

**SAN MATEO COUNTY  
SCHOOLS  
INSURANCE GROUP**

**AGENDA Packet**

**May 2, 2024**

**9:30 a. m.**

**EXECUTIVE COMMITTEE MEETING**



**SAN MATEO COUNTY SCHOOLS  
INSURANCE GROUP**

*—A Public Entity—*

1791 Broadway  
Redwood City, CA 94063



This meeting agenda shall be posted at the address of the Zoom teleconference locations shown below with access for public via phone.

**Bayshore Elementary School District**  
155 Oriente Street Daly City, CA 94014

**Belmont-Redwood Shores School District**  
2960 Hallmark Dr. Belmont, CA 94002

**Brisbane School District**  
1 Solano St. Brisbane, CA 94005

**Burlingame School District**  
1825 Trousdale Dr. Burlingame, CA 94010

**Cabrillo Unified School District**  
498 Kelly Ave. Half Moon Bay, CA 94019

**Hillsborough City School District**  
300 El Cerrito Ave. Hillsborough, CA 94010

**Jefferson Elementary School District**  
101 Lincoln Ave. Daly City, CA 94015

**Jefferson Union High School District**  
699 Serramonte Blvd. Suite 100.  
Daly City, CA 94015

**La Honda-Pescadero Unified School District**  
360 Butano Cut Off. Pescadero, CA 94060

**Las Lomas School District**  
1011 Altschul Ave. Menlo Park, CA 94025

**Menlo Park City School District**  
181 Encinal Ave. Atherton, CA 94027

**Millbrae School District**  
555 Richmond Dr. Millbrae, CA 94030

**Pacifica School District**  
375 Reina Del Mar Ave. Pacifica, CA 94044

**Portola Valley School District**  
4575 Alpine Road. Portola Valley, CA 94028

**Ravenswood City School District**  
2120 Euclid Ave. East Palo Alto, CA 94303

**Redwood City School District**  
750 Bradford St. Redwood City, CA 94063

**San Bruno Park School District**  
500 Acacia Ave. San Bruno, CA 94066

**San Carlos School District**  
1200 Industrial Rd. Suite 9  
San Carlos, CA 94070

**San Mateo-Foster City School District**  
1170 Chess Dr. Foster City, CA 94404

**San Mateo Union High School District**  
650 N. Delaware St. San Mateo, CA 94401

**Sequoia Union High School District**  
480 James Ave. Redwood City, CA 94062

**Woodside Elementary School District**  
3195 Woodside Rd. Woodside, CA 94062

**Alliant Insurance Services**  
2180 Harvard St, Suite 460  
Sacramento, CA 95815

**Intercare Insurance**  
Rocklin, CA

**James Marta & Company**  
701 Howe Avenue, Suite E3  
Sacramento, CA 95825



**SAN MATEO COUNTY SCHOOLS INSURANCE GROUP**  
**EXECUTIVE COMMITTEE MEETING**  
 May 2, 2024  
 9:30 a.m.

**SMCSIG Office & Zoom**  
**Redwood City, CA**

**AGENDA**

| <u><b>PUBLIC SESSION</b></u> | <b>ITEM TYPE</b> | <b>PAGES</b> |
|------------------------------|------------------|--------------|
|------------------------------|------------------|--------------|

**A. Call to Order**

|                              |        |     |
|------------------------------|--------|-----|
| <b>B. Adoption of Agenda</b> | Action | 1-2 |
|------------------------------|--------|-----|

**C. Closed Session**  
 Claim# 2014-00142  
 Jane Doe V. Millbrae School District

“THE BOARD OF DIRECTORS WILL NOW BE MOVING INTO CLOSED SESSION. MATTERS TO BE DISCUSSED ARE THOSE PERMITTED BY GOVERNMENT CODE SECTIONS 54956.9, 54956.95, 54987, AND 54957.6 – PERSONNEL & LITIGATION.”

**D. Public Comments**

At this time, members of the public may address the Board of Directors regarding any item within the subject matter jurisdiction of the Board, provided that NO action may be taken on off-agenda items unless authorized by law. Comments shall be limited to five minutes per person and twenty minutes for all comments, unless different time limits are set by the Chairperson and subject to the approval of the Board.

|                               |               |            |
|-------------------------------|---------------|------------|
| <b>E. Approval of Minutes</b> | <b>Action</b> | <b>3-7</b> |
|-------------------------------|---------------|------------|

The Consent Agenda includes routine items of business which, in the opinion of the administration, are either self-explanatory or routine enough not to require explanation by the administration or discussion by the Executive Committee.

Executive Committee members or the public wishing any items deleted from the Consent Agenda should so indicate at the time the Consent Agenda is adopted.

| <b>F. Consent Agenda</b>               | <b>ITEM TYPE</b> | <b>PAGES</b> |
|--|------------------|--------------|
| F 1 Ratification of P/L Check Register | Consent          | 8-9          |
| F 2 Ratification of Accounts Payable   | Consent          | 10-11        |
| F 3 Deposit Permit Summary             | Consent          | 12-13        |

| <b>G. Executive Director Report</b>               | <b>ITEM TYPE</b> | <b>PAGES</b> |
|---|------------------|--------------|
| 1. Executive Director’s Report on the Coming Year | Information      | 14-15        |

| <b>H. Administration of the Organization</b>  | <b>ITEM TYPE</b> | <b>PAGES</b> |
|---|------------------|--------------|
| <b>Workers' Compensation (WC) Program</b>     |                  |              |
| 1. Workers Compensation Actuarial Report      | Action           | 16-93        |
| 2. Options for WC Program                     | Action           | 94-95        |
| 3. Recommend 24/25 WC Rates                   | Action           | 96-99        |
| <b>Property/Liability Program</b>             |                  |              |
| 4. Acceptance of Actuarial Report             | Action           | 100-232      |
| 5. Recommended 24/25 Property/Liability Rates | Action           | 233-236      |
| 6. Recommended 2025 Dental Rates              | Action           | 239-240      |
| 7. Dental RFI                                 | Information      | 241          |
| 8. Recommended 2025 Vision Rates              | Action           | 242-243      |
| 9. Recommend Adoption of 24/25 SMCSIG Budget  | Action           | 244-245      |
| 10. James Marta & Company LLC Contract        | Action           | 246-254      |
| 11. Salary Chart                              | Action           | 255-260      |
| 12. Meeting Calendar                          | Action           | 261          |

**I. Closed Session**

Public Employee Performance Evaluation (§ 54957). Title: Executive Director.

“THE BOARD OF DIRECTORS WILL NOW BE MOVING INTO CLOSED SESSION. MATTERS TO BE DISCUSSED ARE THOSE PERMITTED BY GOVERNMENT CODE SECTIONS 54956.9, 54956.95, 54987, AND 54957.6 – PERSONNEL & LITIGATION.”



**SAN MATEO COUNTY SCHOOLS INSURANCE GROUP  
EXECUTIVE COMMITTEE MEETING  
Minutes of April 18, 2024  
SMCSIG Board Room/Zoom  
Redwood City, CA**

**PUBLIC SESSION: - 8:30 a.m. to 12:00 p.m.**

**Present**

Patrick Gaffney  
Josie Peterson  
Valerie Miller  
Amy Wooliever  
Kevin Bultema  
Marites Fermin  
Roberta Zarea

**Absent**

Mei Chan

**Others Present**

Craig Schweikhard  
Sharon Vishwa  
Tom Ledda  
Tasha Lane  
Raya Estares  
Don Freeman  
Jim Marta  
Ritesh Sharma

**Guests**

Danielle Buri-Beaton  
Michele Meadors  
Matt Gowan  
Anthony Poston  
Cathy Huynh  
Christine Kern  
Erin Thomas  
Keith Brown  
Eddie Barfield

Patrick Foley  
Bordan Darm  
Barry Healy  
Mariana Solomon  
Karen Lucian  
Connie Ngo  
Michael Lauro  
Erica Hays  
Rick Edson  
Rui Bao  
Tina Van Raaphorst  
Ted O

Roll call was taken.



SAN MATEO COUNTY SCHOOLS  
INSURANCE GROUP  
—A Public Entity—

**SAN MATEO COUNTY SCHOOLS INSURANCE GROUP  
EXECUTIVE COMMITTEE  
MEETING MINUTES  
April 18, 2024**

**B. Adoption of the Agenda.**

A motion was made to change the order of the agenda. It was suggested that items G1, G2, G3, G4, G5, and G7 are covered first. Then items F1 Strategic Plan Update and F2 Executive Director’s Presentation. Closed session for the Executive Director evaluation will take place and lastly, G6 Salary Chart (COLA). Kevin Bultema motioned to make changes and adopt the Agenda. Josie Peterson seconded the motion.

|                       |        |
|-----------------------|--------|
| Vote: Patrick Gaffney | Aye    |
| Josie Peterson        | Aye    |
| Amy Wooliever         | Aye    |
| Valerie Miller        | Aye    |
| Marites Fermin        | Aye    |
| Kevin Bultema         | Aye    |
| Roberta Zarea         | Aye    |
| Mei Chan              | Absent |

Motion passed.

**D. Approval of Minutes**

Kevin Bultema moved to approve the minutes. Josie Peterson seconded the motion.

|                       |        |
|-----------------------|--------|
| Vote: Patrick Gaffney | Aye    |
| Josie Peterson        | Aye    |
| Amy Wooliever         | Aye    |
| Valerie Miller        | Aye    |
| Marites Fermin        | Aye    |
| Kevin Bultema         | Aye    |
| Roberta Zarea         | Aye    |
| Mei Chan              | Absent |

Motion passed.

**G1. Dental Market RFI**

Marites Fermin motioned to table this item. Roberta Zarea seconded the motion.

|                       |        |
|-----------------------|--------|
| Vote: Patrick Gaffney | Aye    |
| Josie Peterson        | Aye    |
| Amy Wooliever         | Aye    |
| Valerie Miller        | Aye    |
| Marites Fermin        | Aye    |
| Kevin Bultema         | Aye    |
| Roberta Zarea         | Aye    |
| Mei Chan              | Absent |

Motion passed.

**G2. Benefit Admin Platform RFP**

Marites Fermin motioned to table this item. Roberta Zarea seconded the motion.

|                       |        |
|-----------------------|--------|
| Vote: Patrick Gaffney | Aye    |
| Josie Peterson        | Aye    |
| Amy Wooliever         | Aye    |
| Valerie Miller        | Aye    |
| Marites Fermin        | Aye    |
| Kevin Bultema         | Aye    |
| Roberta Zarea         | Aye    |
| Mei Chan              | Absent |

Motion passed.

**G3. Employee Benefits Services Agreement (Keenan)**

Amy Wooliever motioned to approve the Employee Benefits Services Agreement (Keenan). Roberta Zarea seconded the motion.

|                       |        |
|-----------------------|--------|
| Vote: Patrick Gaffney | Aye    |
| Josie Peterson        | Aye    |
| Amy Wooliever         | Aye    |
| Valerie Miller        | Aye    |
| Marites Fermin        | Aye    |
| Kevin Bultema         | Aye    |
| Roberta Zarea         | Aye    |
| Mei Chan              | Absent |

Motion passed.

**G4. ESM Contract**

Marites motioned to approve the ESM contract. Amy Wooliever seconded the motion.

|                       |        |
|-----------------------|--------|
| Vote: Patrick Gaffney | Aye    |
| Josie Peterson        | Aye    |
| Amy Wooliever         | Aye    |
| Valerie Miller        | Aye    |
| Marites Fermin        | Aye    |
| Kevin Bultema         | Aye    |
| Roberta Zarea         | Aye    |
| Mei Chan              | Absent |

Motion passed.

**G6. Salary Chart (COLA)**

This item will be tabled until the May 2, 2024 meeting. Patrick Gaffney motioned to table this item. Roberta Zarea seconded the motion.

|                       |        |
|-----------------------|--------|
| Vote: Patrick Gaffney | Aye    |
| Josie Peterson        | Aye    |
| Amy Wooliever         | Aye    |
| Valerie Miller        | Aye    |
| Marites Fermin        | Aye    |
| Kevin Bultema         | Aye    |
| Roberta Zarea         | Aye    |
| Mei Chan              | Absent |

Motion passed.

**Meeting Adjourned**

**SAN MATEO COUNTY SCHOOLS INSURANCE GROUP  
EXECUTIVE COMMITTEE MEETING  
AGENDA ITEM**

**Department:** Consent Agenda

**Action**

**Item Number:** F1

**Consent**

**Title:** Ratification of Property/Liability  
Check Register

**Information**

Attached is the Ratification of Property/Liability Check Register Report from March 2024 through April 2024.

| <b>Date</b> | <b>Vendor</b>   | <b>Check #:</b> | <b>Amount</b> |
|-------------|---|-----------------|---------------|
| 3/20/2024   | VEN-1587--Ellis Investigations Law Corporation          | 5127            | \$ 3,503.50   |
| 3/20/2024   | VEN-1742--Adam Matye                                    | 5114            | 250.00        |
| 3/20/2024   | VEN-1449--Gibbons & Conley                              | 5130            | 25.00         |
| 3/20/2024   | VEN-1449--Gibbons & Conley                              | 5129            | 900.00        |
| 3/20/2024   | VEN-1743--Christopher Baldwin                           | 5117            | 1,780.00      |
| 3/20/2024   | VEN-1609--Davis Bengtson & Young, APLC                  | 5126            | 82.50         |
| 3/20/2024   | VEN-1609--Davis Bengtson & Young, APLC                  | 5125            | 110.00        |
| 3/20/2024   | VEN-1609--Davis Bengtson & Young, APLC                  | 5124            | 110.00        |
| 3/20/2024   | VEN-1609--Davis Bengtson & Young, APLC                  | 5123            | 192.50        |
| 3/20/2024   | VEN-1609--Davis Bengtson & Young, APLC                  | 5122            | 215.50        |
| 3/20/2024   | VEN-1609--Davis Bengtson & Young, APLC                  | 5121            | 263.00        |
| 3/20/2024   | VEN-1609--Davis Bengtson & Young, APLC                  | 5120            | 302.50        |
| 3/20/2024   | VEN-1609--Davis Bengtson & Young, APLC                  | 5119            | 837.50        |
| 3/20/2024   | VEN-1609--Davis Bengtson & Young, APLC                  | 5118            | 7,667.19      |
| 3/20/2024   | VEN-1590--Burlingame School District                    | 5116            | 6,290.00      |
| 3/20/2024   | VEN-1745--GEICO   | 5128            | 2,078.74      |
| 3/20/2024   | VEN-1018--Belfor Property Restoration                   | 5115            | 36,277.69     |
| 4/8/2024    | VEN-1656--HY Floor & Gameline Painting                  | 5135            | 161,236.00    |
| 4/8/2024    | VEN-1746--Stradling Yocca Carlson & Rauth LLP           | 5137            | 240.00        |
| 4/8/2024    | VEN-1419--Allen, Glaessner, Hazelwood & Werth, LLP      | 5132            | 470.00        |
| 4/8/2024    | VEN-1609--Davis Bengtson & Young, APLC                  | 5133            | 198.75        |
| 4/8/2024    | VEN-1729--RNS HealthCare Consultants, Inc.              | 5136            | 737.50        |
| 4/8/2024    | VEN-1640--Edrington, Schirmer & Murphy LLP              | 5134            | 1,111.02      |
| 4/8/2024    | VEN-1419--Allen, Glaessner, Hazelwood & Werth, LLP      | 5131            | 3,813.50      |
| 4/24/2024   | VEN-1749--County Supply Co DBA County Restaurant Supply | 5155            | 27,612.61     |
| 4/24/2024   | VEN-1018--Belfor Property Restoration                   | 5144            | 14,783.50     |
| 4/24/2024   | VEN-1749--County Supply Co DBA County Restaurant Supply | 5154            | 7,538.36      |
| 4/24/2024   | VEN-1582--Bertrand, Fox, Elliot, Osman & Wenzel         | 5153            | 271.50        |
| 4/24/2024   | VEN-1748--Shirley Casco                                 | 5168            | 199.53        |
| 4/24/2024   | VEN-1609--Davis Bengtson & Young, APLC                  | 5167            | 192.50        |
| 4/24/2024   | VEN-1582--Bertrand, Fox, Elliot, Osman & Wenzel         | 5152            | 168.00        |
| 4/24/2024   | VEN-1419--Allen, Glaessner, Hazelwood & Werth, LLP      | 5142            | 152.00        |
| 4/24/2024   | VEN-1609--Davis Bengtson & Young, APLC                  | 5166            | 27.50         |

| <b>Date</b>                      | <b>Vendor</b>                                      | <b>Check #:</b> | <b>Amount</b>        |
|----------------------------------|--|-----------------|----------------------|
| 4/24/2024                        | VEN-1203--Belfor Environmental, Inc.               | 5143            | 10,233.36            |
| 4/24/2024                        | VEN-1582--Bertrand, Fox, Elliot, Osman & Wenzel    | 5151            | 5,287.50             |
| 4/24/2024                        | VEN-1747--All Fence Company, INC.                  | 5138            | 4,360.00             |
| 4/24/2024                        | VEN-1609--Davis Bengtson & Young, APLC             | 5165            | 3,980.12             |
| 4/24/2024                        | VEN-1582--Bertrand, Fox, Elliot, Osman & Wenzel    | 5150            | 3,400.27             |
| 4/24/2024                        | VEN-1582--Bertrand, Fox, Elliot, Osman & Wenzel    | 5149            | 2,770.50             |
| 4/24/2024                        | VEN-1582--Bertrand, Fox, Elliot, Osman & Wenzel    | 5148            | 2,704.30             |
| 4/24/2024                        | VEN-1582--Bertrand, Fox, Elliot, Osman & Wenzel    | 5147            | 1,851.00             |
| 4/24/2024                        | VEN-1582--Bertrand, Fox, Elliot, Osman & Wenzel    | 5146            | 1,632.92             |
| 4/24/2024                        | VEN-1609--Davis Bengtson & Young, APLC             | 5164            | 1,210.00             |
| 4/24/2024                        | VEN-1609--Davis Bengtson & Young, APLC             | 5163            | 1,206.62             |
| 4/24/2024                        | VEN-1609--Davis Bengtson & Young, APLC             | 5162            | 935.00               |
| 4/24/2024                        | VEN-1609--Davis Bengtson & Young, APLC             | 5161            | 797.50               |
| 4/24/2024                        | VEN-1609--Davis Bengtson & Young, APLC             | 5160            | 766.62               |
| 4/24/2024                        | VEN-1419--Allen, Glaessner, Hazelwood & Werth, LLP | 5141            | 514.00               |
| 4/24/2024                        | VEN-1609--Davis Bengtson & Young, APLC             | 5159            | 82.50                |
| 4/24/2024                        | VEN-1609--Davis Bengtson & Young, APLC             | 5158            | 360.50               |
| 4/24/2024                        | VEN-1609--Davis Bengtson & Young, APLC             | 5157            | 357.50               |
| 4/24/2024                        | VEN-1419--Allen, Glaessner, Hazelwood & Werth, LLP | 5140            | 329.00               |
| 4/24/2024                        | VEN-1582--Bertrand, Fox, Elliot, Osman & Wenzel    | 5145            | 247.50               |
| 4/24/2024                        | VEN-1609--Davis Bengtson & Young, APLC             | 5156            | 223.95               |
| 4/24/2024                        | VEN-1419--Allen, Glaessner, Hazelwood & Werth, LLP | 5139            | 117.50               |
| <b>Total for Property Claims</b> |  |                 | <b>\$ 323,006.05</b> |

**SAN MATEO COUNTY SCHOOLS INSURANCE GROUP  
EXECUTIVE COMMITTEE MEETING  
AGENDA ITEM**

**Department:** Consent Agenda

**Action**

**Item Number:** F2

**Consent**

**Title:** Ratification of Accounts Payable

**Information**

Attached is the Ratification of Accounts Payable Check Register Report from March 2024 to April 2024.

| <b>Date</b> | <b>Vendor</b>                                    | <b>Payment #</b> | <b>Amount</b> |
|-------------|--|------------------|---------------|
| 3/20/2024   | VEN-1342--Resource Solutions of SF Group, INC.   | 5492             | \$ 106.03     |
| 3/20/2024   | VEN-1075--Joe Kirley                             | 5489             | 55.00         |
| 3/20/2024   | VEN-1155--Stericycle, Inc                        | 5493             | 95.81         |
| 3/20/2024   | VEN-1154--Perez Gardening                        | 5490             | 810.00        |
| 3/20/2024   | VEN-1311--Principal Facility Group Inc.          | 5491             | 250.00        |
| 3/20/2024   | VEN-1192--All Covered                            | 121042880000081  | 766.92        |
| 3/20/2024   | VEN-1683--San Mateo County Schools Ins Grp - HCC | 121042880000080  | 10,681.15     |
| 3/20/2024   | VEN-1235--Optum                                  | 121042880000079  | 10,398.26     |
| 3/20/2024   | VEN-1553--Intercare Holdings Insurance Services  | 121042880000078  | 64,833.33     |
| 3/29/2024   | VEN-1146--First Bankcard - Craig                 |                  | 438.01        |
| 3/29/2024   | VEN-1299--First Bankcard - Thomas                |                  | 129.88        |
| 3/29/2024   | VEN-1741--First Bankcard - Tasha                 |                  | 105.05        |
| 3/29/2024   | VEN-1147--First Bankcard - Sharon                |                  | 309.25        |
| 3/29/2024   | VEN-1641--City of Redwood City                   |                  | 473.07        |
| 3/31/2024   | VEN-1355--Metropolitan Life Insurance Company    |                  | 129.50        |
| 4/1/2024    | VEN-1028--CA Schools Vision Coalition            | 121042880000083  | 100,780.00    |
| 4/1/2024    | VEN-1027--CA Schools Dental Coalition            | 121042880000082  | 1,215,581.00  |
| 4/8/2024    | VEN-1716--Total Compensation Systems, Inc.       | 5498             | 1,530.00      |
| 4/8/2024    | VEN-1402--American Fidelity Assurance            | 5494             | 143.00        |
| 4/8/2024    | VEN-1311--Principal Facility Group Inc.          | 5497             | 250.00        |
| 4/8/2024    | VEN-1372--Craig Schweikhard                      | 5496             | 108.97        |
| 4/8/2024    | VEN-1009--American Fidelity Assurance Co.        | 5495             | 579.15        |
| 4/8/2024    | VEN-1134--V&G Carpet and Housecleaning           | 5499             | 560.00        |
| 4/8/2024    | VEN-1272--Equifax                                | 121042880000089  | 4,728.75      |
| 4/8/2024    | VEN-1192--All Covered                            | 121042880000088  | 766.92        |
| 4/8/2024    | VEN-1070--James Marta & Company                  | 121042880000087  | 18,625.00     |
| 4/8/2024    | VEN-1592--PRISM                                  | 121042880000086  | 1,000.00      |
| 4/8/2024    | VEN-1683--San Mateo County Schools Ins Grp - HCC | 121042880000085  | 10,681.15     |
| 4/8/2024    | VEN-1553--Intercare Holdings Insurance Services  | 121042880000084  | 65,058.33     |

| <b>Date</b>                        | <b>Vendor</b>                                 | <b>Payment #</b> | <b>Amount</b>          |
|------------------------------------|---|------------------|------------------------|
| 4/10/2024                          | VEN-1012--AT&T                                |                  | 353.11                 |
| 4/11/2024                          | VEN-1097--PG&E                                |                  | 1,326.48               |
| 4/13/2024                          | VEN-1638--Konica Minolta                      |                  | 247.23                 |
| 4/15/2024                          | VEN-1205--Clark Pest Control, Inc.            |                  | 134.00                 |
| 4/24/2024                          | VEN-1282--Thomas Ledda                        | 5503             | 121.27                 |
| 4/24/2024                          | VEN-1395--Raya Estares                        | 5502             | 137.35                 |
| 4/24/2024                          | VEN-1235--Optum                               | 121042880000090  | 10,398.26              |
| 4/24/2024                          | VEN-1311--Principal Facility Group Inc.       | 5501             | 250.00                 |
| 4/24/2024                          | VEN-1075--Joe Kirley                          | 5500             | 55.00                  |
| 4/27/2024                          | VEN-1641--City of Redwood City                |                  | 494.30                 |
| 4/30/2024                          | VEN-1355--Metropolitan Life Insurance Company |                  | 129.50                 |
| 4/30/2024                          | VEN-1686--KYND Limited                        |                  | 63,729.50              |
| <b>Total for General Operating</b> |   |                  | <b>\$ 1,587,349.53</b> |

**SAN MATEO COUNTY SCHOOLS INSURANCE GROUP  
EXECUTIVE COMMITTEE MEETING  
AGENDA ITEM**

|   |                                     |                    |
|---|-------------------------------------|--------------------|
| <b>Department:</b> <u>Consent Agenda</u>    | <input type="checkbox"/>            | <b>Action</b>      |
| <b>Item Number:</b> F3                      | <input checked="" type="checkbox"/> | <b>Consent</b>     |
| <b>Title:</b> <u>Deposit Permit Summary</u> | <input type="checkbox"/>            | <b>Information</b> |

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Attached is the Deposit Permit Summary Report April 2024.

CODING STRUCTURE / JOB COST ACCO Echo CODING STRUCTURE Description Name Fee Code  
 Amount Customer ID Text Pt Format Cust Type Div PC  
 04901-2820 SMCSIG - Worker School Income CK CR579029 0  
 CRSMCOE NONE DX WORKERS COMPENSATION AROSTEGC 04/08/24  
 CK DP 02 SMCOE SAN MATEO CO OFFICE OF E

04904-2820 REGLCR579029 SMCOE TO SMCSIG, 1791 BROADWAY, REDWOOD CITY, CA.  
 128,928.64 SMCSIG - Proper School Income CK CR579029 0  
 CRSMCOE NONE DX PROPERTY/LIABILITY AROSTEGC 04/08/24  
 CK DP 02 SMCOE SAN MATEO CO OFFICE OF E

System Total  
 Total for Check Pay Type CK 131,971.60  
 Total for Coin Pay Type CN 0.00  
 Total for Credit Card Pay CC 0.00  
 Total for Currency Pay TP CU 0.00  
 Total for Wire Transfer PT WT 0.00  
 Total for Unspecified ' ' 0.00

Set ID: DCA408G4 System Computed Total: 131,971.60 User Computed Total: 131,971.60 TOTALS MATCH  
 Total A/R Payments 131,971.60  
 Total G/L Payments 131,971.60

GRAND TOTAL System Computed Total: 131,971.60 User Computed Total: 131,971.60 TOTALS MATCH  
 Total A/R Payments 131,971.60  
 Total G/L Payments 131,971.60

Final Budget Check  
 No Budget Errors

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San Mateo County Treasurer

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**SAN MATEO COUNTY SCHOOLS INSURANCE GROUP  
EXECUTIVE COMMITTEE MEETING  
AGENDA ITEM**

**Department:** Executive Directors Report  **Action**  
**Item Number:** G1  **Consent**  
**Title:** Executive Directors Report on Coming Year  **Information**

**Background**

The next policy year is coming with some unique challenges. The property and liability markets continue to be hard and rising claims cost are continuing to create challenges for our overall cost of risk. The Liability and Property Pool are seeing substantial increases especially at the excess levels. Excellent claims handling at the SMCSIG Self Insured Retention is showing only a modest increase. Claims cost and financing of the previous SELF assessments has eroded our equity in these programs.

SMCSIG Board has made good decisions such as going self-insured in the WC program to funding at 80% confidence level resulting in growth of equity. WC, Dental and Vision programs have equity available above the actuarial targeted equity.

as of 12/31/23

|                                 | Actuarial            |                      |                      |
|---------------------------------|----------------------|----------------------|----------------------|
|                                 | Equity Balance       | Targeted Equity      | Available Equity     |
| <b>WC</b>                       | \$ 24,785,931        | \$ 17,422,000        | \$ 7,363,931         |
| <b>Property &amp; Liability</b> | 3,048,067            | 8,020,000            | -                    |
| <b>Dental</b>                   | 9,290,301            | 5,100,000            | 4,190,301            |
| <b>Vision</b>                   | 1,663,820            | 410,000              | 1,253,820            |
| <b>Unemployment</b>             | 249,799              | -                    | -                    |
| <b>Total</b>                    | <b>\$ 39,037,918</b> | <b>\$ 30,952,000</b> | <b>\$ 12,808,052</b> |

**SELF ASSESSMENT**

SMCSIG has been in SELF for excess liability coverage since the 80's. A funding plan has been developed to annually assess members to fund these SAM claims. Through two (2) assessments, SMCSIG has paid \$3.2M to SELF while collecting back from the members through Property/Liability Rate. SELF has made a third assessment in the amount of \$154.1M. **SMCSIG members portion of the assessment is \$4,076,739.** SELF will be invoicing the SMCSIG members around May 2024, payable in 2024/25 fiscal year with no payment installment. There are no options for paying over time and barring help at the California Supreme Court or the Legislature, future assessments are possible.

SMCSIG is recommending that we use our strong equity position to help members offset these changes. SMCSIG Members are facing certain circumstances.

- AB 218 SELF 3<sup>rd</sup> round of Assessment of \$4M due next in 24-25
- Member districts concerns about dental providers no longer working with our Delta Dental
- Pressures as school districts to keep premiums low

Actions for accessing Equity in our programs will be discussed. Options include

- Lower Rates in the Short Term
- Rate Holiday
- Pay Dividend.

Staff will provide suggestions for the upcoming 24-25 year and ask for Executive Committee's recommendation for the Full Board meeting:

- Funding WC's premium below 80%
- Reviewing the Dental program carriers with projected savings of about \$1M.
- Provide premium reduction on dental and vision programs

COLA Salary increase is being brought back to the Executive Committee with the additional documentation requested. Provided are comparative salaries for other pools in Bay Area.

Dental and Vision have been brought back with additional information.

**SAN MATEO COUNTY SCHOOLS INSURANCE GROUP  
EXECUTIVE COMMITTEE MEETING  
AGENDA ITEM**

**Department:** Administration of The Organization

**Action**

**Item Number:** H1

**Consent**

**Title:** Workers Compensation Actuarial Report

**Information**

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**Background**

SMCSIG’s actuarial studies are prepared and presented to the Executive Committee each spring. The objective of the actuarial study is to provide a review and update of projected losses liability for outstanding claims as of June 30, 2024. The actuary also provides loss rate funding information for the 2024/2024 fiscal year.

The Workers’ Compensation program was self-insured from 1977 to October of 1995 with an SIR of \$100K. We used a combination of commercial insurance and participation in the PIPS risk sharing program through June 2020. We still have open claims and claims exposure for the self-insured years. The actuary has provided claim funding guidance for the new self-insured program effective July 1, 2020 with a self-insured retention (SIR) of \$250,000.

**Workers’ Compensation**

**Considerations concerning the actuarial report:**

1. Is the data in the report in agreement with our data; yes
2. Are the report estimation methodologies comparable to prior periods: yes
3. Are the assumptions in the report comparable to prior periods: yes
4. The actuary reports –
  - Claims liabilities are estimated to increase \$4.78M, (23.7%) over prior year report due to the addition of another policy year.

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

| Dollars (\$000s)            | Prior Report at 6/30/2023 | Current Report at 6/30/2024 | Dollar Change  | Percent Change |
|-----------------------------|---------------------------|-----------------------------|----------------|----------------|
| Case Reserves <sup>1</sup>  | \$4,713                   | \$6,486                     | \$1,773        | 37.6%          |
| IBNR <sup>2</sup>           | 13,785                    | 16,524                      | 2,739          | 19.9%          |
| Claims Administration       | 1,714                     | 1,986                       | 272            | 15.9%          |
| <b>Total (Undiscounted)</b> | <b>\$20,212</b>           | <b>\$24,997</b>             | <b>\$4,784</b> | <b>23.7%</b>   |
| NPV Adjustment <sup>3</sup> | (1,807)                   | (2,317)                     | (510)          | 28.2%          |
| <b>Total (Discounted)</b>   | <b>\$18,405</b>           | <b>\$22,680</b>             | <b>\$4,274</b> | <b>23.2%</b>   |

- Prior year claims have developed more favorably; developing \$2.4M less than expected.

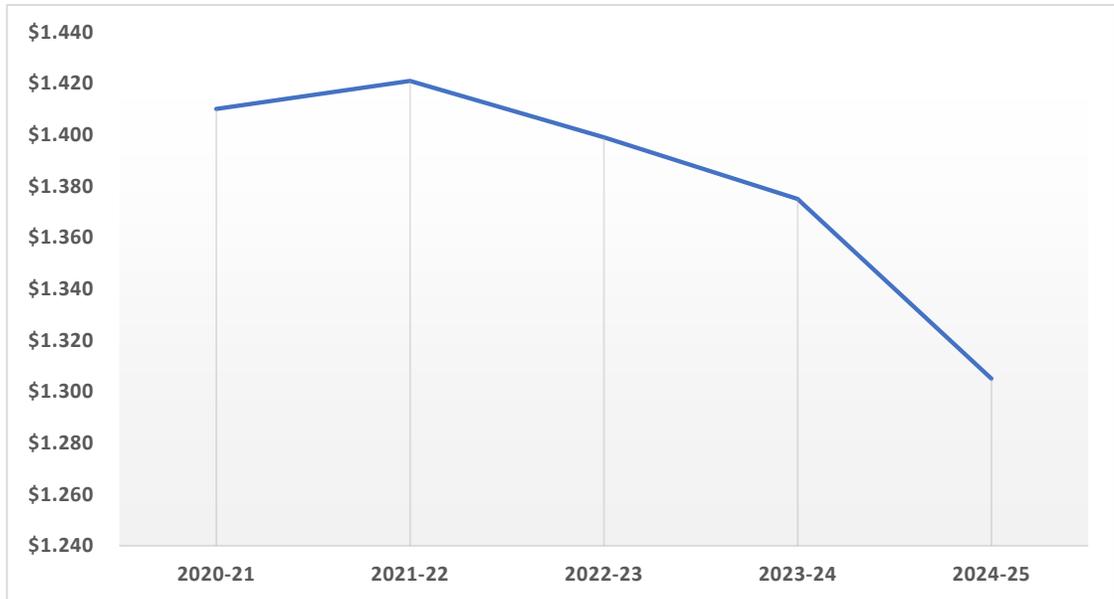
Change in Projected Ultimate Loss & ALAE<sup>1</sup>  
Prior vs. Current Reports  
(\$000s)

| Fiscal Year  | Prior Ultimate  | Current Ultimate | Change in Ultimate |
|--------------|-----------------|------------------|--------------------|
| Prior        | \$38,970        | \$39,019         | \$49               |
| 2020-21      | 5,643           | 5,839            | 196                |
| 2021-22      | 9,503           | 9,018            | (485)              |
| 2022-23      | 10,775          | 8,639            | (2,136)            |
| <b>Total</b> | <b>\$64,891</b> | <b>\$62,515</b>  | <b>(\$2,376)</b>   |

<sup>1</sup> 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.

- Our projected funding rate for 2024-25 loss and ALAE at the discounted, expected level is \$1.305 per \$100 of payroll, assuming an SIR of \$250,000 as compared to the actuary base rate of \$1.375 in the prior year. The rate decreased by 5%. Below is a chart of funding rates over the prior five years. These rates are from self-insured years.

|             | <u>2020-21</u> | <u>2021-22</u> | <u>2022-23</u> | <u>2023-24</u> | <u>2024-25</u> | <u>% Change</u> |
|-------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| Expected \$ | 1.410          | \$ 1.421       | \$ 1.399       | \$ 1.375       | \$ 1.305       | -5%             |



5. The rate reported by the actuary is a claims funding rate and does not include insurance and operating costs.

**Attachment:** See attached reports.

These reports assisted management in determining expected losses and necessary funding required for the current year, and for outstanding claims liabilities, as of June 30, 2024.

### Recommendation

It is recommended that the Executive Committee of the SMCISG Board accept the actuarial report for Worker’s Compensation.



# Bickmore — Actuarial

## Actuarial Review of the Self-Insured Workers' Compensation Program

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

*Presented to*  
**San Mateo County Schools Insurance Group**

March 29, 2024

## SCOPE AND SIGNATURE

San Mateo 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, 2024 for its self-insured workers’ compensation program utilizing data valued as of December 31, 2023. 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, 2024. 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, allocated loss adjustment expense (ALAE), and unallocated loss adjustment expense (ULAE). ALAE and ULAE are defined in the Glossary section of this report.
2. Project ultimate claims costs for the 2024-25 program year. Similar to the liability projections, the ultimate program year costs are presented 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 Derek Burkhalter at (916) 244-1167 with any questions you may have concerning this report.

Derek Burkhalter and Stefan Zepernick meet the Casualty Actuarial Society continuing education requirements and the American Academy of Actuaries’ qualification standards to sign Statements of Actuarial Opinion.

**DRAFT**

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Derek Burkhalter, ACAS, MAAA  
Senior Actuarial Manager

**DRAFT**

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Stefan Zepernick, ACAS, MAAA  
Actuarial Manager

**DRAFT**

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Mary Ann Case, PSM  
Senior Actuarial Analyst

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## EXECUTIVE SUMMARY

## Net Claim Liabilities

The following tables present our conclusions regarding the Group's net claim liabilities for the program in total at the Expected and various confidence levels.

Self-Insured Workers' compensation Program  
Loss & LAE Claim Liabilities  
As of June 30, 2024, Net of Reinsurance

| Dollars (\$000s)                 | Expected <sup>1</sup> | ← Confidence Level → |                 |                 |                 |                 |
|----------------------------------|-----------------------|----------------------|-----------------|-----------------|-----------------|-----------------|
|                                  |                       | 70%                  | 75%             | 80%             | 85%             | 90%             |
| Loss & ALAE                      | \$23,010              | \$24,713             | \$25,357        | \$26,116        | \$27,014        | \$28,211        |
| Claims Admin. (ULAE)             | <u>1,986</u>          | <u>2,133</u>         | <u>2,189</u>    | <u>2,255</u>    | <u>2,332</u>    | <u>2,435</u>    |
| <b>Total Loss &amp; LAE</b>      | <b>\$24,997</b>       | <b>\$26,846</b>      | <b>\$27,546</b> | <b>\$28,371</b> | <b>\$29,346</b> | <b>\$30,646</b> |
| NPV Adjustment <sup>2</sup>      | <u>(2,317)</u>        | <u>(2,488)</u>       | <u>(2,553)</u>  | <u>(2,629)</u>  | <u>(2,720)</u>  | <u>(2,840)</u>  |
| <b>Discounted Loss &amp; LAE</b> | <b>\$22,680</b>       | <b>\$24,358</b>      | <b>\$24,993</b> | <b>\$25,742</b> | <b>\$26,626</b> | <b>\$27,806</b> |

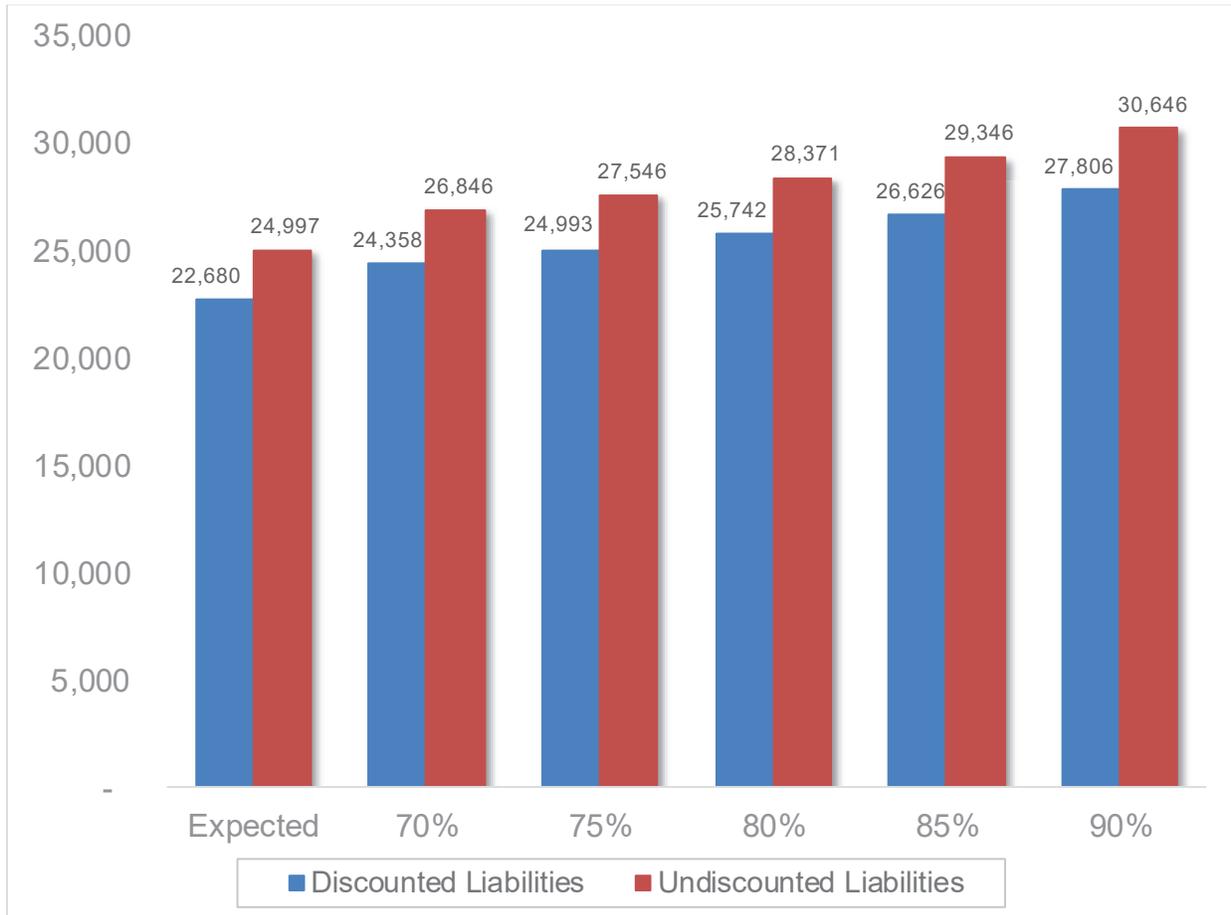
| Dollars (\$000s)                 | ← Confidence Level → |                 |                 |                 |
|----------------------------------|----------------------|-----------------|-----------------|-----------------|
|                                  | 95%                  | 98%             | 99%             | 99.5%           |
| Loss & ALAE                      | \$30,098             | \$33,203        | \$35,141        | \$39,048        |
| Claims Admin. (ULAE)             | <u>2,598</u>         | <u>2,866</u>    | <u>3,034</u>    | <u>3,371</u>    |
| <b>Total Loss &amp; LAE</b>      | <b>\$32,696</b>      | <b>\$36,069</b> | <b>\$38,175</b> | <b>\$42,419</b> |
| NPV Adjustment <sup>2</sup>      | <u>(3,031)</u>       | <u>(3,343)</u>  | <u>(3,539)</u>  | <u>(3,932)</u>  |
| <b>Discounted Loss &amp; LAE</b> | <b>\$29,665</b>      | <b>\$32,726</b> | <b>\$34,636</b> | <b>\$38,487</b> |

<sup>1</sup> Expected values represent the "best actuarial" or "central" estimate.

<sup>2</sup> Net present value is based on an annual discount rate of 2.0% and assumes that invested assets are equal to the recommended discounted reserve level.

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

Loss & LAE Claim Liabilities  
As of June 30, 2024, Net of Reinsurance  
(\$000s)



We generally recommend that risk pools maintain funding at no less than the 90% confidence level. However, we understand that each entity is unique, and that proper funding levels can vary based on issues such as the organization's risk tolerance and financial circumstances. All of these items need to be considered when determining a surplus target, which may significantly exceed the 90% confidence level. A detailed assessment of an appropriate surplus target is beyond the scope of this study.

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

## Statement of Compliance with GASB #10

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

## Funding Projections

The following table presents our estimates of ultimate costs for the upcoming program year.

Projected Ultimate Costs  
Fiscal Year 2024-25, SIR of \$250,000

| Dollars (\$000s)                 | Expected <sup>1</sup> | ← Confidence Level → |                 |                 |                 |                 |
|----------------------------------|-----------------------|----------------------|-----------------|-----------------|-----------------|-----------------|
|                                  |                       | 70%                  | 75%             | 80%             | 85%             | 90%             |
| Loss & ALAE                      | \$12,483              | \$13,544             | \$13,956        | \$14,418        | \$14,992        | \$15,741        |
| <u>Claims Admin. (ULAE)</u>      | <u>1,632</u>          | <u>1,771</u>         | <u>1,825</u>    | <u>1,885</u>    | <u>1,960</u>    | <u>2,058</u>    |
| <b>Total Loss &amp; LAE</b>      | <b>\$14,115</b>       | <b>\$15,315</b>      | <b>\$15,781</b> | <b>\$16,303</b> | <b>\$16,952</b> | <b>\$17,799</b> |
| NPV Adjustment <sup>2</sup>      | (1,139)               | (1,236)              | (1,274)         | (1,316)         | (1,368)         | (1,436)         |
| <b>Discounted Loss &amp; LAE</b> | <b>\$12,976</b>       | <b>\$14,079</b>      | <b>\$14,507</b> | <b>\$14,987</b> | <b>\$15,584</b> | <b>\$16,363</b> |
| Total Funding Rate <sup>3</sup>  | \$1.305               | \$1.415              | \$1.458         | \$1.507         | \$1.567         | \$1.645         |

- <sup>1</sup> Expected values represent the “best actuarial” or “central” estimate.
- <sup>2</sup> Net present value is based on an annual discount rate of 2.0% and assumes that invested funding is equal to the recommended funding level and is invested at the beginning of the fiscal year.
- <sup>3</sup> Rate is per \$100 of payroll.

The following tables present our estimates of ultimate costs for the upcoming program year, assuming alternative SIR levels of \$125,000 and \$350,000, respectively.

Projected Ultimate Costs  
Fiscal Year 2024-25, SIR of \$125,000

| Dollars (\$000s)                 | Expected <sup>1</sup> | ← Confidence Level → |                 |                 |                 | 90%             |
|----------------------------------|-----------------------|----------------------|-----------------|-----------------|-----------------|-----------------|
|                                  |                       | 70%                  | 75%             | 80%             | 85%             |                 |
| Loss & ALAE                      | \$10,106              | \$10,904             | \$11,198        | \$11,541        | \$11,945        | \$12,481        |
| <u>Claims Admin. (ULAE)</u>      | <u>1,632</u>          | <u>1,761</u>         | <u>1,808</u>    | <u>1,864</u>    | <u>1,929</u>    | <u>2,015</u>    |
| <b>Total Loss &amp; LAE</b>      | <b>\$11,738</b>       | <b>\$12,665</b>      | <b>\$13,006</b> | <b>\$13,405</b> | <b>\$13,874</b> | <b>\$14,496</b> |
| NPV Adjustment <sup>2</sup>      | (730)                 | (787)                | (809)           | (834)           | (863)           | (901)           |
| <b>Discounted Loss &amp; LAE</b> | <b>\$11,008</b>       | <b>\$11,878</b>      | <b>\$12,197</b> | <b>\$12,571</b> | <b>\$13,011</b> | <b>\$13,595</b> |
| Total Funding Rate <sup>3</sup>  | \$1.107               | \$1.194              | \$1.226         | \$1.264         | \$1.308         | \$1.367         |

Projected Ultimate Costs  
Fiscal Year 2024-25, SIR of \$350,000

| Dollars (\$000s)                 | Expected <sup>1</sup> | ← Confidence Level → |                 |                 |                 | 90%             |
|----------------------------------|-----------------------|----------------------|-----------------|-----------------|-----------------|-----------------|
|                                  |                       | 70%                  | 75%             | 80%             | 85%             |                 |
| Loss & ALAE                      | \$13,190              | \$14,364             | \$14,812        | \$15,340        | \$15,973        | \$16,804        |
| <u>Claims Admin. (ULAE)</u>      | <u>1,632</u>          | <u>1,777</u>         | <u>1,833</u>    | <u>1,898</u>    | <u>1,976</u>    | <u>2,079</u>    |
| <b>Total Loss &amp; LAE</b>      | <b>\$14,822</b>       | <b>\$16,141</b>      | <b>\$16,645</b> | <b>\$17,238</b> | <b>\$17,949</b> | <b>\$18,883</b> |
| NPV Adjustment <sup>2</sup>      | (1,259)               | (1,371)              | (1,414)         | (1,464)         | (1,524)         | (1,604)         |
| <b>Discounted Loss &amp; LAE</b> | <b>\$13,563</b>       | <b>\$14,770</b>      | <b>\$15,231</b> | <b>\$15,774</b> | <b>\$16,425</b> | <b>\$17,279</b> |
| Total Funding Rate <sup>3</sup>  | \$1.364               | \$1.485              | \$1.531         | \$1.586         | \$1.651         | \$1.737         |

- <sup>1</sup> Expected values represent the “best actuarial” or “central” estimate.
- <sup>2</sup> Net present value is based on an annual discount rate of 2.0% and assumes that invested funding is equal to the recommended funding level and is invested at the beginning of the fiscal year.
- <sup>3</sup> Rate is per \$100 of payroll.

Below, we list estimates of ultimate ceded claims for the most recent self-insured years for workers' compensation.

**SMCSIG Workers' Compensation Program  
Estimated Ultimate Ceded Loss Estimates (\$000s)**

| Program<br>Year | Estimated<br>Unlimited<br>Ultimate<br><u>Losses</u> | Estimated<br>SIR<br>Ultimate<br><u>Losses</u> | Estimated<br>Ceded<br><u>Losses</u> |
|-----------------|---|---|-------------------------------------|
| 2020-2021       | \$7,063   | \$5,839                                       | \$1,224                             |
| 2021-2022       | 10,030  | 9,018   | 1,012                               |
| 2022-2023       | 9,773   | 8,639   | 1,134                               |
| 2023-2024       | 14,554  | 11,812  | 2,742                               |
| Total           | \$41,420  | \$35,308                                      | \$6,112                             |

## BACKGROUND

San Mateo County Schools Insurance Group began its self-insured workers' compensation program in 1977. Its self-insured retention had ranged between \$100,000 and \$250,000 until October 1, 1995 when the Group purchased first-dollar coverage with an insurance carrier. The Group returned to self-insurance on July 1, 2020 with a retention of \$250,000 per occurrence. Claims administration services are provided by InterCare. Excess insurance coverage is provided by Public Risk Innovation, Solutions, and Management (PRISM).

The following table shows a history of the Group's self-insured retentions (SIRs) by year.

| Policy Year Start Date | Policy Year End Date | Per Occurrence Retention | Aggregate Retention |
|------------------------|----------------------|--------------------------|---------------------|
| 7/1/1975               | 9/30/1995            | Varies                   | (none)              |
| 10/1/1995              | 6/30/2001            | Fully Insured            | (none)              |
| 7/1/2001               | 6/30/2002            | Fully Insured            | (none)              |
| 7/1/2002               | 6/30/2003            | Fully Insured            | (none)              |
| 7/1/2003               | 6/30/2004            | Fully Insured            | (none)              |
| 7/1/2004               | 6/30/2005            | Fully Insured            | (none)              |
| 7/1/2005               | 6/30/2006            | Fully Insured            | (none)              |
| 7/1/2006               | 6/30/2007            | Fully Insured            | (none)              |
| 7/1/2007               | 6/30/2008            | Fully Insured            | (none)              |
| 7/1/2008               | 6/30/2009            | Fully Insured            | (none)              |
| 7/1/2009               | 6/30/2010            | Fully Insured            | (none)              |
| 7/1/2010               | 6/30/2011            | Fully Insured            | (none)              |
| 7/1/2011               | 6/30/2012            | Fully Insured            | (none)              |
| 7/1/2012               | 6/30/2013            | Fully Insured            | (none)              |
| 7/1/2013               | 6/30/2014            | Fully Insured            | (none)              |
| 7/1/2014               | 6/30/2015            | Fully Insured            | (none)              |
| 7/1/2015               | 6/30/2016            | Fully Insured            | (none)              |
| 7/1/2016               | 6/30/2017            | Fully Insured            | (none)              |
| 7/1/2017               | 6/30/2018            | Fully Insured            | (none)              |
| 7/1/2018               | 6/30/2019            | Fully Insured            | (none)              |
| 7/1/2019               | 6/30/2020            | Fully Insured            | (none)              |
| 7/1/2020               | 6/30/2021            | 250,000                  | (none)              |
| 7/1/2021               | 6/30/2022            | 250,000                  | (none)              |
| 7/1/2022               | 6/30/2023            | 250,000                  | (none)              |
| 7/1/2023               | 6/30/2024            | 250,000                  | (none)              |
| 7/1/2024               | 6/30/2025            | 250,000                  | (none)              |

## 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 April 7, 2023 and relied on data evaluated as of December 31, 2022. The current analysis relies on data evaluated as of December 31, 2023.

### Comparison of Actual versus Expected Activity

The following tables describe how incurred and paid losses have emerged between the two points in time referenced above. We also compare how our projected ultimate loss & ALAE amounts have changed between these two points in time.

Actual Versus Expected Incurred Loss & ALAE<sup>1</sup>  
Prior vs. Current Reports  
(\$000s)

| Fiscal Year       | Expected Emergence | Actual Emergence | Actual Minus Expected Emergence |
|-------------------|--------------------|------------------|---------------------------------|
| Prior to 10/01/95 | \$13               | \$33             | \$21                            |
| 2020-21           | 507                | 679              | 172                             |
| 2021-22           | 1,615              | 1,209            | (406)                           |
| 2022-23           | 5,151              | 2,824            | (2,326)                         |
| <b>Total</b>      | <b>\$7,285</b>     | <b>\$4,746</b>   | <b>(\$2,540)</b>                |

Actual Versus Expected Paid Loss & ALAE<sup>1</sup>  
Prior vs. Current Reports  
(\$000s)

| Fiscal Year       | Expected Payments | Actual Payments | Actual Minus Expected Payments |
|-------------------|-------------------|-----------------|--------------------------------|
| Prior to 10/01/95 | \$41              | \$10            | (\$31)                         |
| 2020-21           | 793               | 622             | (171)                          |
| 2021-22           | 1,750             | 1,274           | (476)                          |
| 2022-23           | 2,769             | 1,865           | (904)                          |
| <b>Total</b>      | <b>\$5,354</b>    | <b>\$3,771</b>  | <b>(\$1,583)</b>               |

Change in Projected Ultimate Loss & ALAE<sup>1</sup>  
 Prior vs. Current Reports  
 (\$000s)

| Fiscal<br>Year | Prior<br>Ultimate | Current<br>Ultimate | Change in<br>Ultimate |
|----------------|-------------------|---------------------|-----------------------|
| Prior          | \$38,970          | \$39,019            | \$49                  |
| 2020-21        | 5,643             | 5,839               | 196                   |
| 2021-22        | 9,503             | 9,018               | (485)                 |
| 2022-23        | 10,775            | 8,639               | (2,136)               |
| <b>Total</b>   | <b>\$64,891</b>   | <b>\$62,515</b>     | <b>(\$2,376)</b>      |

- <sup>1</sup> 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, 2023 to our current report's estimated liability for outstanding claims as of June 30, 2024.

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

| Dollars (\$000s)            | Prior Report at 6/30/2023 | Current Report at 6/30/2024 | Dollar Change  | Percent Change |
|-----------------------------|---------------------------|-----------------------------|----------------|----------------|
| Case Reserves <sup>1</sup>  | \$4,713                   | \$6,486                     | \$1,773        | 37.6%          |
| IBNR <sup>2</sup>           | 13,785                    | 16,524                      | 2,739          | 19.9%          |
| Claims Administration       | <u>1,714</u>              | <u>1,986</u>                | <u>272</u>     | <u>15.9%</u>   |
| <b>Total (Undiscounted)</b> | <b>\$20,212</b>           | <b>\$24,997</b>             | <b>\$4,784</b> | <b>23.7%</b>   |
| NPV Adjustment <sup>3</sup> | <u>(1,807)</u>            | <u>(2,317)</u>              | <u>(510)</u>   | <u>28.2%</u>   |
| <b>Total (Discounted)</b>   | <b>\$18,405</b>           | <b>\$22,680</b>             | <b>\$4,274</b> | <b>23.2%</b>   |

<sup>1</sup> Established by the claims administrator.

<sup>2</sup> IBNR: Incurred But Not Reported for development beyond the case reserves.

<sup>3</sup> Net present value is based on an annual discount rate of 2.0%.

The table below reconciles our prior report's estimated liability for outstanding claims as of June 30, 2023 to our current report's estimated liability for outstanding claims as of June 30, 2024.

Reconciliation of Claims Liabilities  
At Expected (without Risk Margin), Net of Reinsurance

|  | Dollars (\$000s) |
|--|------------------|
| <b>(A) Prior 6/30/23 Discounted Loss &amp; LAE Liabilities</b> | <b>\$18,405</b>  |
| (B) Change in Ultimate Loss & ALAE (AY 2022-23 and Prior)      | (2,376)          |
| (C) Current 2023-24 Estimated Ultimate Loss & ALAE             | 11,812           |
| (D) Estimated Paid Loss & ALAE in 2023-24                      | (4,924)          |
| (E) Change in ULAE   | 272              |
| (F) Change in Net Present Value                                | (510)            |
| <b>(G) Current 6/30/23 Discounted Loss &amp; LAE</b>           | <b>\$22,680</b>  |

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

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

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

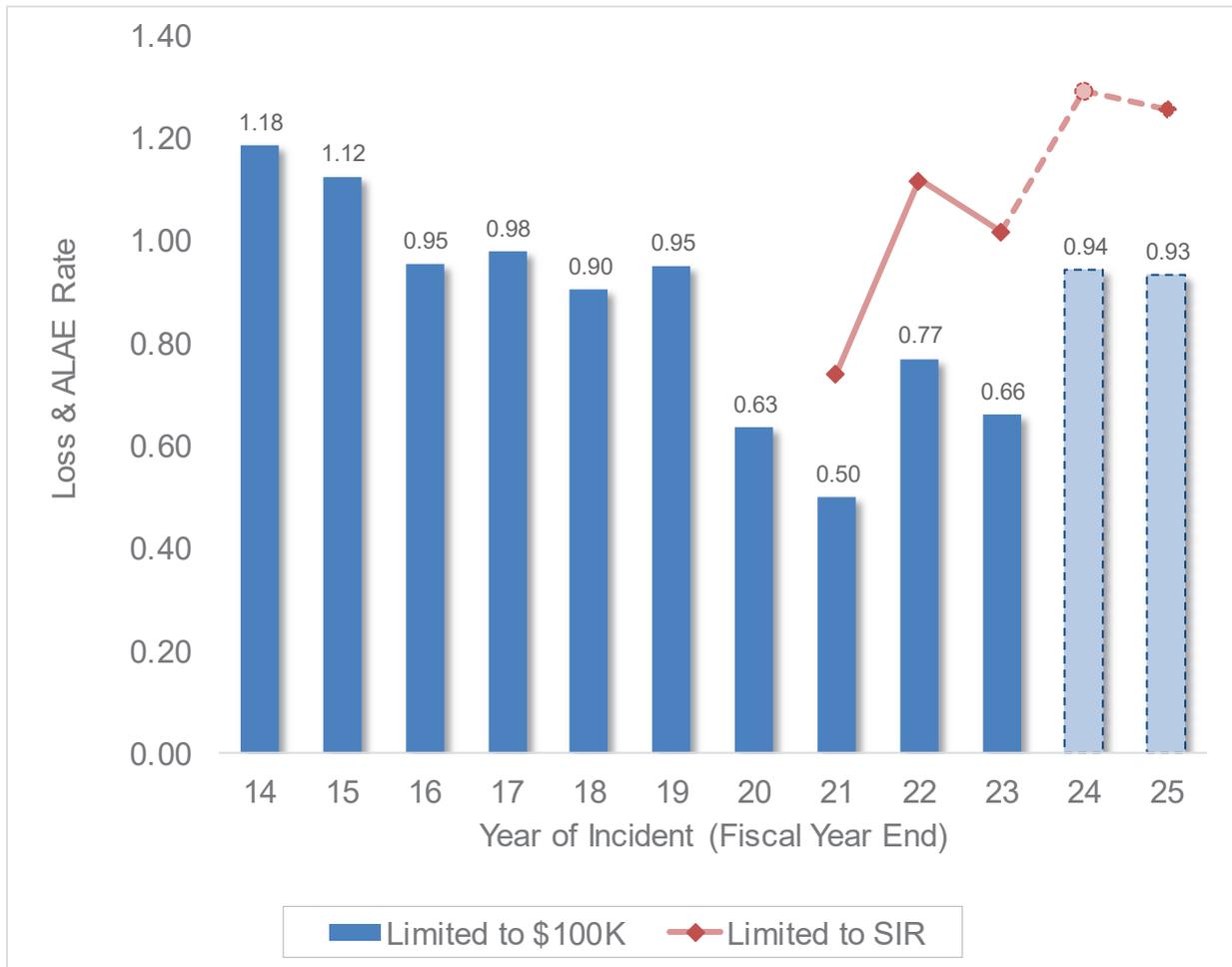
| Dollars (\$000s)                         | Prior Report <sup>1</sup><br>2023-24 | Current Report <sup>1</sup><br>2024-25 | Dollar Change | Percent Change |
|--|--------------------------------------|--|---------------|----------------|
| Ultimate Loss and ALAE                   | \$12,473                             | \$12,483                               | \$10          | 0.1%           |
| <u>ULAE</u>                              | <u>1,558</u>                         | <u>1,632</u>                           | <u>74</u>     | <u>4.7%</u>    |
| <b>Total Loss &amp; LAE</b>              | <b>\$14,031</b>                      | <b>\$14,115</b>                        | <b>\$84</b>   | <b>0.6%</b>    |
| NPV Adjustment <sup>2</sup>              | (1,135)                              | (1,139)                                | (4)           | 0.4%           |
| <b>Total Loss &amp; LAE (Discounted)</b> | <b>\$12,896</b>                      | <b>\$12,976</b>                        | <b>\$80</b>   | <b>0.6%</b>    |
| Rate (Discounted) <sup>3</sup>           | \$1.375                              | \$1.305                                | (\$0.070)     | -5.1%          |

- <sup>1</sup> The SIR in both the prior and current reports is \$250,000.
- <sup>2</sup> Net present value is based on an annual discount rate of 2.0%.
- <sup>3</sup> Rate is per \$100 of payroll.

**Loss Rate Trend**

We have evaluated the trend in the Group's projected ultimate loss & ALAE rate. This rate equals projected ultimate loss and ALAE (limited to \$100,000 per occurrence) divided by payroll in \$100s, as displayed in the following graph.

Loss & ALAE Rate Trend<sup>1</sup>  
Ultimate Loss & ALAE / Payroll (\$100s)

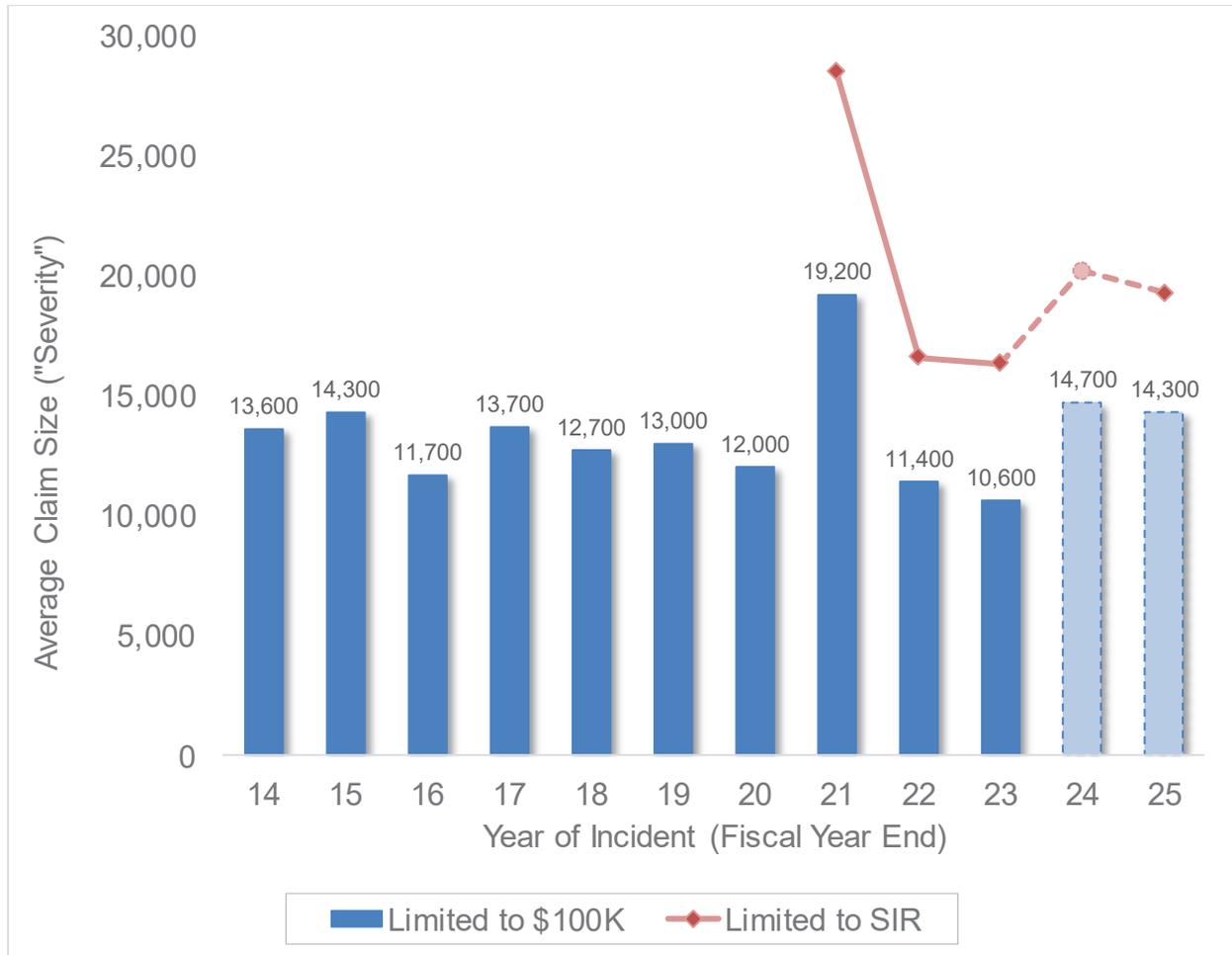


<sup>1</sup> Losses are at expected (no risk margin) and are not discounted to reflect net present value.

**Average Claim Size (Severity) Trend**

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 \$100,000 per occurrence) divided by the projected ultimate number of reported claims, as displayed in the following graph.

Average Claim Size Trend<sup>1</sup>  
Ultimate Loss & ALAE / Ultimate Reported Claims

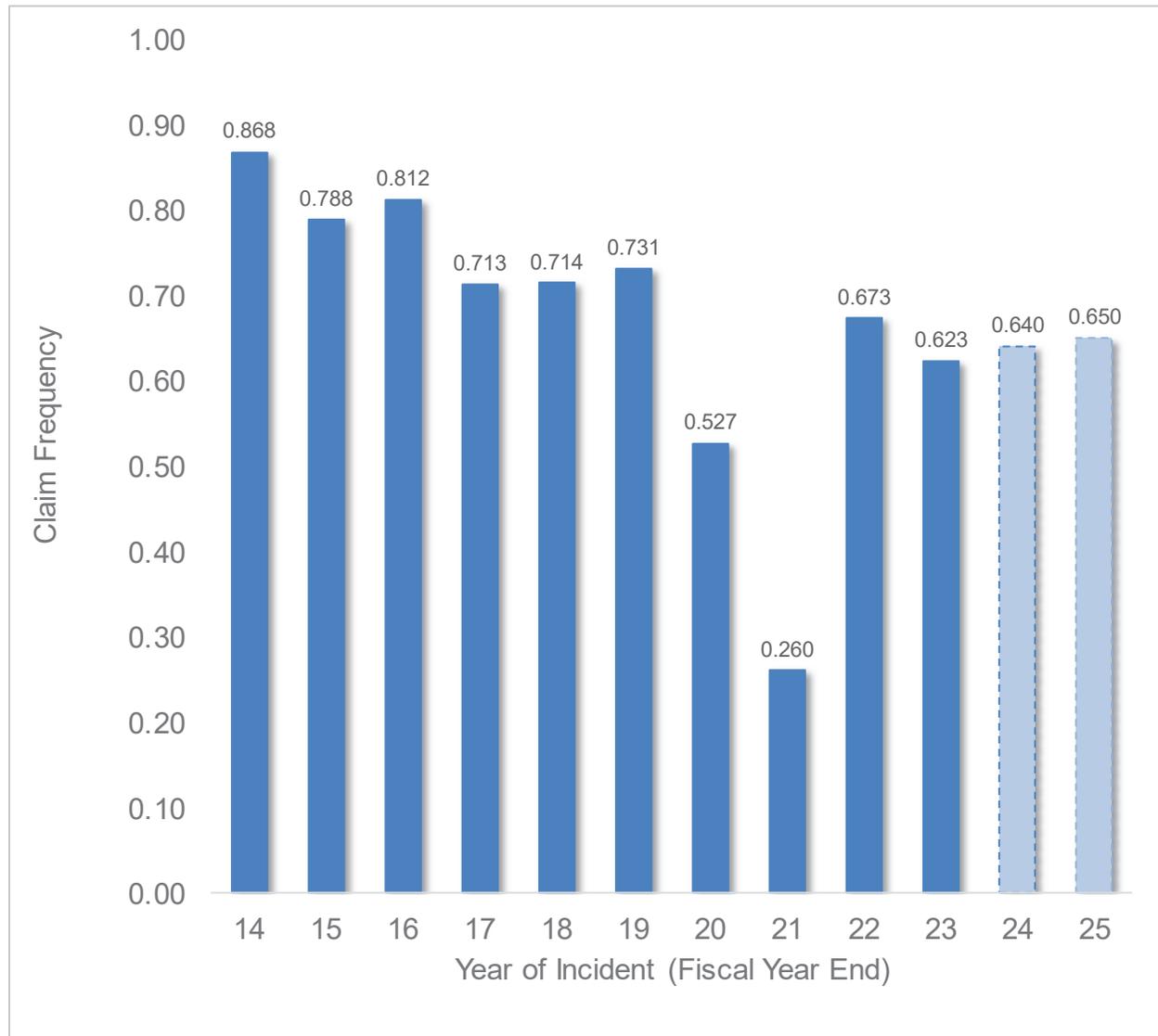


<sup>1</sup> Losses are at expected (no risk margin) and are not discounted to reflect net present value.

### Claim Frequency Trend

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

Claim Frequency Trend  
Ultimate Reported Claims / Payroll (\$ Millions)



**Loss and LAE Liabilities by Category**

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

Loss & LAE Liabilities by Category and Year<sup>1</sup>  
As of June 30, 2024, Net of Reinsurance  
(\$000s)

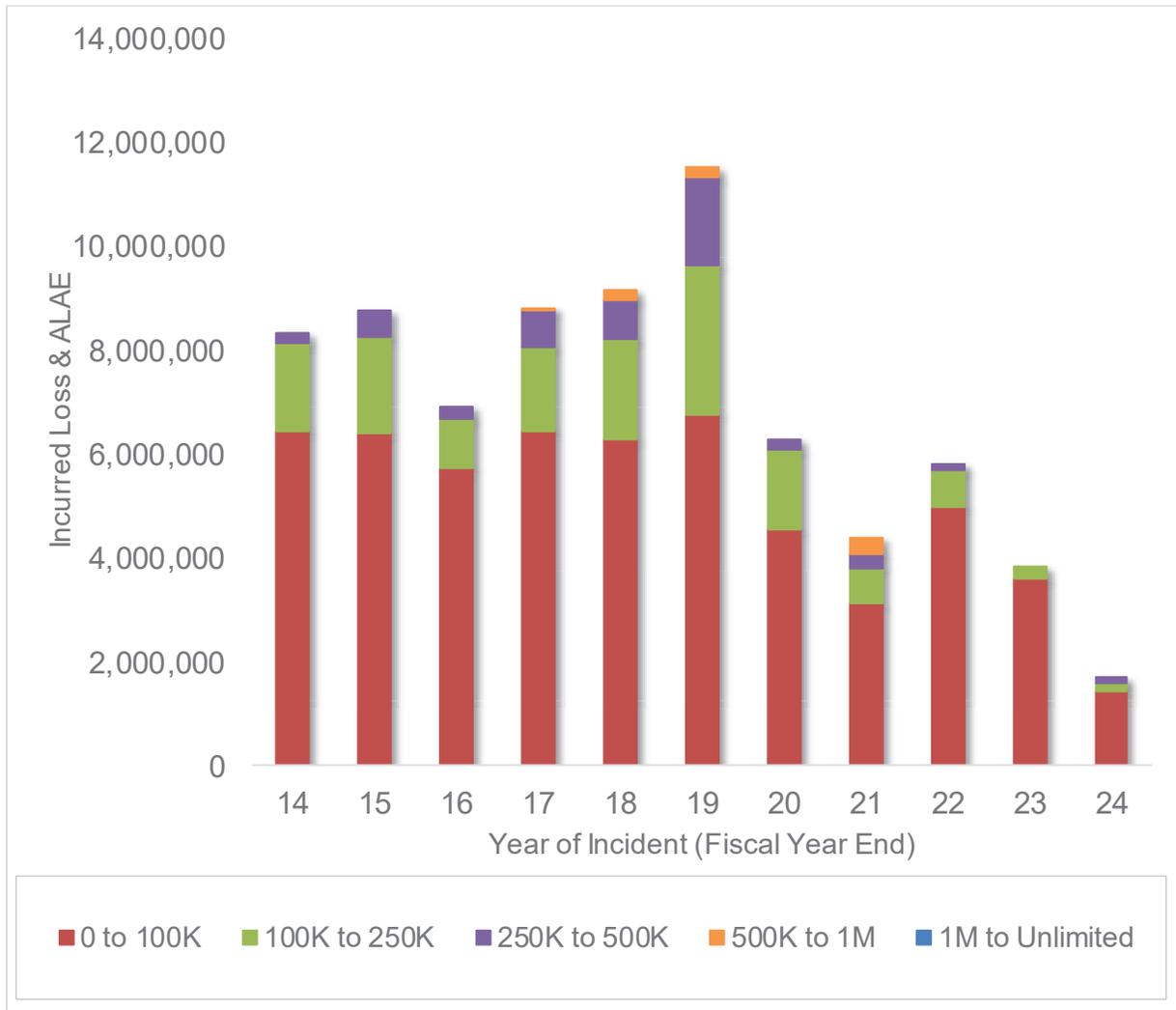
| Fiscal Year                 | Case Reserves  | Incurred but Not Reported (IBNR) | Total Liabilities |
|-----------------------------|----------------|----------------------------------|-------------------|
| Prior to 10/01/95           | \$173          | \$102                            | \$274             |
| 2020-21                     | 884            | 1,875                            | 2,758             |
| 2021-22                     | 1,678          | 2,935                            | 4,613             |
| 2022-23                     | 1,617          | 4,067                            | 5,684             |
| <u>2023-24</u>              | <u>2,135</u>   | <u>7,546</u>                     | <u>9,681</u>      |
| Total Loss & ALAE           | \$6,486        | \$16,524                         | \$23,010          |
| ULAE                        | n/a            | 1,986                            | 1,986             |
| <b>Total Loss &amp; LAE</b> | <b>\$6,486</b> | <b>\$18,511</b>                  | <b>\$24,997</b>   |

<sup>1</sup> 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 Layer**

The following graph shows the incurred losses by layer as of the valuation date of December 31, 2023.

Incurred Loss & ALAE by Layer  
As of December 31, 2023



## METHODOLOGY

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

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

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 calculated based average cost per claim method.

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

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

## CONSIDERATIONS AND KEY ASSUMPTIONS

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

### Data

Data Quality: Our analysis is based on loss experience, exposure data, and other general and specific information provided to us by or on behalf of 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 payroll, which was provided to us by the City. A list of exposure by year can be found in Appendix M.

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

Other Program Information: Key program information, including historical retentions and claims administration costs, 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, 2024.

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

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

### Accounting Standard

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

### **Other Actuarial Considerations**

Discounting to Reflect Net Present Value: Reserves in this report are presented on both 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. This recommendation assumes that all earnings on the assets invested (which are equal to the recommended discounted reserve level) will accrue to the program. The discount for future earnings should only be reflected, however, when the total indicated funds are available for investment and are expected to earn the indicated yield rate until all claims are closed.

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

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

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

Homogeneity: The accuracy of loss estimates may be improved by subdividing loss experience into groups exhibiting similar characteristics. In evaluating 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 schools, 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

- included in our estimate of outstanding liabilities, and
- included 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, 2023. It is possible that there has been significant loss activity that has occurred since that date which would change the findings of this report.

Data Accuracy: This report relies on unaudited loss and exposure information provided by 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 San Mateo 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 Self-Insured Workers' compensation benefits.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Severity** – Average claim cost.

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

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

## **EXHIBITS AND APPENDICES**

San Mateo County Schools Insurance Group - Workers' Compensation

Funding Guidelines for Outstanding Liabilities at  
June 30, 2024

|  |              |
|--|--------------|
| (A) Estimated Ultimate Losses<br>Incurred through 6/30/24:<br>(From Appendix G)                        | \$74,327,000 |
| (B) Estimated Paid Losses<br>through 6/30/24:<br>(From Appendix G)                                     | 51,316,711   |
| (C) Estimated Liability for Claims<br>Outstanding at 6/30/24:<br>(From Appendix G)                     | \$23,010,289 |
| (D) Estimated Liability for Outstanding<br>Claims Administration Fees at 6/30/24:<br>(From Appendix F) | 1,986,438    |
| (E) Total Outstanding Liability for<br>Claims at 6/30/24:<br>((C) + (D))                               | \$24,996,727 |
| (F) Reserve Discount Factor (Based on a Discount Rate of 2.00%.):<br>(Appendix I, Page 1, (H))         | 0.907        |
| (G) Discounted Outstanding Liability for<br>Claims at 6/30/24:<br>((E) x (F))*                         | \$22,679,658 |

|   | 70%          | 75%          | 80%          | 85%          | Minimum<br>90% |
|---|--------------|--------------|--------------|--------------|----------------|
| Confidence Level of Adequacy:                           | 70%          | 75%          | 80%          | 85%          | 90%            |
| (H) Confidence Level Factor:<br>(From Appendix J)       | 1.074        | 1.102        | 1.135        | 1.174        | 1.226          |
| (I) Margin for Adverse Experience:<br>((G) x [(H) - 1]) | 1,678,000    | 2,313,000    | 3,062,000    | 3,946,000    | 5,126,000      |
| (J) Total Required Assets<br>at 6/30/24:<br>((G) + (I)) | \$24,358,000 | \$24,993,000 | \$25,742,000 | \$26,626,000 | \$27,806,000   |

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

San Mateo County Schools Insurance Group - Workers' Compensation

Funding Options for Program Year 2024-2025 (SIR = \$250,000)

|  | <u>Dollar<br/>Amount</u>         | <u>Payroll<br/>Rate</u> |                     |                     |                     |
|--|----------------------------------|-------------------------|---------------------|---------------------|---------------------|
| (A) Estimated Ultimate Losses Incurred in Accident Year 2024-2025:<br>(From Appendix G)                        | \$12,483,000                     | \$1.255                 |                     |                     |                     |
| (B) Estimated Claims Administration Fees Incurred in Accident Year 2024-2025:<br>(From Exhibit 5, Page 1, (L)) | 1,632,000                        | 0.164                   |                     |                     |                     |
| (C) Total Claims Costs Incurred in Accident Year 2024-2025:<br>((A) + (B))                                     | <u>\$14,115,000</u>              | <u>\$1.419</u>          |                     |                     |                     |
| (D) Loss Discount Factor (Based on a Discount Rate of 2.00%.):<br>(Appendix I, Page 2, (G))                    | 0.919                            |                         |                     |                     |                     |
| (E) Discounted Total Claims Costs Incurred in Accident Year 2024-2025:<br>((C) x (D))                          | <u>\$12,976,000</u>              | <u>\$1.305</u>          |                     |                     |                     |
|  | <u>Marginally<br/>Acceptable</u> |                         | <u>Recommended</u>  |                     | <u>Conservative</u> |
|  | 70%                              | 75%                     | 80%                 | 85%                 | 90%                 |
| (F) Confidence Level Factor:<br>(From Appendix J)  | 1.085                            | 1.118                   | 1.155               | 1.201               | 1.261               |
| (G) Margin for Adverse Experience:<br>((E) x [(F) - 1])  | 1,103,000                        | 1,531,000               | 2,011,000           | 2,608,000           | 3,387,000           |
| (H) Recommended Funding in 2024-2025 for Claims Costs and Other Expenses:<br>((E) + (G))                       | <u>\$14,079,000</u>              | <u>\$14,507,000</u>     | <u>\$14,987,000</u> | <u>\$15,584,000</u> | <u>\$16,363,000</u> |
| (I) Rate per \$100 of Payroll:<br>((H) / \$9,946,872)  | \$1.415                          | \$1.458                 | \$1.507             | \$1.567             | \$1.645             |

Payroll rates are per hundred dollars of 2024-2025 payroll of \$994,687,200.

San Mateo County Schools Insurance Group - Workers' Compensation

Funding Options for Program Year 2024-2025 (SIR = \$125,000)

|  | Dollar<br>Amount                | Payroll<br>Rate     |                     |                     |                     |
|--|---------------------------------|---------------------|---------------------|---------------------|---------------------|
| (A) Estimated Ultimate Losses Incurred in Accident Year 2024-2025:<br>(Based on Exhibit 5, Page 1, (K))        | \$10,106,000                    | \$1.016             |                     |                     |                     |
| (B) Estimated Claims Administration Fees Incurred in Accident Year 2024-2025:<br>(From Exhibit 5, Page 1, (L)) | 1,632,000                       | 0.164               |                     |                     |                     |
| (C) Total Claims Costs Incurred in Accident Year 2024-2025:<br>((A) + (B))                                     | <u>\$11,738,000</u>             | <u>\$1.180</u>      |                     |                     |                     |
| (D) Loss Discount Factor (Based on a Discount Rate of 2.00%.):<br>(Based on Appendix I, Page 2, (G))           | 0.938                           |                     |                     |                     |                     |
| (E) Discounted Total Claims Costs Incurred in Accident Year 2024-2025:<br>((C) x (D))                          | <u>\$11,008,000</u>             | <u>\$1.107</u>      |                     |                     |                     |
|  | Marginally<br>Acceptable<br>70% | 75%                 | Recommended<br>80%  | 85%                 | Conservative<br>90% |
| (F) Confidence Level Factor:<br>(Based on Appendix J)  | 1.079                           | 1.108               | 1.142               | 1.182               | 1.235               |
| (G) Margin for Adverse Experience:<br>((E) x [(F) - 1])  | 870,000                         | 1,189,000           | 1,563,000           | 2,003,000           | 2,587,000           |
| (H) Recommended Funding in 2024-2025 for Claims Costs and Other Expenses:<br>((E) + (G))                       | <u>\$11,878,000</u>             | <u>\$12,197,000</u> | <u>\$12,571,000</u> | <u>\$13,011,000</u> | <u>\$13,595,000</u> |
| (I) Rate per \$100 of Payroll:<br>((H) / \$9,946,872)  | \$1.194                         | \$1.226             | \$1.264             | \$1.308             | \$1.367             |

Payroll rates are per hundred dollars of 2024-2025 payroll of \$994,687,200.

San Mateo County Schools Insurance Group - Workers' Compensation

Funding Options for Program Year 2024-2025 (SIR = \$350,000)

|  | Dollar<br>Amount                 | Payroll<br>Rate |            |                     |                     |                     |                     |            |
|--|----------------------------------|-----------------|------------|---------------------|---------------------|---------------------|---------------------|------------|
| (A) Estimated Ultimate Losses Incurred in Accident Year 2024-2025:<br>(Based on Exhibit 5, Page 1, (K))        | \$13,190,000                     | \$1.326         |            |                     |                     |                     |                     |            |
| (B) Estimated Claims Administration Fees Incurred in Accident Year 2024-2025:<br>(From Exhibit 5, Page 1, (L)) | 1,632,000                        | 0.164           |            |                     |                     |                     |                     |            |
| (C) Total Claims Costs Incurred in Accident Year 2024-2025:<br>((A) + (B))                                     | <u>\$14,822,000</u>              | <u>\$1.490</u>  |            |                     |                     |                     |                     |            |
| (D) Loss Discount Factor (Based on a Discount Rate of 2.00%.):<br>(Based on Appendix I, Page 2, (G))           | 0.915                            |                 |            |                     |                     |                     |                     |            |
| (E) Discounted Total Claims Costs Incurred in Accident Year 2024-2025:<br>((C) x (D))                          | <u>\$13,563,000</u>              | <u>\$1.364</u>  |            |                     |                     |                     |                     |            |
|  | <u>Marginally<br/>Acceptable</u> |                 | <u>70%</u> | <u>75%</u>          | <u>Recommended</u>  | <u>85%</u>          | <u>Conservative</u> | <u>90%</u> |
| (F) Confidence Level Factor:<br>(Based on Appendix J)  | 1.089                            |                 |            | 1.123               | 1.163               | 1.211               | 1.274               |            |
| (G) Margin for Adverse Experience:<br>((E) x [(F) - 1])  | 1,207,000                        |                 |            | 1,668,000           | 2,211,000           | 2,862,000           | 3,716,000           |            |
| (H) Recommended Funding in 2024-2025 for Claims Costs and Other Expenses:<br>((E) + (G))                       | <u>\$14,770,000</u>              |                 |            | <u>\$15,231,000</u> | <u>\$15,774,000</u> | <u>\$16,425,000</u> | <u>\$17,279,000</u> |            |
| (I) Rate per \$100 of Payroll:<br>((H) / \$9,946,872)  | \$1.485                          |                 |            | \$1.531             | \$1.586             | \$1.651             | \$1.737             |            |

Payroll rates are per hundred dollars of 2024-2025 payroll of \$994,687,200.

San Mateo County Schools Insurance Group - Workers' Compensation

IBNR as of 6/30/24 at Expected Claims Level

| Accident Year | Estimated Ultimate (A) | Reported as of 12/31/23 (B) | Estimated IBNR as of 12/31/23 (C) | Estimated Percent of IBNR Reported Between 1/1/24 and 6/30/24 (D) | Estimated IBNR Reported (E) | Estimated IBNR as of 6/30/24 (F) |
|---------------|------------------------|-----------------------------|-----------------------------------|---|-----------------------------|----------------------------------|
| Prior         | \$39,019,000           | \$38,899,497                | \$119,503                         | 14.9%   | \$18,000                    | \$101,503                        |
| 2003-2004     | 0                      | 0                           | 0                                 | 5.2%  | 0                           | 0                                |
| 2004-2005     | 0                      | 0                           | 0                                 | 4.9%  | 0                           | 0                                |
| 2005-2006     | 0                      | 0                           | 0                                 | 4.5%  | 0                           | 0                                |
| 2006-2007     | 0                      | 0                           | 0                                 | 7.8%  | 0                           | 0                                |
| 2007-2008     | 0                      | 0                           | 0                                 | 9.7%  | 0                           | 0                                |
| 2008-2009     | 0                      | 0                           | 0                                 | 8.1%  | 0                           | 0                                |
| 2009-2010     | 0                      | 0                           | 0                                 | 7.0%  | 0                           | 0                                |
| 2010-2011     | 0                      | 0                           | 0                                 | 8.0%  | 0                           | 0                                |
| 2011-2012     | 0                      | 0                           | 0                                 | 6.8%  | 0                           | 0                                |
| 2012-2013     | 0                      | 0                           | 0                                 | 7.3%  | 0                           | 0                                |
| 2013-2014     | 0                      | 0                           | 0                                 | 7.4%  | 0                           | 0                                |
| 2014-2015     | 0                      | 0                           | 0                                 | 7.2%  | 0                           | 0                                |
| 2015-2016     | 0                      | 0                           | 0                                 | 6.9%  | 0                           | 0                                |
| 2016-2017     | 0                      | 0                           | 0                                 | 6.5%  | 0                           | 0                                |
| 2017-2018     | 0                      | 0                           | 0                                 | 6.1%  | 0                           | 0                                |
| 2018-2019     | 0                      | 0                           | 0                                 | 6.7%  | 0                           | 0                                |
| 2019-2020     | 0                      | 0                           | 0                                 | 7.7%  | 0                           | 0                                |
| 2020-2021     | 5,839,000              | 3,785,265                   | 2,053,735                         | 8.7%  | 179,000                     | 1,874,735                        |
| 2021-2022     | 9,018,000              | 5,697,657                   | 3,320,343                         | 11.6%   | 385,000                     | 2,935,343                        |
| 2022-2023     | 8,639,000              | 3,826,013                   | 4,812,987                         | 15.5%   | 746,000                     | 4,066,987                        |
| 2023-2024     | 11,812,000             | 1,560,252                   | 4,345,748                         | 26.4%   | 2,706,000                   | 7,545,748                        |
| Totals        | \$74,327,000           | \$53,768,684                | \$14,652,316                      |   | \$4,034,000                 | \$16,524,316                     |

Notes:

- (A) From Exhibit 4, 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 1/1/24 and 6/30/24. The percentage is based on the development pattern selected in Appendix A.
- (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 6/30/24. This amount is dependent on both the strength of the case reserves and the average frequency and severity of the losses incurred.

San Mateo County Schools Insurance Group - Workers' Compensation

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) |              |
|---------------|--------------------------------------|----------------------------------|--|--|-------------------------------|---|---|--------------|
| Prior         | \$39,599,688                         | \$39,916,256                     | \$0  | \$0                                      | \$40,974,852                  | \$39,019,000                                | \$39,019,000  |              |
| 2003-2004     | 0                                    | 0                                | 85,027                                       | 156,628                                  | 0                             | 0   | 0   |              |
| 2004-2005     | 0                                    | 0                                | 67,672                                       | 128,576                                  | 0                             | 0   | 0   |              |
| 2005-2006     | 0                                    | 0                                | 69,117                                       | 131,951                                  | 0                             | 0   | 0   |              |
| 2006-2007     | 0                                    | 0                                | 82,979                                       | 169,415                                  | 0                             | 0   | 0   |              |
| 2007-2008     | 0                                    | 0                                | 111,398                                      | 222,796                                  | 0                             | 0   | 0   |              |
| 2008-2009     | 0                                    | 0                                | 155,309                                      | 306,181                                  | 0                             | 0   | 0   |              |
| 2009-2010     | 0                                    | 0                                | 195,189                                      | 400,388                                  | 0                             | 0   | 0   |              |
| 2010-2011     | 0                                    | 0                                | 236,811                                      | 478,770                                  | 0                             | 0   | 0   |              |
| 2011-2012     | 6,216,639                            | 6,182,402                        | 6,205,832                                    | 6,162,661                                | 6,033,478                     | 6,217,000                                   | 6,217,000   |              |
| 2012-2013     | 7,680,036                            | 7,544,916                        | 7,661,177                                    | 7,520,812                                | 7,420,935                     | 7,671,000                                   | 7,671,000   |              |
| 2013-2014     | 8,743,090                            | 8,729,465                        | 8,730,295                                    | 8,700,824                                | 8,516,424                     | 8,737,000                                   | 8,737,000   |              |
| 2014-2015     | 8,968,271                            | 9,231,192                        | 8,937,143                                    | 9,125,289                                | 8,540,848                     | 9,019,000                                   | 9,019,000   |              |
| 2015-2016     | 7,372,581                            | 7,402,086                        | 7,405,969                                    | 7,457,007                                | 7,706,260                     | 7,569,000                                   | 7,569,000   |              |
| 2016-2017     | 9,047,422                            | 9,140,417                        | 9,007,840                                    | 9,046,837                                | 8,696,520                     | 9,028,000                                   | 9,028,000   |              |
| 2017-2018     | 9,387,039                            | 9,149,804                        | 9,285,442                                    | 9,013,151                                | 8,623,224                     | 9,388,000                                   | 9,388,000   |              |
| 2018-2019     | 11,235,665                           | 10,707,305                       | 10,637,528                                   | 9,679,888                                | 7,565,220                     | 11,051,000                                  | 11,051,000  |              |
| 2019-2020     | 7,325,944                            | 6,606,939                        | 7,332,152                                    | 6,864,848                                | 5,834,345                     | 7,330,000                                   | 7,330,000   |              |
| 2020-2021     | 4,773,219                            | 4,697,539                        | 5,414,025                                    | 5,979,993                                | 3,141,010                     | 5,839,000                                   | 5,839,000   |              |
| 2021-2022     | 7,794,395                            | 8,010,117                        | 7,933,455                                    | 8,168,827                                | 8,811,261                     | 9,018,000                                   | 9,018,000   |              |
| 2022-2023     | 6,270,835                            | 7,121,792                        | 7,303,923                                    | 8,375,516                                | 8,980,320                     | 8,639,000                                   | 8,639,000   |              |
| 2023-2024     | 9,024,498                            | 14,389,288                       | 9,831,787                                    | 10,191,897                               | 10,607,186                    | 11,812,000                                  | 11,812,000  |              |
| Totals        |                                      |                                  |  |  |                               | \$150,337,000                               | \$150,337,000   |              |
|               |                                      |                                  |  |  |                               | Projected Losses for the Year 2023-2024 (H) | \$11,812,000  | \$11,812,000 |
|               |                                      |                                  |  |  |                               | Projected Losses for the Year 2024-2025 (I) | 12,483,000  | 12,483,000   |

Notes:

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

San Mateo County Schools Insurance Group - Workers' Compensation

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)                    |
|---------------|--------------------------------------|----------------------------------|--|--|-------------------------------|---|
| Prior         | \$36,144,897                         | \$36,367,237                     |  |  | \$35,597,268                  | \$35,595,000  |
| 2003-2004     | 0                                    | 0                                | 69,897                                       | 95,649                                   | 0                             | 0   |
| 2004-2005     | 0                                    | 0                                | 55,382                                       | 77,534                                   | 0                             | 0   |
| 2005-2006     | 0                                    | 0                                | 53,654                                       | 76,648                                   | 0                             | 0   |
| 2006-2007     | 0                                    | 0                                | 61,647                                       | 92,470                                   | 0                             | 0   |
| 2007-2008     | 0                                    | 0                                | 74,371                                       | 117,755                                  | 0                             | 0   |
| 2008-2009     | 0                                    | 0                                | 92,504                                       | 152,987                                  | 0                             | 0   |
| 2009-2010     | 0                                    | 0                                | 111,796                                      | 195,643                                  | 0                             | 0   |
| 2010-2011     | 0                                    | 0                                | 122,738                                      | 229,112                                  | 0                             | 0   |
| 2011-2012     | 4,768,256                            | 4,740,225                        | 4,768,178                                    | 4,741,720                                | 4,768,874                     | 4,769,000   |
| 2012-2013     | 5,834,927                            | 5,751,788                        | 5,834,681                                    | 5,754,613                                | 5,834,820                     | 5,835,000   |
| 2013-2014     | 6,663,637                            | 6,630,792                        | 6,666,258                                    | 6,634,741                                | 6,665,070                     | 6,665,000   |
| 2014-2015     | 6,651,088                            | 6,760,113                        | 6,648,702                                    | 6,749,650                                | 6,649,820                     | 6,650,000   |
| 2015-2016     | 5,971,682                            | 5,905,087                        | 5,971,411                                    | 5,909,243                                | 5,972,097                     | 5,972,000   |
| 2016-2017     | 6,723,922                            | 6,680,821                        | 6,725,738                                    | 6,684,192                                | 6,705,160                     | 6,705,000   |
| 2017-2018     | 6,619,859                            | 6,529,664                        | 6,616,028                                    | 6,531,893                                | 6,618,042                     | 6,619,000   |
| 2018-2019     | 7,136,128                            | 6,803,652                        | 7,040,076                                    | 6,598,725                                | 5,776,578                     | 7,137,000   |
| 2019-2020     | 4,845,863                            | 4,736,433                        | 4,896,379                                    | 4,889,735                                | 4,434,672                     | 4,894,000   |
| 2020-2021     | 3,350,574                            | 3,157,514                        | 3,539,466                                    | 3,835,619                                | 2,375,540                     | 3,932,000   |
| 2021-2022     | 5,613,851                            | 5,618,026                        | 5,686,675                                    | 5,863,173                                | 6,633,831                     | 6,205,000   |
| 2022-2023     | 4,607,411                            | 5,336,230                        | 5,065,956                                    | 6,146,883                                | 6,731,000                     | 5,607,000   |
| 2023-2024     | 6,337,672                            | 10,589,804                       | 7,205,060                                    | 7,636,266                                | 7,911,000                     | 8,617,000   |
| Totals        |                                      |                                  |  |  |                               | \$115,202,000   |
|               |                                      |                                  |  |  |                               | Projected Losses for the Year 2023-2024 (G) \$8,617,000 |
|               |                                      |                                  |  |  |                               | Projected Losses for the Year 2024-2025 (H) 9,269,000   |

Notes:

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

San Mateo County Schools Insurance Group - Workers' Compensation

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

| Accident Year                 | Ultimate Limited Losses (A) | Trend Factor (B) | Trended Limited Losses (C) | Trended Payroll (\$00) (D) | Trended Limited Loss Rate (E) |
|-------------------------------|-----------------------------|------------------|----------------------------|----------------------------|-------------------------------|
| 2012-2013                     | \$5,835,000                 | 1.437            | \$8,384,895                | \$7,111,881                | \$1.179                       |
| 2013-2014                     | 6,665,000                   | 1.411            | 9,404,315                  | 7,212,157                  | 1.304                         |
| 2014-2015                     | 6,650,000                   | 1.360            | 9,044,000                  | 7,386,895                  | 1.224                         |
| 2015-2016                     | 5,972,000                   | 1.369            | 8,175,668                  | 7,639,406                  | 1.070                         |
| 2016-2017                     | 6,705,000                   | 1.400            | 9,387,000                  | 8,166,754                  | 1.149                         |
| 2017-2018                     | 6,619,000                   | 1.357            | 8,981,983                  | 8,494,883                  | 1.057                         |
| 2018-2019                     | 7,137,000                   | 1.283            | 9,156,771                  | 8,506,140                  | 1.076                         |
| 2019-2020                     | 4,894,000                   | 1.239            | 6,063,666                  | 8,526,157                  | 0.711                         |
| 2020-2021                     | 3,932,000                   | 1.165            | 4,580,780                  | 8,497,200                  | 0.539                         |
| 2021-2022                     | 6,205,000                   | 1.105            | 6,856,525                  | 8,481,138                  | 0.808                         |
| 2022-2023                     | 5,607,000                   | 1.063            | 5,960,241                  | 8,717,221                  | 0.684                         |
| 2023-2024                     | 8,617,000                   | 1.000            | 8,617,000                  | 9,150,829                  | 0.942                         |
| Totals                        | \$79,607,000                |                  | \$101,523,125              | 166,692,993                | \$0.609                       |
| 17/18-21/22                   | 28,787,000                  |                  | 35,639,725                 | 42,505,518                 | 0.838                         |
| 18/19-22/23 ex 21/22          | 21,570,000                  |                  | 25,761,458                 | 34,246,718                 | 0.752                         |
|                               |                             |                  | (F) Selected Limited Rate: |                            | \$0.900                       |
|                               |                             |                  | Prior:                     |                            | \$0.950                       |
| Program Year:                 |                             | 2023-2024        | 2024-2025                  |                            |                               |
| (G) Factor to SIR:            |                             | 1.371            | 1.347                      |                            |                               |
| (H) Trend Factor:             |                             | 1.000            | 1.035                      |                            |                               |
| (I) Program Rate:             |                             | \$1.291          | \$1.255                    |                            |                               |
| (J) Trended Payroll (\$00):   |                             | 9,150,829        | 9,946,872                  |                            |                               |
| (K) Projected Program Losses: |                             | 11,812,000       | 12,483,000                 |                            |                               |
| (L) Projected ULAE:           |                             | 1,410,000        | 1,632,000                  |                            |                               |
| (M) Projected Loss and ULAE:  |                             | \$13,222,000     | \$14,115,000               |                            |                               |

Notes appear on the next page.

San Mateo County Schools Insurance Group - Workers' Compensation

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

Notes:

- (A) From Exhibit 4, Page 2, Column (F).  
For purposes of projecting future losses, losses are capped at \$100,000 per occurrence.
- (B) From Appendix E, Page 1, Column (B).
- (C)  $(A) \times (B)$ .
- (D) Appendix M, Column (C).
- (E)  $(C) / (D)$ .
- (F) Selected based on (E).
- (G) Based on a Weibull distribution, a mathematical model of claims sizes. 2023-2024 is  $(K) / (A)$ .
- (H) From Appendix E.  
(I)  $(F) \times (G) \times (H)$ . 2023-2024 is  $(K) / (J)$ .
- (J) Appendix M, Column (C).
- (K)  $(I) \times (J)$ . 2023-2024 is from Exhibit 4, 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.

San Mateo County Schools Insurance Group - Workers' Compensation

Reported Loss Development

| Accident Year (A) | Limited Reported Losses as of 12/31/23 (B) | Reported Loss Development Factor (C) | Ultimate Limited Losses (D) | Program Reported Losses as of 12/31/23 (E) | Reported Loss Development Factor (F) | Ultimate Program Losses (G) |
|-------------------|--|--------------------------------------|-----------------------------|--|--------------------------------------|-----------------------------|
| Prior             | \$35,505,793                               | 1.018                                | \$36,144,897                | \$38,899,497                               | 1.018                                | \$39,599,688                |
| 2003-2004         | 0  | 1.019                                | 0                           | 0  | 1.019                                | 0                           |
| 2004-2005         | 0  | 1.020                                | 0                           | 0  | 1.020                                | 0                           |
| 2005-2006         | 0  | 1.021                                | 0                           | 0  | 1.022                                | 0                           |
| 2006-2007         | 0  | 1.023                                | 0                           | 0  | 1.025                                | 0                           |
| 2007-2008         | 0  | 1.025                                | 0                           | 0  | 1.030                                | 0                           |
| 2008-2009         | 0  | 1.027                                | 0                           | 0  | 1.036                                | 0                           |
| 2009-2010         | 0  | 1.029                                | 0                           | 0  | 1.041                                | 0                           |
| 2010-2011         | 0  | 1.031                                | 0                           | 0  | 1.048                                | 0                           |
| 2011-2012         | 4,615,930                                  | 1.033                                | 4,768,256                   | 5,886,969                                  | 1.056                                | 6,216,639                   |
| 2012-2013         | 5,637,611                                  | 1.035                                | 5,834,927                   | 7,211,301                                  | 1.065                                | 7,680,036                   |
| 2013-2014         | 6,419,689                                  | 1.038                                | 6,663,637                   | 8,125,548                                  | 1.076                                | 8,743,090                   |
| 2014-2015         | 6,389,134                                  | 1.041                                | 6,651,088                   | 8,227,772                                  | 1.090                                | 8,968,271                   |
| 2015-2016         | 5,714,528                                  | 1.045                                | 5,971,682                   | 6,665,986                                  | 1.106                                | 7,372,581                   |
| 2016-2017         | 6,409,840                                  | 1.049                                | 6,723,922                   | 8,049,308                                  | 1.124                                | 9,047,422                   |
| 2017-2018         | 6,280,701                                  | 1.054                                | 6,619,859                   | 8,205,454                                  | 1.144                                | 9,387,039                   |
| 2018-2019         | 6,732,196                                  | 1.060                                | 7,136,128                   | 9,611,347                                  | 1.169                                | 11,235,665                  |
| 2019-2020         | 4,537,325                                  | 1.068                                | 4,845,863                   | 6,069,548                                  | 1.207                                | 7,325,944                   |
| 2020-2021         | 3,105,259                                  | 1.079                                | 3,350,574                   | 3,785,265                                  | 1.261                                | 4,773,219                   |
| 2021-2022         | 4,985,658                                  | 1.126                                | 5,613,851                   | 5,697,657                                  | 1.368                                | 7,794,395                   |
| 2022-2023         | 3,588,326                                  | 1.284                                | 4,607,411                   | 3,826,013                                  | 1.639                                | 6,270,835                   |
| 2023-2024         | 1,410,252                                  | 4.494                                | 6,337,672                   | 1,560,252                                  | 5.784                                | 9,024,498                   |
| Totals            | \$101,332,242                              |                                      | \$111,269,768               | \$121,821,917                              |                                      | \$143,439,322               |

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, 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, 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.

San Mateo County Schools Insurance Group - Workers' Compensation  
Reported Loss Development

| Accident Year | <u>Limited Losses Reported as of:</u> |           |           |           |           |           |           |           |            |            |            |
|---------------|---------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
|               | 6 Months                              | 18 Months | 30 Months | 42 Months | 54 Months | 66 Months | 78 Months | 90 Months | 102 Months | 114 Months | 126 Months |
| 2004-2005     | 1,643,034                             | 4,227,644 | 4,308,590 | 3,789,463 | 3,668,658 | 3,554,306 | 3,364,318 | 3,427,121 | 3,433,919  | 3,489,761  | 3,548,935  |
| 2005-2006     | 2,647,987                             | 4,105,653 | 4,259,423 | 4,299,154 | 4,263,341 | 4,170,056 | 4,198,504 | 4,237,392 | 4,168,195  | 4,196,506  | 4,210,751  |
| 2006-2007     | 2,739,852                             | 4,610,508 | 4,671,109 | 4,563,176 | 4,438,629 | 4,263,335 | 4,185,081 | 4,136,218 | 4,138,536  | 4,144,838  | 4,063,259  |
| 2007-2008     | 1,975,104                             | 4,781,697 | 4,563,561 | 4,478,602 | 4,368,713 | 4,404,619 | 4,380,173 | 4,419,201 | 4,438,300  | 4,373,848  | 4,364,339  |
| 2008-2009     | 1,934,773                             | 4,502,667 | 4,972,770 | 4,981,675 | 5,404,795 | 5,355,357 | 5,361,437 | 5,352,371 | 5,432,617  | 5,436,036  | 5,447,068  |
| 2009-2010     | 1,071,422                             | 3,990,813 | 4,195,007 | 4,339,353 | 4,436,361 | 4,431,474 | 4,588,160 | 4,582,119 | 4,628,755  | 4,623,580  | 4,566,023  |
| 2010-2011     | 2,734,035                             | 5,118,284 | 5,624,142 | 5,555,725 | 5,561,662 | 5,406,481 | 5,437,440 | 5,494,631 | 5,529,011  | 5,540,248  | 5,534,535  |
| 2011-2012     | 1,578,229                             | 4,242,234 | 4,316,820 | 4,294,684 | 4,456,563 | 4,458,568 | 4,441,780 | 4,414,416 | 4,383,518  | 4,568,872  | 4,595,801  |
| 2012-2013     | 1,418,936                             | 4,804,122 | 5,643,301 | 5,655,478 | 5,762,100 | 5,812,431 | 5,733,576 | 5,695,187 | 5,704,393  | 5,711,775  | 5,578,896  |
| 2013-2014     | 1,854,775                             | 5,779,556 | 6,326,779 | 6,427,089 | 6,066,856 | 6,220,719 | 6,264,083 | 6,448,954 | 6,499,430  | 6,407,603  | 6,419,689  |
| 2014-2015     | 2,073,006                             | 5,461,616 | 6,227,605 | 6,279,064 | 6,517,754 | 6,349,167 | 6,399,262 | 6,336,519 | 6,371,288  | 6,389,134  |            |
| 2015-2016     | 1,740,527                             | 5,239,861 | 5,819,229 | 5,819,849 | 5,609,983 | 5,735,616 | 5,878,093 | 5,726,591 | 5,714,528  |            |            |
| 2016-2017     | 2,478,082                             | 6,120,802 | 6,286,939 | 6,232,025 | 6,435,099 | 6,431,458 | 6,462,243 | 6,409,840 |            |            |            |
| 2017-2018     | 2,490,809                             | 6,748,247 | 6,392,158 | 6,609,284 | 6,753,022 | 6,225,745 | 6,280,701 |           |            |            |            |
| 2018-2019     | 2,030,060                             | 5,730,648 | 6,724,608 | 7,177,587 | 6,766,797 | 6,732,196 |           |           |            |            |            |
| 2019-2020     | 2,188,691                             | 4,669,954 | 4,542,337 | 4,658,637 | 4,537,325 |           |           |           |            |            |            |
| 2020-2021     | 434,579                               | 1,824,449 | 2,721,115 | 3,105,259 |           |           |           |           |            |            |            |
| 2021-2022     | 1,023,576                             | 4,371,975 | 4,985,658 |           |           |           |           |           |            |            |            |
| 2022-2023     | 1,001,710                             | 3,588,326 |           |           |           |           |           |           |            |            |            |
| 2023-2024     | 1,410,252                             |           |           |           |           |           |           |           |            |            |            |

|           | <u>Reported Loss Development Factors:</u> |              |              |              |              |              |              |               |                |                |                |
|-----------|---|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|
|           | 6-18 Months                               | 18-30 Months | 30-42 Months | 42-54 Months | 54-66 Months | 66-78 Months | 78-90 Months | 90-102 Months | 102-114 Months | 114-126 Months | 126-138 Months |
| 2004-2005 | 2.573                                     | 1.019        | 0.880        | 0.968        | 0.969        | 0.947        | 1.019        | 1.002         | 1.016          | 1.017          | 0.992          |
| 2005-2006 | 1.550                                     | 1.037        | 1.009        | 0.992        | 0.978        | 1.007        | 1.009        | 0.984         | 1.007          | 1.003          | 0.992          |
| 2006-2007 | 1.683                                     | 1.013        | 0.977        | 0.973        | 0.961        | 0.982        | 0.988        | 1.001         | 1.002          | 0.980          | 0.987          |
| 2007-2008 | 2.421                                     | 0.954        | 0.981        | 0.975        | 1.008        | 0.994        | 1.009        | 1.004         | 0.985          | 0.998          | 1.003          |
| 2008-2009 | 2.327                                     | 1.104        | 1.002        | 1.085        | 0.991        | 1.001        | 0.998        | 1.015         | 1.001          | 1.002          | 0.977          |
| 2009-2010 | 3.725                                     | 1.051        | 1.034        | 1.022        | 0.999        | 1.035        | 0.999        | 1.010         | 0.999          | 0.988          | 1.006          |
| 2010-2011 | 1.872                                     | 1.099        | 0.988        | 1.001        | 0.972        | 1.006        | 1.011        | 1.006         | 1.002          | 0.999          | 0.998          |
| 2011-2012 | 2.688                                     | 1.018        | 0.995        | 1.038        | 1.000        | 0.996        | 0.994        | 0.993         | 1.042          | 1.006          | 1.003          |
| 2012-2013 | 3.386                                     | 1.175        | 1.002        | 1.019        | 1.009        | 0.986        | 0.993        | 1.002         | 1.001          | 0.977          | 1.011          |
| 2013-2014 | 3.116                                     | 1.095        | 1.016        | 0.944        | 1.025        | 1.007        | 1.030        | 1.008         | 0.986          | 1.002          |                |
| 2014-2015 | 2.635                                     | 1.140        | 1.008        | 1.038        | 0.974        | 1.008        | 0.990        | 1.005         | 1.003          |                |                |
| 2015-2016 | 3.011                                     | 1.111        | 1.000        | 0.964        | 1.022        | 1.025        | 0.974        | 0.998         |                |                |                |
| 2016-2017 | 2.470                                     | 1.027        | 0.991        | 1.033        | 0.999        | 1.005        | 0.992        |               |                |                |                |
| 2017-2018 | 2.709                                     | 0.947        | 1.034        | 1.022        | 0.922        | 1.009        |              |               |                |                |                |
| 2018-2019 | 2.823                                     | 1.173        | 1.067        | 0.943        | 0.995        |              |              |               |                |                |                |
| 2019-2020 | 2.134                                     | 0.973        | 1.026        | 0.974        |              |              |              |               |                |                |                |
| 2020-2021 | 4.198                                     | 1.491        | 1.141        |              |              |              |              |               |                |                |                |
| 2021-2022 | 4.271                                     | 1.140        |              |              |              |              |              |               |                |                |                |
| 2022-2023 | 3.582                                     |              |              |              |              |              |              |               |                |                |                |

|                           | 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 Dollar-Wtd. Avgs. | 2.810       | 1.081        | 1.005        | 0.995        | 0.988        | 0.999        | 0.998        | 1.004         | 1.005          | 0.996          | 0.998          |
| Total                     | 2.588       | 1.067        | 1.003        | 0.994        | 0.988        | 1.001        | 0.997        | 1.004         | 1.004          | 0.996          | 0.998          |
| 3-yr                      | 3.978       | 1.127        | 1.068        | 0.979        | 0.972        | 1.012        | 0.986        | 1.004         | 0.996          | 0.994          | 1.004          |
| 4-yr                      | 3.110       | 1.143        | 1.057        | 0.992        | 0.983        | 1.011        | 0.997        | 1.003         | 1.005          | 0.996          | 1.004          |
| Comparative Factors       | 2.794       | 1.252        | 1.051        | 1.006        | 1.005        | 1.003        | 1.003        | 1.003         | 1.003          | 1.003          | 1.002          |
| Prior                     | 3.500       | 1.150        | 1.031        | 1.015        | 1.010        | 1.008        | 1.006        | 1.005         | 1.004          | 1.003          | 1.003          |
| Selected                  | 3.500       | 1.140        | 1.044        | 1.011        | 1.008        | 1.006        | 1.005        | 1.004         | 1.004          | 1.003          | 1.003          |
| Cumulated                 | 4.494       | 1.284        | 1.126        | 1.079        | 1.068        | 1.060        | 1.054        | 1.049         | 1.045          | 1.041          | 1.038          |

San Mateo County Schools Insurance Group - Workers' Compensation  
Reported Loss Development

| Accident Year | <u>Limited Losses Reported as of:</u> |            |            |            |            |            |            |            |            |            |
|---------------|---------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|               | 138 Months                            | 150 Months | 162 Months | 174 Months | 186 Months | 198 Months | 210 Months | 222 Months | 234 Months | 246 Months |
| 2004-2005     | 3,522,029                             | 3,544,222  | 3,573,049  | 3,599,512  | 3,612,433  | 3,600,697  | 3,600,231  |            |            |            |
| 2005-2006     | 4,176,341                             | 4,233,557  | 4,241,143  | 4,258,157  | 4,259,553  | 4,260,091  |            |            |            |            |
| 2006-2007     | 4,010,254                             | 3,998,539  | 4,013,346  | 3,987,004  | 3,970,564  |            |            |            |            |            |
| 2007-2008     | 4,375,864                             | 4,463,234  | 4,452,294  | 4,439,918  |            |            |            |            |            |            |
| 2008-2009     | 5,324,167                             | 5,353,094  | 5,357,021  |            |            |            |            |            |            |            |
| 2009-2010     | 4,594,164                             | 4,584,781  |            |            |            |            |            |            |            |            |
| 2010-2011     | 5,522,251                             |            |            |            |            |            |            |            |            |            |
| 2011-2012     | 4,611,160                             | 4,615,930  |            |            |            |            |            |            |            |            |
| 2012-2013     | 5,637,611                             |            |            |            |            |            |            |            |            |            |
| 2013-2014     |                                       |            |            |            |            |            |            |            |            |            |
| 2014-2015     |                                       |            |            |            |            |            |            |            |            |            |
| 2015-2016     |                                       |            |            |            |            |            |            |            |            |            |
| 2016-2017     |                                       |            |            |            |            |            |            |            |            |            |
| 2017-2018     |                                       |            |            |            |            |            |            |            |            |            |
| 2018-2019     |                                       |            |            |            |            |            |            |            |            |            |
| 2019-2020     |                                       |            |            |            |            |            |            |            |            |            |
| 2020-2021     |                                       |            |            |            |            |            |            |            |            |            |
| 2021-2022     |                                       |            |            |            |            |            |            |            |            |            |
| 2022-2023     |                                       |            |            |            |            |            |            |            |            |            |
| 2023-2024     |                                       |            |            |            |            |            |            |            |            |            |

|           | <u>Reported Loss Development Factors:</u> |                |                |                |                |                |                |                |                |                 |
|-----------|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
|           | 138-150 Months                            | 150-162 Months | 162-174 Months | 174-186 Months | 186-198 Months | 198-210 Months | 210-222 Months | 222-234 Months | 234-246 Months | 246-Ult. Months |
| 2004-2005 | 1.006                                     | 1.008          | 1.007          | 1.004          | 0.997          | 1.000          |                |                |                |                 |
| 2005-2006 | 1.014                                     | 1.002          | 1.004          | 1.000          | 1.000          |                |                |                |                |                 |
| 2006-2007 | 0.997                                     | 1.004          | 0.993          | 0.996          |                |                |                |                |                |                 |
| 2007-2008 | 1.020                                     | 0.998          | 0.997          |                |                |                |                |                |                |                 |
| 2008-2009 | 1.005                                     | 1.001          |                |                |                |                |                |                |                |                 |
| 2009-2010 | 0.998                                     |                |                |                |                |                |                |                |                |                 |
| 2010-2011 |   |                |                |                |                |                |                |                |                |                 |
| 2011-2012 | 1.001                                     |                |                |                |                |                |                |                |                |                 |
| 2012-2013 |   |                |                |                |                |                |                |                |                |                 |
| 2013-2014 |   |                |                |                |                |                |                |                |                |                 |
| 2014-2015 |   |                |                |                |                |                |                |                |                |                 |
| 2015-2016 |   |                |                |                |                |                |                |                |                |                 |
| 2016-2017 |   |                |                |                |                |                |                |                |                |                 |
| 2017-2018 |   |                |                |                |                |                |                |                |                |                 |
| 2018-2019 |   |                |                |                |                |                |                |                |                |                 |
| 2019-2020 |   |                |                |                |                |                |                |                |                |                 |
| 2020-2021 |   |                |                |                |                |                |                |                |                |                 |
| 2021-2022 |   |                |                |                |                |                |                |                |                |                 |
| 2022-2023 |   |                |                |                |                |                |                |                |                |                 |

|                   | 138-150 Months | 150-162 Months | 162-174 Months | 174-186 Months | 186-198 Months | 198-210 Months | 210-222 Months | 222-234 Months | 234-246 Months | 246-Ult. Months |
|-------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| Average           | 1.006          | 1.003          | 1.000          | 1.002          | 0.996          | 0.998          | 1.007          |                |                |                 |
| Dollar-Wtd. Avgs. |                |                |                |                |                |                |                |                |                |                 |
| Total             | 1.006          | 1.003          | 1.000          | 1.002          | 0.995          | 0.998          | 1.007          |                |                |                 |
| 3-yr              |                |                |                |                |                |                |                |                |                |                 |
| 4-yr              |                |                |                |                |                |                |                |                |                |                 |
| Comparative       |                |                |                |                |                |                |                |                |                |                 |
| Factors           | 1.002          | 1.002          | 1.002          | 1.002          | 1.002          | 1.001          | 1.001          | 1.001          | 1.001          | 1.017           |
| Prior             | 1.002          | 1.002          | 1.002          | 1.002          | 1.002          | 1.002          | 1.002          | 1.001          | 1.020          |                 |
| Selected          | 1.002          | 1.002          | 1.002          | 1.002          | 1.002          | 1.002          | 1.002          | 1.001          | 1.001          | 1.019           |
| Cumulated         | 1.035          | 1.033          | 1.031          | 1.029          | 1.027          | 1.025          | 1.023          | 1.021          | 1.020          | 1.019           |

San Mateo County Schools Insurance Group - Workers' Compensation  
Reported between \$100,000 and \$500,000 Loss Development

| Accident Year | <u>Losses Reported as of:</u> |           |           |           |           |           |           |           |            |            |            |
|---------------|-------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
|               | 6 Months                      | 18 Months | 30 Months | 42 Months | 54 Months | 66 Months | 78 Months | 90 Months | 102 Months | 114 Months | 126 Months |
| 2004-2005     |                               | 78,071    | 403,256   | 403,256   | 464,434   | 740,895   | 1,005,663 | 1,123,567 | 1,110,067  | 986,967    | 959,562    |
| 2005-2006     |                               | 269,966   | 369,080   | 493,448   | 707,658   | 889,363   | 915,658   | 887,640   | 873,718    | 799,078    | 946,916    |
| 2006-2007     | 123,415                       | 167,447   | 271,370   | 676,437   | 1,795,270 | 1,855,668 | 1,466,496 | 1,615,696 | 1,623,215  | 1,400,736  | 1,392,736  |
| 2007-2008     |                               | 231,219   | 429,369   | 699,797   | 704,388   | 693,243   | 757,828   | 563,843   | 604,102    | 423,669    | 386,654    |
| 2008-2009     | 338,362                       | 942,844   | 1,380,187 | 1,842,074 | 2,108,167 | 2,124,480 | 2,493,334 | 2,256,855 | 2,441,846  | 2,539,050  | 2,697,070  |
| 2009-2010     |                               | 65,213    | 235,155   | 591,936   | 721,086   | 1,386,458 | 1,999,364 | 2,199,619 | 2,303,652  | 2,130,530  | 1,628,500  |
| 2010-2011     |                               | 109,924   | 874,298   | 1,145,660 | 1,557,044 | 2,254,841 | 2,304,008 | 2,244,983 | 1,907,908  | 1,881,055  | 1,825,775  |
| 2011-2012     | 339,369                       | 428,224   | 613,754   | 848,634   | 1,280,997 | 1,321,131 | 1,706,659 | 1,650,613 | 1,422,718  | 1,409,475  | 1,415,387  |
| 2012-2013     |                               | 796,677   | 928,456   | 1,592,797 | 1,860,326 | 2,011,481 | 2,124,215 | 2,033,756 | 2,044,387  | 1,798,610  | 1,704,656  |
| 2013-2014     | 144,457                       | 716,113   | 1,211,777 | 2,139,978 | 2,319,478 | 2,630,561 | 2,077,904 | 2,129,896 | 1,984,661  | 1,937,487  | 1,899,843  |
| 2014-2015     |                               | 415,320   | 1,671,535 | 2,645,498 | 2,945,043 | 2,856,340 | 2,740,015 | 2,552,940 | 2,483,326  | 2,365,036  |            |
| 2015-2016     |                               | 99,486    | 516,193   | 1,140,187 | 1,316,744 | 1,509,049 | 1,030,984 | 996,472   | 1,177,154  |            |            |
| 2016-2017     | 103,384                       | 863,507   | 1,546,495 | 1,751,772 | 2,092,795 | 2,147,862 | 2,415,267 | 2,354,777 |            |            |            |
| 2017-2018     | 618,138                       | 831,444   | 1,415,022 | 2,107,745 | 2,672,639 | 2,436,765 | 2,676,067 |           |            |            |            |
| 2018-2019     | 30,765                        | 215,608   | 1,438,519 | 3,181,026 | 4,171,542 | 4,582,328 |           |           |            |            |            |
| 2019-2020     |                               | 318,463   | 827,666   | 1,351,996 | 1,735,429 |           |           |           |            |            |            |
| 2020-2021     |                               | 15,966    | 385,105   | 966,523   |           |           |           |           |            |            |            |
| 2021-2022     |                               | 116,676   | 807,803   |           |           |           |           |           |            |            |            |
| 2022-2023     |                               | 237,687   |           |           |           |           |           |           |            |            |            |
| 2023-2024     | 270,290                       |           |           |           |           |           |           |           |            |            |            |

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 |
|---------------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|
| 2004-2005           |             | 5.165        | 1.000        | 1.152        | 1.595        | 1.357        | 1.117        | 0.988         | 0.889          | 0.972          | 0.665          |
| 2005-2006           |             | 1.367        | 1.337        | 1.434        | 1.257        | 1.030        | 0.969        | 0.984         | 0.915          | 1.185          | 0.822          |
| 2006-2007           | 1.357       | 1.621        | 2.493        | 2.654        | 1.034        | 0.790        | 1.102        | 1.005         | 0.863          | 0.994          | 0.891          |
| 2007-2008           |             | 1.857        | 1.630        | 1.007        | 0.984        | 1.093        | 0.744        | 1.071         | 0.701          | 0.913          | 0.827          |
| 2008-2009           | 2.786       | 1.464        | 1.335        | 1.144        | 1.008        | 1.174        | 0.905        | 1.082         | 1.040          | 1.062          | 0.898          |
| 2009-2010           |             | 3.606        | 2.517        | 1.218        | 1.923        | 1.442        | 1.100        | 1.047         | 0.925          | 0.764          | 0.976          |
| 2010-2011           |             | 7.954        | 1.310        | 1.359        | 1.448        | 1.022        | 0.974        | 0.850         | 0.986          | 0.971          | 1.033          |
| 2011-2012           | 1.262       | 1.433        | 1.383        | 1.509        | 1.031        | 1.292        | 0.967        | 0.862         | 0.991          | 1.004          | 1.090          |
| 2012-2013           |             | 1.165        | 1.716        | 1.168        | 1.081        | 1.056        | 0.957        | 1.005         | 0.880          | 0.948          | 1.066          |
| 2013-2014           | 4.957       | 1.692        | 1.766        | 1.084        | 1.134        | 0.790        | 1.025        | 0.932         | 0.976          | 0.981          |                |
| 2014-2015           |             | 4.025        | 1.583        | 1.113        | 0.970        | 0.959        | 0.932        | 0.973         | 0.952          |                |                |
| 2015-2016           |             | 5.189        | 2.209        | 1.155        | 1.146        | 0.683        | 0.967        | 1.181         |                |                |                |
| 2016-2017           | 8.352       | 1.791        | 1.133        | 1.195        | 1.026        | 1.124        | 0.975        |               |                |                |                |
| 2017-2018           | 1.345       | 1.702        | 1.490        | 1.268        | 0.912        | 1.098        |              |               |                |                |                |
| 2018-2019           | 7.008       | 6.672        | 2.211        | 1.311        | 1.098        |              |              |               |                |                |                |
| 2019-2020           |             | 2.599        | 1.634        | 1.284        |              |              |              |               |                |                |                |
| 2020-2021           |             | 24.120       | 2.510        |              |              |              |              |               |                |                |                |
| 2021-2022           |             | 6.923        |              |              |              |              |              |               |                |                |                |
| 2022-2023           |             |              |              |              |              |              |              |               |                |                |                |
| Average             | 3.867       | 4.464        | 1.682        | 1.309        | 1.162        | 1.075        | 0.978        | 1.009         | 0.950          | 0.982          | 0.936          |
| Dollar-Wtd. Avgs.   |             |              |              |              |              |              |              |               |                |                |                |
| Total               | 2.453       | 2.293        | 1.580        | 1.256        | 1.094        | 1.043        | 0.980        | 0.996         | 0.969          | 0.975          | 0.966          |
| 3-yr                |             | 4.479        | 2.074        | 1.292        | 1.026        | 1.005        | 0.954        | 0.994         | 0.937          | 0.976          | 1.061          |
| 4-yr                |             | 5.188        | 1.871        | 1.272        | 1.041        | 0.990        | 0.972        | 0.997         | 0.947          | 0.974          | 1.040          |
| Comparative Factors | 4.362       | 1.973        | 1.381        | 1.179        | 1.083        | 1.042        | 1.027        | 1.015         | 1.011          | 1.010          | 1.010          |
| Prior               | 3.850       | 2.400        | 1.500        | 1.285        | 1.175        | 1.100        | 1.075        | 1.070         | 1.060          | 1.050          | 1.040          |
| Selected            | 3.850       | 2.400        | 1.500        | 1.285        | 1.175        | 1.100        | 1.075        | 1.070         | 1.060          | 1.050          | 1.040          |
| Cumulated           | 36.610      | 9.509        | 3.962        | 2.641        | 2.055        | 1.749        | 1.590        | 1.479         | 1.382          | 1.304          | 1.242          |

San Mateo County Schools Insurance Group - Workers' Compensation  
Reported between \$100,000 and \$500,000 Loss Development

| Accident Year | <u>Losses Reported as of:</u> |           |           |           |           |         |         |        |        |        |
|---------------|-------------------------------|-----------|-----------|-----------|-----------|---------|---------|--------|--------|--------|
|               | 138                           | 150       | 162       | 174       | 186       | 198     | 210     | 222    | 234    | 246    |
|               | Months                        | Months    | Months    | Months    | Months    | Months  | Months  | Months | Months | Months |
| 2004-2005     | 638,455                       | 696,054   | 696,054   | 790,049   | 702,073   | 735,340 | 805,340 |        |        |        |
| 2005-2006     | 778,642                       | 821,132   | 781,765   | 782,045   | 809,425   | 809,653 |         |        |        |        |
| 2006-2007     | 1,241,547                     | 1,241,920 | 1,242,920 | 1,212,507 | 1,212,507 |         |         |        |        |        |
| 2007-2008     | 319,922                       | 362,944   | 489,187   | 461,528   |           |         |         |        |        |        |
| 2008-2009     | 2,421,204                     | 2,290,524 | 2,366,232 |           |           |         |         |        |        |        |
| 2009-2010     | 1,589,801                     | 1,639,975 |           |           |           |         |         |        |        |        |
| 2010-2011     | 1,886,810                     |           |           |           |           |         |         |        |        |        |
| 2011-2012     | 1,542,229                     | 1,618,033 |           |           |           |         |         |        |        |        |
| 2012-2013     | 1,816,896                     |           |           |           |           |         |         |        |        |        |
| 2013-2014     |                               |           |           |           |           |         |         |        |        |        |
| 2014-2015     |                               |           |           |           |           |         |         |        |        |        |
| 2015-2016     |                               |           |           |           |           |         |         |        |        |        |
| 2016-2017     |                               |           |           |           |           |         |         |        |        |        |
| 2017-2018     |                               |           |           |           |           |         |         |        |        |        |
| 2018-2019     |                               |           |           |           |           |         |         |        |        |        |
| 2019-2020     |                               |           |           |           |           |         |         |        |        |        |
| 2020-2021     |                               |           |           |           |           |         |         |        |        |        |
| 2021-2022     |                               |           |           |           |           |         |         |        |        |        |
| 2022-2023     |                               |           |           |           |           |         |         |        |        |        |
| 2023-2024     |                               |           |           |           |           |         |         |        |        |        |

Reported Loss Development Factors:

|           | 138-150 | 150-162 | 162-174 | 174-186 | 186-198 | 198-210 | 210-222 | 222-234 | 234-246 | 246-Ult. |
|-----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------|
|           | Months   |
| 2004-2005 | 1.090   | 1.000   | 1.135   | 0.889   | 1.047   | 1.095   |         |         |         |          |
| 2005-2006 | 1.055   | 0.952   | 1.000   | 1.035   | 1.000   |         |         |         |         |          |
| 2006-2007 | 1.000   | 1.001   | 0.976   | 1.000   |         |         |         |         |         |          |
| 2007-2008 | 1.134   | 1.348   | 0.943   |         |         |         |         |         |         |          |
| 2008-2009 | 0.946   | 1.033   |         |         |         |         |         |         |         |          |
| 2009-2010 | 1.032   |         |         |         |         |         |         |         |         |          |
| 2010-2011 |         |         |         |         |         |         |         |         |         |          |
| 2011-2012 | 1.049   |         |         |         |         |         |         |         |         |          |
| 2012-2013 |         |         |         |         |         |         |         |         |         |          |
| 2013-2014 |         |         |         |         |         |         |         |         |         |          |
| 2014-2015 |         |         |         |         |         |         |         |         |         |          |
| 2015-2016 |         |         |         |         |         |         |         |         |         |          |
| 2016-2017 |         |         |         |         |         |         |         |         |         |          |
| 2017-2018 |         |         |         |         |         |         |         |         |         |          |
| 2018-2019 |         |         |         |         |         |         |         |         |         |          |
| 2019-2020 |         |         |         |         |         |         |         |         |         |          |
| 2020-2021 |         |         |         |         |         |         |         |         |         |          |
| 2021-2022 |         |         |         |         |         |         |         |         |         |          |
| 2022-2023 |         |         |         |         |         |         |         |         |         |          |

|                   | 138-150 | 150-162 | 162-174 | 174-186 | 186-198 | 198-210 | 210-222 | 222-234 | 234-246 | 246-Ult. |
|-------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------|
|                   | Months   |
| Average           | 1.033   | 1.052   | 0.989   | 0.986   | 0.993   | 1.056   | 1.009   |         |         |          |
| Dollar-Wtd. Avgs. |         |         |         |         |         |         |         |         |         |          |
| Total             | 1.003   | 1.015   | 0.961   | 0.996   | 0.971   | 1.038   | 1.009   |         |         |          |
| 3-yr              |         |         |         |         |         |         |         |         |         |          |
| 4-yr              |         |         |         |         |         |         |         |         |         |          |
| Comparative       |         |         |         |         |         |         |         |         |         |          |
| Factors           | 1.010   | 1.010   | 1.010   | 1.008   | 1.008   | 1.006   | 1.005   | 1.005   | 1.003   | 1.044    |
| Prior             | 1.035   | 1.030   | 1.025   | 1.020   | 1.020   | 1.015   | 1.010   | 1.005   | 1.020   |          |
| Selected          | 1.035   | 1.030   | 1.025   | 1.020   | 1.020   | 1.015   | 1.010   | 1.005   | 1.003   | 1.017    |
| Cumulated         | 1.194   | 1.154   | 1.120   | 1.093   | 1.072   | 1.051   | 1.035   | 1.025   | 1.020   | 1.017    |

San Mateo County Schools Insurance Group - Workers' Compensation

Paid Loss Development

| Accident Year (A) | Limited Paid Losses as of 12/31/23 (B) | Paid Loss Development Factor (C) | Ultimate Limited Losses (D) | Program Paid Losses as of 12/31/23 (E) | Paid Loss Development Factor (F) | Ultimate Program Losses (G) |
|-------------------|--|----------------------------------|-----------------------------|--|----------------------------------|-----------------------------|
| Prior             | \$35,480,231                           | 1.025                            | \$36,367,237                | \$38,716,058                           | 1.031                            | \$39,916,256                |
| 2003-2004         | 0                                      | 1.027                            | 0                           | 0                                      | 1.036                            | 0                           |
| 2004-2005         | 0                                      | 1.029                            | 0                           | 0                                      | 1.040                            | 0                           |
| 2005-2006         | 0                                      | 1.031                            | 0                           | 0                                      | 1.044                            | 0                           |
| 2006-2007         | 0                                      | 1.034                            | 0                           | 0                                      | 1.052                            | 0                           |
| 2007-2008         | 0                                      | 1.039                            | 0                           | 0                                      | 1.062                            | 0                           |
| 2008-2009         | 0                                      | 1.045                            | 0                           | 0                                      | 1.074                            | 0                           |
| 2009-2010         | 0                                      | 1.052                            | 0                           | 0                                      | 1.087                            | 0                           |
| 2010-2011         | 0                                      | 1.059                            | 0                           | 0                                      | 1.102                            | 0                           |
| 2011-2012         | 4,446,740                              | 1.066                            | 4,740,225                   | 5,524,935                              | 1.119                            | 6,182,402                   |
| 2012-2013         | 5,360,473                              | 1.073                            | 5,751,788                   | 6,635,810                              | 1.137                            | 7,544,916                   |
| 2013-2014         | 6,128,274                              | 1.082                            | 6,630,792                   | 7,525,401                              | 1.160                            | 8,729,465                   |
| 2014-2015         | 6,190,580                              | 1.092                            | 6,760,113                   | 7,783,467                              | 1.186                            | 9,231,192                   |
| 2015-2016         | 5,353,660                              | 1.103                            | 5,905,087                   | 6,077,246                              | 1.218                            | 7,402,086                   |
| 2016-2017         | 5,965,019                              | 1.120                            | 6,680,821                   | 7,225,626                              | 1.265                            | 9,140,417                   |
| 2017-2018         | 5,742,888                              | 1.137                            | 6,529,664                   | 6,947,459                              | 1.317                            | 9,149,804                   |
| 2018-2019         | 5,810,121                              | 1.171                            | 6,803,652                   | 7,669,989                              | 1.396                            | 10,707,305                  |
| 2019-2020         | 3,907,948                              | 1.212                            | 4,736,433                   | 4,428,243                              | 1.492                            | 6,606,939                   |
| 2020-2021         | 2,390,245                              | 1.321                            | 3,157,514                   | 2,801,156                              | 1.677                            | 4,697,539                   |
| 2021-2022         | 3,472,204                              | 1.618                            | 5,618,026                   | 3,805,281                              | 2.105                            | 8,010,117                   |
| 2022-2023         | 2,128,532                              | 2.507                            | 5,336,230                   | 2,150,949                              | 3.311                            | 7,121,792                   |
| 2023-2024         | 603,442                                | 17.549                           | 10,589,804                  | 620,121                                | 23.204                           | 14,389,288                  |
| Totals            | \$92,980,357                           |                                  | \$115,607,385               | \$107,911,741                          |                                  | \$148,829,515               |

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, 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, 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.

San Mateo County Schools Insurance Group - Workers' Compensation  
Paid Loss Development

| Accident Year | <u>Limited Losses Paid as of:</u> |           |           |           |           |           |           |           |            |            |            |
|---------------|-----------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
|               | 6 Months                          | 18 Months | 30 Months | 42 Months | 54 Months | 66 Months | 78 Months | 90 Months | 102 Months | 114 Months | 126 Months |
| 2004-2005     | 166,943                           | 1,688,920 | 2,303,389 | 2,451,009 | 2,712,561 | 2,904,025 | 2,974,274 | 3,139,824 | 3,231,268  | 3,352,825  | 3,393,252  |
| 2005-2006     | 480,840                           | 1,761,963 | 2,250,168 | 2,772,985 | 3,242,965 | 3,499,557 | 3,577,101 | 3,850,959 | 3,901,358  | 3,976,645  | 4,085,578  |
| 2006-2007     | 562,293                           | 1,780,238 | 2,837,928 | 3,305,685 | 3,688,624 | 3,753,087 | 3,778,430 | 3,839,264 | 3,860,459  | 3,902,429  | 3,921,942  |
| 2007-2008     | 253,956                           | 2,156,385 | 2,905,086 | 3,468,467 | 3,614,351 | 3,876,141 | 4,027,729 | 4,094,030 | 4,141,220  | 4,160,508  | 4,225,481  |
| 2008-2009     | 420,038                           | 2,578,210 | 3,733,478 | 4,039,525 | 4,341,602 | 4,604,525 | 4,819,332 | 4,975,323 | 5,194,031  | 5,297,492  | 5,338,593  |
| 2009-2010     | 260,415                           | 2,425,927 | 3,038,257 | 3,574,629 | 3,851,294 | 4,019,764 | 4,251,522 | 4,347,332 | 4,419,903  | 4,448,268  | 4,462,770  |
| 2010-2011     | 784,124                           | 2,528,450 | 3,843,347 | 4,394,762 | 4,821,361 | 4,891,198 | 5,086,664 | 5,170,982 | 5,288,169  | 5,351,184  | 5,424,950  |
| 2011-2012     | 379,245                           | 2,225,803 | 3,022,373 | 3,454,867 | 3,707,622 | 3,967,974 | 4,102,873 | 4,098,477 | 4,249,082  | 4,400,496  | 4,435,882  |
| 2012-2013     | 284,922                           | 2,521,718 | 3,781,311 | 4,577,185 | 4,915,693 | 5,105,995 | 5,247,542 | 5,392,561 | 5,443,427  | 5,451,138  | 5,358,573  |
| 2013-2014     | 482,417                           | 2,856,954 | 4,256,225 | 5,061,137 | 5,480,128 | 5,701,164 | 5,797,109 | 6,006,601 | 6,050,689  | 6,075,778  | 6,128,274  |
| 2014-2015     | 421,963                           | 2,710,503 | 4,513,984 | 5,195,381 | 5,626,426 | 5,863,691 | 6,012,119 | 6,042,407 | 6,107,344  | 6,190,580  |            |
| 2015-2016     | 359,394                           | 2,526,412 | 3,750,259 | 4,414,202 | 4,811,235 | 5,116,656 | 5,203,964 | 5,231,812 | 5,353,660  |            |            |
| 2016-2017     | 456,478                           | 3,064,858 | 4,195,547 | 4,781,495 | 5,471,663 | 5,724,487 | 5,916,128 | 5,965,019 |            |            |            |
| 2017-2018     | 501,903                           | 2,936,198 | 4,333,944 | 5,243,549 | 5,702,474 | 5,568,605 | 5,742,888 |           |            |            |            |
| 2018-2019     | 312,149                           | 2,466,908 | 4,229,197 | 5,248,575 | 5,645,488 | 5,810,121 |           |           |            |            |            |
| 2019-2020     | 416,385                           | 2,005,133 | 2,941,006 | 3,604,891 | 3,907,948 |           |           |           |            |            |            |
| 2020-2021     | 173,892                           | 1,167,897 | 2,009,496 | 2,390,245 |           |           |           |           |            |            |            |
| 2021-2022     | 308,302                           | 2,524,653 | 3,472,204 |           |           |           |           |           |            |            |            |
| 2022-2023     | 285,545                           | 2,128,532 |           |           |           |           |           |           |            |            |            |
| 2023-2024     | 603,442                           |           |           |           |           |           |           |           |            |            |            |

|           | <u>Paid Loss Development Factors:</u> |              |              |              |              |              |              |               |                |                |                |
|-----------|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|
|           | 6-18 Months                           | 18-30 Months | 30-42 Months | 42-54 Months | 54-66 Months | 66-78 Months | 78-90 Months | 90-102 Months | 102-114 Months | 114-126 Months | 126-138 Months |
| 2004-2005 | 10.117                                | 1.364        | 1.064        | 1.107        | 1.071        | 1.024        | 1.056        | 1.029         | 1.038          | 1.012          | 1.006          |
| 2005-2006 | 3.664                                 | 1.277        | 1.232        | 1.169        | 1.079        | 1.022        | 1.077        | 1.013         | 1.019          | 1.027          | 1.009          |
| 2006-2007 | 3.166                                 | 1.594        | 1.165        | 1.116        | 1.017        | 1.007        | 1.016        | 1.006         | 1.011          | 1.005          | 1.001          |
| 2007-2008 | 8.491                                 | 1.347        | 1.194        | 1.042        | 1.072        | 1.039        | 1.016        | 1.012         | 1.005          | 1.016          | 1.003          |
| 2008-2009 | 6.138                                 | 1.448        | 1.082        | 1.075        | 1.061        | 1.047        | 1.032        | 1.044         | 1.020          | 1.008          | 0.987          |
| 2009-2010 | 9.316                                 | 1.252        | 1.177        | 1.077        | 1.044        | 1.058        | 1.023        | 1.017         | 1.006          | 1.003          | 1.008          |
| 2010-2011 | 3.225                                 | 1.520        | 1.143        | 1.097        | 1.014        | 1.040        | 1.017        | 1.023         | 1.012          | 1.014          | 1.008          |
| 2011-2012 | 5.869                                 | 1.358        | 1.143        | 1.073        | 1.070        | 1.034        | 0.999        | 1.037         | 1.036          | 1.008          | 1.002          |
| 2012-2013 | 8.851                                 | 1.499        | 1.210        | 1.074        | 1.039        | 1.028        | 1.028        | 1.009         | 1.001          | 0.983          | 1.000          |
| 2013-2014 | 5.922                                 | 1.490        | 1.189        | 1.083        | 1.040        | 1.017        | 1.036        | 1.007         | 1.004          | 1.009          |                |
| 2014-2015 | 6.424                                 | 1.665        | 1.151        | 1.083        | 1.042        | 1.025        | 1.005        | 1.011         | 1.014          |                |                |
| 2015-2016 | 7.030                                 | 1.484        | 1.177        | 1.090        | 1.063        | 1.017        | 1.005        | 1.023         |                |                |                |
| 2016-2017 | 6.714                                 | 1.369        | 1.140        | 1.144        | 1.046        | 1.033        | 1.008        |               |                |                |                |
| 2017-2018 | 5.850                                 | 1.476        | 1.210        | 1.088        | 0.977        | 1.031        |              |               |                |                |                |
| 2018-2019 | 7.903                                 | 1.714        | 1.241        | 1.076        | 1.029        |              |              |               |                |                |                |
| 2019-2020 | 4.816                                 | 1.467        | 1.226        | 1.084        |              |              |              |               |                |                |                |
| 2020-2021 | 6.716                                 | 1.721        | 1.189        |              |              |              |              |               |                |                |                |
| 2021-2022 | 8.189                                 | 1.375        |              |              |              |              |              |               |                |                |                |
| 2022-2023 | 7.454                                 |              |              |              |              |              |              |               |                |                |                |

|                           | 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 Dollar-Wtd. Avgs. | 6.794       | 1.479        | 1.171        | 1.092        | 1.045        | 1.031        | 1.024        | 1.020         | 1.016          | 1.009          | 1.005          |
| Total                     | 6.118       | 1.474        | 1.172        | 1.090        | 1.042        | 1.030        | 1.022        | 1.019         | 1.015          | 1.008          | 1.005          |
| 3-yr                      | 7.582       | 1.478        | 1.225        | 1.082        | 1.017        | 1.028        | 1.006        | 1.013         | 1.007          | 1.000          | 1.004          |
| 4-yr                      | 6.609       | 1.550        | 1.220        | 1.098        | 1.027        | 1.027        | 1.014        | 1.012         | 1.012          | 1.003          | 1.005          |
| Comparative Factors       | 3.503       | 1.627        | 1.223        | 1.107        | 1.059        | 1.035        | 1.023        | 1.018         | 1.015          | 1.011          | 1.010          |
| Prior                     | 6.750       | 1.575        | 1.225        | 1.090        | 1.040        | 1.030        | 1.020        | 1.015         | 1.010          | 1.009          | 1.008          |
| Selected                  | 7.000       | 1.550        | 1.225        | 1.090        | 1.035        | 1.030        | 1.015        | 1.015         | 1.010          | 1.009          | 1.008          |
| Cumulated                 | 17.549      | 2.507        | 1.618        | 1.321        | 1.212        | 1.171        | 1.137        | 1.120         | 1.103          | 1.092          | 1.082          |

San Mateo County Schools Insurance Group - Workers' Compensation  
Paid Loss Development

| Accident Year | <u>Limited Losses Paid as of:</u> |            |            |            |            |            |            |            |            |            |
|---------------|-----------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|               | 138 Months                        | 150 Months | 162 Months | 174 Months | 186 Months | 198 Months | 210 Months | 222 Months | 234 Months | 246 Months |
| 2004-2005     | 3,414,844                         | 3,483,223  | 3,514,420  | 3,539,030  | 3,556,591  | 3,558,368  | 3,567,790  |            |            |            |
| 2005-2006     | 4,124,191                         | 4,209,289  | 4,216,401  | 4,218,506  | 4,218,537  | 4,219,145  |            |            |            |            |
| 2006-2007     | 3,924,403                         | 3,930,430  | 3,931,843  | 3,932,234  | 3,945,514  |            |            |            |            |            |
| 2007-2008     | 4,239,733                         | 4,327,383  | 4,336,861  | 4,358,598  |            |            |            |            |            |            |
| 2008-2009     | 5,270,834                         | 5,290,191  | 5,305,692  |            |            |            |            |            |            |            |
| 2009-2010     | 4,498,921                         | 4,518,606  |            |            |            |            |            |            |            |            |
| 2010-2011     | 5,467,907                         |            |            |            |            |            |            |            |            |            |
| 2011-2012     | 4,444,987                         | 4,446,740  |            |            |            |            |            |            |            |            |
| 2012-2013     | 5,360,473                         |            |            |            |            |            |            |            |            |            |
| 2013-2014     |                                   |            |            |            |            |            |            |            |            |            |
| 2014-2015     |                                   |            |            |            |            |            |            |            |            |            |
| 2015-2016     |                                   |            |            |            |            |            |            |            |            |            |
| 2016-2017     |                                   |            |            |            |            |            |            |            |            |            |
| 2017-2018     |                                   |            |            |            |            |            |            |            |            |            |
| 2018-2019     |                                   |            |            |            |            |            |            |            |            |            |
| 2019-2020     |                                   |            |            |            |            |            |            |            |            |            |
| 2020-2021     |                                   |            |            |            |            |            |            |            |            |            |
| 2021-2022     |                                   |            |            |            |            |            |            |            |            |            |
| 2022-2023     |                                   |            |            |            |            |            |            |            |            |            |
| 2023-2024     |                                   |            |            |            |            |            |            |            |            |            |

|           | <u>Paid Loss Development Factors:</u> |                |                |                |                |                |                |                |                |                 |
|-----------|---------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
|           | 138-150 Months                        | 150-162 Months | 162-174 Months | 174-186 Months | 186-198 Months | 198-210 Months | 210-222 Months | 222-234 Months | 234-246 Months | 246-Ult. Months |
| 2004-2005 | 1.020                                 | 1.009          | 1.007          | 1.005          | 1.000          | 1.003          |                |                |                |                 |
| 2005-2006 | 1.021                                 | 1.002          | 1.000          | 1.000          | 1.000          |                |                |                |                |                 |
| 2006-2007 | 1.002                                 | 1.000          | 1.000          | 1.003          |                |                |                |                |                |                 |
| 2007-2008 | 1.021                                 | 1.002          | 1.005          |                |                |                |                |                |                |                 |
| 2008-2009 | 1.004                                 | 1.003          |                |                |                |                |                |                |                |                 |
| 2009-2010 | 1.004                                 |                |                |                |                |                |                |                |                |                 |
| 2010-2011 |                                       |                |                |                |                |                |                |                |                |                 |
| 2011-2012 | 1.000                                 |                |                |                |                |                |                |                |                |                 |
| 2012-2013 |                                       |                |                |                |                |                |                |                |                |                 |
| 2013-2014 |                                       |                |                |                |                |                |                |                |                |                 |
| 2014-2015 |                                       |                |                |                |                |                |                |                |                |                 |
| 2015-2016 |                                       |                |                |                |                |                |                |                |                |                 |
| 2016-2017 |                                       |                |                |                |                |                |                |                |                |                 |
| 2017-2018 |                                       |                |                |                |                |                |                |                |                |                 |
| 2018-2019 |                                       |                |                |                |                |                |                |                |                |                 |
| 2019-2020 |                                       |                |                |                |                |                |                |                |                |                 |
| 2020-2021 |                                       |                |                |                |                |                |                |                |                |                 |
| 2021-2022 |                                       |                |                |                |                |                |                |                |                |                 |
| 2022-2023 |                                       |                |                |                |                |                |                |                |                |                 |

|                           | 138-150 Months | 150-162 Months | 162-174 Months | 174-186 Months | 186-198 Months | 198-210 Months | 210-222 Months | 222-234 Months | 234-246 Months | 246-Ult. Months |
|---------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| Average Dollar-Wtd. Avgs. | 1.011          | 1.004          | 1.001          | 1.005          | 1.002          | 1.002          | 1.001          |                |                |                 |
| Total                     | 1.011          | 1.003          | 1.000          | 1.005          | 1.002          | 1.001          | 1.001          |                |                |                 |
| 3-yr                      |                |                |                |                |                |                |                |                |                |                 |
| 4-yr                      |                |                |                |                |                |                |                |                |                |                 |
| Comparative Factors       | 1.009          | 1.007          | 1.006          | 1.004          | 1.004          | 1.004          | 1.004          | 1.003          | 1.003          | 1.040           |
| Prior                     | 1.007          | 1.007          | 1.007          | 1.007          | 1.006          | 1.005          | 1.003          | 1.002          | 1.029          |                 |
| Selected                  | 1.007          | 1.007          | 1.007          | 1.007          | 1.006          | 1.005          | 1.003          | 1.002          | 1.002          | 1.027           |
| Cumulated                 | 1.073          | 1.066          | 1.059          | 1.052          | 1.045          | 1.039          | 1.034          | 1.031          | 1.029          | 1.027           |

San Mateo County Schools Insurance Group - Workers' Compensation  
Paid between \$100,000 and \$500,000 Loss Development

| Accident Year | <u>Losses Paid as of:</u> |           |           |           |           |           |           |           |            |            |            |
|---------------|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
|               | 6 Months                  | 18 Months | 30 Months | 42 Months | 54 Months | 66 Months | 78 Months | 90 Months | 102 Months | 114 Months | 126 Months |
| 2004-2005     |                           |           | 66,047    | 79,012    | 130,288   | 158,291   | 212,861   | 365,380   | 423,550    | 435,841    | 441,228    |
| 2005-2006     |                           | 57,791    | 93,504    | 124,131   | 168,153   | 267,001   | 129,165   | 418,756   | 398,292    | 404,663    | 518,609    |
| 2006-2007     |                           |           | 14,255    | 91,822    | 663,766   | 1,036,658 | 913,195   | 1,052,893 | 1,154,977  | 1,158,841  | 1,163,289  |
| 2007-2008     |                           |           |           | 29,920    | 64,627    | 96,482    | 145,535   | 164,689   | 170,535    | 211,089    | 230,478    |
| 2008-2009     |                           | 386,876   | 769,574   | 1,003,298 | 1,318,783 | 1,526,941 | 1,727,554 | 1,793,143 | 1,947,910  | 2,032,857  | 2,102,731  |
| 2009-2010     |                           | 11,135    | 69,697    | 275,469   | 384,957   | 522,765   | 780,959   | 976,659   | 1,040,025  | 1,263,825  | 1,310,618  |
| 2010-2011     |                           |           | 78,216    | 345,419   | 508,298   | 1,042,045 | 1,512,345 | 1,570,991 | 1,640,046  | 1,701,392  | 1,718,028  |
| 2011-2012     |                           | 12,395    | 16,276    | 205,101   | 406,342   | 525,352   | 762,676   | 916,674   | 1,001,733  | 1,086,424  | 1,103,530  |
| 2012-2013     |                           | 46,989    | 149,673   | 472,519   | 749,042   | 1,019,217 | 1,260,393 | 1,330,228 | 1,375,275  | 1,378,282  | 1,332,715  |
| 2013-2014     |                           | 63,845    | 193,932   | 593,400   | 827,620   | 1,097,492 | 1,195,563 | 1,243,361 | 1,469,077  | 1,487,434  | 1,524,277  |
| 2014-2015     |                           |           | 85,191    | 815,285   | 1,241,019 | 1,511,166 | 1,739,707 | 1,891,635 | 2,015,161  | 1,988,919  |            |
| 2015-2016     |                           |           | 44,003    | 134,897   | 349,259   | 589,706   | 656,162   | 675,971   | 824,378    |            |            |
| 2016-2017     |                           | 22,557    | 211,581   | 694,050   | 1,074,882 | 1,237,767 | 1,408,019 | 1,551,908 |            |            |            |
| 2017-2018     |                           | 173,946   | 402,136   | 794,363   | 1,342,631 | 1,372,161 | 1,539,828 |           |            |            |            |
| 2018-2019     |                           |           | 259,844   | 822,766   | 1,747,403 | 2,072,001 |           |           |            |            |            |
| 2019-2020     |                           |           | 13,949    | 238,303   | 520,295   |           |           |           |            |            |            |
| 2020-2021     |                           |           | 169,906   | 633,722   |           |           |           |           |            |            |            |
| 2021-2022     |                           | 6,815     | 378,979   |           |           |           |           |           |            |            |            |
| 2022-2023     |                           | 22,417    |           |           |           |           |           |           |            |            |            |
| 2023-2024     | 16,679                    |           |           |           |           |           |           |           |            |            |            |

|           | <u>Paid Loss Development Factors:</u> |              |              |              |              |              |              |               |                |                |                |
|-----------|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|
|           | 6-18 Months                           | 18-30 Months | 30-42 Months | 42-54 Months | 54-66 Months | 66-78 Months | 78-90 Months | 90-102 Months | 102-114 Months | 114-126 Months | 126-138 Months |
| 2004-2005 |                                       |              | 1.196        | 1.649        | 1.215        | 1.345        | 1.717        | 1.159         | 1.029          | 1.012          | 1.008          |
| 2005-2006 |                                       | 1.618        | 1.328        | 1.355        | 1.588        | 0.484        | 3.242        | 0.951         | 1.016          | 1.282          | 1.092          |
| 2006-2007 |                                       |              | 6.441        | 7.229        | 1.562        | 0.881        | 1.153        | 1.097         | 1.003          | 1.004          | 1.042          |
| 2007-2008 |                                       |              |              | 2.160        | 1.493        | 1.508        | 1.132        | 1.035         | 1.238          | 1.092          | 1.001          |
| 2008-2009 |                                       | 1.989        | 1.304        | 1.314        | 1.158        | 1.131        | 1.038        | 1.086         | 1.044          | 1.034          | 0.983          |
| 2009-2010 |                                       | 6.259        | 3.952        | 1.397        | 1.358        | 1.494        | 1.251        | 1.065         | 1.215          | 1.037          | 1.031          |
| 2010-2011 |                                       |              | 4.416        | 1.472        | 2.050        | 1.451        | 1.039        | 1.044         | 1.037          | 1.010          | 1.026          |
| 2011-2012 |                                       | 1.313        | 12.601       | 1.981        | 1.293        | 1.452        | 1.202        | 1.093         | 1.085          | 1.016          | 1.049          |
| 2012-2013 |                                       | 3.185        | 3.157        | 1.585        | 1.361        | 1.237        | 1.055        | 1.034         | 1.002          | 0.967          | 1.009          |
| 2013-2014 |                                       | 3.038        | 3.060        | 1.395        | 1.326        | 1.089        | 1.040        | 1.182         | 1.012          | 1.025          |                |
| 2014-2015 |                                       |              | 9.570        | 1.522        | 1.218        | 1.151        | 1.087        | 1.065         | 0.987          |                |                |
| 2015-2016 |                                       |              | 3.066        | 2.589        | 1.688        | 1.113        | 1.030        | 1.220         |                |                |                |
| 2016-2017 |                                       | 9.380        | 3.280        | 1.549        | 1.152        | 1.138        | 1.102        |               |                |                |                |
| 2017-2018 |                                       | 2.312        | 1.975        | 1.690        | 1.022        | 1.122        |              |               |                |                |                |
| 2018-2019 |                                       |              | 3.166        | 2.124        | 1.186        |              |              |               |                |                |                |
| 2019-2020 |                                       |              | 17.084       | 2.183        |              |              |              |               |                |                |                |
| 2020-2021 |                                       |              | 3.730        |              |              |              |              |               |                |                |                |
| 2021-2022 |                                       | 55.610       |              |              |              |              |              |               |                |                |                |
| 2022-2023 |                                       |              |              |              |              |              |              |               |                |                |                |

|                           | 6-18 Months | 18-30 Months | 30-42 Months | 42-54 Months | 54-66 Months | 66-78 Months | 78-90 Months | 90-102 Months | 102-114 Months | 114-126 Months | 126-138 Months |
|---------------------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|
| Average Dollar-Wtd. Avgs. |             | 9.412        | 4.769        | 2.032        | 1.368        | 1.172        | 1.301        | 1.084         | 1.079          | 1.052          | 1.037          |
| Total                     |             | 2.921        | 2.704        | 1.693        | 1.280        | 1.157        | 1.121        | 1.085         | 1.053          | 1.031          | 1.031          |
| 3-yr                      |             |              | 3.820        | 1.946        | 1.124        | 1.126        | 1.083        | 1.131         | 0.999          | 1.002          | 1.027          |
| 4-yr                      |             |              | 2.943        | 1.838        | 1.168        | 1.134        | 1.073        | 1.106         | 1.014          | 1.004          | 1.028          |
| Comparative Factors       | 8.015       | 3.238        | 1.934        | 1.454        | 1.263        | 1.177        | 1.137        | 1.098         | 1.067          | 1.057          | 1.050          |
| Prior                     | 5.176       | 3.268        | 2.458        | 1.845        | 1.516        | 1.330        | 1.231        | 1.176         | 1.119          | 1.086          | 1.074          |
| Selected                  | 5.176       | 3.268        | 2.458        | 1.845        | 1.516        | 1.330        | 1.231        | 1.176         | 1.119          | 1.086          | 1.074          |
| Cumulated                 | 426.414     | 82.383       | 25.209       | 10.256       | 5.559        | 3.667        | 2.757        | 2.240         | 1.905          | 1.702          | 1.567          |

San Mateo County Schools Insurance Group - Workers' Compensation  
Paid between \$100,000 and \$500,000 Loss Development

| Accident Year | <u>Losses Paid as of:</u> |            |            |            |            |            |            |            |            |            |
|---------------|---------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|               | 138 Months                | 150 Months | 162 Months | 174 Months | 186 Months | 198 Months | 210 Months | 222 Months | 234 Months | 246 Months |
| 2004-2005     | 444,931                   | 470,104    | 485,551    | 488,505    | 495,170    | 554,602    | 577,647    |            |            |            |
| 2005-2006     | 566,518                   | 591,605    | 605,622    | 609,733    | 647,162    | 650,528    |            |            |            |            |
| 2006-2007     | 1,212,134                 | 1,212,507  | 1,212,507  | 1,212,507  | 1,212,507  |            |            |            |            |            |
| 2007-2008     | 230,612                   | 241,332    | 321,663    | 321,663    |            |            |            |            |            |            |
| 2008-2009     | 2,066,463                 | 2,151,350  | 2,257,004  |            |            |            |            |            |            |            |
| 2009-2010     | 1,351,524                 | 1,392,947  |            |            |            |            |            |            |            |            |
| 2010-2011     | 1,762,114                 |            |            |            |            |            |            |            |            |            |
| 2011-2012     | 1,157,418                 | 1,195,242  |            |            |            |            |            |            |            |            |
| 2012-2013     | 1,345,001                 |            |            |            |            |            |            |            |            |            |
| 2013-2014     |                           |            |            |            |            |            |            |            |            |            |
| 2014-2015     |                           |            |            |            |            |            |            |            |            |            |
| 2015-2016     |                           |            |            |            |            |            |            |            |            |            |
| 2016-2017     |                           |            |            |            |            |            |            |            |            |            |
| 2017-2018     |                           |            |            |            |            |            |            |            |            |            |
| 2018-2019     |                           |            |            |            |            |            |            |            |            |            |
| 2019-2020     |                           |            |            |            |            |            |            |            |            |            |
| 2020-2021     |                           |            |            |            |            |            |            |            |            |            |
| 2021-2022     |                           |            |            |            |            |            |            |            |            |            |
| 2022-2023     |                           |            |            |            |            |            |            |            |            |            |
| 2023-2024     |                           |            |            |            |            |            |            |            |            |            |

|           | <u>Paid Loss Development Factors:</u> |                |                |                |                |                |                |                |                |                 |
|-----------|---------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
|           | 138-150 Months                        | 150-162 Months | 162-174 Months | 174-186 Months | 186-198 Months | 198-210 Months | 210-222 Months | 222-234 Months | 234-246 Months | 246-Ult. Months |
| 2004-2005 | 1.057                                 | 1.033          | 1.006          | 1.014          | 1.120          | 1.042          |                |                |                |                 |
| 2005-2006 | 1.044                                 | 1.024          | 1.007          | 1.061          | 1.005          |                |                |                |                |                 |
| 2006-2007 | 1.000                                 | 1.000          | 1.000          | 1.000          |                |                |                |                |                |                 |
| 2007-2008 | 1.046                                 | 1.333          | 1.000          |                |                |                |                |                |                |                 |
| 2008-2009 | 1.041                                 | 1.049          |                |                |                |                |                |                |                |                 |
| 2009-2010 | 1.031                                 |                |                |                |                |                |                |                |                |                 |
| 2010-2011 |                                       |                |                |                |                |                |                |                |                |                 |
| 2011-2012 | 1.033                                 |                |                |                |                |                |                |                |                |                 |
| 2012-2013 |                                       |                |                |                |                |                |                |                |                |                 |
| 2013-2014 |                                       |                |                |                |                |                |                |                |                |                 |
| 2014-2015 |                                       |                |                |                |                |                |                |                |                |                 |
| 2015-2016 |                                       |                |                |                |                |                |                |                |                |                 |
| 2016-2017 |                                       |                |                |                |                |                |                |                |                |                 |
| 2017-2018 |                                       |                |                |                |                |                |                |                |                |                 |
| 2018-2019 |                                       |                |                |                |                |                |                |                |                |                 |
| 2019-2020 |                                       |                |                |                |                |                |                |                |                |                 |
| 2020-2021 |                                       |                |                |                |                |                |                |                |                |                 |
| 2021-2022 |                                       |                |                |                |                |                |                |                |                |                 |
| 2022-2023 |                                       |                |                |                |                |                |                |                |                |                 |

|                           | 138-150 Months | 150-162 Months | 162-174 Months | 174-186 Months | 186-198 Months | 198-210 Months | 210-222 Months | 222-234 Months | 234-246 Months | 246-Ult. Months |
|---------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| Average Dollar-Wtd. Avgs. | 1.045          | 1.089          | 1.051          | 1.030          | 1.044          | 1.039          | 1.007          |                |                |                 |
| Total                     | 1.042          | 1.057          | 1.083          | 1.030          | 1.026          | 1.037          | 1.007          |                |                |                 |
| 3-yr                      |                |                |                |                |                |                |                |                |                |                 |
| 4-yr                      |                |                |                |                |                |                |                |                |                |                 |
| Comparative Factors       | 1.040          | 1.035          | 1.035          | 1.032          | 1.030          | 1.028          | 1.025          | 1.025          | 1.022          | 1.307           |
| Prior                     | 1.062          | 1.051          | 1.043          | 1.036          | 1.033          | 1.032          | 1.025          | 1.015          | 1.090          |                 |
| Selected                  | 1.062          | 1.051          | 1.043          | 1.036          | 1.033          | 1.032          | 1.025          | 1.015          | 1.010          | 1.079           |
| Cumulated                 | 1.459          | 1.374          | 1.307          | 1.253          | 1.209          | 1.170          | 1.134          | 1.106          | 1.090          | 1.079           |

San Mateo County Schools Insurance Group - Workers' Compensation

Exposure and Development Method  
Based on Reported Losses

| Accident Year | Trended Payroll (\$00) (A) | Reported Losses as of 12/31/23 (B) | Reported Loss Development Factor (C) | Percentage of Losses Yet to Be Reported (D) | Program Rate (E) | Incurred but not Reported (IBNR) (F) | Ultimate Program Losses (G) |
|---------------|----------------------------|------------------------------------|--------------------------------------|---|------------------|--------------------------------------|-----------------------------|
| 2004-2005     | \$7,586,527                |                                    | 1.020                                | 0.020                                       | \$0.446          | \$67,672                             | \$67,672                    |
| 2005-2006     | 7,427,145                  |                                    | 1.022                                | 0.022                                       | 0.423            | 69,117                               | 69,117                      |
| 2006-2007     | 7,532,590                  |                                    | 1.025                                | 0.024                                       | 0.459            | 82,979                               | 82,979                      |
| 2007-2008     | 7,576,546                  |                                    | 1.030                                | 0.029                                       | 0.507            | 111,398                              | 111,398                     |
| 2008-2009     | 7,923,929                  |                                    | 1.036                                | 0.035                                       | 0.560            | 155,309                              | 155,309                     |
| 2009-2010     | 7,969,502                  |                                    | 1.041                                | 0.039                                       | 0.628            | 195,189                              | 195,189                     |
| 2010-2011     | 7,548,481                  |                                    | 1.048                                | 0.046                                       | 0.682            | 236,811                              | 236,811                     |
| 2011-2012     | 7,274,824                  | 5,886,969                          | 1.056                                | 0.053                                       | 0.827            | 318,863                              | 6,205,832                   |
| 2012-2013     | 7,111,881                  | 7,211,301                          | 1.065                                | 0.061                                       | 1.037            | 449,876                              | 7,661,177                   |
| 2013-2014     | 7,212,157                  | 8,125,548                          | 1.076                                | 0.071                                       | 1.181            | 604,747                              | 8,730,295                   |
| 2014-2015     | 7,386,895                  | 8,227,772                          | 1.090                                | 0.083                                       | 1.157            | 709,371                              | 8,937,143                   |
| 2015-2016     | 7,639,406                  | 6,665,986                          | 1.106                                | 0.096                                       | 1.009            | 739,983                              | 7,405,969                   |
| 2016-2017     | 8,166,754                  | 8,049,308                          | 1.124                                | 0.110                                       | 1.067            | 958,532                              | 9,007,840                   |
| 2017-2018     | 8,494,883                  | 8,205,454                          | 1.144                                | 0.126                                       | 1.009            | 1,079,988                            | 9,285,442                   |
| 2018-2019     | 8,506,140                  | 9,611,347                          | 1.169                                | 0.145                                       | 0.832            | 1,026,181                            | 10,637,528                  |
| 2019-2020     | 8,526,157                  | 6,069,548                          | 1.207                                | 0.171                                       | 0.866            | 1,262,604                            | 7,332,152                   |
| 2020-2021     | 8,497,200                  | 3,785,265                          | 1.261                                | 0.207                                       | 0.926            | 1,628,760                            | 5,414,025                   |
| 2021-2022     | 8,481,138                  | 5,697,657                          | 1.368                                | 0.269                                       | 0.980            | 2,235,798                            | 7,933,455                   |
| 2022-2023     | 8,717,221                  | 3,826,013                          | 1.639                                | 0.390                                       | 1.023            | 3,477,910                            | 7,303,923                   |
| 2023-2024     | 9,150,829                  | 1,560,252                          | 5.784                                | 0.827                                       | 1.093            | 8,271,535                            | 9,831,787                   |
| Totals        | 166,692,993                | \$82,922,420                       |                                      |   |                  | \$23,767,650                         | \$106,690,070               |

Notes:

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

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

San Mateo County Schools Insurance Group - Workers' Compensation

Exposure and Development Method  
Based on Paid Losses

| Accident Year | Trended Payroll (\$00) (A) | Paid Losses as of 12/31/23 (B) | Paid Loss Development Factor (C) | Percentage of Losses Yet to Be Paid (D) | Program Rate (E) | Incurred but not Paid (F) | Ultimate Program Losses (G) |
|---------------|----------------------------|--------------------------------|----------------------------------|---|------------------|---------------------------|-----------------------------|
| 2004-2005     | \$7,586,527                |                                | 1.040                            | 0.038                                   | \$0.446          | \$128,576                 | \$128,576                   |
| 2005-2006     | 7,427,145                  |                                | 1.044                            | 0.042                                   | 0.423            | 131,951                   | 131,951                     |
| 2006-2007     | 7,532,590                  |                                | 1.052                            | 0.049                                   | 0.459            | 169,415                   | 169,415                     |
| 2007-2008     | 7,576,546                  |                                | 1.062                            | 0.058                                   | 0.507            | 222,796                   | 222,796                     |
| 2008-2009     | 7,923,929                  |                                | 1.074                            | 0.069                                   | 0.560            | 306,181                   | 306,181                     |
| 2009-2010     | 7,969,502                  |                                | 1.087                            | 0.080                                   | 0.628            | 400,388                   | 400,388                     |
| 2010-2011     | 7,548,481                  |                                | 1.102                            | 0.093                                   | 0.682            | 478,770                   | 478,770                     |
| 2011-2012     | 7,274,824                  | 5,524,935                      | 1.119                            | 0.106                                   | 0.827            | 637,726                   | 6,162,661                   |
| 2012-2013     | 7,111,881                  | 6,635,810                      | 1.137                            | 0.120                                   | 1.037            | 885,002                   | 7,520,812                   |
| 2013-2014     | 7,212,157                  | 7,525,401                      | 1.160                            | 0.138                                   | 1.181            | 1,175,423                 | 8,700,824                   |
| 2014-2015     | 7,386,895                  | 7,783,467                      | 1.186                            | 0.157                                   | 1.157            | 1,341,822                 | 9,125,289                   |
| 2015-2016     | 7,639,406                  | 6,077,246                      | 1.218                            | 0.179                                   | 1.009            | 1,379,761                 | 7,457,007                   |
| 2016-2017     | 8,166,754                  | 7,225,626                      | 1.265                            | 0.209                                   | 1.067            | 1,821,211                 | 9,046,837                   |
| 2017-2018     | 8,494,883                  | 6,947,459                      | 1.317                            | 0.241                                   | 1.009            | 2,065,692                 | 9,013,151                   |
| 2018-2019     | 8,506,140                  | 7,669,989                      | 1.396                            | 0.284                                   | 0.832            | 2,009,899                 | 9,679,888                   |
| 2019-2020     | 8,526,157                  | 4,428,243                      | 1.492                            | 0.330                                   | 0.866            | 2,436,605                 | 6,864,848                   |
| 2020-2021     | 8,497,200                  | 2,801,156                      | 1.677                            | 0.404                                   | 0.926            | 3,178,837                 | 5,979,993                   |
| 2021-2022     | 8,481,138                  | 3,805,281                      | 2.105                            | 0.525                                   | 0.980            | 4,363,546                 | 8,168,827                   |
| 2022-2023     | 8,717,221                  | 2,150,949                      | 3.311                            | 0.698                                   | 1.023            | 6,224,567                 | 8,375,516                   |
| 2023-2024     | 9,150,829                  | 620,121                        | 23.204                           | 0.957                                   | 1.093            | 9,571,776                 | 10,191,897                  |
| Totals        | 166,692,993                | \$69,195,683                   |                                  |   |                  | \$39,086,570              | \$108,282,253               |

Notes:

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

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

San Mateo County Schools Insurance Group - Workers' Compensation

Exposure and Development Method

| Accident Year        | Trended Payroll (\$00) (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) |
|----------------------|----------------------------|-----------------------------|------------------|----------------------------|-------------------------------|-----------------------|-------------------|-----------------------|
| 2004-2005            | \$7,586,527                |                             | 2.235            |                            |                               | \$0.365               | 1.223             | \$0.446               |
| 2005-2006            | 7,427,145                  |                             | 2.366            |                            |                               | 0.344                 | 1.229             | 0.423                 |
| 2006-2007            | 7,532,590                  |                             | 2.190            |                            |                               | 0.372                 | 1.235             | 0.459                 |
| 2007-2008            | 7,576,546                  |                             | 1.993            |                            |                               | 0.409                 | 1.241             | 0.507                 |
| 2008-2009            | 7,923,929                  |                             | 1.816            |                            |                               | 0.449                 | 1.247             | 0.560                 |
| 2009-2010            | 7,969,502                  |                             | 1.628            |                            |                               | 0.501                 | 1.253             | 0.628                 |
| 2010-2011            | 7,548,481                  |                             | 1.503            |                            |                               | 0.542                 | 1.259             | 0.682                 |
| 2011-2012            | 7,274,824                  | 4,755,000                   | 1.449            | 6,889,995                  | 0.947                         | 0.654                 | 1.265             | 0.827                 |
| 2012-2013            | 7,111,881                  | 5,794,000                   | 1.437            | 8,325,978                  | 1.171                         | 0.815                 | 1.272             | 1.037                 |
| 2013-2014            | 7,212,157                  | 6,664,000                   | 1.411            | 9,402,904                  | 1.304                         | 0.924                 | 1.278             | 1.181                 |
| 2014-2015            | 7,386,895                  | 6,652,000                   | 1.360            | 9,046,720                  | 1.225                         | 0.901                 | 1.284             | 1.157                 |
| 2015-2016            | 7,639,406                  | 5,972,000                   | 1.369            | 8,175,668                  | 1.070                         | 0.782                 | 1.290             | 1.009                 |
| 2016-2017            | 8,166,754                  | 6,724,000                   | 1.400            | 9,413,600                  | 1.153                         | 0.823                 | 1.297             | 1.067                 |
| 2017-2018            | 8,494,883                  | 6,575,000                   | 1.357            | 8,922,275                  | 1.050                         | 0.774                 | 1.303             | 1.009                 |
| 2018-2019            | 8,506,140                  | 7,054,000                   | 1.283            | 9,050,282                  | 1.064                         | 0.635                 | 1.310             | 0.832                 |
| 2019-2020            | 8,526,157                  | 4,846,000                   | 1.239            | 6,004,194                  | 0.704                         | 0.658                 | 1.316             | 0.866                 |
| 2020-2021            | 8,497,200                  | 3,351,000                   | 1.165            | 3,903,915                  | 0.459                         | 0.700                 | 1.322             | 0.926                 |
| 2021-2022            | 8,481,138                  | 5,616,000                   | 1.105            | 6,205,680                  | 0.732                         | 0.738                 | 1.328             | 0.980                 |
| 2022-2023            | 8,717,221                  | 4,972,000                   | 1.063            | 5,285,236                  | 0.606                         | 0.767                 | 1.334             | 1.023                 |
| 2023-2024            | 9,150,829                  | 6,338,000                   | 1.000            | 6,338,000                  | 0.693                         | 0.815                 | 1.341             | 1.093                 |
| Total/Avg            | 166,692,993                | \$75,313,000                |                  | \$96,964,447               | \$0.922                       |                       |                   |                       |
| 17/18-21/22          | 42,505,518                 | 27,442,000                  |                  | 34,086,346                 | 0.802                         |                       |                   |                       |
| 18/19-22/23 ex 20/21 | 34,230,656                 | 22,488,000                  |                  | 26,545,392                 | 0.775                         |                       |                   |                       |
| 18/19-22/23 ex 20/21 |                            |                             |                  |                            |                               |                       |                   |                       |
|                      |                            |                             |                  | Selected Limited Rate:     | \$0.815                       |                       |                   |                       |
|                      |                            |                             |                  | Prior:                     | \$0.930                       |                       |                   |                       |

Notes:

- (A) Appendix M, Column (C).
- (B) Selected average of results from Appendices A and B.
- (C) From Appendix E, Page 1, Column (B).
- (D) (B) x (C).
- (E) (D) / (A).
- (F) Selected Limited Rate / (C). For 2017-2018 and prior (B) / (A).
- (G) Based on a Weibull distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

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

San Mateo County Schools Insurance Group - Workers' Compensation

Frequency and Severity Method

| Accident Year | Ultimate Program Severity (A) | Adjusted Ultimate Claims (B) | Ultimate Program Losses (C) |
|---------------|-------------------------------|------------------------------|-----------------------------|
| Prior         | \$4,206                       | 9,742                        | \$40,974,852                |
| 2003-2004     | 9,316                         | 0                            | 0                           |
| 2004-2005     | 7,385                         | 0                            | 0                           |
| 2005-2006     | 7,010                         | 0                            | 0                           |
| 2006-2007     | 7,610                         | 0                            | 0                           |
| 2007-2008     | 8,404                         | 0                            | 0                           |
| 2008-2009     | 9,267                         | 0                            | 0                           |
| 2009-2010     | 10,392                        | 0                            | 0                           |
| 2010-2011     | 11,310                        | 0                            | 0                           |
| 2011-2012     | 13,378                        | 451                          | 6,033,478                   |
| 2012-2013     | 15,959                        | 465                          | 7,420,935                   |
| 2013-2014     | 17,416                        | 489                          | 8,516,424                   |
| 2014-2015     | 18,328                        | 466                          | 8,540,848                   |
| 2015-2016     | 15,140                        | 509                          | 7,706,260                   |
| 2016-2017     | 17,748                        | 490                          | 8,696,520                   |
| 2017-2018     | 16,488                        | 523                          | 8,623,224                   |
| 2018-2019     | 13,780                        | 549                          | 7,565,220                   |
| 2019-2020     | 14,335                        | 407                          | 5,834,345                   |
| 2020-2021     | 15,322                        | 205                          | 3,141,010                   |
| 2021-2022     | 16,227                        | 543                          | 8,811,261                   |
| 2022-2023     | 16,944                        | 530                          | 8,980,320                   |
| 2023-2024     | 18,101                        | 586                          | 10,607,186                  |
| Total         |                               | 15,955                       | \$141,451,883               |

Notes:

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

San Mateo County Schools Insurance Group - Workers' Compensation

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) |
|---------------|-----------------------------|------------------------------|-------------------------------|------------------|------------------------------|----------------------|-------------------|----------------------|
| Prior         | \$35,595,000                | 9,742                        | \$3,654                       | 1.827            | \$6,676                      | \$3,654              | 1.151             | \$4,206              |
| 2003-2004     |                             |                              |                               | 1.763            |                              | 7,657                | 1.217             | 9,316                |
| 2004-2005     |                             |                              |                               | 2.235            |                              | 6,040                | 1.223             | 7,385                |
| 2005-2006     |                             |                              |                               | 2.366            |                              | 5,706                | 1.229             | 7,010                |
| 2006-2007     |                             |                              |                               | 2.190            |                              | 6,164                | 1.235             | 7,610                |
| 2007-2008     |                             |                              |                               | 1.993            |                              | 6,774                | 1.241             | 8,404                |
| 2008-2009     |                             |                              |                               | 1.816            |                              | 7,434                | 1.247             | 9,267                |
| 2009-2010     |                             |                              |                               | 1.628            |                              | 8,292                | 1.253             | 10,392               |
| 2010-2011     |                             |                              |                               | 1.503            |                              | 8,982                | 1.259             | 11,310               |
| 2011-2012     | 4,769,000                   | 451                          | 10,574                        | 1.449            | 15,322                       | 10,574               | 1.265             | 13,378               |
| 2012-2013     | 5,835,000                   | 465                          | 12,548                        | 1.437            | 18,031                       | 12,548               | 1.272             | 15,959               |
| 2013-2014     | 6,665,000                   | 489                          | 13,630                        | 1.411            | 19,232                       | 13,630               | 1.278             | 17,416               |
| 2014-2015     | 6,650,000                   | 466                          | 14,270                        | 1.360            | 19,407                       | 14,270               | 1.284             | 18,328               |
| 2015-2016     | 5,972,000                   | 509                          | 11,733                        | 1.369            | 16,062                       | 11,733               | 1.290             | 15,140               |
| 2016-2017     | 6,705,000                   | 490                          | 13,684                        | 1.400            | 19,158                       | 13,684               | 1.297             | 17,748               |
| 2017-2018     | 6,618,000                   | 523                          | 12,654                        | 1.357            | 17,171                       | 12,654               | 1.303             | 16,488               |
| 2018-2019     | 7,137,000                   | 549                          | 13,000                        | 1.283            | 16,679                       | 10,522               | 1.310             | 13,780               |
| 2019-2020     | 4,894,000                   | 407                          | 12,025                        | 1.239            | 14,899                       | 10,896               | 1.316             | 14,335               |
| 2020-2021     | 3,762,000                   | 205                          | 18,351                        | 1.165            | 21,379                       | 11,588               | 1.322             | 15,322               |
| 2021-2022     | 5,775,000                   | 543                          | 10,635                        | 1.105            | 11,752                       | 12,217               | 1.328             | 16,227               |
| 2022-2023     | 5,607,000                   | 530                          | 10,579                        | 1.063            | 11,245                       | 12,700               | 1.334             | 16,944               |
| 2023-2024     | 7,421,000                   | 586                          | 12,664                        | 1.000            | 12,664                       | 13,500               | 1.341             | 18,101               |

Average Limited Severity: \$15,691  
 Average 17/18-21/22 Limited Severity: 16,376  
 Average 18/19-22/23 ex 20/21 Limited Severity: 13,644

Selected Limited Severity: \$13,500  
 Prior: \$16,000

Notes:

- (A) Selected average of results from Appendices A, B, and C.
- (B) Appendix D, Page 3, Column (C).
- (C) (A) / (B).
- (D) From Appendix E, Page 1, Column (J).
- (E) (C) x (D).
- (F) Selected Limited Severity / (D).
- (G) Based on a Weibull distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

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

San Mateo County Schools Insurance Group - Workers' Compensation

Frequency and Severity Method  
Projection of Ultimate Claims

| Accident Year | Reported Claim Development (A) | Closed Claim Development (B) | Selected Ultimate Claims (C) | Trended Payroll (\$000,000) (D) | Claim Frequency (E) | Trend Factor (F) | Trended Claim Frequency (G) |
|---------------|--------------------------------|------------------------------|------------------------------|---------------------------------|---------------------|------------------|-----------------------------|
| Prior         | 9,742                          | 9,736                        | 9,742                        | 0.0                             |                     | 1.000            |                             |
| 2003-2004     | 0                              | 0                            | 0                            | 796.3                           |                     | 1.000            |                             |
| 2004-2005     | 0                              | 0                            | 0                            | 758.7                           |                     | 1.000            |                             |
| 2005-2006     | 0                              | 0                            | 0                            | 742.7                           |                     | 1.000            |                             |
| 2006-2007     | 0                              | 0                            | 0                            | 753.3                           |                     | 1.000            |                             |
| 2007-2008     | 0                              | 0                            | 0                            | 757.7                           |                     | 1.000            |                             |
| 2008-2009     | 0                              | 0                            | 0                            | 792.4                           |                     | 1.000            |                             |
| 2009-2010     | 0                              | 0                            | 0                            | 797.0                           |                     | 1.000            |                             |
| 2010-2011     | 0                              | 0                            | 0                            | 754.8                           |                     | 1.000            |                             |
| 2011-2012     | 451                            | 449                          | 451                          | 727.5                           | 0.620               | 1.000            | 0.620                       |
| 2012-2013     | 465                            | 460                          | 465                          | 711.2                           | 0.654               | 1.000            | 0.654                       |
| 2013-2014     | 489                            | 488                          | 489                          | 721.2                           | 0.678               | 1.000            | 0.678                       |
| 2014-2015     | 466                            | 465                          | 466                          | 738.7                           | 0.631               | 1.000            | 0.631                       |
| 2015-2016     | 509                            | 509                          | 509                          | 763.9                           | 0.666               | 1.000            | 0.666                       |
| 2016-2017     | 490                            | 490                          | 490                          | 816.7                           | 0.600               | 1.000            | 0.600                       |
| 2017-2018     | 523                            | 523                          | 523                          | 849.5                           | 0.616               | 1.000            | 0.616                       |
| 2018-2019     | 549                            | 544                          | 549                          | 850.6                           | 0.645               | 1.000            | 0.645                       |
| 2019-2020     | 407                            | 411                          | 407                          | 852.6                           | 0.477               | 1.000            | 0.477                       |
| 2020-2021     | 205                            | 191                          | 205                          | 849.7                           | 0.241               | 1.000            | 0.241                       |
| 2021-2022     | 543                            | 553                          | 543                          | 848.1                           | 0.640               | 1.000            | 0.640                       |
| 2022-2023     | 530                            | 501                          | 530                          | 871.7                           | 0.608               | 1.000            | 0.608                       |
| 2023-2024     | 578                            | 592                          | 586                          | 915.1                           | 0.640               | 1.000            | 0.640                       |
| Total         | 15,947                         | 15,912                       | 15,955                       | 16,669.3                        |                     |                  | 0.373                       |
| 17/18-21/22   | 2,227                          | 2,222                        | 2,227                        | 4,250.6                         |                     |                  | 0.524                       |

(H) Selected Frequency: 0.650  
Prior: 0.650

| Program Year:                 | 2023-2024 | 2024-2025 |
|-------------------------------|-----------|-----------|
| (I) Trend Factor:             | 1.000     | 1.000     |
| (J) Selected Frequency:       | 0.640     | 0.650     |
| (K) Est. Payroll (\$000,000): | 915.1     | 994.7     |
| (L) Ultimate Claims:          | 586       | 647       |

Notes:

- (A) Appendix D, Page 4, (C).
- (B) Appendix D, Page 5, (C).
- (C) Selected from (A) and (B).
- (D) Appendix M, Column (C) / 10,000.
- (E) (C) / (D).
- (F) Appendix E, Page 1, Column (F).
- (G) (E) x (F).
- (H) The selected frequency of 0.650 is based on (G).
- (I) Appendix E, Page 1, Column (F).
- (J) (H) x (I). 2023-2024 is (L) / (K).
- (K) Appendix M, Column (C) / 10,000.
- (L) (J) x (K). 2023-2024 is (C).

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

San Mateo County Schools Insurance Group - Workers' Compensation

Frequency and Severity Method  
Reported Claim Count Development

| Accident Year | Claims Reported as of 12/31/2023 (A) | Reported Claim Development Factor (B) | Ultimate Claims (C) | Trended Claim Frequency (D) |
|---------------|--------------------------------------|---------------------------------------|---------------------|-----------------------------|
| 2012-2013     | 465                                  | 1.000                                 | 465                 | 0.654                       |
| 2013-2014     | 489                                  | 1.000                                 | 489                 | 0.678                       |
| 2014-2015     | 466                                  | 1.000                                 | 466                 | 0.631                       |
| 2015-2016     | 508                                  | 1.001                                 | 509                 | 0.666                       |
| 2016-2017     | 489                                  | 1.002                                 | 490                 | 0.600                       |
| 2017-2018     | 521                                  | 1.004                                 | 523                 | 0.616                       |
| 2018-2019     | 546                                  | 1.006                                 | 549                 | 0.645                       |
| 2019-2020     | 403                                  | 1.010                                 | 407                 | 0.477                       |
| 2020-2021     | 202                                  | 1.016                                 | 205                 | 0.241                       |
| 2021-2022     | 530                                  | 1.024                                 | 543                 | 0.640                       |
| 2022-2023     | 508                                  | 1.044                                 | 530                 | 0.608                       |
| 2023-2024     | 246                                  | 2.349                                 | 578                 | 0.632                       |
| Total         | 15,566                               |                                       | 15,947              | 0.372                       |

Notes:

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

San Mateo County Schools Insurance Group - Workers' Compensation

Frequency and Severity Method  
Closed Claim Count Development

| Accident Year | Claims Closed as of 12/31/2023 (A) | Closed Claim Development Factor (B) | Ultimate Claims (C) | Trended Claim Frequency (D) |
|---------------|------------------------------------|-------------------------------------|---------------------|-----------------------------|
| 2012-2013     | 453                                | 1.016                               | 460                 | 0.647                       |
| 2013-2014     | 478                                | 1.020                               | 488                 | 0.677                       |
| 2014-2015     | 454                                | 1.025                               | 465                 | 0.629                       |
| 2015-2016     | 493                                | 1.033                               | 509                 | 0.666                       |
| 2016-2017     | 470                                | 1.043                               | 490                 | 0.600                       |
| 2017-2018     | 494                                | 1.059                               | 523                 | 0.616                       |
| 2018-2019     | 506                                | 1.075                               | 544                 | 0.640                       |
| 2019-2020     | 373                                | 1.102                               | 411                 | 0.482                       |
| 2020-2021     | 167                                | 1.146                               | 191                 | 0.225                       |
| 2021-2022     | 457                                | 1.209                               | 553                 | 0.652                       |
| 2022-2023     | 374                                | 1.340                               | 501                 | 0.575                       |
| 2023-2024     | 93                                 | 6.365                               | 592                 | 0.647                       |
| Total         | 14,991                             |                                     | 15,912              | 0.371                       |

Notes:

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

San Mateo County Schools Insurance Group - Workers' Compensation  
Reported Claim Count Development

| Accident Year | Claims Reported as of: |           |           |           |           |           |           |           |            |            |            |            |            |            |
|---------------|------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|------------|
|               | 6 Months               | 18 Months | 30 Months | 42 Months | 54 Months | 66 Months | 78 Months | 90 Months | 102 Months | 114 Months | 126 Months | 138 Months | 150 Months | 162 Months |
| 2004-2005     | 225                    | 544       | 563       | 565       | 570       | 571       | 572       | 572       | 573        | 575        | 575        | 575        | 575        | 575        |
| 2005-2006     | 398                    | 575       | 590       | 596       | 596       | 598       | 599       | 599       | 599        | 600        | 600        | 600        | 600        | 600        |
| 2006-2007     | 371                    | 536       | 545       | 545       | 548       | 548       | 549       | 549       | 550        | 550        | 550        | 550        | 550        | 550        |
| 2007-2008     | 213                    | 484       | 494       | 498       | 499       | 499       | 499       | 500       | 500        | 500        | 500        | 500        | 501        | 501        |
| 2008-2009     | 206                    | 459       | 475       | 476       | 476       | 476       | 477       | 478       | 478        | 478        | 478        | 478        | 478        | 478        |
| 2009-2010     | 173                    | 431       | 439       | 440       | 440       | 443       | 443       | 445       | 445        | 445        | 446        | 446        | 446        | 446        |
| 2010-2011     | 304                    | 459       | 465       | 470       | 471       | 474       | 473       | 473       | 473        | 474        | 474        | 474        | 474        | 474        |
| 2011-2012     | 206                    | 439       | 444       | 446       | 447       | 451       | 451       | 451       | 452        | 452        | 452        | 452        | 451        | 451        |
| 2012-2013     | 196                    | 439       | 453       | 456       | 461       | 463       | 463       | 463       | 464        | 465        | 465        | 465        | 465        | 465        |
| 2013-2014     | 216                    | 473       | 481       | 483       | 485       | 488       | 488       | 488       | 489        | 489        | 489        | 489        | 489        | 489        |
| 2014-2015     | 215                    | 454       | 459       | 458       | 464       | 465       | 466       | 466       | 466        | 466        | 466        | 466        | 466        | 466        |
| 2015-2016     | 209                    | 491       | 503       | 506       | 508       | 508       | 508       | 508       | 508        | 508        | 508        | 508        | 508        | 508        |
| 2016-2017     | 211                    | 467       | 481       | 484       | 487       | 489       | 489       | 489       | 489        | 489        | 489        | 489        | 489        | 489        |
| 2017-2018     | 223                    | 504       | 510       | 515       | 517       | 519       | 521       | 521       | 521        | 521        | 521        | 521        | 521        | 521        |
| 2018-2019     | 247                    | 534       | 544       | 545       | 546       | 546       | 546       | 546       | 546        | 546        | 546        | 546        | 546        | 546        |
| 2019-2020     | 232                    | 402       | 401       | 402       | 403       | 403       | 403       | 403       | 403        | 403        | 403        | 403        | 403        | 403        |
| 2020-2021     | 124                    | 195       | 198       | 202       | 202       | 202       | 202       | 202       | 202        | 202        | 202        | 202        | 202        | 202        |
| 2021-2022     | 205                    | 528       | 530       | 530       | 530       | 530       | 530       | 530       | 530        | 530        | 530        | 530        | 530        | 530        |
| 2022-2023     | 217                    | 508       | 508       | 508       | 508       | 508       | 508       | 508       | 508        | 508        | 508        | 508        | 508        | 508        |
| 2023-2024     | 246                    | 246       | 246       | 246       | 246       | 246       | 246       | 246       | 246        | 246        | 246        | 246        | 246        | 246        |

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 |
|--------------------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 2004-2005                | 2.418       | 1.035        | 1.004        | 1.009        | 1.002        | 1.002        | 1.000        | 1.002         | 1.003          | 1.000          | 1.000          | 1.000          | 1.000          | 1.002          |
| 2005-2006                | 1.445       | 1.026        | 1.010        | 1.000        | 1.003        | 1.002        | 1.000        | 1.000         | 1.002          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 2006-2007                | 1.445       | 1.017        | 1.000        | 1.006        | 1.000        | 1.002        | 1.000        | 1.002         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 2007-2008                | 2.272       | 1.021        | 1.008        | 1.002        | 1.000        | 1.000        | 1.002        | 1.000         | 1.000          | 1.000          | 1.000          | 1.002          | 1.000          | 1.000          |
| 2008-2009                | 2.228       | 1.035        | 1.002        | 1.000        | 1.000        | 1.002        | 1.002        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 2009-2010                | 2.491       | 1.019        | 1.002        | 1.000        | 1.007        | 1.000        | 1.005        | 1.000         | 1.000          | 1.002          | 1.000          | 1.000          | 1.000          | 1.000          |
| 2010-2011                | 1.510       | 1.013        | 1.011        | 1.002        | 1.006        | 0.998        | 1.000        | 1.000         | 1.002          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 2011-2012                | 2.131       | 1.011        | 1.005        | 1.002        | 1.009        | 1.000        | 1.000        | 1.002         | 1.000          | 1.000          | 1.000          | 0.998          | 0.998          | 0.998          |
| 2012-2013                | 2.240       | 1.032        | 1.007        | 1.011        | 1.004        | 1.000        | 1.000        | 1.002         | 1.002          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 2013-2014                | 2.190       | 1.017        | 1.004        | 1.004        | 1.006        | 1.000        | 1.000        | 1.002         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 2014-2015                | 2.112       | 1.011        | 0.998        | 1.013        | 1.002        | 1.002        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 2015-2016                | 2.349       | 1.024        | 1.006        | 1.004        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 2016-2017                | 2.213       | 1.030        | 1.006        | 1.006        | 1.004        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 2017-2018                | 2.260       | 1.012        | 1.010        | 1.004        | 1.004        | 1.004        | 1.004        | 1.004         | 1.004          | 1.004          | 1.004          | 1.004          | 1.004          | 1.004          |
| 2018-2019                | 2.162       | 1.019        | 1.002        | 1.002        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 2019-2020                | 1.733       | 0.998        | 1.002        | 1.002        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 2020-2021                | 1.573       | 1.015        | 1.020        | 1.020        | 1.020        | 1.020        | 1.020        | 1.020         | 1.020          | 1.020          | 1.020          | 1.020          | 1.020          | 1.020          |
| 2021-2022                | 2.576       | 1.004        | 1.004        | 1.004        | 1.004        | 1.004        | 1.004        | 1.004         | 1.004          | 1.004          | 1.004          | 1.004          | 1.004          | 1.004          |
| 2022-2023                | 2.341       | 2.341        | 2.341        | 2.341        | 2.341        | 2.341        | 2.341        | 2.341         | 2.341          | 2.341          | 2.341          | 2.341          | 2.341          | 2.341          |
| Average Claim-Wtd. Avgs. | 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 |
| Total                    | 2.054       | 1.020        | 1.006        | 1.004        | 1.003        | 1.001        | 1.001        | 1.001         | 1.001          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 3-yr                     | 2.255       | 1.004        | 1.005        | 1.003        | 1.003        | 1.001        | 1.000        | 1.001         | 1.001          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 4-yr                     | 2.099       | 1.008        | 1.007        | 1.004        | 1.002        | 1.002        | 1.000        | 1.001         | 1.001          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| Comparative 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 |
| Prior                    | 2.453       | 1.040        | 1.009        | 1.008        | 1.006        | 1.006        | 1.004        | 1.002         | 1.002          | 1.002          | 1.002          | 1.002          | 1.001          | 1.001          |
| Selected                 | 0.000       | 1.020        | 1.008        | 1.006        | 1.004        | 1.002        | 1.002        | 1.001         | 1.001          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| Cumulated                | 2.250       | 1.020        | 1.008        | 1.006        | 1.004        | 1.002        | 1.002        | 1.001         | 1.001          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |

San Mateo County Schools Insurance Group - Workers' Compensation  
Closed Claim Development

| Accident Year | Claims Closed as of: |           |           |           |           |           |           |           |            |            |            |            |            |            |
|---------------|----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|------------|
|               | 6 Months             | 18 Months | 30 Months | 42 Months | 54 Months | 66 Months | 78 Months | 90 Months | 102 Months | 114 Months | 126 Months | 138 Months | 150 Months | 162 Months |
| 2004-2005     | 112                  | 446       | 473       | 495       | 524       | 531       | 545       | 552       | 559        | 564        | 564        | 567        | 568        | 569        |
| 2005-2006     | 239                  | 461       | 491       | 524       | 535       | 556       | 568       | 573       | 580        | 582        | 586        | 591        | 593        | 596        |
| 2006-2007     | 188                  | 402       | 457       | 479       | 501       | 511       | 521       | 528       | 530        | 536        | 541        | 544        | 545        | 544        |
| 2007-2008     | 60                   | 365       | 400       | 432       | 448       | 461       | 472       | 478       | 479        | 485        | 491        | 490        | 492        | 496        |
| 2008-2009     | 117                  | 327       | 381       | 412       | 426       | 437       | 448       | 455       | 462        | 466        | 468        | 472        | 473        | 476        |
| 2009-2010     | 81                   | 316       | 348       | 378       | 390       | 411       | 414       | 423       | 426        | 429        | 433        | 436        | 440        |            |
| 2010-2011     | 170                  | 339       | 371       | 398       | 424       | 438       | 448       | 451       | 460        | 463        | 467        | 469        |            |            |
| 2011-2012     | 105                  | 341       | 378       | 403       | 411       | 423       | 425       | 429       | 437        | 441        | 442        | 442        | 443        |            |
| 2012-2013     | 94                   | 321       | 360       | 395       | 413       | 426       | 436       | 442       | 449        | 452        | 453        | 453        |            |            |
| 2013-2014     | 102                  | 352       | 394       | 423       | 446       | 452       | 460       | 465       | 473        | 475        | 478        |            |            |            |
| 2014-2015     | 75                   | 345       | 383       | 404       | 418       | 432       | 439       | 450       | 450        | 454        |            |            |            |            |
| 2015-2016     | 80                   | 381       | 428       | 454       | 469       | 476       | 485       | 489       | 493        |            |            |            |            |            |
| 2016-2017     | 80                   | 365       | 402       | 425       | 447       | 459       | 465       | 470       |            |            |            |            |            |            |
| 2017-2018     | 92                   | 381       | 428       | 462       | 474       | 491       | 494       |           |            |            |            |            |            |            |
| 2018-2019     | 114                  | 411       | 462       | 475       | 498       | 506       |           |           |            |            |            |            |            |            |
| 2019-2020     | 77                   | 313       | 347       | 358       | 373       |           |           |           |            |            |            |            |            |            |
| 2020-2021     | 92                   | 146       | 158       | 167       |           |           |           |           |            |            |            |            |            |            |
| 2021-2022     | 72                   | 410       | 457       |           |           |           |           |           |            |            |            |            |            |            |
| 2022-2023     | 75                   | 374       |           |           |           |           |           |           |            |            |            |            |            |            |
| 2023-2024     | 93                   |           |           |           |           |           |           |           |            |            |            |            |            |            |

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 |
|--------------------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 2004-2005                | 3.982       | 1.061        | 1.047        | 1.059        | 1.013        | 1.026        | 1.013        | 1.013         | 1.009          | 1.000          | 1.005          | 1.002          | 1.002          | 1.000          |
| 2005-2006                | 1.929       | 1.065        | 1.067        | 1.021        | 1.039        | 1.022        | 1.009        | 1.012         | 1.003          | 1.007          | 1.009          | 1.003          | 1.005          | 0.998          |
| 2006-2007                | 2.138       | 1.137        | 1.048        | 1.046        | 1.020        | 1.020        | 1.013        | 1.004         | 1.011          | 1.009          | 1.006          | 1.002          | 0.998          | 1.004          |
| 2007-2008                | 6.083       | 1.096        | 1.080        | 1.037        | 1.029        | 1.024        | 1.013        | 1.002         | 1.013          | 1.012          | 0.998          | 1.004          | 1.008          | 1.002          |
| 2008-2009                | 2.795       | 1.165        | 1.081        | 1.034        | 1.026        | 1.025        | 1.016        | 1.015         | 1.009          | 1.004          | 1.009          | 1.002          | 1.006          |                |
| 2009-2010                | 3.901       | 1.101        | 1.086        | 1.032        | 1.054        | 1.007        | 1.022        | 1.007         | 1.007          | 1.009          | 1.007          | 1.009          |                |                |
| 2010-2011                | 1.994       | 1.094        | 1.073        | 1.065        | 1.033        | 1.023        | 1.007        | 1.020         | 1.007          | 1.009          | 1.004          |                |                |                |
| 2011-2012                | 3.248       | 1.109        | 1.066        | 1.020        | 1.029        | 1.005        | 1.009        | 1.019         | 1.009          | 1.002          | 1.000          | 1.002          |                |                |
| 2012-2013                | 3.415       | 1.121        | 1.097        | 1.046        | 1.031        | 1.023        | 1.014        | 1.016         | 1.007          | 1.002          | 1.000          |                |                |                |
| 2013-2014                | 3.451       | 1.119        | 1.074        | 1.054        | 1.013        | 1.018        | 1.011        | 1.017         | 1.004          | 1.006          |                |                |                |                |
| 2014-2015                | 4.600       | 1.110        | 1.055        | 1.035        | 1.033        | 1.016        | 1.025        | 1.000         | 1.009          |                |                |                |                |                |
| 2015-2016                | 4.763       | 1.123        | 1.061        | 1.033        | 1.015        | 1.019        | 1.008        | 1.008         |                |                |                |                |                |                |
| 2016-2017                | 4.563       | 1.101        | 1.057        | 1.052        | 1.027        | 1.013        | 1.011        |               |                |                |                |                |                |                |
| 2017-2018                | 4.141       | 1.123        | 1.079        | 1.026        | 1.036        | 1.006        |              |               |                |                |                |                |                |                |
| 2018-2019                | 3.605       | 1.124        | 1.028        | 1.048        | 1.016        |              |              |               |                |                |                |                |                |                |
| 2019-2020                | 4.065       | 1.109        | 1.032        | 1.042        |              |              |              |               |                |                |                |                |                |                |
| 2020-2021                | 1.587       | 1.082        | 1.057        |              |              |              |              |               |                |                |                |                |                |                |
| 2021-2022                | 5.694       | 1.115        |              |              |              |              |              |               |                |                |                |                |                |                |
| 2022-2023                | 4.987       |              |              |              |              |              |              |               |                |                |                |                |                |                |
| Average Claim-Wtd. Avgs. | 3.828       | 1.107        | 1.063        | 1.041        | 1.028        | 1.017        | 1.014        | 1.010         | 1.008          | 1.006          | 1.004          | 1.004          | 1.004          | 1.002          |
| Total                    | 3.446       | 1.106        | 1.063        | 1.040        | 1.028        | 1.017        | 1.014        | 1.010         | 1.008          | 1.006          | 1.004          | 1.004          | 1.003          | 1.002          |
| 3-yr                     | 3.891       | 1.107        | 1.034        | 1.039        | 1.026        | 1.013        | 1.014        | 1.009         | 1.007          | 1.004          | 1.001          |                |                |                |
| 4-yr                     | 3.934       | 1.113        | 1.048        | 1.042        | 1.023        | 1.013        | 1.014        | 1.010         | 1.007          | 1.005          | 1.003          |                |                |                |
| Comparative Factors      | 2.753       | 1.242        | 1.074        | 1.064        | 1.046        | 1.030        | 1.023        | 1.016         | 1.011          | 1.008          | 1.005          | 1.006          | 1.004          | 1.004          |
| Prior                    | 0.000       | 1.105        | 1.055        | 1.040        | 1.025        | 1.020        | 1.015        | 1.015         | 1.008          | 1.005          | 1.004          | 1.003          | 1.002          | 1.002          |
| Selected                 | 4.750       | 1.109        | 1.055        | 1.040        | 1.025        | 1.015        | 1.015        | 1.010         | 1.008          | 1.005          | 1.004          | 1.003          | 1.002          | 1.002          |
| Cumulated                | 6.365       | 1.340        | 1.209        | 1.146        | 1.102        | 1.075        | 1.059        | 1.043         | 1.033          | 1.025          | 1.020          | 1.016          | 1.013          | 1.011          |

San Mateo County Schools Insurance Group - Workers' Compensation

Loss Trend Factors

| Accident Year | Benefit Level Factor (A) | Factor to 2023-2024 Loss Rate Level (B) | Factor to 2024-2025 Loss Rate Level (C) | Factor to 2025-2026 Loss Rate Level (D) | Factor to 2026-2027 Loss Rate Level (E) | Factor to 2023-2024 Frequency Level (F) | Factor to 2024-2025 Frequency Level (G) | Factor to 2025-2026 Frequency Level (H) | Factor to 2026-2027 Frequency Level (I) | Factor to 2023-2024 Severity Level (J) |
|---------------|--------------------------|---|---|---|---|---|---|---|---|--|
| Prior         | 0.981                    | 1.827                                   | 1.891                                   | 1.948                                   | 2.006                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.827                                  |
| 2003-2004     | 0.975                    | 1.763                                   | 1.825                                   | 1.879                                   | 1.936                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.763                                  |
| 2004-2005     | 1.274                    | 2.235                                   | 2.313                                   | 2.382                                   | 2.454                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 2.235                                  |
| 2005-2006     | 1.389                    | 2.366                                   | 2.448                                   | 2.521                                   | 2.597                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 2.366                                  |
| 2006-2007     | 1.324                    | 2.190                                   | 2.266                                   | 2.334                                   | 2.404                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 2.190                                  |
| 2007-2008     | 1.241                    | 1.993                                   | 2.062                                   | 2.124                                   | 2.188                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.993                                  |
| 2008-2009     | 1.165                    | 1.816                                   | 1.879                                   | 1.936                                   | 1.994                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.816                                  |
| 2009-2010     | 1.076                    | 1.628                                   | 1.685                                   | 1.736                                   | 1.788                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.628                                  |
| 2010-2011     | 1.023                    | 1.503                                   | 1.556                                   | 1.602                                   | 1.651                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.503                                  |
| 2011-2012     | 1.016                    | 1.449                                   | 1.499                                   | 1.544                                   | 1.590                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.449                                  |
| 2012-2013     | 1.037                    | 1.437                                   | 1.487                                   | 1.532                                   | 1.578                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.437                                  |
| 2013-2014     | 1.049                    | 1.411                                   | 1.460                                   | 1.504                                   | 1.549                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.411                                  |
| 2014-2015     | 1.042                    | 1.360                                   | 1.407                                   | 1.450                                   | 1.493                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.360                                  |
| 2015-2016     | 1.081                    | 1.369                                   | 1.417                                   | 1.460                                   | 1.503                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.369                                  |
| 2016-2017     | 1.137                    | 1.400                                   | 1.448                                   | 1.492                                   | 1.537                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.400                                  |
| 2017-2018     | 1.136                    | 1.357                                   | 1.404                                   | 1.447                                   | 1.490                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.357                                  |
| 2018-2019     | 1.106                    | 1.283                                   | 1.327                                   | 1.367                                   | 1.408                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.283                                  |
| 2019-2020     | 1.100                    | 1.239                                   | 1.282                                   | 1.321                                   | 1.361                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.239                                  |
| 2020-2021     | 1.065                    | 1.165                                   | 1.205                                   | 1.242                                   | 1.279                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.165                                  |
| 2021-2022     | 1.041                    | 1.105                                   | 1.143                                   | 1.178                                   | 1.213                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.105                                  |
| 2022-2023     | 1.032                    | 1.063                                   | 1.100                                   | 1.133                                   | 1.167                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.063                                  |
| 2023-2024     | 1.000                    | 1.000                                   | 1.035                                   | 1.066                                   | 1.098                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                  |
| 2024-2025     | 0.996                    | --                                      | 1.000                                   | 1.030                                   | 1.061                                   | --                                      | 1.000                                   | 1.000                                   | 1.000                                   | --                                     |
| 2025-2026     | 0.996                    | --                                      | --                                      | 1.000                                   | 1.030                                   | --                                      | --                                      | 1.000                                   | 1.000                                   | --                                     |
| 2026-2027     | 0.996                    | --                                      | --                                      | --                                      | 1.000                                   | --                                      | --                                      | --                                      | 1.000                                   | --                                     |

Notes:

- (A) Based on WCIRB.
- (B) - (E) (A) adjusted for a 3.0% annual loss rate trend.
- (F) - (I) (A) adjusted for a 0.0% annual frequency trend.
- (J) (A) adjusted for a 3.0% annual severity trend.

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

San Mateo County Schools Insurance Group - Workers' Compensation

Residual Trend Factors

| Accident Year | Initial Estimate of Ultimate Limited Losses (A) | Ultimate Reported Claims (B) | BLF (C) | Adjusted Limited Severity (D) | Trended Payroll (\$00) (E) | Ultimate Frequency (F) |
|---------------|---|------------------------------|---------|-------------------------------|----------------------------|------------------------|
| 2011-2012     | 4,755,000                                       | 451                          | 1.016   | 10,708                        | 7,274,824                  | 0.620                  |
| 2012-2013     | \$5,794,000                                     | 465                          | 1.037   | \$12,926                      | 7,111,881                  | 0.654                  |
| 2013-2014     | 6,664,000                                       | 489                          | 1.049   | 14,296                        | 7,212,157                  | 0.678                  |
| 2014-2015     | 6,652,000                                       | 466                          | 1.042   | 14,868                        | 7,386,895                  | 0.631                  |
| 2015-2016     | 5,972,000                                       | 509                          | 1.081   | 12,678                        | 7,639,406                  | 0.666                  |
| 2016-2017     | 6,724,000                                       | 490                          | 1.137   | 15,607                        | 8,166,754                  | 0.600                  |
| 2017-2018     | 6,575,000                                       | 523                          | 1.136   | 14,278                        | 8,494,883                  | 0.616                  |
| 2018-2019     | 7,054,000                                       | 549                          | 1.106   | 14,208                        | 8,506,140                  | 0.645                  |
| 2019-2020     | 4,846,000                                       | 407                          | 1.100   | 13,102                        | 8,526,157                  | 0.477                  |
| 2020-2021     | 3,351,000                                       | 205                          | 1.065   | 17,415                        | 8,497,200                  | 0.241                  |
| 2021-2022     | 5,616,000                                       | 543                          | 1.041   | 10,768                        | 8,481,138                  | 0.640                  |
| 2022-2023     | 4,972,000                                       | 530                          | 1.032   | 9,683                         | 8,717,221                  | 0.608                  |

|                                    | Severity Trend Factors | Frequency Trend Factors |
|------------------------------------|------------------------|-------------------------|
| Latest 10 x 2022-2023              | 0.996                  | 0.948                   |
| Mvg 5-Yr Wtd Latest 10 x 2022-2023 | 1.017                  | 1.061                   |
| Latest 5 x 2022-2023               | 0.965                  | 0.913                   |
| Mvg 5-Yr Wtd Latest 5 x 2022-2023  | 0.990                  | 0.942                   |
| Prior                              | 1.030                  | 1.000                   |
| Default                            | 1.025                  | 0.980                   |
| Selected Residual Trend            | 1.030                  | 1.000                   |

Notes:

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

San Mateo County Schools Insurance Group - Workers' Compensation

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

| Fiscal Year<br>(A) | Number of Claims Active During Fiscal Year<br>(B) | Average ULAE Charge per Active Claim<br>(C) | Inflation Trend Factor<br>(D) | Trended ULAE Charge per Active Claim<br>(E) | ULAE Paid During Year<br>(F) |
|--------------------|---|---|-------------------------------|---|------------------------------|
| 2023-2024          | 395.0   | \$1,070                                     | 1.000                         | \$1,070                                     | \$422,650                    |
| 2024-2025          | 185.5   | 1,070                                       | 1.050                         | 1,124                                       | 208,502                      |
| 2025-2026          | 135.0   | 1,070                                       | 1.103                         | 1,180                                       | 159,300                      |
| 2026-2027          | 99.7  | 1,070                                       | 1.158                         | 1,239                                       | 123,528                      |
| 2027-2028          | 77.1  | 1,070                                       | 1.216                         | 1,301                                       | 100,307                      |
| 2028-2029          | 60.6  | 1,070                                       | 1.277                         | 1,366                                       | 82,780                       |
| 2029-2030          | 46.9  | 1,070                                       | 1.341                         | 1,435                                       | 67,302                       |
| 2030-2031          | 35.5  | 1,070                                       | 1.408                         | 1,507                                       | 53,499                       |
| 2031-2032          | 27.6  | 1,070                                       | 1.478                         | 1,581                                       | 43,636                       |
| 2032-2033          | 21.6  | 1,070                                       | 1.552                         | 1,661                                       | 35,878                       |
| 2033-2034          | 17.5  | 1,070                                       | 1.630                         | 1,744                                       | 30,520                       |
| 2034-2035          | 14.2  | 1,070                                       | 1.712                         | 1,832                                       | 26,014                       |
| 2035-2036          | 12.0  | 1,070                                       | 1.798                         | 1,924                                       | 23,088                       |
| 2036-2037          | 9.8   | 1,070                                       | 1.888                         | 2,020                                       | 19,796                       |
| 2037-2038          | 7.5   | 1,070                                       | 1.982                         | 2,121                                       | 15,908                       |
| 2038-2039          | 5.2   | 1,070                                       | 2.081                         | 2,227                                       | 11,580                       |
| 2039-2040          | 2.9   | 1,070                                       | 2.185                         | 2,338                                       | 6,780                        |
| 2040-2041          | 1.1   | 1,070                                       | 2.294                         | 2,455                                       | 2,701                        |

(G) Total ULAE Outstanding as of 6/30/23: \$1,433,769

(H) Total ULAE Outstanding as of 12/31/23: \$1,712,314

Notes:

- (A) We assume fiscal years will be 7/1 to 6/30.
- (B) Based on an estimated claim closing pattern.
- (C) Based on claims administration payment information provided by the Group.
- (D) We assume ULAE costs will increase at 5.0% per year.
- (E) (C) x (D).
- (F) (B) x (E).
- (G) Total of Column (F).
- (H) (G) from this page and the next, interpolated to 12/31/23.

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

San Mateo County Schools Insurance Group - Workers' Compensation

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

| Fiscal Year<br>(A) | Number of Claims Active During Fiscal Year<br>(B) | Average ULAE Charge per Active Claim<br>(C) | Inflation Trend Factor<br>(D) | Trended ULAE Charge per Active Claim<br>(E) | ULAE Paid During Year<br>(F) |
|--------------------|---|---|-------------------------------|---|------------------------------|
| 2024-2025          | 487.4   | \$1,070                                     | 1.050                         | \$1,124                                     | \$547,838                    |
| 2025-2026          | 247.7   | 1,070                                       | 1.103                         | 1,180                                       | 292,286                      |
| 2026-2027          | 179.8   | 1,070                                       | 1.158                         | 1,239                                       | 222,772                      |
| 2027-2028          | 136.9   | 1,070                                       | 1.216                         | 1,301                                       | 178,107                      |
| 2028-2029          | 105.2   | 1,070                                       | 1.277                         | 1,366                                       | 143,703                      |
| 2029-2030          | 81.9  | 1,070                                       | 1.341                         | 1,435                                       | 117,527                      |
| 2030-2031          | 63.1  | 1,070                                       | 1.408                         | 1,507                                       | 95,092                       |
| 2031-2032          | 49.3  | 1,070                                       | 1.478                         | 1,581                                       | 77,943                       |
| 2032-2033          | 38.3  | 1,070                                       | 1.552                         | 1,661                                       | 63,616                       |
| 2033-2034          | 30.3  | 1,070                                       | 1.630                         | 1,744                                       | 52,843                       |
| 2034-2035          | 24.7  | 1,070                                       | 1.712                         | 1,832                                       | 45,250                       |
| 2035-2036          | 20.2  | 1,070                                       | 1.798                         | 1,924                                       | 38,865                       |
| 2036-2037          | 16.8  | 1,070                                       | 1.888                         | 2,020                                       | 33,936                       |
| 2037-2038          | 13.3  | 1,070                                       | 1.982                         | 2,121                                       | 28,209                       |
| 2038-2039          | 9.9   | 1,070                                       | 2.081                         | 2,227                                       | 22,047                       |
| 2039-2040          | 6.4   | 1,070                                       | 2.185                         | 2,338                                       | 14,963                       |
| 2040-2041          | 3.4   | 1,070                                       | 2.294                         | 2,455                                       | 8,347                        |
| 2041-2042          | 1.2   | 1,070                                       | 2.409                         | 2,578                                       | 3,094                        |

(G) Total ULAE Outstanding as of 6/30/24: \$1,986,438

Notes:

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

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

San Mateo County Schools Insurance Group - Workers' Compensation

Payment and Reserve Forecast

| <u>Accident Year</u>    | As of<br><u>12/31/2023</u> | <u>Calendar Period</u>             |                                    |
|-------------------------|----------------------------|------------------------------------|------------------------------------|
|                         |                            | 1/1/2024<br>to<br><u>6/30/2024</u> | 7/1/2024<br>to<br><u>6/30/2025</u> |
| Prior                   |                            |                                    |                                    |
| Ultimate Loss           | \$39,019,000               | \$39,019,000                       | \$39,019,000                       |
| Paid in Calendar Period | -                          | 28,779                             | 40,576                             |
| Paid to Date            | 38,716,058                 | 38,744,837                         | 38,785,413                         |
| Outstanding Liability   | 302,942                    | 274,163                            | 233,587                            |

San Mateo County Schools Insurance Group - Workers' Compensation

Payment and Reserve Forecast

| <u>Accident Year</u>               | <u>As of</u><br><u>12/31/2023</u> | <u>Calendar Period</u>                           |  |
|------------------------------------|-----------------------------------|--|--|
|                                    |                                   | <u>1/1/2024</u><br><u>to</u><br><u>6/30/2024</u> | <u>7/1/2024</u><br><u>to</u><br><u>6/30/2025</u> |
| 2021-2022                          |                                   |  |  |
| Ultimate Loss                      | \$9,018,000                       | \$9,018,000                                      | \$9,018,000                                      |
| Paid in Calendar Period            | -                                 | 599,463  | 968,784  |
| Paid to Date                       | 3,805,281                         | 4,404,744  | 5,373,528  |
| Outstanding Liability              | 5,212,719                         | 4,613,256  | 3,644,472  |
| 2022-2023                          |                                   |  |  |
| Ultimate Loss                      | \$8,639,000                       | \$8,639,000                                      | \$8,639,000                                      |
| Paid in Calendar Period            | -                                 | 804,518  | 1,369,731  |
| Paid to Date                       | 2,150,949                         | 2,955,467  | 4,325,198  |
| Outstanding Liability              | 6,488,051                         | 5,683,533  | 4,313,802  |
| 2023-2024                          |                                   |  |  |
| Ultimate Loss                      | \$5,906,000                       | \$11,812,000                                     | \$11,812,000                                     |
| Paid in Calendar Period            | -                                 | 1,510,904  | 2,526,734  |
| Paid to Date                       | 620,121                           | 2,131,025  | 4,657,759  |
| Outstanding Liability              | 5,285,879                         | 9,680,975  | 7,154,241  |
| 2024-2025                          |                                   |  |  |
| Ultimate Loss                      | -                                 | -  | \$12,483,000                                     |
| Paid in Calendar Period            | -                                 | -  | 2,159,559  |
| Paid to Date                       | -                                 | -  | 2,159,559  |
| Outstanding Liability              | -                                 | -  | 10,323,441                                       |
| Totals                             |                                   |  |  |
| Ultimate Loss                      | \$68,421,000                      | \$74,327,000                                     | \$86,810,000                                     |
| Paid in Calendar Period            | -                                 | 3,223,146  | 7,517,755  |
| Paid to Date                       | 48,093,565                        | 51,316,711                                       | 58,834,466                                       |
| Outstanding Liability              | 20,327,435                        | 23,010,289                                       | 27,975,534                                       |
| Total Outstanding ULAE             | 1,712,314                         | 1,986,438  | 2,566,869  |
| Outstanding Liability<br>plus ULAE | 22,039,749                        | 24,996,727                                       | 30,542,403                                       |

Notes appear on the next page.

San Mateo County Schools Insurance Group - Workers' Compensation

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 2021-2022, \$599,463 is expected to be paid between 1/1/24 and 6/30/24, \$4,404,744 will have been paid by 6/30/24, and the reserve for remaining payments on these claims should be \$4,613,256.
- Ultimate Losses for each accident year are from Exhibit 4, 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, \$968,784 = \$4,613,256 x 21.0%.
- Paid to Date is Paid in Calendar Period plus Paid to Date from previous calendar period. For example, \$5,373,528 = \$968,784 + \$4,404,744.
- Outstanding Liability is Ultimate Loss minus Paid to Date. For example, \$4,613,256 = \$9,018,000 - \$4,404,744.

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.

Short- and Long-Term Liabilities

|                                    |                          | <u>Expected</u>     | <u>Discounted</u>   |
|------------------------------------|--------------------------|---------------------|---------------------|
| <u>Liabilities as of 12/31/23:</u> |                          |                     |                     |
| <u>Current (Short Term)</u>        | Loss and ALAE:           | \$4,515,109         | \$4,470,624         |
|                                    | ULAE:                    | 422,650             | 418,486             |
|                                    | Short-Term Loss and LAE: | <u>\$4,937,759</u>  | <u>\$4,889,110</u>  |
| <u>Non-Current (Long Term)</u>     | Loss and ALAE:           | \$15,812,327        | \$13,984,599        |
|                                    | ULAE:                    | 1,289,664           | 1,136,119           |
|                                    | Long-Term Loss and LAE:  | <u>\$17,101,991</u> | <u>\$15,120,718</u> |
| <u>Total Liability</u>             | Loss and ALAE:           | \$20,327,435        | \$18,455,223        |
|                                    | ULAE:                    | 1,712,314           | 1,554,605           |
|                                    | Total Loss and LAE:      | <u>\$22,039,749</u> | <u>\$20,009,828</u> |
| <u>Liabilities as of 6/30/24:</u>  |                          |                     |                     |
| <u>Current (Short Term)</u>        | Loss and ALAE:           | \$5,358,196         | \$5,305,405         |
|                                    | ULAE:                    | 547,838             | 542,440             |
|                                    | Short-Term Loss and LAE: | <u>\$5,906,034</u>  | <u>\$5,847,845</u>  |
| <u>Non-Current (Long Term)</u>     | Loss and ALAE:           | \$17,652,093        | \$15,571,948        |
|                                    | ULAE:                    | 1,438,600           | 1,259,865           |
|                                    | Long-Term Loss and LAE:  | <u>\$19,090,693</u> | <u>\$16,831,813</u> |
| <u>Total Liability</u>             | Loss and ALAE:           | \$23,010,289        | \$20,877,353        |
|                                    | ULAE:                    | 1,986,438           | 1,802,305           |
|                                    | Total Loss and LAE:      | <u>\$24,996,727</u> | <u>\$22,679,658</u> |

|                                    |                          | <u>Discounted with a Margin for Contingencies</u> |                     |                     |                     |                     |
|------------------------------------|--------------------------|---|---------------------|---------------------|---------------------|---------------------|
|                                    |                          | <u>70%</u>  | <u>75%</u>          | <u>80%</u>          | <u>85%</u>          | <u>90%</u>          |
|                                    |                          | <u>Confidence</u>                                 | <u>Confidence</u>   | <u>Confidence</u>   | <u>Confidence</u>   | <u>Confidence</u>   |
| <u>Liabilities as of 12/31/23:</u> |                          |   |                     |                     |                     |                     |
| <u>Current (Short Term)</u>        | Loss and ALAE:           | \$4,801,450                                       | \$4,926,628         | \$5,074,158         | \$5,248,513         | \$5,480,985         |
|                                    | ULAE:                    | 449,454   | 461,172             | 474,982             | 491,303             | 513,064             |
|                                    | Short-Term Loss and LAE: | <u>\$5,250,904</u>                                | <u>\$5,387,800</u>  | <u>\$5,549,140</u>  | <u>\$5,739,816</u>  | <u>\$5,994,049</u>  |
| <u>Non-Current (Long Term)</u>     | Loss and ALAE:           | \$15,019,460                                      | \$15,411,028        | \$15,872,520        | \$16,417,919        | \$17,145,118        |
|                                    | ULAE:                    | 1,220,191   | 1,252,002           | 1,289,495           | 1,333,803           | 1,392,882           |
|                                    | Long-Term Loss and LAE:  | <u>\$16,239,651</u>                               | <u>\$16,663,030</u> | <u>\$17,162,015</u> | <u>\$17,751,722</u> | <u>\$18,538,000</u> |
| <u>Total Liability</u>             | Loss and ALAE:           | \$19,820,910                                      | \$20,337,656        | \$20,946,678        | \$21,666,432        | \$22,626,103        |
|                                    | ULAE:                    | 1,669,645   | 1,713,174           | 1,764,477           | 1,825,106           | 1,905,946           |
|                                    | Total Loss and LAE:      | <u>\$21,490,555</u>                               | <u>\$22,050,830</u> | <u>\$22,711,155</u> | <u>\$23,491,538</u> | <u>\$24,532,049</u> |
| <u>Liabilities as of 6/30/24:</u>  |                          |   |                     |                     |                     |                     |
| <u>Current (Short Term)</u>        | Loss and ALAE:           | \$5,698,005                                       | \$5,846,556         | \$6,021,635         | \$6,228,545         | \$6,504,427         |
|                                    | ULAE:                    | 582,581   | 597,769             | 615,669             | 636,825             | 665,031             |
|                                    | Short-Term Loss and LAE: | <u>\$6,280,586</u>                                | <u>\$6,444,325</u>  | <u>\$6,637,304</u>  | <u>\$6,865,370</u>  | <u>\$7,169,458</u>  |
| <u>Non-Current (Long Term)</u>     | Loss and ALAE:           | \$16,724,272                                      | \$17,160,287        | \$17,674,161        | \$18,281,467        | \$19,091,208        |
|                                    | ULAE:                    | 1,353,095   | 1,388,371           | 1,429,947           | 1,479,081           | 1,544,595           |
|                                    | Long-Term Loss and LAE:  | <u>\$18,077,367</u>                               | <u>\$18,548,658</u> | <u>\$19,104,108</u> | <u>\$19,760,548</u> | <u>\$20,635,803</u> |
| <u>Total Liability</u>             | Loss and ALAE:           | \$22,422,277                                      | \$23,006,843        | \$23,695,796        | \$24,510,012        | \$25,595,635        |
|                                    | ULAE:                    | 1,935,676   | 1,986,140           | 2,045,616           | 2,115,906           | 2,209,626           |
|                                    | Total Loss and LAE:      | <u>\$24,357,953</u>                               | <u>\$24,992,983</u> | <u>\$25,741,412</u> | <u>\$26,625,918</u> | <u>\$27,805,261</u> |

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

San Mateo County Schools Insurance Group - Workers' Compensation

Discount Factors to be Applied to Overall Reserves

| Accident Year | Full Value of Reserve at 12/31/23 (A) | Discount Factor (B) | Discounted Reserve at 12/31/23 (C) | Full Value of Reserve at 6/30/24 (D) | Discount Factor (E) | Discounted Reserve at 6/30/24 (F) |
|---------------|---------------------------------------|---------------------|------------------------------------|--------------------------------------|---------------------|-----------------------------------|
| Prior         | \$302,942                             | 0.990               | \$299,957                          | \$274,163                            | 1.000               | \$274,163                         |
| 2003-2004     | 0                                     | 0.982               | 0                                  | 0                                    | 0.990               | 0                                 |
| 2004-2005     | 0                                     | 0.965               | 0                                  | 0                                    | 0.973               | 0                                 |
| 2005-2006     | 0                                     | 0.951               | 0                                  | 0                                    | 0.957               | 0                                 |
| 2006-2007     | 0                                     | 0.940               | 0                                  | 0                                    | 0.945               | 0                                 |
| 2007-2008     | 0                                     | 0.932               | 0                                  | 0                                    | 0.936               | 0                                 |
| 2008-2009     | 0                                     | 0.925               | 0                                  | 0                                    | 0.929               | 0                                 |
| 2009-2010     | 0                                     | 0.919               | 0                                  | 0                                    | 0.922               | 0                                 |
| 2010-2011     | 0                                     | 0.913               | 0                                  | 0                                    | 0.916               | 0                                 |
| 2011-2012     | 0                                     | 0.907               | 0                                  | 0                                    | 0.910               | 0                                 |
| 2012-2013     | 0                                     | 0.902               | 0                                  | 0                                    | 0.904               | 0                                 |
| 2013-2014     | 0                                     | 0.897               | 0                                  | 0                                    | 0.899               | 0                                 |
| 2014-2015     | 0                                     | 0.893               | 0                                  | 0                                    | 0.895               | 0                                 |
| 2015-2016     | 0                                     | 0.890               | 0                                  | 0                                    | 0.891               | 0                                 |
| 2016-2017     | 0                                     | 0.889               | 0                                  | 0                                    | 0.890               | 0                                 |
| 2017-2018     | 0                                     | 0.888               | 0                                  | 0                                    | 0.888               | 0                                 |
| 2018-2019     | 0                                     | 0.888               | 0                                  | 0                                    | 0.888               | 0                                 |
| 2019-2020     | 0                                     | 0.889               | 0                                  | 0                                    | 0.888               | 0                                 |
| 2020-2021     | 3,037,844                             | 0.894               | 2,714,689                          | 2,758,362                            | 0.890               | 2,454,877                         |
| 2021-2022     | 5,212,719                             | 0.902               | 4,700,635                          | 4,613,256                            | 0.897               | 4,139,338                         |
| 2022-2023     | 6,488,051                             | 0.911               | 5,908,248                          | 5,683,533                            | 0.906               | 5,150,728                         |
| 2023-2024     | 5,285,879                             | 0.914               | 4,831,694                          | 9,680,975                            | 0.915               | 8,858,247                         |
| Totals        | \$20,327,435                          |                     | \$18,455,223                       | \$23,010,289                         |                     | \$20,877,353                      |

(G) Discount Factor at 12/31/23 for Overall Reserve: 0.908  
 (H) Discount Factor at 6/30/24 for Overall Reserve: 0.907

Notes:

- (A) From Appendix G, Outstanding Liability at 12/31/23.
- (B) Based on Appendix I, Page 2, Column (F).
- (C) (A) x (B).
- (D) From Appendix G, Outstanding Liability at 6/30/24.
- (E) Based on Appendix I, 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 0.908, the discounted liability for outstanding claims is 90.8% of the full value.

San Mateo County Schools Insurance Group - Workers' Compensation

Calculation of Discount Factors

| Payment Year (A)                        | Payment Pattern (B) | Return on Investment (C) | Discounted Reserves (D) | Undiscounted Reserves (E) | Discount Factor (F) |
|---|---------------------|--------------------------|-------------------------|---------------------------|---------------------|
| 22                                      | 3.7%                | 2.00%                    | 0.036                   | 0.037                     | 0.990               |
| 21                                      | 0.4%                | 2.00%                    | 0.039                   | 0.040                     | 0.973               |
| 20                                      | 0.4%                | 2.00%                    | 0.042                   | 0.044                     | 0.957               |
| 19                                      | 0.6%                | 2.00%                    | 0.048                   | 0.050                     | 0.944               |
| 18                                      | 1.0%                | 2.00%                    | 0.056                   | 0.060                     | 0.936               |
| 17                                      | 1.0%                | 2.00%                    | 0.066                   | 0.071                     | 0.929               |
| 16                                      | 1.2%                | 2.00%                    | 0.076                   | 0.083                     | 0.922               |
| 15                                      | 1.2%                | 2.00%                    | 0.087                   | 0.095                     | 0.915               |
| 14                                      | 1.4%                | 2.00%                    | 0.099                   | 0.109                     | 0.909               |
| 13                                      | 1.5%                | 2.00%                    | 0.112                   | 0.124                     | 0.903               |
| 12                                      | 1.7%                | 2.00%                    | 0.126                   | 0.140                     | 0.898               |
| 11                                      | 1.9%                | 2.00%                    | 0.142                   | 0.159                     | 0.893               |
| 10                                      | 2.1%                | 2.00%                    | 0.160                   | 0.180                     | 0.889               |
| 9                                       | 2.7%                | 2.00%                    | 0.184                   | 0.207                     | 0.887               |
| 8                                       | 3.1%                | 2.00%                    | 0.211                   | 0.238                     | 0.885               |
| 7                                       | 3.7%                | 2.00%                    | 0.243                   | 0.275                     | 0.884               |
| 6                                       | 4.3%                | 2.00%                    | 0.281                   | 0.318                     | 0.884               |
| 5                                       | 5.9%                | 2.00%                    | 0.334                   | 0.377                     | 0.886               |
| 4                                       | 9.5%                | 2.00%                    | 0.421                   | 0.472                     | 0.893               |
| 3                                       | 14.4%               | 2.00%                    | 0.556                   | 0.616                     | 0.902               |
| 2                                       | 21.3%               | 2.00%                    | 0.756                   | 0.829                     | 0.912               |
| 1                                       | 17.1%               | 2.00%                    | 0.910                   | 1.000                     | 0.910               |
| (G) Discount Factor for Future Funding: |                     |                          |                         | 2023-2024                 | 0.919               |
|   |                     |                          |                         | 2024-2025                 | 0.919               |

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, 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,  $75.6\% = [55.6\% / 1.020] + [21.3\% / (1.010)]$ .
- (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 0.92, on a discounted basis, \$0.92 must be budgeted for every \$1 that will actually be paid on claims that will be incurred in the next fiscal year.

San Mateo County Schools Insurance Group - Workers' Compensation

Confidence Level Table

| Probability | Projected Losses | Outstanding Losses |
|-------------|------------------|--------------------|
| 95%         | 1.353            | 1.308              |
| 90%         | 1.261            | 1.226              |
| 85%         | 1.201            | 1.174              |
| 80%         | 1.155            | 1.135              |
| 75%         | 1.118            | 1.102              |
| 70%         | 1.085            | 1.074              |
| 65%         | 1.055            | 1.049              |
| 60%         | 1.028            | 1.026              |
| 55%         | 1.002            | 1.004              |
| 50%         | 0.978            | 0.983              |
| 45%         | 0.954            | 0.962              |
| 40%         | 0.930            | 0.942              |
| 35%         | 0.906            | 0.922              |
| 30%         | 0.881            | 0.901              |
| 25%         | 0.855            | 0.879              |

To read table: For the above retention, there is a 90% chance that final loss settlements will be less than 1.261 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.

San Mateo County Schools Insurance Group - Workers' Compensation

Program History

| Policy Year<br>Start Date | Policy Year<br>End Date | Policy Year | Self-Insured Retention |           |
|---------------------------|-------------------------|-------------|------------------------|-----------|
|                           |                         |             | Per Occurrence         | Aggregate |
| 7/1/2012                  | 6/30/2013               | 2012-2013   | Fully Insured          | (none)    |
| 7/1/2013                  | 6/30/2014               | 2013-2014   | Fully Insured          | (none)    |
| 7/1/2014                  | 6/30/2015               | 2014-2015   | Fully Insured          | (none)    |
| 7/1/2015                  | 6/30/2016               | 2015-2016   | Fully Insured          | (none)    |
| 7/1/2016                  | 6/30/2017               | 2016-2017   | Fully Insured          | (none)    |
| 7/1/2017                  | 6/30/2018               | 2017-2018   | Fully Insured          | (none)    |
| 7/1/2018                  | 6/30/2019               | 2018-2019   | Fully Insured          | (none)    |
| 7/1/2019                  | 6/30/2020               | 2019-2020   | Fully Insured          | (none)    |
| 7/1/2020                  | 6/30/2021               | 2020-2021   | 250,000                | (none)    |
| 7/1/2021                  | 6/30/2022               | 2021-2022   | 250,000                | (none)    |
| 7/1/2022                  | 6/30/2023               | 2022-2023   | 250,000                | (none)    |
| 7/1/2023                  | 6/30/2024               | 2023-2024   | 250,000                | (none)    |
| 7/1/2024                  | 6/30/2025               | 2024-2025   | 250,000                | (none)    |

| Third Party<br>Claims<br>Administrator | Begin<br>Date | End<br>Date |
|--|---------------|-------------|
| InterCare                              | 7/1/2020      | Current     |

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

San Mateo County Schools Insurance Group - Workers' Compensation

Incurred Losses as of 12/31/23

| Accident Year (A) | Unlimited Incurred (B) | Additions to Losses (C) | Subtractions from Losses (D) | Adjusted Incurred (E) | Incurred Over SIR (F) | Incurred Over \$100,000 (G) | Incurred Capped at \$100,000 (H) | Incurred \$100,000 to SIR Layer (I) | Incurred Capped at SIR (J) | Incurred Capped at SIR & Aggregate (K) |
|-------------------|------------------------|-------------------------|------------------------------|-----------------------|-----------------------|-----------------------------|----------------------------------|-------------------------------------|----------------------------|--|
| Prior             | \$40,388,081           | \$0                     | \$164,675                    | \$40,223,406          | \$1,323,910           | \$4,717,613                 | \$35,505,793                     | \$3,393,704                         | \$38,899,497               | \$38,899,497                           |
| 2003-2004         | 0                      | 0                       | 0                            | 0                     | 0                     | 0                           | 0                                | 0                                   | 0                          | 0                                      |
| 2004-2005         | 0                      | 0                       | 0                            | 0                     | 0                     | 0                           | 0                                | 0                                   | 0                          | 0                                      |
| 2005-2006         | 0                      | 0                       | 0                            | 0                     | 0                     | 0                           | 0                                | 0                                   | 0                          | 0                                      |
| 2006-2007         | 0                      | 0                       | 0                            | 0                     | 0                     | 0                           | 0                                | 0                                   | 0                          | 0                                      |
| 2007-2008         | 0                      | 0                       | 0                            | 0                     | 0                     | 0                           | 0                                | 0                                   | 0                          | 0                                      |
| 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                      | 6,233,964               | 0                            | 6,233,964             | 346,995               | 1,618,033                   | 4,615,930                        | 1,271,039                           | 5,886,969                  | 5,886,969                              |
| 2012-2013         | 0                      | 7,454,507               | 0                            | 7,454,507             | 243,206               | 1,816,896                   | 5,637,611                        | 1,573,690                           | 7,211,301                  | 7,211,301                              |
| 2013-2014         | 0                      | 8,319,532               | 0                            | 8,319,532             | 193,984               | 1,899,843                   | 6,419,689                        | 1,705,859                           | 8,125,548                  | 8,125,548                              |
| 2014-2015         | 0                      | 8,754,170               | 0                            | 8,754,170             | 526,398               | 2,365,036                   | 6,389,134                        | 1,838,638                           | 8,227,772                  | 8,227,772                              |
| 2015-2016         | 0                      | 6,891,682               | 0                            | 6,891,682             | 225,696               | 1,177,154                   | 5,714,528                        | 951,458                             | 6,665,986                  | 6,665,986                              |
| 2016-2017         | 0                      | 8,798,328               | 0                            | 8,798,328             | 749,020               | 2,388,487                   | 6,409,840                        | 1,639,468                           | 8,049,308                  | 8,049,308                              |
| 2017-2018         | 11,885                 | 9,143,100               | 0                            | 9,154,985             | 949,532               | 2,874,284                   | 6,280,701                        | 1,924,752                           | 8,205,454                  | 8,205,454                              |
| 2018-2019         | 402                    | 11,499,166              | 0                            | 11,499,568            | 1,888,220             | 4,767,371                   | 6,732,196                        | 2,879,151                           | 9,611,347                  | 9,611,347                              |
| 2019-2020         | 1,729                  | 6,271,026               | 0                            | 6,272,755             | 203,207               | 1,735,429                   | 4,537,325                        | 1,532,223                           | 6,069,548                  | 6,069,548                              |
| 2020-2021         | 4,361,139              | 0                       | 364                          | 4,360,775             | 575,509               | 1,255,516                   | 3,105,259                        | 680,006                             | 3,785,265                  | 3,785,265                              |
| 2021-2022         | 5,794,309              | 0                       | 847                          | 5,793,461             | 95,805                | 807,803                     | 4,985,658                        | 711,999                             | 5,697,657                  | 5,697,657                              |
| 2022-2023         | 3,829,957              | 0                       | 3,944                        | 3,826,013             | 0                     | 237,687                     | 3,588,326                        | 237,687                             | 3,826,013                  | 3,826,013                              |
| 2023-2024         | 1,680,542              | 0                       | 0                            | 1,680,542             | 120,290               | 270,290                     | 1,410,252                        | 150,000                             | 1,560,252                  | 1,560,252                              |
| <b>Total</b>      | <b>\$56,068,043</b>    | <b>\$73,365,475</b>     | <b>\$169,830</b>             | <b>\$129,263,687</b>  | <b>\$7,441,770</b>    | <b>\$27,931,444</b>         | <b>\$101,332,244</b>             | <b>\$20,489,673</b>                 | <b>\$121,821,917</b>       | <b>\$121,821,917</b>                   |

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Group.
- (C) Keenan Years
- (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 K.

San Mateo County Schools Insurance Group - Workers' Compensation

Paid Losses as of 12/31/23

| Accident Year (A) | Unlimited Paid (B)  | Additions to Losses (C) | Subtractions from Losses (D) | Adjusted Paid (E)    | Paid Over SIR (F)  | Paid Over \$100,000 (G) | Paid Capped at \$100,000 (H) | Paid \$100,000 to SIR Layer (I) | Paid Capped at SIR (J) | Paid Capped at SIR & Aggregate (K) |
|-------------------|---------------------|-------------------------|------------------------------|----------------------|--------------------|-------------------------|------------------------------|---------------------------------|------------------------|------------------------------------|
| Prior             | \$39,914,725        | \$0                     | \$164,675                    | \$39,750,050         | \$1,033,993        | \$4,269,819             | \$35,480,231                 | \$3,235,827                     | \$38,716,058           | \$38,716,058                       |
| 2003-2004         | 0                   | 0                       | 0                            | 0                    | 0                  | 0                       | 0                            | 0                               | 0                      | 0                                  |
| 2004-2005         | 0                   | 0                       | 0                            | 0                    | 0                  | 0                       | 0                            | 0                               | 0                      | 0                                  |
| 2005-2006         | 0                   | 0                       | 0                            | 0                    | 0                  | 0                       | 0                            | 0                               | 0                      | 0                                  |
| 2006-2007         | 0                   | 0                       | 0                            | 0                    | 0                  | 0                       | 0                            | 0                               | 0                      | 0                                  |
| 2007-2008         | 0                   | 0                       | 0                            | 0                    | 0                  | 0                       | 0                            | 0                               | 0                      | 0                                  |
| 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                   | 5,641,982               | 0                            | 5,641,982            | 117,047            | 1,195,242               | 4,446,740                    | 1,078,195                       | 5,524,935              | 5,524,935                          |
| 2012-2013         | 0                   | 6,705,474               | 0                            | 6,705,474            | 69,664             | 1,345,001               | 5,360,473                    | 1,275,336                       | 6,635,810              | 6,635,810                          |
| 2013-2014         | 0                   | 7,652,551               | 0                            | 7,652,551            | 127,150            | 1,524,277               | 6,128,274                    | 1,397,127                       | 7,525,401              | 7,525,401                          |
| 2014-2015         | 0                   | 8,179,499               | 0                            | 8,179,499            | 396,032            | 1,988,919               | 6,190,580                    | 1,592,887                       | 7,783,467              | 7,783,467                          |
| 2015-2016         | 0                   | 6,178,039               | 0                            | 6,178,039            | 100,793            | 824,378                 | 5,353,660                    | 723,585                         | 6,077,246              | 6,077,246                          |
| 2016-2017         | 0                   | 7,516,926               | 0                            | 7,516,926            | 291,301            | 1,551,908               | 5,965,019                    | 1,260,607                       | 7,225,626              | 7,225,626                          |
| 2017-2018         | 1,553               | 7,281,162               | 0                            | 7,282,715            | 335,256            | 1,539,828               | 5,742,888                    | 1,204,571                       | 6,947,459              | 6,947,459                          |
| 2018-2019         | 402                 | 7,881,721               | 0                            | 7,882,122            | 212,133            | 2,072,001               | 5,810,121                    | 1,859,868                       | 7,669,989              | 7,669,989                          |
| 2019-2020         | 1,729               | 4,426,514               | 0                            | 4,428,243            | 0                  | 520,295                 | 3,907,948                    | 520,295                         | 4,428,243              | 4,428,243                          |
| 2020-2021         | 3,024,331           | 0                       | 364                          | 3,023,967            | 222,811            | 633,722                 | 2,390,245                    | 410,911                         | 2,801,156              | 2,801,156                          |
| 2021-2022         | 3,852,030           | 0                       | 847                          | 3,851,183            | 45,902             | 378,979                 | 3,472,204                    | 333,077                         | 3,805,281              | 3,805,281                          |
| 2022-2023         | 2,154,893           | 0                       | 3,944                        | 2,150,949            | 0                  | 22,417                  | 2,128,532                    | 22,417                          | 2,150,949              | 2,150,949                          |
| 2023-2024         | 620,121             | 0                       | 0                            | 620,121              | 0                  | 16,679                  | 603,442                      | 16,679                          | 620,121                | 620,121                            |
| <b>Total</b>      | <b>\$49,569,784</b> | <b>\$61,463,867</b>     | <b>\$169,830</b>             | <b>\$110,863,821</b> | <b>\$2,952,082</b> | <b>\$17,883,464</b>     | <b>\$92,980,357</b>          | <b>\$14,931,382</b>             | <b>\$107,911,739</b>   | <b>\$107,911,739</b>               |

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Group.
- (C)
- (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 K.

San Mateo County Schools Insurance Group - Workers' Compensation

Case Reserves as of 12/31/23

| Accident Year (A) | Unlimited Reserves (B) | Additions to Losses (C) | Subtractions from Losses (D) | Adjusted Reserves (E) | Reserves Over SIR (F) | Reserves Over \$100,000 (G) | Reserves Capped at \$100,000 (H) | Reserves \$100,000 to SIR Layer (I) | Reserves Capped at SIR (J) | Reserves Capped at SIR & Aggregate (K) |
|-------------------|------------------------|-------------------------|------------------------------|-----------------------|-----------------------|-----------------------------|----------------------------------|-------------------------------------|----------------------------|--|
| Prior             | \$473,356              | \$0                     | \$0                          | \$473,356             | \$289,917             | \$447,794                   | \$25,562                         | \$157,877                           | \$183,439                  | \$183,439                              |
| 2003-2004         | 0                      | 0                       | 0                            | 0                     | 0                     | 0                           | 0                                | 0                                   | 0                          | 0                                      |
| 2004-2005         | 0                      | 0                       | 0                            | 0                     | 0                     | 0                           | 0                                | 0                                   | 0                          | 0                                      |
| 2005-2006         | 0                      | 0                       | 0                            | 0                     | 0                     | 0                           | 0                                | 0                                   | 0                          | 0                                      |
| 2006-2007         | 0                      | 0                       | 0                            | 0                     | 0                     | 0                           | 0                                | 0                                   | 0                          | 0                                      |
| 2007-2008         | 0                      | 0                       | 0                            | 0                     | 0                     | 0                           | 0                                | 0                                   | 0                          | 0                                      |
| 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                      | 591,982                 | 0                            | 591,982               | 229,948               | 422,792                     | 169,191                          | 192,844                             | 362,035                    | 362,035                                |
| 2012-2013         | 0                      | 749,033                 | 0                            | 749,033               | 173,542               | 471,895                     | 277,137                          | 298,354                             | 575,491                    | 575,491                                |
| 2013-2014         | 0                      | 666,982                 | 0                            | 666,982               | 66,834                | 375,567                     | 291,415                          | 308,733                             | 600,147                    | 600,147                                |
| 2014-2015         | 0                      | 574,671                 | 0                            | 574,671               | 130,366               | 376,117                     | 198,554                          | 245,751                             | 444,306                    | 444,306                                |
| 2015-2016         | 0                      | 713,643                 | 0                            | 713,643               | 124,903               | 352,775                     | 360,868                          | 227,872                             | 588,740                    | 588,740                                |
| 2016-2017         | 0                      | 1,281,401               | 0                            | 1,281,401             | 457,719               | 836,580                     | 444,822                          | 378,861                             | 823,683                    | 823,683                                |
| 2017-2018         | 10,332                 | 1,861,938               | 0                            | 1,872,270             | 614,275               | 1,334,456                   | 537,814                          | 720,181                             | 1,257,995                  | 1,257,995                              |
| 2018-2019         | 0                      | 3,617,445               | 0                            | 3,617,445             | 1,676,087             | 2,695,370                   | 922,075                          | 1,019,283                           | 1,941,358                  | 1,941,358                              |
| 2019-2020         | 0                      | 1,844,512               | 0                            | 1,844,512             | 203,207               | 1,215,134                   | 629,377                          | 1,011,928                           | 1,641,305                  | 1,641,305                              |
| 2020-2021         | 1,336,808              | 0                       | 0                            | 1,336,808             | 352,698               | 621,794                     | 715,014                          | 269,096                             | 984,109                    | 984,109                                |
| 2021-2022         | 1,942,279              | 0                       | 0                            | 1,942,279             | 49,903                | 428,824                     | 1,513,454                        | 378,922                             | 1,892,376                  | 1,892,376                              |
| 2022-2023         | 1,675,064              | 0                       | 0                            | 1,675,064             | 0                     | 215,270                     | 1,459,794                        | 215,270                             | 1,675,064                  | 1,675,064                              |
| 2023-2024         | 1,060,421              | 0                       | 0                            | 1,060,421             | 120,290               | 253,611                     | 806,810                          | 133,321                             | 940,131                    | 940,131                                |
| <b>Total</b>      | <b>\$6,498,259</b>     | <b>\$11,901,608</b>     | <b>\$0</b>                   | <b>\$18,399,867</b>   | <b>\$4,489,688</b>    | <b>\$10,047,980</b>         | <b>\$8,351,887</b>               | <b>\$5,558,292</b>                  | <b>\$13,910,179</b>        | <b>\$13,910,179</b>                    |

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Appendix L, Page 1, Column (B) - Appendix L, Page 2, Column (B).
- (C) Appendix L, Page 1, Column (C) - Appendix L, Page 2, Column (C).
- (D) Appendix L, Page 1, Column (D) - Appendix L, 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) For self-insured years, (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss. See Appendix K.

San Mateo County Schools Insurance Group - Workers' Compensation

Claim Counts as of 12/31/23

| Accident Year (A) | Reported Claims (B) | Additions to Reported Claims (C) | Subtractions from Reported Claims (D) | Adjusted Reported Claims (E) | Closed Claims (F) | Additions to Closed Claims (G) | Subtractions from Closed Claims (H) | Adjusted Closed Claims (I) | Open Claims (J) | Adjusted Open Claims (K) |
|-------------------|---------------------|----------------------------------|---------------------------------------|------------------------------|-------------------|--------------------------------|-------------------------------------|----------------------------|-----------------|--------------------------|
| Prior             | 9,742               | 0                                | 0                                     | 9,742                        | 9,736             | 0                              | 0                                   | 9,736                      | 6               | 6                        |
| 2003-2004         | 0                   | 0                                | 0                                     | 0                            | 0                 | 0                              | 0                                   | 0                          | 0               | 0                        |
| 2004-2005         | 0                   | 0                                | 0                                     | 0                            | 0                 | 0                              | 0                                   | 0                          | 0               | 0                        |
| 2005-2006         | 0                   | 0                                | 0                                     | 0                            | 0                 | 0                              | 0                                   | 0                          | 0               | 0                        |
| 2006-2007         | 0                   | 0                                | 0                                     | 0                            | 0                 | 0                              | 0                                   | 0                          | 0               | 0                        |
| 2007-2008         | 0                   | 0                                | 0                                     | 0                            | 0                 | 0                              | 0                                   | 0                          | 0               | 0                        |
| 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                   | 451                              | 0                                     | 451                          | 0                 | 443                            | 0                                   | 443                        | 0               | 8                        |
| 2012-2013         | 0                   | 465                              | 0                                     | 465                          | 0                 | 453                            | 0                                   | 453                        | 0               | 12                       |
| 2013-2014         | 0                   | 489                              | 0                                     | 489                          | 0                 | 478                            | 0                                   | 478                        | 0               | 11                       |
| 2014-2015         | 0                   | 466                              | 0                                     | 466                          | 0                 | 454                            | 0                                   | 454                        | 0               | 12                       |
| 2015-2016         | 0                   | 508                              | 0                                     | 508                          | 0                 | 493                            | 0                                   | 493                        | 0               | 15                       |
| 2016-2017         | 0                   | 489                              | 0                                     | 489                          | 0                 | 470                            | 0                                   | 470                        | 0               | 19                       |
| 2017-2018         | 2                   | 519                              | 0                                     | 521                          | 1                 | 493                            | 0                                   | 494                        | 1               | 27                       |
| 2018-2019         | 1                   | 545                              | 0                                     | 546                          | 1                 | 505                            | 0                                   | 506                        | 0               | 40                       |
| 2019-2020         | 5                   | 398                              | 0                                     | 403                          | 5                 | 368                            | 0                                   | 373                        | 0               | 30                       |
| 2020-2021         | 303                 | 0                                | 101                                   | 202                          | 268               | 0                              | 101                                 | 167                        | 35              | 35                       |
| 2021-2022         | 824                 | 0                                | 294                                   | 530                          | 751               | 0                              | 294                                 | 457                        | 73              | 73                       |
| 2022-2023         | 778                 | 0                                | 270                                   | 508                          | 644               | 0                              | 270                                 | 374                        | 134             | 134                      |
| 2023-2024         | 412                 | 0                                | 166                                   | 246                          | 259               | 0                              | 166                                 | 93                         | 153             | 153                      |
| <b>Total</b>      | <b>12,067</b>       | <b>4,330</b>                     | <b>831</b>                            | <b>15,566</b>                | <b>11,665</b>     | <b>4,157</b>                   | <b>831</b>                          | <b>14,991</b>              | <b>402</b>      | <b>575</b>               |

Notes:

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

San Mateo County Schools Insurance Group - Workers' Compensation

Exposure Measures

| Accident Year | Total Payroll (\$00) (A) | Inflation Trend Factor (B) | Trended Payroll (\$00) (C) |
|---------------|--------------------------|----------------------------|----------------------------|
| 2004-2005     | 4,747,514                | 1.598                      | 7,586,527                  |
| 2005-2006     | 4,764,044                | 1.559                      | 7,427,145                  |
| 2006-2007     | 4,952,393                | 1.521                      | 7,532,590                  |
| 2007-2008     | 5,105,489                | 1.484                      | 7,576,546                  |
| 2008-2009     | 5,472,327                | 1.448                      | 7,923,929                  |
| 2009-2010     | 5,640,129                | 1.413                      | 7,969,502                  |
| 2010-2011     | 5,473,880                | 1.379                      | 7,548,481                  |
| 2011-2012     | 5,408,791                | 1.345                      | 7,274,824                  |
| 2012-2013     | 5,420,641                | 1.312                      | 7,111,881                  |
| 2013-2014     | 5,634,498                | 1.280                      | 7,212,157                  |
| 2014-2015     | 5,914,247                | 1.249                      | 7,386,895                  |
| 2015-2016     | 6,266,945                | 1.219                      | 7,639,406                  |
| 2016-2017     | 6,868,590                | 1.189                      | 8,166,754                  |
| 2017-2018     | 7,323,175                | 1.160                      | 8,494,883                  |
| 2018-2019     | 7,514,258                | 1.132                      | 8,506,140                  |
| 2019-2020     | 7,722,968                | 1.104                      | 8,526,157                  |
| 2020-2021     | 7,889,694                | 1.077                      | 8,497,200                  |
| 2021-2022     | 8,069,589                | 1.051                      | 8,481,138                  |
| 2022-2023     | 8,504,606                | 1.025                      | 8,717,221                  |
| 2023-2024     | 9,150,829                | 1.000                      | 9,150,829                  |
| 2024-2025     | 9,946,872                | 1.000                      | 9,946,872                  |

Notes:

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

**SAN MATEO COUNTY SCHOOLS INSURANCE GROUP  
EXECUTIVE COMMITTEE MEETING  
AGENDA ITEM**

**Department:** Administration of The Organization

**Action**

**Item Number:** H2

**Consent**

**Title:** Options for Workers' Compensation Program

**Information**

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**Background**

The Workers' Compensation program was self-insured from 1977 to October of 1995 with a self-insured retention (SIR) of \$100K. We used a combination of commercial insurance and participation in the PIPS risk sharing program through June 2020. Effective July 1, 2020, SMCSIG has been at SIR of \$250,000.

Matt Gowan will discuss alternatives to our current insurance structure. Staff will discuss risk versus rewards about changing SIR.

**Attachment:** See attached reports.

**Recommendation**

It is recommended that SCMSIG stay at \$250K SIR.

**San Mateo County SIG  
24-25 Excess Workers' Compensation SIR Options**

| 2024-25 Excess Workers' Compensation Renewal Options |                     |  |                                |                                |   |                                |   |
|--|---------------------|--|--------------------------------|--------------------------------|---|--------------------------------|---|
|  | Current<br>2023-24  | Renewal<br>2024-25<br>Option 1- Same<br>SIR as current | Renewal<br>2024-25<br>Option 2 | Renewal<br>2024-25<br>Option 3 | Renewal<br>2024-25<br>Option 4                  | Renewal<br>2024-25<br>Option 5 | Renewal<br>2024-25<br>Option 6                  |
| Self Insured Retention (S.I.R)                       | \$250,000           | \$250,000  | \$125,000                      | \$350,000                      | \$350,000                                       | \$500,000                      | \$500,000                                       |
| Discounted Funding at 80%<br>Confidence Level        | \$ 14,972,000       | \$ 14,987,000  | \$ 12,571,000                  | \$ 15,525,000                  | \$ 15,525,000                                   | \$ 15,864,000                  | \$ 15,864,000                                   |
| Carrier  | PRISM               | PRISM  | PRISM                          | PRISM                          | Star Insurance<br>Company Rated<br>A- Excellent | PRISM                          | Star Insurance<br>Company Rated<br>A- Excellent |
| Workers' Compensation Limit                          | Statutory           | Statutory  | Statutory                      | Statutory                      | Statutory                                       | Statutory                      | Statutory                                       |
| Employers Liability Limit                            | \$ 5,000,000        | \$ 5,000,000   | \$ 5,000,000                   | \$ 5,000,000                   | \$ 5,000,000                                    | \$ 5,000,000                   | \$ 5,000,000                                    |
| Rate per \$100 of payroll                            | \$ 0.2731           | \$ 0.3012  | \$ 0.5131                      | \$ 0.2267                      | \$ 0.2457                                       | \$ 0.1746                      | \$ 0.1054                                       |
| Estimated Annual Premium                             | \$ 2,322,734        | \$ 2,910,000   | \$ 4,957,000                   | \$ 2,190,000                   | \$ 2,373,831                                    | \$ 1,687,000                   | \$ 1,018,322                                    |
| Minimum Earned Premium                               | N/A                 | N/A  | N/A                            | N/A                            | 90%   | N/A                            | 90%   |
| Estimated Annual Payroll                             | \$ 850,460,568      | \$ 966,140,000   | \$ 966,140,000                 | \$ 966,140,000                 | \$ 966,140,000                                  | \$ 966,140,000                 | \$ 966,140,000                                  |
| <b>Total Rate(per \$100 of payroll)</b>              | <b>\$2.034</b>      | <b>\$1.852</b>   | <b>\$1.814</b>                 | <b>\$1.834</b>                 | <b>\$1.853</b>                                  | <b>\$1.817</b>                 | <b>\$1.747</b>                                  |
| <b>Total Cost</b>                                    | <b>\$17,294,734</b> | <b>\$17,897,000</b>                                    | <b>\$17,528,000</b>            | <b>\$17,715,000</b>            | <b>\$17,898,831</b>                             | <b>\$17,551,000</b>            | <b>\$16,882,322</b>                             |

**POLICY SUBJECT TO AUDIT BASED ON ACTUAL PAYROLL  
NOTE: If withdraw from PRISM WC, cannot re-join for 3 years.**

**SAN MATEO COUNTY SCHOOLS INSURANCE GROUP  
EXECUTIVE COMMITTEE MEETING  
AGENDA ITEM**

Department: Administration of The Organization  Action  
 Item Number: H3  Consent  
 Title: 2024/2025 Workers Compensation Rates  Information

**Background**

SMCSIG has a self-insured program retaining the first layer of costs per claim of \$250,000 and pooling excess insurance with PRISM up to statutory coverage. The rate worksheet attached is similar to the prior year with funding self-insured retention (SIR) of \$250,000. Our rates are based on the build-up of our projected workers compensation costs based on three major components:

1. Payroll exposure projected by members.
2. Actuarially projected loss costs and applicable risk margin
3. Excess insurance coverages
4. Program operational costs.

**Rate Indications**

1. Payroll is estimated to increase by 8.15%
2. Loss cost at 80% confidence level is \$16,303,000 (including ULAE) increases increased .08%
3. Excess insurance estimated increase of 18.15%
4. Estimated operational costs is \$2,203,00, which is 12% of our WC budget; it increased 2% from WC budget in prior year. This includes cost to administer claims (InterCare), Department of Industrial Relations (DIR) fraud assessment, Loss Control program and other operational cost. As we have brought on WC program inhouse, we have added programs such return to work program and additional loss control staff.



5. Rate per \$100 of payroll is projected to **decrease 3.78%**; overall projected contribution increases \$1,578,477 or 8% largely due to payroll increase.

Note member rates will vary from this average due to individual experience.

- ▶ Use 5 years of incurred loss data capped at \$250k per loss (phased in over next years; 3 years of data, 4-years, 5-years)
- ▶ Use 5 years of payroll data phased in like the loss data.
- ▶ Retain the cap of change in the exmod to .20 as in the current policy.
- ▶ Retain the floor of .70 as in the current policy

Alternatively, due to the WC equity and SELF assessment, the committee could consider funding at different confidence level.

| <u>Confidence Level</u> | <u>SIR Funding</u> | <u>Insurance &amp; Operating</u> |                     | <u>Total</u>     | <u>Contribution</u> |
|-------------------------|--------------------|----------------------------------|---------------------|------------------|---------------------|
|                         |                    | <u>Cost</u>                      | <u>Contribution</u> | <u>Reduction</u> |                     |
| Below expected          | \$ 12,227          | \$ 5,113                         | \$ 17,340           | \$ 4,076         |                     |
| Expected                | 14,115             | 5,113                            | 19,228              | 2,188            |                     |
| 70%                     | 15,315             | 5,113                            | 20,428              | 988              |                     |
| 75%                     | 15,781             | 5,113                            | 20,894              | 522              |                     |
| 80%                     | 16,303             | 5,113                            | 21,416              |                  |                     |

**Recommendation**

It is recommended that the Executive Committee Board provide direction for the 2024/2025 Worker’s Compensation rates for the full SMCSIG JPA Board at its May 16, 2024, annual meeting.

| Member                   | A  | B                    | C                  | D                     | E                    | Limit Formulas |            |                               | F                                | G                       | H                                | 24/25            |                   | Net Operating Cost | Excess Insurance PRISM \$250K SIR | Member Share 24/25 | Member Share 23/24 | Est Share Change over prior year | % Change | 24/25 Workers' member share \$ Payroll |
|--------------------------|--|----------------------|--------------------|-----------------------|----------------------|----------------|------------|-------------------------------|----------------------------------|-------------------------|----------------------------------|------------------|-------------------|--------------------|-----------------------------------|--------------------|--------------------|----------------------------------|----------|--|
|                          | 4 years Incurred Losses Capped at \$250K | 4 Years Payroll      | 24/25 EMF Modified | 23/24 EMF with Limits | Change Capped at 0.2 | Change         | Adjusted   | with Limits Min 0.7 Change .2 | Undiscounted Actuary rate 1.6389 | Estimated 24/25 Payroll | Estimated Contribution (GxH/100) | Percent of Total | Base Rate         |                    |                                   |                    |                    |                                  |          |  |
|                          |  |                      |                    |                       |                      | 0.2 adjustment | for change |                               |                                  |                         |                                  |                  |                   |                    |                                   | Est. Cont.         | Est. Cont.         |                                  |          |  |
| Bayshore                 | 158                                      | 11,841,528           | 0.912              | 0.900                 | 0.0119               | 0.0119         | 0.9119     | 0.9119                        | 1.4946                           | 3,992,146               | 59,666                           | 0.37%            | 60,972            | 8,239              | 10,883                            | 80,095             | 74,181             | 5,913                            | 8%       | 0.020063                               |
| Belmont-Redwood Shores   | 447,141                                  | 122,175,760          | 0.808              | 0.757                 | 0.0509               | 0.0509         | 0.8079     | 0.8079                        | 1.3241                           | 35,264,818              | 466,950                          | 2.93%            | 477,176           | 64,480             | 85,173                            | 626,829            | 512,356            | 114,473                          | 22%      | 0.017775                               |
| Brisbane                 | 199,014                                  | 21,138,913           | 1.063              | 1.023                 | 0.0402               | 0.0402         | 1.0629     | 1.0629                        | 1.7421                           | 7,468,475               | 130,105                          | 0.82%            | 132,954           | 17,966             | 23,732                            | 174,652            | 142,159            | 32,492                           | 23%      | 0.023385                               |
| Burlingame               | 371,118                                  | 98,704,954           | 0.835              | 0.900                 | 0.0651               | -0.0651        | 0.8349     | 0.8349                        | 1.3684                           | 27,864,724              | 381,294                          | 2.39%            | 389,644           | 52,652             | 69,549                            | 511,846            | 533,370            | -21,525                          | -4%      | 0.018369                               |
| Cabrillo                 | 418,653                                  | 86,567,790           | 0.915              | 0.871                 | 0.0442               | 0.0442         | 0.9149     | 0.9149                        | 1.4995                           | 25,203,316              | 377,921                          | 2.37%            | 386,198           | 52,186             | 68,934                            | 507,318            | 587,078            | -79,759                          | -14%     | 0.020129                               |
| Hillsborough             | 110,968                                  | 78,951,168           | 0.715              | 0.854                 | 0.1393               | -0.1393        | 0.7149     | 0.7149                        | 1.1717                           | 22,955,325              | 268,968                          | 1.69%            | 274,858           | 37,141             | 49,061                            | 361,060            | 417,896            | -56,836                          | -14%     | 0.015729                               |
| Jefferson Elem.          | 1,319,943                                | 180,432,509          | 1.110              | 1.082                 | 0.0282               | 0.0282         | 1.1099     | 1.1099                        | 1.8191                           | 49,251,759              | 895,931                          | 5.62%            | 915,552           | 123,717            | 163,421                           | 1,202,691          | 1,088,484          | 114,207                          | 10%      | 0.024419                               |
| Jefferson High           | 773,249                                  | 137,747,500          | 0.956              | 1.062                 | 0.1058               | -0.1058        | 0.9559     | 0.9559                        | 1.5667                           | 44,760,000              | 701,249                          | 4.40%            | 716,607           | 96,834             | 127,911                           | 941,351            | 1,016,021          | -74,670                          | -7%      | 0.021031                               |
| La Honda-Pesc            | 21,957                                   | 14,927,032           | 0.917              | 0.900                 | 0.0169               | 0.0169         | 0.9169     | 0.9169                        | 1.5028                           | 4,997,733               | 75,104                           | 0.47%            | 76,749            | 10,371             | 13,699                            | 100,819            | 85,489             | 15,331                           | 18%      | 0.020173                               |
| Las Lomas                | 176,476                                  | 69,465,724           | 0.799              | 0.790                 | 0.0092               | 0.0092         | 0.7989     | 0.7989                        | 1.3094                           | 21,543,061              | 282,079                          | 1.77%            | 288,257           | 38,952             | 51,452                            | 378,661            | 350,686            | 27,974                           | 8%       | 0.017577                               |
| Menlo Park               | 737,145                                  | 143,174,994          | 0.917              | 0.992                 | 0.0748               | -0.0748        | 0.9169     | 0.9169                        | 1.5028                           | 46,252,565              | 695,069                          | 4.36%            | 710,291           | 95,981             | 126,783                           | 933,055            | 849,490            | 83,564                           | 10%      | 0.020173                               |
| Millbrae                 | 47,373                                   | 66,564,656           | 0.707              | 0.954                 | 0.2000               | -0.2000        | 0.7539     | 0.7539                        | 1.2356                           | 18,100,388              | 223,656                          | 1.40%            | 228,554           | 30,884             | 40,796                            | 300,234            | 362,503            | -62,269                          | -17%     | 0.016587                               |
| Pacifica                 | 874,471                                  | 67,790,000           | 1.361              | 1.203                 | 0.1582               | 0.1582         | 1.3609     | 1.3609                        | 2.2305                           | 19,225,000              | 428,806                          | 2.69%            | 438,197           | 59,213             | 78,216                            | 575,626            | 481,981            | 93,645                           | 19%      | 0.029942                               |
| Portola Valley           | 129,742                                  | 33,470,209           | 0.922              | 1.336                 | 0.2000               | -0.2000        | 1.1356     | 1.1356                        | 1.8611                           | 11,065,000              | 205,935                          | 1.29%            | 210,445           | 28,437             | 37,563                            | 276,446            | 292,483            | -16,037                          | -5%      | 0.024984                               |
| Redwood City             | 2,498,197                                | 255,170,883          | 1.393              | 1.486                 | 0.0928               | -0.0928        | 1.3929     | 1.3929                        | 2.2829                           | 81,625,118              | 1,863,425                        | 11.68%           | 1,904,234         | 257,316            | 339,896                           | 2,501,446          | 2,333,244          | 168,203                          | 7%       | 0.030646                               |
| San Bruno                | 304,210                                  | 64,657,397           | 0.921              | 0.915                 | 0.0062               | 0.0062         | 0.9209     | 0.9209                        | 1.5093                           | 13,545,867              | 204,451                          | 1.28%            | 208,929           | 28,232             | 37,293                            | 274,453            | 303,466            | -29,012                          | -10%     | 0.020261                               |
| San Carlos               | 541,005                                  | 98,706,482           | 0.953              | 0.704                 | 0.2000               | 0.2000         | 0.9037     | 0.9037                        | 1.4811                           | 30,017,853              | 444,582                          | 2.79%            | 454,319           | 61,391             | 81,094                            | 596,804            | 407,265            | 189,539                          | 47%      | 0.019882                               |
| San Mateo High           | 1,470,134                                | 422,854,908          | 0.700              | 0.727                 | 0.0267               | -0.0267        | 0.7000     | 0.7000                        | 1.1473                           | 133,509,376             | 1,531,702                        | 9.60%            | 1,565,246         | 211,509            | 279,388                           | 2,056,144          | 1,985,165          | 70,979                           | 4%       | 0.015401                               |
| San Mateo-FC             | 2,837,592                                | 367,642,854          | 1.193              | 1.080                 | 0.1132               | 0.1132         | 1.1929     | 1.1929                        | 1.9551                           | 107,783,025             | 2,107,284                        | 13.21%           | 2,153,434         | 290,990            | 384,377                           | 2,828,801          | 2,430,158          | 398,644                          | 16%      | 0.026245                               |
| Sequoia                  | 2,151,667                                | 421,401,980          | 0.876              | 0.980                 | 0.1038               | -0.1038        | 0.8759     | 0.8759                        | 1.4356                           | 130,283,078             | 1,870,307                        | 11.72%           | 1,911,267         | 258,267            | 341,151                           | 2,510,685          | 2,420,548          | 90,136                           | 4%       | 0.019271                               |
| SMC Off Ed               | 1,824,943                                | 140,614,431          | 1.566              | 1.635                 | 0.0688               | -0.0688        | 1.5659     | 1.5659                        | 2.5664                           | 33,472,999              | 859,066                          | 5.38%            | 877,879           | 118,627            | 156,697                           | 1,153,203          | 1,130,226          | 22,977                           | 2%       | 0.034452                               |
| So SF                    | 2,060,585                                | 282,872,636          | 1.129              | 1.008                 | 0.1212               | 0.1212         | 1.1289     | 1.1289                        | 1.8502                           | 95,084,068              | 1,759,269                        | 11.03%           | 1,797,797         | 242,934            | 320,897                           | 2,361,628          | 1,878,237          | 483,392                          | 26%      | 0.024837                               |
| Woodside                 | 66,169                                   | 30,228,727           | 0.877              | 0.895                 | 0.0178               | -0.0178        | 0.8769     | 0.8769                        | 1.4372                           | 8,404,772               | 120,794                          | 0.76%            | 123,440           | 16,680             | 22,033                            | 162,153            | 155,038            | 7,116                            | 5%       | 0.019293                               |
| <b>Total</b>             | <b>19,381,909</b>                        | <b>3,217,103,035</b> |                    |                       |                      |                |            |                               |                                  | <b>971,670,466</b>      | <b>15,953,611</b>                | <b>100.00%</b>   | <b>16,303,000</b> | <b>2,203,000</b>   | <b>2,910,000</b>                  | <b>21,416,000</b>  | <b>19,837,523</b>  | <b>1,578,477</b>                 |          | <b>2.2040</b>                          |
| <b>Prior Year Totals</b> | <b>13,574,337</b>                        | <b>2,366,642,467</b> |                    |                       |                      |                |            |                               |                                  | <b>898,485,748</b>      | <b>15,884,906</b>                | <b>100.00%</b>   | <b>16,290,000</b> | <b>1,827,000</b>   | <b>2,463,000</b>                  | <b>20,580,000</b>  | <b>18,897,000</b>  | <b>1,683,000</b>                 |          | <b>2.2905</b>                          |
| <b>% Change</b>          | <b>42.78%</b>                            | <b>35.94%</b>        |                    |                       |                      |                |            |                               |                                  | <b>8.15%</b>            | <b>0.43%</b>                     | <b>0.00%</b>     | <b>0.08%</b>      | <b>20.58%</b>      | <b>18.15%</b>                     | <b>4.06%</b>       | <b>4.98%</b>       | <b>(104,523)</b>                 |          | <b>-3.78%</b>                          |

| WC        | FY 24/25 | FY 23/24 | % Change |
|-----------|----------|----------|----------|
| Base Rate | 2.204039 | 2.234781 | -1.38%   |

| Member                        | 24/25 Deposit Premium | 23/24 Deposit Premium | % Change     |
|-------------------------------|-----------------------|-----------------------|--------------|
| <i>Bayshore</i>               | 80,095                | 74,181                | 7.97%        |
| <i>Belmont-Redwood Shores</i> | 626,829               | 512,356               | 22.34%       |
| <i>Brisbane</i>               | 174,652               | 142,159               | 22.86%       |
| <i>Burlingame</i>             | 511,846               | 533,370               | -4.04%       |
| <i>Cabrillo</i>               | 507,318               | 587,078               | -13.59%      |
| <i>Hillsborough</i>           | 361,060               | 417,896               | -13.60%      |
| <i>Jefferson Elem.</i>        | 1,202,691             | 1,088,484             | 10.49%       |
| <i>Jefferson High</i>         | 941,351               | 1,016,021             | -7.35%       |
| <i>La Honda-Pesc</i>          | 100,819               | 85,489                | 17.93%       |
| <i>Las Lomitas</i>            | 378,661               | 350,686               | 7.98%        |
| <i>Menlo Park</i>             | 933,055               | 849,490               | 9.84%        |
| <i>Millbrae</i>               | 300,234               | 362,503               | -17.18%      |
| <i>Pacifica</i>               | 575,626               | 481,981               | 19.43%       |
| <i>Portola Valley</i>         | 276,446               | 292,483               | -5.48%       |
| <i>Redwood City</i>           | 2,501,446             | 2,333,244             | 7.21%        |
| <i>San Bruno</i>              | 274,453               | 303,466               | -9.56%       |
| <i>San Carlos</i>             | 596,804               | 407,265               | 46.54%       |
| <i>San Mateo High</i>         | 2,056,144             | 1,985,165             | 3.58%        |
| <i>San Mateo-FC</i>           | 2,828,801             | 2,430,158             | 16.40%       |
| <i>Sequoia</i>                | 2,510,685             | 2,420,548             | 3.72%        |
| <i>SMC Off Ed</i>             | 1,153,203             | 1,130,226             | 2.03%        |
| <i>So SF</i>                  | 2,361,628             | 1,878,237             | 25.74%       |
| <i>Woodside</i>               | 162,153               | 155,038               | 4.59%        |
| <b>Total</b>                  | <b>21,416,000</b>     | <b>19,837,523</b>     | <b>7.96%</b> |

| 24/25 Payroll      | 23/24 Payroll      | % Change     |
|--------------------|--------------------|--------------|
| 3,992,146          | 3,763,720          | 6.07%        |
| 35,264,818         | 30,903,888         | 14.11%       |
| 7,468,475          | 6,347,578          | 17.66%       |
| 27,864,724         | 27,061,574         | 2.97%        |
| 25,203,316         | 30,790,044         | -18.14%      |
| 22,955,325         | 22,339,422         | 2.76%        |
| 49,251,759         | 45,951,027         | 7.18%        |
| 44,760,000         | 43,700,000         | 2.43%        |
| 4,997,733          | 4,337,443          | 15.22%       |
| 21,543,061         | 20,278,783         | 6.23%        |
| 46,252,565         | 39,116,455         | 18.24%       |
| 18,100,388         | 17,352,577         | 4.31%        |
| 19,225,000         | 18,300,000         | 5.05%        |
| 11,065,000         | 10,000,000         | 10.65%       |
| 81,625,118         | 71,714,241         | 13.82%       |
| 13,545,867         | 15,150,037         | -10.59%      |
| 30,017,853         | 26,428,736         | 13.58%       |
| 133,509,376        | 124,746,454        | 7.02%        |
| 107,783,025        | 102,780,677        | 4.87%        |
| 130,283,078        | 112,824,180        | 15.47%       |
| 33,472,999         | 31,572,044         | 6.02%        |
| 95,084,068         | 85,113,837         | 11.71%       |
| 8,404,772          | 7,913,031          | 6.21%        |
| <b>971,670,466</b> | <b>898,485,748</b> | <b>8.15%</b> |

| 24/25 Experience Modification Factor | 23/24 Experience Modification Factor | % Change      |
|--------------------------------------|--------------------------------------|---------------|
| 0.9119                               | 0.9000                               | 1.32%         |
| 0.8079                               | 0.7571                               | 6.72%         |
| 1.0629                               | 1.0227                               | 3.94%         |
| 0.8349                               | 0.9000                               | -7.23%        |
| 0.9149                               | 0.8707                               | 5.08%         |
| 0.7149                               | 0.8542                               | -16.31%       |
| 1.1099                               | 1.0817                               | 2.61%         |
| 0.9559                               | 1.0617                               | -9.96%        |
| 0.9169                               | 0.9000                               | 1.88%         |
| 0.7989                               | 0.7897                               | 1.17%         |
| 0.9169                               | 0.9917                               | -7.54%        |
| 0.7539                               | 0.9539                               | -20.97%       |
| 1.3609                               | 1.2027                               | 13.16%        |
| 1.1356                               | 1.3356                               | -14.97%       |
| 1.3929                               | 1.4857                               | -6.24%        |
| 0.9209                               | 0.9147                               | 0.68%         |
| 0.9037                               | 0.7037                               | 28.42%        |
| 0.7000                               | 0.7267                               | -3.67%        |
| 1.1929                               | 1.0797                               | 10.49%        |
| 0.8759                               | 0.9797                               | -10.59%       |
| 1.5659                               | 1.6347                               | -4.21%        |
| 1.1289                               | 1.0077                               | 12.03%        |
| 0.8769                               | 0.8947                               | -1.98%        |
| <b>22.75</b>                         | <b>23.05</b>                         | <b>-1.28%</b> |

**SAN MATEO COUNTY SCHOOLS INSURANCE GROUP  
EXECUTIVE COMMITTEE MEETING  
AGENDA ITEM**

**Department:** Administration of The Organization

**Action**

**Item Number:** H4

**Consent**

**Title:** Property/Liability Program Actuarial Report

**Information**

**Background**

SMCSIG’s actuarial studies are prepared and presented to the Executive Committee each spring. The objective of the actuarial study is to provide a review and update of projected losses liability for outstanding claims as of June 30, 2024. The actuary also provides loss rate funding information for the 2024/2025 fiscal year.

The Property/Liability program has been self-insured since 1993 with a self-insured retention ranging from \$100,000 to \$250,000. Our current SIR is \$250,000.

**Property/Liability**

**Considerations concerning the review of the actuarial report:**

1. Is the data in the report in agreement with our data; yes, except the actuary is using gross paid and incurred data (not excluding recoveries from third parties, excess insurance and member deductibles)
2. Are the report estimation methodologies comparable to prior periods: yes
3. Are the assumptions in the report comparable to prior periods: yes

**Claims Liabilities**

Claims liabilities has increased by \$555K from prior year.

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

| Dollars (\$000s)                  | Prior<br>Report at<br>6/30/2023 | Current<br>Report at<br>6/30/2024 | Dollar<br>Change | Percent<br>Change |
|-----------------------------------|---------------------------------|-----------------------------------|------------------|-------------------|
| Case Reserves <sup>1</sup>        | \$1,936                         | \$2,405                           | \$469            | 24.2%             |
| IBNR <sup>2</sup>                 | 2,386                           | 2,453                             | 67               | 2.8%              |
| <u>Claims Administration</u>      | <u>438</u>                      | <u>457</u>                        | <u>19</u>        | <u>4.3%</u>       |
| <b>Total (Undiscounted)</b>       | <b>\$4,760</b>                  | <b>\$5,314</b>                    | <b>\$555</b>     | <b>11.7%</b>      |
| <u>NPV Adjustment<sup>3</sup></u> | <u>(173)</u>                    | <u>(181)</u>                      | <u>(8)</u>       | <u>4.6%</u>       |
| <b>Total (Discounted)</b>         | <b>\$4,587</b>                  | <b>\$5,134</b>                    | <b>\$547</b>     | <b>11.9%</b>      |

Liability program has development in the older policy years due to SAM claims. Property claims have developed unfavorably due to the water & flood claims in 22-23 year.

**Liability**  
Change in Projected Ultimate Loss & ALAE<sup>1</sup>  
Prior vs. Current Reports  
(\$000s)

| Fiscal Year  | Prior Ultimate  | Current Ultimate | Change in Ultimate |
|--------------|-----------------|------------------|--------------------|
| Prior        | \$12,018        | \$12,405         | \$387              |
| 2010-11      | 533             | 533              | 0                  |
| 2011-12      | 1,506           | 1,506            | 0                  |
| 2012-13      | 957             | 957              | 0                  |
| 2013-14      | 1,450           | 1,450            | 0                  |
| 2014-15      | 816             | 816              | 0                  |
| 2015-16      | 591             | 591              | 0                  |
| 2016-17      | 839             | 833              | (6)                |
| 2017-18      | 1,139           | 1,139            | 0                  |
| 2018-19      | 1,600           | 1,683            | 83                 |
| 2019-20      | 1,291           | 1,257            | (34)               |
| 2020-21      | 777             | 693              | (84)               |
| 2021-22      | 1,590           | 1,338            | (252)              |
| 2022-23      | 1,550           | 1,501            | (49)               |
| <b>Total</b> | <b>\$26,657</b> | <b>\$26,702</b>  | <b>\$45</b>        |

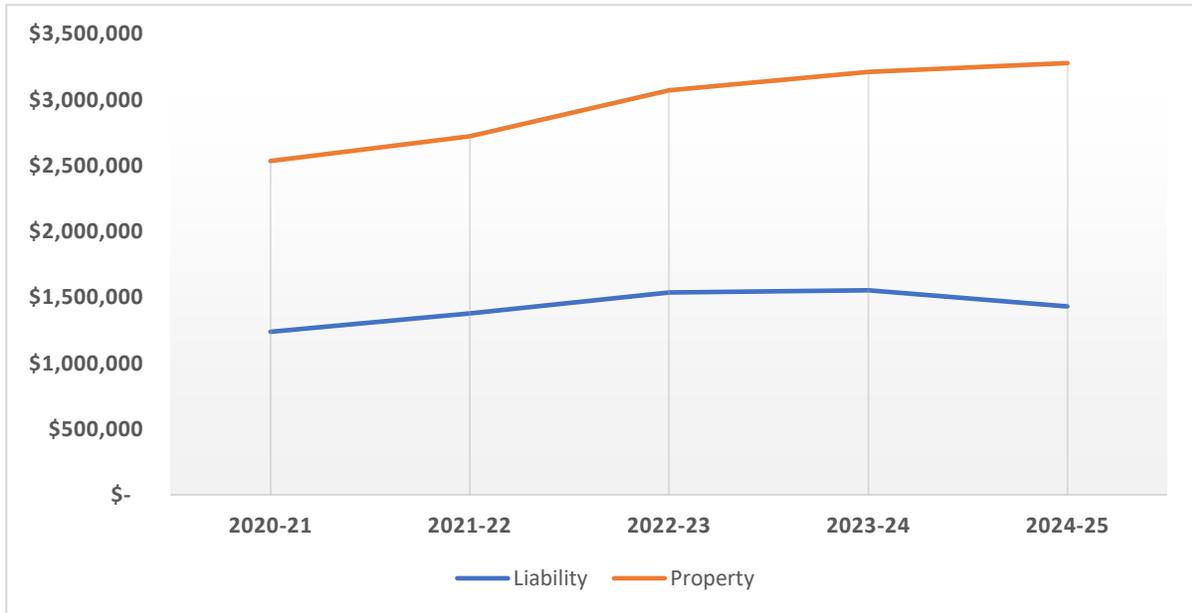
**Property**  
Change in Projected Ultimate Loss & ALAE<sup>1</sup>  
Prior vs. Current Reports  
(\$000s)

| Fiscal Year  | Prior Ultimate  | Current Ultimate | Change in Ultimate |
|--------------|-----------------|------------------|--------------------|
| Prior        | \$8,304         | \$8,304          | \$0                |
| 2018-19      | 1,671           | 1,668            | (3)                |
| 2019-20      | 885             | 885              | 0                  |
| 2020-21      | 970             | 970              | 0                  |
| 2021-22      | 1,000           | 1,111            | 111                |
| 2022-23      | 1,976           | 4,009            | 2,033              |
| <b>Total</b> | <b>\$14,806</b> | <b>\$16,947</b>  | <b>\$2,141</b>     |

**Funding for 24-25 year**

Based on updated member exposures and loss experience, the projected funding for property and liability claims at our retained \$250,000 layer increased by 2% over the prior year. Below, you can see a five-year comparison of the projected funding for both programs, undiscounted.

|              | <u>2020-21</u>      | <u>2021-22</u>      | <u>2022-23</u>      | <u>2023-24</u>      | <u>2024-25</u>      | <u>% Change</u> |
|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------|
| Liability    | \$ 1,238,000        | \$ 1,377,000        | \$ 1,537,000        | \$ 1,553,000        | \$ 1,430,000        | -8%             |
| Property     | 1,298,000           | 1,346,000           | 1,534,000           | 1,659,000           | 1,850,000           | 12%             |
| <b>Total</b> | <b>\$ 2,536,000</b> | <b>\$ 2,723,000</b> | <b>\$ 3,071,000</b> | <b>\$ 3,212,000</b> | <b>\$ 3,280,000</b> | <b>2%</b>       |



**Attachment:** See attached reports.

These reports assisted management in determining of expected losses and necessary funding required for the current year, and for outstanding claims liabilities, as of June 30, 2024.

**Recommendation**

It is recommended that the Executive Committee of the SMCISG Board accept the actuarial reports for Property/Liability program.



# Bickmore — Actuarial

## Actuarial Review of the Self-Insured Liability & Property Program

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

*Presented to*  
**San Mateo County Schools Insurance Group**

April 24, 2024 - DRAFT

## **SCOPE AND SIGNATURE**

San Mateo 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, 2024 for its self-insured liability and property program utilizing data valued as of December 31, 2023. 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, 2024. 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, allocated loss adjustment expense (ALAE), and unallocated loss adjustment expense (ULAE). ALAE and ULAE are defined in the Glossary section of this report.
2. Project ultimate claims costs for the 2024-25 program year. Similar to the liability projections, the ultimate program year costs are presented 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 Derek Burkhalter at (916) 244-1167 with any questions you may have concerning this report.

Derek Burkhalter and Stefan Zepernick meet the Casualty Actuarial Society continuing education requirements and the American Academy of Actuaries’ qualification standards to sign Statements of Actuarial Opinion.

**DRAFT**

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Derek Burkhalter, ACAS, MAAA  
Partner

**DRAFT**

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Stefan Zepernick, ACAS, MAAA  
Actuarial Manager

**DRAFT**

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Mary Ann Case, PSM  
Senior Actuarial Analyst

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## EXECUTIVE SUMMARY

## Net Claim Liabilities

The following tables present our conclusions regarding the Group's net claim liabilities for the program in total at the Expected and various confidence levels.

Self-Insured **Liability & Property** Program  
Loss & LAE Claim Liabilities  
As of June 30, 2024, Net of Reinsurance

| Dollars (\$000s)                 | Expected <sup>1</sup> | ← Confidence Level → |                |                |                |                |
|----------------------------------|-----------------------|----------------------|----------------|----------------|----------------|----------------|
|                                  |                       | 70%                  | 75%            | 80%            | 85%            | 90%            |
| Loss & ALAE                      | \$4,858               | \$5,453              | \$5,719        | \$6,030        | \$6,410        | \$6,924        |
| Claims Admin. (ULAE)             | 457                   | 512                  | 536            | 565            | 601            | 648            |
| <b>Total Loss &amp; LAE</b>      | <b>\$5,314</b>        | <b>\$5,965</b>       | <b>\$6,255</b> | <b>\$6,595</b> | <b>\$7,011</b> | <b>\$7,572</b> |
| NPV Adjustment <sup>2</sup>      | (180)                 | (201)                | (211)          | (222)          | (235)          | (254)          |
| <b>Discounted Loss &amp; LAE</b> | <b>\$5,134</b>        | <b>\$5,764</b>       | <b>\$6,044</b> | <b>\$6,373</b> | <b>\$6,776</b> | <b>\$7,318</b> |

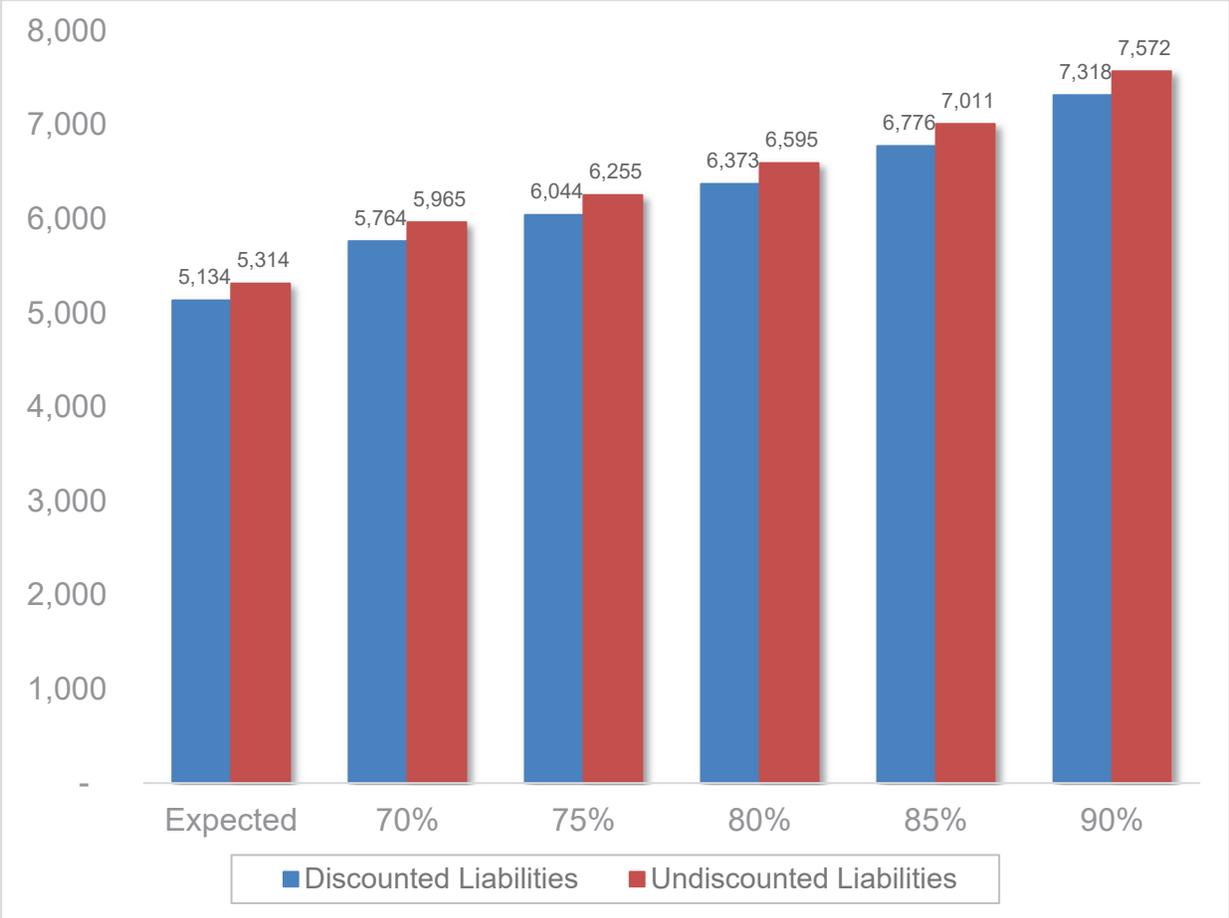
| Dollars (\$000s)                 | ← Confidence Level → |                 |                 |                 |
|----------------------------------|----------------------|-----------------|-----------------|-----------------|
|                                  | 95%                  | 98%             | 99%             | 99.5%           |
| Loss & ALAE                      | \$7,767              | \$9,238         | \$10,180        | \$12,188        |
| Claims Admin. (ULAE)             | 730                  | 869             | 957             | 1,146           |
| <b>Total Loss &amp; LAE</b>      | <b>\$8,498</b>       | <b>\$10,107</b> | <b>\$11,137</b> | <b>\$13,334</b> |
| NPV Adjustment <sup>2</sup>      | (288)                | (343)           | (378)           | (452)           |
| <b>Discounted Loss &amp; LAE</b> | <b>\$8,209</b>       | <b>\$9,764</b>  | <b>\$10,760</b> | <b>\$12,882</b> |

<sup>1</sup> Expected values represent the "best actuarial" or "central" estimate.

<sup>2</sup> Net present value is based on an annual discount rate of 2.5% and assumes that invested assets are equal to the recommended discounted reserve level.

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

Loss & LAE Claim Liabilities  
As of June 30, 2024, Net of Reinsurance  
(\$000s)



We generally recommend that risk pools maintain funding at no less than the 90% confidence level. However, we understand that each entity is unique, and that proper funding levels can vary based on issues such as the organization’s risk tolerance and financial circumstances. All of these items need to be considered when determining a surplus target, which may significantly exceed the 90% confidence level. A detailed assessment of an appropriate surplus target is beyond the scope of this study.

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

**Statement of Compliance with GASB #10**

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

The following tables present our conclusions regarding the Group's net claim liabilities for liability and property separately.

Self-Insured **Liability** Program  
Loss & LAE Claim Liabilities  
As of June 30, 2024, Net of Reinsurance

| Dollars (\$000s)                  | Expected <sup>1</sup> | ← Confidence Level → |                |                |                |                |
|-----------------------------------|-----------------------|----------------------|----------------|----------------|----------------|----------------|
|                                   |                       | 70%                  | 75%            | 80%            | 85%            | 90%            |
| Loss & ALAE                       | \$3,690               | \$4,110              | \$4,295        | \$4,513        | \$4,778        | \$5,136        |
| <u>Claims Admin. (ULAE)</u>       | <u>370</u>            | <u>412</u>           | <u>430</u>     | <u>452</u>     | <u>479</u>     | <u>515</u>     |
| <b>Total Loss &amp; LAE</b>       | <b>\$4,060</b>        | <b>\$4,522</b>       | <b>\$4,725</b> | <b>\$4,965</b> | <b>\$5,257</b> | <b>\$5,651</b> |
| <u>NPV Adjustment<sup>2</sup></u> | <u>(160)</u>          | <u>(177)</u>         | <u>(185)</u>   | <u>(195)</u>   | <u>(206)</u>   | <u>(222)</u>   |
| <b>Discounted Loss &amp; LAE</b>  | <b>\$3,900</b>        | <b>\$4,345</b>       | <b>\$4,540</b> | <b>\$4,770</b> | <b>\$5,051</b> | <b>\$5,429</b> |

Self-Insured **Property** Program  
Loss & LAE Claim Liabilities  
As of June 30, 2024, Net of Reinsurance

| Dollars (\$000s)                  | Expected <sup>1</sup> | ← Confidence Level → |                |                |                |                |
|-----------------------------------|-----------------------|----------------------|----------------|----------------|----------------|----------------|
|                                   |                       | 70%                  | 75%            | 80%            | 85%            | 90%            |
| Loss & ALAE                       | \$1,168               | \$1,343              | \$1,424        | \$1,517        | \$1,632        | \$1,788        |
| <u>Claims Admin. (ULAE)</u>       | <u>87</u>             | <u>100</u>           | <u>106</u>     | <u>113</u>     | <u>122</u>     | <u>133</u>     |
| <b>Total Loss &amp; LAE</b>       | <b>\$1,255</b>        | <b>\$1,443</b>       | <b>\$1,530</b> | <b>\$1,630</b> | <b>\$1,754</b> | <b>\$1,921</b> |
| <u>NPV Adjustment<sup>2</sup></u> | <u>(21)</u>           | <u>(24)</u>          | <u>(26)</u>    | <u>(27)</u>    | <u>(29)</u>    | <u>(32)</u>    |
| <b>Discounted Loss &amp; LAE</b>  | <b>\$1,234</b>        | <b>\$1,419</b>       | <b>\$1,504</b> | <b>\$1,603</b> | <b>\$1,725</b> | <b>\$1,889</b> |

<sup>1</sup> Expected values represent the "best actuarial" or "central" estimate.

<sup>2</sup> Net present value is based on an annual discount rate of 2.5% and assumes that invested assets are equal to the recommended discounted reserve level.

**Funding Projections**

The following table present our estimates of ultimate costs for the upcoming program year.

Projected Ultimate Costs  
Fiscal Year 2024-25, SIR of \$250,000

| Dollars (\$000s)                 | Expected <sup>1</sup> | ← Confidence Level → |                |                |                |                |
|----------------------------------|-----------------------|----------------------|----------------|----------------|----------------|----------------|
|                                  |                       | 70%                  | 75%            | 80%            | 85%            | 90%            |
| Loss & ALAE                      | <b>\$3,280</b>        | <b>\$3,849</b>       | <b>\$4,121</b> | <b>\$4,441</b> | <b>\$4,840</b> | <b>\$5,377</b> |
| NPV Adjustment <sup>2</sup>      | <u>(107)</u>          | <u>(125)</u>         | <u>(135)</u>   | <u>(146)</u>   | <u>(159)</u>   | <u>(177)</u>   |
| <b>Discounted Loss &amp; LAE</b> | <b>\$3,173</b>        | <b>\$3,724</b>       | <b>\$3,986</b> | <b>\$4,295</b> | <b>\$4,681</b> | <b>\$5,200</b> |

<sup>1</sup> Expected values represent the “best actuarial” or “central” estimate.  
<sup>2</sup> Net present value is based on an annual discount rate of 2.5% and assumes that invested assets are equal to the recommended discounted reserve level.

The following displays a breakdown of our estimates of program costs for fiscal year 2024-25 between liability and property claims.

Projected Ultimate Costs  
Fiscal Year 2024-25, SIR of \$250,000

| <u>Dollars (\$000s)</u>                        | <u>Liability</u> | <u>Property</u> | <u>Total</u>   |
|--|------------------|-----------------|----------------|
| Undiscounted Claims Cost                       | \$1,430          | \$1,850         | \$3,280        |
| Investment Income Offset                       | <u>(82)</u>      | <u>(25)</u>     | <u>(107)</u>   |
| <b>Discounted Claims Cost</b>                  | <b>\$1,348</b>   | <b>\$1,825</b>  | <b>\$3,173</b> |
| Undiscounted Rate per ADA/TIV (\$100,000)      | \$18.02          | \$27.17         |                |
| <b>Discounted Rate per ADA/TIV (\$100,000)</b> | <b>\$16.99</b>   | <b>\$26.80</b>  |                |

<sup>1</sup> Expected values represent the “best actuarial” or “central” estimate.  
<sup>2</sup> Net present value is based on an annual discount rate of 2.5% and assumes that invested funding is equal to the recommended funding level and is invested at the beginning of the fiscal year.

The indicated rates shown above make no provision for the existing funding margin, claims administration expenses or other program expenses such as excess insurance premiums, JPA administrative expenses or loss prevention services.

Although the estimates included in this report are listed gross of any applicable member deductibles, we have also calculated ultimate losses on a net of deductible basis. Below, we list a comparison of ultimate losses, gross vs. net of deductible, for the liability program.

**SMCSIG Liability Program**  
**Ultimate Loss Estimates (\$000s)**  
**Gross vs. Net of Deductibles**

| Program<br>Year | Gross of<br><u>Deductibles</u> | Net of<br><u>Deductibles</u> | <u>Difference</u> |
|-----------------|--------------------------------|------------------------------|-------------------|
| 2002-2003       | \$821                          | \$757                        | (\$64)            |
| 2003-2004       | 453                            | 410                          | (43)              |
| 2004-2005       | 633                            | 561                          | (72)              |
| 2005-2006       | 333                            | 238                          | (95)              |
| 2006-2007       | 1,207                          | 1,119                        | (87)              |
| 2007-2008       | 739                            | 681                          | (58)              |
| 2008-2009       | 1,061                          | 1,001                        | (60)              |
| 2009-2010       | 979                            | 879                          | (100)             |
| 2010-2011       | 533                            | 460                          | (73)              |
| 2011-2012       | 1,506                          | 1,403                        | (103)             |
| 2012-2013       | 957                            | 856                          | (101)             |
| 2013-2014       | 1,450                          | 1,372                        | (78)              |
| 2014-2015       | 816                            | 707                          | (109)             |
| 2015-2016       | 591                            | 448                          | (142)             |
| 2016-2017       | 833                            | 700                          | (134)             |
| 2017-2018       | 1,139                          | 1,015                        | (124)             |
| 2018-2019       | 1,683                          | 1,486                        | (197)             |
| 2019-2020       | 1,257                          | 1,154                        | (103)             |
| 2020-2021       | 693                            | 619                          | (74)              |
| 2021-2022       | 1,338                          | 1,285                        | (53)              |
| 2022-2023       | 1,501                          | 1,368                        | (133)             |
| 2023-2024       | <u>1,480</u>                   | <u>1,182</u>                 | <u>(298)</u>      |
| <b>Total</b>    | <b>\$22,002</b>                | <b>\$19,702</b>              | <b>(\$2,300)</b>  |

Below, we list a comparison of ultimate losses, gross vs. net of deductible, for the property program. Please note that it is our understanding that closed property claims have already been stated net of the deductible in the loss information we had received.

**SMCSIG Property Program**  
**Ultimate Loss Estimates (\$000s)**  
**Gross\* vs. Net of Deductibles**

| Program<br>Year | Gross* of<br><u>Deductibles</u> | Net of<br><u>Deductibles</u> | <u>Difference</u> |
|-----------------|---------------------------------|------------------------------|-------------------|
| 2002-2003       | \$742                           | \$742                        | \$0               |
| 2003-2004       | 251                             | 251                          | 0                 |
| 2004-2005       | 127                             | 127                          | 0                 |
| 2005-2006       | 504                             | 504                          | 0                 |
| 2006-2007       | 604                             | 604                          | 0                 |
| 2007-2008       | 275                             | 275                          | 0                 |
| 2008-2009       | 322                             | 322                          | 0                 |
| 2009-2010       | 44                              | 44                           | 0                 |
| 2010-2011       | 209                             | 209                          | 0                 |
| 2011-2012       | 424                             | 424                          | 0                 |
| 2012-2013       | 383                             | 383                          | 0                 |
| 2013-2014       | 736                             | 736                          | 0                 |
| 2014-2015       | 862                             | 862                          | 0                 |
| 2015-2016       | 912                             | 912                          | 0                 |
| 2016-2017       | 1,157                           | 1,157                        | 0                 |
| 2017-2018       | 751                             | 751                          | 0                 |
| 2018-2019       | 1,668                           | 1,658                        | (10)              |
| 2019-2020       | 885                             | 885                          | 0                 |
| 2020-2021       | 970                             | 970                          | 0                 |
| 2021-2022       | 1,111                           | 1,071                        | (40)              |
| 2022-2023       | 4,009                           | 3,989                        | (20)              |
| 2023-2024       | <u>1,957</u>                    | <u>1,954</u>                 | <u>(3)</u>        |
| <b>Total</b>    | <b>\$18,904</b>                 | <b>\$18,831</b>              | <b>(\$73)</b>     |

\*Per SMCSIG, closed property claims already stated net of deductible.

Below, we list estimates of ultimate ceded claims for the ten most recent years separately for liability and property.

**SMCSIG Liability Program  
Estimated Ultimate Ceded Loss Estimates (\$000s)**

| Program<br>Year | Estimated<br>Unlimited<br>Ultimate<br><u>Losses</u> | Estimated<br>SIR<br>Ultimate<br><u>Losses</u> | Estimated<br>Ceded<br><u>Losses</u> |
|-----------------|---|---|-------------------------------------|
| 2014-2015       | \$816   | \$816   | \$0                                 |
| 2015-2016       | 591   | 591   | 0                                   |
| 2016-2017       | 834   | 833   | 1                                   |
| 2017-2018       | 1,380   | 1,139   | 241                                 |
| 2018-2019       | 1,787   | 1,683   | 104                                 |
| 2019-2020       | 1,345   | 1,257   | 88                                  |
| 2020-2021       | 1,159   | 693   | 466                                 |
| 2021-2022       | 4,796   | 1,338   | 3,458                               |
| 2022-2023       | 3,193   | 1,501   | 1,692                               |
| 2023-2024       | 2,455   | 1,480   | 975                                 |
| 10 Year Total   | \$18,355  | \$11,330                                      | \$7,025                             |

**SMCSIG Property Program  
Estimated Ultimate Ceded Loss Estimates (\$000s)**

| Program<br>Year | Estimated<br>Unlimited<br>Ultimate<br><u>Losses</u> | Estimated<br>SIR<br>Ultimate<br><u>Losses</u> | Estimated<br>Ceded<br><u>Losses</u> |
|-----------------|---|---|-------------------------------------|
| 2014-2015       | \$2,152   | \$862   | \$1,290                             |
| 2015-2016       | 2,006   | 912   | 1,094                               |
| 2016-2017       | 1,336   | 1,157   | 179                                 |
| 2017-2018       | 1,559   | 751   | 808                                 |
| 2018-2019       | 2,715   | 1,668   | 1,047                               |
| 2019-2020       | 4,633   | 885   | 3,748                               |
| 2020-2021       | 975   | 970   | 5                                   |
| 2021-2022       | 1,286   | 1,111   | 175                                 |
| 2022-2023       | 8,582   | 4,009   | 4,573                               |
| 2023-2024       | 3,679   | 1,957   | 1,722                               |
| 10 Year Total   | \$28,923  | \$14,282                                      | \$14,641                            |

## **BACKGROUND**

San Mateo County Schools Insurance Group began its self-insured liability & property program in 1979. Claims administration services were provided by a third party administrator until 1986 when claims became self-administered by SMCSIG staff. The current self-insured retention for both liability and property is \$250,000 per occurrence. Excess liability coverage to \$5 million is provided by Public Risk Innovation, Solutions, and Management (PRISM) and from \$5 million to \$25 million by the Schools Excess Liability Fund. Excess property coverage is provided by the Public Entity Property Insurance Program (PEPIP). Historically, member districts were charged per occurrence deductibles of \$5,000 for property claims and \$1,500 for liability claims. These amounts now vary and are based on selections made by individual member districts. Unless otherwise noted, the estimates in this report are gross of all deductibles.

Effective July 1, 2021, the liability program now provides coverage for Sexual Abuse and Molestation (SAM) claims on a claims-made basis. All other claims continue to be covered on an occurrence basis.

## 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 April 7, 2023 and relied on data evaluated as of December 31, 2022. The current analysis relies on data evaluated as of December 31, 2023.

### Comparison of Actual versus Expected Activity

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

**Liability**  
Actual Versus Expected Incurred Loss & ALAE<sup>1</sup>  
Prior vs. Current Reports  
(\$000s)

| Fiscal Year  | Expected Emergence | Actual Emergence | Actual Minus Expected Emergence |
|--------------|--------------------|------------------|---------------------------------|
| Prior        | \$1                | \$387            | \$387                           |
| 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      | 5                  | 0                | (5)                             |
| 2017-18      | 0                  | 0                | 0                               |
| 2018-19      | 9                  | 69               | 60                              |
| 2019-20      | 35                 | 0                | (35)                            |
| 2020-21      | 113                | 53               | (60)                            |
| 2021-22      | 514                | 299              | (215)                           |
| 2022-23      | 755                | 713              | (42)                            |
| <b>Total</b> | <b>\$1,432</b>     | <b>\$1,521</b>   | <b>\$89</b>                     |

<sup>1</sup> Loss & ALAE are limited to the Group's self-insured retention.

The following table describes how incurred losses have emerged for property claims between the two points in time referenced above.

**Property**  
Actual Versus Expected Incurred Loss & ALAE<sup>1</sup>  
Prior vs. Current Reports  
(\$000s)

| Fiscal Year  | Expected Emergence | Actual Emergence | Actual Minus Expected Emergence |
|--------------|--------------------|------------------|---------------------------------|
| Prior        | \$0                | \$0              | \$0                             |
| 2018-19      | 1                  | (3)              | (4)                             |
| 2019-20      | 0                  | 0                | 0                               |
| 2020-21      | 0                  | 0                | 0                               |
| 2021-22      | 6                  | 111              | 105                             |
| 2022-23      | 1,014              | 3,022            | 2,008                           |
| <b>Total</b> | <b>\$1,021</b>     | <b>\$3,130</b>   | <b>\$2,109</b>                  |

<sup>1</sup> Loss & ALAE are limited to the Group's self-insured retention.

The following tables compare how our projected ultimate loss & ALAE amounts for both liability and property claims have changed between the prior and current reports.

### Liability

Change in Projected Ultimate Loss & ALAE<sup>1</sup>  
 Prior vs. Current Reports  
 (\$000s)

| Fiscal Year  | Prior Ultimate  | Current Ultimate | Change in Ultimate |
|--------------|-----------------|------------------|--------------------|
| Prior        | \$12,018        | \$12,405         | \$387              |
| 2010-11      | 533             | 533              | 0                  |
| 2011-12      | 1,506           | 1,506            | 0                  |
| 2012-13      | 957             | 957              | 0                  |
| 2013-14      | 1,450           | 1,450            | 0                  |
| 2014-15      | 816             | 816              | 0                  |
| 2015-16      | 591             | 591              | 0                  |
| 2016-17      | 839             | 833              | (6)                |
| 2017-18      | 1,139           | 1,139            | 0                  |
| 2018-19      | 1,600           | 1,683            | 83                 |
| 2019-20      | 1,291           | 1,257            | (34)               |
| 2020-21      | 777             | 693              | (84)               |
| 2021-22      | 1,590           | 1,338            | (252)              |
| 2022-23      | 1,550           | 1,501            | (49)               |
| <b>Total</b> | <b>\$26,657</b> | <b>\$26,702</b>  | <b>\$45</b>        |

### Property

Change in Projected Ultimate Loss & ALAE<sup>1</sup>  
 Prior vs. Current Reports  
 (\$000s)

| Fiscal Year  | Prior Ultimate  | Current Ultimate | Change in Ultimate |
|--------------|-----------------|------------------|--------------------|
| Prior        | \$8,304         | \$8,304          | \$0                |
| 2018-19      | 1,671           | 1,668            | (3)                |
| 2019-20      | 885             | 885              | 0                  |
| 2020-21      | 970             | 970              | 0                  |
| 2021-22      | 1,000           | 1,111            | 111                |
| 2022-23      | 1,976           | 4,009            | 2,033              |
| <b>Total</b> | <b>\$14,806</b> | <b>\$16,947</b>  | <b>\$2,141</b>     |

<sup>1</sup> 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, 2023 to our current report's estimated liability for outstanding claims as of June 30, 2024.

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

| Dollars (\$000s)                  | Prior<br>Report at<br>6/30/2023 | Current<br>Report at<br>6/30/2024 | Dollar<br>Change | Percent<br>Change |
|-----------------------------------|---------------------------------|-----------------------------------|------------------|-------------------|
| Case Reserves <sup>1</sup>        | \$1,936                         | \$2,405                           | \$469            | 24.2%             |
| IBNR <sup>2</sup>                 | 2,386                           | 2,453                             | 67               | 2.8%              |
| <u>Claims Administration</u>      | <u>438</u>                      | <u>457</u>                        | <u>19</u>        | <u>4.3%</u>       |
| <b>Total (Undiscounted)</b>       | <b>\$4,760</b>                  | <b>\$5,314</b>                    | <b>\$555</b>     | <b>11.7%</b>      |
| <u>NPV Adjustment<sup>3</sup></u> | <u>(173)</u>                    | <u>(181)</u>                      | <u>(8)</u>       | <u>4.6%</u>       |
| <b>Total (Discounted)</b>         | <b>\$4,587</b>                  | <b>\$5,134</b>                    | <b>\$547</b>     | <b>11.9%</b>      |

<sup>1</sup> Established by the claims administrator.

<sup>2</sup> IBNR: Incurred But Not Reported for development beyond the case reserves.

<sup>3</sup> Net present value is based on an annual discount rate of 2.5%.

The table below reconciles our prior report's estimated liability for outstanding claims as of June 30, 2023 to our current report's estimated liability for outstanding claims as of June 30, 2024.

Reconciliation of Claims Liabilities  
At Expected (without Risk Margin), Net of Reinsurance

|  | Dollars<br>(\$000s) |
|--|---------------------|
| <b>(A) Prior 6/30/23 Discounted Loss &amp; LAE Liabilities</b>     | <b>\$4,587</b>      |
| (B) Change in Ultimate Loss & ALAE (AY 2021-22 and Prior)          | 2,186               |
| (C) Current AY 2023-24 Estimated Ultimate Loss & ALAE              | 3,280               |
| (D) Estimated Paid Loss & ALAE in 2023-24                          | (4,929)             |
| (E) Change in ULAE   | 19                  |
| (F) Change in Net Present Value                                    | (8)                 |
| <b>(G) Current 6/30/2024 Discounted Loss &amp; LAE Liabilities</b> | <b>\$5,134</b>      |

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

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

| <b>Liability</b>                                      |   |   |                  |                   |
|---|---|---|------------------|-------------------|
| Change in Funding Estimates                           |   |   |                  |                   |
| At Expected (without Risk Margin), Net of Reinsurance |   |   |                  |                   |
| Dollars (\$000s)                                      | Prior<br>Report <sup>1</sup><br>2023-24 | Current<br>Report <sup>1</sup><br>2024-25 | Dollar<br>Change | Percent<br>Change |
| Ultimate Loss and ALAE                                | <b>\$1,553</b>                          | <b>\$1,430</b>                            | <b>(\$123)</b>   | <b>-7.9%</b>      |
| <u>NPV Adjustment<sup>2</sup></u>                     | <u>(87)</u>                             | <u>(82)</u>                               | <u>5</u>         | <u>-5.7%</u>      |
| <b>Total Loss &amp; LAE (Discounted)</b>              | <b>\$1,466</b>                          | <b>\$1,348</b>                            | <b>(\$118)</b>   | <b>-8.0%</b>      |
| <hr style="border-top: 1px dashed black;"/>           |   |   |                  |                   |
| Rate (Discounted) <sup>3</sup>                        | \$16.286                                | \$16.991                                  | \$0.705          | 4.3%              |

<sup>1</sup> The SIR in both the prior and current reports is \$250,000.

<sup>2</sup> Net present value is based on an annual discount rate of 2.5%.

<sup>3</sup> Rate is per average daily attendance (ADA).

| <b>Property</b>                                       |   |   |                  |                   |
|---|---|---|------------------|-------------------|
| Change in Funding Estimates                           |   |   |                  |                   |
| At Expected (without Risk Margin), Net of Reinsurance |   |   |                  |                   |
| Dollars (\$000s)                                      | Prior<br>Report <sup>1</sup><br>2023-24 | Current<br>Report <sup>1</sup><br>2024-25 | Dollar<br>Change | Percent<br>Change |
| Ultimate Loss and ALAE                                | <b>\$1,659</b>                          | <b>\$1,850</b>                            | <b>\$191</b>     | <b>11.5%</b>      |
| <u>NPV Adjustment<sup>2</sup></u>                     | <u>(22)</u>                             | <u>(25)</u>                               | <u>(3)</u>       | <u>13.6%</u>      |
| <b>Total Loss &amp; LAE (Discounted)</b>              | <b>\$1,637</b>                          | <b>\$1,825</b>                            | <b>\$188</b>     | <b>11.5%</b>      |
| <hr style="border-top: 1px dashed black;"/>           |   |   |                  |                   |
| Rate (Discounted) <sup>3</sup>                        | \$24.087                                | \$26.801                                  | \$2.714          | 11.3%             |

<sup>4</sup> The SIR in both the prior and current reports is \$250,000.

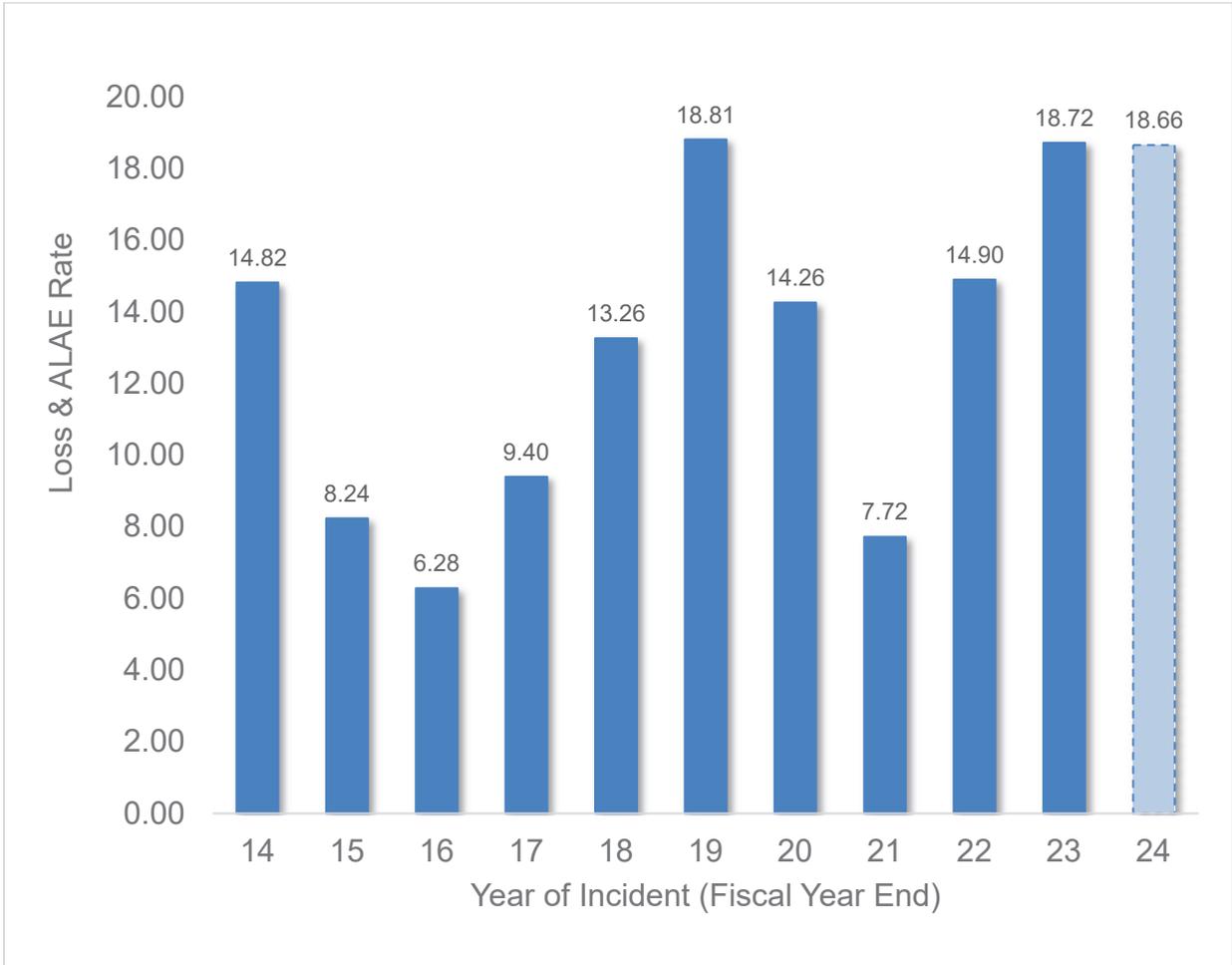
<sup>5</sup> Net present value is based on an annual discount rate of 2.5%.

<sup>6</sup> Rate is per \$100,000 of total insured value (TIV).

Loss Rate Trend – Liability

We have evaluated the trend in the Group’s projected ultimate loss & ALAE rate for the liability program. This rate equals projected ultimate loss and ALAE (limited to SIR) divided by ADA, as displayed in the following graph.

Loss & ALAE Rate Trend<sup>1</sup>  
Ultimate Loss & ALAE / ADA

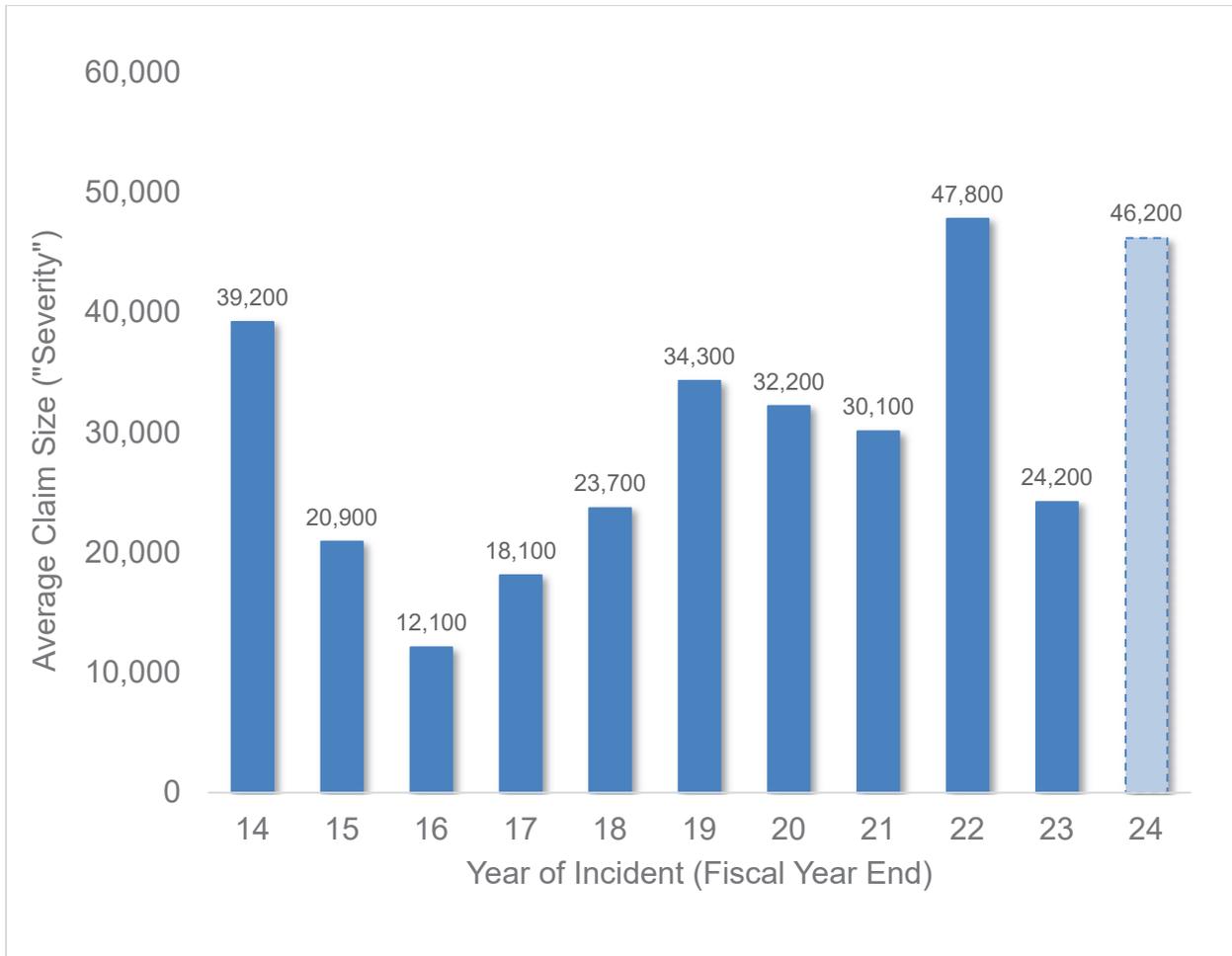


<sup>1</sup> Losses are at expected (no risk margin) and are not discounted to reflect net present value.

**Average Claim Size (Severity) Trend - Liability**

We have evaluated the trend in the Group’s projected ultimate claim size (or “severity”) for the liability program. The ultimate claim size equals projected ultimate loss & ALAE (limited to SIR) divided by the projected ultimate number of reported claims, as displayed in the following graph.

Average Claim Size Trend<sup>1</sup>  
Ultimate Loss & ALAE / Ultimate Reported Claims

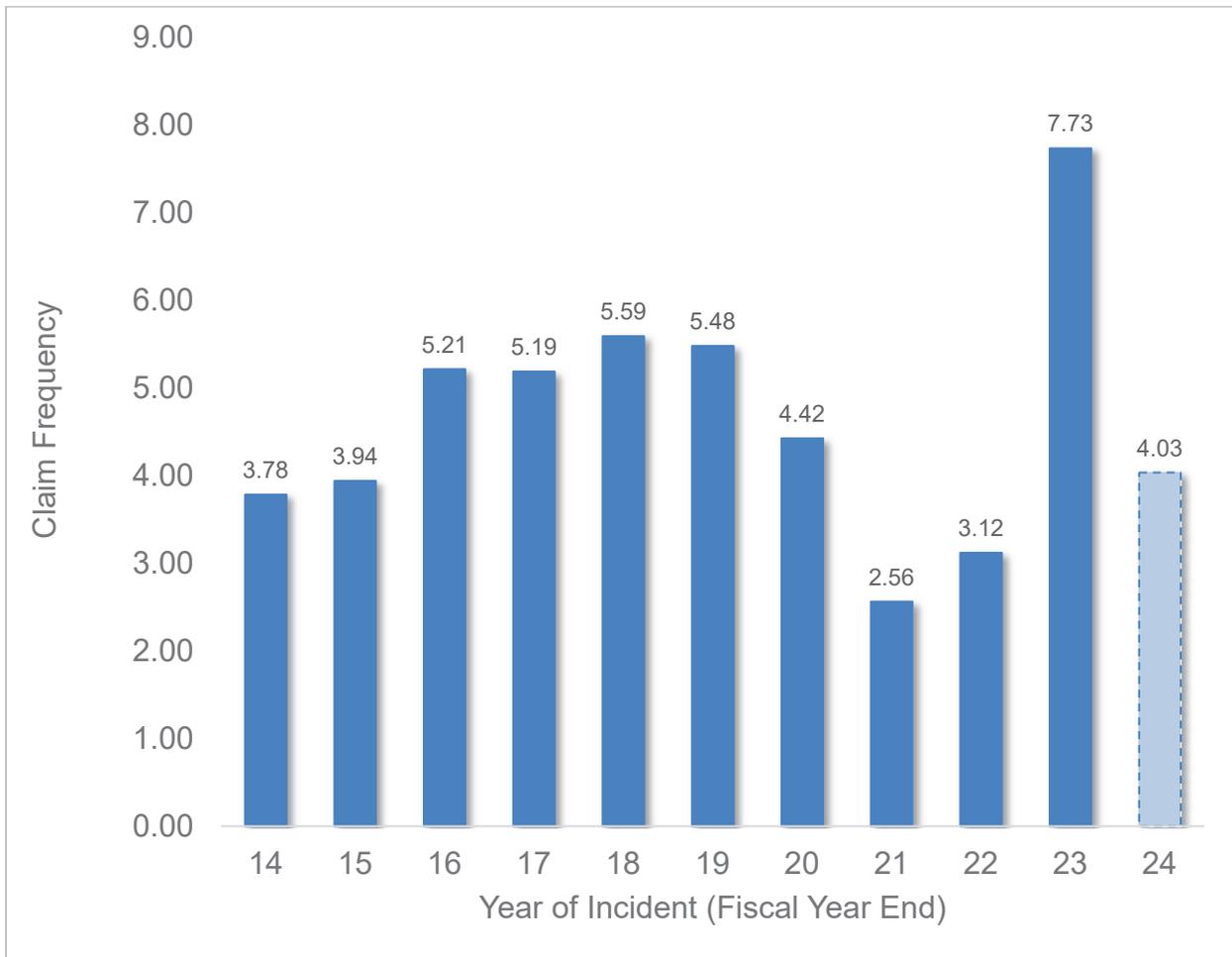


<sup>1</sup> Losses are at expected (no risk margin) and are not discounted to reflect net present value.

### Claim Frequency Trend - Liability

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

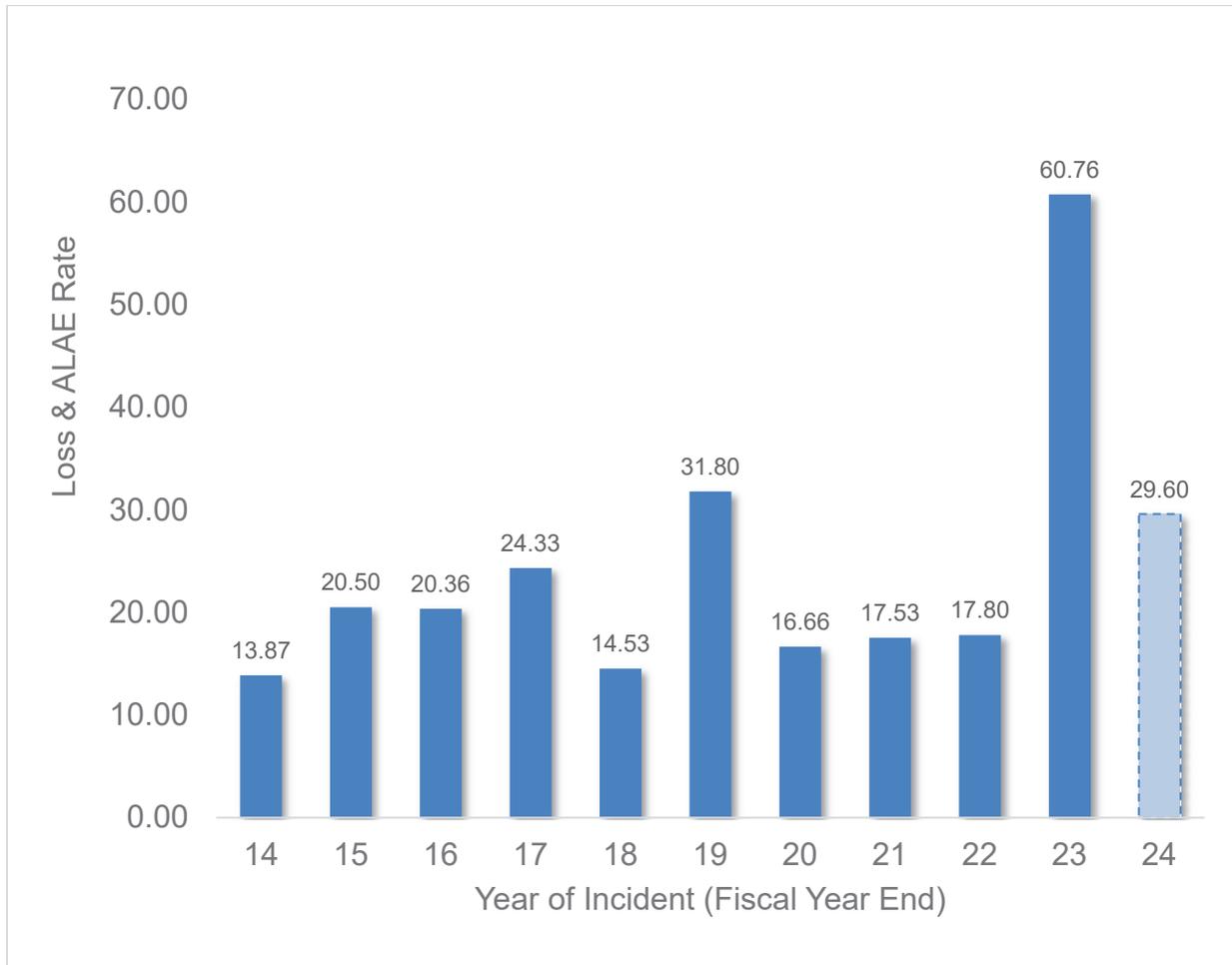
Claim Frequency Trend  
Ultimate Reported Claims / ADA (10,000)



**Loss Rate Trend – Property**

We have evaluated the trend in the Group’s projected ultimate loss & ALAE rate for the property program. This rate equals projected ultimate loss and ALAE (limited to SIR) divided by TIV (\$ hundreds of thousands), as displayed in the following graph.

Loss & ALAE Rate Trend<sup>1</sup>  
Ultimate Loss & ALAE / TIV (\$00,000)

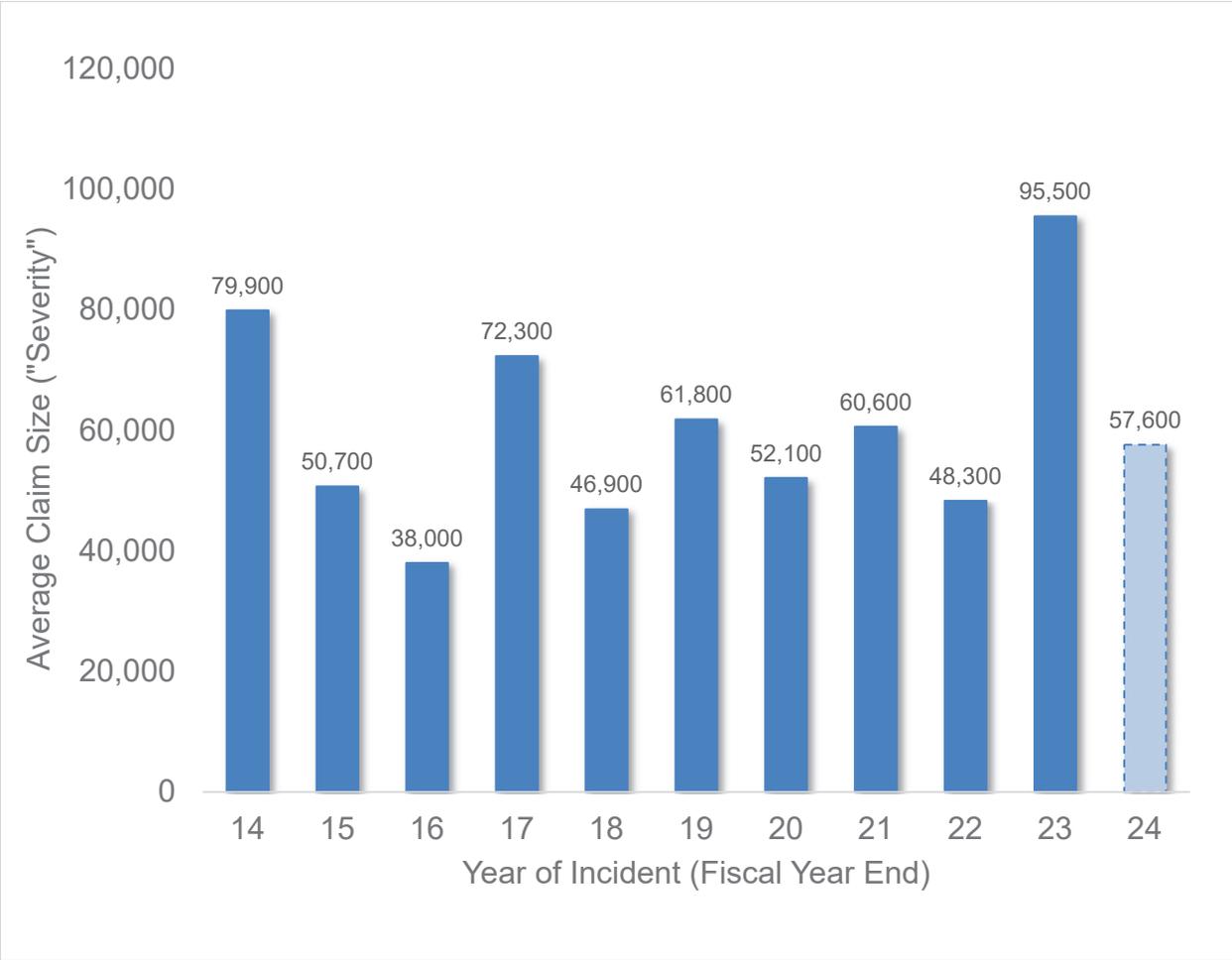


<sup>2</sup> Losses are at expected (no risk margin) and are not discounted to reflect net present value.

**Average Claim Size (Severity) Trend - Property**

We have evaluated the trend in the Group’s projected ultimate claim size (or “severity”) for the property program. The ultimate claim size equals projected ultimate loss & ALAE (limited to SIR) divided by the projected ultimate number of reported claims, as displayed in the following graph.

Average Claim Size Trend<sup>1</sup>  
Ultimate Loss & ALAE / Ultimate Reported Claims

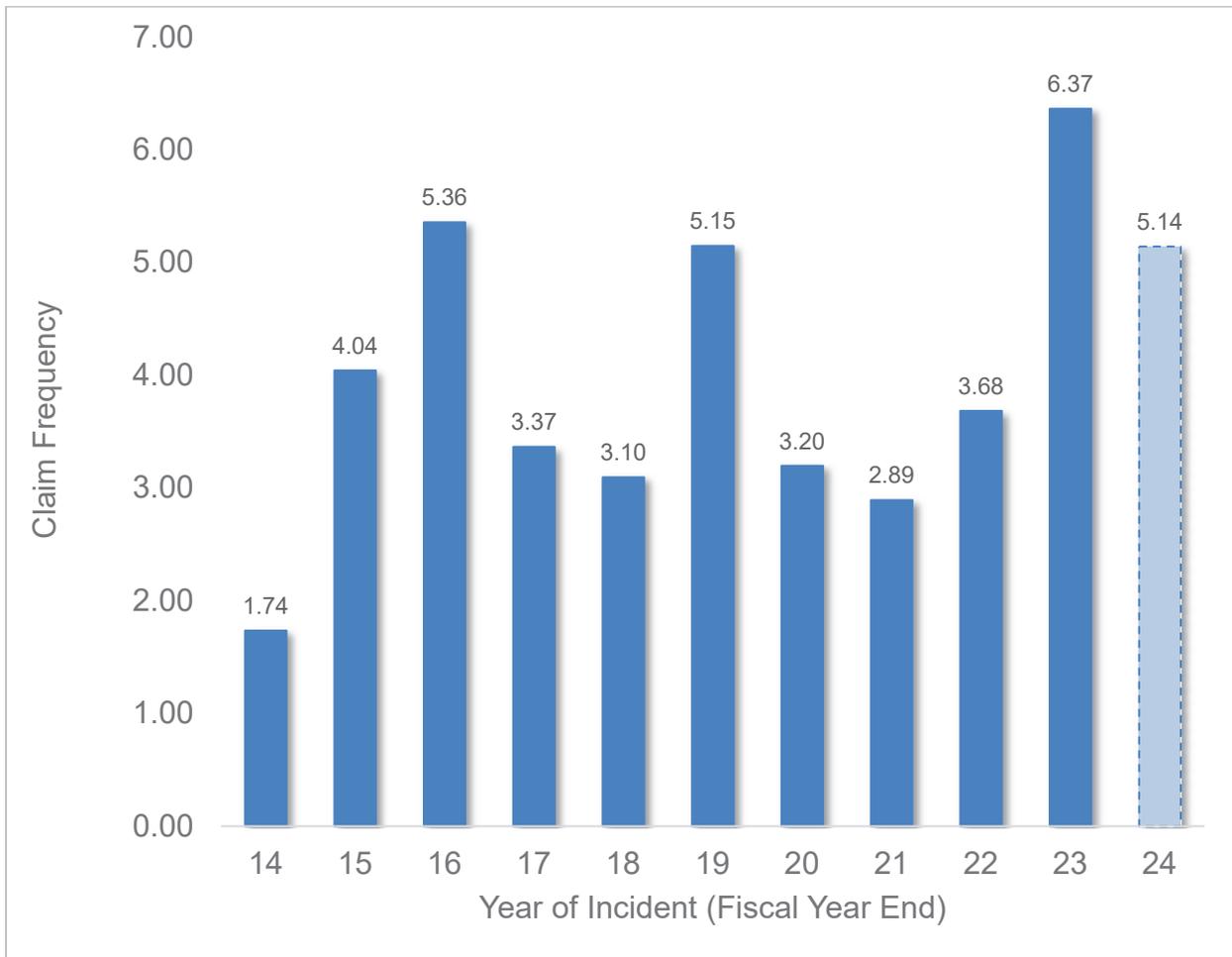


<sup>2</sup> Losses are at expected (no risk margin) and are not discounted to reflect net present value.

**Claim Frequency Trend - Property**

We have evaluated the trend in the Group’s claim frequency for the property program. The claim frequency equals projected ultimate number of reported claims divided by TIV (\$ billions), as displayed in the following graph.

Claim Frequency Trend  
Ultimate Reported Claims / TIV (\$ Billions)



## Loss and LAE Liabilities by Category

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

Loss & ALAE Liabilities by Category and Year<sup>1</sup>  
As of June 30, 2024, Net of Reinsurance  
(\$000s)

| Fiscal Year                 | Case Reserves  | Incurred but Not Reported (IBNR) | Total Liabilities |
|-----------------------------|----------------|----------------------------------|-------------------|
| Prior                       | \$281          | \$0                              | \$281             |
| 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                     | 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                     | 130            | 19                               | 149               |
| 2019-20                     | 104            | 43                               | 147               |
| 2020-21                     | 18             | 59                               | 77                |
| 2021-22                     | 404            | 159                              | 562               |
| 2022-23                     | 850            | 507                              | 1,357             |
| 2023-24                     | 619            | 1,666                            | 2,285             |
| Total Loss & ALAE           | \$2,405        | \$2,452                          | \$4,858           |
| ULAE                        | n/a            | 457                              | 457               |
| <b>Total Loss &amp; LAE</b> | <b>\$2,405</b> | <b>\$2,909</b>                   | <b>\$5,314</b>    |

<sup>1</sup> 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.

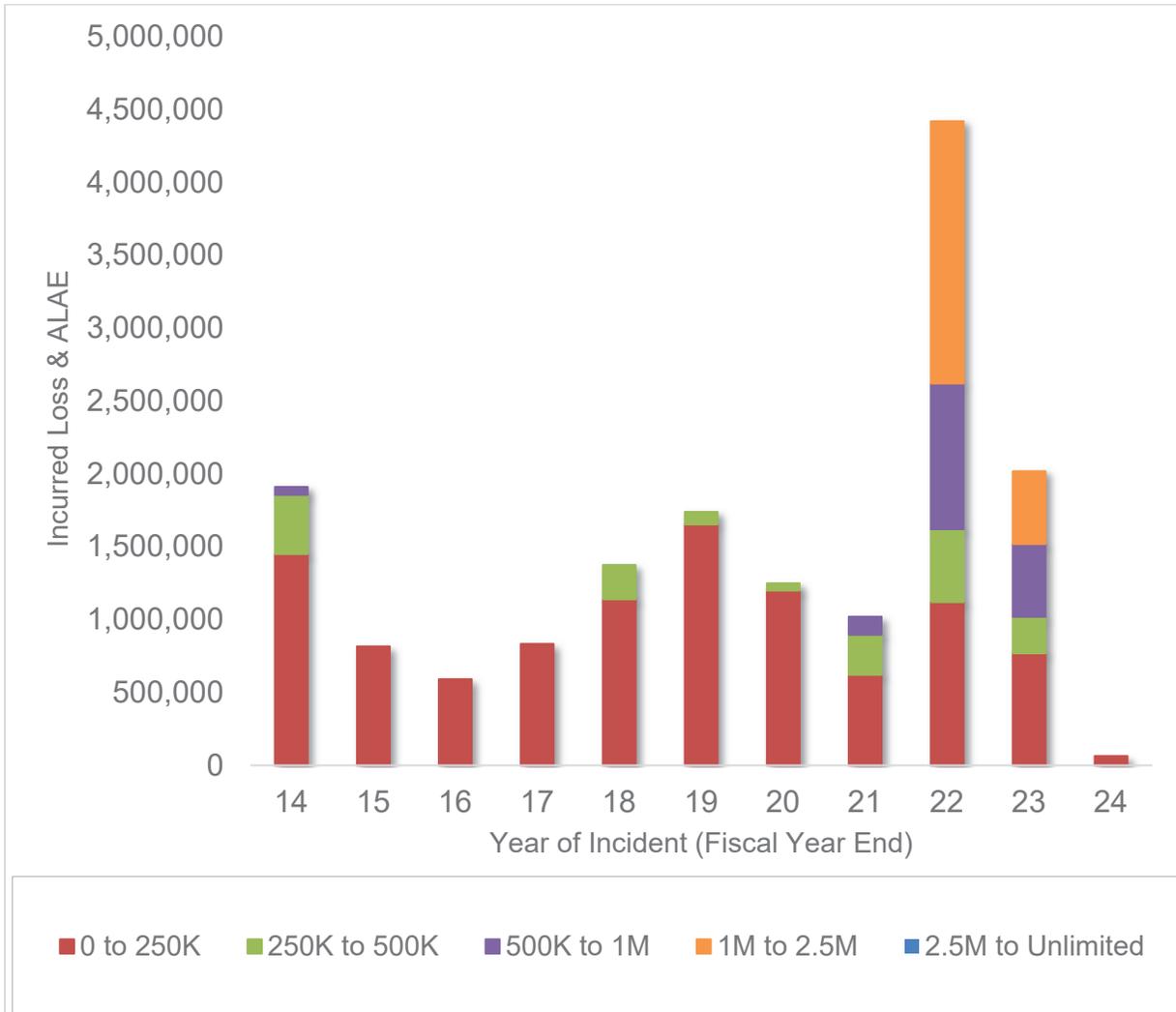
Ultimate Loss & ALAE by Component  
As of June 30, 2024



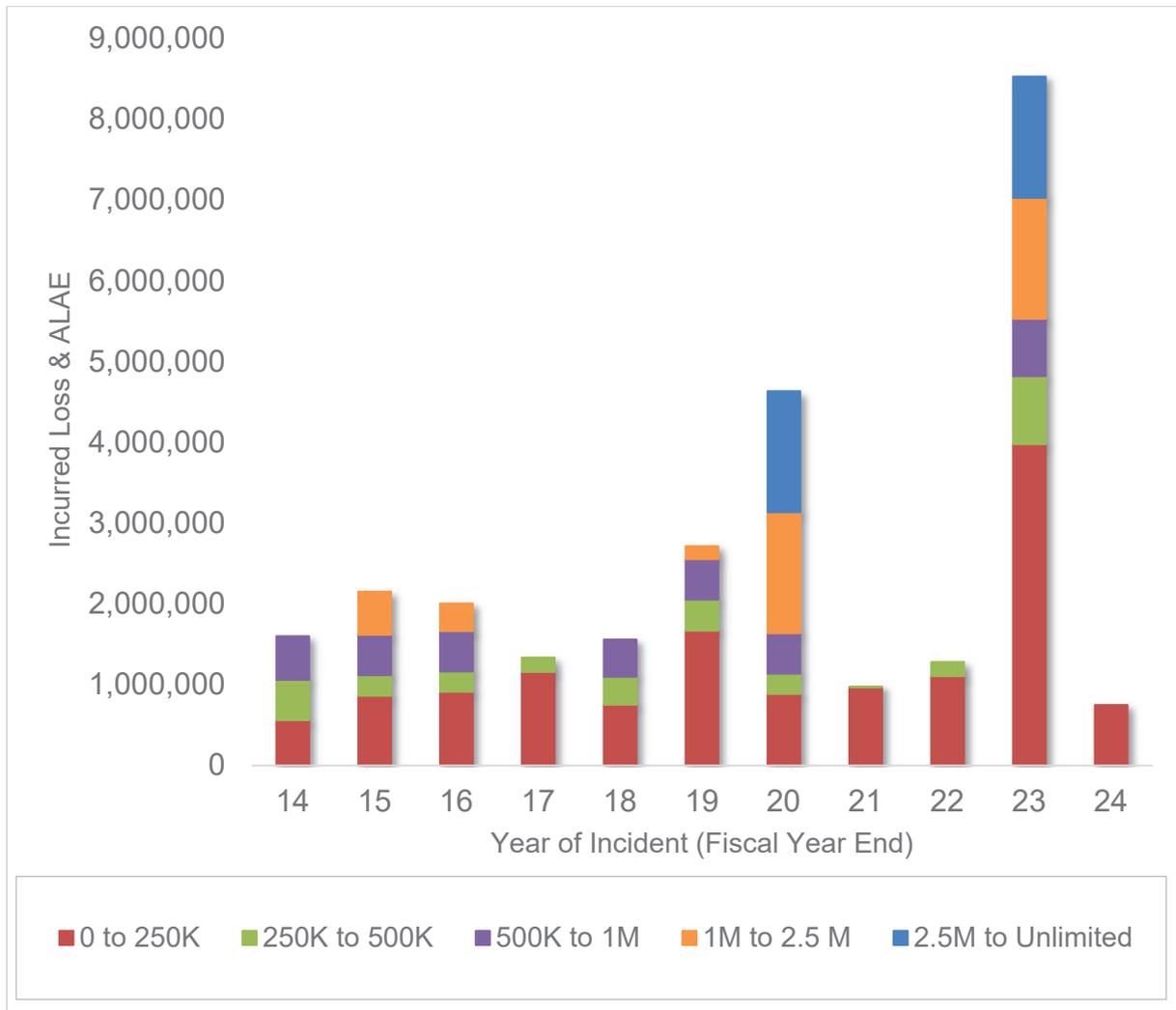
Losses by Layer

The following graphs shows the incurred losses by layer as of the valuation date of December 31, 2023.

Liability  
Incurred Loss & ALAE by Layer  
As of December 31, 2023



**Property**  
Incurred Loss & ALAE by Layer  
As of December 31, 2023



## METHODOLOGY

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

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

Separate ultimate loss & ALAE projections are developed for costs limited to \$250,000 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 calculated based average cost per claim method.

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

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

## CONSIDERATIONS AND KEY ASSUMPTIONS

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

### **Data**

Data Quality: Our analysis is based on loss experience, exposure data, and other general and specific information provided to us by or on behalf of 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 M.

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

Other Program Information: Key program information, including historical retentions and claims administration costs, 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, 2024.

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

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 2.5% 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 total insured value and claims costs to reflect inflation as well as other changes in the claims environment. The total insured value, claim frequency, and claim cost trend factors by year are in Appendices M and E, respectively. We have also projected total insured value and claim costs to account for future changes in cost levels.

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

Homogeneity: The accuracy of loss estimates may be improved by subdividing loss experience into groups exhibiting similar characteristics. In evaluating 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 schools, 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 \$250,000 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

- included 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, 2023. It is possible that there has been significant loss activity that has occurred since that date which would change the findings of this report.

Data Accuracy: This report relies on unaudited loss and exposure information provided by 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 San Mateo 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.)

**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 ADA for liability.  
Number of claims per \$1 billion 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.  
Ultimate losses per \$100,000 TIV for property.

**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**

San Mateo County Schools Insurance Group - Property and Liability Combined

Funding Guidelines for Outstanding Liabilities at  
June 30, 2024

|  |                    |
|--|--------------------|
| (A) Estimated Ultimate Losses<br>Incurred through 6/30/24:<br>(Sum of Liability and Property)                        | \$47,086,284       |
| (B) Estimated Paid Losses<br>through 6/30/24:<br>(Sum of Liability and Property)                                     | 42,228,627         |
| (C) Estimated Liability for Claims<br>Outstanding at 6/30/24:<br>(Sum of Liability and Property)                     | <u>\$4,857,657</u> |
| (D) Estimated Liability for Outstanding<br>Claims Administration Fees at 6/30/24:<br>(Sum of Liability and Property) | 456,757            |
| (E) Total Outstanding Liability for<br>Claims at 6/30/24:<br>((C) + (D))   | <u>\$5,314,414</u> |
| (F) Reserve Discount Factor<br>(Average of Liability and Property)   | 0.966              |
| (G) Discounted Outstanding Liability for<br>Claims at 6/30/24:<br>((E) x (F))  | <u>\$5,134,144</u> |

| Confidence Level of Adequacy:                                       | <u>70%</u>         | <u>75%</u>         | <u>80%</u>         | <u>85%</u>         | <u>Minimum</u><br>90% |
|---|--------------------|--------------------|--------------------|--------------------|-----------------------|
| (H) Confidence Level Factor:<br>(Average of Liability and Property) | 1.123              | 1.177              | 1.241              | 1.320              | 1.425                 |
| (I) Margin for Adverse Experience:<br>((G) x [(H) - 1])             | 630,000            | 910,000            | 1,239,000          | 1,642,000          | 2,184,000             |
| (J) Total Required Available Funding<br>at 6/30/24:<br>((G) + (I))  | <u>\$5,764,144</u> | <u>\$6,044,144</u> | <u>\$6,373,144</u> | <u>\$6,776,144</u> | <u>\$7,318,144</u>    |

San Mateo County Schools Insurance Group - Property and Liability Combined

Funding Options for Program Year 2024-2025 (Liability SIR = \$250,000, SIR = \$250,000)  
One-Year Funding Plan

|  | <u>Dollar Amount</u>         |                    |                    |                    |                     |
|--|------------------------------|--------------------|--------------------|--------------------|---------------------|
| (A) Estimated Ultimate Losses Incurred in Accident Year 2024-2025:<br>(Sum of Liability and Property)            | \$3,280,000                  |                    |                    |                    |                     |
| (B) Estimated Claims Administration Fees Incurred in Accident Year 2024-2025:<br>(Sum of Liability and Property) | 0                            |                    |                    |                    |                     |
| (C) Total Claims Costs Incurred in Accident Year 2024-2025:<br>((A) + (B))                                       | <u>\$3,280,000</u>           |                    |                    |                    |                     |
| (D) Loss Discount Factor:<br>(Average of Liability and Property)   | 0.967                        |                    |                    |                    |                     |
| (E) Discounted Total Claims Costs Incurred in Accident Year 2024-2025:<br>((C) x (D))                            | <u>\$3,173,000</u>           |                    |                    |                    |                     |
|  | <u>Marginally Acceptable</u> | <u>Recommended</u> |                    |                    | <u>Conservative</u> |
|  | 70%                          | 75%                | 80%                | 85%                | 90%                 |
| (F) Confidence Level Factor:<br>(Average of Liability and Property)  | 1.174                        | 1.256              | 1.354              | 1.475              | 1.639               |
| (G) Margin for Adverse Experience:<br>((E) x [(F) - 1])  | 551,000                      | 813,000            | 1,123,000          | 1,508,000          | 2,027,000           |
| (H) Recommended Funding in 2024-2025 for Claims Costs and Other Expenses<br>((E) + (G))                          | <u>\$3,724,000</u>           | <u>\$3,986,000</u> | <u>\$4,296,000</u> | <u>\$4,681,000</u> | <u>\$5,200,000</u>  |

## San Mateo County Schools Insurance Group - Property and Liability Combined

## IBNR as of 6/30/24 at Expected Claims Level

| Accident Year | Estimated Ultimate (A) | Reported as of 12/31/23 (B) | Estimated IBNR as of 12/31/2023 (C) | Estimated Percent of IBNR Reported Between 1/1/24 and 6/30/2024 (D) | Estimated IBNR Reported (E) | Estimated IBNR as of 6/30/2024 (F) |
|---------------|------------------------|-----------------------------|-------------------------------------|---|-----------------------------|------------------------------------|
| 2002-2003     | 7,742,706              | 7,742,474                   | 232                                 | 100.0%  | 232                         | 0                                  |
| 2003-2004     | 704,068                | 704,068                     | 0                                   | 100.0%  | 0                           | 0                                  |
| 2004-2005     | 759,687                | 759,687                     | 0                                   | 100.0%  | 0                           | 0                                  |
| 2005-2006     | 837,466                | 837,466                     | 0                                   | 100.0%  | 0                           | 0                                  |
| 2006-2007     | 1,810,248              | 1,810,248                   | 0                                   | 100.0%  | 0                           | 0                                  |
| 2007-2008     | 1,014,006              | 1,014,006                   | 0                                   | 100.0%  | 0                           | 0                                  |
| 2008-2009     | 1,383,139              | 1,383,139                   | 0                                   | 100.0%  | 0                           | 0                                  |
| 2009-2010     | 1,022,914              | 1,022,914                   | 0                                   | 100.0%  | 0                           | 0                                  |
| 2010-2011     | 742,143                | 742,143                     | 0                                   | 100.0%  | 0                           | 0                                  |
| 2011-2012     | 1,930,758              | 1,930,758                   | 0                                   | 100.0%  | 0                           | 0                                  |
| 2012-2013     | 1,340,872              | 1,340,872                   | 0                                   | 100.0%  | 0                           | 0                                  |
| 2013-2014     | 2,186,238              | 2,186,238                   | 0                                   | 100.0%  | 0                           | 0                                  |
| 2014-2015     | 1,677,684              | 1,677,684                   | 0                                   | 100.0%  | 0                           | 0                                  |
| 2015-2016     | 1,502,537              | 1,502,537                   | 0                                   | 100.0%  | 0                           | 0                                  |
| 2016-2017     | 1,989,690              | 1,989,690                   | 0                                   | 100.0%  | 0                           | 0                                  |
| 2017-2018     | 1,889,960              | 1,889,960                   | 0                                   | 100.0%  | 0                           | 0                                  |
| 2018-2019     | 3,351,000              | 3,319,858                   | 31,142                              | 39.4%   | 12,282                      | 18,860                             |
| 2019-2020     | 2,142,320              | 2,084,624                   | 57,696                              | 26.0%   | 15,000                      | 42,696                             |
| 2020-2021     | 1,662,848              | 1,589,806                   | 73,042                              | 19.2%   | 14,000                      | 59,042                             |
| 2021-2022     | 2,449,000              | 2,225,048                   | 223,952                             | 29.1%   | 65,151                      | 158,801                            |
| 2022-2023     | 5,510,000              | 4,745,532                   | 764,468                             | 33.6%   | 257,000                     | 507,468                            |
| 2023-2024     | 3,437,000              | 811,480                     | 907,520                             | 105.8%  | 960,000                     | 1,665,520                          |
| Totals        | \$47,086,284           | \$43,310,232                | \$2,058,052                         |   | \$1,323,665                 | \$2,452,387                        |

## Notes:

- (A) From Exhibit 4, .
- (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//24 and 6/30/24. The percentage is based on the development pattern selected in Appendix A.
- (E) (C) x (D).
- (F) (A) - (B) - (E).

This exhibit shows the calculation of the amount of incurred but not reported losses we expect as of 6/30/24. This amount is dependent on both the strength of the case reserves and the average frequency and severity of the losses incurred.

San Mateo County Schools Insurance Group - Liability & 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) |             |
|---------------|--------------------------------------|----------------------------------|--|--|-------------------------------|---|---|-------------|
| Prior         | \$7,742,474                          | \$7,180,697                      | \$741,706                                    | \$741,706                                | \$7,451,673                   | \$7,742,706                                 | \$7,742,706   |             |
| 2003-2004     | 704,068                              | 704,068                          | 704,068                                      | 704,068                                  | 680,116                       | 704,068                                     | 704,068   |             |
| 2004-2005     | 759,687                              | 759,687                          | 759,687                                      | 759,687                                  | 732,348                       | 759,687                                     | 759,687   |             |
| 2005-2006     | 837,466                              | 837,466                          | 837,466                                      | 837,466                                  | 837,459                       | 837,466                                     | 837,466   |             |
| 2006-2007     | 1,810,248                            | 1,810,248                        | 1,810,248                                    | 1,810,248                                | 1,810,257                     | 1,810,248                                   | 1,810,248   |             |
| 2007-2008     | 1,014,006                            | 1,014,006                        | 1,014,006                                    | 1,014,006                                | 1,014,007                     | 1,014,006                                   | 1,014,006   |             |
| 2008-2009     | 1,383,139                            | 1,383,139                        | 1,383,139                                    | 1,383,139                                | 1,383,136                     | 1,383,139                                   | 1,383,139   |             |
| 2009-2010     | 1,022,914                            | 1,022,914                        | 1,022,914                                    | 1,022,914                                | 1,022,913                     | 1,022,914                                   | 1,022,914   |             |
| 2010-2011     | 742,143                              | 742,143                          | 742,143                                      | 742,143                                  | 742,156                       | 742,143                                     | 742,143   |             |
| 2011-2012     | 1,930,758                            | 1,930,758                        | 1,930,758                                    | 1,930,758                                | 1,930,772                     | 1,930,758                                   | 1,930,758   |             |
| 2012-2013     | 1,340,872                            | 1,340,872                        | 1,340,872                                    | 1,340,872                                | 1,340,853                     | 1,340,872                                   | 1,340,872   |             |
| 2013-2014     | 2,186,238                            | 2,186,238                        | 2,186,238                                    | 2,186,238                                | 2,009,239                     | 2,186,238                                   | 2,186,238   |             |
| 2014-2015     | 1,677,684                            | 1,677,684                        | 1,677,684                                    | 1,677,684                                | 1,677,665                     | 1,677,684                                   | 1,677,684   |             |
| 2015-2016     | 1,502,537                            | 1,508,442                        | 1,502,537                                    | 1,508,442                                | 1,502,572                     | 1,502,537                                   | 1,502,537   |             |
| 2016-2017     | 1,990,523                            | 2,010,519                        | 1,990,523                                    | 2,009,687                                | 1,989,680                     | 1,989,690                                   | 1,989,690   |             |
| 2017-2018     | 1,896,794                            | 1,935,519                        | 1,896,794                                    | 1,933,240                                | 1,889,968                     | 1,889,960                                   | 1,889,960   |             |
| 2018-2019     | 3,354,553                            | 3,266,068                        | 3,346,176                                    | 3,244,754                                | 2,868,400                     | 3,351,000                                   | 3,351,000   |             |
| 2019-2020     | 2,140,991                            | 2,084,562                        | 2,141,879                                    | 2,091,895                                | 2,108,022                     | 2,142,320                                   | 2,142,320   |             |
| 2020-2021     | 1,638,163                            | 1,770,282                        | 1,685,937                                    | 1,915,143                                | 1,628,310                     | 1,662,848                                   | 1,662,848   |             |
| 2021-2022     | 2,439,006                            | 2,459,852                        | 2,445,123                                    | 2,496,069                                | 2,258,483                     | 2,449,000                                   | 2,449,000   |             |
| 2022-2023     | 5,453,127                            | 4,938,494                        | 5,352,092                                    | 5,008,524                                | 4,613,600                     | 5,510,000                                   | 5,510,000   |             |
| 2023-2024     | 4,015,162                            | 3,339,354                        | 3,326,965                                    | 3,167,703                                | 3,248,000                     | 3,437,000                                   | 3,437,000   |             |
| Totals        |                                      |                                  |  |  |                               | \$47,086,284                                | \$47,086,284  |             |
|               |                                      |                                  |  |  |                               | Projected Losses for the Year 2023-2024 (H) | \$3,437,000   | \$3,437,000 |
|               |                                      |                                  |  |  |                               | Projected Losses for the Year 2024-2025 (I) | 3,280,000   | 3,280,000   |

Notes:

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

San Mateo County Schools Insurance Group - Liability

Funding Guidelines for Outstanding Liabilities at  
June 30, 2024

|   |                    |
|---|--------------------|
| (A) Estimated Ultimate Losses<br>Incurred through 6/30/24:<br>(From GL - Appendix G)                        | \$28,181,863       |
| (B) Estimated Paid Losses<br>through 6/30/24:<br>(From GL - Appendix G)                                     | 24,491,968         |
| (C) Estimated Liability for Claims<br>Outstanding at 6/30/24:<br>(From GL - Appendix G)                     | <u>\$3,689,895</u> |
| (D) Estimated Liability for Outstanding<br>Claims Administration Fees at 6/30/24:<br>(From GL - Appendix F) | 369,732            |
| (E) Total Outstanding Liability for<br>Claims at 6/30/24:<br>((C) + (D))                                    | <u>\$4,059,627</u> |
| (F) Reserve Discount Factor (Based on a Discount Rate of 2.50%.):<br>(GL - Appendix I, Page 1, (H))         | 0.961              |
| (G) Discounted Outstanding Liability for<br>Claims at 6/30/24:<br>((E) x (F))*                              | <u>\$3,900,092</u> |

| Confidence Level of Adequacy:                           | <u>70%</u>         | <u>75%</u>         | <u>80%</u>         | <u>85%</u>         | <u>Minimum<br/>90%</u> |
|---|--------------------|--------------------|--------------------|--------------------|------------------------|
| (H) Confidence Level Factor:<br>(From GL - Appendix J)  | 1.114              | 1.164              | 1.223              | 1.295              | 1.392                  |
| (I) Margin for Adverse Experience:<br>((G) x [(H) - 1]) | 445,000            | 640,000            | 870,000            | 1,151,000          | 1,529,000              |
| (J) Total Required Assets<br>at 6/30/24:<br>((G) + (I)) | <u>\$4,345,000</u> | <u>\$4,540,000</u> | <u>\$4,770,000</u> | <u>\$5,051,000</u> | <u>\$5,429,000</u>     |

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

San Mateo County Schools Insurance Group - Liability

Funding Options for Program Year 2024-2025 (SIR = \$250,000)

|   | Dollar<br>Amount         | ADA<br>Rate        |                    |                    |                    |
|---|--------------------------|--------------------|--------------------|--------------------|--------------------|
| (A) Estimated Ultimate Losses Incurred in Accident Year 2024-2025:<br>(From GL - Appendix G)                        | \$1,430,000              | \$18.025           |                    |                    |                    |
| (B) Estimated Claims Administration Fees Incurred in Accident Year 2024-2025:<br>(From GL - Exhibit 5, Page 1, (L)) | 0                        | 0.000              |                    |                    |                    |
| (C) Total Claims Costs Incurred in Accident Year 2024-2025:<br>((A) + (B))  | <u>\$1,430,000</u>       | <u>\$18.025</u>    |                    |                    |                    |
| (D) Loss Discount Factor (Based on a Discount Rate of 2.50%.):<br>(GL - Appendix I, Page 2, (G))                    | 0.943                    |                    |                    |                    |                    |
| (E) Discounted Total Claims Costs Incurred in Accident Year 2024-2025:<br>((C) x (D))                               | <u>\$1,348,000</u>       | <u>\$16.991</u>    |                    |                    |                    |
|   | Marginally<br>Acceptable | Recommended        |                    |                    | Conservative       |
|   | 70%                      | 75%                | 80%                | 85%                | 90%                |
| (F) Confidence Level Factor:<br>(From GL - Appendix J)  | 1.177                    | 1.262              | 1.362              | 1.487              | 1.655              |
| (G) Margin for Adverse Experience:<br>((E) x [(F) - 1])   | 239,000                  | 353,000            | 488,000            | 656,000            | 883,000            |
| (H) Recommended Funding in 2024-2025 for Claims Costs and Other Expenses:<br>((E) + (G))                            | <u>\$1,587,000</u>       | <u>\$1,701,000</u> | <u>\$1,836,000</u> | <u>\$2,004,000</u> | <u>\$2,231,000</u> |
| (I) Rate per \$100 of Payroll:<br>((H) / \$79,335)  | \$20.004                 | \$21.441           | \$23.142           | \$25.260           | \$28.121           |

Payroll rates are per hundred dollars of 2024-2025 payroll of \$7,933,500.

## San Mateo County Schools Insurance Group - Liability

## IBNR as of 6/30/24 at Expected Claims Level

| Accident Year | Estimated Ultimate (A) | Reported as of 12/31/23 (B) | Estimated IBNR as of 12/31/23 (C) | Estimated Percent of IBNR Reported Between 1/1/24 and 6/30/24 (D) | Estimated IBNR Reported (E) | Estimated IBNR as of 6/30/24 (F) |
|---------------|------------------------|-----------------------------|-----------------------------------|---|-----------------------------|----------------------------------|
| Prior         | \$7,001,000            | \$7,000,768                 | \$232                             | 100.0%  | \$232                       | \$0                              |
| 2003-2004     | 452,972                | 452,972                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2004-2005     | 632,859                | 632,859                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2005-2006     | 333,410                | 333,410                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2006-2007     | 1,206,530              | 1,206,530                   | 0                                 | 100.0%  | 0                           | 0                                |
| 2007-2008     | 738,888                | 738,888                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2008-2009     | 1,060,923              | 1,060,923                   | 0                                 | 100.0%  | 0                           | 0                                |
| 2009-2010     | 978,616                | 978,616                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2010-2011     | 532,673                | 532,673                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2011-2012     | 1,506,498              | 1,506,498                   | 0                                 | 100.0%  | 0                           | 0                                |
| 2012-2013     | 957,406                | 957,406                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2013-2014     | 1,449,758              | 1,449,758                   | 0                                 | 100.0%  | 0                           | 0                                |
| 2014-2015     | 815,664                | 815,664                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2015-2016     | 590,524                | 590,524                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2016-2017     | 833,158                | 833,158                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2017-2018     | 1,138,984              | 1,138,984                   | 0                                 | 49.9%   | 0                           | 0                                |
| 2018-2019     | 1,683,000              | 1,652,140                   | 30,860                            | 37.6%   | 12,000                      | 18,860                           |
| 2019-2020     | 1,257,000              | 1,199,304                   | 57,696                            | 26.8%   | 15,000                      | 42,696                           |
| 2020-2021     | 693,000                | 619,958                     | 73,042                            | 19.3%   | 14,000                      | 59,042                           |
| 2021-2022     | 1,338,000              | 1,120,199                   | 217,801                           | 27.3%   | 59,000                      | 158,801                          |
| 2022-2023     | 1,501,000              | 768,340                     | 732,660                           | 32.7%   | 240,000                     | 492,660                          |
| 2023-2024     | 1,480,000              | 63,498                      | 676,502                           | 25.8%   | 365,000                     | 1,051,502                        |
| Totals        | \$28,181,863           | \$25,653,070                | \$1,788,793                       |   | \$705,232                   | \$1,823,561                      |

## Notes:

- (A) From GL - Exhibit 4, 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 1/1/24 and 6/30/24. The percentage is based on the development pattern selected in GL - Appendix A.
- (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 6/30/24. This amount is dependent on both the strength of the case reserves and the average frequency and severity of the losses incurred.

San Mateo 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) |             |
|---------------|--------------------------------------|----------------------------------|--|--|-------------------------------|---|---|-------------|
| Prior         | \$7,000,768                          | \$6,438,991                      | \$0  | \$0                                      | \$6,734,445                   | \$7,001,000                                 | \$7,001,000   |             |
| 2003-2004     | 452,972                              | 452,972                          | 452,972                                      | 452,972                                  | 437,556                       | 452,972                                     | 452,972   |             |
| 2004-2005     | 632,859                              | 632,859                          | 632,859                                      | 632,859                                  | 610,083                       | 632,859                                     | 632,859   |             |
| 2005-2006     | 333,410                              | 333,410                          | 333,410                                      | 333,410                                  | 333,405                       | 333,410                                     | 333,410   |             |
| 2006-2007     | 1,206,530                            | 1,206,530                        | 1,206,530                                    | 1,206,530                                | 1,206,537                     | 1,206,530                                   | 1,206,530   |             |
| 2007-2008     | 738,888                              | 738,888                          | 738,888                                      | 738,888                                  | 738,892                       | 738,888                                     | 738,888   |             |
| 2008-2009     | 1,060,923                            | 1,060,923                        | 1,060,923                                    | 1,060,923                                | 1,060,920                     | 1,060,923                                   | 1,060,923   |             |
| 2009-2010     | 978,616                              | 978,616                          | 978,616                                      | 978,616                                  | 978,613                       | 978,616                                     | 978,616   |             |
| 2010-2011     | 532,673                              | 532,673                          | 532,673                                      | 532,673                                  | 532,684                       | 532,673                                     | 532,673   |             |
| 2011-2012     | 1,506,498                            | 1,506,498                        | 1,506,498                                    | 1,506,498                                | 1,506,512                     | 1,506,498                                   | 1,506,498   |             |
| 2012-2013     | 957,406                              | 957,406                          | 957,406                                      | 957,406                                  | 957,390                       | 957,406                                     | 957,406   |             |
| 2013-2014     | 1,449,758                            | 1,449,758                        | 1,449,758                                    | 1,449,758                                | 1,449,771                     | 1,449,758                                   | 1,449,758   |             |
| 2014-2015     | 815,664                              | 815,664                          | 815,664                                      | 815,664                                  | 815,646                       | 815,664                                     | 815,664   |             |
| 2015-2016     | 590,524                              | 596,429                          | 590,524                                      | 596,429                                  | 590,548                       | 590,524                                     | 590,524   |             |
| 2016-2017     | 833,991                              | 853,987                          | 833,991                                      | 853,155                                  | 833,152                       | 833,158                                     | 833,158   |             |
| 2017-2018     | 1,145,818                            | 1,184,543                        | 1,145,818                                    | 1,182,264                                | 1,138,992                     | 1,138,984                                   | 1,138,984   |             |
| 2018-2019     | 1,686,835                            | 1,599,228                        | 1,678,458                                    | 1,577,914                                | 1,415,071                     | 1,683,000                                   | 1,683,000   |             |
| 2019-2020     | 1,255,671                            | 1,199,242                        | 1,256,559                                    | 1,206,575                                | 1,160,289                     | 1,257,000                                   | 1,257,000   |             |
| 2020-2021     | 668,315                              | 810,660                          | 716,089                                      | 953,116                                  | 704,950                       | 693,000                                     | 693,000   |             |
| 2021-2022     | 1,334,157                            | 1,332,571                        | 1,340,274                                    | 1,356,624                                | 884,072                       | 1,338,000                                   | 1,338,000   |             |
| 2022-2023     | 1,432,186                            | 1,005,882                        | 1,355,322                                    | 1,227,314                                | 2,016,488                     | 1,501,000                                   | 1,501,000   |             |
| 2023-2024     | 1,479,503                            | 904,940                          | 1,297,256                                    | 1,285,271                                | 1,072,000                     | 1,480,000                                   | 1,480,000   |             |
| Totals        |                                      |                                  |  |  |                               | \$28,181,863                                | \$28,181,863  |             |
|               |                                      |                                  |  |  |                               | Projected Losses for the Year 2023-2024 (H) | \$1,480,000   | \$1,480,000 |
|               |                                      |                                  |  |  |                               | Projected Losses for the Year 2024-2025 (I) | 1,430,000   | 1,430,000   |

Notes:

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

San Mateo County Schools Insurance Group - Liability

Estimated Ultimate Limited Losses Capped at \$250,000 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)                    |
|---------------|--------------------------------------|----------------------------------|--|--|-------------------------------|---|
| Prior         | \$7,549,170                          | \$6,637,392                      |  |  | \$7,549,725                   | \$7,550,000   |
| 2003-2004     | 452,972                              | 452,972                          | 452,972                                      | 452,972                                  | 452,970                       | 452,972   |
| 2004-2005     | 632,859                              | 632,859                          | 632,859                                      | 632,859                                  | 632,873                       | 632,859   |
| 2005-2006     | 333,410                              | 333,410                          | 333,410                                      | 333,410                                  | 333,405                       | 333,410   |
| 2006-2007     | 1,206,530                            | 1,206,530                        | 1,206,530                                    | 1,206,530                                | 1,206,537                     | 1,206,530   |
| 2007-2008     | 738,888                              | 738,888                          | 738,888                                      | 738,888                                  | 738,892                       | 738,888   |
| 2008-2009     | 1,060,923                            | 1,060,923                        | 1,060,923                                    | 1,060,923                                | 1,060,920                     | 1,060,923   |
| 2009-2010     | 978,616                              | 978,616                          | 978,616                                      | 978,616                                  | 978,613                       | 978,616   |
| 2010-2011     | 532,673                              | 532,673                          | 532,673                                      | 532,673                                  | 532,684                       | 532,673   |
| 2011-2012     | 1,506,498                            | 1,506,498                        | 1,506,498                                    | 1,506,498                                | 1,506,512                     | 1,506,498   |
| 2012-2013     | 957,406                              | 957,406                          | 957,406                                      | 957,406                                  | 957,390                       | 957,406   |
| 2013-2014     | 1,449,758                            | 1,449,758                        | 1,449,758                                    | 1,449,758                                | 1,449,771                     | 1,449,758   |
| 2014-2015     | 815,664                              | 815,664                          | 815,664                                      | 815,664                                  | 815,646                       | 815,664   |
| 2015-2016     | 590,524                              | 596,429                          | 590,524                                      | 596,429                                  | 590,548                       | 590,524   |
| 2016-2017     | 833,991                              | 853,987                          | 833,991                                      | 853,155                                  | 833,152                       | 833,158   |
| 2017-2018     | 1,145,818                            | 1,184,543                        | 1,145,818                                    | 1,182,264                                | 1,138,992                     | 1,138,984   |
| 2018-2019     | 1,686,835                            | 1,599,228                        | 1,678,458                                    | 1,577,914                                | 1,415,071                     | 1,683,000   |
| 2019-2020     | 1,255,671                            | 1,199,242                        | 1,256,559                                    | 1,206,575                                | 1,160,289                     | 1,257,000   |
| 2020-2021     | 668,315                              | 810,660                          | 716,088                                      | 953,116                                  | 704,950                       | 693,000   |
| 2021-2022     | 1,334,157                            | 1,332,571                        | 1,340,274                                    | 1,356,624                                | 884,072                       | 1,338,000   |
| 2022-2023     | 1,432,186                            | 1,005,882                        | 1,355,322                                    | 1,227,314                                | 2,016,488                     | 1,501,000   |
| 2023-2024     | 1,479,503                            | 904,940                          | 1,297,256                                    | 1,285,271                                | 1,072,000                     | 1,480,000   |
| Totals        |                                      |                                  |  |  |                               | \$28,730,863  |
|               |                                      |                                  |  |  |                               | Projected Losses for the Year 2023-2024 (G) \$1,480,000 |
|               |                                      |                                  |  |  |                               | Projected Losses for the Year 2024-2025 (H) 1,430,000   |

Notes:

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

San Mateo 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) | Total ADA 0 (D)            | Trended Limited Loss Rate (E) |
|-------------------------------|-----------------------------|------------------|----------------------------|----------------------------|-------------------------------|
| 2003-2004                     | \$452,972                   | 1.808            | \$818,973                  | \$92,511                   | \$8.853                       |
| 2004-2005                     | 632,859                     | 1.755            | 1,110,668                  | 92,523                     | 12.004                        |
| 2005-2006                     | 333,410                     | 1.704            | 568,131                    | 92,184                     | 6.163                         |
| 2006-2007                     | 1,206,530                   | 1.654            | 1,995,601                  | 92,184                     | 21.648                        |
| 2007-2008                     | 738,888                     | 1.606            | 1,186,654                  | 92,816                     | 12.785                        |
| 2008-2009                     | 1,060,923                   | 1.559            | 1,653,979                  | 93,447                     | 17.700                        |
| 2009-2010                     | 978,616                     | 1.513            | 1,480,646                  | 94,079                     | 15.738                        |
| 2010-2011                     | 532,673                     | 1.469            | 782,497                    | 94,614                     | 8.270                         |
| 2011-2012                     | 1,506,498                   | 1.426            | 2,148,266                  | 96,288                     | 22.311                        |
| 2012-2013                     | 957,406                     | 1.385            | 1,326,007                  | 95,012                     | 13.956                        |
| 2013-2014                     | 1,449,758                   | 1.345            | 1,949,925                  | 97,818                     | 19.934                        |
| 2014-2015                     | 815,664                     | 1.306            | 1,065,257                  | 99,020                     | 10.758                        |
| 2015-2016                     | 590,524                     | 1.267            | 748,194                    | 94,000                     | 7.960                         |
| 2016-2017                     | 833,158                     | 1.231            | 1,025,618                  | 88,685                     | 11.565                        |
| 2017-2018                     | 1,138,984                   | 1.195            | 1,361,086                  | 85,893                     | 15.846                        |
| 2018-2019                     | 1,683,000                   | 1.160            | 1,952,280                  | 89,459                     | 21.823                        |
| 2019-2020                     | 1,257,000                   | 1.126            | 1,415,382                  | 88,160                     | 16.055                        |
| 2020-2021                     | 693,000                     | 1.093            | 757,449                    | 89,806                     | 8.434                         |
| 2021-2022                     | 1,338,000                   | 1.061            | 1,419,618                  | 89,806                     | 15.808                        |
| 2022-2023                     | 1,501,000                   | 1.030            | 1,546,030                  | 80,183                     | 19.281                        |
| 2023-2024                     | 1,480,000                   | 1.000            | 1,480,000                  | 79,335                     | 18.655                        |
| Totals                        | \$21,180,863                |                  | \$27,792,259               | 1,917,823                  | \$14.492                      |
| 17/18-21/22                   | 6,109,984                   |                  | 6,905,815                  | 443,124                    | 15.584                        |
| 22/23-23/24                   | 2,981,000                   |                  | 3,026,030                  | 159,518                    | 18.970                        |
|                               |                             |                  |                            | (F) Selected Limited Rate: | \$17.500                      |
|                               |                             |                  |                            | Prior:                     | \$16.750                      |
| Program Year:                 |                             | 2023-2024        | 2024-2025                  |                            |                               |
| (G) Factor to SIR:            |                             | 1.000            | 1.000                      |                            |                               |
| (H) Trend Factor:             |                             | 1.000            | 1.030                      |                            |                               |
| (I) Program Rate:             |                             | \$18.655         | \$18.025                   |                            |                               |
| (J) Total ADA:                |                             | 79,335           | 79,335                     |                            |                               |
| (K) Projected Program Losses: |                             | 1,480,000        | 1,430,000                  |                            |                               |

Notes appear on the next page.

## San Mateo County Schools Insurance Group - Liability

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

## Notes:

- (A) From GL - Exhibit 4, Page 2, Column (F).  
For purposes of projecting future losses, losses are capped at \$250,000 per occurrence.
- (B) From GL - Appendix E, Page 1, Column (B).
- (C)  $(A) \times (B)$ .
- (D) GL - Appendix M, Column (C).
- (E)  $(C) / (D)$ .
- (F) Selected based on (E).
- (G) Based on a Burr distribution, a mathematical model of claims sizes. 2023-2024 is  $(K) / (A)$ .
- (H) From GL - Appendix E.
- (I)  $(F) \times (G) \times (H)$ . 2023-2024 is  $(K) / (J)$ .
- (J) GL - Appendix M, Column (C).
- (K)  $(I) \times (J)$ . 2023-2024 is from GL - Exhibit 4, Page 1.

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.

## San Mateo County Schools Insurance Group - Liability

## Reported Loss Development

| Accident Year (A) | Limited Reported Losses as of 12/31/23 (B) | Reported Loss Development Factor (C) | Ultimate Limited Losses (D) | Program Reported Losses as of 12/31/23 (E) | Reported Loss Development Factor (F) | Ultimate Program Losses (G) |
|-------------------|--|--------------------------------------|-----------------------------|--|--------------------------------------|-----------------------------|
| Prior             | \$7,549,170                                | 1.000                                | \$7,549,170                 | \$7,000,768                                | 1.000                                | \$7,000,768                 |
| 2003-2004         | 452,972                                    | 1.000                                | 452,972                     | 452,972                                    | 1.000                                | 452,972                     |
| 2004-2005         | 632,859                                    | 1.000                                | 632,859                     | 632,859                                    | 1.000                                | 632,859                     |
| 2005-2006         | 333,410                                    | 1.000                                | 333,410                     | 333,410                                    | 1.000                                | 333,410                     |
| 2006-2007         | 1,206,530                                  | 1.000                                | 1,206,530                   | 1,206,530                                  | 1.000                                | 1,206,530                   |
| 2007-2008         | 738,888                                    | 1.000                                | 738,888                     | 738,888                                    | 1.000                                | 738,888                     |
| 2008-2009         | 1,060,923                                  | 1.000                                | 1,060,923                   | 1,060,923                                  | 1.000                                | 1,060,923                   |
| 2009-2010         | 978,616                                    | 1.000                                | 978,616                     | 978,616                                    | 1.000                                | 978,616                     |
| 2010-2011         | 532,673                                    | 1.000                                | 532,673                     | 532,673                                    | 1.000                                | 532,673                     |
| 2011-2012         | 1,506,498                                  | 1.000                                | 1,506,498                   | 1,506,498                                  | 1.000                                | 1,506,498                   |
| 2012-2013         | 957,406                                    | 1.000                                | 957,406                     | 957,406                                    | 1.000                                | 957,406                     |
| 2013-2014         | 1,449,758                                  | 1.000                                | 1,449,758                   | 1,449,758                                  | 1.000                                | 1,449,758                   |
| 2014-2015         | 815,664                                    | 1.000                                | 815,664                     | 815,664                                    | 1.000                                | 815,664                     |
| 2015-2016         | 590,524                                    | 1.000                                | 590,524                     | 590,524                                    | 1.000                                | 590,524                     |
| 2016-2017         | 833,158                                    | 1.001                                | 833,991                     | 833,158                                    | 1.001                                | 833,991                     |
| 2017-2018         | 1,138,984                                  | 1.006                                | 1,145,818                   | 1,138,984                                  | 1.006                                | 1,145,818                   |
| 2018-2019         | 1,652,140                                  | 1.021                                | 1,686,835                   | 1,652,140                                  | 1.021                                | 1,686,835                   |
| 2019-2020         | 1,199,304                                  | 1.047                                | 1,255,671                   | 1,199,304                                  | 1.047                                | 1,255,671                   |
| 2020-2021         | 619,958                                    | 1.078                                | 668,315                     | 619,958                                    | 1.078                                | 668,315                     |
| 2021-2022         | 1,120,199                                  | 1.191                                | 1,334,157                   | 1,120,199                                  | 1.191                                | 1,334,157                   |
| 2022-2023         | 768,340                                    | 1.864                                | 1,432,186                   | 768,340                                    | 1.864                                | 1,432,186                   |
| 2023-2024         | 63,498                                     | 23.300                               | 1,479,503                   | 63,498                                     | 23.300                               | 1,479,503                   |
| Totals            | \$26,201,472                               |                                      | \$28,642,367                | \$25,653,070                               |                                      | \$28,093,965                |

## Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Group. These losses exclude amounts over \$250,000 per occurrence.
- (C) From GL - Appendix A, Page 2.
- (D) (B) x (C). These estimated losses exclude amounts over \$250,000 per occurrence.
- (E) Losses capped at the Group's SIR. Amounts are provided by the Group.
- (F) Derived from factors on GL - Appendix A, Page 4.
- (G) (E) x (F).

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

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

San Mateo County Schools Insurance Group - Liability  
Reported Loss Development

| Accident Year | <u>Limited Losses Reported as of:</u> |           |           |           |           |           |           |           |            |            |            |
|---------------|---------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
|               | 6 Months                              | 18 Months | 30 Months | 42 Months | 54 Months | 66 Months | 78 Months | 90 Months | 102 Months | 114 Months | 126 Months |
| 2002-2003     |                                       |           |           |           |           |           |           |           |            |            |            |
| 2003-2004     |                                       |           |           |           |           |           |           |           |            |            |            |
| 2004-2005     |                                       |           |           |           |           |           |           |           |            |            |            |
| 2005-2006     | 53,466                                | 294,422   | 277,542   | 242,205   | 238,001   | 238,001   | 238,001   | 238,001   | 238,001    | 238,001    | 333,410    |
| 2006-2007     | 301,048                               | 850,410   | 1,190,217 | 1,498,246 | 1,111,229 | 1,107,940 | 1,107,940 | 1,107,940 | 1,107,940  | 1,200,907  | 1,206,530  |
| 2007-2008     | 65,057                                | 523,774   | 629,695   | 662,358   | 694,408   | 880,177   | 880,177   | 880,177   | 744,510    | 738,888    | 738,888    |
| 2008-2009     | 52,852                                | 587,464   | 879,904   | 962,561   | 964,613   | 964,613   | 1,022,030 | 1,041,930 | 1,081,930  | 1,066,466  | 1,060,923  |
| 2009-2010     | 107,827                               | 311,696   | 531,748   | 800,178   | 906,367   | 988,107   | 978,107   | 978,107   | 978,107    | 978,107    | 978,107    |
| 2010-2011     | 30,104                                | 225,558   | 241,370   | 218,077   | 282,673   | 282,673   | 532,673   | 532,673   | 532,673    | 532,673    | 532,673    |
| 2011-2012     | 56,341                                | 804,501   | 1,401,723 | 1,525,112 | 1,484,279 | 1,505,279 | 1,515,279 | 1,508,237 | 1,506,498  | 1,506,498  | 1,506,498  |
| 2012-2013     | 54,545                                | 541,257   | 952,431   | 1,002,980 | 964,975   | 957,406   | 957,406   | 957,406   | 957,406    | 957,406    | 957,406    |
| 2013-2014     | 110,652                               | 758,057   | 1,125,936 | 1,225,761 | 1,191,038 | 1,191,038 | 1,217,038 | 1,199,758 | 1,449,758  | 1,449,758  | 1,449,758  |
| 2014-2015     | 31,195                                | 408,012   | 725,467   | 925,871   | 667,105   | 910,136   | 910,136   | 815,620   | 815,664    | 815,664    |            |
| 2015-2016     | 27,168                                | 357,624   | 531,198   | 581,827   | 606,827   | 590,524   | 590,524   | 590,524   | 590,524    |            |            |
| 2016-2017     | 62,099                                | 335,902   | 1,104,364 | 1,148,101 | 838,288   | 833,977   | 833,158   | 833,158   |            |            |            |
| 2017-2018     | 22,486                                | 817,660   | 1,092,451 | 945,183   | 1,212,736 | 1,138,984 | 1,138,984 |           |            |            |            |
| 2018-2019     | 111,436                               | 653,661   | 1,170,460 | 1,446,893 | 1,583,463 | 1,652,140 |           |           |            |            |            |
| 2019-2020     | 38,905                                | 946,005   | 1,202,615 | 1,199,304 | 1,199,304 |           |           |           |            |            |            |
| 2020-2021     | 83,818                                | 419,920   | 566,801   | 619,958   |           |           |           |           |            |            |            |
| 2021-2022     | 27,555                                | 821,633   | 1,120,199 |           |           |           |           |           |            |            |            |
| 2022-2023     | 55,465                                | 768,340   |           |           |           |           |           |           |            |            |            |
| 2023-2024     | 63,498                                |           |           |           |           |           |           |           |            |            |            |

|           | <u>Reported Loss Development Factors:</u> |              |              |              |              |              |              |               |                |                |                |
|-----------|---|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|
|           | 6-18 Months                               | 18-30 Months | 30-42 Months | 42-54 Months | 54-66 Months | 66-78 Months | 78-90 Months | 90-102 Months | 102-114 Months | 114-126 Months | 126-138 Months |
| 2002-2003 |   |              |              |              |              |              |              |               |                |                |                |
| 2003-2004 |   |              |              |              |              |              |              |               |                |                |                |
| 2004-2005 |   |              |              |              |              |              |              |               |                |                |                |
| 2005-2006 | 5.507                                     | 0.943        | 0.873        | 0.983        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.401          | 1.000          |
| 2006-2007 | 2.825                                     | 1.400        | 1.259        | 0.742        | 0.997        | 1.000        | 1.000        | 1.000         | 1.084          | 1.005          | 1.000          |
| 2007-2008 | 8.051                                     | 1.202        | 1.052        | 1.048        | 1.268        | 1.000        | 1.000        | 0.846         | 0.992          | 1.000          | 1.000          |
| 2008-2009 | 11.115                                    | 1.498        | 1.094        | 1.002        | 1.000        | 1.060        | 1.019        | 1.038         | 0.986          | 0.995          | 1.000          |
| 2009-2010 | 2.891                                     | 1.706        | 1.505        | 1.133        | 1.090        | 0.990        | 1.000        | 1.000         | 1.000          | 1.000          | 1.015          |
| 2010-2011 | 7.493                                     | 1.070        | 0.903        | 1.296        | 1.000        | 1.884        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2011-2012 | 14.279                                    | 1.742        | 1.088        | 0.973        | 1.014        | 1.007        | 0.995        | 0.999         | 1.000          | 1.000          | 1.000          |
| 2012-2013 | 9.923                                     | 1.760        | 1.053        | 0.962        | 0.992        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2013-2014 | 6.851                                     | 1.485        | 1.089        | 0.972        | 1.000        | 1.022        | 0.986        | 1.208         | 1.000          | 1.000          |                |
| 2014-2015 | 13.079                                    | 1.778        | 1.276        | 0.721        | 1.364        | 1.000        | 0.896        | 1.000         | 1.000          |                |                |
| 2015-2016 | 13.163                                    | 1.485        | 1.095        | 1.043        | 0.973        | 1.000        | 1.000        | 1.000         |                |                |                |
| 2016-2017 | 5.409                                     | 3.288        | 1.040        | 0.730        | 0.995        | 0.999        | 1.000        |               |                |                |                |
| 2017-2018 | 36.363                                    | 1.336        | 0.865        | 1.283        | 0.939        | 1.000        |              |               |                |                |                |
| 2018-2019 | 5.866                                     | 1.791        | 1.236        | 1.094        | 1.043        |              |              |               |                |                |                |
| 2019-2020 | 24.316                                    | 1.271        | 0.997        | 1.000        |              |              |              |               |                |                |                |
| 2020-2021 | 5.010                                     | 1.350        | 1.094        |              |              |              |              |               |                |                |                |
| 2021-2022 | 29.818                                    | 1.363        |              |              |              |              |              |               |                |                |                |
| 2022-2023 | 13.853                                    |              |              |              |              |              |              |               |                |                |                |

|                     | 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             | 11.990      | 1.557        | 1.095        | 0.999        | 1.048        | 1.074        | 0.991        | 1.008         | 1.006          | 1.045          | 1.002          |
| Dollar-Wtd. Avgs.   |             |              |              |              |              |              |              |               |                |                |                |
| Total               | 8.069       | 1.527        | 1.101        | 0.969        | 1.039        | 1.029        | 0.991        | 1.015         | 1.008          | 1.011          | 1.002          |
| 3-yr                | 12.047      | 1.321        | 1.111        | 1.113        | 0.997        | 1.000        | 0.960        | 1.096         | 1.000          | 1.000          | 1.000          |
| 4-yr                | 14.367      | 1.429        | 1.044        | 1.020        | 0.994        | 1.000        | 0.969        | 1.070         | 1.000          | 1.000          | 1.004          |
| Comparative Factors |             |              |              |              |              |              |              |               |                |                |                |
| Prior               | 12.500      | 1.603        | 1.100        | 1.030        | 1.025        | 1.015        | 1.005        | 1.001         | 1.000          | 1.000          | 1.000          |
| Selected            | 12.500      | 1.565        | 1.105        | 1.030        | 1.025        | 1.015        | 1.005        | 1.001         | 1.000          | 1.000          | 1.000          |
| Cumulated           | 23.300      | 1.864        | 1.191        | 1.078        | 1.047        | 1.021        | 1.006        | 1.001         | 1.000          | 1.000          | 1.000          |

San Mateo County Schools Insurance Group - Liability  
Reported Loss Development

| Accident Year | Limited Losses Reported as of: |            |            |            |            |            |            |            |            |            |            |
|---------------|--------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|               | 138 Months                     | 150 Months | 162 Months | 174 Months | 186 Months | 198 Months | 210 Months | 222 Months | 234 Months | 246 Months | 258 Months |
| 2002-2003     |                                |            |            | 821,264    | 821,264    | 821,264    | 821,264    | 821,264    | 821,264    | 821,264    | 821,264    |
| 2003-2004     |                                |            | 452,972    | 452,972    | 452,972    | 452,972    | 452,972    | 452,972    | 452,972    | 452,972    | 452,972    |
| 2004-2005     |                                | 638,340    | 633,337    | 633,337    | 632,859    | 632,859    | 632,859    | 632,859    | 632,859    |            |            |
| 2005-2006     | 333,410                        | 333,410    | 333,410    | 333,410    | 333,410    | 333,410    | 333,410    | 333,410    |            |            |            |
| 2006-2007     | 1,206,530                      | 1,206,530  | 1,206,530  | 1,206,530  | 1,206,530  | 1,206,530  | 1,206,530  |            |            |            |            |
| 2007-2008     | 738,888                        | 738,888    | 738,888    | 738,888    | 738,888    | 738,888    |            |            |            |            |            |
| 2008-2009     | 1,060,923                      | 1,060,923  | 1,060,923  | 1,060,923  | 1,060,923  |            |            |            |            |            |            |
| 2009-2010     | 993,107                        | 993,107    | 978,616    | 978,616    |            |            |            |            |            |            |            |
| 2010-2011     | 532,673                        | 532,673    |            |            |            |            |            |            |            |            |            |
| 2011-2012     | 1,506,498                      | 1,506,498  |            |            |            |            |            |            |            |            |            |
| 2012-2013     | 957,406                        |            |            |            |            |            |            |            |            |            |            |
| 2013-2014     |                                |            |            |            |            |            |            |            |            |            |            |
| 2014-2015     |                                |            |            |            |            |            |            |            |            |            |            |
| 2015-2016     |                                |            |            |            |            |            |            |            |            |            |            |
| 2016-2017     |                                |            |            |            |            |            |            |            |            |            |            |
| 2017-2018     |                                |            |            |            |            |            |            |            |            |            |            |
| 2018-2019     |                                |            |            |            |            |            |            |            |            |            |            |
| 2019-2020     |                                |            |            |            |            |            |            |            |            |            |            |
| 2020-2021     |                                |            |            |            |            |            |            |            |            |            |            |
| 2021-2022     |                                |            |            |            |            |            |            |            |            |            |            |
| 2022-2023     |                                |            |            |            |            |            |            |            |            |            |            |
| 2023-2024     |                                |            |            |            |            |            |            |            |            |            |            |

|           | Reported Loss Development Factors: |                |                |                |                |                |                |                |                |                |                 |
|-----------|------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
|           | 138-150 Months                     | 150-162 Months | 162-174 Months | 174-186 Months | 186-198 Months | 198-210 Months | 210-222 Months | 222-234 Months | 234-246 Months | 246-258 Months | 258-Ult. Months |
| 2002-2003 |                                    |                |                | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                 |
| 2003-2004 |                                    |                | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                 |
| 2004-2005 |                                    | 0.992          | 1.000          | 0.999          | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                 |
| 2005-2006 | 1.000                              | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                |                 |
| 2006-2007 | 1.000                              | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                |                |                 |
| 2007-2008 | 1.000                              | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                |                |                |                 |
| 2008-2009 | 1.000                              | 1.000          | 1.000          | 1.000          |                |                |                |                |                |                |                 |
| 2009-2010 | 1.000                              | 0.985          | 1.000          |                |                |                |                |                |                |                |                 |
| 2010-2011 | 1.000                              | 1.000          |                |                |                |                |                |                |                |                |                 |
| 2011-2012 | 1.000                              |                |                |                |                |                |                |                |                |                |                 |
| 2012-2013 |                                    |                |                |                |                |                |                |                |                |                |                 |
| 2013-2014 |                                    |                |                |                |                |                |                |                |                |                |                 |
| 2014-2015 |                                    |                |                |                |                |                |                |                |                |                |                 |
| 2015-2016 |                                    |                |                |                |                |                |                |                |                |                |                 |
| 2016-2017 |                                    |                |                |                |                |                |                |                |                |                |                 |
| 2017-2018 |                                    |                |                |                |                |                |                |                |                |                |                 |
| 2018-2019 |                                    |                |                |                |                |                |                |                |                |                |                 |
| 2019-2020 |                                    |                |                |                |                |                |                |                |                |                |                 |
| 2020-2021 |                                    |                |                |                |                |                |                |                |                |                |                 |
| 2021-2022 |                                    |                |                |                |                |                |                |                |                |                |                 |
| 2022-2023 |                                    |                |                |                |                |                |                |                |                |                |                 |

|                     | 138-150 Months | 150-162 Months | 162-174 Months | 174-186 Months | 186-198 Months | 198-210 Months | 210-222 Months | 222-234 Months | 234-246 Months | 246-258 Months | 258-Ult. Months |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| Average             | 1.000          | 0.997          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                 |
| Dollar-Wtd. Avgs    |                |                |                |                |                |                |                |                |                |                |                 |
| Total               | 1.000          | 0.996          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                 |
| 3-yr                | 1.000          | 0.994          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                 |
| 4-yr                | 1.000          | 0.996          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                |                 |
| Comparative Factors |                |                |                |                |                |                |                |                |                |                |                 |
| Prior               | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |
| Selected            | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |
| Cumulated           | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |

San Mateo County Schools Insurance Group - Liability  
Reported between \$250,000 and \$500,000 Loss Development

| Accident Year | <u>Losses Reported as of:</u> |           |           |           |           |           |           |           |            |            |            |
|---------------|-------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
|               | 6 Months                      | 18 Months | 30 Months | 42 Months | 54 Months | 66 Months | 78 Months | 90 Months | 102 Months | 114 Months | 126 Months |
| 2007-2008     |                               |           |           |           |           |           |           |           | 203,506    | 203,506    | 203,506    |
| 2008-2009     |                               |           |           |           |           |           |           | 250,000   | 250,000    | 250,000    | 250,000    |
| 2009-2010     |                               |           |           |           |           |           | 90,263    | 90,263    | 90,263     | 90,263     | 90,263     |
| 2010-2011     |                               |           |           |           |           |           | 250,000   | 250,000   | 250,000    | 250,000    | 250,000    |
| 2011-2012     |                               |           |           |           | 557,195   | 557,194   | 557,194   | 557,194   | 557,194    | 557,194    | 557,194    |
| 2012-2013     |                               |           |           | 250,000   | 250,000   | 250,000   | 250,000   | 250,000   | 250,000    | 250,000    | 250,000    |
| 2013-2014     |                               |           | 205,000   | 164,500   | 155,280   | 155,280   | 159,280   | 155,280   | 261,280    | 310,975    | 405,280    |
| 2014-2015     |                               |           | 90,000    | 90,000    |           | 92,000    | 250,000   |           |            |            |            |
| 2015-2016     |                               |           |           |           |           |           |           |           |            |            |            |
| 2016-2017     |                               |           | 105,000   | 62,000    |           |           |           |           |            |            |            |
| 2017-2018     |                               |           | 250,000   | 236,020   | 236,020   | 236,020   | 236,020   |           |            |            |            |
| 2018-2019     |                               | 60,000    | 95,953    | 86,953    | 86,953    | 86,953    |           |           |            |            |            |
| 2019-2020     |                               | 2,500     |           |           | 50,000    |           |           |           |            |            |            |
| 2020-2021     |                               |           |           | 275,000   |           |           |           |           |            |            |            |
| 2021-2022     |                               | 250,000   | 500,000   |           |           |           |           |           |            |            |            |
| 2022-2023     |                               | 250,000   |           |           |           |           |           |           |            |            |            |
| 2023-2024     |                               |           |           |           |           |           |           |           |            |            |            |

|           | <u>Reported Loss Development Factors:</u> |              |              |              |              |              |              |               |                |                |                |
|-----------|---|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|
|           | 6-18 Months                               | 18-30 Months | 30-42 Months | 42-54 Months | 54-66 Months | 66-78 Months | 78-90 Months | 90-102 Months | 102-114 Months | 114-126 Months | 126-138 Months |
| 2007-2008 |   |              |              |              |              |              |              |               | 1.000          | 1.000          | 1.000          |
| 2008-2009 |   |              |              |              |              |              |              | 1.000         | 1.000          | 1.000          | 1.000          |
| 2009-2010 |   |              |              |              |              |              | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2010-2011 |   |              |              |              |              |              | 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 |   |              |              | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2013-2014 |   |              | 0.802        | 0.944        | 1.000        | 1.026        | 0.975        | 1.683         | 1.190          | 1.303          |                |
| 2014-2015 |   |              | 1.000        |              |              | 2.717        |              |               |                |                |                |
| 2015-2016 |   |              |              |              |              |              |              |               |                |                |                |
| 2016-2017 |   |              | 0.590        |              |              |              |              |               |                |                |                |
| 2017-2018 |   |              | 0.944        | 1.000        | 1.000        | 1.000        |              |               |                |                |                |
| 2018-2019 |   | 1.599        | 0.906        | 1.000        | 1.000        |              |              |               |                |                |                |
| 2019-2020 |   |              |              |              |              |              |              |               |                |                |                |
| 2020-2021 |   |              |              |              |              |              |              |               |                |                |                |
| 2021-2022 |   | 2.000        |              |              |              |              |              |               |                |                |                |
| 2022-2023 |   |              |              |              |              |              |              |               |                |                |                |

|                           | 6-18 Months | 18-30 Months | 30-42 Months | 42-54 Months | 54-66 Months | 66-78 Months | 78-90 Months | 90-102 Months | 102-114 Months | 114-126 Months | 126-138 Months |
|---------------------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|
| Average Dollar-Wtd. Avgs. |             | 1.800        | 0.848        | 0.986        | 1.000        | 1.349        | 0.995        | 1.114         | 1.027          | 1.038          | 1.000          |
| Total                     |             | 1.922        | 0.857        | 0.987        | 1.000        | 1.126        | 0.997        | 1.068         | 1.027          | 1.043          | 1.000          |
| 3-yr                      |             |              |              |              |              |              |              |               |                | 1.084          | 1.000          |
| 4-yr                      |             |              |              |              |              |              |              |               |                | 1.069          | 1.000          |
| Comparative Factors       | 4.627       | 1.861        | 1.283        | 1.105        | 1.017        | 1.008        | 1.003        | 1.000         | 1.000          | 1.000          | 1.000          |
| Prior                     | 8.500       | 1.885        | 1.280        | 1.115        | 1.040        | 1.020        | 1.002        | 1.000         | 1.000          | 1.000          | 1.000          |
| Selected                  | 12.500      | 1.565        | 1.105        | 1.030        | 1.025        | 1.015        | 1.005        | 1.001         | 1.000          | 1.000          | 1.000          |
| Cumulated                 | 23.300      | 1.864        | 1.191        | 1.078        | 1.047        | 1.021        | 1.006        | 1.001         | 1.000          | 1.000          | 1.000          |

San Mateo County Schools Insurance Group - Liability  
Reported between \$250,000 and \$500,000 Loss Development

| Accident Year | <u>Losses Reported as of:</u> |            |            |            |            |            |            |
|---------------|-------------------------------|------------|------------|------------|------------|------------|------------|
|               | 138 Months                    | 150 Months | 162 Months | 174 Months | 186 Months | 198 Months | 210 Months |
| 2007-2008     | 203,506                       | 203,506    | 203,506    | 203,506    | 203,506    | 203,506    |            |
| 2008-2009     | 250,000                       | 250,000    | 250,000    | 250,000    | 250,000    |            |            |
| 2009-2010     | 90,263                        | 90,263     | 90,263     | 90,263     |            |            |            |
| 2010-2011     | 250,000                       | 250,000    | 250,000    |            |            |            |            |
| 2011-2012     | 557,194                       | 557,194    |            |            |            |            |            |
| 2012-2013     | 250,000                       |            |            |            |            |            |            |
| 2013-2014     |                               |            |            |            |            |            |            |
| 2014-2015     |                               |            |            |            |            |            |            |
| 2015-2016     |                               |            |            |            |            |            |            |
| 2016-2017     |                               |            |            |            |            |            |            |
| 2017-2018     |                               |            |            |            |            |            |            |
| 2018-2019     |                               |            |            |            |            |            |            |
| 2019-2020     |                               |            |            |            |            |            |            |
| 2020-2021     |                               |            |            |            |            |            |            |
| 2021-2022     |                               |            |            |            |            |            |            |
| 2022-2023     |                               |            |            |            |            |            |            |
| 2023-2024     |                               |            |            |            |            |            |            |

|           | <u>Reported Loss Development Factors:</u> |                |                |                |                |                |                 |
|-----------|---|----------------|----------------|----------------|----------------|----------------|-----------------|
|           | 138-150 Months                            | 150-162 Months | 162-174 Months | 174-186 Months | 186-198 Months | 198-210 Months | 210-Ult. Months |
| 2007-2008 | 1.000                                     | 1.000          | 1.000          | 1.000          | 1.000          |                |                 |
| 2008-2009 | 1.000                                     | 1.000          | 1.000          | 1.000          |                |                |                 |
| 2009-2010 | 1.000                                     | 1.000          | 1.000          |                |                |                |                 |
| 2010-2011 | 1.000                                     | 1.000          |                |                |                |                |                 |
| 2011-2012 | 1.000                                     |                |                |                |                |                |                 |
| 2012-2013 |   |                |                |                |                |                |                 |
| 2013-2014 |   |                |                |                |                |                |                 |
| 2014-2015 |   |                |                |                |                |                |                 |
| 2015-2016 |   |                |                |                |                |                |                 |
| 2016-2017 |   |                |                |                |                |                |                 |
| 2017-2018 |   |                |                |                |                |                |                 |
| 2018-2019 |   |                |                |                |                |                |                 |
| 2019-2020 |   |                |                |                |                |                |                 |
| 2020-2021 |   |                |                |                |                |                |                 |
| 2021-2022 |   |                |                |                |                |                |                 |
| 2022-2023 |   |                |                |                |                |                |                 |

|                  | 138-150 Months | 150-162 Months | 162-174 Months | 174-186 Months | 186-198 Months | 198-210 Months | 210-Ult. Months |
|------------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| Average          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                 |
| Dollar-Wtd. Avgs |                |                |                |                |                |                |                 |
| Total            | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                 |
| 3-yr             | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                 |
| 4-yr             | 1.000          | 1.000          | 1.000          |                |                |                |                 |
| Comparative      |                |                |                |                |                |                |                 |
| Factors          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |
| Prior            | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |
| Selected         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |
| Cumulated        | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |

## San Mateo County Schools Insurance Group - Liability

## Paid Loss Development

| Accident Year (A) | Limited Paid Losses as of 12/31/23 (B) | Paid Loss Development Factor (C) | Ultimate Limited Losses (D) | Program Paid Losses as of 12/31/23 (E) | Paid Loss Development Factor (F) | Ultimate Program Losses (G) |
|-------------------|--|----------------------------------|-----------------------------|--|----------------------------------|-----------------------------|
| Prior             | \$6,637,392                            | 1.000                            | \$6,637,392                 | \$6,438,991                            | 1.000                            | \$6,438,991                 |
| 2003-2004         | 452,972                                | 1.000                            | 452,972                     | 452,972                                | 1.000                            | 452,972                     |
| 2004-2005         | 632,859                                | 1.000                            | 632,859                     | 632,859                                | 1.000                            | 632,859                     |
| 2005-2006         | 333,410                                | 1.000                            | 333,410                     | 333,410                                | 1.000                            | 333,410                     |
| 2006-2007         | 1,206,530                              | 1.000                            | 1,206,530                   | 1,206,530                              | 1.000                            | 1,206,530                   |
| 2007-2008         | 738,888                                | 1.000                            | 738,888                     | 738,888                                | 1.000                            | 738,888                     |
| 2008-2009         | 1,060,923                              | 1.000                            | 1,060,923                   | 1,060,923                              | 1.000                            | 1,060,923                   |
| 2009-2010         | 978,616                                | 1.000                            | 978,616                     | 978,616                                | 1.000                            | 978,616                     |
| 2010-2011         | 532,673                                | 1.000                            | 532,673                     | 532,673                                | 1.000                            | 532,673                     |
| 2011-2012         | 1,506,498                              | 1.000                            | 1,506,498                   | 1,506,498                              | 1.000                            | 1,506,498                   |
| 2012-2013         | 957,406                                | 1.000                            | 957,406                     | 957,406                                | 1.000                            | 957,406                     |
| 2013-2014         | 1,449,758                              | 1.000                            | 1,449,758                   | 1,449,758                              | 1.000                            | 1,449,758                   |
| 2014-2015         | 815,664                                | 1.000                            | 815,664                     | 815,664                                | 1.000                            | 815,664                     |
| 2015-2016         | 590,524                                | 1.010                            | 596,429                     | 590,524                                | 1.010                            | 596,429                     |
| 2016-2017         | 833,158                                | 1.025                            | 853,987                     | 833,158                                | 1.025                            | 853,987                     |
| 2017-2018         | 1,138,984                              | 1.040                            | 1,184,543                   | 1,138,984                              | 1.040                            | 1,184,543                   |
| 2018-2019         | 1,500,214                              | 1.066                            | 1,599,228                   | 1,500,214                              | 1.066                            | 1,599,228                   |
| 2019-2020         | 1,071,709                              | 1.119                            | 1,199,242                   | 1,071,709                              | 1.119                            | 1,199,242                   |
| 2020-2021         | 591,291                                | 1.371                            | 810,660                     | 591,291                                | 1.371                            | 810,660                     |
| 2021-2022         | 589,112                                | 2.262                            | 1,332,571                   | 589,112                                | 2.262                            | 1,332,571                   |
| 2022-2023         | 148,229                                | 6.786                            | 1,005,882                   | 148,229                                | 6.786                            | 1,005,882                   |
| 2023-2024         | 10,258                                 | 88.218                           | 904,940                     | 10,258                                 | 88.218                           | 904,940                     |
| Totals            | \$23,777,068                           |                                  | \$26,791,073                | \$23,578,667                           |                                  | \$26,592,672                |

## Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Group. These losses exclude amounts over \$250,000 per occurrence.
- (C) From GL - Appendix B, Page 2.
- (D) (B) x (C). These estimated losses exclude amounts over \$250,000 per occurrence.
- (E) Losses capped at the Group's SIR. Amounts are provided by the Group.
- (F) Derived from factors on GL - Appendix B, 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.

San Mateo County Schools Insurance Group - Liability  
Paid Loss Development

| Accident Year | <u>Limited Losses Paid as of:</u> |           |           |           |           |           |           |           |            |            |            |
|---------------|-----------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
|               | 6 Months                          | 18 Months | 30 Months | 42 Months | 54 Months | 66 Months | 78 Months | 90 Months | 102 Months | 114 Months | 126 Months |
| 2002-2003     |                                   |           |           |           |           |           |           |           |            |            |            |
| 2003-2004     |                                   |           |           |           |           |           |           |           |            |            |            |
| 2004-2005     |                                   |           |           |           |           |           |           |           |            |            |            |
| 2005-2006     | 17,868                            | 182,673   | 169,547   | 237,932   | 238,001   | 238,001   | 238,001   | 238,001   | 238,001    | 238,001    | 333,410    |
| 2006-2007     | 18,698                            | 33,862    | 292,017   | 1,078,936 | 1,109,154 | 1,107,940 | 1,107,940 | 1,107,940 | 1,107,940  | 1,200,907  | 1,206,530  |
| 2007-2008     | 8,418                             | 174,982   | 406,390   | 647,475   | 676,700   | 880,177   | 880,177   | 880,177   | 744,510    | 738,888    | 738,888    |
| 2008-2009     | 2,110                             | 62,765    | 628,631   | 961,675   | 964,613   | 964,613   | 1,016,930 | 1,024,580 | 1,057,361  | 1,060,088  | 1,060,923  |
| 2009-2010     | 1,905                             | 96,711    | 384,397   | 733,477   | 887,805   | 988,107   | 978,107   | 978,107   | 978,107    | 978,107    | 978,107    |
| 2010-2011     | 6,168                             | 78,265    | 188,531   | 210,016   | 282,673   | 282,673   | 532,673   | 532,673   | 532,673    | 532,673    | 532,673    |
| 2011-2012     | 13,403                            | 75,489    | 985,128   | 1,433,072 | 1,446,214 | 1,499,849 | 1,504,702 | 1,506,498 | 1,506,498  | 1,506,498  | 1,506,498  |
| 2012-2013     | 25,557                            | 431,335   | 417,817   | 889,451   | 957,266   | 957,406   | 957,406   | 957,406   | 957,406    | 957,406    | 957,406    |
| 2013-2014     | 21,220                            | 216,926   | 773,213   | 1,086,522 | 1,181,578 | 1,183,449 | 1,183,449 | 1,199,758 | 1,280,696  | 1,353,293  | 1,449,758  |
| 2014-2015     | 19,026                            | 150,941   | 350,199   | 664,293   | 664,638   | 667,460   | 692,003   | 815,620   | 815,664    | 815,664    |            |
| 2015-2016     | 25,100                            | 217,345   | 305,439   | 581,827   | 583,410   | 590,524   | 590,524   | 590,524   | 590,524    |            |            |
| 2016-2017     | 31,252                            | 99,986    | 439,977   | 638,460   | 832,780   | 833,158   | 833,158   | 833,158   |            |            |            |
| 2017-2018     | 2,719                             | 230,643   | 523,356   | 894,886   | 1,134,474 | 1,138,984 | 1,138,984 |           |            |            |            |
| 2018-2019     | 11,006                            | 114,886   | 580,225   | 961,676   | 1,311,463 | 1,500,214 |           |           |            |            |            |
| 2019-2020     | 4,639                             | 346,360   | 742,563   | 994,539   | 1,071,709 |           |           |           |            |            |            |
| 2020-2021     | 17,344                            | 114,789   | 261,189   | 591,291   |           |           |           |           |            |            |            |
| 2021-2022     | 15,580                            | 251,707   | 589,112   |           |           |           |           |           |            |            |            |
| 2022-2023     | 45,155                            | 148,229   |           |           |           |           |           |           |            |            |            |
| 2023-2024     | 10,258                            |           |           |           |           |           |           |           |            |            |            |

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 |
|-----------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|
| 2002-2003 |             |              |              |              |              |              |              |               |                |                |                |
| 2003-2004 |             |              |              |              |              |              |              |               |                |                |                |
| 2004-2005 |             |              |              |              |              |              |              |               |                |                |                |
| 2005-2006 | 10.223      | 0.928        | 1.403        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.401          | 1.000          |
| 2006-2007 | 1.811       | 8.624        | 3.695        | 1.028        | 0.999        | 1.000        | 1.000        | 1.000         | 1.084          | 1.005          | 1.000          |
| 2007-2008 | 20.787      | 2.322        | 1.593        | 1.045        | 1.301        | 1.000        | 1.000        | 0.846         | 0.992          | 1.000          | 1.000          |
| 2008-2009 | 29.746      | 10.016       | 1.530        | 1.003        | 1.000        | 1.054        | 1.008        | 1.032         | 1.003          | 1.001          | 1.000          |
| 2009-2010 | 50.767      | 3.975        | 1.908        | 1.210        | 1.113        | 0.990        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2010-2011 | 12.689      | 2.409        | 1.114        | 1.346        | 1.000        | 1.884        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2011-2012 | 5.632       | 13.050       | 1.455        | 1.009        | 1.037        | 1.003        | 1.001        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2012-2013 | 16.877      | 0.969        | 2.129        | 1.076        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2013-2014 | 10.223      | 3.564        | 1.405        | 1.087        | 1.002        | 1.000        | 1.014        | 1.067         | 1.057          | 1.071          |                |
| 2014-2015 | 7.933       | 2.320        | 1.897        | 1.001        | 1.004        | 1.037        | 1.179        | 1.000         | 1.000          |                |                |
| 2015-2016 | 8.659       | 1.405        | 1.905        | 1.003        | 1.012        | 1.000        | 1.000        | 1.000         |                |                |                |
| 2016-2017 | 3.199       | 4.400        | 1.451        | 1.304        | 1.000        | 1.000        | 1.000        |               |                |                |                |
| 2017-2018 | 84.826      | 2.269        | 1.710        | 1.268        | 1.004        | 1.000        |              |               |                |                |                |
| 2018-2019 | 10.438      | 5.050        | 1.657        | 1.364        | 1.144        |              |              |               |                |                |                |
| 2019-2020 | 74.663      | 2.144        | 1.339        | 1.078        |              |              |              |               |                |                |                |
| 2020-2021 | 6.618       | 2.275        | 2.264        |              |              |              |              |               |                |                |                |
| 2021-2022 | 16.156      | 2.340        |              |              |              |              |              |               |                |                |                |
| 2022-2023 | 3.283       |              |              |              |              |              |              |               |                |                |                |

|                     | 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             | 20.807      | 4.004        | 1.778        | 1.121        | 1.044        | 1.074        | 1.017        | 0.995         | 1.014          | 1.053          | 1.000          |
| Dollar-Wtd. Avgs.   |             |              |              |              |              |              |              |               |                |                |                |
| Total               | 10.544      | 2.791        | 1.692        | 1.111        | 1.046        | 1.028        | 1.014        | 0.998         | 1.018          | 1.023          | 1.000          |
| 3-yr                | 6.592       | 2.234        | 1.608        | 1.234        | 1.059        | 1.000        | 1.058        | 1.031         | 1.024          | 1.025          | 1.000          |
| 4-yr                | 10.410      | 2.625        | 1.634        | 1.247        | 1.052        | 1.008        | 1.042        | 1.023         | 1.016          | 1.022          | 1.000          |
| Comparative Factors |             |              |              |              |              |              |              |               |                |                |                |
| Prior               | 3.157       | 1.304        | 1.011        | 1.002        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| Selected            | 15.000      | 3.250        | 1.650        | 1.200        | 1.035        | 1.025        | 1.015        | 1.015         | 1.010          | 1.000          | 1.000          |
| Cumulated           | 13.000      | 3.000        | 1.650        | 1.225        | 1.050        | 1.025        | 1.015        | 1.015         | 1.010          | 1.000          | 1.000          |
| Cumulated           | 88.218      | 6.786        | 2.262        | 1.371        | 1.119        | 1.066        | 1.040        | 1.025         | 1.010          | 1.000          | 1.000          |

San Mateo County Schools Insurance Group - Liability  
Paid Loss Development

| Accident Year | <u>Limited Losses Paid as of:</u> |            |            |            |            |            |            |            |            |            |            |
|---------------|-----------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|               | 138 Months                        | 150 Months | 162 Months | 174 Months | 186 Months | 198 Months | 210 Months | 222 Months | 234 Months | 246 Months | 258 Months |
| 2002-2003     |                                   |            |            | 821,264    | 821,264    | 821,264    | 821,264    | 821,264    | 821,264    | 821,264    | 821,264    |
| 2003-2004     |                                   |            | 452,972    | 452,972    | 452,972    | 452,972    | 452,972    | 452,972    | 452,972    | 452,972    | 452,972    |
| 2004-2005     |                                   | 632,176    | 632,463    | 632,859    | 632,859    | 632,859    | 632,859    | 632,859    | 632,859    | 632,859    |            |
| 2005-2006     | 333,410                           | 333,410    | 333,410    | 333,410    | 333,410    | 333,410    | 333,410    | 333,410    | 333,410    |            |            |
| 2006-2007     | 1,206,530                         | 1,206,530  | 1,206,530  | 1,206,530  | 1,206,530  | 1,206,530  | 1,206,530  | 1,206,530  |            |            |            |
| 2007-2008     | 738,888                           | 738,888    | 738,888    | 738,888    | 738,888    | 738,888    | 738,888    |            |            |            |            |
| 2008-2009     | 1,060,923                         | 1,060,923  | 1,060,923  | 1,060,923  | 1,060,923  |            |            |            |            |            |            |
| 2009-2010     | 978,107                           | 978,616    | 978,616    | 978,616    |            |            |            |            |            |            |            |
| 2010-2011     | 532,673                           | 532,673    | 532,673    |            |            |            |            |            |            |            |            |
| 2011-2012     | 1,506,498                         | 1,506,498  |            |            |            |            |            |            |            |            |            |
| 2012-2013     | 957,406                           |            |            |            |            |            |            |            |            |            |            |
| 2013-2014     |                                   |            |            |            |            |            |            |            |            |            |            |
| 2014-2015     |                                   |            |            |            |            |            |            |            |            |            |            |
| 2015-2016     |                                   |            |            |            |            |            |            |            |            |            |            |
| 2016-2017     |                                   |            |            |            |            |            |            |            |            |            |            |
| 2017-2018     |                                   |            |            |            |            |            |            |            |            |            |            |
| 2018-2019     |                                   |            |            |            |            |            |            |            |            |            |            |
| 2019-2020     |                                   |            |            |            |            |            |            |            |            |            |            |
| 2020-2021     |                                   |            |            |            |            |            |            |            |            |            |            |
| 2021-2022     |                                   |            |            |            |            |            |            |            |            |            |            |
| 2022-2023     |                                   |            |            |            |            |            |            |            |            |            |            |
| 2023-2024     |                                   |            |            |            |            |            |            |            |            |            |            |

Paid Loss Development Factors:

|                     | 138-150 Months | 150-162 Months | 162-174 Months | 174-186 Months | 186-198 Months | 198-210 Months | 210-222 Months | 222-234 Months | 234-246 Months | 246-258 Months | 258-Ult. Months |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| 2002-2003           |                |                |                | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                 |
| 2003-2004           |                |                | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                 |
| 2004-2005           |                | 1.000          | 1.001          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                 |
| 2005-2006           | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                |                 |
| 2006-2007           | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                |                |                 |
| 2007-2008           | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                |                |                |                 |
| 2008-2009           | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                |                |                |                |                 |
| 2009-2010           | 1.001          | 1.000          | 1.000          |                |                |                |                |                |                |                |                 |
| 2010-2011           | 1.000          | 1.000          |                |                |                |                |                |                |                |                |                 |
| 2011-2012           | 1.000          |                |                |                |                |                |                |                |                |                |                 |
| 2012-2013           |                |                |                |                |                |                |                |                |                |                |                 |
| 2013-2014           |                |                |                |                |                |                |                |                |                |                |                 |
| 2014-2015           |                |                |                |                |                |                |                |                |                |                |                 |
| 2015-2016           |                |                |                |                |                |                |                |                |                |                |                 |
| 2016-2017           |                |                |                |                |                |                |                |                |                |                |                 |
| 2017-2018           |                |                |                |                |                |                |                |                |                |                |                 |
| 2018-2019           |                |                |                |                |                |                |                |                |                |                |                 |
| 2019-2020           |                |                |                |                |                |                |                |                |                |                |                 |
| 2020-2021           |                |                |                |                |                |                |                |                |                |                |                 |
| 2021-2022           |                |                |                |                |                |                |                |                |                |                |                 |
| 2022-2023           |                |                |                |                |                |                |                |                |                |                |                 |
| Average             | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                 |
| Dollar-Wtd. Avgs    |                |                |                |                |                |                |                |                |                |                |                 |
| Total               | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                |                 |
| 3-yr                | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                 |
| 4-yr                | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                |                 |
| Comparative Factors |                |                |                |                |                |                |                |                |                |                |                 |
| Prior               | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |
| Selected            | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |
| Cumulated           | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |

San Mateo County Schools Insurance Group - Liability  
Paid between \$250,000 and \$500,000 Loss Development

| Accident Year | <u>Losses Paid as of:</u> |           |           |           |           |           |           |           |            |            |            |
|---------------|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
|               | 6 Months                  | 18 Months | 30 Months | 42 Months | 54 Months | 66 Months | 78 Months | 90 Months | 102 Months | 114 Months | 126 Months |
| 2007-2008     |                           |           |           |           |           |           |           |           | 203,506    | 203,506    | 203,506    |
| 2008-2009     |                           |           |           |           |           |           |           | 250,000   | 250,000    | 250,000    | 250,000    |
| 2009-2010     |                           |           |           |           |           |           | 90,263    | 90,263    | 90,263     | 90,263     | 90,263     |
| 2010-2011     |                           |           |           |           |           |           | 250,000   | 250,000   | 250,000    | 250,000    | 250,000    |
| 2011-2012     |                           |           |           |           | 557,194   | 557,194   | 557,194   | 557,194   | 557,194    | 557,194    | 557,194    |
| 2012-2013     |                           |           |           | 250,000   | 250,000   | 250,000   | 250,000   | 250,000   | 250,000    | 250,000    | 250,000    |
| 2013-2014     |                           |           |           | 156,670   | 155,280   | 155,280   | 155,280   | 155,280   | 155,280    | 155,280    | 188,835    |
| 2014-2015     |                           |           |           |           |           |           |           |           |            |            |            |
| 2015-2016     |                           |           |           |           |           |           |           |           |            |            |            |
| 2016-2017     |                           |           |           |           |           |           |           |           |            |            |            |
| 2017-2018     |                           |           |           | 236,020   | 236,020   | 236,020   | 236,020   |           |            |            |            |
| 2018-2019     |                           |           | 86,953    | 86,953    | 86,953    | 86,953    |           |           |            |            |            |
| 2019-2020     |                           |           |           |           | 43,464    |           |           |           |            |            |            |
| 2020-2021     |                           |           |           | 18,838    |           |           |           |           |            |            |            |
| 2021-2022     |                           |           |           |           |           |           |           |           |            |            |            |
| 2022-2023     |                           |           |           |           |           |           |           |           |            |            |            |
| 2023-2024     |                           |           |           |           |           |           |           |           |            |            |            |

|           | <u>Paid Loss Development Factors:</u> |              |              |              |              |              |              |               |                |                |                |
|-----------|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|
|           | 6-18 Months                           | 18-30 Months | 30-42 Months | 42-54 Months | 54-66 Months | 66-78 Months | 78-90 Months | 90-102 Months | 102-114 Months | 114-126 Months | 126-138 Months |
| 2007-2008 |                                       |              |              |              |              |              |              |               | 1.000          | 1.000          | 1.000          |
| 2008-2009 |                                       |              |              |              |              |              |              | 1.000         | 1.000          | 1.000          | 1.000          |
| 2009-2010 |                                       |              |              |              |              |              | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2010-2011 |                                       |              |              |              |              |              | 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 |                                       |              |              | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2013-2014 |                                       |              |              | 0.991        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.216          |
| 2014-2015 |                                       |              |              |              |              |              |              |               |                |                |                |
| 2015-2016 |                                       |              |              |              |              |              |              |               |                |                |                |
| 2016-2017 |                                       |              |              |              |              |              |              |               |                |                |                |
| 2017-2018 |                                       |              |              | 1.000        | 1.000        | 1.000        |              |               |                |                |                |
| 2018-2019 |                                       |              | 1.000        | 1.000        | 1.000        |              |              |               |                |                |                |
| 2019-2020 |                                       |              |              |              |              |              |              |               |                |                |                |
| 2020-2021 |                                       |              |              |              |              |              |              |               |                |                |                |
| 2021-2022 |                                       |              |              |              |              |              |              |               |                |                |                |
| 2022-2023 |                                       |              |              |              |              |              |              |               |                |                |                |

|                           | 6-18 Months | 18-30 Months | 30-42 Months | 42-54 Months | 54-66 Months | 66-78 Months | 78-90 Months | 90-102 Months | 102-114 Months | 114-126 Months | 126-138 Months |
|---------------------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|
| Average Dollar-Wtd. Avgs. |             |              | 1.000        | 0.998        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.027          | 1.000          |
| Total                     |             |              | 1.000        | 0.998        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.017          | 1.000          |
| 3-yr                      |             |              |              |              |              |              |              |               |                | 1.035          | 1.000          |
| 4-yr                      |             |              |              |              |              |              |              |               |                | 1.028          | 1.000          |
| Comparative Factors       | 9.044       | 3.111        | 1.786        | 1.350        | 1.167        | 1.086        | 1.062        | 1.039         | 1.026          | 1.013          | 1.005          |
| Prior                     | 15.000      | 4.515        | 1.840        | 1.280        | 1.125        | 1.015        | 1.005        | 1.000         | 1.000          | 1.000          | 1.000          |
| Selected                  | 13.000      | 3.000        | 1.650        | 1.225        | 1.050        | 1.025        | 1.015        | 1.015         | 1.010          | 1.000          | 1.000          |
| Cumulated                 | 88.218      | 6.786        | 2.262        | 1.371        | 1.119        | 1.066        | 1.040        | 1.025         | 1.010          | 1.000          | 1.000          |

San Mateo County Schools Insurance Group - Liability  
Paid between \$250,000 and \$500,000 Loss Development

| Accident Year | <u>Losses Paid as of:</u> |            |            |            |            |            |            |
|---------------|---------------------------|------------|------------|------------|------------|------------|------------|
|               | 138 Months                | 150 Months | 162 Months | 174 Months | 186 Months | 198 Months | 210 Months |
| 2007-2008     | 203,506                   | 203,506    | 203,506    | 203,506    | 203,506    | 203,506    | 203,506    |
| 2008-2009     | 250,000                   | 250,000    | 250,000    | 250,000    | 250,000    |            |            |
| 2009-2010     | 90,263                    | 90,263     | 90,263     | 90,263     |            |            |            |
| 2010-2011     | 250,000                   | 250,000    | 250,000    |            |            |            |            |
| 2011-2012     | 557,194                   | 557,194    |            |            |            |            |            |
| 2012-2013     | 250,000                   |            |            |            |            |            |            |
| 2013-2014     |                           |            |            |            |            |            |            |
| 2014-2015     |                           |            |            |            |            |            |            |
| 2015-2016     |                           |            |            |            |            |            |            |
| 2016-2017     |                           |            |            |            |            |            |            |
| 2017-2018     |                           |            |            |            |            |            |            |
| 2018-2019     |                           |            |            |            |            |            |            |
| 2019-2020     |                           |            |            |            |            |            |            |
| 2020-2021     |                           |            |            |            |            |            |            |
| 2021-2022     |                           |            |            |            |            |            |            |
| 2022-2023     |                           |            |            |            |            |            |            |
| 2023-2024     |                           |            |            |            |            |            |            |

|           | <u>Paid Loss Development Factors:</u> |                |                |                |                |                |                 |
|-----------|---------------------------------------|----------------|----------------|----------------|----------------|----------------|-----------------|
|           | 138-150 Months                        | 150-162 Months | 162-174 Months | 174-186 Months | 186-198 Months | 198-210 Months | 210-Ult. Months |
| 2007-2008 | 1.000                                 | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                 |
| 2008-2009 | 1.000                                 | 1.000          | 1.000          | 1.000          |                |                |                 |
| 2009-2010 | 1.000                                 | 1.000          | 1.000          |                |                |                |                 |
| 2010-2011 | 1.000                                 | 1.000          |                |                |                |                |                 |
| 2011-2012 | 1.000                                 |                |                |                |                |                |                 |
| 2012-2013 |                                       |                |                |                |                |                |                 |
| 2013-2014 |                                       |                |                |                |                |                |                 |
| 2014-2015 |                                       |                |                |                |                |                |                 |
| 2015-2016 |                                       |                |                |                |                |                |                 |
| 2016-2017 |                                       |                |                |                |                |                |                 |
| 2017-2018 |                                       |                |                |                |                |                |                 |
| 2018-2019 |                                       |                |                |                |                |                |                 |
| 2019-2020 |                                       |                |                |                |                |                |                 |
| 2020-2021 |                                       |                |                |                |                |                |                 |
| 2021-2022 |                                       |                |                |                |                |                |                 |
| 2022-2023 |                                       |                |                |                |                |                |                 |

|                     | 138-150 Months | 150-162 Months | 162-174 Months | 174-186 Months | 186-198 Months | 198-210 Months | 210-Ult. Months |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| Average             | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                 |
| Dollar-Wtd. Avgs    |                |                |                |                |                |                |                 |
| Total               | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                 |
| 3-yr                | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                 |
| 4-yr                | 1.000          | 1.000          | 1.000          |                |                |                |                 |
| Comparative Factors |                |                |                |                |                |                |                 |
| Prior               | 1.005          | 1.005          | 1.008          | 1.006          | 1.000          | 1.000          | 1.000           |
| Selected            | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |
| Cumulated           | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |

San Mateo County Schools Insurance Group - Liability

Exposure and Development Method  
Based on Reported Losses

| Accident Year | Total ADA<br>0<br>(A) | Reported Losses as of 12/31/23<br>(B) | Reported Loss Development Factor<br>(C) | Percentage of Losses Yet to Be Reported<br>(D) | Program Rate<br>(E) | Incurred but not Reported (IBNR)<br>(F) | Ultimate Program Losses<br>(G) |
|---------------|-----------------------|---------------------------------------|---|--|---------------------|---|--------------------------------|
| 2003-2004     | \$92,511              | \$452,972                             | 1.000                                   | 0.000  | \$4.730             | \$0                                     | \$452,972                      |
| 2004-2005     | 92,523                | 632,859                               | 1.000                                   | 0.000  | 6.594               | 0                                       | 632,859                        |
| 2005-2006     | 92,184                | 333,410                               | 1.000                                   | 0.000  | 3.617               | 0                                       | 333,410                        |
| 2006-2007     | 92,184                | 1,206,530                             | 1.000                                   | 0.000  | 13.088              | 0                                       | 1,206,530                      |
| 2007-2008     | 92,816                | 738,888                               | 1.000                                   | 0.000  | 7.961               | 0                                       | 738,888                        |
| 2008-2009     | 93,447                | 1,060,923                             | 1.000                                   | 0.000  | 11.353              | 0                                       | 1,060,923                      |
| 2009-2010     | 94,079                | 978,616                               | 1.000                                   | 0.000  | 10.402              | 0                                       | 978,616                        |
| 2010-2011     | 94,614                | 532,673                               | 1.000                                   | 0.000  | 5.630               | 0                                       | 532,673                        |
| 2011-2012     | 96,288                | 1,506,498                             | 1.000                                   | 0.000  | 15.646              | 0                                       | 1,506,498                      |
| 2012-2013     | 95,012                | 957,406                               | 1.000                                   | 0.000  | 10.077              | 0                                       | 957,406                        |
| 2013-2014     | 97,818                | 1,449,758                             | 1.000                                   | 0.000  | 14.821              | 0                                       | 1,449,758                      |
| 2014-2015     | 99,020                | 815,664                               | 1.000                                   | 0.000  | 8.237               | 0                                       | 815,664                        |
| 2015-2016     | 94,000                | 590,524                               | 1.000                                   | 0.000  | 6.282               | 0                                       | 590,524                        |
| 2016-2017     | 88,685                | 833,158                               | 1.001                                   | 0.001  | 9.395               | 833                                     | 833,991                        |
| 2017-2018     | 85,893                | 1,138,984                             | 1.006                                   | 0.006  | 13.260              | 6,834                                   | 1,145,818                      |
| 2018-2019     | 89,459                | 1,652,140                             | 1.021                                   | 0.021  | 14.009              | 26,318                                  | 1,678,458                      |
| 2019-2020     | 88,160                | 1,199,304                             | 1.047                                   | 0.045  | 14.432              | 57,255                                  | 1,256,559                      |
| 2020-2021     | 89,806                | 619,958                               | 1.078                                   | 0.072  | 14.867              | 96,131                                  | 716,089                        |
| 2021-2022     | 89,806                | 1,120,199                             | 1.191                                   | 0.160  | 15.316              | 220,075                                 | 1,340,274                      |
| 2022-2023     | 80,183                | 768,340                               | 1.864                                   | 0.464  | 15.777              | 586,982                                 | 1,355,322                      |
| 2023-2024     | 79,335                | 63,498                                | 23.300                                  | 0.957  | 16.250              | 1,233,758                               | 1,297,256                      |
| Totals        | 1,917,823             | \$18,652,302                          |   |  |                     | \$2,228,185                             | \$20,880,487                   |

Notes:

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

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

San Mateo County Schools Insurance Group - Liability

Exposure and Development Method  
Based on Paid Losses

| Accident Year | Total ADA<br>0<br>(A) | Paid Losses as of 12/31/23<br>(B) | Paid Loss Development Factor<br>(C) | Percentage of Losses Yet to Be Paid<br>(D) | Program Rate<br>(E) | Incurred but not Paid<br>(F) | Ultimate Program Losses<br>(G) |
|---------------|-----------------------|-----------------------------------|-------------------------------------|--|---------------------|------------------------------|--------------------------------|
| 2003-2004     | \$92,511              | \$452,972                         | 1.000                               | 0.000                                      | \$4.730             | \$0                          | \$452,972                      |
| 2004-2005     | 92,523                | 632,859                           | 1.000                               | 0.000                                      | 6.594               | 0                            | 632,859                        |
| 2005-2006     | 92,184                | 333,410                           | 1.000                               | 0.000                                      | 3.617               | 0                            | 333,410                        |
| 2006-2007     | 92,184                | 1,206,530                         | 1.000                               | 0.000                                      | 13.088              | 0                            | 1,206,530                      |
| 2007-2008     | 92,816                | 738,888                           | 1.000                               | 0.000                                      | 7.961               | 0                            | 738,888                        |
| 2008-2009     | 93,447                | 1,060,923                         | 1.000                               | 0.000                                      | 11.353              | 0                            | 1,060,923                      |
| 2009-2010     | 94,079                | 978,616                           | 1.000                               | 0.000                                      | 10.402              | 0                            | 978,616                        |
| 2010-2011     | 94,614                | 532,673                           | 1.000                               | 0.000                                      | 5.630               | 0                            | 532,673                        |
| 2011-2012     | 96,288                | 1,506,498                         | 1.000                               | 0.000                                      | 15.646              | 0                            | 1,506,498                      |
| 2012-2013     | 95,012                | 957,406                           | 1.000                               | 0.000                                      | 10.077              | 0                            | 957,406                        |
| 2013-2014     | 97,818                | 1,449,758                         | 1.000                               | 0.000                                      | 14.821              | 0                            | 1,449,758                      |
| 2014-2015     | 99,020                | 815,664                           | 1.000                               | 0.000                                      | 8.237               | 0                            | 815,664                        |
| 2015-2016     | 94,000                | 590,524                           | 1.010                               | 0.010                                      | 6.282               | 5,905                        | 596,429                        |
| 2016-2017     | 88,685                | 833,158                           | 1.025                               | 0.024                                      | 9.395               | 19,997                       | 853,155                        |
| 2017-2018     | 85,893                | 1,138,984                         | 1.040                               | 0.038                                      | 13.260              | 43,280                       | 1,182,264                      |
| 2018-2019     | 89,459                | 1,500,214                         | 1.066                               | 0.062                                      | 14.009              | 77,700                       | 1,577,914                      |
| 2019-2020     | 88,160                | 1,071,709                         | 1.119                               | 0.106                                      | 14.432              | 134,866                      | 1,206,575                      |
| 2020-2021     | 89,806                | 591,291                           | 1.371                               | 0.271                                      | 14.867              | 361,825                      | 953,116                        |
| 2021-2022     | 89,806                | 589,112                           | 2.262                               | 0.558                                      | 15.316              | 767,512                      | 1,356,624                      |
| 2022-2023     | 80,183                | 148,229                           | 6.786                               | 0.853                                      | 15.777              | 1,079,085                    | 1,227,314                      |
| 2023-2024     | 79,335                | 10,258                            | 88.218                              | 0.989                                      | 16.250              | 1,275,013                    | 1,285,271                      |
| Totals        | 1,917,823             | \$17,139,676                      |                                     |  |                     | \$3,765,182                  | \$20,904,858                   |

Notes:

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

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

San Mateo County Schools Insurance Group - Liability

Exposure and Development Method

| Accident Year | Total ADA 0 (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) |
|---------------|-----------------|-----------------------------|------------------|----------------------------|-------------------------------|-----------------------|-------------------|-----------------------|
| 2003-2004     | \$92,511        | \$452,972                   | 1.808            | \$818,973                  | \$8.853                       | \$4.896               | 0.966             | \$4.730               |
| 2004-2005     | 92,523          | 632,859                     | 1.755            | 1,110,668                  | 12.004                        | 6.840                 | 0.964             | 6.594                 |
| 2005-2006     | 92,184          | 333,410                     | 1.704            | 568,131                    | 6.163                         | 3.617                 | 1.000             | 3.617                 |
| 2006-2007     | 92,184          | 1,206,530                   | 1.654            | 1,995,601                  | 21.648                        | 13.088                | 1.000             | 13.088                |
| 2007-2008     | 92,816          | 738,888                     | 1.606            | 1,186,654                  | 12.785                        | 7.961                 | 1.000             | 7.961                 |
| 2008-2009     | 93,447          | 1,060,923                   | 1.559            | 1,653,979                  | 17.700                        | 11.353                | 1.000             | 11.353                |
| 2009-2010     | 94,079          | 978,616                     | 1.513            | 1,480,646                  | 15.738                        | 10.402                | 1.000             | 10.402                |
| 2010-2011     | 94,614          | 532,673                     | 1.469            | 782,497                    | 8.270                         | 5.630                 | 1.000             | 5.630                 |
| 2011-2012     | 96,288          | 1,506,498                   | 1.426            | 2,148,266                  | 22.311                        | 15.646                | 1.000             | 15.646                |
| 2012-2013     | 95,012          | 957,406                     | 1.385            | 1,326,007                  | 13.956                        | 10.077                | 1.000             | 10.077                |
| 2013-2014     | 97,818          | 1,449,758                   | 1.345            | 1,949,925                  | 19.934                        | 14.821                | 1.000             | 14.821                |
| 2014-2015     | 99,020          | 815,664                     | 1.306            | 1,065,257                  | 10.758                        | 8.237                 | 1.000             | 8.237                 |
| 2015-2016     | 94,000          | 590,524                     | 1.267            | 748,194                    | 7.960                         | 6.282                 | 1.000             | 6.282                 |
| 2016-2017     | 88,685          | 833,158                     | 1.231            | 1,025,618                  | 11.565                        | 9.395                 | 1.000             | 9.395                 |
| 2017-2018     | 85,893          | 1,138,984                   | 1.195            | 1,361,086                  | 15.846                        | 13.260                | 1.000             | 13.260                |
| 2018-2019     | 89,459          | 1,687,000                   | 1.160            | 1,956,920                  | 21.875                        | 14.009                | 1.000             | 14.009                |
| 2019-2020     | 88,160          | 1,256,000                   | 1.126            | 1,414,256                  | 16.042                        | 14.432                | 1.000             | 14.432                |
| 2020-2021     | 89,806          | 740,000                     | 1.093            | 808,820                    | 9.006                         | 14.867                | 1.000             | 14.867                |
| 2021-2022     | 89,806          | 1,334,000                   | 1.061            | 1,415,374                  | 15.760                        | 15.316                | 1.000             | 15.316                |
| 2022-2023     | 80,183          | 1,326,000                   | 1.030            | 1,365,780                  | 17.033                        | 15.777                | 1.000             | 15.777                |
| 2023-2024     | 79,335          | 1,336,000                   | 1.000            | 1,336,000                  | 16.840                        | 16.250                | 1.000             | 16.250                |
| Total/Avg     | 1,917,823       | \$20,907,863                |                  | \$27,518,650               | \$14.349                      |                       |                   |                       |
| 17/18-21/22   | 443,124         | 6,155,984                   |                  | 6,956,456                  | 15.699                        |                       |                   |                       |
| 18/19-22/23   | 437,414         | 6,343,000                   |                  | 6,961,150                  | 15.914                        |                       |                   |                       |
|               |                 |                             |                  | Selected Limited Rate:     | \$16.250                      |                       |                   |                       |
|               |                 |                             |                  | Prior:                     | \$15.140                      |                       |                   |                       |

Notes:

- (A) GL - Appendix M, Column (C).
- (B) Selected average of results from Appendices A and B.
- (C) From GL - Appendix E, Page 1, Column (B).
- (D) (B) x (C).
- (E) (D) / (A).
- (F) Selected Limited Rate / (C). For 2017-2018 and prior (B) / (A).
- (G) Based on a 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.

San Mateo County Schools Insurance Group - Liability

Frequency and Severity Method

| Accident Year | Ultimate Program Severity (A) | Adjusted Ultimate Claims (B) | Ultimate Program Losses (C) |
|---------------|-------------------------------|------------------------------|-----------------------------|
| Prior         | \$10,441                      | 645                          | \$6,734,445                 |
| 2003-2004     | 10,418                        | 42                           | 437,556                     |
| 2004-2005     | 11,511                        | 53                           | 610,083                     |
| 2005-2006     | 7,409                         | 45                           | 333,405                     |
| 2006-2007     | 28,059                        | 43                           | 1,206,537                   |
| 2007-2008     | 16,793                        | 44                           | 738,892                     |
| 2008-2009     | 30,312                        | 35                           | 1,060,920                   |
| 2009-2010     | 26,449                        | 37                           | 978,613                     |
| 2010-2011     | 12,388                        | 43                           | 532,684                     |
| 2011-2012     | 26,902                        | 56                           | 1,506,512                   |
| 2012-2013     | 22,795                        | 42                           | 957,390                     |
| 2013-2014     | 39,183                        | 37                           | 1,449,771                   |
| 2014-2015     | 20,914                        | 39                           | 815,646                     |
| 2015-2016     | 12,052                        | 49                           | 590,548                     |
| 2016-2017     | 18,112                        | 46                           | 833,152                     |
| 2017-2018     | 23,729                        | 48                           | 1,138,992                   |
| 2018-2019     | 28,879                        | 49                           | 1,415,071                   |
| 2019-2020     | 29,751                        | 39                           | 1,160,289                   |
| 2020-2021     | 30,650                        | 23                           | 704,950                     |
| 2021-2022     | 31,574                        | 28                           | 884,072                     |
| 2022-2023     | 32,524                        | 62                           | 2,016,488                   |
| 2023-2024     | 33,500                        | 32                           | 1,072,000                   |
| Total         |                               | 1,537                        | \$27,178,016                |

Notes:

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

San Mateo 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) |
|---------------|-----------------------------|------------------------------|-------------------------------|------------------|------------------------------|----------------------|-------------------|----------------------|
| Prior         | \$7,550,000                 | 645                          | \$11,705                      | 1.862            | \$21,795                     | \$11,705             | 0.892             | \$10,441             |
| 2003-2004     | 452,972                     | 42                           | 10,785                        | 1.808            | 19,499                       | 10,785               | 0.966             | 10,418               |
| 2004-2005     | 632,859                     | 53                           | 11,941                        | 1.755            | 20,956                       | 11,941               | 0.964             | 11,511               |
| 2005-2006     | 333,410                     | 45                           | 7,409                         | 1.704            | 12,625                       | 7,409                | 1.000             | 7,409                |
| 2006-2007     | 1,206,530                   | 43                           | 28,059                        | 1.654            | 46,410                       | 28,059               | 1.000             | 28,059               |
| 2007-2008     | 738,888                     | 44                           | 16,793                        | 1.606            | 26,970                       | 16,793               | 1.000             | 16,793               |
| 2008-2009     | 1,060,923                   | 35                           | 30,312                        | 1.559            | 47,256                       | 30,312               | 1.000             | 30,312               |
| 2009-2010     | 978,616                     | 37                           | 26,449                        | 1.513            | 40,017                       | 26,449               | 1.000             | 26,449               |
| 2010-2011     | 532,673                     | 43                           | 12,388                        | 1.469            | 18,198                       | 12,388               | 1.000             | 12,388               |
| 2011-2012     | 1,506,498                   | 56                           | 26,902                        | 1.426            | 38,362                       | 26,902               | 1.000             | 26,902               |
| 2012-2013     | 957,406                     | 42                           | 22,795                        | 1.385            | 31,571                       | 22,795               | 1.000             | 22,795               |
| 2013-2014     | 1,449,758                   | 37                           | 39,183                        | 1.345            | 52,701                       | 39,183               | 1.000             | 39,183               |
| 2014-2015     | 815,664                     | 39                           | 20,914                        | 1.306            | 27,314                       | 20,914               | 1.000             | 20,914               |
| 2015-2016     | 590,524                     | 49                           | 12,052                        | 1.267            | 15,270                       | 12,052               | 1.000             | 12,052               |
| 2016-2017     | 833,158                     | 46                           | 18,112                        | 1.231            | 22,296                       | 18,112               | 1.000             | 18,112               |
| 2017-2018     | 1,138,984                   | 48                           | 23,729                        | 1.195            | 28,356                       | 23,729               | 1.000             | 23,729               |
| 2018-2019     | 1,683,000                   | 49                           | 34,347                        | 1.160            | 39,843                       | 28,879               | 1.000             | 28,879               |
| 2019-2020     | 1,257,000                   | 39                           | 32,231                        | 1.126            | 36,292                       | 29,751               | 1.000             | 29,751               |
| 2020-2021     | 693,000                     | 23                           | 30,130                        | 1.093            | 32,932                       | 30,650               | 1.000             | 30,650               |
| 2021-2022     | 1,338,000                   | 28                           | 47,786                        | 1.061            | 50,701                       | 31,574               | 1.000             | 31,574               |
| 2022-2023     | 1,413,000                   | 62                           | 22,790                        | 1.030            | 23,474                       | 32,524               | 1.000             | 32,524               |
| 2023-2024     | 1,480,000                   | 32                           | 46,250                        | 1.000            | 46,250                       | 33,500               | 1.000             | 33,500               |

Average Limited Severity: \$31,777  
 Average 17/18-20/21 Limited Severity: 34,356  
 Average 18/19-22/23 Limited Severity: 36,648

Selected Limited Severity: \$33,500  
 Prior: \$31,950

Notes:

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

San Mateo 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) | Total ADA (in Billions) (D) | Claim Frequency (E) | Trend Factor (F) | Trended Claim Frequency (G) |
|---------------|--------------------------------|------------------------------|------------------------------|-----------------------------|---------------------|------------------|-----------------------------|
| Prior         | 645                            | 633                          | 645                          | 0.0                         |                     | 1.000            |                             |
| 2003-2004     | 42                             | 42                           | 42                           | 9.3                         | 4.540               | 1.000            | 4.540                       |
| 2004-2005     | 53                             | 53                           | 53                           | 9.3                         | 5.728               | 1.000            | 5.728                       |
| 2005-2006     | 45                             | 45                           | 45                           | 9.2                         | 4.882               | 1.000            | 4.882                       |
| 2006-2007     | 43                             | 43                           | 43                           | 9.2                         | 4.665               | 1.000            | 4.665                       |
| 2007-2008     | 44                             | 44                           | 44                           | 9.3                         | 4.741               | 1.000            | 4.741                       |
| 2008-2009     | 35                             | 35                           | 35                           | 9.3                         | 3.745               | 1.000            | 3.745                       |
| 2009-2010     | 37                             | 37                           | 37                           | 9.4                         | 3.933               | 1.000            | 3.933                       |
| 2010-2011     | 43                             | 43                           | 43                           | 9.5                         | 4.545               | 1.000            | 4.545                       |
| 2011-2012     | 56                             | 56                           | 56                           | 9.6                         | 5.816               | 1.000            | 5.816                       |
| 2012-2013     | 42                             | 42                           | 42                           | 9.5                         | 4.420               | 1.000            | 4.420                       |
| 2013-2014     | 37                             | 36                           | 37                           | 9.8                         | 3.783               | 1.000            | 3.783                       |
| 2014-2015     | 39                             | 39                           | 39                           | 9.9                         | 3.939               | 1.000            | 3.939                       |
| 2015-2016     | 49                             | 49                           | 49                           | 9.4                         | 5.213               | 1.000            | 5.213                       |
| 2016-2017     | 46                             | 46                           | 46                           | 8.9                         | 5.187               | 1.000            | 5.187                       |
| 2017-2018     | 48                             | 49                           | 48                           | 8.6                         | 5.588               | 1.000            | 5.588                       |
| 2018-2019     | 49                             | 48                           | 49                           | 8.9                         | 5.477               | 1.000            | 5.477                       |
| 2019-2020     | 39                             | 38                           | 39                           | 8.8                         | 4.424               | 1.000            | 4.424                       |
| 2020-2021     | 23                             | 23                           | 23                           | 9.0                         | 2.561               | 1.000            | 2.561                       |
| 2021-2022     | 28                             | 29                           | 28                           | 9.0                         | 3.118               | 1.000            | 3.118                       |
| 2022-2023     | 58                             | 65                           | 62                           | 8.0                         | 7.732               | 1.000            | 7.732                       |
| 2023-2024     | 26                             | 34                           | 32                           | 7.9                         | 4.034               | 1.000            | 4.034                       |
| Total         | 1,527                          | 1,529                        | 1,537                        | 191.8                       |                     |                  | 4.651                       |
| 20/21-23/24   | 135                            | 151                          | 145                          | 33.9                        |                     |                  | 4.276                       |

(H) Selected Frequency: 5.175  
Prior: 4.300

| Program Year:               | 2023-2024 | 2024-2025 |
|-----------------------------|-----------|-----------|
| (I) Trend Factor:           | 1.000     | 1.000     |
| (J) Selected Frequency:     | 4.034     | 5.175     |
| (K) Est. ADA (in Billions): | 7.9       | 7.9       |
| (L) Ultimate Claims:        | 32        | 41        |

Notes:

- (A) GL - Appendix D, Page 4, (C).
- (B) GL - Appendix D, Page 5, (C).
- (C) Selected from (A) and (B).
- (D) GL - Appendix M, Column (C) / 10,000.
- (E) (C) / (D).
- (F) GL - Appendix E, Page 1, Column (F).
- (G) (E) x (F).
- (H) The selected frequency of 5.175 is based on (G).
- (I) GL - Appendix E, Page 1, Column (F).
- (J) (H) x (I). 2023-2024 is (L) / (K).
- (K) GL - Appendix M, Column (C) / 10,000.
- (L) (J) x (K). 2023-2024 is (C).

This exhibit summarizes the estimated numbers of claims and shows the estimated frequencies per total ADA (in billions).

San Mateo County Schools Insurance Group - Liability

Frequency and Severity Method  
Reported Claim Count Development

| Accident Year | Claims Reported as of 12/31/2023 (A) | Reported Claim Development Factor (B) | Ultimate Claims (C) | Trended Claim Frequency (D) |
|---------------|--------------------------------------|---------------------------------------|---------------------|-----------------------------|
| Prior         | 645                                  | 1.000                                 | 645                 |                             |
| 2003-2004     | 42                                   | 1.000                                 | 42                  | 4.540                       |
| 2004-2005     | 53                                   | 1.000                                 | 53                  | 5.728                       |
| 2005-2006     | 45                                   | 1.000                                 | 45                  | 4.882                       |
| 2006-2007     | 43                                   | 1.000                                 | 43                  | 4.665                       |
| 2007-2008     | 44                                   | 1.000                                 | 44                  | 4.741                       |
| 2008-2009     | 35                                   | 1.000                                 | 35                  | 3.745                       |
| 2009-2010     | 37                                   | 1.000                                 | 37                  | 3.933                       |
| 2010-2011     | 43                                   | 1.000                                 | 43                  | 4.545                       |
| 2011-2012     | 56                                   | 1.000                                 | 56                  | 5.816                       |
| 2012-2013     | 42                                   | 1.000                                 | 42                  | 4.420                       |
| 2013-2014     | 37                                   | 1.000                                 | 37                  | 3.783                       |
| 2014-2015     | 39                                   | 1.000                                 | 39                  | 3.939                       |
| 2015-2016     | 49                                   | 1.000                                 | 49                  | 5.213                       |
| 2016-2017     | 46                                   | 1.000                                 | 46                  | 5.187                       |
| 2017-2018     | 48                                   | 1.000                                 | 48                  | 5.588                       |
| 2018-2019     | 49                                   | 1.000                                 | 49                  | 5.477                       |
| 2019-2020     | 39                                   | 1.003                                 | 39                  | 4.424                       |
| 2020-2021     | 23                                   | 1.010                                 | 23                  | 2.561                       |
| 2021-2022     | 27                                   | 1.020                                 | 28                  | 3.118                       |
| 2022-2023     | 56                                   | 1.040                                 | 58                  | 7.233                       |
| 2023-2024     | 9                                    | 2.912                                 | 26                  | 3.277                       |
| Total         | 1,507                                |                                       | 1,527               | 4.599                       |

Notes:

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

San Mateo County Schools Insurance Group - Liability

Frequency and Severity Method  
Closed Claim Count Development

| Accident Year | Claims Closed as of 12/31/2023 (A) | Closed Claim Development Factor (B) | Ultimate Claims (C) | Trended Claim Frequency (D) |
|---------------|------------------------------------|-------------------------------------|---------------------|-----------------------------|
| Prior         | 633                                | 1.000                               | 633                 |                             |
| 2003-2004     | 42                                 | 1.000                               | 42                  | 4.540                       |
| 2004-2005     | 53                                 | 1.000                               | 53                  | 5.728                       |
| 2005-2006     | 45                                 | 1.000                               | 45                  | 4.882                       |
| 2006-2007     | 43                                 | 1.000                               | 43                  | 4.665                       |
| 2007-2008     | 44                                 | 1.000                               | 44                  | 4.741                       |
| 2008-2009     | 35                                 | 1.000                               | 35                  | 3.745                       |
| 2009-2010     | 37                                 | 1.000                               | 37                  | 3.933                       |
| 2010-2011     | 43                                 | 1.000                               | 43                  | 4.545                       |
| 2011-2012     | 56                                 | 1.000                               | 56                  | 5.816                       |
| 2012-2013     | 42                                 | 1.000                               | 42                  | 4.420                       |
| 2013-2014     | 36                                 | 1.000                               | 36                  | 3.680                       |
| 2014-2015     | 39                                 | 1.000                               | 39                  | 3.939                       |
| 2015-2016     | 49                                 | 1.003                               | 49                  | 5.213                       |
| 2016-2017     | 46                                 | 1.008                               | 46                  | 5.187                       |
| 2017-2018     | 48                                 | 1.018                               | 49                  | 5.705                       |
| 2018-2019     | 46                                 | 1.038                               | 48                  | 5.366                       |
| 2019-2020     | 35                                 | 1.080                               | 38                  | 4.310                       |
| 2020-2021     | 20                                 | 1.166                               | 23                  | 2.561                       |
| 2021-2022     | 21                                 | 1.399                               | 29                  | 3.229                       |
| 2022-2023     | 31                                 | 2.099                               | 65                  | 8.106                       |
| 2023-2024     | 2                                  | 16.792                              | 34                  | 4.286                       |
| Total         | 1,446                              |                                     | 1,529               | 4.672                       |

Notes:

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

San Mateo County Schools Insurance Group - Liability  
Reported Claim Count Development

| Accident Year | Claims Reported as of: |           |           |           |           |           |           |           |            |            |            |            |            |            |
|---------------|------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|------------|
|               | 6 Months               | 18 Months | 30 Months | 42 Months | 54 Months | 66 Months | 78 Months | 90 Months | 102 Months | 114 Months | 126 Months | 138 Months | 150 Months | 162 Months |
| 2002-2003     |                        |           |           |           |           |           |           |           |            |            |            |            |            |            |
| 2003-2004     |                        |           |           |           |           |           |           |           |            |            |            |            |            | 42         |
| 2004-2005     |                        |           |           |           |           |           |           |           |            |            |            |            | 53         | 53         |
| 2005-2006     |                        |           |           |           |           |           |           |           |            |            |            | 45         | 45         | 45         |
| 2006-2007     |                        |           |           |           |           |           |           |           |            |            | 43         | 43         | 43         | 43         |
| 2007-2008     |                        |           |           |           |           |           |           |           |            | 44         | 44         | 44         | 44         | 44         |
| 2008-2009     |                        |           |           |           |           |           |           |           | 35         | 35         | 35         | 35         | 35         | 35         |
| 2009-2010     |                        |           |           |           |           |           |           | 36        | 36         | 36         | 36         | 37         | 37         | 37         |
| 2010-2011     |                        |           |           |           |           |           | 43        | 43        | 43         | 43         | 43         | 43         | 43         | 43         |
| 2011-2012     |                        |           |           |           |           | 58        | 56        | 56        | 56         | 57         | 57         | 56         | 56         |            |
| 2012-2013     |                        |           |           |           | 43        | 42        | 42        | 42        | 43         | 43         | 43         | 42         |            |            |
| 2013-2014     |                        |           |           | 36        | 36        | 36        | 36        | 36        | 37         | 37         | 37         |            |            |            |
| 2014-2015     |                        |           | 37        | 41        | 40        | 39        | 39        | 39        | 39         | 39         |            |            |            |            |
| 2015-2016     |                        | 54        | 48        | 48        | 49        | 49        | 49        | 49        | 49         |            |            |            |            |            |
| 2016-2017     | 22                     | 49        | 47        | 47        | 47        | 46        | 48        | 46        |            |            |            |            |            |            |
| 2017-2018     | 20                     | 68        | 55        | 48        | 49        | 48        | 48        |           |            |            |            |            |            |            |
| 2018-2019     | 18                     | 59        | 51        | 49        | 49        | 49        |           |           |            |            |            |            |            |            |
| 2019-2020     | 22                     | 39        | 40        | 39        | 39        |           |           |           |            |            |            |            |            |            |
| 2020-2021     | 10                     | 23        | 23        | 23        |           |           |           |           |            |            |            |            |            |            |
| 2021-2022     | 13                     | 29        | 27        |           |           |           |           |           |            |            |            |            |            |            |
| 2022-2023     | 10                     | 56        |           |           |           |           |           |           |            |            |            |            |            |            |
| 2023-2024     | 9                      |           |           |           |           |           |           |           |            |            |            |            |            |            |

Reported Claim Count Development Factors:

|                     | 6-18 Months | 18-30 Months | 30-42 Months | 42-54 Months | 54-66 Months | 66-78 Months | 78-90 Months | 90-102 Months | 102-114 Months | 114-126 Months | 126-138 Months | 138-150 Months | 150-162 Months | 162-174 Months |
|---------------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 2002-2003           |             |              |              |              |              |              |              |               |                |                |                |                |                |                |
| 2003-2004           |             |              |              |              |              |              |              |               |                |                |                |                |                | 1.000          |
| 2004-2005           |             |              |              |              |              |              |              |               |                |                |                |                | 1.000          | 1.000          |
| 2005-2006           |             |              |              |              |              |              |              |               |                |                |                | 1.000          | 1.000          | 1.000          |
| 2006-2007           |             |              |              |              |              |              |              |               |                |                | 1.000          | 1.000          | 1.000          | 1.000          |
| 2007-2008           |             |              |              |              |              |              |              |               |                | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 2008-2009           |             |              |              |              |              |              |              |               | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 2009-2010           |             |              |              |              |              |              |              | 1.000         | 1.000          | 1.000          | 1.028          | 1.000          | 1.000          | 1.000          |
| 2010-2011           |             |              |              |              |              |              | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                |
| 2011-2012           |             |              |              |              |              | 0.966        | 1.000        | 1.000         | 1.018          | 1.000          | 0.982          | 1.000          |                |                |
| 2012-2013           |             |              |              |              | 0.977        | 1.000        | 1.000        | 1.024         | 1.000          | 1.000          | 0.977          |                |                |                |
| 2013-2014           |             |              |              | 1.000        | 1.000        | 1.000        | 1.000        | 1.028         | 1.000          | 1.000          |                |                |                |                |
| 2014-2015           |             |              | 1.108        | 0.976        | 0.975        | 1.000        | 1.000        | 1.000         | 1.000          |                |                |                |                |                |
| 2015-2016           |             | 0.889        | 1.000        | 1.021        | 1.000        | 1.000        | 1.000        | 1.000         |                |                |                |                |                |                |
| 2016-2017           | 2.227       | 0.959        | 1.000        | 1.000        | 0.979        | 1.043        | 0.958        |               |                |                |                |                |                |                |
| 2017-2018           | 3.400       | 0.809        | 0.873        | 1.021        | 0.980        | 1.000        |              |               |                |                |                |                |                |                |
| 2018-2019           | 3.278       | 0.864        | 0.961        | 1.000        | 1.000        |              |              |               |                |                |                |                |                |                |
| 2019-2020           | 1.773       | 1.026        | 0.975        | 1.000        |              |              |              |               |                |                |                |                |                |                |
| 2020-2021           | 2.300       | 1.000        | 1.000        |              |              |              |              |               |                |                |                |                |                |                |
| 2021-2022           | 2.231       | 0.931        |              |              |              |              |              |               |                |                |                |                |                |                |
| 2022-2023           | 5.600       |              |              |              |              |              |              |               |                |                |                |                |                |                |
| Average             | 2.973       | 0.925        | 0.988        | 1.003        | 0.987        | 1.001        | 0.994        | 1.007         | 1.003          | 1.000          | 0.998          | 1.000          | 1.000          | 1.000          |
| Claim-Wtd. Avgs.    |             |              |              |              |              |              |              |               |                |                |                |                |                |                |
| Total               | 2.809       | 0.907        | 0.980        | 1.003        | 0.987        | 1.000        | 0.994        | 1.007         | 1.003          | 1.000          | 0.997          | 1.000          | 1.000          | 1.000          |
| 3-yr                | 3.273       | 0.989        | 0.974        | 1.007        | 0.986        | 1.014        | 0.985        | 1.008         | 1.000          | 1.000          | 0.986          | 1.000          | 1.000          | 1.000          |
| 4-yr                | 2.673       | 0.940        | 0.941        | 1.005        | 0.990        | 1.011        | 0.988        | 1.012         | 1.006          | 1.000          | 0.994          | 1.000          | 1.000          | 1.000          |
| Comparative Factors | 2.659       | 1.141        | 1.013        | 1.008        | 1.005        | 1.004        | 1.003        | 1.003         | 1.003          | 1.003          | 1.003          | 1.003          | 1.003          | 1.003          |
| Prior               | 2.750       | 1.030        | 1.010        | 1.007        | 1.003        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| Selected            | 2.800       | 1.020        | 1.010        | 1.007        | 1.003        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| Cumulated           | 2.912       | 1.040        | 1.020        | 1.010        | 1.003        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |

San Mateo County Schools Insurance Group - Liability  
Closed Claim Development

| Accident Year | Claims Closed as of: |           |           |           |           |           |           |           |            |            |            |            |            |            |
|---------------|----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|------------|
|               | 6 Months             | 18 Months | 30 Months | 42 Months | 54 Months | 66 Months | 78 Months | 90 Months | 102 Months | 114 Months | 126 Months | 138 Months | 150 Months | 162 Months |
| 2002-2003     |                      |           |           |           |           |           |           |           |            |            |            |            |            |            |
| 2003-2004     |                      |           |           |           |           |           |           |           |            |            |            |            |            | 42         |
| 2004-2005     |                      |           |           |           |           |           |           |           |            |            |            |            | 52         | 52         |
| 2005-2006     |                      |           |           |           |           |           |           |           |            |            |            | 45         | 45         | 45         |
| 2006-2007     |                      |           |           |           |           |           |           |           |            |            | 43         | 43         | 43         | 43         |
| 2007-2008     |                      |           |           |           |           |           |           |           |            | 44         | 44         | 44         | 44         | 44         |
| 2008-2009     |                      |           |           |           |           |           |           |           | 33         | 34         | 35         | 35         | 35         | 35         |
| 2009-2010     |                      |           |           |           |           |           |           | 36        | 36         | 36         | 36         | 36         | 36         | 37         |
| 2010-2011     |                      |           |           |           |           |           | 42        | 43        | 43         | 43         | 43         | 43         | 43         | 43         |
| 2011-2012     |                      |           |           |           |           | 54        | 54        | 56        | 56         | 56         | 56         | 56         | 56         |            |
| 2012-2013     |                      |           |           |           | 41        | 42        | 42        | 42        | 42         | 42         | 43         | 42         |            |            |
| 2013-2014     |                      |           |           | 33        | 35        | 35        | 35        | 36        | 36         | 36         | 36         |            |            |            |
| 2014-2015     |                      |           | 29        | 33        | 37        | 38        | 38        | 39        | 39         | 39         |            |            |            |            |
| 2015-2016     |                      | 30        | 37        | 44        | 47        | 48        | 49        | 49        | 49         |            |            |            |            |            |
| 2016-2017     | 3                    | 18        | 33        | 39        | 44        | 46        | 46        | 46        |            |            |            |            |            |            |
| 2017-2018     | 1                    | 17        | 30        | 43        | 46        | 48        | 48        |           |            |            |            |            |            |            |
| 2018-2019     |                      | 20        | 38        | 41        | 44        | 46        |           |           |            |            |            |            |            |            |
| 2019-2020     | 1                    | 22        | 28        | 34        | 35        |           |           |           |            |            |            |            |            |            |
| 2020-2021     | 4                    | 16        | 20        | 20        |           |           |           |           |            |            |            |            |            |            |
| 2021-2022     | 5                    | 18        | 21        |           |           |           |           |           |            |            |            |            |            |            |
| 2022-2023     | 4                    | 31        |           |           |           |           |           |           |            |            |            |            |            |            |
| 2023-2024     | 2                    |           |           |           |           |           |           |           |            |            |            |            |            |            |

Closed Claim Count Development Factors:

|                     | 6-18 Months | 18-30 Months | 30-42 Months | 42-54 Months | 54-66 Months | 66-78 Months | 78-90 Months | 90-102 Months | 102-114 Months | 114-126 Months | 126-138 Months | 138-150 Months | 150-162 Months | 162-174 Months |
|---------------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 2002-2003           |             |              |              |              |              |              |              |               |                |                |                |                |                |                |
| 2003-2004           |             |              |              |              |              |              |              |               |                |                |                |                |                | 1.000          |
| 2004-2005           |             |              |              |              |              |              |              |               |                |                |                |                | 1.000          | 1.000          |
| 2005-2006           |             |              |              |              |              |              |              |               |                |                |                | 1.000          | 1.000          | 1.000          |
| 2006-2007           |             |              |              |              |              |              |              |               |                |                | 1.000          | 1.000          | 1.000          | 1.000          |
| 2007-2008           |             |              |              |              |              |              |              |               |                | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 2008-2009           |             |              |              |              |              |              |              |               | 1.030          | 1.029          | 1.000          | 1.000          | 1.000          | 1.000          |
| 2009-2010           |             |              |              |              |              |              |              | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.028          | 1.000          |
| 2010-2011           |             |              |              |              |              |              | 1.024        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                |
| 2011-2012           |             |              |              |              |              | 1.000        | 1.037        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          |                |                |
| 2012-2013           |             |              |              |              | 1.024        | 1.000        | 1.000        | 1.000         | 1.000          | 1.024          | 0.977          |                |                |                |
| 2013-2014           |             |              |              | 1.061        | 1.000        | 1.000        | 1.029        | 1.000         | 1.000          | 1.000          |                |                |                |                |
| 2014-2015           |             |              | 1.138        | 1.121        | 1.027        | 1.000        | 1.026        | 1.000         | 1.000          |                |                |                |                |                |
| 2015-2016           |             | 1.233        | 1.189        | 1.068        | 1.021        | 1.021        | 1.000        | 1.000         |                |                |                |                |                |                |
| 2016-2017           | 6.000       | 1.833        | 1.182        | 1.128        | 1.045        | 1.000        | 1.000        |               |                |                |                |                |                |                |
| 2017-2018           | 17.000      | 1.765        | 1.433        | 1.070        | 1.043        | 1.000        |              |               |                |                |                |                |                |                |
| 2018-2019           |             | 1.900        | 1.079        | 1.073        | 1.045        |              |              |               |                |                |                |                |                |                |
| 2019-2020           | 22.000      | 1.273        | 1.214        | 1.029        |              |              |              |               |                |                |                |                |                |                |
| 2020-2021           | 4.000       | 1.250        | 1.000        |              |              |              |              |               |                |                |                |                |                |                |
| 2021-2022           | 3.600       | 1.167        |              |              |              |              |              |               |                |                |                |                |                |                |
| 2022-2023           | 7.750       |              |              |              |              |              |              |               |                |                |                |                |                |                |
| Average             | 10.058      | 1.489        | 1.176        | 1.079        | 1.029        | 1.003        | 1.017        | 1.000         | 1.004          | 1.008          | 0.997          | 1.000          | 1.004          | 1.000          |
| Claim-Wtd. Avgs.    |             |              |              |              |              |              |              |               |                |                |                |                |                |                |
| Total               | 6.778       | 1.468        | 1.181        | 1.079        | 1.031        | 1.003        | 1.016        | 1.000         | 1.004          | 1.007          | 0.997          | 1.000          | 1.003          | 1.000          |
| 3-yr                | 5.000       | 1.232        | 1.105        | 1.059        | 1.045        | 1.007        | 1.008        | 1.000         | 1.000          | 1.007          | 0.993          | 1.000          | 1.009          | 1.000          |
| 4-yr                | 6.214       | 1.408        | 1.190        | 1.076        | 1.039        | 1.006        | 1.012        | 1.000         | 1.000          | 1.006          | 0.994          | 1.000          | 1.006          | 1.000          |
| Comparative Factors | 3.699       | 1.523        | 1.094        | 1.036        | 1.017        | 1.008        | 1.007        | 1.006         | 1.005          | 1.005          | 1.005          | 1.005          | 1.005          | 1.005          |
| Prior               | 10.000      | 1.550        | 1.200        | 1.080        | 1.030        | 1.015        | 1.010        | 1.005         | 1.003          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| Selected            | 8.000       | 1.500        | 1.200        | 1.080        | 1.040        | 1.020        | 1.010        | 1.005         | 1.003          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| Cumulated           | 16.792      | 2.099        | 1.399        | 1.166        | 1.080        | 1.038        | 1.018        | 1.008         | 1.003          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |

San Mateo County Schools Insurance Group - Liability

Loss Trend Factors

| Accident Year | Benefit Level Factor (A) | Factor to 2023-2024 Loss Rate Level (B) | Factor to 2024-2025 Loss Rate Level (C) | Factor to 2025-2026 Loss Rate Level (D) | Factor to 2026-2027 Loss Rate Level (E) | Factor to 2023-2024 Frequency Level (F) | Factor to 2024-2025 Frequency Level (G) | Factor to 2025-2026 Frequency Level (H) | Factor to 2026-2027 Frequency Level (I) | Factor to 2023-2024 Severity Level (J) |
|---------------|--------------------------|---|---|---|---|---|---|---|---|--|
| Prior         | 1.000                    | 1.862                                   | 1.918                                   | 1.976                                   | 2.035                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.862                                  |
| 2003-2004     | 1.000                    | 1.808                                   | 1.862                                   | 1.918                                   | 1.976                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.808                                  |
| 2004-2005     | 1.000                    | 1.755                                   | 1.808                                   | 1.862                                   | 1.918                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.755                                  |
| 2005-2006     | 1.000                    | 1.704                                   | 1.755                                   | 1.808                                   | 1.862                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.704                                  |
| 2006-2007     | 1.000                    | 1.654                                   | 1.704                                   | 1.755                                   | 1.808                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.654                                  |
| 2007-2008     | 1.000                    | 1.606                                   | 1.654                                   | 1.704                                   | 1.755                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.606                                  |
| 2008-2009     | 1.000                    | 1.559                                   | 1.606                                   | 1.654                                   | 1.704                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.559                                  |
| 2009-2010     | 1.000                    | 1.513                                   | 1.559                                   | 1.606                                   | 1.654                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.513                                  |
| 2010-2011     | 1.000                    | 1.469                                   | 1.514                                   | 1.559                                   | 1.606                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.469                                  |
| 2011-2012     | 1.000                    | 1.426                                   | 1.469                                   | 1.514                                   | 1.559                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.426                                  |
| 2012-2013     | 1.000                    | 1.385                                   | 1.427                                   | 1.470                                   | 1.514                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.385                                  |
| 2013-2014     | 1.000                    | 1.345                                   | 1.385                                   | 1.427                                   | 1.470                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.345                                  |
| 2014-2015     | 1.000                    | 1.306                                   | 1.345                                   | 1.385                                   | 1.427                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.306                                  |
| 2015-2016     | 1.000                    | 1.267                                   | 1.305                                   | 1.345                                   | 1.385                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.267                                  |
| 2016-2017     | 1.000                    | 1.231                                   | 1.268                                   | 1.306                                   | 1.345                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.231                                  |
| 2017-2018     | 1.000                    | 1.195                                   | 1.231                                   | 1.268                                   | 1.306                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.195                                  |
| 2018-2019     | 1.000                    | 1.160                                   | 1.195                                   | 1.231                                   | 1.268                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.160                                  |
| 2019-2020     | 1.000                    | 1.126                                   | 1.160                                   | 1.195                                   | 1.231                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.126                                  |
| 2020-2021     | 1.000                    | 1.093                                   | 1.126                                   | 1.160                                   | 1.195                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.093                                  |
| 2021-2022     | 1.000                    | 1.061                                   | 1.093                                   | 1.126                                   | 1.160                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.061                                  |
| 2022-2023     | 1.000                    | 1.030                                   | 1.061                                   | 1.093                                   | 1.126                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.030                                  |
| 2023-2024     | 1.000                    | 1.000                                   | 1.030                                   | 1.061                                   | 1.093                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                   | 1.000                                  |
| 2024-2025     | 1.000                    | --                                      | 1.000                                   | 1.030                                   | 1.061                                   | --                                      | 1.000                                   | 1.000                                   | 1.000                                   | --                                     |
| 2025-2026     | 1.000                    | --                                      | --                                      | 1.000                                   | 1.030                                   | --                                      | --                                      | 1.000                                   | 1.000                                   | --                                     |
| 2026-2027     | 1.000                    | --                                      | --                                      | --                                      | 1.000                                   | --                                      | --                                      | --                                      | 1.000                                   | --                                     |

Notes:

- (A) No benefit level adjustment applied.
- (B) - (E) (A) adjusted for a 3.0% annual loss rate trend.
- (F) - (I) (A) adjusted for a 0.0% annual frequency trend.
- (J) (A) adjusted for a 3.0% 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.

San Mateo 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) | Total ADA 0 (E) | Ultimate Frequency (F) |
|---------------|---|------------------------------|---------|-------------------------------|-----------------|------------------------|
| Prior         | \$7,550,000                                     | 645                          | 1.000   | 11,705                        |                 |                        |
| 2003-2004     | 452,972   | 42                           | 1.000   | 10,785                        | 92,511          | 4.540                  |
| 2004-2005     | 632,859   | 53                           | 1.000   | 11,941                        | 92,523          | 5.728                  |
| 2005-2006     | 333,410   | 45                           | 1.000   | 7,409                         | 92,184          | 4.882                  |
| 2006-2007     | 1,206,530                                       | 43                           | 1.000   | 28,059                        | 92,184          | 4.665                  |
| 2007-2008     | 738,888   | 44                           | 1.000   | 16,793                        | 92,816          | 4.741                  |
| 2008-2009     | 1,060,923                                       | 35                           | 1.000   | 30,312                        | 93,447          | 3.745                  |
| 2009-2010     | 978,616   | 37                           | 1.000   | 26,449                        | 94,079          | 3.933                  |
| 2010-2011     | 532,673   | 43                           | 1.000   | 12,388                        | 94,614          | 4.545                  |
| 2011-2012     | 1,506,498                                       | 56                           | 1.000   | 26,902                        | 96,288          | 5.816                  |
| 2012-2013     | 957,406   | 42                           | 1.000   | 22,795                        | 95,012          | 4.420                  |
| 2013-2014     | 1,449,758                                       | 37                           | 1.000   | 39,183                        | 97,818          | 3.783                  |
| 2014-2015     | 815,664   | 39                           | 1.000   | 20,914                        | 99,020          | 3.939                  |
| 2015-2016     | 590,524   | 49                           | 1.000   | 12,052                        | 94,000          | 5.213                  |
| 2016-2017     | 833,158   | 46                           | 1.000   | 18,112                        | 88,685          | 5.187                  |
| 2017-2018     | 1,138,984                                       | 48                           | 1.000   | 23,729                        | 85,893          | 5.588                  |
| 2018-2019     | 1,687,000                                       | 49                           | 1.000   | 34,429                        | 89,459          | 5.477                  |
| 2019-2020     | 1,256,000                                       | 39                           | 1.000   | 32,205                        | 88,160          | 4.424                  |
| 2020-2021     | 740,000   | 23                           | 1.000   | 32,174                        | 89,806          | 2.561                  |
| 2021-2022     | 1,334,000                                       | 28                           | 1.000   | 47,643                        | 89,806          | 3.118                  |
| 2022-2023     | 1,326,000                                       | 62                           | 1.000   | 21,387                        | 80,183          | 7.732                  |

Severity Trend Factors

Frequency Trend Factors

|                                    |       |       |
|------------------------------------|-------|-------|
| Latest 10 x 2022-2023              | 1.068 | 0.970 |
| Mvg 5-Yr Wtd Latest 10 x 2022-2023 | 1.020 | 1.004 |
| Latest 5 x 2022-2023               | 1.142 | 0.825 |
| Mvg 5-Yr Wtd Latest 5 x 2022-2023  | 1.109 | 0.970 |
| Prior                              | 1.025 | 1.005 |
| Default                            | 1.030 | 0.975 |
| Selected Residual Trend            | 1.030 | 1.000 |

Notes:

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

San Mateo County Schools Insurance Group - Liability

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

| Fiscal Year<br>(A) | Number of Claims Active During Fiscal Year<br>(B) | Average ULAE Charge per Active Claim<br>(C) | Inflation Trend Factor<br>(D) | Trended ULAE Charge per Active Claim<br>(E) | ULAE Paid During Year<br>(F) |
|--------------------|---|---|-------------------------------|---|------------------------------|
| 2023-2024          | 60.0  | \$2,900                                     | 1.000                         | \$2,900                                     | \$174,000                    |
| 2024-2025          | 33.1  | 2,900                                       | 1.050                         | 3,045                                       | 100,790                      |
| 2025-2026          | 17.8  | 2,900                                       | 1.103                         | 3,199                                       | 56,942                       |
| 2026-2027          | 8.7   | 2,900                                       | 1.158                         | 3,358                                       | 29,215                       |
| 2027-2028          | 4.3   | 2,900                                       | 1.216                         | 3,526                                       | 15,162                       |
| 2028-2029          | 1.9   | 2,900                                       | 1.277                         | 3,703                                       | 7,036                        |
| 2029-2030          | 0.9   | 2,900                                       | 1.341                         | 3,889                                       | 3,500                        |
| 2030-2031          | 0.3   | 2,900                                       | 1.408                         | 4,083                                       | 1,225                        |
| 2031-2032          | 0.1   | 2,900                                       | 1.478                         | 4,286                                       | 429                          |
| 2032-2033          | 0.0   | 2,900                                       | 1.552                         | 4,501                                       | 0                            |
| 2033-2034          | 0.0   | 2,900                                       | 1.630                         | 4,727                                       | 0                            |
| 2034-2035          | 0.0   | 2,900                                       | 1.712                         | 4,965                                       | 0                            |
| 2035-2036          | 0.0   | 2,900                                       | 1.798                         | 5,214                                       | 0                            |
| 2036-2037          | 0.0   | 2,900                                       | 1.888                         | 5,475                                       | 0                            |
| 2037-2038          | 0.0   | 2,900                                       | 1.982                         | 5,748                                       | 0                            |
| 2038-2039          | 0.0   | 2,900                                       | 2.081                         | 6,035                                       | 0                            |
| 2039-2040          | 0.0   | 2,900                                       | 2.185                         | 6,337                                       | 0                            |
| 2040-2041          | 0.0   | 2,900                                       | 2.294                         | 6,653                                       | 0                            |

(G) Total ULAE Outstanding as of 6/30/23: \$388,299

(H) Total ULAE Outstanding as of 12/31/23: \$378,941

Notes:

- (A) We assume fiscal years will be 7/1 to 6/30.
- (B) Based on an estimated claim closing pattern.
- (C) Based on claims administration payment information provided by the Group.
- (D) We assume ULAE costs will increase at 5.0% per year.
- (E) (C) x (D).
- (F) (B) x (E).
- (G) Total of Column (F).
- (H) (G) from this page and the next, interpolated to 12/31/23.

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

San Mateo County Schools Insurance Group - Liability

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

| Fiscal Year<br>(A) | Number of Claims Active During Fiscal Year<br>(B) | Average ULAE Charge per Active Claim<br>(C) | Inflation Trend Factor<br>(D) | Trended ULAE Charge per Active Claim<br>(E) | ULAE Paid During Year<br>(F) |
|--------------------|---|---|-------------------------------|---|------------------------------|
| 2024-2025          | 55.5  | \$2,900                                     | 1.050                         | \$3,045                                     | \$168,998                    |
| 2025-2026          | 29.8  | 2,900                                       | 1.103                         | 3,199                                       | 95,330                       |
| 2026-2027          | 15.8  | 2,900                                       | 1.158                         | 3,358                                       | 53,056                       |
| 2027-2028          | 7.8   | 2,900                                       | 1.216                         | 3,526                                       | 27,503                       |
| 2028-2029          | 3.7   | 2,900                                       | 1.277                         | 3,703                                       | 13,701                       |
| 2029-2030          | 1.8   | 2,900                                       | 1.341                         | 3,889                                       | 7,000                        |
| 2030-2031          | 0.7   | 2,900                                       | 1.408                         | 4,083                                       | 2,858                        |
| 2031-2032          | 0.3   | 2,900                                       | 1.478                         | 4,286                                       | 1,286                        |
| 2032-2033          | 0.0   | 2,900                                       | 1.552                         | 4,501                                       | 0                            |
| 2033-2034          | 0.0   | 2,900                                       | 1.630                         | 4,727                                       | 0                            |
| 2034-2035          | 0.0   | 2,900                                       | 1.712                         | 4,965                                       | 0                            |
| 2035-2036          | 0.0   | 2,900                                       | 1.798                         | 5,214                                       | 0                            |
| 2036-2037          | 0.0   | 2,900                                       | 1.888                         | 5,475                                       | 0                            |
| 2037-2038          | 0.0   | 2,900                                       | 1.982                         | 5,748                                       | 0                            |
| 2038-2039          | 0.0   | 2,900                                       | 2.081                         | 6,035                                       | 0                            |
| 2039-2040          | 0.0   | 2,900                                       | 2.185                         | 6,337                                       | 0                            |
| 2040-2041          | 0.0   | 2,900                                       | 2.294                         | 6,653                                       | 0                            |
| 2041-2042          | 0.0   | 2,900                                       | 2.409                         | 6,986                                       | 0                            |

(G) Total ULAE Outstanding as of 6/30/24: \$369,732

Notes:

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

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

San Mateo County Schools Insurance Group - Liability

Payment and Reserve Forecast

| <u>Accident Year</u>    | <u>As of</u><br><u>12/31/2023</u> | <u>Calendar Period</u>                           |  |
|-------------------------|-----------------------------------|--|--|
|                         |                                   | <u>1/1/2024</u><br><u>to</u><br><u>6/30/2024</u> | <u>7/1/2024</u><br><u>to</u><br><u>6/30/2025</u> |
| Prior                   |                                   |  |  |
| Ultimate Loss           | \$9,626,771                       | \$9,626,771                                      | \$9,626,771                                      |
| Paid in Calendar Period | -                                 | 281,005  | 140,502  |
| Paid to Date            | 9,064,762                         | 9,345,767  | 9,486,269  |
| Outstanding Liability   | 562,009                           | 281,004  | 140,502  |
| 2007-2008               |                                   |  |  |
| Ultimate Loss           | \$738,888                         | \$738,888  | \$738,888  |
| Paid in Calendar Period | -                                 |  |  |
| Paid to Date            | 738,888                           | 738,888  | 738,888  |
| Outstanding Liability   |                                   |  |  |
| 2008-2009               |                                   |  |  |
| Ultimate Loss           | \$1,060,923                       | \$1,060,923                                      | \$1,060,923                                      |
| Paid in Calendar Period | -                                 |  |  |
| Paid to Date            | 1,060,923                         | 1,060,923  | 1,060,923  |
| Outstanding Liability   |                                   |  |  |
| 2009-2010               |                                   |  |  |
| Ultimate Loss           | \$978,616                         | \$978,616  | \$978,616  |
| Paid in Calendar Period | -                                 |  |  |
| Paid to Date            | 978,616                           | 978,616  | 978,616  |
| Outstanding Liability   |                                   |  |  |
| 2010-2011               |                                   |  |  |
| Ultimate Loss           | \$532,673                         | \$532,673  | \$532,673  |
| Paid in Calendar Period | -                                 |  |  |
| Paid to Date            | 532,673                           | 532,673  | 532,673  |
| Outstanding Liability   |                                   |  |  |
| 2011-2012               |                                   |  |  |
| Ultimate Loss           | \$1,506,498                       | \$1,506,498                                      | \$1,506,498                                      |
| Paid in Calendar Period | -                                 |  |  |
| Paid to Date            | 1,506,498                         | 1,506,498  | 1,506,498  |
| Outstanding Liability   |                                   |  |  |
| 2012-2013               |                                   |  |  |
| Ultimate Loss           | \$957,406                         | \$957,406  | \$957,406  |
| Paid in Calendar Period | -                                 |  |  |
| Paid to Date            | 957,406                           | 957,406  | 957,406  |
| Outstanding Liability   |                                   |  |  |
| 2013-2014               |                                   |  |  |
| Ultimate Loss           | \$1,449,758                       | \$1,449,758                                      | \$1,449,758                                      |
| Paid in Calendar Period | -                                 |  |  |
| Paid to Date            | 1,449,758                         | 1,449,758  | 1,449,758  |
| Outstanding Liability   |                                   |  |  |

San Mateo County Schools Insurance Group - Liability

Payment and Reserve Forecast

| <u>Accident Year</u>    | <u>As of</u><br><u>12/31/2023</u> | <u>Calendar Period</u>                           |  |
|-------------------------|-----------------------------------|--|--|
|                         |                                   | <u>1/1/2024</u><br><u>to</u><br><u>6/30/2024</u> | <u>7/1/2024</u><br><u>to</u><br><u>6/30/2025</u> |
| 2014-2015               |                                   |  |  |
| Ultimate Loss           | \$815,664                         | \$815,664  | \$815,664  |
| Paid in Calendar Period | -                                 |  |  |
| Paid to Date            | 815,664                           | 815,664  | 815,664  |
| Outstanding Liability   |                                   |  |  |
| 2015-2016               |                                   |  |  |
| Ultimate Loss           | \$590,524                         | \$590,524  | \$590,524  |
| Paid in Calendar Period | -                                 |  |  |
| Paid to Date            | 590,524                           | 590,524  | 590,524  |
| Outstanding Liability   |                                   |  |  |
| 2016-2017               |                                   |  |  |
| Ultimate Loss           | \$833,158                         | \$833,158  | \$833,158  |
| Paid in Calendar Period | -                                 |  |  |
| Paid to Date            | 833,158                           | 833,158  | 833,158  |
| Outstanding Liability   |                                   |  |  |
| 2017-2018               |                                   |  |  |
| Ultimate Loss           | \$1,138,984                       | \$1,138,984                                      | \$1,138,984                                      |
| Paid in Calendar Period | -                                 |  |  |
| Paid to Date            | 1,138,984                         | 1,138,984  | 1,138,984  |
| Outstanding Liability   |                                   |  |  |
| 2018-2019               |                                   |  |  |
| Ultimate Loss           | \$1,683,000                       | \$1,683,000                                      | \$1,683,000                                      |
| Paid in Calendar Period | -                                 | 34,181   | 57,064   |
| Paid to Date            | 1,500,214                         | 1,534,395  | 1,591,459  |
| Outstanding Liability   | 182,786                           | 148,605  | 91,541   |
| 2019-2020               |                                   |  |  |
| Ultimate Loss           | \$1,257,000                       | \$1,257,000                                      | \$1,257,000                                      |
| Paid in Calendar Period | -                                 | 38,541   | 59,140   |
| Paid to Date            | 1,071,709                         | 1,110,250  | 1,169,390  |
| Outstanding Liability   | 185,291                           | 146,750  | 87,610   |
| 2020-2021               |                                   |  |  |
| Ultimate Loss           | \$693,000                         | \$693,000  | \$693,000  |
| Paid in Calendar Period | -                                 | 30,920   | 39,146   |
| Paid to Date            | 591,291                           | 622,211  | 661,357  |
| Outstanding Liability   | 101,709                           | 70,789   | 31,643   |
| 2021-2022               |                                   |  |  |
| Ultimate Loss           | \$1,338,000                       | \$1,338,000                                      | \$1,338,000                                      |
| Paid in Calendar Period | -                                 | 193,213  | 302,843  |
| Paid to Date            | 589,112                           | 782,325  | 1,085,168  |
| Outstanding Liability   | 748,888                           | 555,675  | 252,832  |

San Mateo County Schools Insurance Group - Liability

Payment and Reserve Forecast

| <u>Accident Year</u>               | <u>As of</u><br><u>12/31/2023</u> | <u>Calendar Period</u>                           |  |
|------------------------------------|-----------------------------------|--|--|
|                                    |                                   | <u>1/1/2024</u><br><u>to</u><br><u>6/30/2024</u> | <u>7/1/2024</u><br><u>to</u><br><u>6/30/2025</u> |
| 2022-2023                          |                                   |  |  |
| Ultimate Loss                      | \$1,501,000                       | \$1,501,000                                      | \$1,501,000                                      |
| Paid in Calendar Period            | -                                 | 234,029  | 462,040  |
| Paid to Date                       | 148,229                           | 382,258  | 844,298  |
| Outstanding Liability              | 1,352,771                         | 1,118,742  | 656,702  |
| 2023-2024                          |                                   |  |  |
| Ultimate Loss                      | \$740,000                         | \$1,480,000                                      | \$1,480,000                                      |
| Paid in Calendar Period            | -                                 | 101,412  | 320,189  |
| Paid to Date                       | 10,258                            | 111,670  | 431,859  |
| Outstanding Liability              | 729,742                           | 1,368,330  | 1,048,141  |
| 2024-2025                          |                                   |  |  |
| Ultimate Loss                      | -                                 | -  | \$1,430,000                                      |
| Paid in Calendar Period            | -                                 | -  | 112,970  |
| Paid to Date                       | -                                 | -  | 112,970  |
| Outstanding Liability              | -                                 | -  | 1,317,030  |
| Totals                             |                                   |  |  |
| Ultimate Loss                      | \$27,441,863                      | \$28,181,863                                     | \$29,611,863                                     |
| Paid in Calendar Period            | -                                 | 913,301  | 1,493,894  |
| Paid to Date                       | 23,578,667                        | 24,491,968                                       | 25,985,862                                       |
| Outstanding Liability              | 3,863,196                         | 3,689,895  | 3,626,001  |
| Total Outstanding ULAE             | 378,941                           | 369,732  | 409,052  |
| Outstanding Liability<br>plus ULAE | 4,242,137                         | 4,059,627  | 4,035,053  |

Notes appear on the next page.

## San Mateo 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 2021-2022, \$193,213 is expected to be paid between 1/1/24 and 6/30/24, \$782,325 will have been paid by 6/30/24, and the reserve for remaining payments on these claims should be \$555,675.
- Ultimate Losses for each accident year are from GL - Exhibit 4, 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, \$302,843 = \$555,675 x 54.5%.
- Paid to Date is Paid in Calendar Period plus Paid to Date from previous calendar period. For example, \$1,085,168 = \$302,843 + \$782,325.
- Outstanding Liability is Ultimate Loss minus Paid to Date. For example, \$555,675 = \$1,338,000 - \$782,325.

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.

Short- and Long-Term Liabilities

| <u>Liabilities as of 12/31/23:</u> |                          | <u>Expected</u>    | <u>Discounted</u>  |
|------------------------------------|--------------------------|--------------------|--------------------|
| <u>Current (Short Term)</u>        | Loss and ALAE:           | \$1,473,010        | \$1,454,935        |
|                                    | ULAE:                    | 174,000            | 171,865            |
|                                    | Short-Term Loss and LAE: | <u>\$1,647,010</u> | <u>\$1,626,800</u> |
| <u>Non-Current (Long Term)</u>     | Loss and ALAE:           | \$2,390,186        | \$2,259,679        |
|                                    | ULAE:                    | 204,941            | 192,502            |
|                                    | Long-Term Loss and LAE:  | <u>\$2,595,127</u> | <u>\$2,452,181</u> |
| <u>Total Liability</u>             | Loss and ALAE:           | \$3,863,196        | \$3,714,614        |
|                                    | ULAE:                    | 378,941            | 364,367            |
|                                    | Total Loss and LAE:      | <u>\$4,242,137</u> | <u>\$4,078,981</u> |

| <u>Liabilities as of 6/30/24:</u> |                          |                    |                    |
|-----------------------------------|--------------------------|--------------------|--------------------|
| <u>Current (Short Term)</u>       | Loss and ALAE:           | \$1,380,924        | \$1,363,980        |
|                                   | ULAE:                    | 168,998            | 166,924            |
|                                   | Short-Term Loss and LAE: | <u>\$1,549,922</u> | <u>\$1,530,904</u> |
| <u>Non-Current (Long Term)</u>    | Loss and ALAE:           | \$2,308,971        | \$2,180,910        |
|                                   | ULAE:                    | 200,734            | 188,278            |
|                                   | Long-Term Loss and LAE:  | <u>\$2,509,705</u> | <u>\$2,369,188</u> |
| <u>Total Liability</u>            | Loss and ALAE:           | \$3,689,895        | \$3,544,890        |
|                                   | ULAE:                    | 369,732            | 355,202            |
|                                   | Total Loss and LAE:      | <u>\$4,059,627</u> | <u>\$3,900,092</u> |

|                                    |                          | <u>Discounted with a Margin for Contingencies</u> |                    |                    |                    |                    |
|------------------------------------|--------------------------|---|--------------------|--------------------|--------------------|--------------------|
|                                    |                          | <u>70%</u>  | <u>75%</u>         | <u>80%</u>         | <u>85%</u>         | <u>90%</u>         |
|                                    |                          | <u>Confidence</u>                                 | <u>Confidence</u>  | <u>Confidence</u>  | <u>Confidence</u>  | <u>Confidence</u>  |
| <u>Liabilities as of 12/31/23:</u> |                          |   |                    |                    |                    |                    |
| <u>Current (Short Term)</u>        | Loss and ALAE:           | \$1,620,798                                       | \$1,693,544        | \$1,779,386        | \$1,884,141        | \$2,025,270        |
|                                    | ULAE:                    | 191,458   | 200,051            | 210,191            | 222,565            | 239,236            |
|                                    | Short-Term Loss and LAE: | <u>\$1,812,256</u>                                | <u>\$1,893,595</u> | <u>\$1,989,577</u> | <u>\$2,106,706</u> | <u>\$2,264,506</u> |
| <u>Non-Current (Long Term)</u>     | Loss and ALAE:           | \$2,517,282                                       | \$2,630,267        | \$2,763,587        | \$2,926,284        | \$3,145,473        |
|                                    | ULAE:                    | 214,447   | 224,072            | 235,430            | 249,290            | 267,963            |
|                                    | Long-Term Loss and LAE:  | <u>\$2,731,729</u>                                | <u>\$2,854,339</u> | <u>\$2,999,017</u> | <u>\$3,175,574</u> | <u>\$3,413,436</u> |
| <u>Total Liability</u>             | Loss and ALAE:           | \$4,138,080                                       | \$4,323,811        | \$4,542,973        | \$4,810,425        | \$5,170,743        |
|                                    | ULAE:                    | 405,905   | 424,123            | 445,621            | 471,855            | 507,199            |
|                                    | Total Loss and LAE:      | <u>\$4,543,985</u>                                | <u>\$4,747,934</u> | <u>\$4,988,594</u> | <u>\$5,282,280</u> | <u>\$5,677,942</u> |
| <u>Liabilities as of 6/30/24:</u>  |                          |   |                    |                    |                    |                    |
| <u>Current (Short Term)</u>        | Loss and ALAE:           | \$1,519,474                                       | \$1,587,673        | \$1,668,148        | \$1,766,354        | \$1,898,660        |
|                                    | ULAE:                    | 185,953   | 194,300            | 204,148            | 216,167            | 232,358            |
|                                    | Short-Term Loss and LAE: | <u>\$1,705,427</u>                                | <u>\$1,781,973</u> | <u>\$1,872,296</u> | <u>\$1,982,521</u> | <u>\$2,131,018</u> |
| <u>Non-Current (Long Term)</u>     | Loss and ALAE:           | \$2,429,533                                       | \$2,538,579        | \$2,667,252        | \$2,824,279        | \$3,035,827        |
|                                    | ULAE:                    | 209,742   | 219,155            | 230,265            | 243,819            | 262,083            |
|                                    | Long-Term Loss and LAE:  | <u>\$2,639,275</u>                                | <u>\$2,757,734</u> | <u>\$2,897,517</u> | <u>\$3,068,098</u> | <u>\$3,297,910</u> |
| <u>Total Liability</u>             | Loss and ALAE:           | \$3,949,007                                       | \$4,126,252        | \$4,335,400        | \$4,590,633        | \$4,934,487        |
|                                    | ULAE:                    | 395,695   | 413,455            | 434,413            | 459,986            | 494,441            |
|                                    | Total Loss and LAE:      | <u>\$4,344,702</u>                                | <u>\$4,539,707</u> | <u>\$4,769,813</u> | <u>\$5,050,619</u> | <u>\$5,428,928</u> |

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

San Mateo County Schools Insurance Group - Liability

Discount Factors to be Applied to Overall Reserves

| Accident Year | Full Value of Reserve at 12/31/23 (A) | Discount Factor (B) | Discounted Reserve at 12/31/23 (C) | Full Value of Reserve at 6/30/24 (D) | Discount Factor (E) | Discounted Reserve at 6/30/24 (F) |
|---------------|---------------------------------------|---------------------|------------------------------------|--------------------------------------|---------------------|-----------------------------------|
| Prior         | \$562,009                             | 1.000               | \$562,009                          | \$281,004                            | 1.000               | \$281,004                         |
| 2003-2004     | 0                                     | 1.000               | 0                                  | 0                                    | 1.000               | 0                                 |
| 2004-2005     | 0                                     | 1.000               | 0                                  | 0                                    | 1.000               | 0                                 |
| 2005-2006     | 0                                     | 1.000               | 0                                  | 0                                    | 1.000               | 0                                 |
| 2006-2007     | 0                                     | 1.000               | 0                                  | 0                                    | 1.000               | 0                                 |
| 2007-2008     | 0                                     | 1.000               | 0                                  | 0                                    | 1.000               | 0                                 |
| 2008-2009     | 0                                     | 1.000               | 0                                  | 0                                    | 1.000               | 0                                 |
| 2009-2010     | 0                                     | 1.000               | 0                                  | 0                                    | 1.000               | 0                                 |
| 2010-2011     | 0                                     | 1.000               | 0                                  | 0                                    | 1.000               | 0                                 |
| 2011-2012     | 0                                     | 1.000               | 0                                  | 0                                    | 1.000               | 0                                 |
| 2012-2013     | 0                                     | 1.000               | 0                                  | 0                                    | 1.000               | 0                                 |
| 2013-2014     | 0                                     | 1.000               | 0                                  | 0                                    | 1.000               | 0                                 |
| 2014-2015     | 0                                     | 0.994               | 0                                  | 0                                    | 1.000               | 0                                 |
| 2015-2016     | 0                                     | 0.984               | 0                                  | 0                                    | 0.988               | 0                                 |
| 2016-2017     | 0                                     | 0.976               | 0                                  | 0                                    | 0.981               | 0                                 |
| 2017-2018     | 0                                     | 0.967               | 0                                  | 0                                    | 0.971               | 0                                 |
| 2018-2019     | 182,786                               | 0.961               | 175,624                            | 148,605                              | 0.963               | 143,079                           |
| 2019-2020     | 185,291                               | 0.962               | 178,171                            | 146,750                              | 0.959               | 140,706                           |
| 2020-2021     | 101,709                               | 0.965               | 98,186                             | 70,789                               | 0.964               | 68,264                            |
| 2021-2022     | 748,888                               | 0.964               | 721,837                            | 555,675                              | 0.966               | 537,003                           |
| 2022-2023     | 1,352,771                             | 0.955               | 1,292,523                          | 1,118,742                            | 0.961               | 1,075,514                         |
| 2023-2024     | 729,742                               | 0.940               | 686,264                            | 1,368,330                            | 0.950               | 1,299,320                         |
| Totals        | \$3,863,196                           |                     | \$3,714,614                        | \$3,689,895                          |                     | \$3,544,890                       |

(G) Discount Factor at 12/31/23 for Overall Reserve: 0.962  
 (H) Discount Factor at 6/30/24 for Overall Reserve: 0.961

Notes:

- (A) From GL - Appendix G, Outstanding Liability at 12/31/23.
- (B) Based on GL - Appendix I, Page 2, Column (F).
- (C) (A) x (B).
- (D) From GL - Appendix G, Outstanding Liability at 6/30/24.
- (E) Based on GL - Appendix I, 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 0.962, the discounted liability for outstanding claims is 96.2% of the full value.

San Mateo 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                                      | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 21                                      | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 20                                      | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 19                                      | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 18                                      | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 17                                      | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 16                                      | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 15                                      | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 14                                      | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 13                                      | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 12                                      | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 11                                      | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 10                                      | 0.5%                | 2.50%                    | 0.005                   | 0.005                     | 0.988               |
| 9                                       | 1.2%                | 2.50%                    | 0.016                   | 0.017                     | 0.981               |
| 8                                       | 1.4%                | 2.50%                    | 0.030                   | 0.031                     | 0.971               |
| 7                                       | 1.9%                | 2.50%                    | 0.048                   | 0.050                     | 0.963               |
| 6                                       | 3.4%                | 2.50%                    | 0.081                   | 0.084                     | 0.959               |
| 5                                       | 10.4%               | 2.50%                    | 0.182                   | 0.188                     | 0.964               |
| 4                                       | 22.6%               | 2.50%                    | 0.400                   | 0.414                     | 0.966               |
| 3                                       | 29.1%               | 2.50%                    | 0.678                   | 0.705                     | 0.961               |
| 2                                       | 21.5%               | 2.50%                    | 0.874                   | 0.921                     | 0.950               |
| 1                                       | 7.9%                | 2.50%                    | 0.931                   | 1.000                     | 0.931               |
| (G) Discount Factor for Future Funding: |                     |                          |                         | 2023-2024                 | 0.943               |
|   |                     |                          |                         | 2024-2025                 | 0.943               |

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 GL - Appendix B, 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,  $87.4\% = [67.8\% / 1.025] + [21.5\% / (1.012)]$ .
- (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 0.94, on a discounted basis, \$0.94 must be budgeted for every \$1 that will actually be paid on claims that will be incurred in the next fiscal year.

San Mateo County Schools Insurance Group - Liability

Confidence Level Table

| Probability | Projected Losses | Outstanding Losses |
|-------------|------------------|--------------------|
| 95%         | 1.934            | 1.552              |
| 90%         | 1.655            | 1.392              |
| 85%         | 1.487            | 1.295              |
| 80%         | 1.362            | 1.223              |
| 75%         | 1.262            | 1.164              |
| 70%         | 1.177            | 1.114              |
| 65%         | 1.103            | 1.070              |
| 60%         | 1.035            | 1.029              |
| 55%         | 0.973            | 0.993              |
| 50%         | 0.915            | 0.957              |
| 45%         | 0.860            | 0.923              |
| 40%         | 0.805            | 0.890              |
| 35%         | 0.752            | 0.857              |
| 30%         | 0.698            | 0.824              |
| 25%         | 0.644            | 0.788              |

To read table: For the above retention, there is a 90% chance that final loss settlements will be less than 1.655 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.

San Mateo County Schools Insurance Group - Liability

Program History

| Policy Year Start Date | Policy Year End Date | Policy Year | Self-Insured Retention |           |
|------------------------|----------------------|-------------|------------------------|-----------|
|                        |                      |             | Per Occurrence         | Aggregate |
| 1/1/1979               | 6/30/2003            | Prior       | \$100,000              | (none)    |
| 7/1/2003               | 6/30/2004            | 2003-2004   | 200,000                | (none)    |
| 7/1/2004               | 6/30/2005            | 2004-2005   | 200,000                | (none)    |
| 7/1/2005               | 6/30/2006            | 2005-2006   | 250,000                | (none)    |
| 7/1/2006               | 6/30/2007            | 2006-2007   | 250,000                | (none)    |
| 7/1/2007               | 6/30/2008            | 2007-2008   | 250,000                | (none)    |
| 7/1/2008               | 6/30/2009            | 2008-2009   | 250,000                | (none)    |
| 7/1/2009               | 6/30/2010            | 2009-2010   | 250,000                | (none)    |
| 7/1/2010               | 6/30/2011            | 2010-2011   | 250,000                | (none)    |
| 7/1/2011               | 6/30/2012            | 2011-2012   | 250,000                | (none)    |
| 7/1/2012               | 6/30/2013            | 2012-2013   | 250,000                | (none)    |
| 7/1/2013               | 6/30/2014            | 2013-2014   | 250,000                | (none)    |
| 7/1/2014               | 6/30/2015            | 2014-2015   | 250,000                | (none)    |
| 7/1/2015               | 6/30/2016            | 2015-2016   | 250,000                | (none)    |
| 7/1/2016               | 6/30/2017            | 2016-2017   | 250,000                | (none)    |
| 7/1/2017               | 6/30/2018            | 2017-2018   | 250,000                | (none)    |
| 7/1/2018               | 6/30/2019            | 2018-2019   | 250,000                | (none)    |
| 7/1/2019               | 6/30/2020            | 2019-2020   | 250,000                | (none)    |
| 7/1/2020               | 6/30/2021            | 2020-2021   | 250,000                | (none)    |
| 7/1/2021               | 6/30/2022            | 2021-2022   | 250,000                | (none)    |
| 7/1/2022               | 6/30/2023            | 2022-2023   | 250,000                | (none)    |
| 7/1/2023               | 6/30/2024            | 2023-2024   | 250,000                | (none)    |
| 7/1/2024               | 6/30/2025            | 2024-2025   | 250,000                | (none)    |

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

San Mateo County Schools Insurance Group - Liability

Incurred Losses as of 12/31/23

| Accident Year (A) | Unlimited Incurred (B) | Subtractions from Losses (C) | Subtractions from Losses (D) | Adjusted Incurred (E) | Incurred Over SIR (F) | Incurred Over \$250,000 (G) | Incurred Capped at \$250,000 (H) | Incurred \$250,000 to SIR Layer (I) | Incurred Capped at SIR (J) | Incurred Capped at SIR & Aggregate (K) |
|-------------------|------------------------|------------------------------|------------------------------|-----------------------|-----------------------|-----------------------------|----------------------------------|-------------------------------------|----------------------------|--|
| Prior             | \$7,659,170            | \$0                          | \$0                          | \$7,659,170           | \$658,401             | \$110,000                   | \$7,549,170                      | -\$548,401                          | \$7,000,768                | \$7,000,768                            |
| 2003-2004         | 452,972                | 0                            | 0                            | 452,972               | 0                     | 0                           | 452,972                          | 0                                   | 452,972                    | 452,972                                |
| 2004-2005         | 632,859                | 0                            | 0                            | 632,859               | 0                     | 0                           | 632,859                          | 0                                   | 632,859                    | 632,859                                |
| 2005-2006         | 333,410                | 0                            | 0                            | 333,410               | 0                     | 0                           | 333,410                          | 0                                   | 333,410                    | 333,410                                |
| 2006-2007         | 1,747,502              | 0                            | 0                            | 1,747,502             | 540,972               | 540,972                     | 1,206,530                        | 0                                   | 1,206,530                  | 1,206,530                              |
| 2007-2008         | 942,394                | 0                            | 0                            | 942,394               | 203,506               | 203,506                     | 738,888                          | 0                                   | 738,888                    | 738,888                                |
| 2008-2009         | 1,972,712              | 0                            | 0                            | 1,972,712             | 911,789               | 911,789                     | 1,060,923                        | 0                                   | 1,060,923                  | 1,060,923                              |
| 2009-2010         | 1,068,879              | 0                            | 0                            | 1,068,879             | 90,263                | 90,263                      | 978,616                          | 0                                   | 978,616                    | 978,616                                |
| 2010-2011         | 1,596,607              | 0                            | 0                            | 1,596,607             | 1,063,934             | 1,063,934                   | 532,673                          | 0                                   | 532,673                    | 532,673                                |
| 2011-2012         | 3,149,483              | 0                            | 0                            | 3,149,483             | 1,642,984             | 1,642,984                   | 1,506,498                        | 0                                   | 1,506,498                  | 1,506,498                              |
| 2012-2013         | 1,661,634              | 0                            | 0                            | 1,661,634             | 704,228               | 704,228                     | 957,406                          | 0                                   | 957,406                    | 957,406                                |
| 2013-2014         | 1,910,733              | 0                            | 0                            | 1,910,733             | 460,975               | 460,975                     | 1,449,758                        | 0                                   | 1,449,758                  | 1,449,758                              |
| 2014-2015         | 815,664                | 0                            | 0                            | 815,664               | 0                     | 0                           | 815,664                          | 0                                   | 815,664                    | 815,664                                |
| 2015-2016         | 590,524                | 0                            | 0                            | 590,524               | 0                     | 0                           | 590,524                          | 0                                   | 590,524                    | 590,524                                |
| 2016-2017         | 835,880                | 0                            | 2,723                        | 833,158               | 0                     | 0                           | 833,158                          | 0                                   | 833,158                    | 833,158                                |
| 2017-2018         | 1,375,005              | 0                            | 0                            | 1,375,005             | 236,020               | 236,020                     | 1,138,984                        | 0                                   | 1,138,984                  | 1,138,984                              |
| 2018-2019         | 1,739,970              | 0                            | 877                          | 1,739,093             | 86,953                | 86,953                      | 1,652,140                        | 0                                   | 1,652,140                  | 1,652,140                              |
| 2019-2020         | 1,249,304              | 0                            | 0                            | 1,249,304             | 50,000                | 50,000                      | 1,199,304                        | 0                                   | 1,199,304                  | 1,199,304                              |
| 2020-2021         | 1,034,958              | 0                            | 15,000                       | 1,019,958             | 400,000               | 400,000                     | 619,958                          | 0                                   | 619,958                    | 619,958                                |
| 2021-2022         | 4,420,199              | 0                            | 0                            | 4,420,199             | 3,300,000             | 3,300,000                   | 1,120,199                        | 0                                   | 1,120,199                  | 1,120,199                              |
| 2022-2023         | 2,108,044              | 0                            | 89,704                       | 2,018,340             | 1,250,000             | 1,250,000                   | 768,340                          | 0                                   | 768,340                    | 768,340                                |
| 2023-2024         | 63,498                 | 0                            | 0                            | 63,498                | 0                     | 0                           | 63,498                           | 0                                   | 63,498                     | 63,498                                 |
| <b>Total</b>      | <b>\$37,361,402</b>    | <b>\$0</b>                   | <b>\$108,304</b>             | <b>\$37,253,098</b>   | <b>\$11,600,027</b>   | <b>\$11,051,626</b>         | <b>\$26,201,472</b>              | <b>-\$548,401</b>                   | <b>\$25,653,070</b>        | <b>\$25,653,070</b>                    |
|                   |                        |                              |                              |                       |                       |                             |                                  |                                     |                            | <b>\$25,703,070</b>                    |

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Group.
- (C) Claim numbers 1987-00001, 1992-00002 & 1992-00004 are not covered. Incidents are prior to inception of SMCSIG's liability program.
- (D) For Prior AY claim #1992-00003, reserve is capped at \$50,000. Zeroed reserves for closed claims.
- (E) (B) + (C) - (D).
- (F) Sum of incurred losses in excess of SIR.
- (G) Sum of incurred losses in excess of \$250,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss. See GL - Appendix K.

San Mateo County Schools Insurance Group - Liability

Paid Losses as of 12/31/23

| Accident Year (A) | Unlimited Paid (B)  | Subtractions from Losses (C) | Subtractions from Losses (D) | Adjusted Paid (E)   | Paid Over SIR (F)  | Paid Over \$250,000 (G) | Paid Capped at \$250,000 (H) | Paid \$250,000 to SIR Layer (I) | Paid Capped at SIR (J) | Paid Capped at SIR & Aggregate (K) |
|-------------------|---------------------|------------------------------|------------------------------|---------------------|--------------------|-------------------------|------------------------------|---------------------------------|------------------------|------------------------------------|
| Prior             | \$6,637,392         | \$0                          | \$0                          | \$6,637,392         | \$198,401          | \$0                     | \$6,637,392                  | -\$198,401                      | \$6,438,991            | \$6,438,991                        |
| 2003-2004         | 452,972             | 0                            | 0                            | 452,972             | 0                  | 0                       | 452,972                      | 0                               | 452,972                | 452,972                            |
| 2004-2005         | 632,859             | 0                            | 0                            | 632,859             | 0                  | 0                       | 632,859                      | 0                               | 632,859                | 632,859                            |
| 2005-2006         | 333,410             | 0                            | 0                            | 333,410             | 0                  | 0                       | 333,410                      | 0                               | 333,410                | 333,410                            |
| 2006-2007         | 1,747,502           | 0                            | 0                            | 1,747,502           | 540,972            | 540,972                 | 1,206,530                    | 0                               | 1,206,530              | 1,206,530                          |
| 2007-2008         | 942,394             | 0                            | 0                            | 942,394             | 203,506            | 203,506                 | 738,888                      | 0                               | 738,888                | 738,888                            |
| 2008-2009         | 1,972,712           | 0                            | 0                            | 1,972,712           | 911,789            | 911,789                 | 1,060,923                    | 0                               | 1,060,923              | 1,060,923                          |
| 2009-2010         | 1,068,879           | 0                            | 0                            | 1,068,879           | 90,263             | 90,263                  | 978,616                      | 0                               | 978,616                | 978,616                            |
| 2010-2011         | 1,596,607           | 0                            | 0                            | 1,596,607           | 1,063,934          | 1,063,934               | 532,673                      | 0                               | 532,673                | 532,673                            |
| 2011-2012         | 3,149,483           | 0                            | 0                            | 3,149,483           | 1,642,984          | 1,642,984               | 1,506,498                    | 0                               | 1,506,498              | 1,506,498                          |
| 2012-2013         | 1,661,634           | 0                            | 0                            | 1,661,634           | 704,228            | 704,228                 | 957,406                      | 0                               | 957,406                | 957,406                            |
| 2013-2014         | 1,638,594           | 0                            | 0                            | 1,638,594           | 188,835            | 188,835                 | 1,449,758                    | 0                               | 1,449,758              | 1,449,758                          |
| 2014-2015         | 815,664             | 0                            | 0                            | 815,664             | 0                  | 0                       | 815,664                      | 0                               | 815,664                | 815,664                            |
| 2015-2016         | 590,524             | 0                            | 0                            | 590,524             | 0                  | 0                       | 590,524                      | 0                               | 590,524                | 590,524                            |
| 2016-2017         | 833,158             | 0                            | 0                            | 833,158             | 0                  | 0                       | 833,158                      | 0                               | 833,158                | 833,158                            |
| 2017-2018         | 1,375,005           | 0                            | 0                            | 1,375,005           | 236,020            | 236,020                 | 1,138,984                    | 0                               | 1,138,984              | 1,138,984                          |
| 2018-2019         | 1,587,167           | 0                            | 0                            | 1,587,167           | 86,953             | 86,953                  | 1,500,214                    | 0                               | 1,500,214              | 1,500,214                          |
| 2019-2020         | 1,115,172           | 0                            | 0                            | 1,115,172           | 43,464             | 43,464                  | 1,071,709                    | 0                               | 1,071,709              | 1,071,709                          |
| 2020-2021         | 610,130             | 0                            | 0                            | 610,130             | 18,838             | 18,838                  | 591,291                      | 0                               | 591,291                | 591,291                            |
| 2021-2022         | 589,112             | 0                            | 0                            | 589,112             | 0                  | 0                       | 589,112                      | 0                               | 589,112                | 589,112                            |
| 2022-2023         | 148,229             | 0                            | 0                            | 148,229             | 0                  | 0                       | 148,229                      | 0                               | 148,229                | 148,229                            |
| 2023-2024         | 10,258              | 0                            | 0                            | 10,258              | 0                  | 0                       | 10,258                       | 0                               | 10,258                 | 10,258                             |
| <b>Total</b>      | <b>\$29,508,858</b> | <b>\$0</b>                   | <b>\$0</b>                   | <b>\$29,508,858</b> | <b>\$5,930,190</b> | <b>\$5,731,789</b>      | <b>\$23,777,069</b>          | <b>-\$198,401</b>               | <b>\$23,578,668</b>    | <b>\$23,578,668</b>                |

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Group.
- (C)
- (D)
- (E) (B) + (C) - (D).
- (F) Sum of paid losses in excess of SIR.
- (G) Sum of paid losses in excess of \$250,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss. See GL - Appendix K.

San Mateo County Schools Insurance Group - Liability

Case Reserves as of 12/31/23

| Accident Year (A) | Unlimited Reserves (B) | Subtractions from Losses (C) | Subtractions from Losses (D) | Adjusted Reserves (E) | Reserves Over SIR (F) | Reserves Over \$250,000 (G) | Reserves Capped at \$250,000 (H) | Reserves Capped at \$250,000 to SIR Layer (I) | Reserves Capped at SIR (J) | Reserves Capped at SIR & Aggregate (K) |
|-------------------|------------------------|------------------------------|------------------------------|-----------------------|-----------------------|-----------------------------|----------------------------------|---|----------------------------|--|
| Prior             | \$1,021,778            | \$0                          | \$0                          | \$1,021,778           | \$460,000             | \$110,000                   | \$911,778                        | -\$350,000                                    | \$561,778                  | \$561,778                              |
| 2003-2004         | 0                      | 0                            | 0                            | 0                     | 0                     | 0                           | 0                                | 0   | 0                          | 0                                      |
| 2004-2005         | 0                      | 0                            | 0                            | 0                     | 0                     | 0                           | 0                                | 0   | 0                          | 0                                      |
| 2005-2006         | 0                      | 0                            | 0                            | 0                     | 0                     | 0                           | 0                                | 0   | 0                          | 0                                      |
| 2006-2007         | 0                      | 0                            | 0                            | 0                     | 0                     | 0                           | 0                                | 0   | 0                          | 0                                      |
| 2007-2008         | 0                      | 0                            | 0                            | 0                     | 0                     | 0                           | 0                                | 0   | 0                          | 0                                      |
| 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         | 272,139                | 0                            | 0                            | 272,139               | 272,139               | 272,139                     | 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         | 2,723                  | 0                            | 2,723                        | 0                     | 0                     | 0                           | 0                                | 0   | 0                          | 0                                      |
| 2017-2018         | 0                      | 0                            | 0                            | 0                     | 0                     | 0                           | 0                                | 0   | 0                          | 0                                      |
| 2018-2019         | 152,803                | 0                            | 877                          | 151,926               | 0                     | 0                           | 151,926                          | 0   | 151,926                    | 151,926                                |
| 2019-2020         | 134,132                | 0                            | 0                            | 134,132               | 6,536                 | 6,536                       | 127,596                          | 0   | 127,596                    | 127,596                                |
| 2020-2021         | 424,829                | 0                            | 15,000                       | 409,829               | 381,162               | 381,162                     | 28,667                           | 0   | 28,667                     | 28,667                                 |
| 2021-2022         | 3,831,086              | 0                            | 0                            | 3,831,086             | 3,300,000             | 3,300,000                   | 531,086                          | 0   | 531,086                    | 531,086                                |
| 2022-2023         | 1,959,815              | 0                            | 89,704                       | 1,870,111             | 1,250,000             | 1,250,000                   | 620,111                          | 0   | 620,111                    | 620,111                                |
| 2023-2024         | 53,239                 | 0                            | 0                            | 53,239                | 0                     | 0                           | 53,239                           | 0   | 53,239                     | 53,239                                 |
| Total             | \$7,852,544            | \$0                          | \$108,304                    | \$7,744,240           | \$5,669,837           | \$5,319,837                 | \$2,424,403                      | -\$350,000                                    | \$2,074,403                | \$2,074,403                            |

Notes:

- (A) Years are 7/1 to 6/30.
- (B) GL - Appendix L, Page 1, Column (B) - GL - Appendix L, Page 2, Column (B).
- (C) GL - Appendix L, Page 1, Column (C) - GL - Appendix L, Page 2, Column (C).
- (D) GL - Appendix L, Page 1, Column (D) - GL - Appendix L, 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 \$250,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss. See GL - Appendix K.

San Mateo County Schools Insurance Group - Liability

Claim Counts as of 12/31/23

| Accident Year (A) | Reported Claims (B) | Additions to Reported Claims (C) | Subtractions from Reported Claims (D) | Adjusted Reported Claims (E) | Closed Claims (F) | Additions to Closed Claims (G) | Subtractions from Closed Claims (H) | Adjusted Closed Claims (I) | Open Claims (J) | Adjusted Open Claims (K) |
|-------------------|---------------------|----------------------------------|---------------------------------------|------------------------------|-------------------|--------------------------------|-------------------------------------|----------------------------|-----------------|--------------------------|
| Prior             | 919                 | 0                                | 274                                   | 645                          | 907               | 0                              | 274                                 | 633                        | 12              | 12                       |
| 2003-2004         | 59                  | 0                                | 17                                    | 42                           | 59                | 0                              | 17                                  | 42                         | 0               | 0                        |
| 2004-2005         | 74                  | 0                                | 21                                    | 53                           | 74                | 0                              | 21                                  | 53                         | 0               | 0                        |
| 2005-2006         | 70                  | 0                                | 25                                    | 45                           | 70                | 0                              | 25                                  | 45                         | 0               | 0                        |
| 2006-2007         | 60                  | 0                                | 17                                    | 43                           | 60                | 0                              | 17                                  | 43                         | 0               | 0                        |
| 2007-2008         | 61                  | 0                                | 17                                    | 44                           | 61                | 0                              | 17                                  | 44                         | 0               | 0                        |
| 2008-2009         | 52                  | 0                                | 17                                    | 35                           | 52                | 0                              | 17                                  | 35                         | 0               | 0                        |
| 2009-2010         | 57                  | 0                                | 20                                    | 37                           | 57                | 0                              | 20                                  | 37                         | 0               | 0                        |
| 2010-2011         | 63                  | 0                                | 20                                    | 43                           | 63                | 0                              | 20                                  | 43                         | 0               | 0                        |
| 2011-2012         | 82                  | 0                                | 26                                    | 56                           | 82                | 0                              | 26                                  | 56                         | 0               | 0                        |
| 2012-2013         | 54                  | 0                                | 12                                    | 42                           | 54                | 0                              | 12                                  | 42                         | 0               | 0                        |
| 2013-2014         | 58                  | 0                                | 21                                    | 37                           | 57                | 0                              | 21                                  | 36                         | 1               | 1                        |
| 2014-2015         | 61                  | 0                                | 22                                    | 39                           | 61                | 0                              | 22                                  | 39                         | 0               | 0                        |
| 2015-2016         | 81                  | 0                                | 32                                    | 49                           | 81                | 0                              | 32                                  | 49                         | 0               | 0                        |
| 2016-2017         | 77                  | 0                                | 31                                    | 46                           | 77                | 0                              | 31                                  | 46                         | 0               | 0                        |
| 2017-2018         | 85                  | 0                                | 37                                    | 48                           | 85                | 0                              | 37                                  | 48                         | 0               | 0                        |
| 2018-2019         | 83                  | 0                                | 34                                    | 49                           | 80                | 0                              | 34                                  | 46                         | 3               | 3                        |
| 2019-2020         | 62                  | 0                                | 23                                    | 39                           | 58                | 0                              | 23                                  | 35                         | 4               | 4                        |
| 2020-2021         | 38                  | 0                                | 15                                    | 23                           | 35                | 0                              | 15                                  | 20                         | 3               | 3                        |
| 2021-2022         | 48                  | 0                                | 21                                    | 27                           | 42                | 0                              | 21                                  | 21                         | 6               | 6                        |
| 2022-2023         | 77                  | 0                                | 21                                    | 56                           | 52                | 0                              | 21                                  | 31                         | 25              | 25                       |
| 2023-2024         | 10                  | 0                                | 1                                     | 9                            | 3                 | 0                              | 1                                   | 2                          | 7               | 7                        |
| Total             | 2,231               | 0                                | 724                                   | 1,507                        | 2,170             | 0                              | 724                                 | 1,446                      | 61              | 61                       |

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).

San Mateo County Schools Insurance Group - Liability

Exposure Measures

| Accident Year | Total ADA (A) | Inflation Trend Factor (B) | Total ADA (C) |
|---------------|---------------|----------------------------|---------------|
| 2003-2004     | 92,511        | 1.000                      | 92,511        |
| 2004-2005     | 92,523        | 1.000                      | 92,523        |
| 2005-2006     | 92,184        | 1.000                      | 92,184        |
| 2006-2007     | 92,184        | 1.000                      | 92,184        |
| 2007-2008     | 92,816        | 1.000                      | 92,816        |
| 2008-2009     | 93,447        | 1.000                      | 93,447        |
| 2009-2010     | 94,079        | 1.000                      | 94,079        |
| 2010-2011     | 94,614        | 1.000                      | 94,614        |
| 2011-2012     | 96,288        | 1.000                      | 96,288        |
| 2012-2013     | 95,012        | 1.000                      | 95,012        |
| 2013-2014     | 97,818        | 1.000                      | 97,818        |
| 2014-2015     | 99,020        | 1.000                      | 99,020        |
| 2015-2016     | 94,000        | 1.000                      | 94,000        |
| 2016-2017     | 88,685        | 1.000                      | 88,685        |
| 2017-2018     | 85,893        | 1.000                      | 85,893        |
| 2018-2019     | 89,459        | 1.000                      | 89,459        |
| 2019-2020     | 88,160        | 1.000                      | 88,160        |
| 2020-2021     | 89,806        | 1.000                      | 89,806        |
| 2021-2022     | 89,806        | 1.000                      | 89,806        |
| 2022-2023     | 80,183        | 1.000                      | 80,183        |
| 2023-2024     | 79,335        | 1.000                      | 79,335        |
| 2024-2025     | 79,335        | 1.000                      | 79,335        |

Notes:

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

San Mateo County Schools Insurance Group - Property

Funding Guidelines for Outstanding Liabilities at  
June 30, 2024

|   |                    |
|---|--------------------|
| (A) Estimated Ultimate Losses<br>Incurred through 6/30/24:<br>(From PR - Appendix G)                        | \$18,904,421       |
| (B) Estimated Paid Losses<br>through 6/30/24:<br>(From PR - Appendix G)                                     | 17,736,659         |
| (C) Estimated Liability for Claims<br>Outstanding at 6/30/24:<br>(From PR - Appendix G)                     | <u>\$1,167,762</u> |
| (D) Estimated Liability for Outstanding<br>Claims Administration Fees at 6/30/24:<br>(From PR - Appendix F) | 87,025             |
| (E) Total Outstanding Liability for<br>Claims at 6/30/24:<br>((C) + (D))                                    | <u>\$1,254,787</u> |
| (F) Reserve Discount Factor (Based on a Discount Rate of 2.50%.):<br>(PR - Appendix I, Page 1, (H))         | 0.983              |
| (G) Discounted Outstanding Liability for<br>Claims at 6/30/24:<br>((E) x (F))*                              | <u>\$1,234,052</u> |

| Confidence Level of Adequacy:                           | <u>70%</u>         | <u>75%</u>         | <u>80%</u>         | <u>85%</u>         | <u>Minimum<br/>90%</u> |
|---|--------------------|--------------------|--------------------|--------------------|------------------------|
| (H) Confidence Level Factor:<br>(From PR - Appendix J)  | 1.150              | 1.219              | 1.299              | 1.398              | 1.531                  |
| (I) Margin for Adverse Experience:<br>((G) x [(H) - 1]) | 185,000            | 270,000            | 369,000            | 491,000            | 655,000                |
| (J) Total Required Assets<br>at 6/30/24:<br>((G) + (I)) | <u>\$1,419,000</u> | <u>\$1,504,000</u> | <u>\$1,603,000</u> | <u>\$1,725,000</u> | <u>\$1,889,000</u>     |

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

San Mateo County Schools Insurance Group - Property

Funding Options for Program Year 2024-2025 (SIR = \$250,000)

|  | Dollar<br>Amount                 |                    |                    |                    |                     | Payroll<br>Rate |
|--|----------------------------------|--------------------|--------------------|--------------------|---------------------|-----------------|
| (A) Estimated Ultimate Losses Incurred in<br>Accident Year 2024-2025:<br>(From PR - Appendix G)                        | \$1,850,000                      |                    |                    |                    |                     | \$27.168        |
| (B) Estimated Claims Administration Fees<br>Incurred in Accident Year 2024-2025:<br>(From PR - Exhibit 5, Page 1, (L)) | 0                                |                    |                    |                    |                     | 0.000           |
| (C) Total Claims Costs<br>Incurred in Accident Year 2024-2025:<br>((A) + (B))  | <u>\$1,850,000</u>               |                    |                    |                    |                     | <u>\$27.168</u> |
| (D) Loss Discount Factor (Based on a Discount Rate of 2.50%.):<br>(PR - Appendix I, Page 2, (G))                       |                                  |                    |                    |                    |                     | 0.987           |
| (E) Discounted Total Claims Costs<br>Incurred in Accident Year 2024-2025:<br>((C) x (D))                               | <u>\$1,825,000</u>               |                    |                    |                    |                     | <u>\$26.801</u> |
|  | <u>Marginally<br/>Acceptable</u> | <u>Recommended</u> |                    |                    | <u>Conservative</u> |                 |
|  | 70%                              | 75%                | 80%                | 85%                | 90%                 |                 |
| (F) Confidence Level Factor:<br>(From PR - Appendix J)   | 1.171                            | 1.252              | 1.348              | 1.467              | 1.627               |                 |
| (G) Margin for Adverse Experience:<br>((E) x [(F) - 1])  | 312,000                          | 460,000            | 635,000            | 852,000            | 1,144,000           |                 |
| (H) Recommended Funding in 2024-2025<br>for Claims Costs and Other Expenses:<br>((E) + (G))                            | <u>\$2,137,000</u>               | <u>\$2,285,000</u> | <u>\$2,460,000</u> | <u>\$2,677,000</u> | <u>\$2,969,000</u>  |                 |
| (I) Rate per \$100 of Payroll:<br>((H) / \$68,095)   | \$31.383                         | \$33.556           | \$36.126           | \$39.313           | \$43.601            |                 |

Payroll rates are per hundred dollars of 2024-2025 payroll of \$6,809,500.

San Mateo County Schools Insurance Group - Property

IBNR as of 6/30/24 at Expected Claims Level

| Accident Year | Estimated Ultimate (A) | Reported as of 12/31/23 (B) | Estimated IBNR as of 12/31/23 (C) | Estimated Percent of IBNR Reported Between 1/1/24 and 6/30/24 (D) | Estimated IBNR Reported (E) | Estimated IBNR as of 6/30/24 (F) |
|---------------|------------------------|-----------------------------|-----------------------------------|---|-----------------------------|----------------------------------|
| 2002-2003     | \$741,706              | \$741,706                   | \$0                               | 100.0%  | \$0                         | \$0                              |
| 2003-2004     | 251,096                | 251,096                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2004-2005     | 126,828                | 126,828                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2005-2006     | 504,056                | 504,056                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2006-2007     | 603,718                | 603,718                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2007-2008     | 275,118                | 275,118                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2008-2009     | 322,216                | 322,216                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2009-2010     | 44,298                 | 44,298                      | 0                                 | 100.0%  | 0                           | 0                                |
| 2010-2011     | 209,470                | 209,470                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2011-2012     | 424,260                | 424,260                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2012-2013     | 383,466                | 383,466                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2013-2014     | 736,480                | 736,480                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2014-2015     | 862,020                | 862,020                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2015-2016     | 912,013                | 912,013                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2016-2017     | 1,156,532              | 1,156,532                   | 0                                 | 100.0%  | 0                           | 0                                |
| 2017-2018     | 750,976                | 750,976                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2018-2019     | 1,668,000              | 1,667,718                   | 282                               | 100.0%  | 282                         | 0                                |
| 2019-2020     | 885,320                | 885,320                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2020-2021     | 969,848                | 969,848                     | 0                                 | 100.0%  | 0                           | 0                                |
| 2021-2022     | 1,111,000              | 1,104,849                   | 6,151                             | 100.0%  | 6,151                       | 0                                |
| 2022-2023     | 4,009,000              | 3,977,192                   | 31,808                            | 54.3%   | 17,000                      | 14,808                           |
| 2023-2024     | 1,957,000              | 747,982                     | 231,018                           | 49.2%   | 595,000                     | 614,018                          |
| Totals        | \$18,904,421           | \$17,657,162                | \$269,259                         |   | \$618,433                   | \$628,826                        |

Notes:

- (A) From PR - Exhibit 4, 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 1/1/24 and 6/30/24. The percentage is based on the development pattern selected in PR - Appendix A.
- (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 6/30/24. This amount is dependent on both the strength of the case reserves and the average frequency and severity of the losses incurred.



San Mateo County Schools Insurance Group - Property

Estimated Ultimate Limited Losses Capped at \$250,000 per Claim

| Accident Year | Reported Loss Development Method (A) | Paid Loss Development Method (B) | Exposure Method Based on Reported Losses (C) | Exposure Method Based on Paid Losses (D) | Frequency-Severity Method (E) | Selected Ultimate Limited Losses (F)                    |
|---------------|--------------------------------------|----------------------------------|--|--|-------------------------------|---|
| 2002-2003     | \$741,706                            | \$741,706                        | \$741,706                                    | \$741,706                                | \$741,708                     | \$741,706   |
| 2003-2004     | 251,096                              | 251,096                          | 251,096                                      | 251,096                                  | 251,100                       | 251,096   |
| 2004-2005     | 126,828                              | 126,828                          | 126,828                                      | 126,828                                  | 126,830                       | 126,828   |
| 2005-2006     | 504,056                              | 504,056                          | 504,056                                      | 504,056                                  | 504,054                       | 504,056   |
| 2006-2007     | 603,718                              | 603,718                          | 603,718                                      | 603,718                                  | 603,720                       | 603,718   |
| 2007-2008     | 275,118                              | 275,118                          | 275,118                                      | 275,118                                  | 275,115                       | 275,118   |
| 2008-2009     | 322,216                              | 322,216                          | 322,216                                      | 322,216                                  | 322,216                       | 322,216   |
| 2009-2010     | 44,298                               | 44,298                           | 44,298                                       | 44,298                                   | 44,300                        | 44,298  |
| 2010-2011     | 209,470                              | 209,470                          | 209,470                                      | 209,470                                  | 209,472                       | 209,470   |
| 2011-2012     | 424,260                              | 424,260                          | 424,260                                      | 424,260                                  | 424,260                       | 424,260   |
| 2012-2013     | 383,466                              | 383,466                          | 383,466                                      | 383,466                                  | 383,463                       | 383,466   |
| 2013-2014     | 559,465                              | 559,465                          | 559,465                                      | 559,465                                  | 559,468                       | 559,465   |
| 2014-2015     | 862,020                              | 862,020                          | 862,020                                      | 862,020                                  | 862,019                       | 862,020   |
| 2015-2016     | 912,013                              | 912,013                          | 912,013                                      | 912,013                                  | 912,024                       | 912,013   |
| 2016-2017     | 1,156,532                            | 1,156,532                        | 1,156,532                                    | 1,156,532                                | 1,156,528                     | 1,156,532   |
| 2017-2018     | 750,976                              | 750,976                          | 750,976                                      | 750,976                                  | 750,976                       | 750,976   |
| 2018-2019     | 1,667,718                            | 1,666,840                        | 1,667,718                                    | 1,666,840                                | 1,453,329                     | 1,668,000   |
| 2019-2020     | 885,320                              | 885,320                          | 885,320                                      | 885,320                                  | 947,733                       | 885,320   |
| 2020-2021     | 969,848                              | 959,622                          | 969,848                                      | 962,027                                  | 923,360                       | 969,848   |
| 2021-2022     | 1,104,849                            | 1,127,281                        | 1,104,849                                    | 1,139,446                                | 1,374,411                     | 1,111,000   |
| 2022-2023     | 4,020,941                            | 3,932,612                        | 3,996,770                                    | 3,781,210                                | 2,597,112                     | 4,009,000   |
| 2023-2024     | 2,535,659                            | 2,434,414                        | 2,029,709                                    | 1,882,432                                | 2,176,000                     | 1,957,000   |
| Totals        |                                      |                                  |  |  |                               | \$18,727,406  |
|               |                                      |                                  |  |  |                               | Projected Losses for the Year 2023-2024 (G) \$1,957,000 |
|               |                                      |                                  |  |  |                               | Projected Losses for the Year 2024-2025 (H) 1,850,000   |

Notes:

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

San Mateo 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 (\$00,000) (D) | Trended Limited Loss Rate (E) |
|-------------------------------|-----------------------------|------------------|----------------------------|----------------------------|-------------------------------|
| 2002-2003                     | \$741,706                   | 2.519            | \$1,868,357                | \$29,525                   | \$63.281                      |
| 2003-2004                     | 251,096                     | 2.410            | 605,141                    | 34,912                     | 17.333                        |
| 2004-2005                     | 126,828                     | 2.307            | 292,592                    | 34,830                     | 8.401                         |
| 2005-2006                     | 504,056                     | 2.208            | 1,112,956                  | 38,618                     | 28.820                        |
| 2006-2007                     | 603,718                     | 2.113            | 1,275,656                  | 39,995                     | 31.895                        |
| 2007-2008                     | 275,118                     | 2.022            | 556,289                    | 40,409                     | 13.766                        |
| 2008-2009                     | 322,216                     | 1.935            | 623,488                    | 43,711                     | 14.264                        |
| 2009-2010                     | 44,298                      | 1.852            | 82,040                     | 43,438                     | 1.889                         |
| 2010-2011                     | 209,470                     | 1.772            | 371,181                    | 43,159                     | 8.600                         |
| 2011-2012                     | 424,260                     | 1.696            | 719,545                    | 46,381                     | 15.514                        |
| 2012-2013                     | 383,466                     | 1.623            | 622,365                    | 48,154                     | 12.924                        |
| 2013-2014                     | 559,465                     | 1.553            | 868,849                    | 51,633                     | 16.827                        |
| 2014-2015                     | 862,020                     | 1.486            | 1,280,962                  | 52,509                     | 24.395                        |
| 2015-2016                     | 912,013                     | 1.422            | 1,296,882                  | 54,598                     | 23.753                        |
| 2016-2017                     | 1,156,532                   | 1.361            | 1,574,040                  | 56,517                     | 27.851                        |
| 2017-2018                     | 750,976                     | 1.302            | 977,771                    | 59,951                     | 16.309                        |
| 2018-2019                     | 1,668,000                   | 1.246            | 2,078,328                  | 59,370                     | 35.006                        |
| 2019-2020                     | 885,320                     | 1.193            | 1,056,187                  | 58,678                     | 18.000                        |
| 2020-2021                     | 969,848                     | 1.141            | 1,106,597                  | 59,573                     | 18.575                        |
| 2021-2022                     | 1,111,000                   | 1.092            | 1,213,212                  | 65,619                     | 18.489                        |
| 2022-2023                     | 4,009,000                   | 1.045            | 4,189,405                  | 67,632                     | 61.944                        |
| 2023-2024                     | 1,957,000                   | 1.000            | 1,957,000                  | 66,111                     | 29.602                        |
| Totals                        | \$18,727,406                |                  | \$25,728,843               | 1,095,323                  | \$23.490                      |
| 17/18-21/22                   | 5,385,144                   |                  | 6,432,094                  | 303,191                    | 21.215                        |
| 18/19-22/23                   | 8,643,168                   |                  | 9,643,728                  | 310,872                    | 31.022                        |
|                               |                             |                  |                            | (F) Selected Limited Rate: | \$26.000                      |
|                               |                             |                  |                            | Prior:                     | \$23.250                      |
| Program Year:                 |                             | 2023-2024        | 2024-2025                  |                            |                               |
| (G) Factor to SIR:            |                             | 1.000            | 1.000                      |                            |                               |
| (H) Trend Factor:             |                             | 1.000            | 1.045                      |                            |                               |
| (I) Program Rate:             |                             | \$29.602         | \$27.170                   |                            |                               |
| (J) Trended TIV (\$00,000):   |                             | 66,111           | 68,095                     |                            |                               |
| (K) Projected Program Losses: |                             | 1,957,000        | 1,850,000                  |                            |                               |

Notes appear on the next page.

San Mateo County Schools Insurance Group - Property

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

Notes:

- (A) From PR - Exhibit 4, Page 2, Column (F).  
For purposes of projecting future losses, losses are capped at \$250,000 per occurrence.
- (B) From PR - Appendix E, Page 1, Column (B).
- (C)  $(A) \times (B)$ .
- (D) PR - Appendix M, Column (C).
- (E)  $(C) / (D)$ .
- (F) Selected based on (E).
- (G) Based on a Burr distribution, a mathematical model of claims sizes. 2023-2024 is  $(K) / (A)$ .
- (H) From PR - Appendix E.
- (I)  $(F) \times (G) \times (H)$ . 2023-2024 is  $(K) / (J)$ .
- (J) PR - Appendix M, Column (C).
- (K)  $(I) \times (J)$ . 2023-2024 is from PR - Exhibit 4, Page 1.

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.

## San Mateo County Schools Insurance Group - Property

## Reported Loss Development

| Accident Year (A) | Limited Reported Losses as of 12/31/23 (B) | Reported Loss Development Factor (C) | Ultimate Limited Losses (D) | Program Reported Losses as of 12/31/23 (E) | Reported Loss Development Factor (F) | Ultimate Program Losses (G) |
|-------------------|--|--------------------------------------|-----------------------------|--|--------------------------------------|-----------------------------|
| 2002-2003         | \$741,706                                  | 1.000                                | \$741,706                   | \$741,706                                  | 1.000                                | \$741,706                   |
| 2003-2004         | 251,096                                    | 1.000                                | 251,096                     | 251,096                                    | 1.000                                | 251,096                     |
| 2004-2005         | 126,828                                    | 1.000                                | 126,828                     | 126,828                                    | 1.000                                | 126,828                     |
| 2005-2006         | 504,056                                    | 1.000                                | 504,056                     | 504,056                                    | 1.000                                | 504,056                     |
| 2006-2007         | 603,718                                    | 1.000                                | 603,718                     | 603,718                                    | 1.000                                | 603,718                     |
| 2007-2008         | 275,118                                    | 1.000                                | 275,118                     | 275,118                                    | 1.000                                | 275,118                     |
| 2008-2009         | 322,216                                    | 1.000                                | 322,216                     | 322,216                                    | 1.000                                | 322,216                     |
| 2009-2010         | 44,298                                     | 1.000                                | 44,298                      | 44,298                                     | 1.000                                | 44,298                      |
| 2010-2011         | 209,470                                    | 1.000                                | 209,470                     | 209,470                                    | 1.000                                | 209,470                     |
| 2011-2012         | 424,260                                    | 1.000                                | 424,260                     | 424,260                                    | 1.000                                | 424,260                     |
| 2012-2013         | 383,466                                    | 1.000                                | 383,466                     | 383,466                                    | 1.000                                | 383,466                     |
| 2013-2014         | 559,465                                    | 1.000                                | 559,465                     | 736,480                                    | 1.000                                | 736,480                     |
| 2014-2015         | 862,020                                    | 1.000                                | 862,020                     | 862,020                                    | 1.000                                | 862,020                     |
| 2015-2016         | 912,013                                    | 1.000                                | 912,013                     | 912,013                                    | 1.000                                | 912,013                     |
| 2016-2017         | 1,156,532                                  | 1.000                                | 1,156,532                   | 1,156,532                                  | 1.000                                | 1,156,532                   |
| 2017-2018         | 750,976                                    | 1.000                                | 750,976                     | 750,976                                    | 1.000                                | 750,976                     |
| 2018-2019         | 1,667,718                                  | 1.000                                | 1,667,718                   | 1,667,718                                  | 1.000                                | 1,667,718                   |
| 2019-2020         | 885,320                                    | 1.000                                | 885,320                     | 885,320                                    | 1.000                                | 885,320                     |
| 2020-2021         | 969,848                                    | 1.000                                | 969,848                     | 969,848                                    | 1.000                                | 969,848                     |
| 2021-2022         | 1,104,849                                  | 1.000                                | 1,104,849                   | 1,104,849                                  | 1.000                                | 1,104,849                   |
| 2022-2023         | 3,977,192                                  | 1.011                                | 4,020,941                   | 3,977,192                                  | 1.011                                | 4,020,941                   |
| 2023-2024         | 747,982                                    | 3.390                                | 2,535,659                   | 747,982                                    | 3.390                                | 2,535,659                   |
| Totals            | \$17,480,147                               |                                      | \$19,311,573                | \$17,657,162                               |                                      | \$19,488,588                |

## Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Group. These losses exclude amounts over \$250,000 per occurrence.
- (C) From PR - Appendix A, Page 2.
- (D) (B) x (C). These estimated losses exclude amounts over \$250,000 per occurrence.
- (E) Losses capped at the Group's SIR. Amounts are provided by the Group.
- (F) Derived from factors on PR - Appendix A, Page 4.
- (G) (E) x (F).

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

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

San Mateo County Schools Insurance Group - Property  
Reported Loss Development

| Accident Year | <u>Limited Losses Reported as of:</u> |           |           |           |           |           |           |           |            |            |            |
|---------------|---------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
|               | 6 Months                              | 18 Months | 30 Months | 42 Months | 54 Months | 66 Months | 78 Months | 90 Months | 102 Months | 114 Months | 126 Months |
| 2002-2003     |                                       |           |           |           |           |           |           |           |            |            |            |
| 2003-2004     |                                       |           |           |           |           |           |           |           |            |            |            |
| 2004-2005     |                                       |           |           |           |           |           |           |           |            |            |            |
| 2005-2006     | 219,056                               | 496,102   | 397,469   | 397,469   | 397,469   | 397,469   | 397,469   | 397,469   | 397,469    | 397,469    | 504,056    |
| 2006-2007     | 410,709                               | 597,757   | 597,757   | 597,757   | 597,757   | 597,757   | 597,757   | 597,757   | 597,757    | 603,718    | 603,718    |
| 2007-2008     | 204,361                               | 278,438   | 309,764   | 274,095   | 274,095   | 274,095   | 274,095   | 274,095   | 275,118    | 275,118    | 275,118    |
| 2008-2009     | 16,218                                | 322,220   | 322,216   | 304,141   | 304,141   | 304,141   | 322,216   | 322,216   | 322,216    | 322,216    | 322,216    |
| 2009-2010     | 11,698                                | 41,905    | 39,512    | 39,515    | 39,512    | 39,512    | 44,298    | 44,298    | 44,298     | 44,298     | 44,298     |
| 2010-2011     | 51,728                                | 65,857    | 65,657    | 195,516   | 195,516   | 209,470   | 209,470   | 209,470   | 209,470    | 209,470    | 209,470    |
| 2011-2012     | 387,256                               | 424,260   | 424,260   | 424,260   | 424,260   | 424,260   | 424,260   | 424,260   | 424,260    | 424,260    | 424,260    |
| 2012-2013     | 498                                   | 584,328   | 576,858   | 576,859   | 576,859   | 576,859   | 383,466   | 383,466   | 383,466    | 383,466    | 383,466    |
| 2013-2014     | 250,000                               | 574,465   | 564,565   | 559,465   | 559,465   | 559,465   | 559,465   | 559,465   | 559,465    | 559,465    | 559,465    |
| 2014-2015     | 329,864                               | 861,364   | 834,960   | 752,853   | 740,559   | 727,166   | 862,020   | 862,020   | 862,020    | 862,020    | 862,020    |
| 2015-2016     | 110,350                               | 1,013,448 | 1,002,935 | 939,355   | 912,013   | 912,013   | 912,013   | 912,013   | 912,013    | 912,013    | 912,013    |
| 2016-2017     | 96,595                                | 1,181,140 | 1,142,907 | 1,156,532 | 1,156,532 | 1,156,532 | 1,156,532 | 1,156,532 |            |            |            |
| 2017-2018     | 305,442                               | 850,496   | 747,238   | 750,976   | 750,976   | 750,976   | 750,976   |           |            |            |            |
| 2018-2019     | 637,013                               | 1,721,220 | 1,686,528 | 1,670,305 | 1,670,305 | 1,667,718 |           |           |            |            |            |
| 2019-2020     | 130,000                               | 883,664   | 885,320   | 885,320   | 885,320   |           |           |           |            |            |            |
| 2020-2021     | 357,088                               | 969,848   | 969,848   | 969,848   |           |           |           |           |            |            |            |
| 2021-2022     | 621,371                               | 993,988   | 1,104,849 |           |           |           |           |           |            |            |            |
| 2022-2023     | 955,002                               | 3,977,192 |           |           |           |           |           |           |            |            |            |
| 2023-2024     | 747,982                               |           |           |           |           |           |           |           |            |            |            |

|           | <u>Reported Loss Development Factors:</u> |              |              |              |              |              |              |               |                |                |                |
|-----------|---|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|
|           | 6-18 Months                               | 18-30 Months | 30-42 Months | 42-54 Months | 54-66 Months | 66-78 Months | 78-90 Months | 90-102 Months | 102-114 Months | 114-126 Months | 126-138 Months |
| 2002-2003 |   |              |              |              |              |              |              |               |                |                |                |
| 2003-2004 |   |              |              |              |              |              |              |               |                |                |                |
| 2004-2005 |   |              |              |              |              |              |              |               |                |                |                |
| 2005-2006 | 2.265                                     | 0.801        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.268          | 1.000          |
| 2006-2007 | 1.455                                     | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.010          | 1.000          | 1.000          |
| 2007-2008 | 1.362                                     | 1.113        | 0.885        | 1.000        | 1.000        | 1.000        | 1.000        | 1.004         | 1.000          | 1.000          | 1.000          |
| 2008-2009 | 19.868                                    | 1.000        | 0.944        | 1.000        | 1.000        | 1.059        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2009-2010 | 3.582                                     | 0.943        | 1.000        | 1.000        | 1.000        | 1.121        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2010-2011 | 1.273                                     | 0.997        | 2.978        | 1.000        | 1.071        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2011-2012 | 1.096                                     | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2012-2013 | 1,173.349                                 | 0.987        | 1.000        | 1.000        | 1.000        | 0.665        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2013-2014 | 2.298                                     | 0.983        | 0.991        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2014-2015 | 2.611                                     | 0.969        | 0.902        | 0.984        | 0.982        | 1.185        | 1.000        | 1.000         | 1.000          |                |                |
| 2015-2016 | 9.184                                     | 0.990        | 0.937        | 0.971        | 1.000        | 1.000        | 1.000        | 1.000         |                |                |                |
| 2016-2017 | 12.228                                    | 0.968        | 1.012        | 1.000        | 1.000        | 1.000        | 1.000        |               |                |                |                |
| 2017-2018 | 2.784                                     | 0.879        | 1.005        | 1.000        | 1.000        | 1.000        |              |               |                |                |                |
| 2018-2019 | 2.702                                     | 0.980        | 0.990        | 1.000        | 0.998        |              |              |               |                |                |                |
| 2019-2020 | 6.797                                     | 1.002        | 1.000        | 1.000        |              |              |              |               |                |                |                |
| 2020-2021 | 2.716                                     | 1.000        | 1.000        |              |              |              |              |               |                |                |                |
| 2021-2022 | 1.600                                     | 1.112        |              |              |              |              |              |               |                |                |                |
| 2022-2023 | 4.165                                     |              |              |              |              |              |              |               |                |                |                |

|                     | 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             | 69.519      | 0.984        | 1.103        | 0.997        | 1.004        | 1.002        | 1.000        | 1.000         | 1.001          | 1.030          | 1.000          |
| Dollar-Wtd. Avgs.   |             |              |              |              |              |              |              |               |                |                |                |
| Total               | 3.109       | 0.984        | 0.993        | 0.996        | 1.000        | 0.995        | 1.000        | 1.000         | 1.001          | 1.033          | 1.000          |
| 3-yr                | 3.073       | 1.040        | 0.995        | 1.000        | 0.999        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 4-yr                | 3.307       | 1.017        | 0.997        | 1.000        | 0.999        | 1.038        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| Comparative Factors | 2.556       | 1.082        | 1.005        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| Prior               | 3.353       | 1.005        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| Selected            | 3.353       | 1.011        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| Cumulated           | 3.390       | 1.011        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |

San Mateo County Schools Insurance Group - Property  
Reported Loss Development

| Accident Year | <u>Limited Losses Reported as of:</u> |            |            |            |            |            |            |            |            |            |            |
|---------------|---------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|               | 138 Months                            | 150 Months | 162 Months | 174 Months | 186 Months | 198 Months | 210 Months | 222 Months | 234 Months | 246 Months | 258 Months |
| 2002-2003     |                                       |            |            |            |            |            |            |            |            |            |            |
| 2003-2004     |                                       |            |            |            |            |            |            |            |            | 741,706    | 741,706    |
| 2004-2005     |                                       |            |            |            |            |            |            |            | 126,828    | 126,828    |            |
| 2005-2006     | 504,056                               |            |            |            |            | 504,056    | 504,056    | 504,056    |            |            |            |
| 2006-2007     | 603,718                               |            |            |            | 603,718    | 603,718    | 603,718    |            |            |            |            |
| 2007-2008     | 275,118                               |            |            | 275,118    | 275,118    | 275,118    |            |            |            |            |            |
| 2008-2009     | 322,216                               |            | 322,216    | 322,216    | 322,216    |            |            |            |            |            |            |
| 2009-2010     | 44,298                                | 44,298     | 44,298     | 44,298     |            |            |            |            |            |            |            |
| 2010-2011     | 209,470                               | 209,470    | 209,470    |            |            |            |            |            |            |            |            |
| 2011-2012     | 424,260                               | 424,260    |            |            |            |            |            |            |            |            |            |
| 2012-2013     | 383,466                               |            |            |            |            |            |            |            |            |            |            |
| 2013-2014     |                                       |            |            |            |            |            |            |            |            |            |            |
| 2014-2015     |                                       |            |            |            |            |            |            |            |            |            |            |
| 2015-2016     |                                       |            |            |            |            |            |            |            |            |            |            |
| 2016-2017     |                                       |            |            |            |            |            |            |            |            |            |            |
| 2017-2018     |                                       |            |            |            |            |            |            |            |            |            |            |
| 2018-2019     |                                       |            |            |            |            |            |            |            |            |            |            |
| 2019-2020     |                                       |            |            |            |            |            |            |            |            |            |            |
| 2020-2021     |                                       |            |            |            |            |            |            |            |            |            |            |
| 2021-2022     |                                       |            |            |            |            |            |            |            |            |            |            |
| 2022-2023     |                                       |            |            |            |            |            |            |            |            |            |            |
| 2023-2024     |                                       |            |            |            |            |            |            |            |            |            |            |

|                  | <u>Reported Loss Development Factors:</u> |                |                |                |                |                |                |                |                |                |                 |
|------------------|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
|                  | 138-150 Months                            | 150-162 Months | 162-174 Months | 174-186 Months | 186-198 Months | 198-210 Months | 210-222 Months | 222-234 Months | 234-246 Months | 246-258 Months | 258-Ult. Months |
| 2002-2003        |   |                |                |                |                |                |                |                |                |                |                 |
| 2003-2004        |   |                |                |                |                |                |                |                |                | 1.000          |                 |
| 2004-2005        |   |                |                |                |                |                |                | 1.000          |                |                |                 |
| 2005-2006        |   |                |                |                |                | 1.000          | 1.000          |                |                |                |                 |
| 2006-2007        |   |                |                |                | 1.000          | 1.000          |                |                |                |                |                 |
| 2007-2008        |   |                |                | 1.000          | 1.000          |                |                |                |                |                |                 |
| 2008-2009        |   |                | 1.000          | 1.000          |                |                |                |                |                |                |                 |
| 2009-2010        | 1.000                                     | 1.000          | 1.000          |                |                |                |                |                |                |                |                 |
| 2010-2011        | 1.000                                     | 1.000          |                |                |                |                |                |                |                |                |                 |
| 2011-2012        | 1.000                                     |                |                |                |                |                |                |                |                |                |                 |
| 2012-2013        |   |                |                |                |                |                |                |                |                |                |                 |
| 2013-2014        |   |                |                |                |                |                |                |                |                |                |                 |
| 2014-2015        |   |                |                |                |                |                |                |                |                |                |                 |
| 2015-2016        |   |                |                |                |                |                |                |                |                |                |                 |
| 2016-2017        |   |                |                |                |                |                |                |                |                |                |                 |
| 2017-2018        |   |                |                |                |                |                |                |                |                |                |                 |
| 2018-2019        |   |                |                |                |                |                |                |                |                |                |                 |
| 2019-2020        |   |                |                |                |                |                |                |                |                |                |                 |
| 2020-2021        |   |                |                |                |                |                |                |                |                |                |                 |
| 2021-2022        |   |                |                |                |                |                |                |                |                |                |                 |
| 2022-2023        |   |                |                |                |                |                |                |                |                |                |                 |
| Average          | 1.000                                     | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                 |
| Dollar-Wtd. Avgs |   |                |                |                |                |                |                |                |                |                |                 |
| Total            | 1.000                                     | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                 |
| 3-yr             | 1.000                                     |                |                |                |                |                |                |                |                |                |                 |
| 4-yr             |   |                |                |                |                |                |                |                |                |                |                 |
| Comparative      |   |                |                |                |                |                |                |                |                |                |                 |
| Factors          | 1.000                                     | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |
| Prior            | 1.000                                     | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |
| Selected         | 1.000                                     | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |
| Cumulated        | 1.000                                     | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |

San Mateo County Schools Insurance Group - Property  
Reported between \$250,000 and \$500,000 Loss Development

| Accident Year | <u>Losses Reported as of:</u> |           |           |           |           |           |           |           |            |            |            |
|---------------|-------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
|               | 6 Months                      | 18 Months | 30 Months | 42 Months | 54 Months | 66 Months | 78 Months | 90 Months | 102 Months | 114 Months | 126 Months |
| 2006-2007     |                               |           |           |           |           |           |           |           |            |            |            |
| 2007-2008     |                               |           |           |           |           |           |           |           |            |            |            |
| 2008-2009     |                               |           |           |           |           |           |           | 3,075     | 3,075      | 3,075      | 3,075      |
| 2009-2010     |                               |           |           |           |           |           |           |           |            |            |            |
| 2010-2011     |                               |           |           |           |           |           |           |           |            |            |            |
| 2011-2012     |                               |           |           |           | 177,303   | 177,303   | 177,303   | 177,303   | 177,303    | 177,303    | 177,303    |
| 2012-2013     |                               |           |           | 10,000    | 10,000    | 10,000    |           |           |            |            |            |
| 2013-2014     |                               |           | 500,000   | 500,000   | 500,000   | 500,000   | 500,000   | 500,000   | 500,000    | 500,000    | 500,000    |
| 2014-2015     |                               | 350,000   | 254,232   | 254,232   | 254,232   | 254,232   | 254,232   | 254,232   | 254,232    | 254,232    |            |
| 2015-2016     |                               | 250,000   | 250,000   | 250,000   | 250,000   | 250,000   | 250,000   | 250,000   | 250,000    |            |            |
| 2016-2017     |                               | 266,434   | 182,899   | 178,556   | 178,556   | 178,556   | 178,556   | 178,556   |            |            |            |
| 2017-2018     | 250,000                       | 278,200   | 346,260   | 346,260   | 346,260   | 346,260   | 346,260   |           |            |            |            |
| 2018-2019     | 250,000                       | 380,000   | 385,539   | 385,539   | 385,539   | 385,539   |           |           |            |            |            |
| 2019-2020     |                               | 250,000   | 250,000   | 250,000   | 250,000   |           |           |           |            |            |            |
| 2020-2021     |                               | 1,777     | 1,777     | 1,777     |           |           |           |           |            |            |            |
| 2021-2022     |                               | 200,000   | 175,000   |           |           |           |           |           |            |            |            |
| 2022-2023     | 250,000                       | 841,751   |           |           |           |           |           |           |            |            |            |
| 2023-2024     |                               |           |           |           |           |           |           |           |            |            |            |

|           | <u>Reported Loss Development Factors:</u> |              |              |              |              |              |              |               |                |                |                |
|-----------|---|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|
|           | 6-18 Months                               | 18-30 Months | 30-42 Months | 42-54 Months | 54-66 Months | 66-78 Months | 78-90 Months | 90-102 Months | 102-114 Months | 114-126 Months | 126-138 Months |
| 2006-2007 |   |              |              |              |              |              |              |               |                |                |                |
| 2007-2008 |   |              |              |              |              |              |              |               |                |                |                |
| 2008-2009 |   |              |              |              |              |              |              | 1.000         | 1.000          | 1.000          | 1.000          |
| 2009-2010 |   |              |              |              |              |              |              |               |                |                |                |
| 2010-2011 |   |              |              |              |              |              |              |               |                |                |                |
| 2011-2012 |   |              |              |              | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2012-2013 |   |              |              | 1.000        | 1.000        |              |              |               |                |                |                |
| 2013-2014 |   |              | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          |                |
| 2014-2015 |   | 0.726        | 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 |   | 0.686        | 0.976        | 1.000        | 1.000        | 1.000        | 1.000        |               |                |                |                |
| 2017-2018 | 1.113                                     | 1.245        | 1.000        | 1.000        | 1.000        | 1.000        |              |               |                |                |                |
| 2018-2019 | 1.520                                     | 1.015        | 1.000        | 1.000        | 1.000        |              |              |               |                |                |                |
| 2019-2020 |   | 1.000        | 1.000        | 1.000        |              |              |              |               |                |                |                |
| 2020-2021 |   | 1.000        | 1.000        |              |              |              |              |               |                |                |                |
| 2021-2022 |   | 0.875        |              |              |              |              |              |               |                |                |                |
| 2022-2023 | 3.367                                     |              |              |              |              |              |              |               |                |                |                |

|                     | 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             | 2.000       | 0.943        | 0.997        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| Dollar-Wtd. Avgs.   |             |              |              |              |              |              |              |               |                |                |                |
| Total               | 2.000       | 0.934        | 0.998        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 3-yr                |             | 0.945        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         |                |                |                |
| 4-yr                |             | 0.977        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        |               |                |                |                |
| Comparative Factors | 4.627       | 1.861        | 1.283        | 1.105        | 1.017        | 1.008        | 1.003        | 1.000         | 1.000          | 1.000          | 1.000          |
| Prior               | 3.000       | 1.005        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| Selected            | 3.353       | 1.011        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| Cumulated           | 3.390       | 1.011        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |

San Mateo County Schools Insurance Group - Property  
Reported between \$250,000 and \$500,000 Loss Development

| Accident Year | <u>Losses Reported as of:</u> |            |            |            |            |            |            |            |
|---------------|-------------------------------|------------|------------|------------|------------|------------|------------|------------|
|               | 138 Months                    | 150 Months | 162 Months | 174 Months | 186 Months | 198 Months | 210 Months | 222 Months |
| 2006-2007     |                               |            |            |            |            |            |            |            |
| 2007-2008     |                               |            |            |            |            |            |            |            |
| 2008-2009     | 3,075                         | 3,075      | 3,075      | 3,075      | 3,075      |            |            |            |
| 2009-2010     |                               |            |            |            |            |            |            |            |
| 2010-2011     |                               |            |            |            |            |            |            |            |
| 2011-2012     | 177,303                       | 177,303    |            |            |            |            |            |            |
| 2012-2013     |                               |            |            |            |            |            |            |            |
| 2013-2014     |                               |            |            |            |            |            |            |            |
| 2014-2015     |                               |            |            |            |            |            |            |            |
| 2015-2016     |                               |            |            |            |            |            |            |            |
| 2016-2017     |                               |            |            |            |            |            |            |            |
| 2017-2018     |                               |            |            |            |            |            |            |            |
| 2018-2019     |                               |            |            |            |            |            |            |            |
| 2019-2020     |                               |            |            |            |            |            |            |            |
| 2020-2021     |                               |            |            |            |            |            |            |            |
| 2021-2022     |                               |            |            |            |            |            |            |            |
| 2022-2023     |                               |            |            |            |            |            |            |            |
| 2023-2024     |                               |            |            |            |            |            |            |            |

|           | <u>Reported Loss Development Factors:</u> |                |                |                |                |                |                |                 |
|-----------|---|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
|           | 138-150 Months                            | 150-162 Months | 162-174 Months | 174-186 Months | 186-198 Months | 198-210 Months | 210-222 Months | 222-Ult. Months |
| 2006-2007 |   |                |                |                |                |                |                |                 |
| 2007-2008 |   |                |                |                |                |                |                |                 |
| 2008-2009 | 1.000                                     | 1.000          | 1.000          | 1.000          |                |                |                |                 |
| 2009-2010 |   |                |                |                |                |                |                |                 |
| 2010-2011 |   |                |                |                |                |                |                |                 |
| 2011-2012 | 1.000                                     |                |                |                |                |                |                |                 |
| 2012-2013 |   |                |                |                |                |                |                |                 |
| 2013-2014 |   |                |                |                |                |                |                |                 |
| 2014-2015 |   |                |                |                |                |                |                |                 |
| 2015-2016 |   |                |                |                |                |                |                |                 |
| 2016-2017 |   |                |                |                |                |                |                |                 |
| 2017-2018 |   |                |                |                |                |                |                |                 |
| 2018-2019 |   |                |                |                |                |                |                |                 |
| 2019-2020 |   |                |                |                |                |                |                |                 |
| 2020-2021 |   |                |                |                |                |                |                |                 |
| 2021-2022 |   |                |                |                |                |                |                |                 |
| 2022-2023 |   |                |                |                |                |                |                |                 |

|                  | 138-150 Months | 150-162 Months | 162-174 Months | 174-186 Months | 186-198 Months | 198-210 Months | 210-222 Months | 222-Ult. Months |
|------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| Average          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                 |
| Dollar-Wtd. Avgs |                |                |                |                |                |                |                |                 |
| Total            | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                 |
| 3-yr             |                |                |                |                |                |                |                |                 |
| 4-yr             |                |                |                |                |                |                |                |                 |
| Comparative      |                |                |                |                |                |                |                |                 |
| Factors          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |
| Prior            | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |
| Selected         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |
| Cumulated        | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |

## San Mateo County Schools Insurance Group - Property

## Paid Loss Development

| Accident Year<br>(A) | Limited Paid Losses as of 12/31/23<br>(B) | Paid Loss Development Factor<br>(C) | Ultimate Limited Losses<br>(D) | Program Paid Losses as of 12/31/23<br>(E) | Paid Loss Development Factor<br>(F) | Ultimate Program Losses<br>(G) |
|----------------------|---|-------------------------------------|--------------------------------|---|-------------------------------------|--------------------------------|
| 2002-2003            | \$741,706                                 | 1.000                               | \$741,706                      | \$741,706                                 | 1.000                               | \$741,706                      |
| 2003-2004            | 251,096                                   | 1.000                               | 251,096                        | 251,096                                   | 1.000                               | 251,096                        |
| 2004-2005            | 126,828                                   | 1.000                               | 126,828                        | 126,828                                   | 1.000                               | 126,828                        |
| 2005-2006            | 504,056                                   | 1.000                               | 504,056                        | 504,056                                   | 1.000                               | 504,056                        |
| 2006-2007            | 603,718                                   | 1.000                               | 603,718                        | 603,718                                   | 1.000                               | 603,718                        |
| 2007-2008            | 275,118                                   | 1.000                               | 275,118                        | 275,118                                   | 1.000                               | 275,118                        |
| 2008-2009            | 322,216                                   | 1.000                               | 322,216                        | 322,216                                   | 1.000                               | 322,216                        |
| 2009-2010            | 44,298                                    | 1.000                               | 44,298                         | 44,298                                    | 1.000                               | 44,298                         |
| 2010-2011            | 209,470                                   | 1.000                               | 209,470                        | 209,470                                   | 1.000                               | 209,470                        |
| 2011-2012            | 424,260                                   | 1.000                               | 424,260                        | 424,260                                   | 1.000                               | 424,260                        |
| 2012-2013            | 383,466                                   | 1.000                               | 383,466                        | 383,466                                   | 1.000                               | 383,466                        |
| 2013-2014            | 559,465                                   | 1.000                               | 559,465                        | 736,480                                   | 1.000                               | 736,480                        |
| 2014-2015            | 862,020                                   | 1.000                               | 862,020                        | 862,020                                   | 1.000                               | 862,020                        |
| 2015-2016            | 912,013                                   | 1.000                               | 912,013                        | 912,013                                   | 1.000                               | 912,013                        |
| 2016-2017            | 1,156,532                                 | 1.000                               | 1,156,532                      | 1,156,532                                 | 1.000                               | 1,156,532                      |
| 2017-2018            | 750,976                                   | 1.000                               | 750,976                        | 750,976                                   | 1.000                               | 750,976                        |
| 2018-2019            | 1,666,840                                 | 1.000                               | 1,666,840                      | 1,666,840                                 | 1.000                               | 1,666,840                      |
| 2019-2020            | 885,320                                   | 1.000                               | 885,320                        | 885,320                                   | 1.000                               | 885,320                        |
| 2020-2021            | 954,848                                   | 1.005                               | 959,622                        | 954,848                                   | 1.005                               | 959,622                        |
| 2021-2022            | 1,099,786                                 | 1.025                               | 1,127,281                      | 1,099,786                                 | 1.025                               | 1,127,281                      |
| 2022-2023            | 3,654,844                                 | 1.076                               | 3,932,612                      | 3,654,844                                 | 1.076                               | 3,932,612                      |
| 2023-2024            | 257,093                                   | 9.469                               | 2,434,414                      | 257,093                                   | 9.469                               | 2,434,414                      |
| Totals               | \$16,645,969                              |                                     | \$19,133,327                   | \$16,822,984                              |                                     | \$19,310,342                   |

## Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Group. These losses exclude amounts over \$250,000 per occurrence.
- (C) From PR - Appendix B, Page 2.
- (D) (B) x (C). These estimated losses exclude amounts over \$250,000 per occurrence.
- (E) Losses capped at the Group's SIR. Amounts are provided by the Group.
- (F) Derived from factors on PR - Appendix B, 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.

San Mateo County Schools Insurance Group - Property  
Paid Loss Development

| Accident Year | <u>Limited Losses Paid as of:</u> |           |           |           |           |           |           |           |            |            |            |
|---------------|-----------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
|               | 6 Months                          | 18 Months | 30 Months | 42 Months | 54 Months | 66 Months | 78 Months | 90 Months | 102 Months | 114 Months | 126 Months |
| 2002-2003     |                                   |           |           |           |           |           |           |           |            |            |            |
| 2003-2004     |                                   |           |           |           |           |           |           |           |            |            |            |
| 2004-2005     |                                   |           |           |           |           |           |           |           |            |            |            |
| 2005-2006     | 10,367                            | 496,102   | 397,469   | 397,469   | 397,469   | 397,469   | 397,469   | 397,469   | 397,469    | 397,469    | 504,056    |
| 2006-2007     | 120,728                           | 597,757   | 597,757   | 597,757   | 597,757   | 597,757   | 597,757   | 597,757   | 597,757    | 603,718    | 603,718    |
| 2007-2008     | 89,361                            | 250,040   | 278,196   | 274,095   | 274,095   | 274,095   | 274,095   | 274,095   | 275,118    | 275,118    | 275,118    |
| 2008-2009     | 2,802                             | 322,216   | 322,216   | 304,141   | 304,141   | 304,141   | 322,216   | 322,216   | 322,216    | 322,216    | 322,216    |
| 2009-2010     | 6,728                             | 27,697    | 39,512    | 39,515    | 39,512    | 39,512    | 44,298    | 44,298    | 44,298     | 44,298     | 44,298     |
| 2010-2011     | 6,728                             | 65,657    | 65,657    | 195,516   | 195,516   | 209,470   | 209,470   | 209,470   | 209,470    | 209,470    | 209,470    |
| 2011-2012     | 175,534                           | 223,866   | 424,260   | 424,260   | 424,260   | 424,260   | 424,260   | 424,260   | 424,260    | 424,260    | 424,260    |
| 2012-2013     | 100                               | 584,328   | 383,466   | 383,466   | 383,466   | 383,466   | 383,466   | 383,466   | 383,466    | 383,466    | 383,466    |
| 2013-2014     |                                   | 562,618   | 559,465   | 559,465   | 559,465   | 559,465   | 559,465   | 559,465   | 559,465    | 559,465    | 559,465    |
| 2014-2015     | 32,262                            | 672,755   | 687,243   | 678,350   | 675,605   | 675,605   | 675,605   | 675,605   | 862,020    | 862,020    |            |
| 2015-2016     | 350                               | 845,095   | 854,210   | 912,013   | 912,013   | 912,013   | 912,013   | 912,013   | 912,013    |            |            |
| 2016-2017     | 96,595                            | 940,498   | 1,141,414 | 1,156,532 | 1,156,532 | 1,156,532 | 1,156,532 | 1,156,532 |            |            |            |
| 2017-2018     | 44,909                            | 753,996   | 747,238   | 750,976   | 750,976   | 750,976   | 750,976   |           |            |            |            |
| 2018-2019     | 300,141                           | 1,631,606 | 1,632,199 | 1,663,428 | 1,663,648 | 1,666,840 |           |           |            |            |            |
| 2019-2020     |                                   | 883,442   | 885,320   | 885,320   | 885,320   |           |           |           |            |            |            |
| 2020-2021     | 215,253                           | 954,848   | 954,848   | 954,848   |           |           |           |           |            |            |            |
| 2021-2022     | 4,508                             | 877,673   | 1,099,786 |           |           |           |           |           |            |            |            |
| 2022-2023     | 303,529                           | 3,654,844 |           |           |           |           |           |           |            |            |            |
| 2023-2024     | 257,093                           |           |           |           |           |           |           |           |            |            |            |

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 |
|-----------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|
| 2002-2003 |             |              |              |              |              |              |              |               |                |                |                |
| 2003-2004 |             |              |              |              |              |              |              |               |                |                |                |
| 2004-2005 |             |              |              |              |              |              |              |               |                |                |                |
| 2005-2006 | 47.854      | 0.801        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.268          | 1.000          |
| 2006-2007 | 4.951       | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.010          | 1.000          | 1.000          |
| 2007-2008 | 2.798       | 1.113        | 0.985        | 1.000        | 1.000        | 1.000        | 1.000        | 1.004         | 1.000          | 1.000          | 1.000          |
| 2008-2009 | 114.995     | 1.000        | 0.944        | 1.000        | 1.000        | 1.059        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2009-2010 | 4.117       | 1.427        | 1.000        | 1.000        | 1.000        | 1.121        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2010-2011 | 9.759       | 1.000        | 2.978        | 1.000        | 1.071        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2011-2012 | 1.275       | 1.895        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2012-2013 | 5,843.280   | 0.656        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2013-2014 |             | 0.994        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          |                |
| 2014-2015 | 20.853      | 1.022        | 0.987        | 0.996        | 1.000        | 1.000        | 1.000        | 1.276         | 1.000          |                |                |
| 2015-2016 | 2,414.557   | 1.011        | 1.068        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         |                |                |                |
| 2016-2017 | 9.737       | 1.214        | 1.013        | 1.000        | 1.000        | 1.000        | 1.000        |               |                |                |                |
| 2017-2018 | 16.789      | 0.991        | 1.005        | 1.000        | 1.000        | 1.000        |              |               |                |                |                |
| 2018-2019 | 5.436       | 1.000        | 1.019        | 1.000        | 1.002        |              |              |               |                |                |                |
| 2019-2020 |             | 1.002        | 1.000        | 1.000        |              |              |              |               |                |                |                |
| 2020-2021 | 4.436       | 1.000        | 1.000        |              |              |              |              |               |                |                |                |
| 2021-2022 | 194.692     | 1.253        |              |              |              |              |              |               |                |                |                |
| 2022-2023 | 12.041      |              |              |              |              |              |              |               |                |                |                |

|                     | 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             | 544.223     | 1.081        | 1.125        | 1.000        | 1.005        | 1.014        | 1.000        | 1.025         | 1.001          | 1.030          | 1.000          |
| Dollar-Wtd. Avgs.   |             |              |              |              |              |              |              |               |                |                |                |
| Total               | 9.149       | 1.036        | 1.021        | 1.000        | 1.002        | 1.003        | 1.000        | 1.039         | 1.001          | 1.033          | 1.000          |
| 3-yr                | 10.486      | 1.082        | 1.009        | 1.000        | 1.001        | 1.000        | 1.000        | 1.087         | 1.000          | 1.000          | 1.000          |
| 4-yr                |             | 1.052        | 1.008        | 1.000        | 1.001        | 1.000        | 1.000        | 1.074         | 1.000          | 1.000          | 1.000          |
| Comparative Factors |             |              |              |              |              |              |              |               |                |                |                |
| Prior               | 3.157       | 1.304        | 1.011        | 1.002        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| Selected            | 8.450       | 1.050        | 1.025        | 1.005        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| Cumulated           | 8.800       | 1.050        | 1.020        | 1.005        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
|                     | 9.469       | 1.076        | 1.025        | 1.005        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |

San Mateo County Schools Insurance Group - Property  
Paid Loss Development

| Accident Year | <u>Limited Losses Paid as of:</u> |            |            |            |            |            |            |            |            |            |            |
|---------------|-----------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|               | 138 Months                        | 150 Months | 162 Months | 174 Months | 186 Months | 198 Months | 210 Months | 222 Months | 234 Months | 246 Months | 258 Months |
| 2002-2003     |                                   |            |            | 741,706    | 741,706    |            |            |            |            |            |            |
| 2003-2004     |                                   |            | 251,096    | 251,096    | 251,096    |            |            |            | 251,096    | 251,096    |            |
| 2004-2005     |                                   | 126,828    | 126,828    | 126,828    | 126,828    |            |            | 126,828    | 126,828    |            |            |
| 2005-2006     | 504,056                           | 504,056    | 504,056    | 504,056    | 504,056    | 504,056    | 504,056    | 504,056    |            |            |            |
| 2006-2007     | 603,718                           | 603,718    | 603,718    | 603,718    | 603,718    | 603,718    | 603,718    |            |            |            |            |
| 2007-2008     | 275,118                           | 275,118    | 275,118    | 275,118    | 275,118    | 275,118    |            |            |            |            |            |
| 2008-2009     | 322,216                           | 322,216    | 322,216    | 322,216    | 322,216    |            |            |            |            |            |            |
| 2009-2010     | 44,298                            | 44,298     |            | 44,298     |            |            |            |            |            |            |            |
| 2010-2011     | 209,470                           | 209,470    | 209,470    |            |            |            |            |            |            |            |            |
| 2011-2012     | 424,260                           | 424,260    |            |            |            |            |            |            |            |            |            |
| 2012-2013     | 383,466                           |            |            |            |            |            |            |            |            |            |            |
| 2013-2014     |                                   |            |            |            |            |            |            |            |            |            |            |
| 2014-2015     |                                   |            |            |            |            |            |            |            |            |            |            |
| 2015-2016     |                                   |            |            |            |            |            |            |            |            |            |            |
| 2016-2017     |                                   |            |            |            |            |            |            |            |            |            |            |
| 2017-2018     |                                   |            |            |            |            |            |            |            |            |            |            |
| 2018-2019     |                                   |            |            |            |            |            |            |            |            |            |            |
| 2019-2020     |                                   |            |            |            |            |            |            |            |            |            |            |
| 2020-2021     |                                   |            |            |            |            |            |            |            |            |            |            |
| 2021-2022     |                                   |            |            |            |            |            |            |            |            |            |            |
| 2022-2023     |                                   |            |            |            |            |            |            |            |            |            |            |
| 2023-2024     |                                   |            |            |            |            |            |            |            |            |            |            |

|           | <u>Paid Loss Development Factors:</u> |                |                |                |                |                |                |                |                |                |                 |
|-----------|---------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
|           | 138-150 Months                        | 150-162 Months | 162-174 Months | 174-186 Months | 186-198 Months | 198-210 Months | 210-222 Months | 222-234 Months | 234-246 Months | 246-258 Months | 258-Ult. Months |
| 2002-2003 |                                       |                |                | 1.000          |                |                |                |                |                |                |                 |
| 2003-2004 |                                       |                | 1.000          | 1.000          |                |                |                |                |                |                |                 |
| 2004-2005 |                                       | 1.000          | 1.000          | 1.000          |                |                |                | 1.000          |                |                |                 |
| 2005-2006 | 1.000                                 | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                |                 |
| 2006-2007 | 1.000                                 | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                |                |                 |
| 2007-2008 | 1.000                                 | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                |                |                |                 |
| 2008-2009 | 1.000                                 | 1.000          | 1.000          | 1.000          |                |                |                |                |                |                |                 |
| 2009-2010 | 1.000                                 | 1.000          | 1.000          |                |                |                |                |                |                |                |                 |
| 2010-2011 | 1.000                                 | 1.000          |                |                |                |                |                |                |                |                |                 |
| 2011-2012 | 1.000                                 |                |                |                |                |                |                |                |                |                |                 |
| 2012-2013 |                                       |                |                |                |                |                |                |                |                |                |                 |
| 2013-2014 |                                       |                |                |                |                |                |                |                |                |                |                 |
| 2014-2015 |                                       |                |                |                |                |                |                |                |                |                |                 |
| 2015-2016 |                                       |                |                |                |                |                |                |                |                |                |                 |
| 2016-2017 |                                       |                |                |                |                |                |                |                |                |                |                 |
| 2017-2018 |                                       |                |                |                |                |                |                |                |                |                |                 |
| 2018-2019 |                                       |                |                |                |                |                |                |                |                |                |                 |
| 2019-2020 |                                       |                |                |                |                |                |                |                |                |                |                 |
| 2020-2021 |                                       |                |                |                |                |                |                |                |                |                |                 |
| 2021-2022 |                                       |                |                |                |                |                |                |                |                |                |                 |
| 2022-2023 |                                       |                |                |                |                |                |                |                |                |                |                 |

|                     | 138-150 Months | 150-162 Months | 162-174 Months | 174-186 Months | 186-198 Months | 198-210 Months | 210-222 Months | 222-234 Months | 234-246 Months | 246-258 Months | 258-Ult. Months |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| Average             | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                 |
| Dollar-Wtd. Avgs    |                |                |                |                |                |                |                |                |                |                |                 |
| Total               | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                 |
| 3-yr                | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                |                |                |                 |
| 4-yr                | 1.000          | 1.000          | 1.000          | 1.000          |                |                |                |                |                |                |                 |
| Comparative Factors |                |                |                |                |                |                |                |                |                |                |                 |
| Prior               | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |
| Selected            | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |
| Cumulated           | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |

San Mateo County Schools Insurance Group - Property  
Paid between \$250,000 and \$500,000 Loss Development

| Accident Year | <u>Losses Paid as of:</u> |           |           |           |           |           |           |           |            |            |            |
|---------------|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
|               | 6 Months                  | 18 Months | 30 Months | 42 Months | 54 Months | 66 Months | 78 Months | 90 Months | 102 Months | 114 Months | 126 Months |
| 2006-2007     |                           |           |           |           |           |           |           |           |            |            |            |
| 2007-2008     |                           |           |           |           |           |           |           |           |            |            |            |
| 2008-2009     |                           |           |           |           |           |           |           | 3,075     | 3,075      | 3,075      | 3,075      |
| 2009-2010     |                           |           |           |           |           |           |           |           |            |            |            |
| 2010-2011     |                           |           |           |           |           |           |           |           |            |            |            |
| 2011-2012     |                           |           |           |           | 177,303   | 177,303   | 177,303   | 177,303   | 177,303    | 177,303    | 177,303    |
| 2012-2013     |                           |           |           |           |           |           |           |           |            |            |            |
| 2013-2014     |                           |           | 500,000   | 500,000   | 500,000   | 500,000   | 500,000   | 500,000   | 500,000    | 500,000    | 500,000    |
| 2014-2015     |                           | 254,232   | 254,232   | 254,232   | 254,232   | 254,232   | 254,232   | 254,232   | 254,232    | 254,232    |            |
| 2015-2016     |                           | 131,326   | 250,000   | 250,000   | 250,000   | 250,000   | 250,000   | 250,000   | 250,000    |            |            |
| 2016-2017     |                           | 105,421   | 178,556   | 178,556   | 178,556   | 178,556   | 178,556   | 178,556   |            |            |            |
| 2017-2018     |                           | 61,144    | 346,260   | 346,260   | 346,260   | 346,260   | 346,260   |           |            |            |            |
| 2018-2019     |                           | 371,043   | 385,539   | 385,539   | 385,539   | 385,539   |           |           |            |            |            |
| 2019-2020     |                           | 250,000   | 250,000   | 250,000   | 250,000   |           |           |           |            |            |            |
| 2020-2021     |                           | 1,777     | 1,777     | 1,777     |           |           |           |           |            |            |            |
| 2021-2022     |                           | 98,011    | 136,230   |           |           |           |           |           |            |            |            |
| 2022-2023     | 250,000                   | 841,751   |           |           |           |           |           |           |            |            |            |
| 2023-2024     |                           |           |           |           |           |           |           |           |            |            |            |

|           | <u>Paid Loss Development Factors:</u> |              |              |              |              |              |              |               |                |                |                |
|-----------|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|
|           | 6-18 Months                           | 18-30 Months | 30-42 Months | 42-54 Months | 54-66 Months | 66-78 Months | 78-90 Months | 90-102 Months | 102-114 Months | 114-126 Months | 126-138 Months |
| 2006-2007 |                                       |              |              |              |              |              |              |               |                |                |                |
| 2007-2008 |                                       |              |              |              |              |              |              |               |                |                |                |
| 2008-2009 |                                       |              |              |              |              |              |              | 1.000         | 1.000          | 1.000          | 1.000          |
| 2009-2010 |                                       |              |              |              |              |              |              |               |                |                |                |
| 2010-2011 |                                       |              |              |              |              |              |              |               |                |                |                |
| 2011-2012 |                                       |              |              |              | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 2012-2013 |                                       |              |              |              |              |              |              |               |                |                |                |
| 2013-2014 |                                       |              | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          |                |
| 2014-2015 |                                       | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          |                |                |
| 2015-2016 |                                       | 1.904        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         |                |                |                |
| 2016-2017 |                                       | 1.694        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        |               |                |                |                |
| 2017-2018 |                                       | 5.663        | 1.000        | 1.000        | 1.000        | 1.000        |              |               |                |                |                |
| 2018-2019 |                                       | 1.039        | 1.000        | 1.000        | 1.000        |              |              |               |                |                |                |
| 2019-2020 |                                       | 1.000        | 1.000        | 1.000        |              |              |              |               |                |                |                |
| 2020-2021 |                                       | 1.000        | 1.000        |              |              |              |              |               |                |                |                |
| 2021-2022 |                                       | 1.390        |              |              |              |              |              |               |                |                |                |
| 2022-2023 | 3.367                                 |              |              |              |              |              |              |               |                |                |                |

|                     | 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             | 3.367       | 1.836        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| Dollar-Wtd. Avgs.   |             |              |              |              |              |              |              |               |                |                |                |
| Total               | 3.367       | 1.416        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| 3-yr                |             | 1.109        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         |                |                |                |
| 4-yr                |             | 1.073        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        |               |                |                |                |
| Comparative Factors | 9.044       | 3.111        | 1.786        | 1.350        | 1.167        | 1.086        | 1.062        | 1.039         | 1.026          | 1.013          | 1.005          |
| Prior               | 7.500       | 1.440        | 1.010        | 1.005        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| Selected            | 8.800       | 1.050        | 1.020        | 1.005        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |
| Cumulated           | 9.469       | 1.076        | 1.025        | 1.005        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |

San Mateo County Schools Insurance Group - Property  
Paid between \$250,000 and \$500,000 Loss Development

| Accident Year | <u>Losses Paid as of:</u> |            |            |            |            |            |            |            |
|---------------|---------------------------|------------|------------|------------|------------|------------|------------|------------|
|               | 138 Months                | 150 Months | 162 Months | 174 Months | 186 Months | 198 Months | 210 Months | 222 Months |
| 2006-2007     |                           |            |            |            |            |            |            |            |
| 2007-2008     |                           |            |            |            |            |            |            |            |
| 2008-2009     | 3,075                     | 3,075      | 3,075      | 3,075      | 3,075      |            |            |            |
| 2009-2010     |                           |            |            |            |            |            |            |            |
| 2010-2011     |                           |            |            |            |            |            |            |            |
| 2011-2012     | 177,303                   | 177,303    |            |            |            |            |            |            |
| 2012-2013     |                           |            |            |            |            |            |            |            |
| 2013-2014     |                           |            |            |            |            |            |            |            |
| 2014-2015     |                           |            |            |            |            |            |            |            |
| 2015-2016     |                           |            |            |            |            |            |            |            |
| 2016-2017     |                           |            |            |            |            |            |            |            |
| 2017-2018     |                           |            |            |            |            |            |            |            |
| 2018-2019     |                           |            |            |            |            |            |            |            |
| 2019-2020     |                           |            |            |            |            |            |            |            |
| 2020-2021     |                           |            |            |            |            |            |            |            |
| 2021-2022     |                           |            |            |            |            |            |            |            |
| 2022-2023     |                           |            |            |            |            |            |            |            |
| 2023-2024     |                           |            |            |            |            |            |            |            |

|           | <u>Paid Loss Development Factors:</u> |                |                |                |                |                |                |                 |
|-----------|---------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
|           | 138-150 Months                        | 150-162 Months | 162-174 Months | 174-186 Months | 186-198 Months | 198-210 Months | 210-222 Months | 222-Ult. Months |
| 2006-2007 |                                       |                |                |                |                |                |                |                 |
| 2007-2008 |                                       |                |                |                |                |                |                |                 |
| 2008-2009 | 1.000                                 | 1.000          | 1.000          | 1.000          |                |                |                |                 |
| 2009-2010 |                                       |                |                |                |                |                |                |                 |
| 2010-2011 |                                       |                |                |                |                |                |                |                 |
| 2011-2012 | 1.000                                 |                |                |                |                |                |                |                 |
| 2012-2013 |                                       |                |                |                |                |                |                |                 |
| 2013-2014 |                                       |                |                |                |                |                |                |                 |
| 2014-2015 |                                       |                |                |                |                |                |                |                 |
| 2015-2016 |                                       |                |                |                |                |                |                |                 |
| 2016-2017 |                                       |                |                |                |                |                |                |                 |
| 2017-2018 |                                       |                |                |                |                |                |                |                 |
| 2018-2019 |                                       |                |                |                |                |                |                |                 |
| 2019-2020 |                                       |                |                |                |                |                |                |                 |
| 2020-2021 |                                       |                |                |                |                |                |                |                 |
| 2021-2022 |                                       |                |                |                |                |                |                |                 |
| 2022-2023 |                                       |                |                |                |                |                |                |                 |

|                  | 138-150 Months | 150-162 Months | 162-174 Months | 174-186 Months | 186-198 Months | 198-210 Months | 210-222 Months | 222-Ult. Months |
|------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| Average          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                 |
| Dollar-Wtd. Avgs |                |                |                |                |                |                |                |                 |
| Total            | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |                 |
| 3-yr             |                |                |                |                |                |                |                |                 |
| 4-yr             |                |                |                |                |                |                |                |                 |
| Comparative      |                |                |                |                |                |                |                |                 |
| Factors          | 1.005          | 1.005          | 1.004          | 1.003          | 1.002          | 1.002          | 1.002          | 1.001           |
| Prior            | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |
| Selected         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |
| Cumulated        | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000           |

San Mateo County Schools Insurance Group - Property

Exposure and Development Method  
Based on Reported Losses

| Accident Year | Trended TIV (\$00,000) (A) | Reported Losses as of 12/31/23 (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) |
|---------------|----------------------------|------------------------------------|--------------------------------------|---|------------------|--------------------------------------|-----------------------------|
| 2002-2003     | \$29,525                   | \$741,706                          | 1.000                                | 0.000                                       | \$24.292         | \$0                                  | \$741,706                   |
| 2003-2004     | 34,912                     | 251,096                            | 1.000                                | 0.000                                       | 6.947            | 0                                    | 251,096                     |
| 2004-2005     | 34,830                     | 126,828                            | 1.000                                | 0.000                                       | 3.510            | 0                                    | 126,828                     |
| 2005-2006     | 38,618                     | 504,056                            | 1.000                                | 0.000                                       | 13.052           | 0                                    | 504,056                     |
| 2006-2007     | 39,995                     | 603,718                            | 1.000                                | 0.000                                       | 15.095           | 0                                    | 603,718                     |
| 2007-2008     | 40,409                     | 275,118                            | 1.000                                | 0.000                                       | 6.808            | 0                                    | 275,118                     |
| 2008-2009     | 43,711                     | 322,216                            | 1.000                                | 0.000                                       | 7.372            | 0                                    | 322,216                     |
| 2009-2010     | 43,438                     | 44,298                             | 1.000                                | 0.000                                       | 1.020            | 0                                    | 44,298                      |
| 2010-2011     | 43,159                     | 209,470                            | 1.000                                | 0.000                                       | 4.853            | 0                                    | 209,470                     |
| 2011-2012     | 46,381                     | 424,260                            | 1.000                                | 0.000                                       | 9.147            | 0                                    | 424,260                     |
| 2012-2013     | 48,154                     | 383,466                            | 1.000                                | 0.000                                       | 7.963            | 0                                    | 383,466                     |
| 2013-2014     | 51,633                     | 736,480                            | 1.000                                | 0.000                                       | 10.835           | 0                                    | 736,480                     |
| 2014-2015     | 52,509                     | 862,020                            | 1.000                                | 0.000                                       | 16.417           | 0                                    | 862,020                     |
| 2015-2016     | 54,598                     | 912,013                            | 1.000                                | 0.000                                       | 16.704           | 0                                    | 912,013                     |
| 2016-2017     | 56,517                     | 1,156,532                          | 1.000                                | 0.000                                       | 20.463           | 0                                    | 1,156,532                   |
| 2017-2018     | 59,951                     | 750,976                            | 1.000                                | 0.000                                       | 12.526           | 0                                    | 750,976                     |
| 2018-2019     | 59,370                     | 1,667,718                          | 1.000                                | 0.000                                       | 22.071           | 0                                    | 1,667,718                   |
| 2019-2020     | 58,678                     | 885,320                            | 1.000                                | 0.000                                       | 23.051           | 0                                    | 885,320                     |
| 2020-2021     | 59,573                     | 969,848                            | 1.000                                | 0.000                                       | 24.102           | 0                                    | 969,848                     |
| 2021-2022     | 65,619                     | 1,104,849                          | 1.000                                | 0.000                                       | 25.183           | 0                                    | 1,104,849                   |
| 2022-2023     | 67,632                     | 3,977,192                          | 1.011                                | 0.011                                       | 26.316           | 19,578                               | 3,996,770                   |
| 2023-2024     | 66,111                     | 747,982                            | 3.390                                | 0.705                                       | 27.500           | 1,281,727                            | 2,029,709                   |
| Totals        | 1,095,323                  | \$17,657,162                       |                                      |   |                  | \$1,301,305                          | \$18,958,467                |

Notes:

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

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

San Mateo County Schools Insurance Group - Property

Exposure and Development Method  
Based on Paid Losses

| Accident Year | Trended TIV (\$00,000) (A) | Paid Losses as of 12/31/23 (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) |
|---------------|----------------------------|--------------------------------|----------------------------------|---|------------------|---------------------------|-----------------------------|
| 2002-2003     | \$29,525                   | \$741,706                      | 1.000                            | 0.000                                   | \$24.292         | \$0                       | \$741,706                   |
| 2003-2004     | 34,912                     | 251,096                        | 1.000                            | 0.000                                   | 6.947            | 0                         | 251,096                     |
| 2004-2005     | 34,830                     | 126,828                        | 1.000                            | 0.000                                   | 3.510            | 0                         | 126,828                     |
| 2005-2006     | 38,618                     | 504,056                        | 1.000                            | 0.000                                   | 13.052           | 0                         | 504,056                     |
| 2006-2007     | 39,995                     | 603,718                        | 1.000                            | 0.000                                   | 15.095           | 0                         | 603,718                     |
| 2007-2008     | 40,409                     | 275,118                        | 1.000                            | 0.000                                   | 6.808            | 0                         | 275,118                     |
| 2008-2009     | 43,711                     | 322,216                        | 1.000                            | 0.000                                   | 7.372            | 0                         | 322,216                     |
| 2009-2010     | 43,438                     | 44,298                         | 1.000                            | 0.000                                   | 1.020            | 0                         | 44,298                      |
| 2010-2011     | 43,159                     | 209,470                        | 1.000                            | 0.000                                   | 4.853            | 0                         | 209,470                     |
| 2011-2012     | 46,381                     | 424,260                        | 1.000                            | 0.000                                   | 9.147            | 0                         | 424,260                     |
| 2012-2013     | 48,154                     | 383,466                        | 1.000                            | 0.000                                   | 7.963            | 0                         | 383,466                     |
| 2013-2014     | 51,633                     | 736,480                        | 1.000                            | 0.000                                   | 10.835           | 0                         | 736,480                     |
| 2014-2015     | 52,509                     | 862,020                        | 1.000                            | 0.000                                   | 16.417           | 0                         | 862,020                     |
| 2015-2016     | 54,598                     | 912,013                        | 1.000                            | 0.000                                   | 16.704           | 0                         | 912,013                     |
| 2016-2017     | 56,517                     | 1,156,532                      | 1.000                            | 0.000                                   | 20.463           | 0                         | 1,156,532                   |
| 2017-2018     | 59,951                     | 750,976                        | 1.000                            | 0.000                                   | 12.526           | 0                         | 750,976                     |
| 2018-2019     | 59,370                     | 1,666,840                      | 1.000                            | 0.000                                   | 22.071           | 0                         | 1,666,840                   |
| 2019-2020     | 58,678                     | 885,320                        | 1.000                            | 0.000                                   | 23.051           | 0                         | 885,320                     |
| 2020-2021     | 59,573                     | 954,848                        | 1.005                            | 0.005                                   | 24.102           | 7,179                     | 962,027                     |
| 2021-2022     | 65,619                     | 1,099,786                      | 1.025                            | 0.024                                   | 25.183           | 39,660                    | 1,139,446                   |
| 2022-2023     | 67,632                     | 3,654,844                      | 1.076                            | 0.071                                   | 26.316           | 126,366                   | 3,781,210                   |
| 2023-2024     | 66,111                     | 257,093                        | 9.469                            | 0.894                                   | 27.500           | 1,625,339                 | 1,882,432                   |
| Totals        | 1,095,323                  | \$16,822,984                   |                                  |   |                  | \$1,798,544               | \$18,621,528                |

Notes:

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

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

San Mateo County Schools Insurance Group - Property

Exposure and Development Method

| Accident Year | Trended TIV (\$00,000) (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) |
|---------------|----------------------------|-----------------------------|------------------|----------------------------|-------------------------------|-----------------------|-------------------|-----------------------|
| 2002-2003     | \$29,525                   | \$741,706                   | 2.519            | \$1,868,357                | \$63.281                      | \$25.121              | 0.967             | \$24.292              |
| 2003-2004     | 34,912                     | 251,096                     | 2.410            | 605,141                    | 17.333                        | 7.192                 | 0.966             | 6.947                 |
| 2004-2005     | 34,830                     | 126,828                     | 2.307            | 292,592                    | 8.401                         | 3.641                 | 0.964             | 3.510                 |
| 2005-2006     | 38,618                     | 504,056                     | 2.208            | 1,112,956                  | 28.820                        | 13.052                | 1.000             | 13.052                |
| 2006-2007     | 39,995                     | 603,718                     | 2.113            | 1,275,656                  | 31.895                        | 15.095                | 1.000             | 15.095                |
| 2007-2008     | 40,409                     | 275,118                     | 2.022            | 556,289                    | 13.766                        | 6.808                 | 1.000             | 6.808                 |
| 2008-2009     | 43,711                     | 322,216                     | 1.935            | 623,488                    | 14.264                        | 7.372                 | 1.000             | 7.372                 |
| 2009-2010     | 43,438                     | 44,298                      | 1.852            | 82,040                     | 1.889                         | 1.020                 | 1.000             | 1.020                 |
| 2010-2011     | 43,159                     | 209,470                     | 1.772            | 371,181                    | 8.600                         | 4.853                 | 1.000             | 4.853                 |
| 2011-2012     | 46,381                     | 424,260                     | 1.696            | 719,545                    | 15.514                        | 9.147                 | 1.000             | 9.147                 |
| 2012-2013     | 48,154                     | 383,466                     | 1.623            | 622,365                    | 12.924                        | 7.963                 | 1.000             | 7.963                 |
| 2013-2014     | 51,633                     | 559,465                     | 1.553            | 868,849                    | 16.827                        | 10.835                | 1.000             | 10.835                |
| 2014-2015     | 52,509                     | 862,020                     | 1.486            | 1,280,962                  | 24.395                        | 16.417                | 1.000             | 16.417                |
| 2015-2016     | 54,598                     | 912,013                     | 1.422            | 1,296,882                  | 23.753                        | 16.704                | 1.000             | 16.704                |
| 2016-2017     | 56,517                     | 1,156,532                   | 1.361            | 1,574,040                  | 27.851                        | 20.463                | 1.000             | 20.463                |
| 2017-2018     | 59,951                     | 750,976                     | 1.302            | 977,771                    | 16.309                        | 12.526                | 1.000             | 12.526                |
| 2018-2019     | 59,370                     | 1,668,000                   | 1.246            | 2,078,328                  | 35.006                        | 22.071                | 1.000             | 22.071                |
| 2019-2020     | 58,678                     | 885,320                     | 1.193            | 1,056,187                  | 18.000                        | 23.051                | 1.000             | 23.051                |
| 2020-2021     | 59,573                     | 969,848                     | 1.141            | 1,106,597                  | 18.575                        | 24.102                | 1.000             | 24.102                |
| 2021-2022     | 65,619                     | 1,105,000                   | 1.092            | 1,206,660                  | 18.389                        | 25.183                | 1.000             | 25.183                |
| 2022-2023     | 67,632                     | 4,021,000                   | 1.045            | 4,201,945                  | 62.130                        | 26.316                | 1.000             | 26.316                |
| 2023-2024     | 66,111                     | 2,536,000                   | 1.000            | 2,536,000                  | 38.360                        | 27.500                | 1.000             | 27.500                |
| Total/Avg     | 1,095,323                  | \$19,312,406                |                  | \$26,313,831               | \$24.024                      |                       |                   |                       |
| 17/18-21/22   | 303,191                    | 5,379,144                   |                  | 6,425,542                  | 21.193                        |                       |                   |                       |
| 18/19-22/23   | 310,872                    | 8,649,168                   |                  | 9,649,716                  | 31.041                        |                       |                   |                       |
|               |                            |                             |                  | Selected Limited Rate:     | \$27.500                      |                       |                   |                       |
|               |                            |                             |                  | Prior:                     | \$22.000                      |                       |                   |                       |

Notes:

- (A) PR - Appendix M, Column (C).
- (B) Selected average of results from Appendices A and B.
- (C) From PR - Appendix E, Page 1, Column (B).
- (D) (B) x (C).
- (E) (D) / (A).
- (F) Selected Limited Rate / (C). For 2017-2018 and prior (B) / (A).
- (G) Based on a 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.

San Mateo County Schools Insurance Group - Property

Frequency and Severity Method

| Accident Year | Ultimate Program Severity (A) | Adjusted Ultimate Claims (B) | Ultimate Program Losses (C) |
|---------------|-------------------------------|------------------------------|-----------------------------|
| 2002-2003     | \$59,769                      | 12                           | \$717,228                   |
| 2003-2004     | 24,256                        | 10                           | 242,560                     |
| 2004-2005     | 24,453                        | 5                            | 122,265                     |
| 2005-2006     | 56,006                        | 9                            | 504,054                     |
| 2006-2007     | 60,372                        | 10                           | 603,720                     |
| 2007-2008     | 18,341                        | 15                           | 275,115                     |
| 2008-2009     | 40,277                        | 8                            | 322,216                     |
| 2009-2010     | 8,860                         | 5                            | 44,300                      |
| 2010-2011     | 34,912                        | 6                            | 209,472                     |
| 2011-2012     | 70,710                        | 6                            | 424,260                     |
| 2012-2013     | 42,607                        | 9                            | 383,463                     |
| 2013-2014     | 79,924                        | 7                            | 559,468                     |
| 2014-2015     | 50,707                        | 17                           | 862,019                     |
| 2015-2016     | 38,001                        | 24                           | 912,024                     |
| 2016-2017     | 72,283                        | 16                           | 1,156,528                   |
| 2017-2018     | 46,936                        | 16                           | 750,976                     |
| 2018-2019     | 53,827                        | 27                           | 1,453,329                   |
| 2019-2020     | 55,749                        | 17                           | 947,733                     |
| 2020-2021     | 57,710                        | 16                           | 923,360                     |
| 2021-2022     | 59,757                        | 23                           | 1,374,411                   |
| 2022-2023     | 61,836                        | 42                           | 2,597,112                   |
| 2023-2024     | 64,000                        | 34                           | 2,176,000                   |
| Total         |                               | 334                          | \$17,561,613                |

Notes:

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

San Mateo 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) |
|---------------|-----------------------------|------------------------------|-------------------------------|------------------|------------------------------|----------------------|-------------------|----------------------|
| 2002-2003     | \$741,706                   | 12                           | \$61,809                      | 2.062            | \$127,450                    | \$61,809             | 0.967             | \$59,769             |
| 2003-2004     | 251,096                     | 10                           | 25,110                        | 1.993            | 50,044                       | 25,110               | 0.966             | 24,256               |
| 2004-2005     | 126,828                     | 5                            | 25,366                        | 1.925            | 48,830                       | 25,366               | 0.964             | 24,453               |
| 2005-2006     | 504,056                     | 9                            | 56,006                        | 1.860            | 104,171                      | 56,006               | 1.000             | 56,006               |
| 2006-2007     | 603,718                     | 10                           | 60,372                        | 1.797            | 108,488                      | 60,372               | 1.000             | 60,372               |
| 2007-2008     | 275,118                     | 15                           | 18,341                        | 1.736            | 31,840                       | 18,341               | 1.000             | 18,341               |
| 2008-2009     | 322,216                     | 8                            | 40,277                        | 1.678            | 67,585                       | 40,277               | 1.000             | 40,277               |
| 2009-2010     | 44,298                      | 5                            | 8,860                         | 1.621            | 14,362                       | 8,860                | 1.000             | 8,860                |
| 2010-2011     | 209,470                     | 6                            | 34,912                        | 1.566            | 54,672                       | 34,912               | 1.000             | 34,912               |
| 2011-2012     | 424,260                     | 6                            | 70,710                        | 1.513            | 106,984                      | 70,710               | 1.000             | 70,710               |
| 2012-2013     | 383,466                     | 9                            | 42,607                        | 1.461            | 62,249                       | 42,607               | 1.000             | 42,607               |
| 2013-2014     | 559,465                     | 7                            | 79,924                        | 1.412            | 112,853                      | 79,924               | 1.000             | 79,924               |
| 2014-2015     | 862,020                     | 17                           | 50,707                        | 1.364            | 69,164                       | 50,707               | 1.000             | 50,707               |
| 2015-2016     | 912,013                     | 24                           | 38,001                        | 1.318            | 50,085                       | 38,001               | 1.000             | 38,001               |
| 2016-2017     | 1,156,532                   | 16                           | 72,283                        | 1.273            | 92,016                       | 72,283               | 1.000             | 72,283               |
| 2017-2018     | 750,976                     | 16                           | 46,936                        | 1.230            | 57,731                       | 46,936               | 1.000             | 46,936               |
| 2018-2019     | 1,668,000                   | 27                           | 61,778                        | 1.189            | 73,454                       | 53,827               | 1.000             | 53,827               |
| 2019-2020     | 885,320                     | 17                           | 52,078                        | 1.148            | 59,786                       | 55,749               | 1.000             | 55,749               |
| 2020-2021     | 969,848                     | 16                           | 60,616                        | 1.109            | 67,223                       | 57,710               | 1.000             | 57,710               |
| 2021-2022     | 1,111,000                   | 23                           | 48,304                        | 1.071            | 51,734                       | 59,757               | 1.000             | 59,757               |
| 2022-2023     | 4,009,000                   | 42                           | 95,452                        | 1.035            | 98,793                       | 61,836               | 1.000             | 61,836               |
| 2023-2024     | 1,957,000                   | 34                           | 57,559                        | 1.000            | 57,559                       | 64,000               | 1.000             | 64,000               |

Average Limited Severity: \$71,231  
 Average 17/18-21/22 Limited Severity: 61,986  
 Average 18/19-22/23 Limited Severity: 70,198

Selected Limited Severity: \$64,000  
 Prior: \$60,000

Notes:

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

San Mateo 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 (in Billions) (D) | Claim Frequency (E) | Trend Factor (F) | Trended Claim Frequency (G) |
|---------------|--------------------------------|------------------------------|------------------------------|-------------------------------|---------------------|------------------|-----------------------------|
| 2002-2003     | 12                             | 12                           | 12                           | 3.0                           | 4.064               | 1.232            | 5.007                       |
| 2003-2004     | 10                             | 10                           | 10                           | 3.5                           | 2.864               | 1.219            | 3.491                       |
| 2004-2005     | 5                              | 5                            | 5                            | 3.5                           | 1.436               | 1.208            | 1.735                       |
| 2005-2006     | 9                              | 9                            | 9                            | 3.9                           | 2.331               | 1.196            | 2.788                       |
| 2006-2007     | 10                             | 10                           | 10                           | 4.0                           | 2.500               | 1.184            | 2.960                       |
| 2007-2008     | 15                             | 15                           | 15                           | 4.0                           | 3.712               | 1.173            | 4.354                       |
| 2008-2009     | 8                              | 8                            | 8                            | 4.4                           | 1.830               | 1.161            | 2.125                       |
| 2009-2010     | 5                              | 5                            | 5                            | 4.3                           | 1.151               | 1.150            | 1.324                       |
| 2010-2011     | 6                              | 6                            | 6                            | 4.3                           | 1.390               | 1.138            | 1.582                       |
| 2011-2012     | 6                              | 6                            | 6                            | 4.6                           | 1.294               | 1.126            | 1.457                       |
| 2012-2013     | 9                              | 9                            | 9                            | 4.8                           | 1.869               | 1.116            | 2.086                       |
| 2013-2014     | 7                              | 7                            | 7                            | 5.2                           | 1.356               | 1.105            | 1.498                       |
| 2014-2015     | 17                             | 17                           | 17                           | 5.3                           | 3.238               | 1.094            | 3.542                       |
| 2015-2016     | 24                             | 24                           | 24                           | 5.5                           | 4.396               | 1.083            | 4.761                       |
| 2016-2017     | 16                             | 16                           | 16                           | 5.7                           | 2.831               | 1.073            | 3.038                       |
| 2017-2018     | 16                             | 16                           | 16                           | 6.0                           | 2.669               | 1.062            | 2.834                       |
| 2018-2019     | 27                             | 25                           | 27                           | 5.9                           | 4.548               | 1.051            | 4.780                       |
| 2019-2020     | 17                             | 17                           | 17                           | 5.9                           | 2.897               | 1.041            | 3.016                       |
| 2020-2021     | 16                             | 17                           | 16                           | 6.0                           | 2.686               | 1.030            | 2.767                       |
| 2021-2022     | 23                             | 18                           | 23                           | 6.6                           | 3.505               | 1.019            | 3.572                       |
| 2022-2023     | 45                             | 39                           | 42                           | 6.8                           | 6.210               | 1.010            | 6.272                       |
| 2023-2024     | 35                             | 8                            | 34                           | 6.6                           | 5.143               | 1.000            | 5.143                       |
| Total         | 338                            | 299                          | 334                          | 109.5                         |                     |                  | 3.294                       |
| 17/18-21/22   | 99                             | 93                           | 99                           | 30.3                          |                     |                  | 3.397                       |

(H) Selected Frequency: 5.000  
Prior: 4.000

| Program Year:               | 2023-2024 | 2024-2025 |
|-----------------------------|-----------|-----------|
| (I) Trend Factor:           | 1.000     | 1.010     |
| (J) Selected Frequency:     | 5.143     | 5.050     |
| (K) Est. TIV (in Billions): | 6.6       | 6.8       |
| (L) Ultimate Claims:        | 34        | 34        |

Notes:

- (A) PR - Appendix D, Page 4, (C).
- (B) PR - Appendix D, Page 5, (C).
- (C) Selected from (A) and (B).
- (D) PR - Appendix M, Column (C) / 10,000.
- (E) (C) / (D).
- (F) PR - Appendix E, Page 1, Column (F).
- (G) (E) x (F).
- (H) The selected frequency of 5.000 is based on (G).
- (I) PR - Appendix E, Page 1, Column (F).
- (J) (H) x (I). 2023-2024 is (L) / (K).
- (K) PR - Appendix M, Column (C) / 10,000.
- (L) (J) x (K). 2023-2024 is (C).

This exhibit summarizes the estimated numbers of claims and shows the estimated frequencies per trended TIV (in billions).

San Mateo County Schools Insurance Group - Property

Frequency and Severity Method  
Reported Claim Count Development

| Accident Year | Claims Reported as of 12/31/2023 (A) | Reported Claim Development Factor (B) | Ultimate Claims (C) | Trended Claim Frequency (D) |
|---------------|--------------------------------------|---------------------------------------|---------------------|-----------------------------|
| 2002-2003     | 12                                   | 1.000                                 | 12                  | 5.007                       |
| 2003-2004     | 10                                   | 1.000                                 | 10                  | 3.492                       |
| 2004-2005     | 5                                    | 1.000                                 | 5                   | 1.734                       |
| 2005-2006     | 9                                    | 1.000                                 | 9                   | 2.787                       |
| 2006-2007     | 10                                   | 1.000                                 | 10                  | 2.960                       |
| 2007-2008     | 15                                   | 1.000                                 | 15                  | 4.354                       |
| 2008-2009     | 8                                    | 1.000                                 | 8                   | 2.125                       |
| 2009-2010     | 5                                    | 1.000                                 | 5                   | 1.324                       |
| 2010-2011     | 6                                    | 1.000                                 | 6                   | 1.582                       |
| 2011-2012     | 6                                    | 1.000                                 | 6                   | 1.457                       |
| 2012-2013     | 9                                    | 1.000                                 | 9                   | 2.086                       |
| 2013-2014     | 7                                    | 1.000                                 | 7                   | 1.498                       |
| 2014-2015     | 17                                   | 1.000                                 | 17                  | 3.542                       |
| 2015-2016     | 24                                   | 1.000                                 | 24                  | 4.761                       |
| 2016-2017     | 16                                   | 1.000                                 | 16                  | 3.038                       |
| 2017-2018     | 16                                   | 1.000                                 | 16                  | 2.834                       |
| 2018-2019     | 27                                   | 1.000                                 | 27                  | 4.780                       |
| 2019-2020     | 17                                   | 1.000                                 | 17                  | 3.016                       |
| 2020-2021     | 16                                   | 1.000                                 | 16                  | 2.766                       |
| 2021-2022     | 23                                   | 1.000                                 | 23                  | 3.572                       |
| 2022-2023     | 45                                   | 1.000                                 | 45                  | 6.720                       |
| 2023-2024     | 10                                   | 3.500                                 | 35                  | 5.294                       |
| Total         | 313                                  |                                       | 338                 | 3.331                       |

Notes:

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

San Mateo County Schools Insurance Group - Property

Frequency and Severity Method  
Closed Claim Count Development

| Accident Year | Claims Closed as of 12/31/2023 (A) | Closed Claim Development Factor (B) | Ultimate Claims (C) | Trended Claim Frequency (D) |
|---------------|------------------------------------|-------------------------------------|---------------------|-----------------------------|
| 2002-2003     | 12                                 | 1.000                               | 12                  | 5.007                       |
| 2003-2004     | 10                                 | 1.000                               | 10                  | 3.492                       |
| 2004-2005     | 5                                  | 1.000                               | 5                   | 1.734                       |
| 2005-2006     | 9                                  | 1.000                               | 9                   | 2.787                       |
| 2006-2007     | 10                                 | 1.000                               | 10                  | 2.960                       |
| 2007-2008     | 15                                 | 1.000                               | 15                  | 4.354                       |
| 2008-2009     | 8                                  | 1.000                               | 8                   | 2.125                       |
| 2009-2010     | 5                                  | 1.000                               | 5                   | 1.324                       |
| 2010-2011     | 6                                  | 1.000                               | 6                   | 1.582                       |
| 2011-2012     | 6                                  | 1.000                               | 6                   | 1.457                       |
| 2012-2013     | 9                                  | 1.000                               | 9                   | 2.086                       |
| 2013-2014     | 7                                  | 1.000                               | 7                   | 1.498                       |
| 2014-2015     | 17                                 | 1.000                               | 17                  | 3.542                       |
| 2015-2016     | 24                                 | 1.000                               | 24                  | 4.761                       |
| 2016-2017     | 16                                 | 1.000                               | 16                  | 3.038                       |
| 2017-2018     | 16                                 | 1.000                               | 16                  | 2.834                       |
| 2018-2019     | 25                                 | 1.005                               | 25                  | 4.426                       |
| 2019-2020     | 17                                 | 1.015                               | 17                  | 3.016                       |
| 2020-2021     | 16                                 | 1.066                               | 17                  | 2.939                       |
| 2021-2022     | 14                                 | 1.279                               | 18                  | 2.795                       |
| 2022-2023     | 22                                 | 1.791                               | 39                  | 5.824                       |
| 2023-2024     | 1                                  | 8.060                               | 8                   | 1.210                       |
| Total         | 270                                |                                     | 299                 | 2.972                       |

Notes:

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

San Mateo County Schools Insurance Group - Property  
Reported Claim Count Development

| Accident Year | Claims Reported as of: |           |           |           |           |           |           |           |            |            |            |            |            |            |
|---------------|------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|------------|
|               | 6 Months               | 18 Months | 30 Months | 42 Months | 54 Months | 66 Months | 78 Months | 90 Months | 102 Months | 114 Months | 126 Months | 138 Months | 150 Months | 162 Months |
| 2002-2003     |                        |           |           |           |           |           |           |           |            |            |            |            |            | 12         |
| 2003-2004     |                        |           |           |           |           |           |           |           |            |            |            |            | 10         | 10         |
| 2004-2005     |                        |           |           |           |           |           |           |           |            |            |            | 5          | 5          | 5          |
| 2005-2006     |                        |           |           |           |           |           |           |           |            |            | 9          | 9          | 9          | 9          |
| 2006-2007     |                        |           |           |           |           |           |           |           |            | 10         | 10         | 10         | 10         | 10         |
| 2007-2008     |                        |           |           |           |           |           |           |           | 15         | 15         | 15         | 15         | 15         | 15         |
| 2008-2009     |                        |           |           |           |           |           |           | 8         | 8          | 8          | 8          | 8          | 8          | 8          |
| 2009-2010     |                        |           |           |           |           |           | 5         | 5         | 5          | 5          | 5          | 5          | 5          | 5          |
| 2010-2011     |                        |           |           |           |           | 6         | 6         | 6         | 6          | 6          | 6          | 6          | 6          | 6          |
| 2011-2012     |                        |           |           |           | 6         | 6         | 6         | 6         | 6          | 6          | 6          | 6          | 6          |            |
| 2012-2013     |                        |           |           | 9         | 9         | 9         | 9         | 9         | 9          | 9          | 9          | 9          |            |            |
| 2013-2014     |                        |           | 8         | 7         | 7         | 7         | 7         | 7         | 7          | 7          | 7          |            |            |            |
| 2014-2015     |                        | 11        | 10        | 9         | 17        | 17        | 17        | 17        | 17         | 17         |            |            |            |            |
| 2015-2016     | 4                      | 25        | 25        | 24        | 24        | 24        | 24        | 24        | 24         |            |            |            |            |            |
| 2016-2017     | 5                      | 22        | 16        | 16        | 16        | 16        | 16        | 16        |            |            |            |            |            |            |
| 2017-2018     | 9                      | 19        | 16        | 18        | 16        | 16        | 16        |           |            |            |            |            |            |            |
| 2018-2019     | 9                      | 28        | 27        | 27        | 27        | 27        |           |           |            |            |            |            |            |            |
| 2019-2020     | 3                      | 17        | 17        | 17        | 17        |           |           |           |            |            |            |            |            |            |
| 2020-2021     | 6                      | 16        | 16        | 16        |           |           |           |           |            |            |            |            |            |            |
| 2021-2022     | 12                     | 21        | 23        |           |           |           |           |           |            |            |            |            |            |            |
| 2022-2023     | 12                     | 45        |           |           |           |           |           |           |            |            |            |            |            |            |
| 2023-2024     | 10                     |           |           |           |           |           |           |           |            |            |            |            |            |            |

Reported Claim Count Development Factors:

|                     | 6-18 Months | 18-30 Months | 30-42 Months | 42-54 Months | 54-66 Months | 66-78 Months | 78-90 Months | 90-102 Months | 102-114 Months | 114-126 Months | 126-138 Months | 138-150 Months | 150-162 Months | 162-174 Months |
|---------------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 2002-2003           |             |              |              |              |              |              |              |               |                |                |                |                |                | 1.000          |
| 2003-2004           |             |              |              |              |              |              |              |               |                |                |                |                | 1.000          | 1.000          |
| 2004-2005           |             |              |              |              |              |              |              |               |                |                |                | 1.000          | 1.000          | 1.000          |
| 2005-2006           |             |              |              |              |              |              |              |               |                |                | 1.000          | 1.000          | 1.000          | 1.000          |
| 2006-2007           |             |              |              |              |              |              |              |               | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 2007-2008           |             |              |              |              |              |              |              | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 2008-2009           |             |              |              |              |              |              | 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          |                |                |
| 2012-2013           |             |              |              | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |                |                |                |
| 2013-2014           |             |              | 0.875        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          |                |                |                |                |
| 2014-2015           |             | 0.909        | 0.900        | 1.889        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          |                |                |                |                |                |
| 2015-2016           | 6.250       | 1.000        | 0.960        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         |                |                |                |                |                |                |
| 2016-2017           | 4.400       | 0.727        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        |               |                |                |                |                |                |                |
| 2017-2018           | 2.111       | 0.842        | 1.125        | 0.889        | 1.000        | 1.000        |              |               |                |                |                |                |                |                |
| 2018-2019           | 3.111       | 0.964        | 1.000        | 1.000        | 1.000        |              |              |               |                |                |                |                |                |                |
| 2019-2020           | 5.667       | 1.000        | 1.000        | 1.000        |              |              |              |               |                |                |                |                |                |                |
| 2020-2021           | 2.667       | 1.000        | 1.000        |              |              |              |              |               |                |                |                |                |                |                |
| 2021-2022           | 1.750       | 1.095        |              |              |              |              |              |               |                |                |                |                |                |                |
| 2022-2023           | 3.750       |              |              |              |              |              |              |               |                |                |                |                |                |                |
| Average             | 3.713       | 0.942        | 0.983        | 1.097        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| Claim-Wtd. Avgs.    |             |              |              |              |              |              |              |               |                |                |                |                |                |                |
| Total               | 3.217       | 0.943        | 0.993        | 1.047        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 3-yr                | 2.733       | 1.037        | 1.000        | 0.968        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 4-yr                | 3.000       | 1.012        | 1.026        | 0.974        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| Comparative Factors |             |              |              |              |              |              |              |               |                |                |                |                |                |                |
| Prior               | 2.527       | 1.061        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| Selected            | 3.500       | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| Cumulated           | 3.500       | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |

San Mateo County Schools Insurance Group - Property  
Closed Claim Development

| Accident Year | Claims Closed as of: |           |           |           |           |           |           |           |            |            |            |            |            |            |
|---------------|----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|------------|
|               | 6 Months             | 18 Months | 30 Months | 42 Months | 54 Months | 66 Months | 78 Months | 90 Months | 102 Months | 114 Months | 126 Months | 138 Months | 150 Months | 162 Months |
| 2002-2003     |                      |           |           |           |           |           |           |           |            |            |            |            |            | 12         |
| 2003-2004     |                      |           |           |           |           |           |           |           |            |            |            |            | 10         | 10         |
| 2004-2005     |                      |           |           |           |           |           |           |           |            |            |            | 5          | 5          | 5          |
| 2005-2006     |                      |           |           |           |           |           |           |           |            |            | 9          | 9          | 9          | 9          |
| 2006-2007     |                      |           |           |           |           |           |           |           |            | 10         | 10         | 10         | 10         | 10         |
| 2007-2008     |                      |           |           |           |           |           |           |           | 15         | 15         | 15         | 15         | 15         | 15         |
| 2008-2009     |                      |           |           |           |           |           |           | 8         | 8          | 8          | 8          | 8          | 8          | 8          |
| 2009-2010     |                      |           |           |           |           |           | 5         | 5         | 5          | 5          | 5          | 5          | 5          | 5          |
| 2010-2011     |                      |           |           |           |           | 6         | 6         | 6         | 6          | 6          | 6          | 6          | 6          | 6          |
| 2011-2012     |                      |           |           |           | 6         | 6         | 6         | 6         | 6          | 6          | 6          | 6          | 6          |            |
| 2012-2013     |                      |           |           | 8         | 8         | 8         | 9         | 9         | 9          | 9          | 9          | 9          |            |            |
| 2013-2014     |                      |           | 6         | 6         | 6         | 7         | 7         | 7         | 7          | 7          | 7          |            |            |            |
| 2014-2015     |                      | 2         | 2         | 3         | 13        | 15        | 16        | 17        | 17         | 17         |            |            |            |            |
| 2015-2016     |                      | 10        | 15        | 23        | 23        | 23        | 23        | 24        | 24         |            |            |            |            |            |
| 2016-2017     |                      | 7         | 14        | 14        | 16        | 16        | 16        | 16        |            |            |            |            |            |            |
| 2017-2018     |                      | 9         | 16        | 18        | 16        | 16        | 16        |           |            |            |            |            |            |            |
| 2018-2019     |                      | 13        | 20        | 24        | 25        | 25        |           |           |            |            |            |            |            |            |
| 2019-2020     |                      | 12        | 16        | 17        | 17        |           |           |           |            |            |            |            |            |            |
| 2020-2021     | 4                    | 15        | 16        | 16        |           |           |           |           |            |            |            |            |            |            |
| 2021-2022     | 1                    | 13        | 14        |           |           |           |           |           |            |            |            |            |            |            |
| 2022-2023     | 1                    | 22        |           |           |           |           |           |           |            |            |            |            |            |            |
| 2023-2024     | 1                    |           |           |           |           |           |           |           |            |            |            |            |            |            |

Closed Claim Count Development Factors:

|                          | 6-18 Months | 18-30 Months | 30-42 Months | 42-54 Months | 54-66 Months | 66-78 Months | 78-90 Months | 90-102 Months | 102-114 Months | 114-126 Months | 126-138 Months | 138-150 Months | 150-162 Months | 162-174 Months |
|--------------------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 2002-2003                |             |              |              |              |              |              |              |               |                |                |                |                |                | 1.000          |
| 2003-2004                |             |              |              |              |              |              |              |               |                |                |                |                | 1.000          | 1.000          |
| 2004-2005                |             |              |              |              |              |              |              |               |                |                |                | 1.000          | 1.000          | 1.000          |
| 2005-2006                |             |              |              |              |              |              |              |               |                |                | 1.000          | 1.000          | 1.000          | 1.000          |
| 2006-2007                |             |              |              |              |              |              |              |               | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 2007-2008                |             |              |              |              |              |              |              | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 2008-2009                |             |              |              |              |              |              | 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          |                |                |
| 2012-2013                |             |              |              | 1.000        | 1.000        | 1.125        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          |                |                |                |
| 2013-2014                |             |              | 1.000        | 1.000        | 1.167        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          |                |                |                |                |
| 2014-2015                |             | 1.000        | 1.500        | 4.333        | 1.154        | 1.067        | 1.063        | 1.000         | 1.000          |                |                |                |                |                |
| 2015-2016                |             | 1.500        | 1.533        | 1.000        | 1.000        | 1.000        | 1.043        | 1.000         |                |                |                |                |                |                |
| 2016-2017                |             | 2.000        | 1.000        | 1.143        | 1.000        | 1.000        | 1.000        |               |                |                |                |                |                |                |
| 2017-2018                |             | 1.778        | 1.125        | 0.889        | 1.000        | 1.000        |              |               |                |                |                |                |                |                |
| 2018-2019                |             | 1.538        | 1.200        | 1.042        | 1.000        |              |              |               |                |                |                |                |                |                |
| 2019-2020                |             | 1.333        | 1.063        | 1.000        |              |              |              |               |                |                |                |                |                |                |
| 2020-2021                | 3.750       | 1.067        | 1.000        |              |              |              |              |               |                |                |                |                |                |                |
| 2021-2022                | 13.000      | 1.077        |              |              |              |              |              |               |                |                |                |                |                |                |
| 2022-2023                | 22.000      |              |              |              |              |              |              |               |                |                |                |                |                |                |
| Average Claim-Wtd. Avgs. | 12.917      | 1.412        | 1.178        | 1.426        | 1.040        | 1.024        | 1.013        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| Total                    | 8.333       | 1.395        | 1.152        | 1.097        | 1.027        | 1.021        | 1.023        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 3-yr                     | 8.333       | 1.150        | 1.096        | 0.983        | 1.000        | 1.000        | 1.036        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| 4-yr                     |             | 1.245        | 1.103        | 1.014        | 1.000        | 1.014        | 1.032        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| Comparative Factors      | 3.221       | 1.343        | 1.030        | 1.008        | 1.002        | 1.000        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| Prior                    | 4.000       | 1.480        | 1.225        | 1.050        | 1.010        | 1.005        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| Selected                 | 4.500       | 1.400        | 1.200        | 1.050        | 1.010        | 1.005        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |
| Cumulated                | 8.060       | 1.791        | 1.279        | 1.066        | 1.015        | 1.005        | 1.000        | 1.000         | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          | 1.000          |

San Mateo County Schools Insurance Group - Property

Loss Trend Factors

| Accident Year | Benefit Level Factor (A) | Factor to 2023-2024 Loss Rate Level (B) | Factor to 2024-2025 Loss Rate Level (C) | Factor to 2025-2026 Loss Rate Level (D) | Factor to 2026-2027 Loss Rate Level (E) | Factor to 2023-2024 Frequency Level (F) | Factor to 2024-2025 Frequency Level (G) | Factor to 2025-2026 Frequency Level (H) | Factor to 2026-2027 Frequency Level (I) | Factor to 2023-2024 Severity Level (J) |
|---------------|--------------------------|---|---|---|---|---|---|---|---|--|
| 2002-2003     | 1.000                    | 2.519                                   | 2.632                                   | 2.750                                   | 2.874                                   | 1.232                                   | 1.244                                   | 1.256                                   | 1.269                                   | 2.062                                  |
| 2003-2004     | 1.000                    | 2.410                                   | 2.518                                   | 2.632                                   | 2.750                                   | 1.219                                   | 1.231                                   | 1.244                                   | 1.256                                   | 1.993                                  |
| 2004-2005     | 1.000                    | 2.307                                   | 2.410                                   | 2.519                                   | 2.632                                   | 1.208                                   | 1.220                                   | 1.232                                   | 1.244                                   | 1.925                                  |
| 2005-2006     | 1.000                    | 2.208                                   | 2.307                                   | 2.411                                   | 2.519                                   | 1.196                                   | 1.208                                   | 1.220                                   | 1.232                                   | 1.860                                  |
| 2006-2007     | 1.000                    | 2.113                                   | 2.208                                   | 2.307                                   | 2.411                                   | 1.184                                   | 1.196                                   | 1.208                                   | 1.220                                   | 1.797                                  |
| 2007-2008     | 1.000                    | 2.022                                   | 2.113                                   | 2.208                                   | 2.307                                   | 1.173                                   | 1.184                                   | 1.196                                   | 1.208                                   | 1.736                                  |
| 2008-2009     | 1.000                    | 1.935                                   | 2.022                                   | 2.113                                   | 2.208                                   | 1.161                                   | 1.173                                   | 1.184                                   | 1.196                                   | 1.678                                  |
| 2009-2010     | 1.000                    | 1.852                                   | 1.935                                   | 2.022                                   | 2.113                                   | 1.150                                   | 1.161                                   | 1.172                                   | 1.184                                   | 1.621                                  |
| 2010-2011     | 1.000                    | 1.772                                   | 1.852                                   | 1.935                                   | 2.022                                   | 1.138                                   | 1.149                                   | 1.160                                   | 1.172                                   | 1.566                                  |
| 2011-2012     | 1.000                    | 1.696                                   | 1.772                                   | 1.852                                   | 1.935                                   | 1.126                                   | 1.137                                   | 1.149                                   | 1.160                                   | 1.513                                  |
| 2012-2013     | 1.000                    | 1.623                                   | 1.696                                   | 1.772                                   | 1.852                                   | 1.116                                   | 1.126                                   | 1.138                                   | 1.149                                   | 1.461                                  |
| 2013-2014     | 1.000                    | 1.553                                   | 1.623                                   | 1.696                                   | 1.772                                   | 1.105                                   | 1.116                                   | 1.127                                   | 1.138                                   | 1.412                                  |
| 2014-2015     | 1.000                    | 1.486                                   | 1.553                                   | 1.623                                   | 1.696                                   | 1.094                                   | 1.105                                   | 1.116                                   | 1.127                                   | 1.364                                  |
| 2015-2016     | 1.000                    | 1.422                                   | 1.486                                   | 1.553                                   | 1.623                                   | 1.083                                   | 1.094                                   | 1.105                                   | 1.116                                   | 1.318                                  |
| 2016-2017     | 1.000                    | 1.361                                   | 1.422                                   | 1.486                                   | 1.553                                   | 1.073                                   | 1.083                                   | 1.094                                   | 1.105                                   | 1.273                                  |
| 2017-2018     | 1.000                    | 1.302                                   | 1.361                                   | 1.422                                   | 1.486                                   | 1.062                                   | 1.073                                   | 1.083                                   | 1.094                                   | 1.230                                  |
| 2018-2019     | 1.000                    | 1.246                                   | 1.302                                   | 1.361                                   | 1.422                                   | 1.051                                   | 1.062                                   | 1.072                                   | 1.083                                   | 1.189                                  |
| 2019-2020     | 1.000                    | 1.193                                   | 1.246                                   | 1.302                                   | 1.361                                   | 1.041                                   | 1.051                                   | 1.061                                   | 1.072                                   | 1.148                                  |
| 2020-2021     | 1.000                    | 1.141                                   | 1.192                                   | 1.246                                   | 1.302                                   | 1.030                                   | 1.040                                   | 1.050                                   | 1.061                                   | 1.109                                  |
| 2021-2022     | 1.000                    | 1.092                                   | 1.141                                   | 1.192                                   | 1.246                                   | 1.019                                   | 1.029                                   | 1.040                                   | 1.050                                   | 1.071                                  |
| 2022-2023     | 1.000                    | 1.045                                   | 1.092                                   | 1.141                                   | 1.192                                   | 1.010                                   | 1.020                                   | 1.030                                   | 1.040                                   | 1.035                                  |
| 2023-2024     | 1.000                    | 1.000                                   | 1.045                                   | 1.092                                   | 1.141                                   | 1.000                                   | 1.010                                   | 1.020                                   | 1.030                                   | 1.000                                  |
| 2024-2025     | 1.000                    | --                                      | 1.000                                   | 1.045                                   | 1.092                                   | --                                      | 1.000                                   | 1.010                                   | 1.020                                   | --                                     |
| 2025-2026     | 1.000                    | --                                      | --                                      | 1.000                                   | 1.045                                   | --                                      | --                                      | 1.000                                   | 1.010                                   | --                                     |
| 2026-2027     | 1.000                    | --                                      | --                                      | --                                      | 1.000                                   | --                                      | --                                      | --                                      | 1.000                                   | --                                     |

Notes:

- (A) No benefit level adjustment applied.
- (B) - (E) (A) adjusted for a 4.5% annual loss rate trend.
- (F) - (I) (A) adjusted for a 1.0% 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.

San Mateo 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 (\$00,000) (E) | Ultimate Frequency (F) |
|---------------|---|------------------------------|---------|-------------------------------|----------------------------|------------------------|
| 2002-2003     | \$741,706                                       | 12                           | 1.000   | 61,809                        | 29,525                     | 4.064                  |
| 2003-2004     | 251,096   | 10                           | 1.000   | 25,110                        | 34,912                     | 2.864                  |
| 2004-2005     | 126,828   | 5                            | 1.000   | 25,366                        | 34,830                     | 1.436                  |
| 2005-2006     | 504,056   | 9                            | 1.000   | 56,006                        | 38,618                     | 2.331                  |
| 2006-2007     | 603,718   | 10                           | 1.000   | 60,372                        | 39,995                     | 2.500                  |
| 2007-2008     | 275,118   | 15                           | 1.000   | 18,341                        | 40,409                     | 3.712                  |
| 2008-2009     | 322,216   | 8                            | 1.000   | 40,277                        | 43,711                     | 1.830                  |
| 2009-2010     | 44,298  | 5                            | 1.000   | 8,860                         | 43,438                     | 1.151                  |
| 2010-2011     | 209,470   | 6                            | 1.000   | 34,912                        | 43,159                     | 1.390                  |
| 2011-2012     | 424,260   | 6                            | 1.000   | 70,710                        | 46,381                     | 1.294                  |
| 2012-2013     | 383,466   | 9                            | 1.000   | 42,607                        | 48,154                     | 1.869                  |
| 2013-2014     | 559,465   | 7                            | 1.000   | 79,924                        | 51,633                     | 1.356                  |
| 2014-2015     | 862,020   | 17                           | 1.000   | 50,707                        | 52,509                     | 3.238                  |
| 2015-2016     | 912,013   | 24                           | 1.000   | 38,001                        | 54,598                     | 4.396                  |
| 2016-2017     | 1,156,532                                       | 16                           | 1.000   | 72,283                        | 56,517                     | 2.831                  |
| 2017-2018     | 750,976   | 16                           | 1.000   | 46,936                        | 59,951                     | 2.669                  |
| 2018-2019     | 1,668,000                                       | 27                           | 1.000   | 61,778                        | 59,370                     | 4.548                  |
| 2019-2020     | 885,320   | 17                           | 1.000   | 52,078                        | 58,678                     | 2.897                  |
| 2020-2021     | 969,848   | 16                           | 1.000   | 60,616                        | 59,573                     | 2.686                  |
| 2021-2022     | 1,105,000                                       | 23                           | 1.000   | 48,043                        | 65,619                     | 3.505                  |
| 2022-2023     | 4,021,000                                       | 42                           | 1.000   | 95,738                        | 67,632                     | 6.210                  |

Severity Trend Factors

Frequency Trend Factors

|                                    |       |       |
|------------------------------------|-------|-------|
| Latest 10 x 2022-2023              | 1.002 | 1.062 |
| Mvg 5-Yr Wtd Latest 10 x 2022-2023 | 1.025 | 1.106 |
| Latest 5 x 2022-2023               | 1.003 | 1.002 |
| Mvg 5-Yr Wtd Latest 5 x 2022-2023  | 1.015 | 1.011 |
| Prior                              | 1.040 | 1.010 |
| Default                            | 1.030 | 0.975 |
| Selected Residual Trend            | 1.035 | 1.010 |

Notes:

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

San Mateo County Schools Insurance Group - Property

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

| Fiscal Year<br>(A) | Number of Claims Active During Fiscal Year<br>(B) | Average ULAE Charge per Active Claim<br>(C) | Inflation Trend Factor<br>(D) | Trended ULAE Charge per Active Claim<br>(E) | ULAE Paid During Year<br>(F) |
|--------------------|---|---|-------------------------------|---|------------------------------|
| 2023-2024          | 40.0  | \$1,175                                     | 1.000                         | \$1,175                                     | \$47,000                     |
| 2024-2025          | 18.7  | 1,175                                       | 1.050                         | 1,234                                       | 23,076                       |
| 2025-2026          | 7.2   | 1,175                                       | 1.103                         | 1,296                                       | 9,331                        |
| 2026-2027          | 2.0   | 1,175                                       | 1.158                         | 1,361                                       | 2,722                        |
| 2027-2028          | 0.5   | 1,175                                       | 1.216                         | 1,429                                       | 715                          |
| 2028-2029          | 0.1   | 1,175                                       | 1.277                         | 1,500                                       | 150                          |
| 2029-2030          | 0.0   | 1,175                                       | 1.341                         | 1,576                                       | 0                            |
| 2030-2031          | 0.0   | 1,175                                       | 1.408                         | 1,654                                       | 0                            |
| 2031-2032          | 0.0   | 1,175                                       | 1.478                         | 1,737                                       | 0                            |
| 2032-2033          | 0.0   | 1,175                                       | 1.552                         | 1,824                                       | 0                            |
| 2033-2034          | 0.0   | 1,175                                       | 1.630                         | 1,915                                       | 0                            |
| 2034-2035          | 0.0   | 1,175                                       | 1.712                         | 2,012                                       | 0                            |
| 2035-2036          | 0.0   | 1,175                                       | 1.798                         | 2,113                                       | 0                            |
| 2036-2037          | 0.0   | 1,175                                       | 1.888                         | 2,218                                       | 0                            |
| 2037-2038          | 0.0   | 1,175                                       | 1.982                         | 2,329                                       | 0                            |
| 2038-2039          | 0.0   | 1,175                                       | 2.081                         | 2,445                                       | 0                            |
| 2039-2040          | 0.0   | 1,175                                       | 2.185                         | 2,567                                       | 0                            |
| 2040-2041          | 0.0   | 1,175                                       | 2.294                         | 2,695                                       | 0                            |

(G) Total ULAE Outstanding as of 6/30/23: \$82,994

(H) Total ULAE Outstanding as of 12/31/23: \$85,026

Notes:

- (A) We assume fiscal years will be 7/1 to 6/30.
- (B) Based on an estimated claim closing pattern.
- (C) Based on claims administration payment information provided by the Group.
- (D) We assume ULAE costs will increase at 5.0% per year.
- (E) (C) x (D).
- (F) (B) x (E).
- (G) Total of Column (F).
- (H) (G) from this page and the next, interpolated to 12/31/23.

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

San Mateo County Schools Insurance Group - Property

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

| Fiscal Year<br>(A) | Number of Claims Active During Fiscal Year<br>(B) | Average ULAE Charge per Active Claim<br>(C) | Inflation Trend Factor<br>(D) | Trended ULAE Charge per Active Claim<br>(E) | ULAE Paid During Year<br>(F) |
|--------------------|---|---|-------------------------------|---|------------------------------|
| 2024-2025          | 41.0  | \$1,175                                     | 1.050                         | \$1,234                                     | \$50,594                     |
| 2025-2026          | 18.4  | 1,175                                       | 1.103                         | 1,296                                       | 23,846                       |
| 2026-2027          | 6.8   | 1,175                                       | 1.158                         | 1,361                                       | 9,255                        |
| 2027-2028          | 1.8   | 1,175                                       | 1.216                         | 1,429                                       | 2,572                        |
| 2028-2029          | 0.4   | 1,175                                       | 1.277                         | 1,500                                       | 600                          |
| 2029-2030          | 0.1   | 1,175                                       | 1.341                         | 1,576                                       | 158                          |
| 2030-2031          | 0.0   | 1,175                                       | 1.408                         | 1,654                                       | 0                            |
| 2031-2032          | 0.0   | 1,175                                       | 1.478                         | 1,737                                       | 0                            |
| 2032-2033          | 0.0   | 1,175                                       | 1.552                         | 1,824                                       | 0                            |
| 2033-2034          | 0.0   | 1,175                                       | 1.630                         | 1,915                                       | 0                            |
| 2034-2035          | 0.0   | 1,175                                       | 1.712                         | 2,012                                       | 0                            |
| 2035-2036          | 0.0   | 1,175                                       | 1.798                         | 2,113                                       | 0                            |
| 2036-2037          | 0.0   | 1,175                                       | 1.888                         | 2,218                                       | 0                            |
| 2037-2038          | 0.0   | 1,175                                       | 1.982                         | 2,329                                       | 0                            |
| 2038-2039          | 0.0   | 1,175                                       | 2.081                         | 2,445                                       | 0                            |
| 2039-2040          | 0.0   | 1,175                                       | 2.185                         | 2,567                                       | 0                            |
| 2040-2041          | 0.0   | 1,175                                       | 2.294                         | 2,695                                       | 0                            |
| 2041-2042          | 0.0   | 1,175                                       | 2.409                         | 2,831                                       | 0                            |

(G) Total ULAE Outstanding as of 6/30/24: \$87,025

Notes:

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

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

San Mateo County Schools Insurance Group - Property

Payment and Reserve Forecast

| <u>Accident Year</u>    | <u>As of</u><br><u>12/31/2023</u> | <u>Calendar Period</u>                           |  |
|-------------------------|-----------------------------------|--|--|
|                         |                                   | <u>1/1/2024</u><br><u>to</u><br><u>6/30/2024</u> | <u>7/1/2024</u><br><u>to</u><br><u>6/30/2025</u> |
| Prior                   |                                   |  |  |
| Ultimate Loss           | \$2,227,404                       | \$2,227,404                                      | \$2,227,404                                      |
| Paid in Calendar Period | -                                 |  |  |
| Paid to Date            | 2,227,404                         | 2,227,404  | 2,227,404  |
| Outstanding Liability   |                                   |  |  |
| 2007-2008               |                                   |  |  |
| Ultimate Loss           | \$275,118                         | \$275,118  | \$275,118  |
| Paid in Calendar Period | -                                 |  |  |
| Paid to Date            | 275,118                           | 275,118  | 275,118  |
| Outstanding Liability   |                                   |  |  |
| 2008-2009               |                                   |  |  |
| Ultimate Loss           | \$322,216                         | \$322,216  | \$322,216  |
| Paid in Calendar Period | -                                 |  |  |
| Paid to Date            | 322,216                           | 322,216  | 322,216  |
| Outstanding Liability   |                                   |  |  |
| 2009-2010               |                                   |  |  |
| Ultimate Loss           | \$44,298                          | \$44,298   | \$44,298   |
| Paid in Calendar Period | -                                 |  |  |
| Paid to Date            | 44,298                            | 44,298   | 44,298   |
| Outstanding Liability   |                                   |  |  |
| 2010-2011               |                                   |  |  |
| Ultimate Loss           | \$209,470                         | \$209,470  | \$209,470  |
| Paid in Calendar Period | -                                 |  |  |
| Paid to Date            | 209,470                           | 209,470  | 209,470  |
| Outstanding Liability   |                                   |  |  |
| 2011-2012               |                                   |  |  |
| Ultimate Loss           | \$424,260                         | \$424,260  | \$424,260  |
| Paid in Calendar Period | -                                 |  |  |
| Paid to Date            | 424,260                           | 424,260  | 424,260  |
| Outstanding Liability   |                                   |  |  |
| 2012-2013               |                                   |  |  |
| Ultimate Loss           | \$383,466                         | \$383,466  | \$383,466  |
| Paid in Calendar Period | -                                 |  |  |
| Paid to Date            | 383,466                           | 383,466  | 383,466  |
| Outstanding Liability   |                                   |  |  |
| 2013-2014               |                                   |  |  |
| Ultimate Loss           | \$736,480                         | \$736,480  | \$736,480  |
| Paid in Calendar Period | -                                 |  |  |
| Paid to Date            | 736,480                           | 736,480  | 736,480  |
| Outstanding Liability   |                                   |  |  |

San Mateo County Schools Insurance Group - Property

Payment and Reserve Forecast

| <u>Accident Year</u>    | <u>As of<br/>12/31/2023</u> | <u>Calendar Period</u>               |                                      |
|-------------------------|-----------------------------|--------------------------------------|--------------------------------------|
|                         |                             | <u>1/1/2024<br/>to<br/>6/30/2024</u> | <u>7/1/2024<br/>to<br/>6/30/2025</u> |
| 2014-2015               |                             |                                      |                                      |
| Ultimate Loss           | \$862,020                   | \$862,020                            | \$862,020                            |
| Paid in Calendar Period | -                           |                                      |                                      |
| Paid to Date            | 862,020                     | 862,020                              | 862,020                              |
| Outstanding Liability   |                             |                                      |                                      |
| 2015-2016               |                             |                                      |                                      |
| Ultimate Loss           | \$912,013                   | \$912,013                            | \$912,013                            |
| Paid in Calendar Period | -                           |                                      |                                      |
| Paid to Date            | 912,013                     | 912,013                              | 912,013                              |
| Outstanding Liability   |                             |                                      |                                      |
| 2016-2017               |                             |                                      |                                      |
| Ultimate Loss           | \$1,156,532                 | \$1,156,532                          | \$1,156,532                          |
| Paid in Calendar Period | -                           |                                      |                                      |
| Paid to Date            | 1,156,532                   | 1,156,532                            | 1,156,532                            |
| Outstanding Liability   |                             |                                      |                                      |
| 2017-2018               |                             |                                      |                                      |
| Ultimate Loss           | \$750,976                   | \$750,976                            | \$750,976                            |
| Paid in Calendar Period | -                           |                                      |                                      |
| Paid to Date            | 750,976                     | 750,976                              | 750,976                              |
| Outstanding Liability   |                             |                                      |                                      |
| 2018-2019               |                             |                                      |                                      |
| Ultimate Loss           | \$1,668,000                 | \$1,668,000                          | \$1,668,000                          |
| Paid in Calendar Period | -                           | 1,160                                |                                      |
| Paid to Date            | 1,666,840                   | 1,668,000                            | 1,668,000                            |
| Outstanding Liability   | 1,160                       |                                      |                                      |
| 2019-2020               |                             |                                      |                                      |
| Ultimate Loss           | \$885,320                   | \$885,320                            | \$885,320                            |
| Paid in Calendar Period | -                           |                                      |                                      |
| Paid to Date            | 885,320                     | 885,320                              | 885,320                              |
| Outstanding Liability   |                             |                                      |                                      |
| 2020-2021               |                             |                                      |                                      |
| Ultimate Loss           | \$969,848                   | \$969,848                            | \$969,848                            |
| Paid in Calendar Period | -                           | 8,985                                | 6,015                                |
| Paid to Date            | 954,848                     | 963,833                              | 969,848                              |
| Outstanding Liability   | 15,000                      | 6,015                                |                                      |
| 2021-2022               |                             |                                      |                                      |
| Ultimate Loss           | \$1,111,000                 | \$1,111,000                          | \$1,111,000                          |
| Paid in Calendar Period | -                           | 4,418                                | 5,879                                |
| Paid to Date            | 1,099,786                   | 1,104,204                            | 1,110,083                            |
| Outstanding Liability   | 11,214                      | 6,796                                | 917                                  |

San Mateo County Schools Insurance Group - Property

Payment and Reserve Forecast

| <u>Accident Year</u>               | <u>As of</u><br><u>12/31/2023</u> | <u>Calendar Period</u>                           |  |
|------------------------------------|-----------------------------------|--|--|
|                                    |                                   | <u>1/1/2024</u><br><u>to</u><br><u>6/30/2024</u> | <u>7/1/2024</u><br><u>to</u><br><u>6/30/2025</u> |
| 2022-2023                          |                                   |  |  |
| Ultimate Loss                      | \$4,009,000                       | \$4,009,000                                      | \$4,009,000                                      |
| Paid in Calendar Period            | -                                 | 115,455  | 164,704  |
| Paid to Date                       | 3,654,844                         | 3,770,299  | 3,935,003  |
| Outstanding Liability              | 354,156                           | 238,701  | 73,997   |
| 2023-2024                          |                                   |  |  |
| Ultimate Loss                      | \$979,000                         | \$1,957,000                                      | \$1,957,000                                      |
| Paid in Calendar Period            | -                                 | 783,657  | 825,541  |
| Paid to Date                       | 257,093                           | 1,040,750  | 1,866,291  |
| Outstanding Liability              | 721,907                           | 916,250  | 90,709   |
| 2024-2025                          |                                   |  |  |
| Ultimate Loss                      | -                                 | -  | \$1,850,000                                      |
| Paid in Calendar Period            | -                                 | -  | 958,300  |
| Paid to Date                       | -                                 | -  | 958,300  |
| Outstanding Liability              | -                                 | -  | 891,700  |
| Totals                             |                                   |  |  |
| Ultimate Loss                      | \$17,926,421                      | \$18,904,421                                     | \$20,754,421                                     |
| Paid in Calendar Period            | -                                 | 913,675  | 1,960,439  |
| Paid to Date                       | 16,822,984                        | 17,736,659                                       | 19,697,098                                       |
| Outstanding Liability              | 1,103,437                         | 1,167,762  | 1,057,323  |
| Total Outstanding ULAE             | 85,026                            | 87,025   | 90,021   |
| Outstanding Liability<br>plus ULAE | 1,188,463                         | 1,254,787  | 1,147,344  |

Notes appear on the next page.

## San Mateo 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 2021-2022, \$4,418 is expected to be paid between 1/1/24 and 6/30/24, \$1,104,204 will have been paid by 6/30/24, and the reserve for remaining payments on these claims should be \$6,796.
- Ultimate Losses for each accident year are from PR - Exhibit 4, 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, \$5,879 = \$6,796 x 86.5%.
- Paid to Date is Paid in Calendar Period plus Paid to Date from previous calendar period. For example, \$1,110,083 = \$5,879 + \$1,104,204.
- Outstanding Liability is Ultimate Loss minus Paid to Date. For example, \$6,796 = \$1,111,000 - \$1,104,204.

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.

Short- and Long-Term Liabilities

| <u>Liabilities as of 12/31/23:</u> |                          | <u>Expected</u>    | <u>Discounted</u>  |
|------------------------------------|--------------------------|--------------------|--------------------|
| <u>Current (Short Term)</u>        | Loss and ALAE:           | \$816,987          | \$806,962          |
|                                    | ULAE:                    | 47,000             | 46,423             |
|                                    | Short-Term Loss and LAE: | <u>\$863,987</u>   | <u>\$853,385</u>   |
| <u>Non-Current (Long Term)</u>     | Loss and ALAE:           | \$286,450          | \$274,907          |
|                                    | ULAE:                    | 38,026             | 36,941             |
|                                    | Long-Term Loss and LAE:  | <u>\$324,476</u>   | <u>\$311,848</u>   |
| <u>Total Liability</u>             | Loss and ALAE:           | \$1,103,437        | \$1,081,869        |
|                                    | ULAE:                    | 85,026             | 83,364             |
|                                    | Total Loss and LAE:      | <u>\$1,188,463</u> | <u>\$1,165,233</u> |

| <u>Liabilities as of 6/30/24:</u> |                          |                    |                    |
|-----------------------------------|--------------------------|--------------------|--------------------|
| <u>Current (Short Term)</u>       | Loss and ALAE:           | \$1,002,139        | \$989,842          |
|                                   | ULAE:                    | 50,594             | 49,973             |
|                                   | Short-Term Loss and LAE: | <u>\$1,052,733</u> | <u>\$1,039,815</u> |
| <u>Non-Current (Long Term)</u>    | Loss and ALAE:           | \$165,623          | \$158,623          |
|                                   | ULAE:                    | 36,431             | 35,614             |
|                                   | Long-Term Loss and LAE:  | <u>\$202,054</u>   | <u>\$194,237</u>   |
| <u>Total Liability</u>            | Loss and ALAE:           | \$1,167,762        | \$1,148,465        |
|                                   | ULAE:                    | 87,025             | 85,587             |
|                                   | Total Loss and LAE:      | <u>\$1,254,787</u> | <u>\$1,234,052</u> |

|                                    |                          | <u>Discounted with a Margin for Contingencies</u> |                    |                    |                    |                    |
|------------------------------------|--------------------------|---|--------------------|--------------------|--------------------|--------------------|
|                                    |                          | <u>70%</u>  | <u>75%</u>         | <u>80%</u>         | <u>85%</u>         | <u>90%</u>         |
|                                    |                          | <u>Confidence</u>                                 | <u>Confidence</u>  | <u>Confidence</u>  | <u>Confidence</u>  | <u>Confidence</u>  |
| <u>Liabilities as of 12/31/23:</u> |                          |   |                    |                    |                    |                    |
| <u>Current (Short Term)</u>        | Loss and ALAE:           | \$928,006   | \$983,687          | \$1,048,244        | \$1,128,133        | \$1,235,459        |
|                                    | ULAE:                    | 53,386  | 56,590             | 60,303             | 64,899             | 71,074             |
|                                    | Short-Term Loss and LAE: | <u>\$981,392</u>                                  | <u>\$1,040,277</u> | <u>\$1,108,547</u> | <u>\$1,193,032</u> | <u>\$1,306,533</u> |
| <u>Non-Current (Long Term)</u>     | Loss and ALAE:           | \$316,143   | \$335,111          | \$357,104          | \$384,320          | \$420,882          |
|                                    | ULAE:                    | 42,483  | 45,031             | 47,987             | 51,644             | 56,557             |
|                                    | Long-Term Loss and LAE:  | <u>\$358,626</u>                                  | <u>\$380,142</u>   | <u>\$405,091</u>   | <u>\$435,964</u>   | <u>\$477,439</u>   |
| <u>Total Liability</u>             | Loss and ALAE:           | \$1,244,149                                       | \$1,318,798        | \$1,405,348        | \$1,512,453        | \$1,656,341        |
|                                    | ULAE:                    | 95,869  | 101,621            | 108,290            | 116,543            | 127,631            |
|                                    | Total Loss and LAE:      | <u>\$1,340,018</u>                                | <u>\$1,420,419</u> | <u>\$1,513,638</u> | <u>\$1,628,996</u> | <u>\$1,783,972</u> |
| <u>Liabilities as of 6/30/24:</u>  |                          |   |                    |                    |                    |                    |
| <u>Current (Short Term)</u>        | Loss and ALAE:           | \$1,138,318                                       | \$1,206,617        | \$1,285,805        | \$1,383,799        | \$1,515,448        |
|                                    | ULAE:                    | 57,469  | 60,917             | 64,915             | 69,862             | 76,509             |
|                                    | Short-Term Loss and LAE: | <u>\$1,195,787</u>                                | <u>\$1,267,534</u> | <u>\$1,350,720</u> | <u>\$1,453,661</u> | <u>\$1,591,957</u> |
| <u>Non-Current (Long Term)</u>     | Loss and ALAE:           | \$182,417   | \$193,362          | \$206,051          | \$221,755          | \$242,852          |
|                                    | ULAE:                    | 40,956  | 43,413             | 46,263             | 49,789             | 54,525             |
|                                    | Long-Term Loss and LAE:  | <u>\$223,373</u>                                  | <u>\$236,775</u>   | <u>\$252,314</u>   | <u>\$271,544</u>   | <u>\$297,377</u>   |
| <u>Total Liability</u>             | Loss and ALAE:           | \$1,320,735                                       | \$1,399,979        | \$1,491,856        | \$1,605,554        | \$1,758,300        |
|                                    | ULAE:                    | 98,425  | 104,330            | 111,178            | 119,651            | 131,034            |
|                                    | Total Loss and LAE:      | <u>\$1,419,160</u>                                | <u>\$1,504,309</u> | <u>\$1,603,034</u> | <u>\$1,725,205</u> | <u>\$1,889,334</u> |

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

San Mateo County Schools Insurance Group - Property

Discount Factors to be Applied to Overall Reserves

| Accident Year | Full Value of Reserve at 12/31/23 (A) | Discount Factor (B) | Discounted Reserve at 12/31/23 (C) | Full Value of Reserve at 6/30/24 (D) | Discount Factor (E) | Discounted Reserve at 6/30/24 (F) |
|---------------|---------------------------------------|---------------------|------------------------------------|--------------------------------------|---------------------|-----------------------------------|
| 2021-2022     | \$11,214                              | 0.982               | \$11,011                           | \$6,796                              | 0.984               | \$6,690                           |
| 2022-2023     | 354,156                               | 0.982               | 347,747                            | 238,701                              | 0.979               | 233,752                           |
| 2023-2024     | 721,907                               | 0.980               | 707,159                            | 916,250                              | 0.985               | 902,082                           |
| Totals        | \$1,103,437                           |                     | \$1,081,869                        | \$1,167,762                          |                     | \$1,148,465                       |

(G) Discount Factor at 12/31/23 for Overall Reserve: 0.980  
 (H) Discount Factor at 6/30/24 for Overall Reserve: 0.983

Notes:

- (A) From PR - Appendix G, Outstanding Liability at 12/31/23.
- (B) Based on PR - Appendix I, Page 2, Column (F).
- (C) (A) x (B).
- (D) From PR - Appendix G, Outstanding Liability at 6/30/24.
- (E) Based on PR - Appendix I, 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 0.980, the discounted liability for outstanding claims is 98.0% of the full value.

San Mateo 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%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 21               | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 20               | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 19               | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 18               | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 17               | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 16               | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 15               | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 14               | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 13               | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 12               | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 11               | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 10               | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 9                | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 8                | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 7                | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 6                | 0.0%                | 2.50%                    | 0.000                   | 0.000                     | 1.000               |
| 5                | 0.2%                | 2.50%                    | 0.002                   | 0.002                     | 0.988               |
| 4                | 1.3%                | 2.50%                    | 0.015                   | 0.015                     | 0.984               |
| 3                | 3.3%                | 2.50%                    | 0.047                   | 0.048                     | 0.979               |
| 2                | 43.5%               | 2.50%                    | 0.475                   | 0.482                     | 0.985               |
| 1                | 51.8%               | 2.50%                    | 0.975                   | 1.000                     | 0.975               |

|   |           |       |
|---|-----------|-------|
| (G) Discount Factor for Future Funding: | 2023-2024 | 0.987 |
|   | 2024-2025 | 0.987 |

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 PR - Appendix B, 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,  $47.5\% = [4.7\% / 1.025] + [43.5\% / (1.012)]$ .
- (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 0.99, on a discounted basis, \$0.99 must be budgeted for every \$1 that will actually be paid on claims that will be incurred in the next fiscal year.

San Mateo County Schools Insurance Group - Property

Confidence Level Table

| Probability | Projected Losses | Outstanding Losses |
|-------------|------------------|--------------------|
| 95%         | 1.894            | 1.750              |
| 90%         | 1.627            | 1.531              |
| 85%         | 1.467            | 1.398              |
| 80%         | 1.348            | 1.299              |
| 75%         | 1.252            | 1.219              |
| 70%         | 1.171            | 1.150              |
| 65%         | 1.099            | 1.090              |
| 60%         | 1.035            | 1.035              |
| 55%         | 0.976            | 0.985              |
| 50%         | 0.919            | 0.937              |
| 45%         | 0.867            | 0.892              |
| 40%         | 0.814            | 0.847              |
| 35%         | 0.763            | 0.803              |
| 30%         | 0.712            | 0.758              |
| 25%         | 0.658            | 0.711              |

To read table: For the above retention, there is a 90% chance that final loss settlements will be less than 1.627 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.

San Mateo County Schools Insurance Group - Property

Program History

| Policy Year<br>Start Date | Policy Year<br>End Date | Policy Year | Self-Insured Retention |           |
|---------------------------|-------------------------|-------------|------------------------|-----------|
|                           |                         |             | Per Occurrence         | Aggregate |
| 7/1/2002                  | 6/30/2003               | 2002-2003   | \$200,000              | (none)    |
| 7/1/2003                  | 6/30/2004               | 2003-2004   | 200,000                | (none)    |
| 7/1/2004                  | 6/30/2005               | 2004-2005   | 200,000                | (none)    |
| 7/1/2005                  | 6/30/2006               | 2005-2006   | 250,000                | (none)    |
| 7/1/2006                  | 6/30/2007               | 2006-2007   | 250,000                | (none)    |
| 7/1/2007                  | 6/30/2008               | 2007-2008   | 250,000                | (none)    |
| 7/1/2008                  | 6/30/2009               | 2008-2009   | 250,000                | (none)    |
| 7/1/2009                  | 6/30/2010               | 2009-2010   | 250,000                | (none)    |
| 7/1/2010                  | 6/30/2011               | 2010-2011   | 250,000                | (none)    |
| 7/1/2011                  | 6/30/2012               | 2011-2012   | 250,000                | (none)    |
| 7/1/2012                  | 6/30/2013               | 2012-2013   | 250,000                | (none)    |
| 7/1/2013                  | 6/30/2014               | 2013-2014   | 250,000                | (none)    |
| 7/1/2014                  | 6/30/2015               | 2014-2015   | 250,000                | (none)    |
| 7/1/2015                  | 6/30/2016               | 2015-2016   | 250,000                | (none)    |
| 7/1/2016                  | 6/30/2017               | 2016-2017   | 250,000                | (none)    |
| 7/1/2017                  | 6/30/2018               | 2017-2018   | 250,000                | (none)    |
| 7/1/2018                  | 6/30/2019               | 2018-2019   | 250,000                | (none)    |
| 7/1/2019                  | 6/30/2020               | 2019-2020   | 250,000                | (none)    |
| 7/1/2020                  | 6/30/2021               | 2020-2021   | 250,000                | (none)    |
| 7/1/2021                  | 6/30/2022               | 2021-2022   | 250,000                | (none)    |
| 7/1/2022                  | 6/30/2023               | 2022-2023   | 250,000                | (none)    |
| 7/1/2023                  | 6/30/2024               | 2023-2024   | 250,000                | (none)    |
| 7/1/2024                  | 6/30/2025               | 2024-2025   | 250,000                | (none)    |

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

San Mateo County Schools Insurance Group - Property

Incurred Losses as of 12/31/23

| Accident Year (A) | Unlimited Incurred (B) | Additions to Losses (C) | Subtractions from Losses (D) | Adjusted Incurred (E) | Incurred Over SIR (F) | Incurred Over \$250,000 (G) | Incurred Capped at \$250,000 (H) | Incurred \$250,000 to SIR Layer (I) | Incurred Capped at SIR (J) | Incurred Capped at SIR & Aggregate (K) |
|-------------------|------------------------|-------------------------|------------------------------|-----------------------|-----------------------|-----------------------------|----------------------------------|-------------------------------------|----------------------------|--|
| 2002-2003         | \$741,706              | \$0                     | \$0                          | \$741,706             | \$0                   | \$0                         | \$741,706                        | \$0                                 | \$741,706                  | \$741,706                              |
| 2003-2004         | 251,096                | 0                       | 0                            | 251,096               | 0                     | 0                           | 251,096                          | 0                                   | 251,096                    | 251,096                                |
| 2004-2005         | 126,828                | 0                       | 0                            | 126,828               | 0                     | 0                           | 126,828                          | 0                                   | 126,828                    | 126,828                                |
| 2005-2006         | 621,972                | 0                       | 0                            | 621,972               | 117,916               | 117,916                     | 504,056                          | 0                                   | 504,056                    | 504,056                                |
| 2006-2007         | 603,718                | 0                       | 0                            | 603,718               | 0                     | 0                           | 603,718                          | 0                                   | 603,718                    | 603,718                                |
| 2007-2008         | 275,118                | 0                       | 0                            | 275,118               | 0                     | 0                           | 275,118                          | 0                                   | 275,118                    | 275,118                                |
| 2008-2009         | 325,291                | 0                       | 0                            | 325,291               | 3,075                 | 3,075                       | 322,216                          | 0                                   | 322,216                    | 322,216                                |
| 2009-2010         | 44,298                 | 0                       | 0                            | 44,298                | 0                     | 0                           | 44,298                           | 0                                   | 44,298                     | 44,298                                 |
| 2010-2011         | 209,470                | 0                       | 0                            | 209,470               | 0                     | 0                           | 209,470                          | 0                                   | 209,470                    | 209,470                                |
| 2011-2012         | 601,563                | 0                       | 0                            | 601,563               | 177,303               | 177,303                     | 424,260                          | 0                                   | 424,260                    | 424,260                                |
| 2012-2013         | 383,466                | 0                       | 0                            | 383,466               | 0                     | 0                           | 383,466                          | 0                                   | 383,466                    | 383,466                                |
| 2013-2014         | 1,599,386              | 0                       | 0                            | 1,599,386             | 862,907               | 1,039,922                   | 559,465                          | 177,015                             | 736,480                    | 736,480                                |
| 2014-2015         | 2,151,489              | 0                       | 0                            | 2,151,489             | 1,289,469             | 1,289,469                   | 862,020                          | 0                                   | 862,020                    | 862,020                                |
| 2015-2016         | 2,005,650              | 0                       | 0                            | 2,005,650             | 1,093,637             | 1,093,637                   | 912,013                          | 0                                   | 912,013                    | 912,013                                |
| 2016-2017         | 1,335,089              | 0                       | 0                            | 1,335,089             | 178,556               | 178,556                     | 1,156,532                        | 0                                   | 1,156,532                  | 1,156,532                              |
| 2017-2018         | 1,551,661              | 6,758                   | 0                            | 1,558,419             | 807,443               | 807,443                     | 750,976                          | 0                                   | 750,976                    | 750,976                                |
| 2018-2019         | 2,713,917              | 0                       | 0                            | 2,713,917             | 1,046,200             | 1,046,200                   | 1,667,718                        | 0                                   | 1,667,718                  | 1,667,718                              |
| 2019-2020         | 4,632,915              | 0                       | 0                            | 4,632,915             | 3,747,594             | 3,747,594                   | 885,320                          | 0                                   | 885,320                    | 885,320                                |
| 2020-2021         | 971,625                | 0                       | 0                            | 971,625               | 1,777                 | 1,777                       | 969,848                          | 0                                   | 969,848                    | 969,848                                |
| 2021-2022         | 1,279,849              | 0                       | 0                            | 1,279,849             | 175,000               | 175,000                     | 1,104,849                        | 0                                   | 1,104,849                  | 1,104,849                              |
| 2022-2023         | 8,528,126              | 0                       | 0                            | 8,528,126             | 4,550,934             | 4,550,934                   | 3,977,192                        | 0                                   | 3,977,192                  | 3,977,192                              |
| 2023-2024         | 747,982                | 0                       | 0                            | 747,982               | 0                     | 0                           | 747,982                          | 0                                   | 747,982                    | 747,982                                |
| Total             | \$31,702,216           | \$6,758                 | \$0                          | \$31,708,974          | \$14,051,810          | \$14,228,825                | \$17,480,149                     | \$177,015                           | \$17,657,164               | \$17,657,164                           |

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Group.
- (C) Missing Claim
- (D)
- (E) (B) + (C) - (D).
- (F) Sum of incurred losses in excess of SIR.
- (G) Sum of incurred losses in excess of \$250,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss. See PR - Appendix K.

San Mateo County Schools Insurance Group - Property

Paid Losses as of 12/31/23

| Accident Year (A) | Unlimited Paid (B)  | Additions to Losses (C) | Subtractions from Losses (D) | Adjusted Paid (E)   | Paid Over SIR (F)   | Paid Over \$250,000 (G) | Paid Capped at \$250,000 (H) | Paid \$250,000 to SIR Layer (I) | Paid Capped at SIR (J) | Paid Capped at SIR & Aggregate (K) |
|-------------------|---------------------|-------------------------|------------------------------|---------------------|---------------------|-------------------------|------------------------------|---------------------------------|------------------------|------------------------------------|
| 2002-2003         | \$741,706           | \$0                     | \$0                          | \$741,706           | \$0                 | \$0                     | \$741,706                    | \$0                             | \$741,706              | \$741,706                          |
| 2003-2004         | 251,096             | 0                       | 0                            | 251,096             | 0                   | 0                       | 251,096                      | 0                               | 251,096                | 251,096                            |
| 2004-2005         | 126,828             | 0                       | 0                            | 126,828             | 0                   | 0                       | 126,828                      | 0                               | 126,828                | 126,828                            |
| 2005-2006         | 621,972             | 0                       | 0                            | 621,972             | 117,916             | 117,916                 | 504,056                      | 0                               | 504,056                | 504,056                            |
| 2006-2007         | 603,718             | 0                       | 0                            | 603,718             | 0                   | 0                       | 603,718                      | 0                               | 603,718                | 603,718                            |
| 2007-2008         | 275,118             | 0                       | 0                            | 275,118             | 0                   | 0                       | 275,118                      | 0                               | 275,118                | 275,118                            |
| 2008-2009         | 325,291             | 0                       | 0                            | 325,291             | 3,075               | 3,075                   | 322,216                      | 0                               | 322,216                | 322,216                            |
| 2009-2010         | 44,298              | 0                       | 0                            | 44,298              | 0                   | 0                       | 44,298                       | 0                               | 44,298                 | 44,298                             |
| 2010-2011         | 209,470             | 0                       | 0                            | 209,470             | 0                   | 0                       | 209,470                      | 0                               | 209,470                | 209,470                            |
| 2011-2012         | 601,563             | 0                       | 0                            | 601,563             | 177,303             | 177,303                 | 424,260                      | 0                               | 424,260                | 424,260                            |
| 2012-2013         | 383,466             | 0                       | 0                            | 383,466             | 0                   | 0                       | 383,466                      | 0                               | 383,466                | 383,466                            |
| 2013-2014         | 1,599,386           | 0                       | 0                            | 1,599,386           | 862,907             | 1,039,922               | 559,465                      | 177,015                         | 736,480                | 736,480                            |
| 2014-2015         | 2,151,489           | 0                       | 0                            | 2,151,489           | 1,289,469           | 1,289,469               | 862,020                      | 0                               | 862,020                | 862,020                            |
| 2015-2016         | 2,005,650           | 0                       | 0                            | 2,005,650           | 1,093,637           | 1,093,637               | 912,013                      | 0                               | 912,013                | 912,013                            |
| 2016-2017         | 1,335,089           | 0                       | 0                            | 1,335,089           | 178,556             | 178,556                 | 1,156,532                    | 0                               | 1,156,532              | 1,156,532                          |
| 2017-2018         | 1,551,661           | 6,758                   | 0                            | 1,558,419           | 807,443             | 807,443                 | 750,976                      | 0                               | 750,976                | 750,976                            |
| 2018-2019         | 2,713,040           | 0                       | 0                            | 2,713,040           | 1,046,200           | 1,046,200               | 1,666,840                    | 0                               | 1,666,840              | 1,666,840                          |
| 2019-2020         | 4,632,915           | 0                       | 0                            | 4,632,915           | 3,747,594           | 3,747,594               | 885,320                      | 0                               | 885,320                | 885,320                            |
| 2020-2021         | 956,625             | 0                       | 0                            | 956,625             | 1,777               | 1,777                   | 954,848                      | 0                               | 954,848                | 954,848                            |
| 2021-2022         | 1,236,016           | 0                       | 0                            | 1,236,016           | 136,230             | 136,230                 | 1,099,786                    | 0                               | 1,099,786              | 1,099,786                          |
| 2022-2023         | 6,544,964           | 0                       | 0                            | 6,544,964           | 2,890,120           | 2,890,120               | 3,654,844                    | 0                               | 3,654,844              | 3,654,844                          |
| 2023-2024         | 257,093             | 0                       | 0                            | 257,093             | 0                   | 0                       | 257,093                      | 0                               | 257,093                | 257,093                            |
| <b>Total</b>      | <b>\$29,168,455</b> | <b>\$6,758</b>          | <b>\$0</b>                   | <b>\$29,175,213</b> | <b>\$12,352,226</b> | <b>\$12,529,241</b>     | <b>\$16,645,972</b>          | <b>\$177,015</b>                | <b>\$16,822,987</b>    | <b>\$16,822,987</b>                |

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Group.
- (C) Missing Claim
- (D)
- (E) (B) + (C) - (D).
- (F) Sum of paid losses in excess of SIR.
- (G) Sum of paid losses in excess of \$250,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss. See PR - Appendix K.

San Mateo County Schools Insurance Group - Property

Case Reserves as of 12/31/23

| Accident Year (A) | Unlimited Reserves (B) | Additions to Losses (C) | Subtractions from Losses (D) | Adjusted Reserves (E) | Reserves Over SIR (F) | Reserves Over \$250,000 (G) | Reserves Capped at \$250,000 (H) | Reserves \$250,000 to SIR Layer (I) | Reserves Capped at SIR (J) | Reserves Capped at SIR & Aggregate (K) |
|-------------------|------------------------|-------------------------|------------------------------|-----------------------|-----------------------|-----------------------------|----------------------------------|-------------------------------------|----------------------------|--|
| 2002-2003         | \$0                    | \$0                     | \$0                          | \$0                   | \$0                   | \$0                         | \$0                              | \$0                                 | \$0                        | \$0                                    |
| 2003-2004         | 0                      | 0                       | 0                            | 0                     | 0                     | 0                           | 0                                | 0                                   | 0                          | 0                                      |
| 2004-2005         | 0                      | 0                       | 0                            | 0                     | 0                     | 0                           | 0                                | 0                                   | 0                          | 0                                      |
| 2005-2006         | 0                      | 0                       | 0                            | 0                     | 0                     | 0                           | 0                                | 0                                   | 0                          | 0                                      |
| 2006-2007         | 0                      | 0                       | 0                            | 0                     | 0                     | 0                           | 0                                | 0                                   | 0                          | 0                                      |
| 2007-2008         | 0                      | 0                       | 0                            | 0                     | 0                     | 0                           | 0                                | 0                                   | 0                          | 0                                      |
| 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         | 877                    | 0                       | 0                            | 877                   | 0                     | 0                           | 877                              | 0                                   | 877                        | 877                                    |
| 2019-2020         | 0                      | 0                       | 0                            | 0                     | 0                     | 0                           | 0                                | 0                                   | 0                          | 0                                      |
| 2020-2021         | 15,000                 | 0                       | 0                            | 15,000                | 0                     | 0                           | 15,000                           | 0                                   | 15,000                     | 15,000                                 |
| 2021-2022         | 43,832                 | 0                       | 0                            | 43,832                | 38,770                | 38,770                      | 5,063                            | 0                                   | 5,063                      | 5,063                                  |
| 2022-2023         | 1,983,162              | 0                       | 0                            | 1,983,162             | 1,660,814             | 1,660,814                   | 322,348                          | 0                                   | 322,348                    | 322,348                                |
| 2023-2024         | 490,889                | 0                       | 0                            | 490,889               | 0                     | 0                           | 490,889                          | 0                                   | 490,889                    | 490,889                                |
| Total             | \$2,533,761            | \$0                     | \$0                          | \$2,533,761           | \$1,699,584           | \$1,699,584                 | \$834,177                        | \$0                                 | \$834,177                  | \$834,177                              |

Notes:

- (A) Years are 7/1 to 6/30.
- (B) PR - Appendix L, Page 1, Column (B) - PR - Appendix L, Page 2, Column (B).
- (C) PR - Appendix L, Page 1, Column (C) - PR - Appendix L, Page 2, Column (C).
- (D) PR - Appendix L, Page 1, Column (D) - PR - Appendix L, 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 \$250,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss. See PR - Appendix K.

San Mateo County Schools Insurance Group - Property

Claim Counts as of 12/31/23

| Accident Year (A) | Reported Claims (B) | Additions to Reported Claims (C) | Subtractions from Reported Claims (D) | Adjusted Reported Claims (E) | Closed Claims (F) | Additions to Closed Claims (G) | Subtractions from Closed Claims (H) | Adjusted Closed Claims (I) | Open Claims (J) | Adjusted Open Claims (K) |
|-------------------|---------------------|----------------------------------|---------------------------------------|------------------------------|-------------------|--------------------------------|-------------------------------------|----------------------------|-----------------|--------------------------|
| 2002-2003         | 14                  | 0                                | 2                                     | 12                           | 14                | 0                              | 2                                   | 12                         | 0               | 0                        |
| 2003-2004         | 11                  | 0                                | 1                                     | 10                           | 11                | 0                              | 1                                   | 10                         | 0               | 0                        |
| 2004-2005         | 5                   | 0                                | 0                                     | 5                            | 5                 | 0                              | 0                                   | 5                          | 0               | 0                        |
| 2005-2006         | 9                   | 0                                | 0                                     | 9                            | 9                 | 0                              | 0                                   | 9                          | 0               | 0                        |
| 2006-2007         | 11                  | 0                                | 1                                     | 10                           | 11                | 0                              | 1                                   | 10                         | 0               | 0                        |
| 2007-2008         | 19                  | 0                                | 4                                     | 15                           | 19                | 0                              | 4                                   | 15                         | 0               | 0                        |
| 2008-2009         | 9                   | 0                                | 1                                     | 8                            | 9                 | 0                              | 1                                   | 8                          | 0               | 0                        |
| 2009-2010         | 5                   | 0                                | 0                                     | 5                            | 5                 | 0                              | 0                                   | 5                          | 0               | 0                        |
| 2010-2011         | 9                   | 0                                | 3                                     | 6                            | 9                 | 0                              | 3                                   | 6                          | 0               | 0                        |
| 2011-2012         | 7                   | 0                                | 1                                     | 6                            | 7                 | 0                              | 1                                   | 6                          | 0               | 0                        |
| 2012-2013         | 10                  | 0                                | 1                                     | 9                            | 10                | 0                              | 1                                   | 9                          | 0               | 0                        |
| 2013-2014         | 7                   | 0                                | 0                                     | 7                            | 7                 | 0                              | 0                                   | 7                          | 0               | 0                        |
| 2014-2015         | 23                  | 0                                | 6                                     | 17                           | 23                | 0                              | 6                                   | 17                         | 0               | 0                        |
| 2015-2016         | 27                  | 0                                | 3                                     | 24                           | 27                | 0                              | 3                                   | 24                         | 0               | 0                        |
| 2016-2017         | 26                  | 0                                | 10                                    | 16                           | 26                | 0                              | 10                                  | 16                         | 0               | 0                        |
| 2017-2018         | 21                  | 0                                | 5                                     | 16                           | 21                | 0                              | 5                                   | 16                         | 0               | 0                        |
| 2018-2019         | 31                  | 0                                | 4                                     | 27                           | 29                | 0                              | 4                                   | 25                         | 2               | 2                        |
| 2019-2020         | 21                  | 0                                | 4                                     | 17                           | 21                | 0                              | 4                                   | 17                         | 0               | 0                        |
| 2020-2021         | 27                  | 0                                | 11                                    | 16                           | 27                | 0                              | 11                                  | 16                         | 0               | 0                        |
| 2021-2022         | 48                  | 0                                | 25                                    | 23                           | 39                | 0                              | 25                                  | 14                         | 9               | 9                        |
| 2022-2023         | 52                  | 0                                | 7                                     | 45                           | 29                | 0                              | 7                                   | 22                         | 23              | 23                       |
| 2023-2024         | 11                  | 0                                | 1                                     | 10                           | 2                 | 0                              | 1                                   | 1                          | 9               | 9                        |
| Total             | 403                 | 0                                | 90                                    | 313                          | 360               | 0                              | 90                                  | 270                        | 43              | 43                       |

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).

San Mateo County Schools Insurance Group - Property

Exposure Measures

| Accident Year | Total TIV (\$00,000) (A) | Inflation Trend Factor (B) | Trended TIV (\$00,000) (C) |
|---------------|--------------------------|----------------------------|----------------------------|
| 2002-2003     | 17,585                   | 1.679                      | 29,525                     |
| 2003-2004     | 21,314                   | 1.638                      | 34,912                     |
| 2004-2005     | 21,796                   | 1.598                      | 34,830                     |
| 2005-2006     | 24,771                   | 1.559                      | 38,618                     |
| 2006-2007     | 26,295                   | 1.521                      | 39,995                     |
| 2007-2008     | 27,230                   | 1.484                      | 40,409                     |
| 2008-2009     | 30,187                   | 1.448                      | 43,711                     |
| 2009-2010     | 30,742                   | 1.413                      | 43,438                     |
| 2010-2011     | 31,297                   | 1.379                      | 43,159                     |
| 2011-2012     | 34,484                   | 1.345                      | 46,381                     |
| 2012-2013     | 36,703                   | 1.312                      | 48,154                     |
| 2013-2014     | 40,338                   | 1.280                      | 51,633                     |
| 2014-2015     | 42,041                   | 1.249                      | 52,509                     |
| 2015-2016     | 44,789                   | 1.219                      | 54,598                     |
| 2016-2017     | 47,533                   | 1.189                      | 56,517                     |
| 2017-2018     | 51,682                   | 1.160                      | 59,951                     |
| 2018-2019     | 52,447                   | 1.132                      | 59,370                     |
| 2019-2020     | 53,150                   | 1.104                      | 58,678                     |
| 2020-2021     | 55,314                   | 1.077                      | 59,573                     |
| 2021-2022     | 62,435                   | 1.051                      | 65,619                     |
| 2022-2023     | 65,982                   | 1.025                      | 67,632                     |
| 2023-2024     | 66,111                   | 1.000                      | 66,111                     |
| 2024-2025     | 68,095                   | 1.000                      | 68,095                     |

Notes:

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

**SAN MATEO COUNTY SCHOOLS INSURANCE GROUP  
EXECUTIVE COMMITTEE MEETING  
AGENDA ITEM**

|  |                                     |                    |
|--|-------------------------------------|--------------------|
| <b>Department:</b> <u>Administration of The Organization</u> | <input checked="" type="checkbox"/> | <b>Action</b>      |
| <b>Item Number:</b> H5                                       | <input type="checkbox"/>            | <b>Consent</b>     |
| <b>Title:</b> <u>2024-2025 Property/Liability Rates</u>      | <input type="checkbox"/>            | <b>Information</b> |

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**Background**

SMCISG annually prepares its rates in the spring based on three major components:

1. Estimate of the retained losses within the \$250,000 retained layer funded at the 80% confidence level.
2. Excess and other insurance coverages
3. Program operational costs

We are in a hard insurance market. The drivers of the market are:

- a. Higher litigation costs
- b. Higher experience for our pool (property)
- c. Stresses on the industry and the uncertainty of the economy and financial markets
- d. Property has been particularly difficult with large increases across the industry in the past three years.

Preliminary Rate Indications – overall increase of 16% year over year

Retained losses increased 1.46% (**great performance within our retained layer**)

Rates are driven by:

- a. Experience (losses)
  - b. Exposures (ADA, Total Insured Values (TIV)) ADA decreased by .57%, TIV has increased 3.3% due to property additions.
1. Preliminary estimates for excess and other insurance has increased \$2,808,262 or 15.74%. This represents an:
    - a. 80.37% or \$1.05M increase from PRISM for the \$250,000 to \$5,000,000 excess layer
    - b. 18.57% or \$317K increase from SELF for the \$5,000,000 to \$55,000,000 layer of coverage.
    - c. \$36K increase for SELF AB 218 SAM assessment. This is paying back to SMCSIG for paying the first and second assessment.

| <b>Paid to SELF for AB 218 Assessment</b> |              |                    |
|---|--------------|--------------------|
|   | <u>Date</u>  | <u>Amount</u>      |
| 1st Assessment                            | 3/17/21      | \$1,241,934        |
| 2nd Assessment                            | 6/30/23      | 1,999,988          |
|   | Total Paid   | <u>3,241,922</u>   |
| <b>Billed to Members</b>                  |              |                    |
|   | 20-21        | 350,000            |
|   | 21-22        | 414,000            |
|   | 22-23        | 412,900            |
|   | 23-24        | 414,000            |
|   | 24-25        | 450,000            |
|   | Total        | <u>2,040,900</u>   |
|   | To be Billed | <u>\$1,201,022</u> |

- d. 13.73% or \$1.2M estimated increase in property premiums (3.3% driven by increased TIV)
  - e. 16.67% or \$100K decrease in cyber coverage
  - f. \$1,700 increase in bond/crime coverage
  - g. \$16,000 increase in boiler and machinery
  - h. \$6,700 increase in active assailant coverage
2. Operational costs increased 21% or \$180K due property site inspection project with ESM Insite.

Note: we are still waiting for final indications from the carriers.

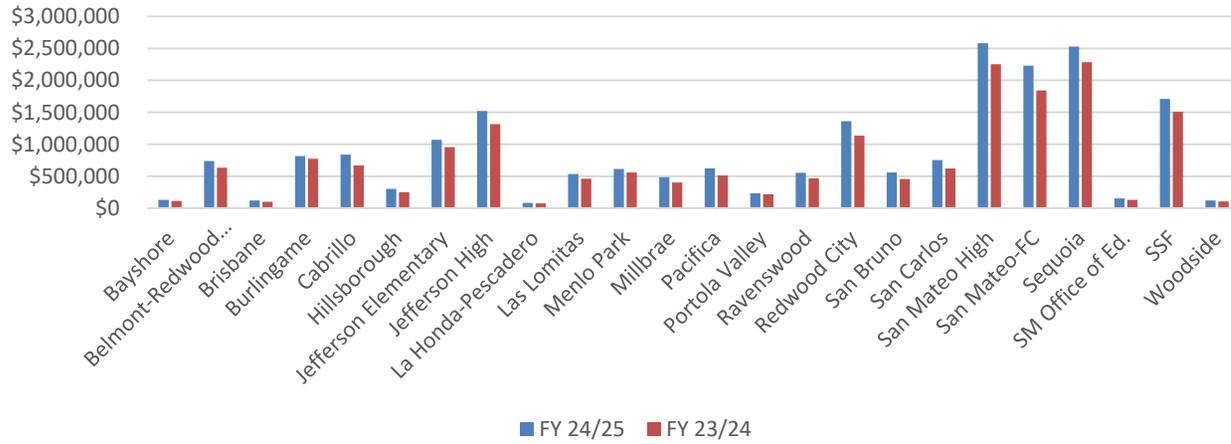
### **Recommendation**

It is recommended that the Executive Committee approve the proposed Property/Liability rates for 2024/2025 and recommend these rates to the SMCSIG JPA Board for adoption at its May 16, 2024, annual meeting.

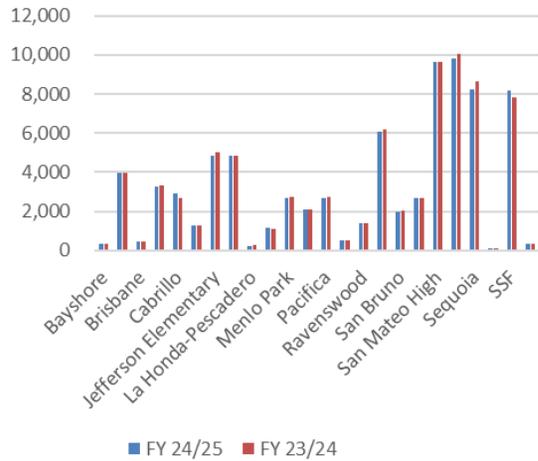
**San Mateo County Schools Insurance Group**  
**Draft Property/Liability Insurance Premium Calculation 2024-25**  
**Updated TIV as of 4-22-24**  
**@ \$250,000 SIR Property & Liability**

|                       | 80% conf. level               | PRISM                                 | SELF                               | APIP              |                      |                   |                  |                      |                  |                     |                      |                     |                      |                      |
|-----------------------|-------------------------------|---------------------------------------|------------------------------------|-------------------|----------------------|-------------------|------------------|----------------------|------------------|---------------------|----------------------|---------------------|----------------------|----------------------|
|                       | 1                             | 2                                     | 3                                  | 4                 | 5                    | 6                 | 7                | 8                    | 9                | 10                  | 11                   | 12                  | 13                   | 14                   |
| District              | Combined Premium (\$0-\$250K) | Liability Premium (\$250,000 - \$5 m) | Liability Premium (\$5 m - \$55 m) | SAM Claims        | Property Premium     | Cyber Coverage    | Bond/ Crime      | Boiler and Machinery | Active Assailant | JPA Cost            | 2024/2025 Total      | 2023/2024 Totals    | (11)-(12) Difference | (11)/(12)-1 % Change |
| Bayshore              | \$26,635                      | \$ 9,773                              | \$ 8,382                           | 1,863             | \$ 74,933            | \$2,070           | \$ 109           | \$ 955               | \$106            | \$ 4,263            | \$129,087            | \$112,492           | \$16,595             | 14.75%               |
| Belmont-Redwood S     | 133,394                       | 117,833                               | 101,067                            | 22,459            | 280,954              | \$24,954          | 1,309            | 3,580                | \$1,273          | 51,405              | 738,228              | 633,626             | \$104,602            | 16.51%               |
| Brisbane              | 25,257                        | 13,356                                | 11,455                             | 2,546             | 56,784               | \$2,828           | 148              | 724                  | \$144            | 5,827               | 119,069              | 101,252             | \$17,817             | 17.60%               |
| Burlingame            | 238,232                       | 97,103                                | 83,287                             | 18,508            | 309,731              | \$20,564          | 1,079            | 3,947                | \$1,049          | 42,362              | 815,862              | 773,773             | \$42,089             | 5.44%                |
| Cabrillo              | 216,516                       | 86,117                                | 73,863                             | 16,414            | 380,943              | \$18,237          | 957              | 4,855                | \$930            | 37,569              | 836,400              | 668,201             | \$168,199            | 25.17%               |
| Hillsborough          | 64,744                        | 38,409                                | 32,944                             | 7,321             | 131,493              | \$8,134           | 427              | 1,676                | \$415            | 16,756              | 302,318              | 249,425             | \$52,893             | 21.21%               |
| Jefferson Elementary  | 223,866                       | 143,597                               | 123,165                            | 27,369            | 449,961              | \$30,410          | 1,595            | 5,734                | \$1,551          | 62,645              | 1,069,893            | 954,302             | \$115,591            | 12.11%               |
| Jefferson High        | 188,468                       | 142,679                               | 122,377                            | 27,194            | 931,876              | \$30,216          | 1,585            | 11,876               | \$1,541          | 62,244              | 1,520,056            | 1,316,929           | \$203,127            | 15.42%               |
| La Honda-Pescadero    | 18,209                        | 7,167                                 | 6,147                              | 1,366             | 45,410               | \$1,518           | 80               | 579                  | \$77             | 3,126               | 83,678               | 75,334              | \$8,344              | 11.08%               |
| Las Lomas             | 152,100                       | 34,382                                | 29,489                             | 6,553             | 283,339              | \$7,281           | 382              | 3,611                | \$371            | 14,999              | 532,507              | 460,583             | \$71,924             | 15.62%               |
| Menlo Park            | 102,778                       | 79,927                                | 68,555                             | 15,234            | 288,819              | \$16,927          | 888              | 3,681                | \$863            | 34,869              | 612,540              | 559,779             | \$52,761             | 9.43%                |
| Millbrae              | 137,754                       | 61,389                                | 52,654                             | 11,701            | 175,853              | \$13,001          | 682              | 2,241                | \$663            | 26,781              | 482,720              | 402,322             | \$80,398             | 19.98%               |
| Pacifica              | 142,848                       | 79,572                                | 68,250                             | 15,166            | 261,176              | \$16,851          | 884              | 3,328                | \$859            | 34,714              | 623,649              | 512,250             | \$111,399            | 21.75%               |
| Portola Valley        | 83,229                        | 14,511                                | 12,446                             | 2,766             | 107,135              | \$3,073           | 161              | 1,365                | \$157            | 6,330               | 231,173              | 216,574             | \$14,599             | 6.74%                |
| Ravenswood            | 88,387                        | 40,452                                | 34,696                             | 7,710             | 351,898              | \$8,567           | 449              | 4,485                | \$437            | 17,648              | 554,729              | 465,969             | \$88,760             | 19.05%               |
| Redwood City          | 212,502                       | 180,318                               | 154,661                            | 34,368            | 649,240              | \$38,187          | 2,003            | 8,274                | \$1,948          | 78,665              | 1,360,165            | 1,134,160           | \$226,005            | 19.93%               |
| San Bruno             | 131,509                       | 57,717                                | 49,505                             | 11,001            | 265,899              | \$12,223          | 641              | 3,389                | \$623            | 25,179              | 557,686              | 456,186             | \$101,500            | 22.25%               |
| San Carlos            | 223,592                       | 79,394                                | 68,097                             | 15,132            | 309,309              | \$16,814          | 882              | 3,942                | \$857            | 34,636              | 752,657              | 621,248             | \$131,409            | 21.15%               |
| San Mateo High        | 273,429                       | 285,802                               | 245,135                            | 54,473            | 1,511,222            | \$60,526          | 3,175            | 19,259               | \$3,087          | 124,683             | 2,580,791            | 2,252,848           | \$327,943            | 14.56%               |
| San Mateo-FC          | 367,337                       | 291,280                               | 249,834                            | 55,517            | 1,057,814            | \$61,686          | 3,236            | 13,481               | \$3,146          | 127,073             | 2,230,405            | 1,841,702           | \$388,703            | 21.11%               |
| Sequoia               | 536,553                       | 244,065                               | 209,337                            | 46,518            | 1,312,725            | \$51,687          | 2,712            | 16,729               | \$2,636          | 106,475             | 2,529,436            | 2,285,614           | \$243,822            | 10.67%               |
| SM Office of Ed.      | 21,855                        | 2,902                                 | 2,489                              | 553               | 120,362              | \$615             | 32               | 1,534                | \$31             | 1,266               | 151,640              | 130,256             | \$21,384             | 16.42%               |
| SSF                   | 155,039                       | 242,625                               | 208,102                            | 46,244            | 884,574              | \$51,382          | 2,696            | 11,273               | \$2,620          | 105,847             | 1,710,401            | 1,506,815           | \$203,586            | 13.51%               |
| Woodside              | 25,163                        | 10,631                                | 9,119                              | 2,026             | 65,514               | \$2,251           | 118              | 835                  | \$115            | 4,638               | 120,410              | 105,372             | \$15,038             | 14.27%               |
| <b>Total</b>          | <b>\$ 3,789,396</b>           | <b>\$ 2,361,000</b>                   | <b>\$ 2,025,056</b>                | <b>\$ 450,000</b> | <b>\$ 10,306,966</b> | <b>\$ 500,000</b> | <b>\$ 26,231</b> | <b>\$131,350</b>     | <b>\$ 25,500</b> | <b>\$ 1,030,000</b> | <b>\$ 20,645,499</b> | <b>\$17,837,012</b> | <b>\$ 2,808,487</b>  | <b>15.75%</b>        |
| <b>Prior Year</b>     | \$3,734,816                   | \$1,309,000                           | \$1,707,890                        | \$414,000         | \$9,062,483          | \$600,000         | \$24,515         | \$115,490            | \$18,818         | \$850,000           | \$17,837,011         |                     | \$2,147,392          |                      |
| <b>Percent change</b> | <b>1.46%</b>                  | <b>80.37%</b>                         | <b>18.57%</b>                      | <b>8.70%</b>      | <b>13.73%</b>        | <b>-16.67%</b>    | <b>7.00%</b>     | <b>13.73%</b>        | <b>35.51%</b>    | <b>21.18%</b>       | <b>15.75%</b>        |                     |                      |                      |

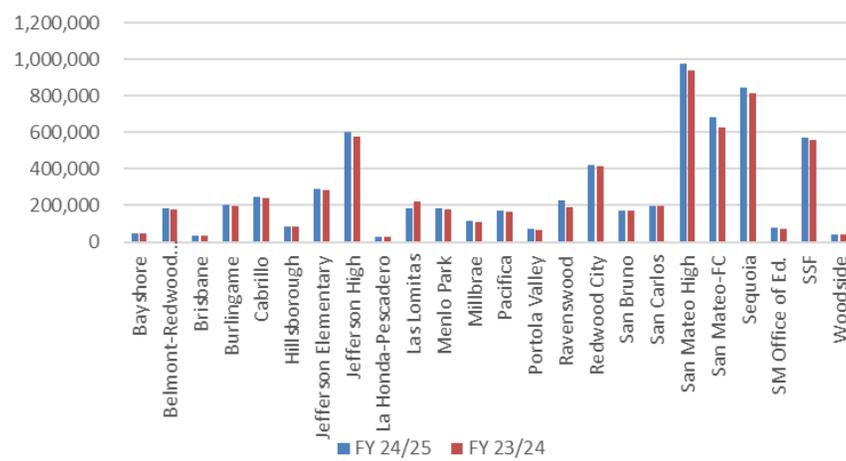
### P/L Contributions



### ADA



### TIV



| Excess Insurance        | FY 24/25     | FY 23/24    | % Change |
|-------------------------|--------------|-------------|----------|
| Property                | \$10,306,966 | \$9,062,483 | 13.73%   |
| Liability & Admin Costs | \$ 6,549,137 | \$4,625,712 | 41.58%   |

| District               | Deposit Premium Change Net Billed |                     |               | ADA           |               |               | TIV (in Thousands) |                  |              | Property Losses (3 Most Recent Full Years - Capped at \$50K) |                  |               |
|------------------------|-----------------------------------|---------------------|---------------|---------------|---------------|---------------|--------------------|------------------|--------------|--|------------------|---------------|
|                        | FY 24/25                          | FY 23/24            | % Change      | FY 24/25      | FY 23/24      | % Change      | FY 24/25           | FY 23/24         | % Change     | FY 24/25   | FY 23/24         | % Change      |
| Bayshore               | \$129,087                         | \$112,492           | 14.75%        | 330           | 352           | -6.25%        | 48,302             | 46,002           | 5.00%        | 0  | 0                | 0%            |
| Belmont-Redwood Shores | \$738,228                         | \$633,626           | 16.51%        | 3,979         | 3,956         | 0.58%         | 181,104            | 177,415          | 2.08%        | 10,451   | 10,451           | 0.00%         |
| Brisbane               | \$119,069                         | \$101,252           | 17.60%        | 451           | 446           | 1.12%         | 36,603             | 34,953           | 4.72%        | 0  | 0                | 0%            |
| Burlingame             | \$815,862                         | \$773,773           | 5.44%         | 3,279         | 3,310         | -0.94%        | 199,655            | 194,378          | 2.71%        | 249,602  | 213,752          | 16.77%        |
| Cabrillo               | \$836,400                         | \$668,201           | 25.17%        | 2,908         | 2,706         | 7.46%         | 245,558            | 239,754          | 2.42%        | 165,421  | 60,421           | 173.78%       |
| Hillsborough           | \$302,318                         | \$249,425           | 21.21%        | 1,297         | 1,261         | 2.85%         | 84,761             | 82,761           | 2.42%        | 0  | 0                | 0%            |
| Jefferson Elementary   | \$1,069,893                       | \$954,302           | 12.11%        | 4,849         | 4,990         | -2.83%        | 290,047            | 285,544          | 1.58%        | 106,075  | 81,075           | 30.84%        |
| Jefferson High         | \$1,520,056                       | \$1,316,929         | 15.42%        | 4,818         | 4,820         | -0.04%        | 600,692            | 575,528          | 4.37%        | 113,210  | 13,210           | 757.00%       |
| La Honda-Pescadero     | \$83,678                          | \$75,334            | 11.08%        | 242           | 254           | -4.72%        | 29,272             | 29,126           | 0.50%        | 3,436  | 3,436            | 0.00%         |
| Las Lomas              | \$532,507                         | \$460,583           | 15.62%        | 1,161         | 1,094         | 6.12%         | 182,642            | 218,319          | -16.34%      | 200,000  | 0                | 0%            |
| Menlo Park             | \$612,540                         | \$559,779           | 9.43%         | 2,699         | 2,728         | -1.06%        | 186,174            | 180,074          | 3.39%        | 14,125   | 15,720           | -10.15%       |
| Millbrae               | \$482,720                         | \$402,322           | 19.98%        | 2,073         | 2,115         | -1.99%        | 113,356            | 111,385          | 1.77%        | 328,438  | 183,286          | 79.19%        |
| Pacifica               | \$623,649                         | \$512,250           | 21.75%        | 2,687         | 2,720         | -1.21%        | 168,356            | 163,373          | 3.05%        | 286,394  | 143,058          | 100.19%       |
| Portola Valley         | \$231,173                         | \$216,574           | 6.74%         | 490           | 488           | 0.41%         | 69,060             | 66,638           | 3.63%        | 220,369  | 173,166          | 27.26%        |
| Ravenswood             | \$554,729                         | \$465,969           | 19.05%        | 1,366         | 1,400         | -2.43%        | 226,835            | 190,110          | 19.32%       | 0  | 38,154           | -100.00%      |
| Redwood City           | \$1,360,165                       | \$1,134,160         | 19.93%        | 6,089         | 6,181         | -1.49%        | 418,504            | 412,897          | 1.36%        | 150,000  | 100,000          | 50.00%        |
| San Bruno              | \$557,686                         | \$456,186           | 22.25%        | 1,949         | 2,060         | -5.39%        | 171,400            | 168,486          | 1.73%        | 128,600  | 0                | 0%            |
| San Carlos             | \$752,657                         | \$621,248           | 21.15%        | 2,681         | 2,663         | 0.68%         | 199,383            | 194,751          | 2.38%        | 166,568  | 59,230           | 181.22%       |
| San Mateo High         | \$2,580,791                       | \$2,252,848         | 14.56%        | 9,651         | 9,633         | 0.19%         | 974,142            | 938,804          | 3.76%        | 120,258  | 68,841           | 74.69%        |
| San Mateo-FC           | \$2,230,405                       | \$1,841,702         | 21.11%        | 9,836         | 10,057        | -2.20%        | 681,873            | 623,802          | 9.31%        | 411,362  | 126,265          | 225.79%       |
| Sequoia                | \$2,529,436                       | \$2,285,614         | 10.67%        | 8,242         | 8,648         | -4.69%        | 846,190            | 816,489          | 3.64%        | 293,587  | 249,214          | 17.81%        |
| SM Office of Ed.       | \$151,640                         | \$130,256           | 16.42%        | 98            | 123           | -20.33%       | 77,586             | 74,176           | 4.60%        | 33,218   | 0                | 0%            |
| SSF                    | \$1,710,401                       | \$1,506,815         | 13.51%        | 8,193         | 7,822         | 4.74%         | 570,201            | 559,432          | 1.92%        | 54,750   | 50,000           | 9.50%         |
| Woodside               | \$120,410                         | \$105,372           | 14.27%        | 359           | 356           | 0.84%         | 42,231             | 41,634           | 1.43%        | 0  | 0                | 0%            |
| <b>Total</b>           | <b>\$20,645,499</b>               | <b>\$17,837,012</b> | <b>15.75%</b> | <b>79,727</b> | <b>80,183</b> | <b>-0.57%</b> | <b>6,643,927</b>   | <b>6,425,831</b> | <b>3.39%</b> | <b>3,055,862</b>   | <b>1,589,279</b> | <b>92.28%</b> |

| District               | Liability Losses (3 Most Recent Full Years - Capped at \$50K) |                  |              | Property Experience Modification Factor |              |              | Liability Experience Modification Factor |              |              |
|------------------------|---|------------------|--------------|---|--------------|--------------|--|--------------|--------------|
|                        | FY 24/25  | FY 23/24         | % Change     | FY 24/25                                | FY 23/24     | % Change     | FY 24/25                                 | FY 23/24     | % Change     |
| Bayshore               | 0   | 0                | 0%           | 0.94                                    | 0.94         | -0.29%       | 0.98                                     | 0.93         | 6.26%        |
| Belmont-Redwood Shores | 31,014  | 32,968           | -5.93%       | 0.70                                    | 0.78         | -9.41%       | 0.83                                     | 0.81         | 2.72%        |
| Brisbane               | 0   | 0                | 0%           | 0.97                                    | 0.98         | -1.41%       | 0.96                                     | 0.92         | 5.15%        |
| Burlingame             | 52,000  | 72,280           | -28.06%      | 1.88                                    | 2.58         | -27.20%      | 1.04                                     | 1.15         | -9.66%       |
| Cabrillo               | 57,863  | 14,629           | 295.54%      | 1.34                                    | 1.13         | 18.58%       | 1.13                                     | 0.78         | 45.51%       |
| Hillsborough           | 30,803  | 0                | 0%           | 0.83                                    | 0.84         | -1.60%       | 1.13                                     | 0.82         | 38.74%       |
| Jefferson Elementary   | 56,890  | 53,091           | 7.16%        | 0.98                                    | 1.18         | -17.47%      | 0.90                                     | 0.84         | 7.57%        |
| Jefferson High         | 94,978  | 175,744          | -45.96%      | 0.65                                    | 0.42         | 53.28%       | 1.16                                     | 1.63         | -28.48%      |
| La Honda-Pescadero     | 0   | 0                | 0%           | 1.02                                    | 1.06         | -3.51%       | 0.99                                     | 0.94         | 5.15%        |
| Las Lomas              | 0   | 4,512            | -100.00%     | 1.68                                    | 0.67         | 149.97%      | 0.87                                     | 0.87         | 0.00%        |
| Menlo Park             | 410   | 54,311           | -99.25%      | 0.72                                    | 0.82         | -12.43%      | 0.72                                     | 1.09         | -34.07%      |
| Millbrae               | 52,525  | 2,525            | 1980.18%     | 2.87                                    | 2.92         | -1.53%       | 1.20                                     | 0.75         | 59.76%       |
| Pacifica               | 58,151  | 5,741            | 912.92%      | 2.24                                    | 2.10         | 6.56%        | 1.15                                     | 0.71         | 61.26%       |
| Portola Valley         | 25,000  | 0                | 0%           | 2.41                                    | 3.11         | -22.65%      | 1.20                                     | 0.91         | 32.37%       |
| Ravenswood             | 6,269   | 12,113           | -48.25%      | 0.63                                    | 1.04         | -39.63%      | 0.88                                     | 0.88         | 0.33%        |
| Redwood City           | 110,964   | 9,921            | 1018.47%     | 0.97                                    | 1.15         | -15.62%      | 1.11                                     | 0.52         | 111.76%      |
| San Bruno              | 121,451   | 87,970           | 38.06%       | 1.39                                    | 0.71         | 96.06%       | 1.76                                     | 1.44         | 21.66%       |
| San Carlos             | 109,258   | 78,844           | 38.58%       | 1.49                                    | 1.21         | 22.79%       | 1.54                                     | 1.27         | 21.62%       |
| San Mateo High         | 142,679   | 198,374          | -28.08%      | 0.46                                    | 0.48         | -5.52%       | 1.01                                     | 1.23         | -17.94%      |
| San Mateo-FC           | 105,890   | 171,669          | -38.32%      | 1.41                                    | 0.99         | 41.78%       | 0.82                                     | 1.05         | -21.79%      |
| Sequoia                | 153,803   | 99,279           | 54.92%       | 0.88                                    | 1.25         | -29.51%      | 1.13                                     | 0.86         | 32.04%       |
| SM Office of Ed.       | 10,980  | 10,980           | 0.00%        | 1.08                                    | 0.87         | 23.90%       | 1.12                                     | 1.08         | 4.01%        |
| SSF                    | 34,539  | 124,607          | -72.28%      | 0.51                                    | 0.64         | -20.11%      | 0.61                                     | 1.02         | -40.38%      |
| Woodside               | 0   | 0                | 0%           | 0.95                                    | 0.96         | -1.43%       | 0.98                                     | 0.93         | 6.26%        |
| <b>Total</b>           | <b>1,255,466</b>  | <b>1,209,558</b> | <b>3.80%</b> | <b>28.98</b>                            | <b>28.85</b> | <b>0.45%</b> | <b>25.25</b>                             | <b>23.42</b> | <b>7.82%</b> |

**SAN MATEO COUNTY SCHOOLS INSURANCE GROUP  
EXECUTIVE COMMITTEE MEETING  
AGENDA ITEM**

|  |                                     |                    |
|--|-------------------------------------|--------------------|
| <b>Department:</b> <u>Administration of the Organization</u> | <input checked="" type="checkbox"/> | <b>Action</b>      |
| <b>Item Number:</b> H6                                       | <input type="checkbox"/>            | <b>Consent</b>     |
| <b>Title:</b> <u>SMCSIG 2025 Dental Rates</u>                | <input type="checkbox"/>            | <b>Information</b> |

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**Background**

**Scope:** Dental rates for SMCSIG members have a renewal date of January 1, 2025.

**Prior:** For the 2024 benefit year (January 1, 2024, through December 31, 2024), the Executive Committee recommended that the rate be maintained at the same level (no change) and the board approved this change.

**Claims Report:** our claims are running below budget.

**Benchmarks:** We currently exceed our equity benchmarks with an expected \$4.1M above our target of \$5.1M.

**Current Indication:** Staff is looking for direction on funding 2025 dental contributions. The dental program has available equity of \$4.2M above the target equity. In the past year, the board declared credits back to the membership in the amount of \$1M.

The current options are:

- Charge a lower rate for the year. We can utilize equity to lower the monthly contributions.
- Dividend – issue a credit back to the membership.
- Rate Holiday – provide 2 months of rate holiday (December 2024 and January 2025).

See attached Dental claim report.

**Recommendation**

It is recommended that the Executive Committee Board provide direction to staff about the dental options to bring to the full SMCSIG JPA Board at the May 16, 2024, annual meeting.

# Keenan

## San Mateo County Schools Insurance Group Delta Dental Premium and Claims Report Total - All Districts

1/1 RENEWAL

|                   | A                     | B  | C   | D  | E<br>(C+D)   | F              | G<br>(F/E)            | H             | I              | J<br>(F+H+I)                | K<br>(J/A)                                   | L<br>(J/E)               |
|-------------------|-----------------------|--|---|--|--|----------------|-----------------------|---------------|----------------|-----------------------------|--|--------------------------|
| MONTH-<br>YEAR    | ENROLLED<br>EMPLOYEES | TENTHLY<br>TIERED<br>ENROLLMENT-<br>BASED<br>FUNDING | MONTHLY<br>ADJUSTED<br>TIERED<br>ENROLLMENT-<br>BASED FUNDING | MONTHLY<br>TIERED<br>ENROLLMENT-<br>BASED<br>FUNDING | TOTAL<br>MONTHLY<br>TIERED<br>ENROLLMENT-<br>BASED FUNDING | PAID<br>CLAIMS | PAID<br>LOSS<br>RATIO | FEES/EXPENSES |                | NET<br>CLAIMS &<br>EXPENSES | NET MONTHLY<br>PEPM AVERAGE<br>CLAIMS & FEES | EXPENSE<br>LOSS<br>RATIO |
|                   |                       |  |   |  |  |                |                       | ELIGIBILITY   | DELTA<br>ADMIN |                             |  |                          |
| Feb-23            | 12,439                | \$38,724   | \$32,270  | \$1,209,746  | \$1,242,016  | \$1,109,844    | 89.36%                | \$4,851       | \$63,816       | \$1,178,512                 | \$94.74                                      | 94.89%                   |
| Mar-23            | 12,451                | \$38,319   | \$31,933  | \$1,210,422  | \$1,242,355  | \$1,237,694    | 99.62%                | \$4,856       | \$71,168       | \$1,313,717                 | \$105.51                                     | 105.74%                  |
| Apr-23            | 12,419                | \$38,319   | \$31,933  | \$1,207,271  | \$1,239,204  | \$1,051,236    | 84.83%                | \$4,843       | \$60,446       | \$1,116,526                 | \$89.90                                      | 90.10%                   |
| May-23            | 12,407                | \$38,319   | \$31,933  | \$1,206,022  | \$1,237,955  | \$916,728      | 74.05%                | \$4,839       | \$52,712       | \$974,279                   | \$78.53                                      | 78.70%                   |
| Jun-23            | 12,367                | \$38,454   | \$32,045  | \$1,200,672  | \$1,232,717  | \$1,241,029    | 100.67%               | \$4,823       | \$71,359       | \$1,317,212                 | \$106.51                                     | 106.85%                  |
| Jul-23            | 12,199                | \$0  | \$28,335  | \$1,187,384  | \$1,215,719  | \$935,416      | 76.94%                | \$4,758       | \$53,787       | \$993,960                   | \$81.48                                      | 81.76%                   |
| Aug-23            | 12,195                | \$0  | \$28,223  | \$1,185,436  | \$1,213,659  | \$1,414,917    | 116.58%               | \$4,756       | \$81,358       | \$1,501,031                 | \$123.09                                     | 123.68%                  |
| Sep-23            | 12,608                | \$38,131   | \$31,776  | \$1,217,126  | \$1,248,902  | \$851,584      | 68.19%                | \$4,917       | \$48,966       | \$905,468                   | \$71.82                                      | 72.50%                   |
| Oct-23            | 12,684                | \$37,996   | \$31,664  | \$1,225,115  | \$1,256,779  | \$884,397      | 70.37%                | \$4,947       | \$50,853       | \$940,197                   | \$74.12                                      | 74.81%                   |
| Nov-23            | 12,703                | \$38,428   | \$32,023  | \$1,225,794  | \$1,257,817  | \$1,034,063    | 82.21%                | \$4,954       | \$59,459       | \$1,098,476                 | \$86.47                                      | 87.33%                   |
| Dec-23            | 12,760                | \$38,697   | \$32,248  | \$1,237,061  | \$1,269,309  | \$999,988      | 78.78%                | \$4,976       | \$57,500       | \$1,062,464                 | \$83.27                                      | 83.70%                   |
| Jan-24            | 12,737                | \$38,697   | \$32,248  | \$1,234,762  | \$1,267,010  | \$1,081,461    | 85.36%                | \$4,967       | \$62,184       | \$1,148,613                 | \$90.18                                      | 90.66%                   |
| 12 Month<br>Total | 149,969               | \$384,084  | \$376,629   | \$14,546,811   | \$14,923,440   | \$12,758,358   | 85.49%                | \$58,488      | \$733,609      | \$13,550,455                | \$90.36                                      | 90.80%                   |

Data Source: Delta Dental, Keenan Coalition

\*July and August are skip months

PREPARED BY: Keenan / Kayvon Mohammadlou

March 29, 2024

**SAN MATEO COUNTY SCHOOLS INSURANCE GROUP  
EXECUTIVE COMMITTEE MEETING  
AGENDA ITEM**

|  |                                     |                    |
|--|-------------------------------------|--------------------|
| <b>Department:</b> <u>Administration of the Organization</u> | <input type="checkbox"/>            | <b>Action</b>      |
| <b>Item Number:</b> H7                                       | <input type="checkbox"/>            | <b>Consent</b>     |
| <b>Title:</b> <u>Dental Market RFI</u>                       | <input checked="" type="checkbox"/> | <b>Information</b> |

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**Background**

Member districts have expressed concerns about dental providers no longer working with our current dental plan provider Delta Dental. This has created issues for some of our members and SMCSIG has been requested that we review the program and consider alternate options to Delta Dental.

A request for information was requested from Keenan, the current broker for the dental program, and Alliant. Both brokers presented at the March 14, 2024, Executive Committee meeting.

Our current broker contract combines the services for Dental and Vision and the Health Care Consortium. General Counsel has advised us that we should do a sperate RFP for both programs as the HCC is now its own program within SMCSIG and financially distinct from the Dental and Vision programs. There are multiple brokers interested in providing these services and we should allow them to present their information.

The RFP’s will be conducted this summer for the September meeting for the 2026 Benefit year.

We will also develop the Dental Indemnity Program to be approved at the November meeting for implementation in the 2026 Benefits year.

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**Recommendation**

Information Only.

**SAN MATEO COUNTY SCHOOLS INSURANCE GROUP  
EXECUTIVE COMMITTEE MEETING  
AGENDA ITEM**

|  |                                     |                    |
|--|-------------------------------------|--------------------|
| <b>Department:</b> <u>Administration of the Organization</u> | <input checked="" type="checkbox"/> | <b>Action</b>      |
| <b>Item Number:</b> H8                                       | <input type="checkbox"/>            | <b>Consent</b>     |
| <b>Title:</b> <u>SMCSIG 2025 Vision Rates</u>                | <input type="checkbox"/>            | <b>Information</b> |

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**Background**

**Scope:** Vision rates for SMCSIG members have a renewal date of January 1, 2025.

**Prior:** For the 2025 benefit year (January 1, 2024, through December 31, 2024), the Executive Committee recommended that the rate be maintained at the same level (no change) and the board approved this change.

**Claims Report:** our claims are running at expected.

**Benchmarks:** we currently exceed our equity benchmarks with an expected \$1.25M above our target of \$410k.

**Current Indication:** Staff is looking for direction on funding 2025 vision contributions. The vision program has available equity of \$1.3M above the target equity.

The current options are:

- Charge a lower rate for the year. We can utilize equity to lower the monthly contributions.
- Dividend – issue a credit back to the membership.
- Rate Holiday – provide 2 months of rate holiday (December 2024 and January 2025).

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**Recommendation**

It is recommended that the Executive Committee Board provide direction to staff about the dental options to bring to the full SMCSIG JPA Board at the May 16, 2024, annual meeting.

# Keenan

## San Mateo County Schools Insurance Group

### VSP Premium and Claims Report

1/1 RENEWAL

| MONTH-<br>YEAR    | A                     | B   | C              | D<br>(C/B)            | E             |                      | F                        | G<br>(C+E+F)                                 | H<br>(G/A)               | I<br>(G/B) |
|-------------------|-----------------------|---|----------------|-----------------------|---------------|----------------------|--------------------------|--|--------------------------|------------|
|                   | ENROLLED<br>EMPLOYEES | TIERED<br>ENROLLMENT-<br>BASED<br>FUNDING | PAID<br>CLAIMS | PAID<br>LOSS<br>RATIO | FEES/EXPENSES |                      | NET CLAIMS<br>& EXPENSES | NET MONTHLY<br>PEPM AVERAGE<br>CLAIMS & FEES | EXPENSE<br>LOSS<br>RATIO |            |
|                   |                       |   |                |                       | VSP<br>ADMIN  | KEENAN<br>CONSULTING |                          |  |                          |            |
| Feb-23            | 7,319                 | \$109,634                                 | \$68,285       | 62.28%                | \$7,511       | \$7,319              | \$83,116                 | \$11.36                                      | 75.81%                   |            |
| Mar-23            | 7,331                 | \$109,818                                 | \$73,686       | 67.10%                | \$8,105       | \$7,331              | \$89,122                 | \$12.16                                      | 81.15%                   |            |
| Apr-23            | 7,332                 | \$109,839                                 | \$77,609       | 70.66%                | \$8,537       | \$7,332              | \$93,478                 | \$12.75                                      | 85.10%                   |            |
| May-23            | 7,325                 | \$109,849                                 | \$70,655       | 64.32%                | \$7,772       | \$7,325              | \$85,752                 | \$11.71                                      | 78.06%                   |            |
| Jun-23            | 7,278                 | \$109,059                                 | \$75,111       | 68.87%                | \$8,262       | \$7,278              | \$90,651                 | \$12.46                                      | 83.12%                   |            |
| Jul-23            | 7,199                 | \$107,912                                 | \$107,567      | 99.68%                | \$11,832      | \$4,759              | \$124,157                | \$17.25                                      | 115.05%                  |            |
| Aug-23            | 7,173                 | \$107,673                                 | \$99,887       | 92.77%                | \$10,988      | \$4,741              | \$115,616                | \$16.12                                      | 107.38%                  |            |
| Sep-23            | 7,428                 | \$110,457                                 | \$71,513       | 64.74%                | \$7,866       | \$4,910              | \$84,289                 | \$11.35                                      | 76.31%                   |            |
| Oct-23            | 7,469                 | \$110,903                                 | \$77,056       | 69.48%                | \$8,476       | \$4,937              | \$90,469                 | \$12.11                                      | 81.57%                   |            |
| Nov-23            | 7,486                 | \$111,077                                 | \$68,285       | 61.48%                | \$7,511       | \$4,948              | \$80,744                 | \$10.79                                      | 72.69%                   |            |
| Dec-23            | 7,582                 | \$112,577                                 | \$89,993       | 79.94%                | \$9,899       | \$5,012              | \$104,904                | \$13.84                                      | 93.18%                   |            |
| Jan-24            | 7,562                 | \$112,252                                 | \$95,902       | 85.43%                | \$10,549      | \$4,998              | \$111,450                | \$14.74                                      | 99.29%                   |            |
| 12 Month<br>Total | 88,484                | \$1,321,051                               | \$975,547      | 73.85%                | \$107,310     | \$70,890             | \$1,153,748              | \$13.04                                      | 87.34%                   |            |

Data Source: VSP, Keenan Coalition

PREPARED BY: Keenan / Kayvon Mohammadlou

March 29, 2024

**SAN MATEO COUNTY SCHOOLS INSURANCE GROUP  
EXECUTIVE COMMITTEE MEETING  
AGENDA ITEM**

|  |                                     |                    |
|--|-------------------------------------|--------------------|
| <b>Department:</b> <u>Administration of The Organization</u> | <input checked="" type="checkbox"/> | <b>Action</b>      |
| <b>Item Number:</b> H9                                       | <input type="checkbox"/>            | <b>Consent</b>     |
| <b>Title:</b> <u>Recommended 2024/2025 SMCSIG Budget</u>     | <input type="checkbox"/>            | <b>Information</b> |

**Background**

Based on the operational estimates, actuary projections and excess insurance rates, the management team annually prepares a budget for the Executive Committee to review. This year’s budget contemplates the following:

Overall, the contributions increased 61% over the prior year, while expenditures increased 66% from the prior year; this increase is mostly due to adding Health consortium revenues and expenses.

- **Workers Compensation Program:** This will be the fifth year of self-insuring up to \$250k SIR. Overall funding rate are decreasing 2.2%, while total contributions are expected to increase \$836,000 based on increased payrolls.
- **Property / Liability Program:** Increase loss costs for the JPA and the industry overall has continued to press costs up with an overall increase of 16% largely driven by increases in excess coverage costs.
- **Dental and Vision:** These program costs are based on our adjust rates and the pass-through consortium costs, we are expecting minimal changes in these costs.
- **Health Consortium:** This was a new program effective 7/1/23. The budgeted revenues and expenses are based upon projected current year actuals.
- **Unemployment:** we are expecting minimal changes to this program.
- **Operational costs:** *While prior operational costs are only 2.8% of the overall expenditures, it increased 24.7%, \$482K, from prior year. The increase were due to the following:*
  - *Loss Control Allocation – reallocating from Salaries Expense to Loss Control the open position and full benefits of the employees. In prior year, only the salary was allocated to Loss Control.*
  - *Professional fees – added site inspection cost of \$168K for ESM Insite.*
  - *Financial Accounting and accounting system costs contractual increase of \$33K*

**Recommendation**

It is recommended that the Executive Committee approve the adoption of the Preliminary 2024/2025 SMCSIG budget and recommend it for adoption by the full SMCSIG JPA board at its meeting on May 16, 2024, annual meeting.

**SAN MATEO COUNTY SCHOOLS INSURANCE GROUP**

**2024-2025 Budget by Line of Coverage**

| Account Code    | Account Title                     | (a)<br>2023-2024 Budget | (c)                          |                     | (c)/(a)<br>% Variance | 2024-2025 Budget by Line of Coverage |                     |                       |                   |                     |                      |               |                      |
|-----------------|-----------------------------------|-------------------------|------------------------------|---------------------|-----------------------|--------------------------------------|---------------------|-----------------------|-------------------|---------------------|----------------------|---------------|----------------------|
|                 |                                   |                         | Proposed<br>2024-2025 Budget | Percent<br>of Total |                       | (a)-(c)<br>\$ Variance               | Workers'<br>Comp    | Property<br>Liability | Dental            | Vision              | Health<br>Consortium | Unemployment  | Total                |
| <b>Revenues</b> |                                   |                         |                              |                     |                       |                                      |                     |                       |                   |                     |                      |               |                      |
| 40000           | Contributions                     | \$ 54,763,213           | \$ 88,381,274                | 99.1%               | \$ 33,618,061         | 61.4%                                | \$ 21,416,000       | \$ 20,645,274         | \$ 15,000,000     | \$ 1,300,000        | \$ 30,001,000        | \$ 19,000     | \$ 88,381,274        |
| 62000           | Investment Income                 | 600,000                 | 800,000                      | 0.9%                | 200,000               | 33.3%                                | 544,000             | 144,000               | 96,000            | 16,000              | -                    | -             | 800,000              |
| 63000           | Other Income                      | -                       | -                            | 0.0%                | -                     | -                                    | -                   | -                     | -                 | -                   | -                    | -             | -                    |
|                 | <i>Total Revenues</i>             | <u>55,363,213</u>       | <u>89,181,274</u>            | <u>100.0%</u>       | <u>33,818,061</u>     | <u>61.1%</u>                         | <u>21,960,000</u>   | <u>20,789,274</u>     | <u>15,096,000</u> | <u>1,316,000</u>    | <u>30,001,000</u>    | <u>19,000</u> | <u>89,181,274</u>    |
| <b>Expenses</b> |                                   |                         |                              |                     |                       |                                      |                     |                       |                   |                     |                      |               |                      |
| Program         |                                   |                         |                              |                     |                       |                                      |                     |                       |                   |                     |                      |               |                      |
| 50000           | Claims Expense                    | 31,524,770              | 32,128,000                   | 37.4%               | 603,230               | 1.9%                                 | 14,115,000          | 3,280,000             | 13,574,400        | 1,158,600           | -                    | -             | 32,128,000           |
| 52010           | Insurance Premiums Expense        | 15,857,271              | 48,860,787                   | 56.9%               | 33,003,516            | 208.1%                               | 2,910,000           | 15,825,787            | 125,000           | -                   | 30,000,000           | -             | 48,860,787           |
| 53010           | Claims Admin Fees & Incidentals   | 1,853,298               | 2,002,048                    | 2.3%                | 148,750               | 8.0%                                 | 805,000             | -                     | 951,147           | 226,901             | -                    | 19,000        | 2,002,048            |
| 54025           | Fraud Assessment                  | 400,950                 | 400,000                      | 0.5%                | (950)                 | -0.2%                                | 400,000             | -                     | -                 | -                   | -                    | -             | 400,000              |
|                 | <i>Subtotal</i>                   | <u>49,636,289</u>       | <u>83,390,835</u>            | <u>97.2%</u>        | <u>33,754,546</u>     | <u>68.0%</u>                         | <u>18,230,000</u>   | <u>19,105,787</u>     | <u>14,650,547</u> | <u>1,385,501</u>    | <u>30,000,000</u>    | <u>19,000</u> | <u>83,390,835</u>    |
| Administrative  |                                   |                         |                              |                     |                       |                                      |                     |                       |                   |                     |                      |               |                      |
| 54010           | Risk Management                   | 105,000                 | 105,000                      | 0.1%                | 0                     | 0.0%                                 | 52,500              | 52,500                | -                 | -                   | -                    | -             | 105,000              |
| 54020           | Loss Control Allocation           | 283,320                 | 543,059                      | 0.6%                | 259,739               | 91.7%                                | 434,447             | 108,612               | -                 | -                   | -                    | -             | 543,059              |
| 54030           | Professional Services             | 127,000                 | 306,000                      | 0.4%                | 179,000               | 140.9%                               | 23,850              | 210,775               | 67,900            | 3,475               | -                    | -             | 306,000              |
| 54040           | Financial Accounting Services     | 223,500                 | 257,025                      | 0.3%                | 33,525                | 15.0%                                | 77,108              | 115,661               | 51,405            | 12,851              | -                    | -             | 257,025              |
| 55010           | Salary Expense                    | 858,945                 | 851,334                      | 1.0%                | (7,611)               | -0.9%                                | 255,400             | 383,100               | 170,267           | 42,567              | -                    | -             | 851,334              |
| 56010           | Travel, Conference & Development  | 41,500                  | 41,500                       | 0.0%                | 0                     | 0.0%                                 | 12,450              | 18,675                | 8,300             | 2,075               | -                    | -             | 41,500               |
| 56020           | Bank Fees                         | 8,000                   | 20,000                       | 0.0%                | 12,000                | 150.0%                               | 6,000               | 9,000                 | 4,000             | 1,000               | -                    | -             | 20,000               |
| 56030           | Depreciation Expense              | 25,000                  | 25,000                       | 0.0%                | 0                     | 0.0%                                 | 25,000              | -                     | -                 | -                   | -                    | -             | 25,000               |
| 56040           | Office Supplies                   | 24,000                  | 25,300                       | 0.0%                | 1,300                 | 5.4%                                 | 7,590               | 11,385                | 5,060             | 1,265               | -                    | -             | 25,300               |
| 56050           | Postage                           | 1,650                   | 1,650                        | 0.0%                | 0                     | 0.0%                                 | 495                 | 743                   | 330               | 83                  | -                    | -             | 1,650                |
| 56060           | Reference Materials & Membership  | 10,105                  | 8,905                        | 0.0%                | (1,200)               | -11.9%                               | 2,672               | 4,007                 | 1,781             | 445                 | -                    | -             | 8,905                |
| 56070           | Office Equipment                  | 21,000                  | 25,500                       | 0.0%                | 4,500                 | 21.4%                                | 7,650               | 11,475                | 5,100             | 1,275               | -                    | -             | 25,500               |
| 56075           | Internet & Technology             | 49,400                  | 51,300                       | 0.1%                | 1,900                 | 3.8%                                 | 7,590               | 37,385                | 5,060             | 1,265               | -                    | -             | 51,300               |
| 56081           | Utilities                         | 35,000                  | 35,000                       | 0.0%                | 0                     | 0.0%                                 | 10,500              | 15,750                | 7,000             | 1,750               | -                    | -             | 35,000               |
| 56083           | Building Maintenance & Repairs    | 103,000                 | 103,000                      | 0.1%                | 0                     | 0.0%                                 | 30,900              | 46,350                | 20,600            | 5,150               | -                    | -             | 103,000              |
| 56084           | Facility Supplies                 | 1,000                   | -                            | 0.0%                | (1,000)               | -100.0%                              | -                   | -                     | -                 | -                   | -                    | -             | -                    |
| 56085           | Rental Expense                    | 35,000                  | 35,000                       | 0.0%                | 0                     | 0.0%                                 | 35,000              | -                     | -                 | -                   | -                    | -             | 35,000               |
| 58000           | Miscellaneous Expense             | 1,300                   | 1,500                        | 0.0%                | 200                   | 15.4%                                | 450                 | 675                   | 300               | 75                  | -                    | -             | 1,500                |
|                 | <i>Subtotal Administration</i>    | <u>1,953,720</u>        | <u>2,436,073</u>             | <u>2.8%</u>         | <u>482,353</u>        | <u>24.7%</u>                         | <u>989,601</u>      | <u>1,026,093</u>      | <u>347,103</u>    | <u>73,276</u>       | <u>-</u>             | <u>-</u>      | <u>2,436,073</u>     |
|                 | <i>Total Expenses</i>             | <u>51,590,009</u>       | <u>85,826,908</u>            | <u>100.0%</u>       | <u>34,236,899</u>     | <u>66.4%</u>                         | <u>19,219,601</u>   | <u>20,131,880</u>     | <u>14,997,650</u> | <u>1,458,776</u>    | <u>30,000,000</u>    | <u>19,000</u> | <u>85,826,908</u>    |
|                 | <b>Net Income</b>                 | <u>\$ 3,773,204</u>     | <u>\$ 3,354,366</u>          |                     | <u>\$ (418,838)</u>   |                                      | <u>\$ 2,740,399</u> | <u>\$ 657,394</u>     | <u>\$ 98,350</u>  | <u>\$ (142,776)</u> | <u>\$ 1,000</u>      | <u>\$ -</u>   | <u>\$ 3,354,366</u>  |
|                 | <b>Prior Year Expense Balance</b> | 46,811,484              | 51,590,009                   |                     |                       |                                      | 18,316,626          | 16,811,610            | 14,986,727        | 1,456,046           | 0                    | 19,000        | 51,590,009           |
|                 | <b>Variance Change</b>            | <u>\$ 4,778,525</u>     | <u>\$ 34,236,899</u>         |                     |                       |                                      | <u>\$ 902,976</u>   | <u>\$ 3,320,270</u>   | <u>\$ 10,923</u>  | <u>\$ 2,731</u>     | <u>\$ 30,000,000</u> | <u>\$ -</u>   | <u>\$ 34,236,899</u> |

total admin costs to be funded in underwriting

|           |           |
|-----------|-----------|
| 2,194,601 | 1,026,093 |
|-----------|-----------|

**SAN MATEO COUNTY SCHOOLS INSURANCE GROUP  
EXECUTIVE COMMITTEE MEETING  
AGENDA ITEM**

**Department:** Administration of the Organization

**Action**

**Item Number:** H10

**Consent**

**Title:** James Marta & Company Contract Renewal

**Information**

**Background**

James Marta & Company have been our Chief Finance Officer (CFO) since 2013. They provide day to day accounting and financial services; however, they do more than just pay bills and produce financials; they provide assistance in many areas including but not limited to the following:

- Payroll, CalPERS, payables, claim payments, tax reporting
- Underwriting and rating calculations
- Communicating with the actuary to ensure funding rates and liabilities are correct,
- Program analysis; provide independent analysis of insurance structure and alternative risk financing decisions,
- Assist management team with communication of key metrics,
- Provide expertise and knowledge of risk pooling to assist SMCSIG in becoming a “forever” pool.

Currently, they have four (4) staff assigned to SMCSIG providing accounting and financial services. The tiered staffing level ensures that SMCSIG is always supported.

Their contract expires on June 30, 2024. Below are their proposed fees for the next three (3) years (highlighted in blue).

|          |           | <u>Monthly</u> | <u>Annual</u> | <u>\$ change</u> | <u>% change</u> |
|----------|-----------|----------------|---------------|------------------|-----------------|
| 7/1/2023 | 6/30/2024 | \$ 18,625      | \$ 223,500    |                  |                 |
| 7/1/2024 | 6/30/2025 | \$ 21,419      | \$ 257,025    | \$ 33,525        | 15%             |
| 7/1/2025 | 6/30/2026 | \$ 22,490      | \$ 269,876    | \$ 12,851        | 5%              |
| 7/1/2026 | 6/30/2027 | \$ 23,614      | \$ 283,370    | \$ 13,494        | 5%              |

The proposed increase of \$33,525 are related CPI and increased scope of work and costs:

|                  |  |
|------------------|--|
| \$ 9,500         | Growth in the WC Program   |
|                  | Claim reconciliation - quarterly                                 |
|                  | Weekly check upload  |
|                  | Bank reconciliations of Trust account                            |
| 2,500            | More transactions being issued for the Liability program         |
| 10,500           | Health Consortium account reconciliation                         |
| 8,500            | Increase in the cost of accounting system, updates and trainings |
| 2,525            | Includes full operational cost including mailings                |
| <u>\$ 33,525</u> |  |

**Fiscal Impact:**

Increase in cost of \$33,525 for 24-25 year.

**Recommendation**

It is recommended that the Executive Committee Board approve the financial accounting contract as presented.

## **AGREEMENT FOR FINANCIAL ACCOUNTING AND CONSULTING SERVICES**

This Agreement is made and entered into effective July 1, 2024, by and between San Mateo County Schools Insurance Group (“SMCSIG”) and James Marta & Company LLP.

**WHEREAS**, SMCSIG requires accounting and consulting services, and James Marta & Company LLP is agreeable to performing such services for SMCSIG;

**NOW, THEREFORE**, the parties agree as follows:

1. **RETENTION OF ACCOUNTANT.** SMCSIG agrees to retain James Marta & Company LLP to provide Financial Consulting Services for SMCSIG under the terms and conditions set forth in this Agreement, and the SMCSIG JPA Agreement and Bylaws. James Marta & Company LLP agrees to accept that assignment and to perform all of the duties for which the firm has been retained.
  
2. **SCOPE AND LIMITATIONS OF WORK.** James Marta & Company LLP agrees to perform the following services:  
Financial Accounting
  - a. Prepare all bank reconciliations
  
  - b. Process payables:
    - i. Receive and record all invoices;
    - ii. Obtain approval when necessary; and
    - iii. Prepare and issue checks per SMCSIG policy.  
*(SMCSIG staff will scan and send payable invoices to accountant’s office)*  
*(SMCSIG staff will send claim payable information to accountant’s office)*
  
  - c. Process billing:
    - i. Prepare self-insurance program cost allocation
    - ii. Prepare self-insurance program billing invoices
    - iii. Prepare self-insurance program county journal voucher
    - iv. Post flow through invoices prepared by benefit consultant
  
  - d. Process receivables:
    - i. Receive and record invoices;
    - ii. Receive and record payments; and
    - iii. Follow up delinquent accounts.  
*(SMCSIG staff will scan and send receipt remittances to our office)*
  
  - e. Process payroll through payroll service
  - f. Administer new staff payroll and CalPERS setup
  - g. Administer staff terminations through payroll and CalPERS
  - h. Journal monthly payroll and submit reports to PERS
  
  - i. Complete and reconcile the annual billing and the quarterly billing

- j. Maintain check registers of all applicable accounts and submit to Board in a timely manner
- k. Maintain general ledger - prepare and enter periodic adjusting entries
- l. Research and place all investments authorized by the Finance Committee in conformance with the SMCSIG investment policy
- m. Act as liaison between associated banks and/or investment agencies, as required
- n. Perform cash management — perform the required money transfers between accounts and/or financial institutions per the SMCSIG investment and banking policies
- o. Facilitate the annual financial audit:
  - i. Prepare audit schedules; and
  - ii. Coordinate audit fieldwork.
- p. A Prepare and Compile quarterly and annual financial reports and issue an accountant's report thereon in accordance with Statements on Standards for Accounting and Review Services (SSARs) issued by the American Institute of Certified Public Accountants (AICPA), and attend Executive Committee and Board of Directors' meetings to discuss them; (in the event of scheduling conflicts, James Marta may meet with the Treasurer and provide the required reports and update and or send an alternate accountant to attend).
- q. Review quarterly financial reports with the Treasurer and or Executive Director.
- r. Assist with budget preparation
- s. Prepare member premium allocation schedules annually
- t. Annually file the State Controller's Annual Report of Financial Transactions and Local Government Compensation Report with the State of California.
- u. Assist in completing J1 Forms annually
- v. File annual forms 1096 and 1099.
- w. Ensure State and Federal employment notices are current
- x. Prepare special reports, as required; and annually prepare and submit to the Program Administrator a completed Conflict of Interest form.
- y. Attend Board meetings, as necessary
- z. Complete any other related duties as requested by a duly authorized official.
- aa. Quarterly balance sheets and income statements
- bb. Quarterly budget to actual financial reporting

- cc. Quarterly claims reconciliation among the loss run reports, actuary reports and the general ledger; claims analysis reporting (graphs and reconciliation statements)
- dd. Assist Executive Director on projects as required

For financial records at consultant site:

- ee. Maintain a suitable backup and recovery system for data and develop and implement processes for the protection of electronic data including a written policy with respect to:
  - i. Disaster recovery
  - ii. Physical and electronic data security
  - iii. Electronic data retention

## **Our Responsibilities**

The objective of our engagement is to:

- a. Prepare financial statements in accordance with accounting principles generally accepted in the United States of America based on information provided by you; and
- b. Apply accounting and financial reporting expertise to assist you in the presentation of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

We will conduct our compilation engagement in accordance with Statements on Standards for Accounting and Review Services (SSARSS) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion nor provide any assurance on the financial statements.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations.

## **Your Responsibilities**

The engagement to be performed is conducted on the basis that you acknowledge and understand that our role is to prepare financial statements in accordance with accounting principles generally accepted in the United States of America and assist you in the presentation of the financial statements in accordance with accounting principles

generally accepted in the United States of America. You have the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARSs:

- a. The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of the financial statements.
- b. The preparation and fair presentation of financial statements in accordance with accounting principles generally accepted in the United States of America.
- c. The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements.
- d. The prevention and detection of fraud.
- e. To ensure that the entity complies with the laws and regulations applicable to its activities.
- f. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement.
- g. To provide us with:
  - i. Access to all information of which you are aware is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
  - ii. Additional information that we may request from you for the purpose of the compilation engagement.
  - iii. Unrestricted access to persons within the entity of whom we determine it necessary to make inquiries.

You are also responsible for all management decisions and responsibilities and for designating an individual with suitable skills, knowledge, and experience to oversee our preparation of your financial statements. *(You are designating James Marta & Company to oversee the preparation, as such James Marta & Company is not independent with respect to these financial statements)* You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

## **Our Report**

As part of our engagement, we will issue a report that will state that we did not audit or review the financial statements and that, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them.

You agree to include our accountant's compilation report in any document containing financial statements that indicates that we have performed a compilation engagement on such financial statements and, prior to inclusion of the report, to ask our permission to do so.

*We are not independent with respect to San Mateo County Schools Insurance Group. We will disclose that we are not independent in our compilation report.*

### **Other Relevant Information**

As part of our engagement, we will also will provide bookkeeping, tax services and assist with analysis and budget development.

If, for any reason, we are unable to complete the compilation of your financial statements, we will not issue a report on such statements as a result of this engagement.

James Marta is the engagement partner for the services specified in this letter. His responsibilities include supervising James Marta & Company LLP's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the accountant's report.

James Marta & Company will compile, from information you provide, the annual and interim statement of net position and the related statements of revenues, expenses, and changes in net position, and cash flows of San Mateo County Schools Insurance Group. We will not audit or review such financial statements. Our report on the annual financial statements of San Mateo County Schools Insurance Group is presently expected to read as follows:

#### *Independent Accountant's Compilation Report*

*Board of Directors  
[Entity Name]*

*Management is responsible for the accompanying financial statements of [Entity Name], Statement of Net Position of San Mateo County Schools Insurance Group as of [Period End(s)], and the related Statements of Revenues, Expenses and Changes in Net Position, and Cash flows for the [Period] then ended, in accordance with accounting principles generally accepted in the Unites States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.*

*The supplementary information on pages [XX] through [XX] is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. The information was subject to our compilation engagement; however, we have not audited or reviewed the information and, accordingly, do not express an opinion, a conclusion, nor provide any assurance on such information.*

*Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.*

*We are not independent with respect to San Mateo County Schools Insurance Group.*

If, for any reason, we are unable to complete the compilation of your financial statements, we will not issue a report on such statements as a result of this engagement.

Our engagement cannot be relied upon to disclose errors, fraud or illegal acts that may exist. However, we will inform you of any material errors that come to our attention and any fraud or illegal acts that come to our attention, unless they are clearly inconsequential. In addition, we have no responsibility to identify and communicate significant deficiencies or material weaknesses in your internal control as part of this engagement.

3. **COMPENSATION.** As compensation to James Marta & Company LLP for services rendered hereunder, SMCSIG agrees to pay James Marta & Company LLP:

| <u>Period</u>     | <u>Monthly</u> | <u>Annual</u> |
|-------------------|----------------|---------------|
| 7-1-24 to 6-30-25 | \$ 21,419      | \$ 257,025    |
| 7-1-25 to 6-30-26 | \$ 22,490      | \$ 269,876    |
| 7-1-26 to 6-30-27 | \$ 23,614      | \$ 283,370    |

The above cost includes attendance at five (5) committee meetings. In the event that we are required to attend additional meetings, we will charge mileage at the current federal reimbursement rate and time at \$200/hr. The fee will be reviewed and agreed upon each year prior to commencement of the fiscal year. For purposes of this agreement, approval is the Executive Committee's authorization.

4. **CONTRACT TERM.** The term of this Agreement shall be for thirty six (36) months commencing July 1, 2024 through June 30, 2027. The Agreement shall automatically renew annually thereafter unless terminated pursuant to Article 7 below.
5. **OWNERSHIP OF RECORDS.** SMCSIG maintains ownership of all products, files, records, computations, studies and other data, prepared or obtained in connection with this Agreement. James Marta & Company may maintain copies of records that may be required for professional liability insurance purposes and required professional practices.
6. **DISCLOSURES OF CONFLICTS.** James Marta & Company LLP shall be responsible for disclosing financial interests that may be a conflict. Disclosure may be satisfied through completion of the related Fair Political Practice Commission form on an annual basis.
7. **TERMINATION.** This Agreement may be terminated at any time by James Marta & Company LLP upon sixty (60) days advance written notice to SMCSIG. Further, this agreement may be terminated at any time by SMCSIG upon sixty (60) days written notice to James Marta & Company LLP. Upon termination, James Marta & Company LLP shall give

to SMCSIG copies of all products, files, records, computations, studies and other data, prepared or obtained in connection with this Agreement, which shall become the permanent property of SMCSIG. James Marta & Company LLP may maintain copies of records that may be required for professional liability insurance purposes and required professional practices. In addition, any accounting data files or necessary backups would be provided.

- 8. COMPLIANCE WITH LAWS.** James Marta & Company LLP agrees that all work will be conducted, and the services will be performed in compliance with all laws and regulations; with the policies; procedures and directives of SMCSIG, particularly those related to fiscal and management matters; and with generally accepted accounting principles applicable to governmental entities.
- 9. FIDELITY BOND.** James Marta & Company LLP, at its sole expense, shall provide a \$100,000 Fidelity Bond for James Marta & Company and related staff in conjunction with the accounting services provided.
- 10. INSURANCE.** James Marta & Company LLP shall provide Auto Liability and Professional Liability insurance with separate limits of \$1,000,000 and shall annually provide a certificate of insurance to SMCSIG, if requested.
- 11. INDEMNIFICATION.** James Marta & Company LLP agrees to indemnify and hold harmless SMCSIG its officers, directors and member agencies from any liability arising from James Marta & Company LLP's negligence or willful misconduct or omissions in the performance of the Agreement. And SMCSIG, its officers, directors and member agencies agree to indemnify and hold harmless James Marta & Company LLP from any liability arising from the negligence, willful misconduct or omissions of SMCSIG, its officers, directors and member agencies in the performance of the Agreement.
- 12. INDEPENDENT CONTRACTOR.** It is expressly agreed by the parties that James Marta & Company LLP's relationship to SMCSIG is that of an independent contractor. As such, SMCSIG will not be providing Workers' Compensation coverage or any benefits to James Marta & Company LLP.
- 13. SUCCESSORS AND ASSIGNMENT.** James Marta & Company LLP agrees it will not assign, transfer, convey or otherwise dispose of this Agreement or any part thereof, or its rights, title or interest therein, without the prior written consent of SMCSIG.
- 14. ENTIRE AGREEMENT.** This writing constitutes the entire agreement between the parties relative to the services specified herein, and no modifications shall be effective unless and until such modification is evidenced by a writing signed by both parties.
- 15. HEADINGS.** The descriptive headings used in this Agreement are for convenience only and shall not control or affect the meaning or construction of any of its provisions.
- 16. ASSIGNMENT.** It is understood by the parties that James Marta & Company LLP, an unincorporated entity, may, in the future, convert to an incorporated or other entity, James Marta & Company LLP. It is further understood that this change is just a change in legal form of James Marta & Company and in no way affects the members of the team assigned on the engagement. Therefore, it is hereby agreed by the parties to this contract that James Marta & Company LLP can assign to the successor organization, in whole or in part, this

Contract or its rights, duties, obligations, and responsibilities hereunder by providing a written notice to SMCSIG.

**IN WITNESS WHEREOF**, the parties execute this Agreement on the day and year as indicated below.

Dated: \_\_\_\_\_, 2024

**SAN MATEO COUNTY SCHOOLS  
INSURANCE GROUP (SMCSIG)**

\_\_\_\_\_

Dated: \_\_\_\_\_, 2024

**James Marta & Company LLP  
Certified Public Accountants**

\_\_\_\_\_  
James Marta & Company LLP  
Accountant and Financial Consultant

**SAN MATEO COUNTY SCHOOLS INSURANCE GROUP  
EXECUTIVE COMMITTEE MEETING  
AGENDA ITEM**

**Department:** Administration of the Organization       **Action**

**Item Number:** H11       **Consent**

**Title:** Salary Chart       **Information**

**Background**

**Background:**

In light of the current reports of inflation and the high cost of living in the Bay Area we asked Jim to do an analysis of our Salary Chart.

Current CPI is about 2.63% with expectations for 2024 forecast at 2.8% (Bureau of Labor Statistics). The graph below shows CPI changes over the past 5 years.

**Source:** <https://abag.ca.gov/tools-resources/data-tools/consumer-price-index>  
<https://fred.stlouisfed.org/series/CUURA422SA0>      Economic Research data

Bay area consumer price index factors  
 December

|      |        | Change | Cumulative |
|------|--------|--------|------------|
| 2015 | 260.29 |        |            |
| 2016 | 269.48 |        |            |
| 2017 | 277.41 |        |            |
| 2018 | 289.90 |        |            |
| 2019 | 297.00 | 2.45%  | 2.45%      |
| 2020 | 302.90 | 1.99%  | 4.48%      |
| 2021 | 315.80 | 4.26%  | 8.93%      |
| 2022 | 331.20 | 4.88%  | 4.88%      |
| 2023 | 339.90 | 2.63%  | 7.63%      |

Our current salary table for staff is calculated for a 5% increase per year to cover COLA and Merit increases. Historically this has worked well covering the COLA 2.5% and 2.5% merit. **We last adjusted the schedule by 5% in 2021.** The last two years, we have continued to see inflationary pressures and staffing pressures. Member districts have responded with increase in salary charts of 3% - 12% for single year changes in 2022-23 and 3%-7% for 2023-24 single year increases. Our salary chart has not been COLA adjusted since 2022. The Bay Area Consumer Price Index is an indicator but does not necessarily reflect actual inflationary impacts to our employees.

While the indicated CPI change is 7.63%, a 10% adjustment would help SMCSIG to better respond to the direct increase of costs employees are facing and to help retain and attract employees. SMCSIG has seven employees and maintaining our team and being competitive is key to our program and our ability to impact our members in loss reduction programs. **Attachment 3 shows the salary schedule at 10% which is an adjustment for years 23-24, 24-25 and 25-26.** Staff also included a salary schedule at 5% cola adjustment, see Attachment 1.

At the April 18, 2024 Executive Committee meeting, the committee requested salary comparison with bay area JPA's. Attachment 4 shows the requested payroll comparison for bay area JPA's.

**Fiscal Impact:**

Salary and benefits represent about 1.12% of our annual costs. Below is the different cola and fiscal impact.

| <u>Cola</u> | <u>Fiscal Impact</u> |
|-------------|----------------------|
| 5%          | \$43,501             |
| 7.63%       | 66,382               |
| 10%         | 87,001               |

At the highest cola adjustment **the impact to member contributions will be less than \$.01.**

**Recommendation**

We recommend that the Executive Committee approve a 10.00% salary schedule COLA adjustment July 1, 2024.

SMCSIG SALARY SCHEDULE

Approved by Executive Committee on XXX, XX, XXXX

| COLA                                       |                   | 5.00% | 7/1/2024 |        |        |        |        |        |        |        |        |         |
|--|-------------------|-------|----------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| Title                                      |                   | Range | Step 1   | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | Step 7 | Step 8 | Step 9 | Step 10 |
|  |                   | 1     | 3,114    | 3,270  | 3,435  | 3,606  | 3,787  | 3,977  | 4,175  | 4,384  | 4,603  | 4,834   |
|  |                   | 2     | 3,269    | 3,435  | 3,606  | 3,787  | 3,977  | 4,175  | 4,384  | 4,603  | 4,834  | 5,075   |
|  |                   | 3     | 3,435    | 3,606  | 3,787  | 3,977  | 4,176  | 4,385  | 4,604  | 4,834  | 5,076  | 5,330   |
|  |                   | 4     | 3,606    | 3,787  | 3,977  | 4,176  | 4,385  | 4,605  | 4,835  | 5,077  | 5,330  | 5,597   |
|  |                   | 5     | 3,787    | 3,977  | 4,176  | 4,385  | 4,605  | 4,835  | 5,077  | 5,330  | 5,597  | 5,877   |
|  |                   | 6     | 3,977    | 4,176  | 4,385  | 4,605  | 4,835  | 5,077  | 5,331  | 5,598  | 5,878  | 6,171   |
| Administrative Specialist                  | Sherrill Ernest   | 7     | 4,176    | 4,385  | 4,605  | 4,835  | 5,078  | 5,332  | 5,598  | 5,878  | 6,172  | 6,481   |
|  |                   | 8     | 4,385    | 4,605  | 4,835  | 5,078  | 5,332  | 5,599  | 5,879  | 6,173  | 6,481  | 6,805   |
|  |                   | 9     | 4,605    | 4,835  | 5,078  | 5,332  | 5,598  | 5,878  | 6,172  | 6,480  | 6,804  | 7,144   |
|  |                   | 10    | 4,835    | 5,078  | 5,332  | 5,598  | 5,879  | 6,173  | 6,481  | 6,805  | 7,145  | 7,503   |
|  |                   | 11    | 5,078    | 5,332  | 5,598  | 5,879  | 6,173  | 6,481  | 6,805  | 7,146  | 7,503  | 7,878   |
|  |                   | 12    | 5,332    | 5,598  | 5,879  | 6,173  | 6,482  | 6,806  | 7,146  | 7,503  | 7,878  | 8,272   |
|  |                   | 13    | 5,598    | 5,879  | 6,173  | 6,482  | 6,806  | 7,146  | 7,503  | 7,878  | 8,272  | 8,686   |
|  |                   | 14    | 5,879    | 6,173  | 6,482  | 6,806  | 7,146  | 7,503  | 7,878  | 8,272  | 8,686  | 9,120   |
|  |                   | 15    | 6,173    | 6,482  | 6,806  | 7,146  | 7,503  | 7,878  | 8,272  | 8,686  | 9,120  | 9,576   |
| Loss Control Analyst                       | Raya Estares      | 16    | 6,482    | 6,806  | 7,146  | 7,503  | 7,879  | 8,273  | 8,686  | 9,120  | 9,576  | 10,055  |
| Workers Compensation Analyst               | Don Freeman       | 17    | 6,806    | 7,146  | 7,503  | 7,879  | 8,272  | 8,686  | 9,120  | 9,576  | 10,055 | 10,558  |
|  |                   | 18    | 7,146    | 7,503  | 7,879  | 8,272  | 8,686  | 9,120  | 9,576  | 10,055 | 10,558 | 11,086  |
|  |                   | 19    | 7,503    | 7,879  | 8,272  | 8,686  | 9,119  | 9,575  | 10,054 | 10,557 | 11,085 | 11,639  |
| Member Services Manager/Board Relations    | Open Position     | 20    | 7,879    | 8,272  | 8,686  | 9,119  | 9,575  | 10,053 | 10,556 | 11,084 | 11,638 | 12,220  |
| Senior Property/Liability Claims Analyst   | Tasha Lane        | 21    | 8,272    | 8,686  | 9,119  | 9,575  | 10,053 | 10,556 | 11,083 | 11,638 | 12,219 | 12,830  |
|  |                   | 22    | 8,686    | 9,119  | 9,575  | 10,053 | 10,556 | 11,084 | 11,638 | 12,220 | 12,831 | 13,473  |
|  |                   | 23    | 9,119    | 9,575  | 10,053 | 10,556 | 11,084 | 11,639 | 12,221 | 12,832 | 13,473 | 14,147  |
| Manager, Loss Control/Workers Compensation | Tom Ledda         | 24    | 9,304    | 9,769  | 10,257 | 10,771 | 11,309 | 11,874 | 12,468 | 13,091 | 13,746 | 14,433  |
|  |                   | 25    | 9,575    | 10,053 | 10,556 | 11,084 | 11,641 | 12,223 | 12,834 | 13,476 | 14,150 | 14,857  |
|  |                   | 26    | 10,055   | 10,558 | 11,086 | 11,641 | 12,222 | 12,833 | 13,475 | 14,149 | 14,856 | 15,599  |
|  |                   | 27    | 10,558   | 11,086 | 11,641 | 12,222 | 12,834 | 13,475 | 14,149 | 14,857 | 15,599 | 16,379  |
|  |                   | 28    | 11,086   | 11,641 | 12,222 | 12,834 | 13,475 | 14,149 | 14,856 | 15,599 | 16,379 | 17,198  |
|  |                   | 29    | 11,641   | 12,222 | 12,834 | 13,475 | 14,149 | 14,857 | 15,599 | 16,379 | 17,198 | 18,058  |
|  |                   | 30    | 12,222   | 12,834 | 13,475 | 14,149 | 14,857 | 15,600 | 16,380 | 17,199 | 18,059 | 18,962  |
| Deputy Executive Director                  | Sharon Vishwa     | 31    | 12,834   | 13,475 | 14,149 | 14,857 | 15,599 | 16,379 | 17,198 | 18,058 | 18,961 | 19,909  |
| Executive Director                         | Craig Schweikhard | 32    | 16,153   | 16,961 | 17,809 | 18,699 | 19,634 | 20,616 | 21,647 | 22,729 | 23,866 | 25,059  |

Benefits: SMCSIG pays for full coverage for dental and vision for employee and dependents and up to Kaiser Single Coverage Premium) per month for a medical plan.

SMCSIG SALARY SCHEDULE

Approved by Executive Committee on XXX, XX, XXXX

COLA 7.63% 7/1/2024

| Title                                      |                   | Range | Step 1 | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | Step 7 | Step 8 | Step 9 | Step 10 |
|--|-------------------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
|  |                   | 1     | 3,192  | 3,352  | 3,521  | 3,697  | 3,882  | 4,076  | 4,280  | 4,494  | 4,719  | 4,955   |
|  |                   | 2     | 3,351  | 3,521  | 3,697  | 3,882  | 4,076  | 4,280  | 4,494  | 4,719  | 4,955  | 5,202   |
|  |                   | 3     | 3,521  | 3,697  | 3,882  | 4,076  | 4,281  | 4,495  | 4,719  | 4,955  | 5,203  | 5,463   |
|  |                   | 4     | 3,697  | 3,882  | 4,076  | 4,281  | 4,495  | 4,720  | 4,956  | 5,204  | 5,464  | 5,737   |
|  |                   | 5     | 3,882  | 4,076  | 4,281  | 4,495  | 4,720  | 4,956  | 5,204  | 5,464  | 5,737  | 6,024   |
|  |                   | 6     | 4,076  | 4,281  | 4,495  | 4,720  | 4,957  | 5,204  | 5,465  | 5,738  | 6,025  | 6,326   |
| Administrative Specialist                  | Sherrill Ernest   | 7     | 4,281  | 4,495  | 4,720  | 4,957  | 5,205  | 5,465  | 5,739  | 6,026  | 6,327  | 6,643   |
|  |                   | 8     | 4,495  | 4,720  | 4,957  | 5,205  | 5,466  | 5,739  | 6,026  | 6,327  | 6,644  | 6,976   |
|  |                   | 9     | 4,720  | 4,957  | 5,205  | 5,466  | 5,738  | 6,025  | 6,326  | 6,643  | 6,975  | 7,323   |
|  |                   | 10    | 4,957  | 5,205  | 5,466  | 5,738  | 6,026  | 6,327  | 6,644  | 6,976  | 7,324  | 7,691   |
|  |                   | 11    | 5,205  | 5,466  | 5,738  | 6,026  | 6,327  | 6,644  | 6,976  | 7,325  | 7,691  | 8,075   |
|  |                   | 12    | 5,466  | 5,738  | 6,026  | 6,327  | 6,644  | 6,976  | 7,325  | 7,691  | 8,076  | 8,480   |
|  |                   | 13    | 5,738  | 6,026  | 6,327  | 6,644  | 6,976  | 7,325  | 7,691  | 8,076  | 8,479  | 8,903   |
|  |                   | 14    | 6,026  | 6,327  | 6,644  | 6,976  | 7,325  | 7,691  | 8,076  | 8,480  | 8,904  | 9,349   |
|  |                   | 15    | 6,327  | 6,644  | 6,976  | 7,325  | 7,691  | 8,076  | 8,479  | 8,903  | 9,349  | 9,816   |
| Loss Control Analyst                       | Raya Estares      | 16    | 6,644  | 6,976  | 7,325  | 7,691  | 8,076  | 8,480  | 8,904  | 9,349  | 9,816  | 10,307  |
| Workers Compensation Analyst               | Don Freeman       | 17    | 6,976  | 7,325  | 7,691  | 8,076  | 8,479  | 8,903  | 9,349  | 9,816  | 10,307 | 10,822  |
|  |                   | 18    | 7,325  | 7,691  | 8,076  | 8,479  | 8,903  | 9,349  | 9,816  | 10,307 | 10,822 | 11,363  |
|  |                   | 19    | 7,691  | 8,076  | 8,479  | 8,903  | 9,348  | 9,815  | 10,306 | 10,821 | 11,362 | 11,930  |
| Member Services Manager/Board Relations    | Open Position     | 20    | 8,076  | 8,479  | 8,903  | 9,348  | 9,814  | 10,305 | 10,820 | 11,361 | 11,929 | 12,526  |
| Senior Property/Liability Claims Analyst   | Tasha Lane        | 21    | 8,479  | 8,903  | 9,348  | 9,814  | 10,305 | 10,820 | 11,361 | 11,929 | 12,525 | 13,152  |
|  |                   | 22    | 8,903  | 9,348  | 9,814  | 10,305 | 10,821 | 11,362 | 11,930 | 12,526 | 13,153 | 13,810  |
|  |                   | 23    | 9,348  | 9,814  | 10,305 | 10,821 | 11,362 | 11,930 | 12,527 | 13,153 | 13,811 | 14,501  |
| Manager, Loss Control/Workers Compensation | Tom Ledda         | 24    | 9,537  | 10,014 | 10,514 | 11,040 | 11,592 | 12,172 | 12,780 | 13,419 | 14,090 | 14,795  |
|  |                   | 25    | 9,814  | 10,305 | 10,821 | 11,362 | 11,933 | 12,529 | 13,156 | 13,813 | 14,504 | 15,229  |
|  |                   | 26    | 10,306 | 10,822 | 11,364 | 11,933 | 12,528 | 13,155 | 13,813 | 14,503 | 15,229 | 15,990  |
|  |                   | 27    | 10,822 | 11,364 | 11,933 | 12,528 | 13,155 | 13,813 | 14,503 | 15,228 | 15,989 | 16,789  |
|  |                   | 28    | 11,364 | 11,933 | 12,528 | 13,155 | 13,812 | 14,503 | 15,228 | 15,989 | 16,789 | 17,628  |
|  |                   | 29    | 11,933 | 12,528 | 13,155 | 13,812 | 14,504 | 15,229 | 15,990 | 16,790 | 17,629 | 18,511  |
|  |                   | 30    | 12,528 | 13,155 | 13,812 | 14,504 | 15,229 | 15,990 | 16,790 | 17,629 | 18,511 | 19,436  |
| Deputy Executive Director                  | Sharon Vishwa     | 31    | 13,155 | 13,812 | 14,504 | 15,229 | 15,990 | 16,790 | 17,629 | 18,511 | 19,436 | 20,408  |
| Executive Director                         | Craig Schweikhard | 32    | 16,558 | 17,386 | 18,255 | 19,168 | 20,126 | 21,132 | 22,189 | 23,298 | 24,463 | 25,686  |

Benefits: SMCSIG pays for full coverage for dental and vision for employee and dependents and up to Kaiser Single Coverage Premium) per month for a medical plan.

SMCSIG SALARY SCHEDULE

Approved by Executive Committee on XXX, XX, XXXX

| COLA                                       |                   | 10.00% | 7/1/2024 |        |        |        |        |        |        |        |        |         |
|--|-------------------|--------|----------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| Title                                      |                   | Range  | Step 1   | Step 2 | Step 3 | Step 4 | Step 5 | Step 6 | Step 7 | Step 8 | Step 9 | Step 10 |
|  |                   | 1      | 3,262    | 3,425  | 3,599  | 3,778  | 3,968  | 4,166  | 4,374  | 4,593  | 4,823  | 5,064   |
|  |                   | 2      | 3,425    | 3,599  | 3,778  | 3,968  | 4,166  | 4,374  | 4,593  | 4,823  | 5,064  | 5,317   |
|  |                   | 3      | 3,599    | 3,778  | 3,968  | 4,166  | 4,375  | 4,594  | 4,823  | 5,064  | 5,318  | 5,584   |
|  |                   | 4      | 3,778    | 3,968  | 4,166  | 4,375  | 4,594  | 4,824  | 5,065  | 5,318  | 5,584  | 5,863   |
|  |                   | 5      | 3,968    | 4,166  | 4,375  | 4,594  | 4,824  | 5,065  | 5,318  | 5,584  | 5,863  | 6,157   |
|  |                   | 6      | 4,166    | 4,375  | 4,594  | 4,824  | 5,066  | 5,319  | 5,585  | 5,864  | 6,157  | 6,465   |
| Administrative Specialist                  | Sherrill Ernest   | 7      | 4,375    | 4,594  | 4,824  | 5,066  | 5,320  | 5,586  | 5,865  | 6,158  | 6,466  | 6,790   |
|  |                   | 8      | 4,594    | 4,824  | 5,066  | 5,320  | 5,586  | 5,865  | 6,159  | 6,467  | 6,790  | 7,129   |
|  |                   | 9      | 4,824    | 5,066  | 5,320  | 5,586  | 5,864  | 6,158  | 6,466  | 6,789  | 7,128  | 7,485   |
|  |                   | 10     | 5,066    | 5,320  | 5,586  | 5,864  | 6,159  | 6,466  | 6,790  | 7,129  | 7,486  | 7,860   |
|  |                   | 11     | 5,320    | 5,586  | 5,864  | 6,159  | 6,467  | 6,790  | 7,129  | 7,486  | 7,860  | 8,253   |
|  |                   | 12     | 5,586    | 5,864  | 6,159  | 6,467  | 6,790  | 7,130  | 7,486  | 7,861  | 8,254  | 8,666   |
|  |                   | 13     | 5,864    | 6,159  | 6,467  | 6,790  | 7,130  | 7,486  | 7,860  | 8,253  | 8,666  | 9,099   |
|  |                   | 14     | 6,159    | 6,467  | 6,790  | 7,130  | 7,486  | 7,861  | 8,254  | 8,666  | 9,100  | 9,555   |
|  |                   | 15     | 6,467    | 6,790  | 7,130  | 7,486  | 7,860  | 8,253  | 8,666  | 9,099  | 9,554  | 10,032  |
| Loss Control Analyst                       | Raya Estares      | 16     | 6,790    | 7,130  | 7,486  | 7,860  | 8,254  | 8,666  | 9,100  | 9,555  | 10,032 | 10,534  |
| Workers Compensation Analyst               | Don Freeman       | 17     | 7,130    | 7,486  | 7,860  | 8,254  | 8,666  | 9,099  | 9,554  | 10,032 | 10,534 | 11,060  |
|  |                   | 18     | 7,486    | 7,860  | 8,254  | 8,666  | 9,099  | 9,554  | 10,032 | 10,534 | 11,060 | 11,613  |
|  |                   | 19     | 7,860    | 8,254  | 8,666  | 9,099  | 9,554  | 10,031 | 10,533 | 11,060 | 11,613 | 12,193  |
| Member Services Manager/Board Relations    | Open Position     | 20     | 8,254    | 8,666  | 9,099  | 9,554  | 10,030 | 10,532 | 11,059 | 11,612 | 12,192 | 12,802  |
| Senior Property/Liability Claims Analyst   | Tasha Lane        | 21     | 8,666    | 9,099  | 9,554  | 10,030 | 10,532 | 11,058 | 11,611 | 12,192 | 12,801 | 13,441  |
|  |                   | 22     | 9,099    | 9,554  | 10,030 | 10,532 | 11,059 | 11,612 | 12,192 | 12,802 | 13,442 | 14,114  |
|  |                   | 23     | 9,554    | 10,030 | 10,532 | 11,059 | 11,612 | 12,193 | 12,803 | 13,443 | 14,115 | 14,821  |
| Manager, Loss Control/Workers Compensation | Tom Ledda         | 24     | 9,747    | 10,234 | 10,746 | 11,283 | 11,847 | 12,440 | 13,062 | 13,715 | 14,400 | 15,120  |
|  |                   | 25     | 10,030   | 10,532 | 11,059 | 11,612 | 12,195 | 12,805 | 13,445 | 14,118 | 14,823 | 15,565  |
|  |                   | 26     | 10,533   | 11,061 | 11,614 | 12,195 | 12,804 | 13,445 | 14,117 | 14,823 | 15,564 | 16,342  |
|  |                   | 27     | 11,061   | 11,614 | 12,195 | 12,804 | 13,445 | 14,117 | 14,823 | 15,564 | 16,342 | 17,159  |
|  |                   | 28     | 11,614   | 12,195 | 12,804 | 13,445 | 14,116 | 14,822 | 15,563 | 16,342 | 17,159 | 18,017  |
|  |                   | 29     | 12,195   | 12,804 | 13,445 | 14,116 | 14,823 | 15,564 | 16,342 | 17,159 | 18,017 | 18,918  |
|  |                   | 30     | 12,804   | 13,445 | 14,116 | 14,823 | 15,564 | 16,343 | 17,160 | 18,018 | 18,919 | 19,864  |
| Deputy Executive Director                  | Sharon Vishwa     | 31     | 13,445   | 14,116 | 14,823 | 15,564 | 16,342 | 17,159 | 18,017 | 18,918 | 19,864 | 20,857  |
| Executive Director                         | Craig Schweikhard | 32     | 16,922   | 17,768 | 18,657 | 19,590 | 20,569 | 21,598 | 22,678 | 23,811 | 25,002 | 26,252  |

Benefits: SMCSIG pays for full coverage for dental and vision for employee and dependents and up to Kaiser Single Coverage Premium) per month for a medical plan.

| Current Annual            |                  |           |           |           |           |           |           |
|---------------------------|------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| JPA Average Salary        | Name             | Salary    | CCCSIG*   | NBSIA*    | RESIG*    | SCCSIG    | Average   |
| Executive Director        | Craig Schwikhard | \$235,608 | \$228,316 | \$231,132 | \$241,942 | \$220,994 | \$230,596 |
| Deputy Director**         | Sharon Vishwa    | \$169,788 | \$0       | \$0       | \$0       | \$0       | \$0       |
| Senior PL Claims Manager  | Tasha Lane       | \$109,428 | \$138,837 | \$142,281 | \$149,127 | \$0       | \$143,415 |
| Loss Control/WC Manager   | Tom Ledda        | \$117,228 | \$138,837 | \$142,281 | \$149,127 | \$0       | \$143,415 |
| WC Analyst                | Don Freeman      | \$81,672  | \$104,527 | \$109,122 | \$105,000 | \$0       | \$106,216 |
| Loss Control Analyst      | Raya Estares     | \$85,752  | \$0       | \$99,629  | \$86,383  | \$0       | \$93,006  |
| Administration Specialist | Sherril Ernest   | \$70,536  | \$82,874  | \$83,735  | \$70,821  | \$0       | \$79,143  |

**Source:** Salary Schedule from individual entities.

\* Salary averaged from Step 1 to last Step.

\*\* Deputy Director position was not listed on any of the salary schedules mentioned above. We did see one entity (CJPIA), whose deputy director position resulted in average salary of \$231,390.



# San Mateo County Schools Insurance Group AGENDA ITEM H12

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## 2023/2024 Executive Committee Meeting Calendar

May 16, 2024

### **JPA Board Meeting**

- WC Rates
- P/L Rates
- Dental Rates
- Vision Rates
- Final Budget
- Executive Committee Elections