	$960,818	$2,672	$23,090	$935,056	$593,321	$593,321	$341,735	$0	$341,735	$341,735
2009-2010	540,760	8,712	50,139	481,908	150,631	150,631	331,278	0	331,278	331,278
2010-2011	540,984	0	84,729	456,255	85,753	85,753	370,502	0	370,502	370,502
2011-2012	76,550	33,031	0	43,519	0	0	43,519	0	43,519	43,519
2012-2013	122,882	34,047	4,066	84,769	0	0	84,769	0	84,769	84,769
2013-2014	26,156	4,400	0	21,756	0	0	21,756	0	21,756	21,756
2014-2015	417,375	11,673	10,179	395,523	113,108	113,108	282,415	0	282,415	282,415
2015-2016	12,730,426	0	0	12,730,426	12,622,572	12,622,572	107,854	0	107,854	107,854
2016-2017	87,956	9,523	5,441	72,992	0	0	72,992	0	72,992	72,992
2017-2018	708,490	0	485,413	223,077	12,577	12,577	210,500	0	210,500	210,500
2018-2019	1,401,271	0	130,366	1,270,905	739,451	739,451	531,454	0	531,454	531,454
2019-2020	361,040	0	84,874	276,166	0	0	276,166	0	276,166	276,166
2020-2021	522,764	396,311	8,166	118,286	0	0	118,286	0	118,286	118,286
2021-2022	1,406,136	0	2,659	1,403,477	710,224	710,224	693,253	0	693,253	693,253
2022-2023	6,088	0	0	6,088	0	0	6,088	0	6,088	6,088
Total	$19,909,695	$500,370	$889,124	$18,520,201	$15,027,637	$15,027,637	$3,492,564	$0	$3,492,564	$3,492,564

Notes:

(A) Years are 7/1 to 6/30.
(B) Provided by the Group.
(C) Amount over SIR for claims with SIR < $100,000.
(D) Subrogation recoveries.
(E) (B) + (C) - (D).
(F) Sum of paid losses in excess of SIR.
(G) Sum of paid losses in excess of $100,000.
(H) (E) - (G).
(I) (G) - (F).
(J) (E) - (F).
(K) Minimum of (J) and the aggregate stop loss. See Appendix J - PR.

Santa Clara County Schools Insurance Group - Property

Case Reserves as of 12/31/22

Accident Year (A)	Unlimited Reserves (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Reserves (E)	Reserves Over SIR (F)	Reserves Over $100,000 (G)	Reserves Capped at $100,000 (H)	Reserves $100,000 to SIR Layer (I)	Reserves Capped at SIR (J)	Reserves Capped at SIR & Aggregate (K)
2008-2009	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
2009-2010	0	0	0	0	0	0	0	0	0	0
2010-2011	0	0	0	0	0	0	0	0	0	0
2011-2012	0	0	0	0	0	0	0	0	0	0
2012-2013	0	0	0	0	0	0	0	0	0	0
2013-2014	0	0	0	0	0	0	0	0	0	0
2014-2015	0	0	0	0	0	0	0	0	0	0
2015-2016	0	0	0	0	0	0	0	0	0	0
2016-2017	0	0	0	0	0	0	0	0	0	0
2017-2018	0	0	0	0	0	0	0	0	0	0
2018-2019	0	0	0	0	0	0	0	0	0	0
2019-2020	0	0	0	0	0	0	0	0	0	0
2020-2021	0	0	0	0	0	0	0	0	0	0
2021-2022	835,436	0	0	835,436	688,312	688,312	147,124	0	147,124	147,124
2022-2023	364,514	70,000	0	434,514	75,000	75,000	359,514	0	359,514	219,514
Total	$1,199,950	$70,000	$0	$1,269,950	$763,312	$763,312	$506,638	$0	$506,638	$366,638

Notes:

(A) Years are 7/1 to 6/30.
(B) Appendix K - PR, Page 1, Column (B) - Appendix K - PR, Page 2, Column (B).
(C) Appendix K - PR, Page 1, Column (C) - Appendix K - PR, Page 2, Column (C).
(D) Appendix K - PR, Page 1, Column (D) - Appendix K - PR, Page 2, Column (D).
(E) (B) + (C) - (D).
(F) Sum of case reserves in excess of SIR.
(G) Sum of case reserves in excess of $100,000.
(H) (E) - (G).
(I) (G) - (F).
(J) (E) - (F).
(K) Minimum of (J) and the aggregate stop loss. See Appendix J - PR.

Santa Clara County Schools Insurance Group - Property

Claim Counts as of 12/31/22

Accident Year (A)	Reported Claims (B)	Additions to Reported Claims (C)	Subtractions from Reported Claims (D)	Adjusted Reported Claims (E)	Closed Claims (F)	Additions to Closed Claims (G)	Subtractions from Closed Claims (H)	Adjusted Closed Claims (I)	Open Claims (J)	Adjusted Open Claims (K)
2008-2009	10	0	0	10	10	0	0	10	0	0
2009-2010	15	0	0	15	15	0	0	15	0	0
2010-2011	12	0	0	12	12	0	0	12	0	0
2011-2012	8	0	0	8	8	0	0	8	0	0
2012-2013	9	0	0	9	9	0	0	9	0	0
2013-2014	2	0	0	2	2	0	0	2	0	0
2014-2015	19	0	4	15	19	0	4	15	0	0
2015-2016	5	0	3	2	5	0	3	2	0	0
2016-2017	14	0	5	9	14	0	5	9	0	0
2017-2018	14	0	4	10	14	0	4	10	0	0
2018-2019	15	0	3	12	15	0	3	12	0	0
2019-2020	11	0	2	9	11	0	2	9	0	0
2020-2021	11	0	2	9	11	0	2	9	0	0
2021-2022	23	0	0	23	15	0	0	15	8	8
2022-2023	8	0	0	8	0	0	0	0	8	8
Total	176	0	23	153	160	0	23	137	16	16

Notes:

(A) Years are 7/1 to 6/30.
(B) Provided by the Group.
(C)
(D) Closed without payment.
(E) (B) + (C) - (D).
(F) Provided by the Group.
(G)
(H) Closed without payment.
(I) (F) + (G) - (H).
(J) (B) - (F).
(K) (E) - (I).

Santa Clara County Schools Insurance Group - Property

Exposure Measures

Accident Year	TIV ($000) (A)	Trend Factor (B)	Trended TIV ($000) (C)
2008-2009	$16,299,900	1.413	$23,031,759
2009-2010	1,646,290	1.379	2,270,234
2010-2011	1,661,410	1.345	2,234,596
2011-2012	1,674,912	1.312	2,197,485
2012-2013	1,752,533	1.280	2,243,242
2013-2014	1,862,201	1.249	2,325,889
2014-2015	1,931,290	1.219	2,354,243
2015-2016	2,078,923	1.189	2,471,839
2016-2017	2,141,000	1.160	2,483,560
2017-2018	2,213,752	1.132	2,505,967
2018-2019	2,336,101	1.104	2,579,056
2019-2020	2,462,494	1.077	2,652,106
2020-2021	2,609,033	1.051	2,742,094
2021-2022	2,663,517	1.025	2,730,105
2022-2023	2,823,327	1.000	2,823,327
2023-2024	2,968,646	1.000	2,968,646

Notes:

(A) Provided by the Group.
(B) Based on industry factors.
(C) (A) x (B).