



Santa Clara County Schools Insurance Group

**Actuarial Study of the
Self-Insured
Liability and Property Programs
as of December 31, 2012
and Extrapolated to June 30, 2013**

June 3, 2013



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324105

Santa Clara County Schools Insurance Group
645 Wool Creek Drive
San Jose, California 95112

Attn: Ms. Corinne Kelsch
Executive Director

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This study has been completed for the Santa Clara County Schools Insurance Group for the specific objectives listed in the study. It contains the analysis and conclusions of our work.


Each section and appendix of the study is an integral part of the whole. We recommend a review of the entire study prior to reliance upon this study.


No key personnel have a relationship with the Santa Clara County Schools Insurance Group that may impair our objectivity.

Please call if you have any questions. Thank you for the opportunity to be of service.

Respectfully submitted,

Aon Risk Consultants, Inc.

By 
Mujtaba Dattoo, ACAS, MAAA, FCA
Actuarial Practice Leader


Tracy Fleck, ACAS, MAAA
Consultant and Actuary

MD/TF:es

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I. Background

The Santa Clara County Schools Insurance Group (SCCSIG) is self-insured for liability and property. The program became effective July 1, 1980.

The history of the self-insured retention is shown in Table I-1.

**Table I-1
History of Self-Insured Retention**

Period (1)	Liability Self-Insured Retention (2)	Property Self-Insured Retention (3)
07/01/80 to 06/30/85	\$25,000	\$10,000
07/01/85 to 06/30/95	50,000	25,000
07/01/95 to present	100,000	100,000

Note: Above information provided by SCCSIG.

ASCIP (and their third-party administrator Corvel) handle the liability and property claims. Administration for claims is included at no additional expense to SCCSIG. Prior to July 1, 2008, George Hills Company administered the claims.

Data

Liability and property data valued as of December 31, 2012 was provided to us by SCCSIG. SCCSIG provided ADA for years through 2011/12 and TIV through 2012/13. Projected ADA for 2012/13 and 2013/14 are based on a 1% trend. Projected TIV for 2013/14 is also based on a 1% trend.

We summarize individual claims by occurrence and limit each occurrence to the applicable self-insured retention. This reduced the claim count when compared to the prior study, but had no impact on losses. The losses used in our study are gross of member deductibles. We were advised by SCCSIG that the member deductibles are billed through SCCSIG and are not reflected in the data from the TPA.

In conducting this analysis, we relied upon the provided data without audit or independent verification; however, we reviewed it for reasonableness and consistency. Any inaccuracies in quantitative data or qualitative representations could have a significant effect on the results of our review and analysis. Any material discrepancies discovered in the loss data by SCCSIG or any other parties should be reported to us immediately, and if warranted, we will make appropriate amendments to the report.

II. Objectives

The specific objectives of this study are:

1. **Estimate Outstanding Losses.** Estimate outstanding losses (including allocated loss adjustment expenses [ALAE]) as of June 30, 2013.

The estimated outstanding losses are the cost of unpaid claims. The estimated outstanding losses include case reserves, the development of known claims and incurred but not reported (IBNR) claims. ALAE are the direct expenses for settling specific claims. The amounts are limited to the self-insured retention.

2. **Project Ultimate Limited Losses.** Project ultimate limited losses (including ALAE) for 2013/14.

The projected ultimate limited losses are the accrual value of losses with accident dates during 2013/14, regardless of report or payment date. The amounts are limited to the self-insured retention.

3. **Project Unallocated Loss Adjustment Expenses.** Project unallocated loss adjustment expenses (ULAE) for 2013/14.

4. **Project Losses Paid.** Project losses paid during 2013/14.

The projected losses paid are the claim disbursements during 2013/14, regardless of accident or report date. The amounts are limited to the self-insured retention.

5. **Size of Loss Distribution Analysis.** Analyze the distribution of losses in various layers.

6. **Affirm GASB Statement No. 10.** Provide a statement affirming the conclusions of this report are consistent with GASB Statement No. 10.

III. Conclusions

We have reached the following conclusions:

1. Estimate Outstanding Losses

We estimate outstanding losses (including ALAE) as of June 30, 2013 as of various confidence levels to be shown in Tables III-1A and III-1B for liability and property, respectively.

**Table III-1A
Estimated Outstanding Losses
Liability
June 30, 2013**

Confidence Level (1)	Estimated Outstanding Losses (2)	Present Value of Estimated Outstanding Losses (3)
(A) Expected	\$934,927	\$911,535
(B) 70%	1,047,118	1,020,919
(C) 75%	1,121,912	1,093,842
(D) 80%	1,215,405	1,184,996
(E) 85%	1,308,898	1,276,149
(F) 90%	1,402,391	1,367,303

Note: (A) is from Exhibit LI-12.
(B) to (F) are based on (A) and actuarial judgment.

We note the estimated outstanding losses for liability increased by about \$114,000 from \$821,000 as of June 30, 2012 to \$934,927 as of June 30, 2013.

**Table III-1B
Estimated Outstanding Losses
Property
June 30, 2013**

Confidence Level (1)	Estimated Outstanding Losses (2)	Present Value of Estimated Outstanding Losses (3)
(A) Expected	\$344,364	\$340,051
(B) 70%	396,019	391,059
(C) 75%	430,455	425,064
(D) 80%	482,110	476,071
(E) 85%	533,764	527,079
(F) 90%	619,855	612,092

Note: (A) is from Exhibit PR-12.
(B) to (F) are based on (A) and actuarial judgment.

We note the estimated outstanding losses for property increased by about \$121,000 from \$223,000 as of June 30, 2012 to \$344,364 as of June 30, 2013.

The present value of the estimated outstanding losses is the amount of money, discounted for anticipated investment income, required to meet unpaid claims. It is calculated based on a 2.0% yield on investments, as affirmed by SCCSIG.

GASB Statement No. 10 also specifies that a liability for outstanding unallocated loss adjustment expenses (ULAE) needs to be established for governmental entities. ULAE are primarily composed of future claims administration for open claims. They are typically 5% to 10% of the estimated outstanding losses.

The estimated outstanding losses reflect the excess insurance maintained by SCCSIG.

2. Project Ultimate Limited Losses

We project ultimate limited losses (including ALAE) for 2013/14 to be as shown in Tables III-2A and III-2B for liability and property, respectively.

Table III-2A
Projected Ultimate Limited Losses
Liability
2013/14

Confidence Level (1)	Projected Ultimate Limited Losses (2)	Loss Rate per ADA (3)	Present Value of Projected Ultimate Limited Losses (4)	Present Value of Loss Rate per ADA (5)
(A) Expected	\$556,000	\$8.04	\$533,000	\$7.71
(B) 70%	639,400	9.24	612,950	8.87
(C) 75%	695,000	10.04	666,250	9.64
(D) 80%	750,600	10.85	719,550	10.41
(E) 85%	806,200	11.65	772,850	11.18
(F) 90%	889,600	12.86	852,800	12.34

Note: (A) is from Exhibit LI-10.
(B) to (F) are based on (A) and actuarial judgment.

**Table III-2B
Projected Ultimate Limited Losses
Property
2013/14**

Confidence Level (1)	Projected Ultimate Limited Losses (2)	Loss Rate per \$10,000 of TIV (3)	Present Value of Projected Ultimate Limited Losses (4)	Present Value of Loss Rate per \$10,000 of TIV (5)
(A) Expected	\$378,000	\$2.14	\$368,000	\$2.08
(B) 70%	434,700	2.46	423,200	2.39
(C) 75%	491,400	2.78	478,400	2.70
(D) 80%	548,100	3.10	533,600	3.01
(E) 85%	623,700	3.52	607,200	3.43
(F) 90%	718,200	4.06	699,200	3.95

Note: (A) is from Exhibit PR-10.
(B) to (F) are based on (A) and actuarial judgment.

The present value of the projected ultimate limited losses is the amount of money, discounted for anticipated investment income, required to meet claims. It is calculated based on a 2.0% yield on investments.

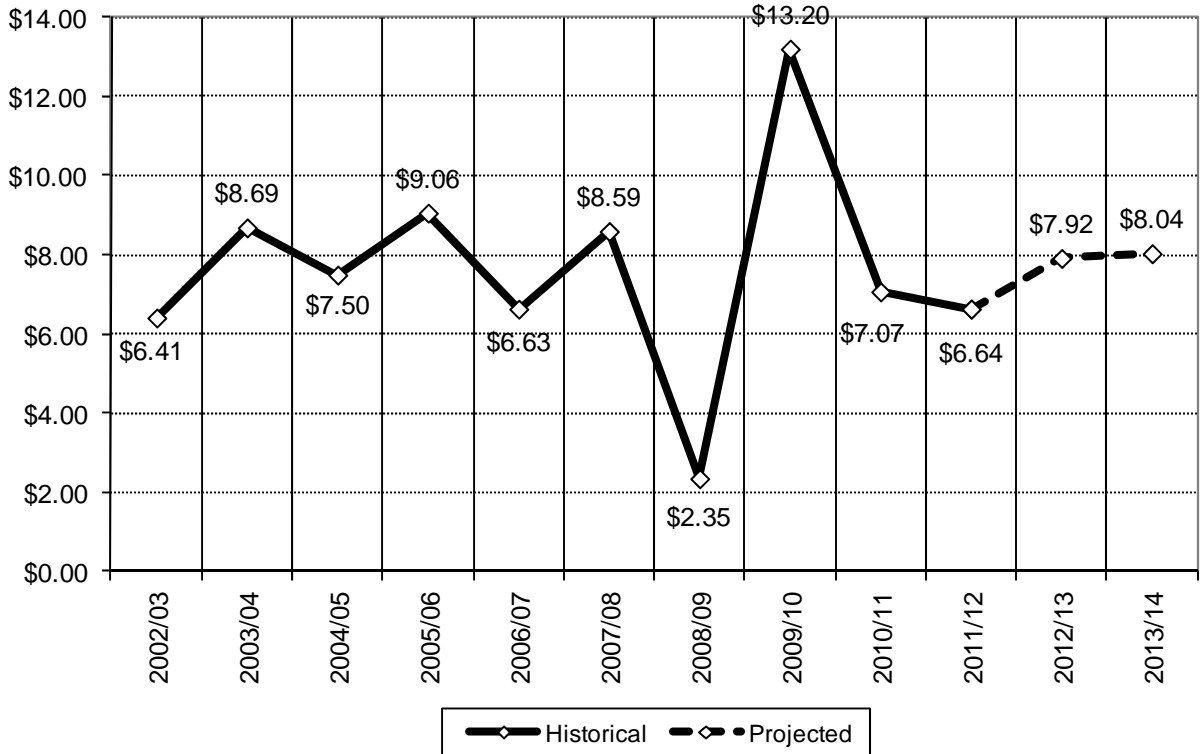
3. Project Unallocated Loss Adjustment Expenses

We were informed by SCCSIG that there would be no unallocated loss adjustment expenses (ULAE) for 2013/14. Administration of claims under the self-insured retention is handled by ASCIP for no additional expense.

Loss Experience Trends

Graphs III-1 and III-2 show loss experience trends for liability as measured by loss rate per ADA and frequency and severity, respectively.

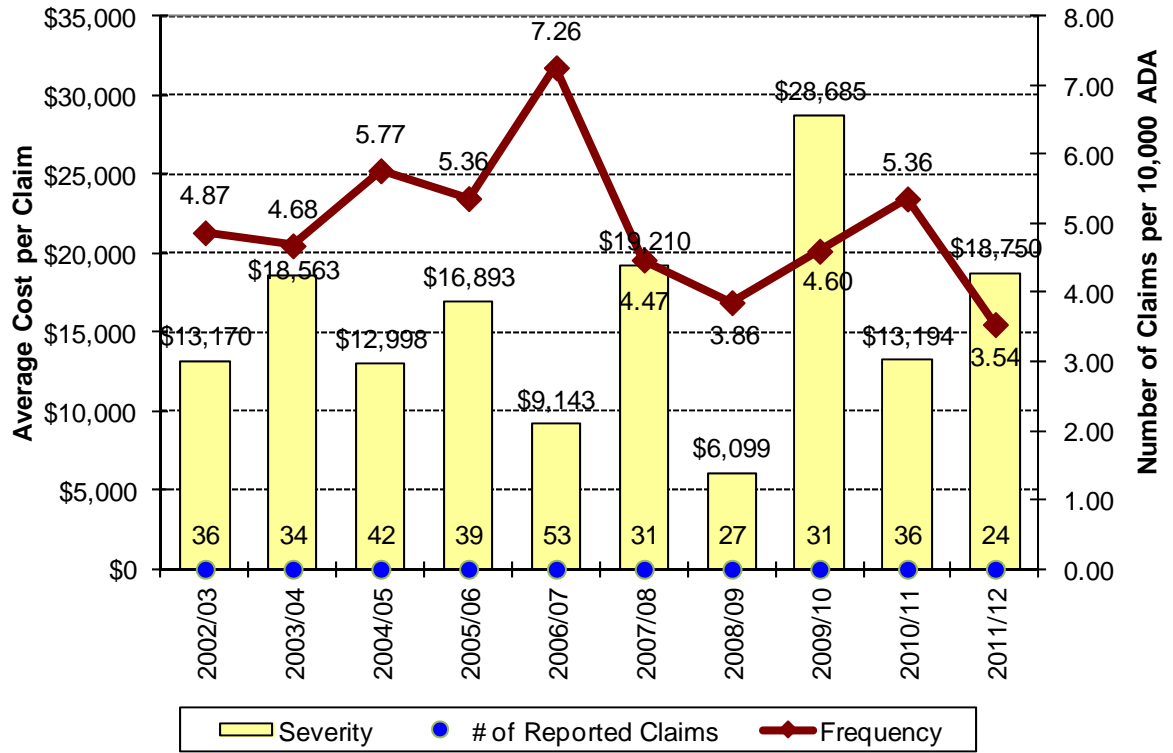
**Graph III-1
Loss Rate per ADA
(Liability)**



Note: Loss rates are from Exhibit LI-10, columns (4) and (7).

For 2009/10, there are three claims that reached SCCSIG's self-insured retention of \$100,000 and six other claims greater than \$50,000 each. A list of large claims greater than \$50,000 is shown on Exhibit LI-14.

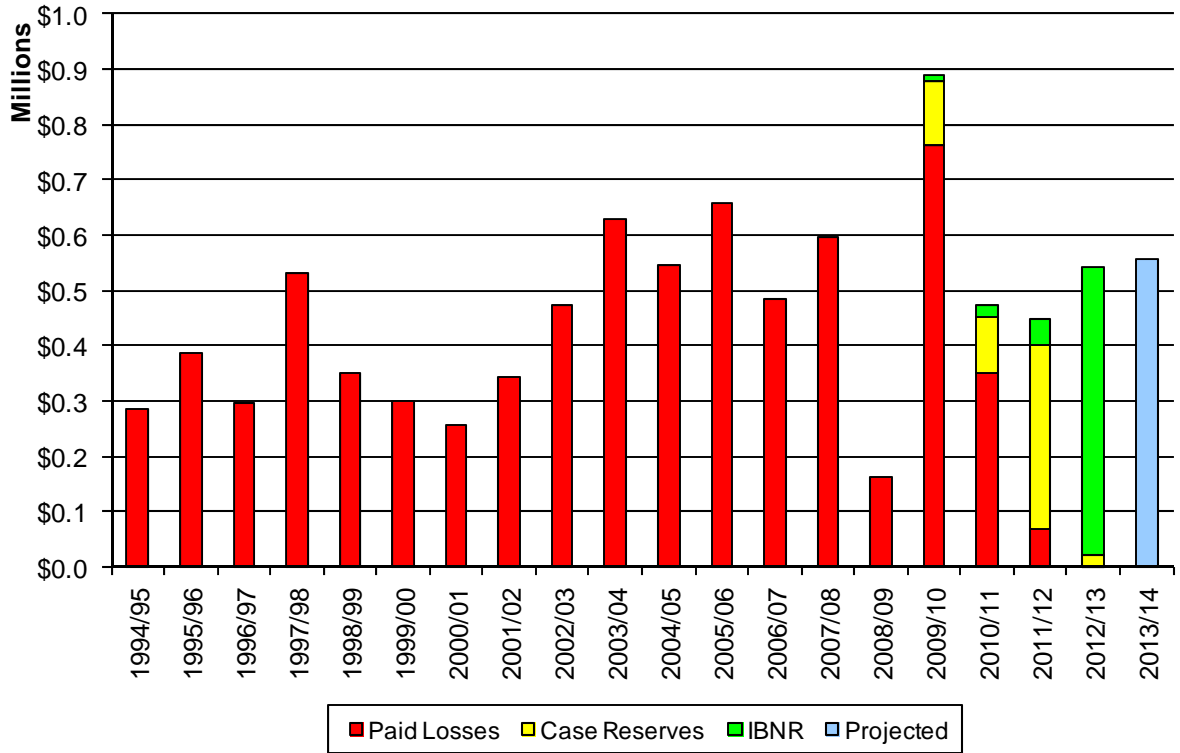
**Graph III-2
Frequency and Severity
(Liability)**



Note: Frequency amounts are from Exhibit LI-8, Section I, column (7).
Severity amounts are based on the projected claim counts in Exhibit LI-8 and the projected ultimate losses in Exhibit LI-9.

Graph III-3 shows the composition of the projected ultimate limited losses for liability.

Graph III-3
Composition of Projected Ultimate Limited Losses
(Liability)

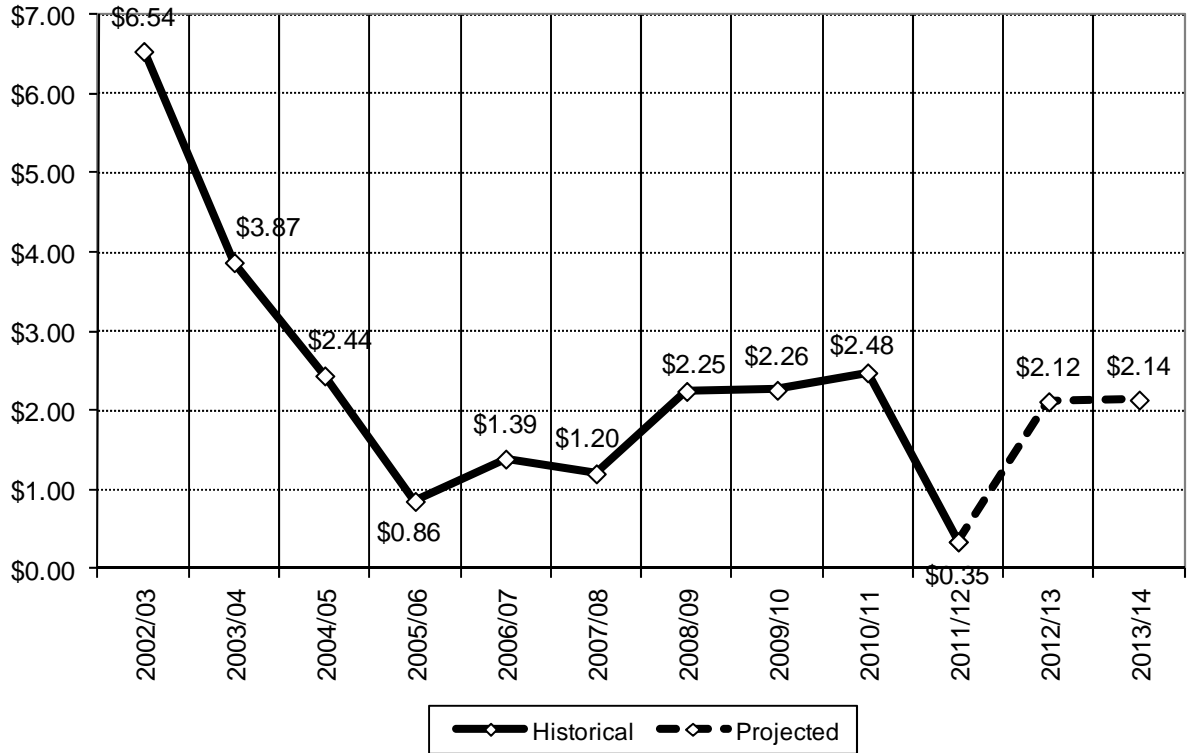


Note: Amounts through 2011/12 are from Exhibit LI-11.
 Amounts for 2012/13 are from Exhibits LI-11 and LI-10.
 Amounts for 2013/14 are from Exhibit LI-10.

Again, we note that for 2009/10, there are three claims that reached SCCSIG's self-insured retention of \$100,000. A list of large claims greater than \$50,000 is shown on Exhibit LI-14.

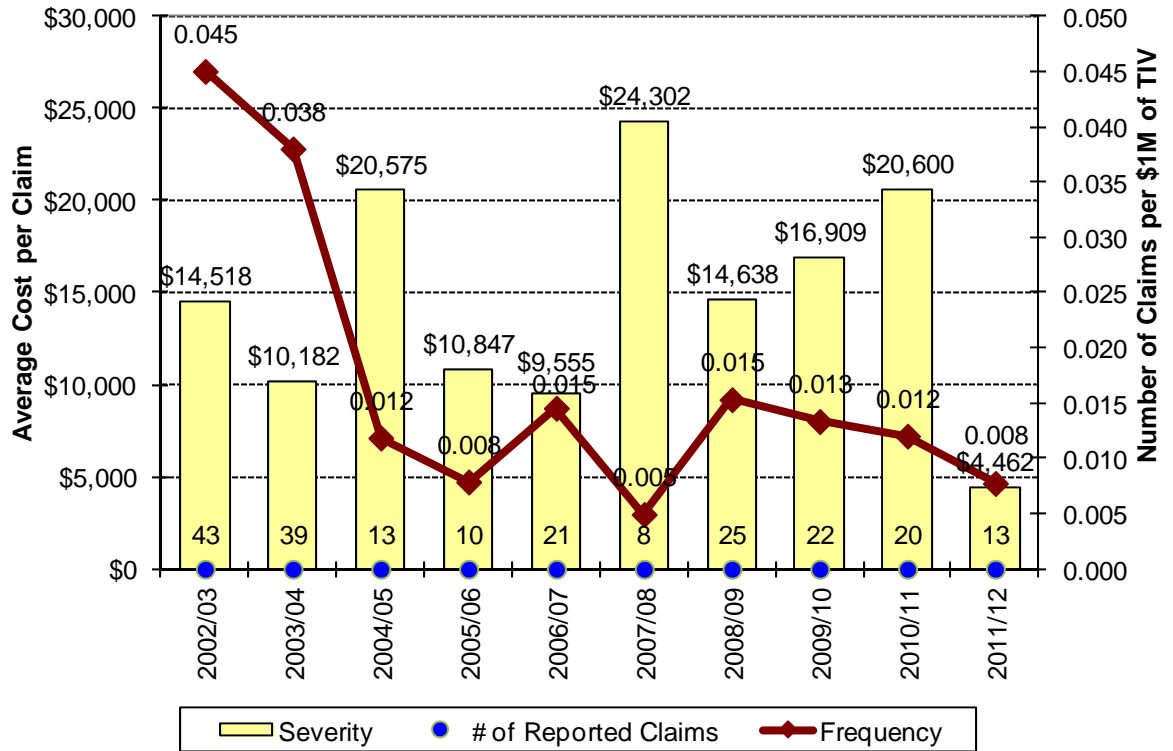
Graphs III-4 and III-5 show loss experience trends for property as measured by loss rate per \$10,000 TIV and frequency and severity, respectively.

**Graph III-4
Loss Rate per \$10,000 TIV
(Property)**



Note: Loss rates are from Exhibit PR-10, columns (4) and (7).

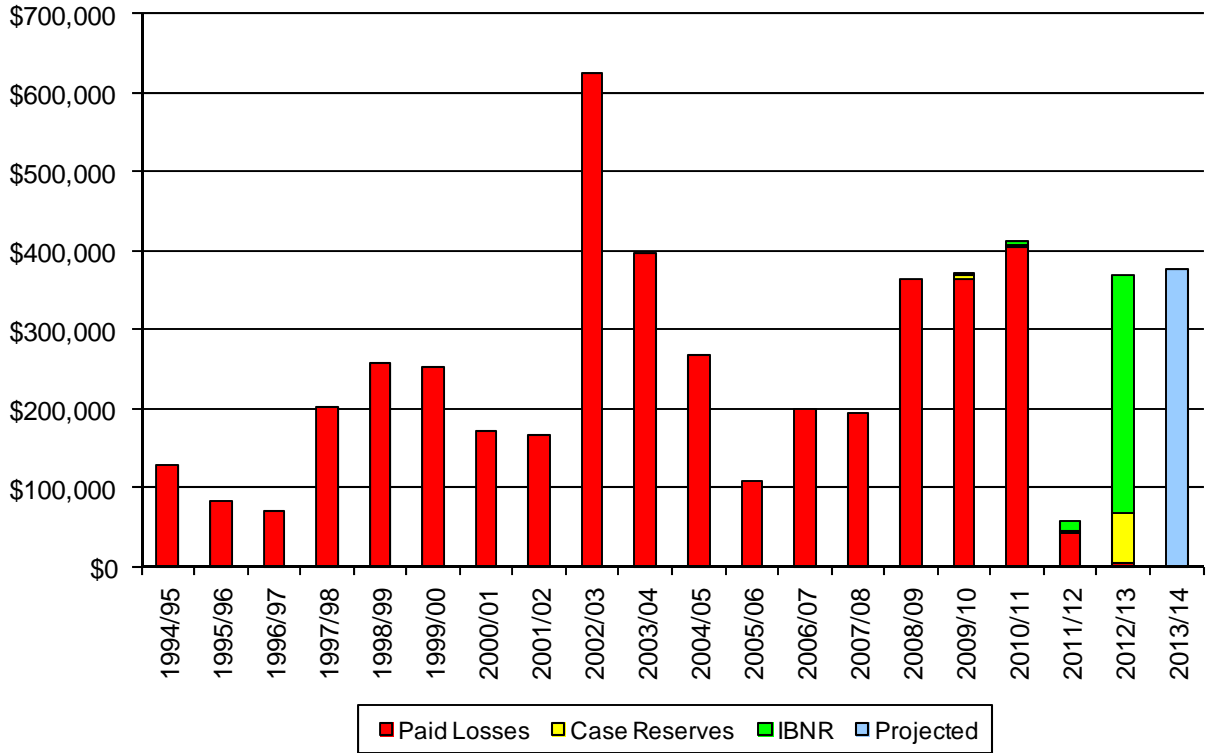
**Graph III-5
Frequency and Severity
(Property)**



Note: Frequency amounts are from Exhibit PR-8, Section I, column (7). Severity amounts are based on the projected claim counts in Exhibit PR-8 and the projected ultimate losses in Exhibit PR-9.

Graph III-6 shows the composition of the projected ultimate limited losses for property.

Graph III-6
Composition of Projected Ultimate Limited Losses
(Property)



Note: Amounts through 2011/12 are from Exhibit PR-11.
 Amounts for 2012/13 are from Exhibits PR-10 and PR-11.
 Amounts for 2013/14 are from Exhibit PR-10.

4. Project Losses Paid

We project losses paid (including ALAE) during 2013/14 to be as shown in Table III-4.

Table III-4
Projected Losses Paid
2013/14

Coverage (1)	2013/14 (2)
(A) Liability	\$583,062
(B) Property	249,266
(C) Total	\$832,328

Note: (A) is from Exhibit LI-13.
(B) is from Exhibit PR-13.

All costs other than claims are additional.

5. Size of Loss Distribution Analysis

Table III-5A shows the distribution of losses in various layers for liability.

Table III-5A
Size of Loss Distribution
(Liability)

Layer (1)	Total Reported Claims (2)	Percent of Total (2)/Total(2) (3)	Cumulative Percent of Total (4)	Total Reported Incurred Losses (5)	Percent of Total (5)/Total(5) (6)	Cumulative Percent of Total (7)
(A) \$0 to \$5,000	945	69.1%	69.1%	\$1,297,845	9.8%	9.8%
(B) \$5,000 to \$10,000	143	10.5%	79.6%	1,021,975	7.7%	17.5%
(C) \$10,000 to \$25,000	141	10.3%	89.9%	2,285,266	17.2%	34.7%
(D) \$25,000 to \$50,000	79	5.8%	95.7%	3,013,487	22.7%	57.4%
(E) \$50,000 to \$100,000	52	3.8%	99.5%	4,090,426	30.8%	88.1%
(F) \$100,000 to \$250,000	4	0.3%	99.8%	690,248	5.2%	93.3%
(G) \$250,000 to \$500,000	3	0.2%	100.0%	884,037	6.7%	100.0%
(H) \$500,000 to \$750,000	0	0.0%	100.0%	0	0.0%	100.0%
(I) \$750,000 to \$1,000,000	0	0.0%	100.0%	0	0.0%	100.0%
(J) Over \$1,000,000	0	0.0%	100.0%	0	0.0%	100.0%
(K) Total (A) ... (J)	1,367	100%		\$13,283,284	100%	

Note: See Exhibit LI-15.

For liability, about 80% of the non-zero claims reported are below \$10,000 and they represent about 18% of the incurred amounts. The remaining 20% of the claims consume about 82% of the incurred amounts.

Table III-5B shows the distribution of losses in various layers for property.

Table III-5B
Size of Loss Distribution
(Property)

Layer (1)	Total Reported Claims (2)	Percent of Total (2)/Total(2) (3)	Cumulative Percent of Total (4)	Total Reported Incurred Losses (5)	Percent of Total (5)/Total(5) (6)	Cumulative Percent of Total (7)
(A) \$0 to \$5,000	397	65.8%	65.8%	\$795,554	12.1%	12.1%
(B) \$5,000 to \$10,000	90	14.9%	80.8%	646,557	9.8%	21.9%
(C) \$10,000 to \$25,000	62	10.3%	91.0%	1,076,371	16.3%	38.2%
(D) \$25,000 to \$50,000	30	5.0%	96.0%	1,088,221	16.5%	54.7%
(E) \$50,000 to \$100,000	18	3.0%	99.0%	1,435,639	21.8%	76.5%
(F) \$100,000 to \$250,000	4	0.7%	99.7%	627,549	9.5%	86.0%
(G) \$250,000 to \$500,000	1	0.2%	99.8%	250,631	3.8%	89.8%
(H) \$500,000 to \$750,000	1	0.2%	100.0%	670,987	10.2%	100.0%
(I) \$750,000 to \$1,000,000	0	0.0%	100.0%	0	0.0%	100.0%
(J) Over \$1,000,000	0	0.0%	100.0%	0	0.0%	100.0%
(K) Total (A) ... (J)	603	100%		\$6,591,508	100%	

Note: See Exhibit PR-15.

For property, about 81% of the non-zero claims reported are below \$10,000 and they represent about 22% of the incurred amounts. The remaining 19% of the claims consume about 78% of the incurred amounts.

6. Affirm GASB Statement No. 10

We affirm the conclusions of this report are consistent with GASB Statement No. 10.

Conditions and Limitations

It is important to understand the conditions and limitations listed below. Each chapter and section is an integral part of the whole study. If there are questions, please contact Aon for clarification.

- **Data Quality.** We relied upon data provided by the organization shown on the transmittal page or its designated agents. The data was used without verification or audit, other than checks for reasonableness. Unless otherwise stated, we assumed the data to be correct and complete.
- **Economic Environment.** Unless otherwise stated, we assumed the current economic conditions will continue in the foreseeable future.
- **Insurance Coverage.** Unless otherwise stated, we assumed no insurance coverage changes (including coverage provided by the organization to others) subsequent to the date this study was prepared. This includes coverage language, self-insured retention, limitations and similar issues.
- **Insurance Solvency.** Unless otherwise stated, we assumed all insurance purchased by the organization is from solvent sources payable in accordance with terms of the coverage document.
- **Interest Rate.** The exhibits specify the annual interest rate used.
- **Methodology.** In this study, different actuarial methods were applied. In some instances, the methods yield significantly disparate results. The estimates, projections and recommendations in this study reflect our judgments as to the best method or combination of methods that are most reliable and reflective of the exposure to loss.
- **Reproduction.** This study may only be reproduced in its entirety.
- **Risk and Variability.** Insurance is an inherently risky enterprise. Actual losses may vary significantly from our estimates, projections and recommendations. They may emerge higher or lower.

- **Statutory and Judicial Changes.** Legislatures and judiciaries may change statutes that govern indemnification. This includes benefit levels for workers compensation, immunities and limitations for liability, and other similar issues. Unless otherwise stated, we assumed no statutory changes subsequent to the date this study was prepared.
- **Supplemental Data.** In addition to the data provided by the organization, we supplemented our analysis with data from similar organizations and insurance industry statistics, as we deemed appropriate.
- **Usage.** This study has been prepared for the usage of the organization shown on the transmittal page. It was not prepared for and may not be appropriate for use by other organizations. Other organizations should obtain written permission from Aon prior to use of this study.

Glossary of Actuarial Terms

Actuarial Methods (Most Common)

A major objective of an actuarial study is to statistically project ultimate losses. The following actuarial methods are the most common:

- Developed Paid Losses
- Developed Reported Incurred Losses
- Developed Case Reserves
- Frequency Times Severity Analysis
- Loss Rate Analysis

The following describes each method:

1. **Developed Paid Losses.** Paid losses represent the amounts actually paid to claimants (less excess insurance recoveries). As time goes on, loss payments continue until all claims are closed and there are no remaining payments expected. At this time, the ultimate losses for the claim period are known. This common process is called “paid loss development.”

Paid loss development is an extrapolation of actual dollars paid. It does not depend on case reserve estimates. A potential shortcoming of utilizing this method is that only a small fraction of total payments have been made for the most recent claim periods. Extrapolating ultimate losses based on small amounts of actual payments may be speculative. A second potential shortcoming is that payment patterns can change over time.

2. **Developed Reported Incurred Losses.** Reported incurred losses are paid losses plus case reserves. In most programs, total reported incurred losses underestimate the ultimate losses. Over time, as more information about a body of claims becomes known, they are adjusted either up or down until they are closed. Though many individual claims settle for less than what was estimated, these decreases are generally more than offset by increases in the cost of other claims for which new information has emerged.

The net effect is that total estimated costs are often revised upward over time. This

normal process is called “reported incurred loss development.” Actuaries typically review the development patterns of the recent past to make projections of the expected future loss development and, therefore, estimations of ultimate losses.

3. **Developed Case Reserves.** A case reserve is an estimate of the unpaid amount established by claims adjusters for which a particular claim will ultimately be settled or adjudicated. The developed case reserves method is a hybrid of the paid loss development and reported incurred loss development methods. It relies on the historical adequacy of case reserves to predict ultimate losses.
4. **Frequency Times Severity Analysis.** The frequency times severity analysis is an actuarial method that uses a preliminary projection of ultimate losses to project claims severity. The claims severity times the number of claims is a predictor of ultimate losses. The focus of the frequency times severity analysis is that ultimate losses each period are dependent on the number of claims.
5. **Loss Rate Analysis.** The loss rate analysis is based on the historical loss rates per exposure unit (such as payroll, vehicles or property value). The loss rates (projected ultimate losses divided by exposure units) are trended to reflect the effect of claim cost inflation and retention changes. The trended loss rates represent the rates that one would see if all of the claims had been handled in the claim cost environment that will be present in the upcoming period. The trended loss rate times the projected exposure units is a predictor of losses.
6. **Bornhuetter-Ferguson Method (B-F).** The B-F method is an actuarial method that weights a preliminary projection of ultimate losses with projections of ultimate losses determined by other actuarial methods (usually the developed paid losses and developed reported incurred losses methods). For less mature claim periods, the B-F method leans more heavily to the preliminary projection. It gradually converges to the projections of ultimate losses determined by the other actuarial methods as the claim periods mature.

Actuary

A specialist trained in mathematics, statistics, and finance who is responsible for rate, reserve, and dividend calculations and other statistical studies.

Allocated Loss Adjustment Expenses

Allocated loss adjustment expenses (ALAE) are the direct expenses to settle specific claims. These expenses are primarily legal expenses.

Governmental Accounting Standards Board (GASB) Statement No. 10 requires that ALAE

be included in financial statements and that they be calculated by actuarial methods.

American Academy of Actuaries

A society concerned with the development of education in the field of actuarial science and with the enhancement of standards in the actuarial field. Members may use the designation MAAA (Member, American Academy of Actuaries).

Benefits

The financial reimbursement and other services provided insureds by insurers under the terms of an insurance contract. An example would be the benefits listed under a life or health insurance policy or benefits as prescribed by a workers compensation law.

Casualty Actuarial Society

A professional society for actuaries in areas of property and casualty insurance work. This society grants the designation of Associate of the Casualty Actuarial Society (ACAS) and Fellow of the Casualty Actuarial Society (FCAS).

Claim

Demand by an individual or entity to recover for a loss.

Claims Made

A policy written on this basis covers only those claims that are made during the policy period. Coverage for prior acts is provided back to what is known as the retroactive date, which is the effective date of the original claims made policy with the same insurer.

Composite Rate

A single rate with a single basis of premium (e.g., payroll or sales). For this single rate the insured is covered for a variety of hazards, such as premises and operations, completed operations, products liability, and automobile. Its primary value is to compute premium simply.

Confidence Level

A confidence level is the statistical certainty that an actuary believes funding will be sufficient. For example, an 80% confidence level means that the actuary believes funding will be sufficient in eight years out of ten.

Confidence levels are determined based on mathematical models. Coverages that are low frequency and high severity (such as excess liability) are subject to greater risk than coverages that are high frequency and low severity (such as automobile physical damage). Therefore, they need a greater margin to attain a given confidence level.

Coverage

The scope of the protection provided under a contract of insurance.

Credibility

Credibility is the belief that the sample data is an accurate reflection of the larger population. Credibility is highest when the sample data is large and the standard deviation (discussed later) of the larger population is low.

Dates

There are at least three milestone dates in a claim. They are the date of injury or accident, the date of report and the date of closure. It is best if each of these dates is recorded. Some organizations may also keep the date a claim becomes a lawsuit, as opposed to a demand. Aon recommends this additional level of detail, especially if the data is to be used for litigation management.

Deductible

The portion of an insured loss to be borne by the insured before he is entitled to recovery from the insurer. Deductibles may be expressed as a dollar amount, percentage or waiting period.

Disability

A condition that curtails a person's ability to carry on his normal pursuits. A disability may be partial or total, and temporary or permanent.

Dividend (Policyholder)

The return of part of the premium paid for a policy issued on a participating basis by either a mutual or a stock insurer.

Estimated Outstanding Losses

Estimated outstanding losses are the cost of claims that have occurred but have not yet been paid. They typically include indemnification and allocated loss adjustment expenses (ALAE), but not unallocated loss adjustment expenses (ULAE).

Estimated outstanding losses are calculated as projected ultimate losses less paid losses. Alternatively, they are the sum of case reserves and incurred but not reported (IBNR) claims.

Estimated outstanding losses are usually the largest single item listed as a liability on the balance sheet of a public entity's financial statement. GASB Statement No. 10 requires they be calculated by actuarial methods. Other common names for estimated outstanding losses are outstanding claims liabilities and unpaid claims.

Experience Rating

A method of adjusting the premium for a risk based on past loss experience for that risk compared to loss experience for an average risk.

Exposure Data

Exposure data refers to the activities of the organization. For example, payroll is the most common exposure measure for workers compensation. Aon suggests collecting exposure data with the following characteristics:

- **Readily Available.** The exposure data should be easily obtained. It is best if it is a byproduct of other activities, although this is not always possible. If getting data is arduous, it may discourage collection.

- **Vary With Losses.** The exposure data should correlate directly with losses. The ideal situation is where exposure and expected losses move in tandem. The exposure base needs to be fitting to the coverage. For example, the number of employees may vary with property losses (more employees = more office space = more losses), but property value is a clearly superior exposure base for property losses.

Generally Accepted Accounting Principles (GAAP)

These principles are intended to produce financial results (in the insurance industry) consistent with those of other industries and to assure consistency in financial reporting.

Incurred But Not Reported

IBNR is really comprised of two distinct items. These are the development of known case reserves (incurred but not enough reported [IBNER] and incurred but not yet reported [IBNYR]).

IBNER are the actuary's estimate of the inadequacy of case reserves. Most claims settle at amounts close to what is set by the claims administrator. Some claims close favorably and some emerge as more expensive. On balance, case reserves tend to be too low (especially for recent years). IBNER is the actuary's estimate of the amount total case reserves will rise upon closure.

IBNYR refers to those claims that have occurred, but have not yet been reported. A classic example is medical malpractice claim reported several years after the medical procedure was performed.

Insurance Services Office (ISO)

An organization of the property and casualty insurance business designed to gather statistics, promulgate rates, and develop policy forms.

Investment Income

The return received by entities from their investment portfolios, including interest, dividends and realized capital gains on stocks. Realized capital gains means the profit realized on assets that have actually been sold for more than their purchase price.

Limited

Most programs purchase excess insurance for catastrophic claims. For example, they may purchase coverage for claims above a \$500,000 per occurrence self-insured retention. “Limited” refers to an estimate or projection being limited to the self-insured retention. In contrast, “unlimited” means a loss projection not limited to the self-insured retention.

Other common names for limited are net of excess insurance or capped losses.

Loss Development

The difference between the amount of losses initially estimated by the insurer and the amount reported in an evaluation on a later date. Loss development is typically measured for paid losses, reported incurred losses and claim counts.

Manual Rates

Usually, the published rate for some unit of insurance. An example is in the workers compensation manual, where the rates shown apply to each \$100 of the payroll of the insured, \$100 being the “unit.”

National Council on Compensation Insurance (NCCI)

An association of workers compensation insurance companies whose main functions are collecting statistics and calculating rates, establishing policy wording, developing experience and retrospective rating plans, and serving as the filing organization for member companies.

Net

Many pooling programs assign deductibles to members. For example, each member may have a \$5,000 per claim deductible. “Net” refers to a loss estimate or projection that excludes amounts below member deductibles.

Occurrence

An event that results in an insured loss. In some lines of insurance, such as general liability, it is distinguished from accident in that the loss does not have to be sudden and fortuitous and can result from continuous or repeated exposure that results in bodily injury or property damage neither expected nor intended by the insured.

Pool

An organization of entities through which particular types of risks are written with the premiums, losses, and expenses shared in agreed amounts among the members belonging to the organization.

Premium

The price of insurance protection for a specified risk for a specified period of time.

Present Value

The amount of money that future amounts receivable are currently worth. For example, a Life Insurance policy may provide for payments to be made monthly for ten years. The present value of that money would be less than the total amount of the regular periodic payments for 10 years because of the amount of interest that a present lump sum could earn during the term than the payments otherwise would have been made.

Probability

The probability is the likelihood of an event. It is a measure of how likely a value or event is to occur. It can be measured from data by calculating the number of occurrences of the value or event divided by the total number of occurrences. This calculation can be converted to a percentage. For example, tossing a coin has a 50% probability of heads or tails.

Projected Losses Paid

Projected losses paid are the projected claims disbursements in a period, regardless of when the claim occurred. They typically include indemnification and ALAE, but not unallocated loss adjustment expenses (ULAE).

“Projected losses paid” is a cash-flow analysis that can be used in making investment decisions.

Projected Ultimate Losses

Projected ultimate losses are the accrual value of claims. They are the total amount that is expected to be paid in a particular claim period after all claims are closed. Projected ultimate

losses are the total loss costs for a particular period. They typically include indemnification and ALAE, but not ULAE.

Other common names for projected ultimate losses are expected losses, ultimate losses and total losses.

Rate

The cost of a given unit of insurance. For example, in life insurance, it is the price of \$1,000 of the face amount. In property insurance, it is the rate per \$100 of value to be insured. The premium is the rate multiplied by the number of units of insurance purchased.

Retrospective Rating

A method for which the final premium is not determined until the end of the coverage period, and is based on the insured's own loss experience for that same period. It is usually subject to a maximum and minimum premium. A plan of this type can be used in various types of insurance, especially workers compensation and liability, and is usually elected by only very large insureds.

Salvage

Property taken over by an entity to reduce its loss. Automobile physical damage losses can be reduced by the sale of recovered vehicles.

Schedule Rating

The application of debits or credits within established ranges for various characteristics of a risk according to an established schedule of items. Under liability and automobile insurance, the schedule rating plan allows credits and debits for various good or bad features of a particular commercial risk. An example in automobile schedule rating would be allowing credits for driver training classes or fleet maintenance programs.

Self-Insurance Retention (SIR)

That portion of a risk or potential loss assumed by an insured. It is often in the form of a per occurrence deductible.

Society of Actuaries (SOA)

A professional society for actuaries in areas of pensions, and life and health insurance work. The SOA grants the designation Associate of the Society of Actuaries (ASA) and Fellow of the Society of Actuaries (FSA).

Standard Premium

Most often used in connection with retrospective rating for Workers Compensation and General Liability Insurance. It is the premium of which the basic premium is a percentage and is developed by applying the regular rates to an insured's payroll.

State Fund

A fund set up by a state government to finance a mandatory insurance system, such as Workers Compensation or non-occupational disability benefits. Such a fund may be monopolistic, i.e., purchasers of the type of insurance required must place it in the state fund; or it may be competitive, i.e., an alternative to private insurance if the purchaser desires to use it.

Statutory Accounting Principles (SAP)

Those principles required by statute that must be followed by an insurance company or other similar entity when submitting its financial statement to the state insurance department. Such principles differ from (GAAP) in some important respects. For one thing SAP requires that expenses must be recorded immediately and cannot be deferred to track with premiums as they are earned and taken into revenue.

Unallocated Loss Adjustment Expenses

Unallocated loss adjustment expenses (ULAE) are the indirect expenses to settle claims. These expenses are primarily administration and claims handling expenses.

GASB Statement No. 10 requires that ULAE be included in financial statements and that they be calculated by actuarial methods.

Exhibits

The attached exhibits detail our analysis.

SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
LIABILITY

Exhibit LI-1 (page 1)

Data Summary as of December 31, 2012
Losses Limited to Self-Insured Retention

Claim Period (1)	Specific Self-Insured Retention (2)	Aggregate Retention (3)	Months of Development 12/31/12 (4)	ADA (5)	Reported Claims 12/31/12 (6)	Open Claims 12/31/12 (7)	Limited Paid Losses 12/31/12 (8)	Limited Case Reserves 12/31/12 (9)	Limited Reported Incurred Losses 12/31/12 (10)
to 1993/94	See Note	None	234.0	Not Provided	726	0	\$4,164,443	\$0	\$4,164,443
1994/95	50,000	None	222.0	84,818	36	0	287,724	0	287,724
1995/96	100,000	None	210.0	84,815	33	0	386,264	0	386,264
1996/97	100,000	None	198.0	85,073	31	0	296,870	0	296,870
1997/98	100,000	None	186.0	78,474	38	0	530,553	0	530,553
1998/99	100,000	None	174.0	73,908	22	0	350,884	0	350,884
1999/00	100,000	None	162.0	73,159	42	0	301,576	0	301,576
2000/01	100,000	None	150.0	73,900	35	0	257,450	0	257,450
2001/02	100,000	None	138.0	75,400	43	0	342,699	0	342,699
2002/03	100,000	None	126.0	73,939	36	0	474,121	0	474,121
2003/04	100,000	None	114.0	72,648	34	0	631,139	0	631,139
2004/05	100,000	None	102.0	72,828	42	0	545,934	0	545,934
2005/06	100,000	None	90.0	72,708	39	0	658,810	0	658,810
2006/07	100,000	None	78.0	73,038	53	0	484,599	0	484,599
2007/08	100,000	None	66.0	69,285	31	0	595,495	0	595,495
2008/09	100,000	None	54.0	69,995	27	0	164,671	0	164,671
2009/10	100,000	None	42.0	67,358	31	4	764,025	113,839	877,865
2010/11	100,000	None	30.0	67,177	36	4	350,198	102,654	452,852
2011/12	100,000	None	18.0	67,793	24	8	69,118	332,947	402,065
2012/13	100,000	None	6.0	Not Provided	8	7	4,328	18,064	22,392
Total					1,367	23	\$11,660,902	\$567,504	\$12,228,406

Claim Period (1)	Salvage/ Subrogation Recoveries 12/31/12 (11)
to 1993/94	\$1,062
1994/95	225
1995/96	2,702
1996/97	0
1997/98	23,161
1998/99	9,477
1999/00	2,730
2000/01	9,373
2001/02	2,215
2002/03	8,072
2003/04	4,235
2004/05	219
2005/06	23,034
2006/07	0
2007/08	0
2008/09	0 +
2009/10	0 +
2010/11	0 +
2011/12	0 +
2012/13	0 +
Total	\$86,504

(6) and (7) exclude claims with \$0 incurred.

* The specific self-insured retention changes are as follows:

Effective Date	Retention
07/01/80	\$25,000
07/01/85	50,000
07/01/95	100,000

+ Salvage and subrogation recoveries for 2008/09 through 2012/13 are based on amounts recovered by SCCSIG.

(8), (9) and (10) are net of the specific self-insured retention and net of other recoveries.



Data was provided by SCCSIG.

SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
LIABILITY

Exhibit LI-1 (page 2)

Data Summary as of December 31, 2012
Unlimited Losses

Claim Period (1)	Specific Self-Insured Retention (2)	Aggregate Retention (3)	Months of Development 12/31/12 (4)	ADA (5)	Reported Claims 12/31/12 (6)	Open Claims 12/31/12 (7)	Unlimited Paid Losses 12/31/12 (8)	Unlimited Case Reserves 12/31/12 (9)	Unlimited Reported Incurred Losses 12/31/12 (10)
to 1993/94	Unlimited	None	234.0	Not Provided	726	0	\$4,310,411	\$0	\$4,310,411
1994/95	Unlimited	None	222.0	84,818	36	0	287,949	0	287,949
1995/96	Unlimited	None	210.0	84,815	33	0	388,967	0	388,967
1996/97	Unlimited	None	198.0	85,073	31	0	296,870	0	296,870
1997/98	Unlimited	None	186.0	78,474	38	0	549,568	0	549,568
1998/99	Unlimited	None	174.0	73,908	22	0	350,884	0	350,884
1999/00	Unlimited	None	162.0	73,159	42	0	302,665	0	302,665
2000/01	Unlimited	None	150.0	73,900	35	0	266,823	0	266,823
2001/02	Unlimited	None	138.0	75,400	43	0	344,914	0	344,914
2002/03	Unlimited	None	126.0	73,939	36	0	476,003	0	476,003
2003/04	Unlimited	None	114.0	72,648	34	0	632,270	0	632,270
2004/05	Unlimited	None	102.0	72,828	42	0	546,153	0	546,153
2005/06	Unlimited	None	90.0	72,708	39	0	676,488	0	676,488
2006/07	Unlimited	None	78.0	73,038	53	0	484,599	0	484,599
2007/08	Unlimited	None	66.0	69,285	31	0	595,495	0	595,495
2008/09	Unlimited	None	54.0	69,995	27	0	173,843	0	173,843
2009/10	Unlimited	None	42.0	67,358	31	4	1,152,168	326,790	1,478,958
2010/11	Unlimited	None	30.0	67,177	36	4	575,101	161,767	736,868
2011/12	Unlimited	None	18.0	67,793	24	8	75,317	532,947	608,264
2012/13	Unlimited	None	6.0	Not Provided	8	7	4,438	18,064	22,502
Total					1,367	23	\$12,490,925	\$1,039,568	\$13,530,493

(6) and (7) exclude claims with \$0 incurred.

(8), (9) and (10) are gross of the specific self-insured retention and gross of other recoveries.

Data was provided by SCCSIG.



Summary of Percent Losses Paid, Losses Reported and Claims Reported

Months of Development (1)	Percent Losses Paid (2)	Percent Losses Reported (3)	Percent Claims Reported (4)	Months of Development (5)	Percent Losses Paid (6)	Percent Losses Reported (7)	Percent Claims Reported (8)
360.0	100.0%	100.0%	100.0%	354.0	100.0%	100.0%	100.0%
348.0	100.0%	100.0%	100.0%	342.0	100.0%	100.0%	100.0%
336.0	100.0%	100.0%	100.0%	330.0	100.0%	100.0%	100.0%
324.0	100.0%	100.0%	100.0%	318.0	100.0%	100.0%	100.0%
312.0	100.0%	100.0%	100.0%	306.0	100.0%	100.0%	100.0%
300.0	100.0%	100.0%	100.0%	294.0	100.0%	100.0%	100.0%
288.0	100.0%	100.0%	100.0%	282.0	100.0%	100.0%	100.0%
276.0	100.0%	100.0%	100.0%	270.0	100.0%	100.0%	100.0%
264.0	100.0%	100.0%	100.0%	258.0	100.0%	100.0%	100.0%
252.0	100.0%	100.0%	100.0%	246.0	100.0%	100.0%	100.0%
240.0	100.0%	100.0%	100.0%	234.0	100.0%	100.0%	100.0%
228.0	100.0%	100.0%	100.0%	222.0	100.0%	100.0%	100.0%
216.0	100.0%	100.0%	100.0%	210.0	100.0%	100.0%	100.0%
204.0	100.0%	100.0%	100.0%	198.0	100.0%	100.0%	100.0%
192.0	100.0%	100.0%	100.0%	186.0	100.0%	100.0%	100.0%
180.0	100.0%	100.0%	100.0%	174.0	100.0%	100.0%	100.0%
168.0	100.0%	100.0%	100.0%	162.0	100.0%	100.0%	100.0%
156.0	100.0%	100.0%	100.0%	150.0	100.0%	100.0%	100.0%
144.0	100.0%	100.0%	100.0%	138.0	100.0%	100.0%	100.0%
132.0	100.0%	100.0%	100.0%	126.0	100.0%	100.0%	100.0%
120.0	100.0%	100.0%	100.0%	114.0	100.0%	100.0%	100.0%
108.0	100.0%	100.0%	100.0%	102.0	99.9%	100.0%	100.0%
96.0	99.8%	100.0%	100.0%	90.0	99.7%	100.0%	100.0%
84.0	99.5%	100.0%	100.0%	78.0	99.2%	100.0%	100.0%
72.0	98.7%	100.0%	100.0%	66.0	98.2%	99.9%	100.0%
60.0	97.0%	99.7%	100.0%	54.0	95.8%	99.4%	100.0%
48.0	93.5%	99.1%	100.0%	42.0	91.3%	98.8%	99.9%
36.0	82.1%	96.5%	99.7%	30.0	73.0%	94.1%	99.4%
24.0	54.8%	88.0%	98.9%	18.0	36.5%	81.8%	98.4%
12.0	16.8%	61.8%	88.6%	6.0	8.4%	30.9%	78.7%

(2) is from Exhibit LI-2 (page 2).

(3) is from Exhibit LI-2 (page 3).

(4) is from Exhibit LI-2 (page 4).

(6), (7) and (8) are interpolated, based on (2), (3) and (4), respectively.



SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
LIABILITY

Historical Limited Paid Losses and Limited Paid Loss Development

I. Historical Limited Paid Losses

Claim Period	Months of Development:					Months of Development:					Months of Development:					Months of Development:				
	6	18	30	42	54	66-78	78-90	90-102	102-114	114-126	126-138	138-150	150-162	162-174	174-186	186-198	198-210	210-222	222-234	234-Ult
to 1/93/04																				
1934/95																				
1935/96																				
1936/97																				
1937/98																				
1938/99																				
1939/00																				
2000/01																				
2001/02																				
2002/03																				
2003/04																				
2004/05																				
2005/06																				
2006/07																				
2007/08																				
2008/09																				
2009/10																				
2010/11																				
2011/12																				
2012/13																				

II. Limited Paid Loss Development

Claim Period	Months of Development:					Months of Development:					Months of Development:					Months of Development:				
	6-18	18-30	30-42	42-54	54-66	66-78	78-90	90-102	102-114	114-126	126-138	138-150	150-162	162-174	174-186	186-198	198-210	210-222	222-234	234-Ult
to 1/93/94																				
1934/95																				
1935/96																				
1936/97																				
1937/98																				
1938/99																				
1939/00																				
2000/01																				
2001/02																				
2002/03																				
2003/04																				
2004/05																				
2005/06																				
2006/07																				
2007/08																				
2008/09																				
2009/10																				
2010/11																				
2011/12																				
2012/13																				

Average All
Wtd 3
Last 3
Last 5
x-Hilow

Similar
Percent

Amounts are limited (net of excess insurance) and net of other recoveries.

Data was provided by SCCSIG.



SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
LIABILITY

Historical Limited Reported Incurred Losses and Limited Reported Incurred Loss Development

Claim Period	Months of Development:																				
	6	18	30	42	54	66	78	90	102	114	126	138	150	162	174	186	198	210	222	234	
to 1/93/04																					
1934/95																					
1935/96																					
1936/97																					
1937/98																					
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2007/08																					
2008/09																					
2009/10																					
2010/11																					
2011/12																					
2012/13																					

II. Limited Reported Incurred Loss Development

Claim Period	Months of Development:																				
	6-18	18-30	30-42	42-54	54-66	66-78	78-90	90-102	102-114	114-126	126-138	138-150	150-162	162-174	174-186	186-198	198-210	210-222	222-234	234-Ult	
to 1/93/94																					
1934/95																					
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2006/07																					
2007/08																					
2008/09																					
2009/10																					
2010/11																					
2011/12																					
2012/13																					

Average	Months of Development:																				
	All	Wtd 3	Last 3	Last 5	x-Hilow	Similar	Previous	Selected	Cumulative	Percent											
All	1.507	1.020	1.025	1.025	1.025	1.004	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Wtd 3	1.002	1.011	1.063	1.064	1.064	1.000	0.989	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Last 3	0.963	1.064	1.064	0.964	1.017	1.000	0.990	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Last 5	2.679	1.070	1.011	0.969	1.010	0.986	0.995	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Similar	2.650	1.150	1.025	1.005	1.005	1.004	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Previous	2.650	1.150	1.050	1.006	1.006	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	3.238	1.222	1.063	1.012	1.006	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	30.9%	81.8%	94.1%	98.8%	99.4%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Percent																					

Amounts are limited (net of excess insurance) and net of other recoveries.

Data was provided by SCCSIG.



SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
LIABILITY

Historical Reported Claims and Reported Claim Development

Claim Period	Months of Development:																				
	6	18	30	42	54	66	78	90	102	114	126	138	150	162	174	186	198	210	222	234	
to 1/93/3/04																					
1934/95																					
1935/96																					
1936/97										137	139	116	112	112	112	112	112	112	112	112	112
1937/98										94	94	94	94	94	94	94	94	94	94	94	94
1938/99										94	94	94	94	94	94	94	94	94	94	94	94
1939/00										94	94	94	94	94	94	94	94	94	94	94	94
2000/01										95	95	95	95	95	95	95	95	95	95	95	95
2001/02										95	95	95	95	95	95	95	95	95	95	95	95
2002/03										95	95	95	95	95	95	95	95	95	95	95	95
2003/04										95	95	95	95	95	95	95	95	95	95	95	95
2004/05										95	95	95	95	95	95	95	95	95	95	95	95
2005/06										95	95	95	95	95	95	95	95	95	95	95	95
2006/07										95	95	95	95	95	95	95	95	95	95	95	95
2007/08										95	95	95	95	95	95	95	95	95	95	95	95
2008/09										95	95	95	95	95	95	95	95	95	95	95	95
2009/10										95	95	95	95	95	95	95	95	95	95	95	95
2010/11										95	95	95	95	95	95	95	95	95	95	95	95
2011/12										95	95	95	95	95	95	95	95	95	95	95	95
2012/13										95	95	95	95	95	95	95	95	95	95	95	95

II. Reported Claim Development

Claim Period	Months of Development:																			
	6-18	18-30	30-42	42-54	54-66	66-78	78-90	90-102	102-114	114-126	126-138	138-150	150-162	162-174	174-186	186-198	198-210	210-222	222-234	234-Ult
to 1/93/3/04																				
1934/95																				
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2006/07																				
2007/08																				
2008/09																				
2009/10																				
2010/11																				
2011/12																				
2012/13																				
Average All	1.283	0.989	1.045	1.056	1.004	0.988	0.986	0.988	1.000	1.000	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Wtd 3	0.907	0.967	1.051	1.041	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Last 3	0.950	0.964	1.084	1.111	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Last 5	0.950	1.003	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
x-Follow																				
Similar	1.250	1.010	1.005	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.250	1.010	1.005	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	1.270	1.016	1.006	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent	78.7%	98.4%	99.4%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Counts are shown by claimant, consistent with prior studies. Historical information by occurrence was not readily available.

Data excludes claims with \$0 incurred.

Data was provided by SCCSIG.



SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP

LIABILITY

Historical Ratio of Limited Paid Losses and Limited Reported Incurred Losses

I. Ratio of Limited Paid Losses to Limited Reported Incurred Losses

Claim Period	6	18	30	42	54	66	78	90	102	114	126	138	150	162	174	186	198	210	222	234	
to 1/9/03/04																					
1934/95																					
1935/96																					
1936/97																					
1937/98																					
1938/99																					
1939/00																					
2000/01									99.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
2001/02							100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
2002/03					94.0%	99.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
2003/04					94.7%	93.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
2004/05					100.0%	96.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
2005/06			85.5%	93.5%	99.8%	98.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
2006/07		303.1%	49.5%	98.2%	99.8%	96.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
2007/08		70.9%	67.4%	87.8%	98.0%	87.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
2008/09		4.8%	68.6%	93.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
2009/10		3.1%	15.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
2010/11		27.0%	79.8%	87.0%																	
2011/12		0.1%	52.1%																		
2012/13		19.3%	17.2%																		
Average	23.6%	75.4%	77.5%	93.7%	98.1%	97.8%	99.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
All	15.5%	30.3%	72.9%	93.4%	99.3%	98.6%	99.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Last 3	9.1%	30.3%	74.9%	92.5%	99.9%	98.7%	99.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Last 5																					
x-high																					
Implicit	27.2%	44.6%	77.6%	92.4%	96.4%	98.3%	99.2%	99.7%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
LIABILITY

Exhibit LI-3

Developed Limited Paid Losses

Claim Period (1)	Months of Development 12/31/12 (2)	Limited Paid Losses 12/31/12 (3)	Percent Losses Paid (4)	Developed Limited Paid Losses (3)/(4) (5)
to 1993/94	234.0	\$4,164,443	100.0%	\$4,164,443
1994/95	222.0	287,724	100.0%	287,724
1995/96	210.0	386,264	100.0%	386,264
1996/97	198.0	296,870	100.0%	296,870
1997/98	186.0	530,553	100.0%	530,553
1998/99	174.0	350,884	100.0%	350,884
1999/00	162.0	301,576	100.0%	301,576
2000/01	150.0	257,450	100.0%	257,450
2001/02	138.0	342,699	100.0%	342,699
2002/03	126.0	474,121	100.0%	474,121
2003/04	114.0	631,139	100.0%	631,139
2004/05	102.0	545,934	99.9%	546,480
2005/06	90.0	658,810	99.7%	660,187 *
2006/07	78.0	484,599	99.2%	487,683 *
2007/08	66.0	595,495	98.2%	602,652 *
2008/09	54.0	164,671	95.8%	171,842
2009/10	42.0	764,025	91.3%	809,664 *
2010/11	30.0	350,198	73.0%	418,339 *
2011/12	18.0	69,118	36.5%	189,337

* - Indicates large claim(s) limited to retention. For details, see Exhibit LI-14.

(3) is from Exhibit LI-1.

(4) is from Exhibit LI-2.



SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
LIABILITY

Exhibit LI-4

Developed Limited Reported Incurred Losses

Claim Period (1)	Months of Development 12/31/12 (2)	Limited Reported Incurred Losses 12/31/12 (3)	Percent Losses Reported (4)	Developed Limited Reported Incurred Losses (3)/(4) (5)
to 1993/94	234.0	\$4,164,443	100.0%	\$4,164,443
1994/95	222.0	287,724	100.0%	287,724
1995/96	210.0	386,264	100.0%	386,264
1996/97	198.0	296,870	100.0%	296,870
1997/98	186.0	530,553	100.0%	530,553
1998/99	174.0	350,884	100.0%	350,884
1999/00	162.0	301,576	100.0%	301,576
2000/01	150.0	257,450	100.0%	257,450
2001/02	138.0	342,699	100.0%	342,699
2002/03	126.0	474,121	100.0%	474,121
2003/04	114.0	631,139	100.0%	631,139
2004/05	102.0	545,934	100.0%	545,934
2005/06	90.0	658,810	100.0%	658,810
2006/07	78.0	484,599	100.0%	484,599
2007/08	66.0	595,495	99.9%	595,890 *
2008/09	54.0	164,671	99.4%	165,660
2009/10	42.0	877,865	98.8%	884,745 *
2010/11	30.0	452,852	94.1%	474,955 *
2011/12	18.0	402,065	81.8%	446,932 *

* - Indicates large claim(s) limited to retention. For details, see Exhibit LI-14.

(3) is from Exhibit LI-1.

(4) is from Exhibit LI-2.



SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
LIABILITY

Exhibit LI-5

Developed Limited Case Reserves

Claim Period (1)	Months of Development 12/31/12 (2)	Percent Losses Paid (3)	Percent Losses Reported (4)	Percent Losses Reserved 12/31/12 [(4)-(3)]/ [100.0%-(3)] (5)	Limited Paid Losses 12/31/12 (6)	Limited Case Reserves 12/31/12 (7)	Developed Limited Case Reserves (6)+(7)/(5) (8)
to 1993/94	234.0	100.0%	100.0%	100.0%	\$4,164,443	\$0	\$4,164,443
1994/95	222.0	100.0%	100.0%	100.0%	287,724	0	287,724
1995/96	210.0	100.0%	100.0%	100.0%	386,264	0	386,264
1996/97	198.0	100.0%	100.0%	100.0%	296,870	0	296,870
1997/98	186.0	100.0%	100.0%	100.0%	530,553	0	530,553
1998/99	174.0	100.0%	100.0%	100.0%	350,884	0	350,884
1999/00	162.0	100.0%	100.0%	100.0%	301,576	0	301,576
2000/01	150.0	100.0%	100.0%	100.0%	257,450	0	257,450
2001/02	138.0	100.0%	100.0%	100.0%	342,699	0	342,699
2002/03	126.0	100.0%	100.0%	100.0%	474,121	0	474,121
2003/04	114.0	100.0%	100.0%	100.0%	631,139	0	631,139
2004/05	102.0	99.9%	100.0%	100.0%	545,934	0	545,934
2005/06	90.0	99.7%	100.0%	100.0%	658,810	0	658,810
2006/07	78.0	99.2%	100.0%	100.0%	484,599	0	484,599
2007/08	66.0	98.2%	99.9%	94.4%	595,495	0	595,495
2008/09	54.0	95.8%	99.4%	85.7%	164,671	0	164,671
2009/10	42.0	91.3%	98.8%	86.4%	764,025	113,839	881,848 *
2010/11	30.0	73.0%	94.1%	78.2%	350,198	102,654	481,540
2011/12	18.0	36.5%	81.8%	71.4%	69,118	332,947	453,491 *

* - Indicates large claim(s) limited to retention. For details, see Exhibit LI-14.

(3) and (4) are from Exhibit LI-2.

(6) and (7) are from Exhibit LI-1.



SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
LIABILITY

Exhibit LI-6

Preliminary Projected Ultimate Limited Losses to 2011/12

Claim Period (1)	Developed Limited Paid Losses (2)	Developed Limited Reported Incurred Losses (3)	Developed Limited Case Reserves (4)	Preliminary Projected Ultimate Limited Losses (5)
to 1993/94	\$4,164,443	\$4,164,443	\$4,164,443	\$4,164,443
1994/95	287,724	287,724	287,724	287,724
1995/96	386,264	386,264	386,264	386,264
1996/97	296,870	296,870	296,870	296,870
1997/98	530,553	530,553	530,553	530,553
1998/99	350,884	350,884	350,884	350,884
1999/00	301,576	301,576	301,576	301,576
2000/01	257,450	257,450	257,450	257,450
2001/02	342,699	342,699	342,699	342,699
2002/03	474,121	474,121	474,121	474,121
2003/04	631,139	631,139	631,139	631,139
2004/05	546,480	545,934	545,934	545,934
2005/06	660,187	658,810	658,810	658,810
2006/07	487,683	484,599	484,599	484,599
2007/08	602,652	595,890	595,495	595,495
2008/09	171,842	165,660	164,671	164,671
2009/10	809,664	884,745	881,848	889,249
2010/11	418,339	474,955	481,540	466,266
2011/12	189,337	446,932	453,491	450,212

(2) is from Exhibit LI-3.

(3) is from Exhibit LI-4.

(4) is from Exhibit LI-5.

(5) is based on (2) to (4) and actuarial judgment.

Bornhuetter - Ferguson Analysis

I. A-priori Loss Rate

Claim Period (1)	Preliminary Projected Ultimate Limited Losses (2)	ADA (3)	Limited Loss Rate per ADA (2)/(3) (4)	Loss Rate Trend (2012/13 = 1.000) (5)	Trended Limited Loss Rate per ADA (4)X(5) (6)	Projected A-priori Loss Rate per ADA (7)/(5) (8)
2002/03	\$474,121	73,939	\$6.41	1.161	\$7.44	\$6.80
2003/04	631,139	72,648	8.69	1.143	9.93	6.90
2004/05	545,934	72,828	7.50	1.126	8.44	7.00
2005/06	658,810	72,708	9.06	1.110	10.06	7.11
2006/07	484,599	73,038	6.63	1.093	7.25	7.22
2007/08	595,495	69,285	8.59	1.077	9.26	7.32
2008/09	164,671	69,995	2.35	1.061	2.50	7.43
2009/10	889,249	67,358	13.20	1.046	13.80	7.55
2010/11	466,266	67,177	6.94	1.030	7.15	7.66
2011/12	450,212	67,793	6.64	1.015	6.74	7.77

(7) Projected 2012/13 a-priori loss rate per ADA \$7.89

II. Bornhuetter - Ferguson Analysis Based on Limited Paid Losses

Claim Period (1)	Limited Paid Losses 12/31/12 (2)	Percent Losses Paid (3)	Projected A-priori Loss Rate per ADA (4)	ADA (5)	B-F Unpaid Losses [100.0%-(3)] X(4)X(5) (6)	B-F Ultimate Limited Paid Losses (2)+(6) (7)
2007/08	\$595,495	98.2%	\$7.32	69,285	\$9,021	\$604,515
2008/09	164,671	95.8%	7.43	69,995	21,716	186,387
2009/10	764,025	91.3%	7.55	67,358	44,404	808,430
2010/11	350,198	73.0%	7.66	67,177	138,860	489,058
2011/12	69,118	36.5%	7.77	67,793	334,623	403,742

III. Bornhuetter - Ferguson Analysis Based on Limited Reported Incurred Losses

Claim Period (1)	Limited Reported Incurred Losses 12/31/12 (2)	Percent Losses Reported (3)	Projected A-priori Loss Rate per ADA (4)	ADA (5)	B-F Unreported Losses [100.0%-(3)] X(4)X(5) (6)	B-F Ultimate Limited Reported Losses (2)+(6) (7)
2007/08	\$595,495	99.9%	\$7.32	69,285	\$507	\$596,002
2008/09	164,671	99.4%	7.43	69,995	3,106	167,777
2009/10	877,865	98.8%	7.55	67,358	6,047	883,912
2010/11	452,852	94.1%	7.66	67,177	30,330	483,182
2011/12	402,065	81.8%	7.77	67,793	95,756	497,821

Section I, (2) is from Exhibit LI-6.

Section I, (3), Section II, (5) and Section III, (5) are from Exhibit LI-10.

Section I, (5) is based on a 1.5% trend.

Section I, (7) is based on Section I, (6) and actuarial judgment.

Sections II and III, (2) are from Exhibit LI-1.

Sections II and III, (3) are from Exhibit LI-2.

Sections II and III, (4) are from Section I, (8).

Frequency Times Severity Analysis

I. Projected Ultimate Claims

Claim Period (1)	Months of Development 12/31/12 (2)	Reported Claims 12/31/12 (3)	Percent Claims Reported (4)	Projected Ultimate Claims (3)/(4) (5)	ADA (6)	Frequency (per 10,000 ADA) (5)/(6)X10,000 (7)
2002/03	126.0	36	100.0%	36	73,939	4.87
2003/04	114.0	34	100.0%	34	72,648	4.68
2004/05	102.0	42	100.0%	42	72,828	5.77
2005/06	90.0	39	100.0%	39	72,708	5.36
2006/07	78.0	53	100.0%	53	73,038	7.26
2007/08	66.0	31	100.0%	31	69,285	4.47
2008/09	54.0	27	100.0%	27	69,995	3.86
2009/10	42.0	31	99.9%	31	67,358	4.60
2010/11	30.0	36	99.4%	36	67,177	5.36
2011/12	18.0	24	98.4%	24	67,793	3.54

II. Frequency Times Severity

Claim Period (1)	Preliminary Projected Ultimate Limited Losses (2)	Projected Ultimate Claims (3)	Average Severity (2)/(3) (4)	Severity Trend (2012/13 = 1.000) (5)	Trended Average Claim Severity (4)X(5) (6)	De-Trended Projected 2012/13 Average Claim Severity (7)/(5) (8)	Frequency Times Severity (3)X(8) (9)
2002/03	\$474,121	36	\$13,170	1.161	\$15,284	\$15,432	\$555,547
2003/04	631,139	34	18,563	1.143	21,225	15,663	532,553
2004/05	545,934	42	12,998	1.126	14,643	15,898	667,728
2005/06	658,810	39	16,893	1.110	18,748	16,137	629,334
2006/07	484,599	53	9,143	1.093	9,998	16,379	868,077
2007/08	595,495	31	19,210	1.077	20,694	16,624	515,359
2008/09	164,671	27	6,099	1.061	6,473	16,874	455,594
2009/10	889,249	31	28,685	1.046	29,996	17,127	530,936
2010/11	466,266	36	12,952	1.030	13,343	17,384	625,819
2011/12	450,212	24	18,759	1.015	19,040	17,645	423,471
(7) Projected 2012/13 average claim severity						\$17,909	

Section I, (3) is from Exhibit LI-1.

Section I, (4) is from Exhibit LI-2.

Section I, (6) is from Exhibit LI-10.

Section II, (2) is from Exhibit LI-6.

Section II, (3) is from Section I, (5).

Section II, (5) is based on a 1.5% trend.

Section II, (7) is based on (6) and actuarial judgment.

SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
LIABILITY

Exhibit LI-9

Projected Ultimate Limited Losses to 2011/12

Claim Period (1)	Developed Limited Paid Losses (2)	Developed Limited Reported Incurred Losses (3)	Developed Limited Case Reserves (4)	B-F Ultimate Limited Paid Losses (5)	B-F Ultimate Limited Reported Losses (6)	Frequency Times Severity (7)	Projected Ultimate Limited Losses (8)
to 1993/94	\$4,164,443	\$4,164,443	\$4,164,443				\$4,164,443
1994/95	287,724	287,724	287,724				287,724
1995/96	386,264	386,264	386,264				386,264
1996/97	296,870	296,870	296,870				296,870
1997/98	530,553	530,553	530,553				530,553
1998/99	350,884	350,884	350,884				350,884
1999/00	301,576	301,576	301,576				301,576
2000/01	257,450	257,450	257,450				257,450
2001/02	342,699	342,699	342,699				342,699
2002/03	474,121	474,121	474,121				474,121
2003/04	631,139	631,139	631,139				631,139
2004/05	546,480	545,934	545,934				545,934
2005/06	660,187	658,810	658,810				658,810
2006/07	487,683	484,599	484,599				484,599
2007/08	602,652	595,890	595,495	604,515	596,002	515,359	595,495
2008/09	171,842	165,660	164,671	186,387	167,777	455,594	164,671
2009/10	809,664	884,745	881,848	808,430	883,912	530,936	889,249
2010/11	418,339	474,955	481,540	489,058	483,182	625,819	475,000
2011/12	189,337	446,932	453,491	403,742	497,821	423,471	450,000
						Subtotal (through 2011/12):	\$12,287,482
2012/13							542,000
2013/14							556,000
						Total (through 2013/14):	\$13,385,482

(2) is from Exhibit LI-3.

(3) is from Exhibit LI-4.

(4) is from Exhibit LI-5.

(5) and (6) are from Exhibit LI-7.

(7) is from Exhibit LI-8.

(8) is based on (2) to (7) and actuarial judgment.



SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
LIABILITY

Exhibit LI-10

Projected Ultimate Limited Losses for 2012/13 and Subsequent

Claim Period (1)	Projected Ultimate Limited Losses (2)	ADA (3)	Limited Loss Rate per ADA (2)/(3) (4)	Loss Rate Trend (2012/13 = 1.000) (5)	Trended Limited Loss Rate per ADA (4)X(5) (6)	Present Value of Projected Limited Loss Rate per ADA (7)X(10) (11)	Present Value of Projected Ultimate Limited Losses (8)X(11) (12)
2002/03	\$474,121	73,939	\$6.41	1.161	\$7.44		
2003/04	631,139	72,648	8.69	1.143	9.93		
2004/05	545,934	72,828	7.50	1.126	8.44		
2005/06	658,810	72,708	9.06	1.110	10.06		
2006/07	484,599	73,038	6.63	1.093	7.25		
2007/08	595,495	69,285	8.59	1.077	9.26		
2008/09	164,671	69,995	2.35	1.061	2.50		
2009/10	889,249	67,358	13.20	1.046	13.80		
2010/11	475,000	67,177	7.07	1.030	7.28		
2011/12	450,000	67,793	6.64	1.015	6.74		
Total	\$5,369,017	706,769	\$7.60		\$8.27		
2012/13	\$7.92	68,471	\$542,000	0.96	\$7.60	\$520,000	
2013/14	8.04	69,156	556,000	0.96	7.71	533,000	

(2) is from Exhibit LI-9.

(3) was provided by SCCSIG.

(5) is based on a 1.5% trend.

(7) for 2012/13 is based on (6) and actuarial judgment.

(7) for 2013/14 and subsequent are based on 2012/13 plus a 1% trend.

(8) is based on (3) for 2011/12 and a 1% trend.

(10) is based on a 2% interest rate and the payout pattern in Exhibit LI-2.



SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
LIABILITY

Exhibit LI-11

Estimated Outstanding Losses as of December 31, 2012

Claim Period (1)	Limited Paid Losses 12/31/12 (2)	Limited Case Reserves 12/31/12 (3)	Limited Reported Incurred Losses 12/31/12 (4)	Projected Ultimate Limited Losses (5)	Estimated IBNR 12/31/12 (5)-(4) (6)	Estimated Outstanding Losses 12/31/12 (3)+(6) (7)	Present Value Factor (8)	Present Value of Estimated Outstanding Losses 12/31/12 (7)X(8) (9)
to 1993/94	\$4,164,443	\$0	\$4,164,443	\$4,164,443	\$0	\$0	1.00	\$0
1994/95	287,724	0	287,724	287,724	0	0	1.00	0
1995/96	386,264	0	386,264	386,264	0	0	1.00	0
1996/97	296,870	0	296,870	296,870	0	0	1.00	0
1997/98	530,553	0	530,553	530,553	0	0	1.00	0
1998/99	350,884	0	350,884	350,884	0	0	1.00	0
1999/00	301,576	0	301,576	301,576	0	0	1.00	0
2000/01	257,450	0	257,450	257,450	0	0	1.00	0
2001/02	342,699	0	342,699	342,699	0	0	1.00	0
2002/03	474,121	0	474,121	474,121	0	0	1.00	0
2003/04	631,139	0	631,139	631,139	0	0	1.00	0
2004/05	545,934	0	545,934	545,934	0	0	0.99	0
2005/06	658,810	0	658,810	658,810	0	0	0.99	0
2006/07	484,599	0	484,599	484,599	0	0	0.98	0
2007/08	595,495	0	595,495	595,495	0	0	0.98	0
2008/09	164,671	0	164,671	164,671	0	0	0.98	0
2009/10	764,025	113,839	877,865	889,249	11,384	125,223	0.98	122,107
2010/11	350,198	102,654	452,852	475,000	22,148	124,802	0.98	122,032
2011/12	69,118	332,947	402,065	450,000	47,935	380,882	0.98	372,390
2012/13	4,328	18,064	22,392	271,000	248,608	266,672	0.97	259,461
Total	\$11,660,902	\$567,504	\$12,228,406	\$12,558,482	\$330,075	\$897,579		\$875,990

(2), (3) and (4) are net of specific self insured retention and aggregate retention.

(5) to 2011/12 is from Exhibit LI-9. The amount for 2012/13 is from Exhibit LI-10. (50% of the period).

(8) is based on a 2% interest rate and the payout pattern in Exhibit LI-2.



SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
LIABILITY

Exhibit LI-12

Projected Losses Paid January 1, 2013 to June 30, 2013

Claim Period (1)	Months of Development 12/31/12 (2)	Percent Losses Paid (3)	Months of Development 6/30/13 (4)	Percent Losses Paid (5)	Percent Outstanding Losses Paid 1/1/13 to 6/30/13 [(5)-(3)]/ [100.0%-(3)] (6)	Estimated Outstanding Losses 12/31/12 (7)	Projected Losses Paid (6)X(7) (8)	Estimated Outstanding Losses 6/30/13 (7)-(8) (9)	Present Value Factor (10)	Present Value of Estimated Outstanding Losses 6/30/13 (9)X(10) (11)
to 1993/94	234.0	100.0%	240.0	100.0%	100.0%	\$0	\$0	\$0	1.00	\$0
1994/95	222.0	100.0%	228.0	100.0%	100.0%	0	0	0	1.00	0
1995/96	210.0	100.0%	216.0	100.0%	100.0%	0	0	0	1.00	0
1996/97	198.0	100.0%	204.0	100.0%	100.0%	0	0	0	1.00	0
1997/98	186.0	100.0%	192.0	100.0%	100.0%	0	0	0	1.00	0
1998/99	174.0	100.0%	180.0	100.0%	100.0%	0	0	0	1.00	0
1999/00	162.0	100.0%	168.0	100.0%	100.0%	0	0	0	1.00	0
2000/01	150.0	100.0%	156.0	100.0%	100.0%	0	0	0	1.00	0
2001/02	138.0	100.0%	144.0	100.0%	100.0%	0	0	0	1.00	0
2002/03	126.0	100.0%	132.0	100.0%	100.0%	0	0	0	1.00	0
2003/04	114.0	100.0%	120.0	100.0%	100.0%	0	0	0	1.00	0
2004/05	102.0	99.9%	108.0	100.0%	50.0%	0	0	0	0.99	0
2005/06	90.0	99.7%	96.0	99.8%	33.3%	0	0	0	0.99	0
2006/07	78.0	99.2%	84.0	99.5%	31.2%	0	0	0	0.98	0
2007/08	66.0	98.2%	72.0	98.7%	27.6%	0	0	0	0.98	0
2008/09	54.0	95.8%	60.0	97.0%	28.7%	0	0	0	0.98	0
2009/10	42.0	91.3%	48.0	93.5%	26.1%	125,223	32,703	92,520	0.98	90,218
2010/11	30.0	73.0%	36.0	82.1%	33.8%	124,802	42,202	82,600	0.98	80,767
2011/12	18.0	36.5%	24.0	54.8%	28.7%	380,882	109,492	271,390	0.98	265,339
2012/13	6.0	8.4%	12.0	16.8%	9.2%	537,672	49,255	488,417	0.97	475,211
Total						\$1,168,579	\$233,652	\$934,927		\$911,535

(3) and (5) are from Exhibit LI-2.

(7) to 2011/12 is from Exhibit LI-11. The amount for 2012/13 is for the full period.

(10) is based on a 2% interest rate and the payout pattern in Exhibit LI-2.



SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
LIABILITY

Exhibit LI-13

Projected Losses Paid July 1, 2013 to June 30, 2014

Claim Period (1)	Months of Development 6/30/13 (2)	Percent Losses Paid (3)	Months of Development 6/30/14 (4)	Percent Losses Paid (5)	Percent Outstanding Losses Paid 7/1/13 to 6/30/14 [(5)-(3)]/ [100.0%-(3)] (6)	Estimated Outstanding Losses 6/30/13 (7)	Projected Losses Paid (6)X(7) (8)	Estimated Outstanding Losses 6/30/14 (7)-(8) (9)	Present Value Factor (10)	Present Value of Estimated Outstanding Losses 6/30/14 (9)X(10) (11)
to 1993/94	240.0	100.0%	252.0	100.0%	100.0%	\$0	\$0	\$0	1.00	\$0
1994/95	228.0	100.0%	240.0	100.0%	100.0%	0	0	0	1.00	0
1995/96	216.0	100.0%	228.0	100.0%	100.0%	0	0	0	1.00	0
1996/97	204.0	100.0%	216.0	100.0%	100.0%	0	0	0	1.00	0
1997/98	192.0	100.0%	204.0	100.0%	100.0%	0	0	0	1.00	0
1998/99	180.0	100.0%	192.0	100.0%	100.0%	0	0	0	1.00	0
1999/00	168.0	100.0%	180.0	100.0%	100.0%	0	0	0	1.00	0
2000/01	156.0	100.0%	168.0	100.0%	100.0%	0	0	0	1.00	0
2001/02	144.0	100.0%	156.0	100.0%	100.0%	0	0	0	1.00	0
2002/03	132.0	100.0%	144.0	100.0%	100.0%	0	0	0	1.00	0
2003/04	120.0	100.0%	132.0	100.0%	100.0%	0	0	0	1.00	0
2004/05	108.0	100.0%	120.0	100.0%	100.0%	0	0	0	1.00	0
2005/06	96.0	99.8%	108.0	100.0%	75.0%	0	0	0	0.99	0
2006/07	84.0	99.5%	96.0	99.8%	63.5%	0	0	0	0.99	0
2007/08	72.0	98.7%	84.0	99.5%	57.5%	0	0	0	0.98	0
2008/09	60.0	97.0%	72.0	98.7%	56.8%	0	0	0	0.98	0
2009/10	48.0	93.5%	60.0	97.0%	53.9%	92,520	49,872	42,648	0.98	41,654
2010/11	36.0	82.1%	48.0	93.5%	63.9%	82,600	52,752	29,848	0.98	29,105
2011/12	24.0	54.8%	36.0	82.1%	60.5%	271,390	164,238	107,152	0.98	104,774
2012/13	12.0	16.8%	24.0	54.8%	45.6%	488,417	222,880	265,537	0.98	259,617
2013/14	0.0	0.0%	12.0	16.8%	16.8%	556,000	93,320	462,680	0.97	450,169
Total						\$1,490,927	\$583,062	\$907,865		\$885,319

(3) and (5) are from Exhibit LI-2.

(7) to 2012/13 is from Exhibit LI-12, (9). The amount for 2013/14 is from Exhibit LI-10.

(10) is based on a 2% interest rate and the payout pattern in Exhibit LI-2.



SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
LIABILITY

Exhibit LI-14

List of Large Claims
Reported Incurred Losses Greater Than \$50,000

Claim Number (1)	Date of Loss (2)	Claim Period (3)	Specific Self-Insured Retention (4)	Unlimited Paid Losses 12/31/12 (5)	Unlimited Case Reserves 12/31/12 (6)	Unlimited Reported Incurred Losses 12/31/12 (7)
19791	9/10/1990	to 1993/94	\$50,000	\$50,995	\$0	\$50,995
20675	3/15/1991	to 1993/94	50,000	50,406	0	50,406
24689	7/12/1993	to 1993/94	50,000	50,425	0	50,425
36795	10/3/1995	1995/96	100,000	99,946	0	99,946
43451	10/9/1996	1996/97	100,000	69,721	0	69,721
47135	4/14/1997	1996/97	100,000	100,000	0	100,000
48171	8/25/1997	1997/98	100,000	87,678	0	87,678
48137	9/18/1997	1997/98	100,000	66,298	0	66,298
48100	9/22/1997	1997/98	100,000	76,612	0	76,612
51033	4/21/1998	1997/98	100,000	100,000	0	100,000
54683	7/6/1998	1998/99	100,000	94,087	0	94,087
56721	3/18/1999	1998/99	100,000	94,675	0	94,675
58106	3/31/1999	1998/99	100,000	62,598	0	62,598
59125	9/3/1999	1999/00	100,000	90,000	0	90,000
63598	1/1/2000	1999/00	100,000	100,000	0	100,000
67534	1/30/2001	2000/01	100,000	100,000	0	100,000
76982	5/31/2002	2001/02	100,000	100,000	0	100,000
81425	2/1/2003	2002/03	100,000	84,800	0	84,800
80612	5/15/2003	2002/03	100,000	100,000	0	100,000
77733	6/11/2003	2002/03	100,000	90,553	0	90,553
80672	8/5/2003	2003/04	100,000	100,000	0	100,000
79076	9/10/2003	2003/04	100,000	100,000	0	100,000
80696	2/3/2004	2003/04	100,000	99,418	0	99,418
81483	4/22/2004	2003/04	100,000	100,000	0	100,000
82202	5/13/2004	2003/04	100,000	90,588	0	90,588
88835	12/3/2004	2004/05	100,000	50,286	0	50,286
91801	12/25/2004	2004/05	100,000	50,967	0	50,967
88837	1/4/2005	2004/05	100,000	70,447	0	70,447
90203	3/7/2005	2004/05	100,000	51,705	0	51,705
91880	7/22/2005	2005/06	100,000	58,890	0	58,890
93284	8/23/2005	2005/06	100,000	85,304	0	85,304
98744	5/30/2006	2005/06	100,000	100,000 *	0	100,000
98110	6/24/2006	2005/06	100,000	100,000 *	0	100,000
98897	1/15/2007	2006/07	100,000	100,000 *	0	100,000
11301	1/16/2007	2006/07	100,000	50,963	0	50,963
12712	5/14/2007	2006/07	100,000	64,052	0	64,052
14379	7/30/2007	2007/08	100,000	51,237	0	51,237
16589	12/21/2007	2007/08	100,000	100,000 *	0	100,000 *
18789	2/7/2008	2007/08	100,000	100,000 *	0	100,000 *
18740	2/9/2008	2007/08	100,000	76,867	0	76,867
18736	4/11/2008	2007/08	100,000	83,333	0	83,333
08-73690	12/15/2008	2008/09	100,000	53,334	0	53,334
09-87971	10/8/2009	2009/10	100,000	98,888 *	0	98,888 *
09-79267	10/15/2009	2009/10	100,000	100,000 *	0	100,000 *
09-83240	11/17/2009	2009/10	100,000	43,235	16,765	60,000
10-86438	12/2/2009	2009/10	100,000	41,498	8,503	50,001
10-02290	3/27/2010	2009/10	100,000	11,428	88,572 *	100,000 *
10-83641	5/5/2010	2009/10	100,000	100,000 *	0	100,000 *
10-84344	5/25/2010	2009/10	100,000	72,896	0	72,896
10-91252	6/4/2010	2009/10	100,000	81,661	0	81,661
10-91403	6/18/2010	2009/10	100,000	61,101	0	61,101
10-85705	7/15/2010	2010/11	100,000	90,786 *	0	90,786
10-86031	7/28/2010	2010/11	100,000	53,299	0	53,299
10-95480	11/3/2010	2010/11	100,000	8,213	66,787	75,000
11-92572	4/7/2011	2010/11	100,000	100,000 *	0	100,000 *
11-98786	7/12/2011	2011/12	100,000	12,005	87,995 *	100,000 *
12-01170	2/16/2012	2011/12	100,000	0	62,500	62,500
12-02018	3/26/2012	2011/12	100,000	0	100,000 *	100,000 *
12-04112	3/30/2012	2011/12	100,000	0	76,153 *	76,153

Amounts are shown gross of the self-insured retention and net of other recoveries.

The claim(s) indicated by a "*" have been limited in development.

(1) through (7) were provided by SCCSIG.



Size of Loss Distribution

I. Reported Claim Count

Layer (1)	Prior (2)	2008/09 (3)	2009/10 (4)	2010/11 (5)	2011/12 (6)	2012/13 (7)	Total (2)...(7) (8)	Non-Zero Claim Cumulative Total (9)	Non-Zero Claim Cumulative % of Total (10)
0	0	0	0	0	0	0	0		
0.01 - 5,000	857	23	16	24	18	7	945	945	69.1%
5,000 - 10,000	135	0	2	5	0	1	143	1,088	79.6%
10,000 - 25,000	134	2	1	2	2	0	141	1,229	89.9%
25,000 - 50,000	74	1	3	1	0	0	79	1,308	95.7%
50,000 - 100,000	41	1	5	3	2	0	52	1,360	99.5%
100,000 - 250,000	0	0	3	0	1	0	4	1,364	99.8%
250,000 - 500,000	0	0	1	1	1	0	3	1,367	100.0%
500,000 - 750,000	0	0	0	0	0	0	0	1,367	100.0%
750,000 - 1,000,000	0	0	0	0	0	0	0	1,367	100.0%
Over 1,000,000	0	0	0	0	0	0	0	1,367	100.0%
Total	1,241	27	31	36	24	8	1,367	1,367	

II. Total Reported Incurred Losses

Layer (1)	Prior (2)	2008/09 (3)	2009/10 (4)	2010/11 (5)	2011/12 (6)	2012/13 (7)	Total (2)...(7) (8)	Non-Zero Claim Cumulative Total (9)	Non-Zero Claim Cumulative % of Total (10)
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
0.01 - 5,000	1,150,121	36,714	29,841	40,671	25,606	14,892	1,297,845	1,297,845	9.8%
5,000 - 10,000	966,394	0	13,374	34,707	0	7,500	1,021,975	2,319,820	17.5%
10,000 - 25,000	2,155,415	37,292	24,643	24,759	43,158	0	2,285,266	4,605,086	34.7%
25,000 - 50,000	2,829,120	46,503	95,194	42,670	0	0	3,013,487	7,618,573	57.4%
50,000 - 100,000	3,352,848	53,334	325,658	219,085	139,500	0	4,090,426	11,708,999	88.1%
100,000 - 250,000	0	0	565,248	0	125,000	0	690,248	12,399,248	93.3%
250,000 - 500,000	0	0	325,000	284,037	275,000	0	884,037	13,283,284	100.0%
500,000 - 750,000	0	0	0	0	0	0	0	13,283,284	100.0%
750,000 - 1,000,000	0	0	0	0	0	0	0	13,283,284	100.0%
Over 1,000,000	0	0	0	0	0	0	0	13,283,284	100.0%
Total	\$10,453,899	\$173,843	\$1,378,958	\$645,929	\$608,264	\$22,392	\$13,283,284	\$13,283,284	

Amounts are shown gross of the self-insured retention and net of other recoveries.

2012/13 reflects 6.0 months of exposure.

Data was provided by SCCSIG.



SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
PROPERTY

Exhibit PR-1 (page 1)

Data Summary as of December 31, 2012
Losses Limited to Self-Insured Retention

Claim Period (1)	Specific Self-Insured Retention (2)	Aggregate Retention (3)	Months of Development 12/31/12 (4)	TIV (000) (5)	Reported Claims 12/31/12 (6)	Open Claims 12/31/12 (7)	Limited Paid Losses 12/31/12 (8)	Limited Case Reserves 12/31/12 (9)	Limited Reported Incurred Losses 12/31/12 (10)
to 1993/94	See Note	None	234.0	Not Provided	137	0	\$868,910	\$0	\$868,910
1994/95	25,000	None	222.0	841,810	25	0	129,024	0	129,024
1995/96	100,000	None	210.0	906,210	16	0	84,429	0	84,429
1996/97	100,000	None	198.0	798,450	24	0	71,571	0	71,571
1997/98	100,000	None	186.0	826,840	40	0	202,293	0	202,293
1998/99	100,000	None	174.0	776,490	36	0	258,583	0	258,583
1999/00	100,000	None	162.0	800,880	26	0	252,959	0	252,959
2000/01	100,000	None	150.0	866,020	35	0	172,462	0	172,462
2001/02	100,000	None	138.0	934,750	39	0	166,621	0	166,621
2002/03	100,000	None	126.0	955,040	43	0	624,266	0	624,266
2003/04	100,000	None	114.0	1,025,920	39	0	397,103	0	397,103
2004/05	100,000	None	102.0	1,095,600	13	0	267,470	0	267,470
2005/06	100,000	None	90.0	1,266,680	10	0	108,468	0	108,468
2006/07	100,000	None	78.0	1,442,530	21	0	200,653	0	200,653
2007/08	100,000	None	66.0	1,613,850	8	0	194,415	0	194,415
2008/09	100,000	None	54.0	1,629,990	25	0	365,962	0	365,962
2009/10	100,000	None	42.0	1,646,290	22	2	365,550	5,285	370,834
2010/11	100,000	None	30.0	1,661,410	20	2	404,768	2,903	407,671
2011/12	100,000	None	18.0	1,674,912	13	1	43,840	1,500	45,340
2012/13	100,000	None	6.0	1,752,553	11	9	6,086	61,454	67,540
Total					603	14	\$5,185,432	\$71,142	\$5,256,574

Claim Period (1)	Salvage/ Subrogation Recoveries 12/31/12 (11)
to 1993/94	\$27,966
1994/95	879
1995/96	10,638
1996/97	4,875
1997/98	16,416
1998/99	1,554
1999/00	2,377
2000/01	0
2001/02	0
2002/03	6,070
2003/04	40,970
2004/05	0
2005/06	0
2006/07	33,648
2007/08	3,589
2008/09	22,264 +
2009/10	3,611 +
2010/11	35,440 +
2011/12	0 +
2012/13	1,500 +
Total	\$211,798

(6) and (7) exclude claims with \$0 incurred.

* The specific self-insured retention changes are as follows:

Effective Date	Retention
07/01/80	\$10,000
07/01/85	25,000
07/01/95	100,000

For the following coverages the self-insured retention differs from above: crime is \$500, automobile physical damage is \$1,500, and electronic data is \$5,000.

+ Salvage and subrogation recoveries for 2008/09 through 2012/13 are based on amounts recovered by SCCSIG.

(8), (9) and (10) are net of the specific self-insured retention and net of other recoveries.



Data was provided by SCCSIG.

SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
PROPERTY

Exhibit PR-1 (page 2)

Data Summary as of December 31, 2012
Unlimited Losses

Claim Period (1)	Specific Self-Insured Retention (2)	Aggregate Retention (3)	Months of Development 12/31/12 (4)	TIV (000) (5)	Reported Claims 12/31/12 (6)	Open Claims 12/31/12 (7)	Unlimited Paid Losses 12/31/12 (8)	Unlimited Case Reserves 12/31/12 (9)	Unlimited Reported Incurred Losses 12/31/12 (10)
to 1993/94	Unlimited	None	234.0	Not Provided	137	0	\$1,193,496	\$0	\$1,193,496
1994/95	Unlimited	None	222.0	841,810	25	0	129,903	0	129,903
1995/96	Unlimited	None	210.0	906,210	16	0	95,067	0	95,067
1996/97	Unlimited	None	198.0	798,450	24	0	76,446	0	76,446
1997/98	Unlimited	None	186.0	826,840	40	0	218,710	0	218,710
1998/99	Unlimited	None	174.0	776,490	36	0	260,136	0	260,136
1999/00	Unlimited	None	162.0	800,880	26	0	255,336	0	255,336
2000/01	Unlimited	None	150.0	866,020	35	0	172,462	0	172,462
2001/02	Unlimited	None	138.0	934,750	39	0	166,621	0	166,621
2002/03	Unlimited	None	126.0	955,040	43	0	629,029	0	629,029
2003/04	Unlimited	None	114.0	1,025,920	39	0	425,536	0	425,536
2004/05	Unlimited	None	102.0	1,095,600	13	0	267,470	0	267,470
2005/06	Unlimited	None	90.0	1,266,680	10	0	108,468	0	108,468
2006/07	Unlimited	None	78.0	1,442,530	21	0	230,624	0	230,624
2007/08	Unlimited	None	66.0	1,613,850	8	0	197,031	0	197,031
2008/09	Unlimited	None	54.0	1,629,990	25	0	1,030,120	0	1,030,120
2009/10	Unlimited	None	42.0	1,646,290	22	2	568,357	5,285	573,642
2010/11	Unlimited	None	30.0	1,661,410	20	2	591,213	2,903	594,116
2011/12	Unlimited	None	18.0	1,674,912	13	1	86,139	1,500	87,639
2012/13	Unlimited	None	6.0	1,752,553	11	9	17,068	85,465	102,534
Total					603	14	\$6,719,232	\$95,153	\$6,814,385

(6) and (7) exclude claims with \$0 incurred.

(8), (9) and (10) are gross of the specific self-insured retention and gross of other recoveries.

Data was provided by SCCSIG.



Summary of Percent Losses Paid, Losses Reported and Claims Reported

Months of Development (1)	Percent Losses Paid (2)	Percent Losses Reported (3)	Percent Claims Reported (4)	Months of Development (5)	Percent Losses Paid (6)	Percent Losses Reported (7)	Percent Claims Reported (8)
360.0	100.0%	100.0%	100.0%	354.0	100.0%	100.0%	100.0%
348.0	100.0%	100.0%	100.0%	342.0	100.0%	100.0%	100.0%
336.0	100.0%	100.0%	100.0%	330.0	100.0%	100.0%	100.0%
324.0	100.0%	100.0%	100.0%	318.0	100.0%	100.0%	100.0%
312.0	100.0%	100.0%	100.0%	306.0	100.0%	100.0%	100.0%
300.0	100.0%	100.0%	100.0%	294.0	100.0%	100.0%	100.0%
288.0	100.0%	100.0%	100.0%	282.0	100.0%	100.0%	100.0%
276.0	100.0%	100.0%	100.0%	270.0	100.0%	100.0%	100.0%
264.0	100.0%	100.0%	100.0%	258.0	100.0%	100.0%	100.0%
252.0	100.0%	100.0%	100.0%	246.0	100.0%	100.0%	100.0%
240.0	100.0%	100.0%	100.0%	234.0	100.0%	100.0%	100.0%
228.0	100.0%	100.0%	100.0%	222.0	100.0%	100.0%	100.0%
216.0	100.0%	100.0%	100.0%	210.0	100.0%	100.0%	100.0%
204.0	100.0%	100.0%	100.0%	198.0	100.0%	100.0%	100.0%
192.0	100.0%	100.0%	100.0%	186.0	100.0%	100.0%	100.0%
180.0	100.0%	100.0%	100.0%	174.0	100.0%	100.0%	100.0%
168.0	100.0%	100.0%	100.0%	162.0	100.0%	100.0%	100.0%
156.0	100.0%	100.0%	100.0%	150.0	100.0%	100.0%	100.0%
144.0	100.0%	100.0%	100.0%	138.0	100.0%	100.0%	100.0%
132.0	100.0%	100.0%	100.0%	126.0	100.0%	100.0%	100.0%
120.0	100.0%	100.0%	100.0%	114.0	100.0%	100.0%	100.0%
108.0	100.0%	100.0%	100.0%	102.0	100.0%	100.0%	100.0%
96.0	100.0%	100.0%	100.0%	90.0	100.0%	100.0%	100.0%
84.0	100.0%	100.0%	100.0%	78.0	100.0%	100.0%	100.0%
72.0	100.0%	100.0%	100.0%	66.0	100.0%	100.0%	100.0%
60.0	100.0%	100.0%	100.0%	54.0	100.0%	100.0%	100.0%
48.0	99.5%	99.8%	100.0%	42.0	99.0%	99.6%	100.0%
36.0	98.0%	99.1%	100.0%	30.0	97.1%	98.6%	100.0%
24.0	91.9%	97.6%	99.5%	18.0	86.7%	96.7%	99.0%
12.0	20.4%	48.3%	79.2%	6.0	10.2%	24.2%	39.6%

(2) is from Exhibit PR-2 (page 2).

(3) is from Exhibit PR-2 (page 3).

(4) is from Exhibit PR-2 (page 4).

(6), (7) and (8) are interpolated, based on (2), (3) and (4), respectively.

SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
PROPERTY

Historical Limited Paid Losses and Limited Paid Loss Development

I. Historical Limited Paid Losses

Claim Period	Months of Development:																				
	6	18	30	42	54	66	78	90	102	114	126	138	150	162	174	186	198	210	222	234	
to 1/9/93/04																					
1994/95																					
1995/96																					
1996/97																					
1997/98																					
1998/99																					
1999/00																					
2000/01																					
2001/02																					
2002/03																					
2003/04																					
2004/05																					
2005/06																					
2006/07																					
2007/08																					
2008/09																					
2009/10																					
2010/11																					
2011/12																					
2012/13																					

II. Limited Paid Loss Development

Claim Period	Months of Development:																				
	6-18	18-30	30-42	42-54	54-66	66-78	78-90	90-102	102-114	114-126	126-138	138-150	150-162	162-174	174-186	186-198	198-210	210-222	222-234	234-Ult	
to 1/9/93/94																					
1994/95																					
1995/96																					
1996/97																					
1997/98																					
1998/99																					
1999/00																					
2000/01																					
2001/02																					
2002/03																					
2003/04																					
2004/05																					
2005/06																					
2006/07																					
2007/08																					
2008/09																					
2009/10																					
2010/11																					
2011/12																					
2012/13																					

Average All
Wtd 3
Last 3
Last 5
x-tilt/low

Similar	8,500 #	1,125	1,010	1,001	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Selected	8,500	1,120	1,020	1,010	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Cumulative	9,808	1,154	1,030	1,010	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Percent	10.2%	86.7%	97.1%	99.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Amounts are limited (net of excess insurance).
Data was provided by SCCSIG.



SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
PROPERTY

Historical Limited Reported Incurred Losses and Limited Reported Incurred Loss Development

I. Historical Limited Reported Incurred Losses

Claim Period	Months of Development:																				
	6	18	30	42	54	66	78	90	102	114	126	138	150	162	174	186	198	210	222	234	
to 1/9/93/04																					
1994/95																					
1995/96																					
1996/97																					
1997/98																					
1998/99																					
1999/00																					
2000/01																					
2001/02																					
2002/03																					
2003/04																					
2004/05																					
2005/06																					
2006/07																					
2007/08																					
2008/09																					
2009/10																					
2010/11																					
2011/12																					
2012/13																					

II. Limited Reported Incurred Loss Development

Claim Period	Months of Development:																				
	6-18	18-30	30-42	42-54	54-66	66-78	78-90	90-102	102-114	114-126	126-138	138-150	150-162	162-174	174-186	186-198	198-210	210-222	222-234	234-Ult	
to 1/9/93/94																					
1994/95																					
1995/96																					
1996/97																					
1997/98																					
1998/99																					
1999/00																					
2000/01																					
2001/02																					
2002/03																					
2003/04																					
2004/05																					
2005/06																					
2006/07																					
2007/08																					
2008/09																					
2009/10																					
2010/11																					
2011/12																					
2012/13																					

Average All	Months of Development:																			
	6-18	18-30	30-42	42-54	54-66	66-78	78-90	90-102	102-114	114-126	126-138	138-150	150-162	162-174	174-186	186-198	198-210	210-222	222-234	234-Ult
4.589	0.871	0.971	0.983	1.000	1.000	1.000	1.000	1.000	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2.014	0.938	0.969	0.973	1.002	1.006	1.006	1.000	1.000	1.011	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2.626	0.939	0.956	0.970	1.002	1.006	1.006	1.000	1.000	1.011	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3.367	0.930	0.963	0.986	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
4.250	0.975	0.990	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
4.000	1.020	1.010	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
4.137	1.034	1.014	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
24.2%	96.7%	98.6%	99.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Amounts are limited (net of excess insurance).
Data was provided by SCCSIG.



SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
PROPERTY

Historical Reported Claims and Reported Claim Development

Claim Period	Months of Development:																				
	6	18	30	42	54	66	78	90	102	114	126	138	150	162	174	186	198	210	222	234	
to 1/9/93/04																					
1994/95																					
1995/96																					
1996/97																					
1997/98																					
1998/99																					
1999/00																					
2000/01																					
2001/02																					
2002/03																					
2003/04																					
2004/05																					
2005/06																					
2006/07																					
2007/08																					
2008/09																					
2009/10																					
2010/11																					
2011/12																					
2012/13																					

II. Reported Claim Development

Claim Period	Months of Development:																				
	6-18	18-30	30-42	42-54	54-66	66-78	78-90	90-102	102-114	114-126	126-138	138-150	150-162	162-174	174-186	186-198	198-210	210-222	222-234	234-Ult	
to 1/9/93/94																					
1994/95																					
1995/96																					
1996/97																					
1997/98																					
1998/99																					
1999/00																					
2000/01																					
2001/02																					
2002/03																					
2003/04																					
2004/05																					
2005/06																					
2006/07																					
2007/08																					
2008/09																					
2009/10																					
2010/11																					
2011/12																					
2012/13																					
Average All	3,727	1,085	1,049	1,020	1,000	1,000	1,000	1,000	1,004	0,986	1,000	1,000	0,996	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Wtd 3	2,000	1,015	1,065	1,036	1,000	1,000	1,000	1,000	1,000	0,984	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Last 3	2,294	1,030	1,079	1,040	1,000	1,000	1,000	1,000	1,000	0,983	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Last 5 x-til low	2,294	1,055	1,020	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Similar	2,750	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Selected	2,500	1,010	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Cumulative	2,525	1,010	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Percent	39.6%	99.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Counts are shown by claimant, consistent with prior studies. Historical information by occurrence was not readily available.

Data excludes claims with \$0 incurred.

Data was provided by SCCSIG.



SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
PROPERTY

Historical Ratio of Limited Paid Losses and Limited Reported Incurred Losses

I. Ratio of Limited Paid Losses to Limited Reported Incurred Losses

Claim Period	6	18	30	42	54	66	78	90	102	114	126	138	150	162	174	186	198	210	222	234	
to 1/9/03/04																					
1934/95																					
1935/96																					
1936/97																					
1937/98																					
1938/99																					
1939/00																					
2000/01																					
2001/02																					
2002/03																					
2003/04																					
2004/05																					
2005/06																					
2006/07		64.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2007/08		50.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2008/09		15.6%	71.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2009/10		58.1%	97.8%	92.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2010/11		18.9%	84.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2011/12		44.2%	94.5%	99.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2012/13		24.7%	95.2%	98.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		9.0%	96.7%																		
Average																					
All	31.5%	81.5%	97.2%	98.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Last 3	26.0%	95.5%	99.4%	99.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Last 5	29.3%	95.4%	98.8%	99.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
x-high																					
Implicit	42.2%	89.6%	98.4%	99.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Developed Limited Paid Losses

Claim Period (1)	Months of Development 12/31/12 (2)	Limited Paid Losses 12/31/12 (3)	Percent Losses Paid (4)	Developed Limited Paid Losses (3)/(4) (5)
to 1993/94	234.0	\$868,910	100.0%	\$868,910
1994/95	222.0	129,024	100.0%	129,024
1995/96	210.0	84,429	100.0%	84,429
1996/97	198.0	71,571	100.0%	71,571
1997/98	186.0	202,293	100.0%	202,293
1998/99	174.0	258,583	100.0%	258,583
1999/00	162.0	252,959	100.0%	252,959
2000/01	150.0	172,462	100.0%	172,462
2001/02	138.0	166,621	100.0%	166,621
2002/03	126.0	624,266	100.0%	624,266
2003/04	114.0	397,103	100.0%	397,103
2004/05	102.0	267,470	100.0%	267,470
2005/06	90.0	108,468	100.0%	108,468
2006/07	78.0	200,653	100.0%	200,653
2007/08	66.0	194,415	100.0%	194,415
2008/09	54.0	365,962	100.0%	365,962
2009/10	42.0	365,550	99.0%	368,205 *
2010/11	30.0	404,768	97.1%	410,952 *
2011/12	18.0	43,840	86.7%	50,583

* - Indicates large claim(s) limited to retention. For details, see Exhibit PR-14.

(3) is from Exhibit PR-1.

(4) is from Exhibit PR-2.



SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
PROPERTY

Exhibit PR-4

Developed Limited Reported Incurred Losses

Claim Period (1)	Months of Development 12/31/12 (2)	Limited Reported Incurred Losses 12/31/12 (3)	Percent Losses Reported (4)	Developed Limited Reported Incurred Losses (3)/(4) (5)
to 1993/94	234.0	\$868,910	100.0%	\$868,910
1994/95	222.0	129,024	100.0%	129,024
1995/96	210.0	84,429	100.0%	84,429
1996/97	198.0	71,571	100.0%	71,571
1997/98	186.0	202,293	100.0%	202,293
1998/99	174.0	258,583	100.0%	258,583
1999/00	162.0	252,959	100.0%	252,959
2000/01	150.0	172,462	100.0%	172,462
2001/02	138.0	166,621	100.0%	166,621
2002/03	126.0	624,266	100.0%	624,266
2003/04	114.0	397,103	100.0%	397,103
2004/05	102.0	267,470	100.0%	267,470
2005/06	90.0	108,468	100.0%	108,468
2006/07	78.0	200,653	100.0%	200,653
2007/08	66.0	194,415	100.0%	194,415
2008/09	54.0	365,962	100.0%	365,962
2009/10	42.0	370,834	99.6%	371,918 *
2010/11	30.0	407,671	98.6%	410,587 *
2011/12	18.0	45,340	96.7%	46,896

* - Indicates large claim(s) limited to retention. For details, see Exhibit PR-14.

(3) is from Exhibit PR-1.

(4) is from Exhibit PR-2.



Developed Limited Case Reserves

Claim Period (1)	Months of Development 12/31/12 (2)	Percent Losses Paid (3)	Percent Losses Reported (4)	Percent Losses Reserved 12/31/12 [(4)-(3)]/ [100.0%-(3)] (5)	Limited Paid Losses 12/31/12 (6)	Limited Case Reserves 12/31/12 (7)	Developed Limited Case Reserves (6)+(7)/(5) (8)
to 1993/94	234.0	100.0%	100.0%	100.0%	\$868,910	\$0	\$868,910
1994/95	222.0	100.0%	100.0%	100.0%	129,024	0	129,024
1995/96	210.0	100.0%	100.0%	100.0%	84,429	0	84,429
1996/97	198.0	100.0%	100.0%	100.0%	71,571	0	71,571
1997/98	186.0	100.0%	100.0%	100.0%	202,293	0	202,293
1998/99	174.0	100.0%	100.0%	100.0%	258,583	0	258,583
1999/00	162.0	100.0%	100.0%	100.0%	252,959	0	252,959
2000/01	150.0	100.0%	100.0%	100.0%	172,462	0	172,462
2001/02	138.0	100.0%	100.0%	100.0%	166,621	0	166,621
2002/03	126.0	100.0%	100.0%	100.0%	624,266	0	624,266
2003/04	114.0	100.0%	100.0%	100.0%	397,103	0	397,103
2004/05	102.0	100.0%	100.0%	100.0%	267,470	0	267,470
2005/06	90.0	100.0%	100.0%	100.0%	108,468	0	108,468
2006/07	78.0	100.0%	100.0%	100.0%	200,653	0	200,653
2007/08	66.0	100.0%	100.0%	100.0%	194,415	0	194,415
2008/09	54.0	100.0%	100.0%	100.0%	365,962	0	365,962
2009/10	42.0	99.0%	99.6%	59.8%	365,550	5,285	374,393
2010/11	30.0	97.1%	98.6%	52.8%	404,768	2,903	410,270
2011/12	18.0	86.7%	96.7%	75.1%	43,840	1,500	45,837

(3) and (4) are from Exhibit PR-2.

(6) and (7) are from Exhibit PR-1.

SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
PROPERTY

Exhibit PR-6

Preliminary Projected Ultimate Limited Losses to 2011/12

Claim Period (1)	Developed Limited Paid Losses (2)	Developed Limited Reported Incurred Losses (3)	Developed Limited Case Reserves (4)	Preliminary Projected Ultimate Limited Losses (5)
to 1993/94	\$868,910	\$868,910	\$868,910	\$868,910
1994/95	129,024	129,024	129,024	129,024
1995/96	84,429	84,429	84,429	84,429
1996/97	71,571	71,571	71,571	71,571
1997/98	202,293	202,293	202,293	202,293
1998/99	258,583	258,583	258,583	258,583
1999/00	252,959	252,959	252,959	252,959
2000/01	172,462	172,462	172,462	172,462
2001/02	166,621	166,621	166,621	166,621
2002/03	624,266	624,266	624,266	624,266
2003/04	397,103	397,103	397,103	397,103
2004/05	267,470	267,470	267,470	267,470
2005/06	108,468	108,468	108,468	108,468
2006/07	200,653	200,653	200,653	200,653
2007/08	194,415	194,415	194,415	194,415
2008/09	365,962	365,962	365,962	365,962
2009/10	368,205	371,918	374,393	372,165
2010/11	410,952	410,587	410,270	410,533
2011/12	50,583	46,896	45,837	47,210

(2) is from Exhibit PR-3.

(3) is from Exhibit PR-4.

(4) is from Exhibit PR-5.

(5) is based on (2) to (4) and actuarial judgment.

Bornhuetter - Ferguson Analysis

I. A-priori Loss Rate

Claim Period (1)	Preliminary Projected Ultimate Limited Losses (2)	TIV (000) (3)	Limited Loss Rate per \$10,000 of TIV (2)/(3)X10 (4)	Loss Rate Trend (2012/13 = 1.000) (5)	Trended Limited Loss Rate per \$10,000 of TIV (4)X(5) (6)	Projected A-priori Loss Rate per \$10,000 of TIV (7)/(5) (8)
2002/03	\$624,266	\$955,040	\$6.54	1.105	\$7.22	\$1.91
2003/04	397,103	1,025,920	3.87	1.094	4.23	1.93
2004/05	267,470	1,095,600	2.44	1.083	2.64	1.95
2005/06	108,468	1,266,680	0.86	1.072	0.92	1.97
2006/07	200,653	1,442,530	1.39	1.062	1.48	1.99
2007/08	194,415	1,613,850	1.20	1.051	1.27	2.01
2008/09	365,962	1,629,990	2.25	1.041	2.34	2.03
2009/10	372,165	1,646,290	2.26	1.030	2.33	2.05
2010/11	410,533	1,661,410	2.47	1.020	2.52	2.07
2011/12	47,210	1,674,912	0.28	1.010	0.28	2.09

(7) Projected 2012/13 a-priori loss rate per \$10,000 of TIV \$2.11

II. Bornhuetter - Ferguson Analysis Based on Limited Paid Losses

Claim Period (1)	Limited Paid Losses 12/31/12 (2)	Percent Losses Paid (3)	Projected A-priori Loss Rate per \$10,000 of TIV (4)	TIV (000) (5)	B-F Unpaid Losses [100.0%-(3)] X(4)X(5)/10 (6)	B-F Ultimate Limited Paid Losses (2)+(6) (7)
2007/08	\$194,415	100.0%	\$2.01	\$1,613,850	\$0	\$194,415
2008/09	365,962	100.0%	2.03	1,629,990	0	365,962
2009/10	365,550	99.0%	2.05	1,646,290	3,343	368,892
2010/11	404,768	97.1%	2.07	1,661,410	10,089	414,857
2011/12	43,840	86.7%	2.09	1,674,912	46,716	90,556

III. Bornhuetter - Ferguson Analysis Based on Limited Reported Incurred Losses

Claim Period (1)	Limited Reported Incurred Losses 12/31/12 (2)	Percent Losses Reported (3)	Projected A-priori Loss Rate per \$10,000 of TIV (4)	TIV (000) (5)	B-F Unreported Losses [100.0%-(3)] X(4)X(5)/10 (6)	B-F Ultimate Limited Reported Losses (2)+(6) (7)
2007/08	\$194,415	100.0%	\$2.01	\$1,613,850	\$0	\$194,415
2008/09	365,962	100.0%	2.03	1,629,990	0	365,962
2009/10	370,834	99.6%	2.05	1,646,290	1,345	372,180
2010/11	407,671	98.6%	2.07	1,661,410	4,765	412,436
2011/12	45,340	96.7%	2.09	1,674,912	11,627	56,967

Section I, (2) is from Exhibit PR-6.

Section I, (3), Section II, (5) and Section III, (5) are from Exhibit PR-10.

Section I, (5) is based on a 1% trend.

Section I, (7) is based on Section I, (6) and actuarial judgment.

Sections II and III, (2) are from Exhibit PR-1.

Sections II and III, (3) are from Exhibit PR-2.

Sections II and III, (4) are from Section I, (8).

Frequency Times Severity Analysis

I. Projected Ultimate Claims

Claim Period (1)	Months of Development 12/31/12 (2)	Reported Claims 12/31/12 (3)	Percent Claims Reported (4)	Projected Ultimate Claims (3)/(4) (5)	TIV (000) (6)	Frequency (per \$1M of TIV) (5)/(6)X1,000 (7)
2002/03	126.0	43	100.0%	43	\$955,040	0.045
2003/04	114.0	39	100.0%	39	1,025,920	0.038
2004/05	102.0	13	100.0%	13	1,095,600	0.012
2005/06	90.0	10	100.0%	10	1,266,680	0.008
2006/07	78.0	21	100.0%	21	1,442,530	0.015
2007/08	66.0	8	100.0%	8	1,613,850	0.005
2008/09	54.0	25	100.0%	25	1,629,990	0.015
2009/10	42.0	22	100.0%	22	1,646,290	0.013
2010/11	30.0	20	100.0%	20	1,661,410	0.012
2011/12	18.0	13	99.0%	13	1,674,912	0.008

II. Frequency Times Severity

Claim Period (1)	Preliminary Projected Ultimate Limited Losses (2)	Projected Ultimate Claims (3)	Average Severity (2)/(3) (4)	Severity Trend (2012/13 = 1.000) (5)	Trended Average Claim Severity (4)X(5) (6)	De-Trended Projected 2012/13 Average Claim Severity (7)/(5) (8)	Frequency Times Severity (3)X(8) (9)
2002/03	\$624,266	43	\$14,518	1.347	\$19,549	\$15,776	\$678,355
2003/04	397,103	39	10,182	1.307	13,309	16,252	633,833
2004/05	267,470	13	20,575	1.269	26,104	16,743	217,658
2005/06	108,468	10	10,847	1.232	13,358	17,249	172,486
2006/07	200,653	21	9,555	1.195	11,422	17,769	373,159
2007/08	194,415	8	24,302	1.160	28,200	18,306	146,449
2008/09	365,962	25	14,638	1.126	16,489	18,859	471,474
2009/10	372,165	22	16,917	1.093	18,496	19,429	427,427
2010/11	410,533	20	20,527	1.061	21,785	20,015	400,305
2011/12	47,210	13	3,632	1.030	3,741	20,620	268,056
(7) Projected 2012/13 average claim severity					\$21,242		

Section I, (3) is from Exhibit PR-1.

Section I, (4) is from Exhibit PR-2.

Section I, (6) is from Exhibit PR-10.

Section II, (2) is from Exhibit PR-6.

Section II, (3) is from Section I, (5).

Section II, (5) is based on a 3% trend.

Section II, (7) is based on (6) and actuarial judgment.

SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
PROPERTY

Exhibit PR-9

Projected Ultimate Limited Losses to 2011/12

Claim Period (1)	Developed Limited Paid Losses (2)	Developed Limited Reported Incurred Losses (3)	Developed Limited Case Reserves (4)	B-F Ultimate Limited Paid Losses (5)	B-F Ultimate Limited Reported Losses (6)	Frequency Times Severity (7)	Projected Ultimate Limited Losses (8)
to 1993/94	\$868,910	\$868,910	\$868,910				\$868,910
1994/95	129,024	129,024	129,024				129,024
1995/96	84,429	84,429	84,429				84,429
1996/97	71,571	71,571	71,571				71,571
1997/98	202,293	202,293	202,293				202,293
1998/99	258,583	258,583	258,583				258,583
1999/00	252,959	252,959	252,959				252,959
2000/01	172,462	172,462	172,462				172,462
2001/02	166,621	166,621	166,621				166,621
2002/03	624,266	624,266	624,266				624,266
2003/04	397,103	397,103	397,103				397,103
2004/05	267,470	267,470	267,470				267,470
2005/06	108,468	108,468	108,468				108,468
2006/07	200,653	200,653	200,653				200,653
2007/08	194,415	194,415	194,415	194,415	194,415	146,449	194,415
2008/09	365,962	365,962	365,962	365,962	365,962	471,474	365,962
2009/10	368,205	371,918	374,393	368,892	372,180	427,427	372,000
2010/11	410,952	410,587	410,270	414,857	412,436	400,305	412,000
2011/12	50,583	46,896	45,837	90,556	56,967	268,056	58,000
						Subtotal (through 2011/12):	\$5,207,188
2012/13							371,000
2013/14							378,000
						Total (through 2013/14):	\$5,956,188

(2) is from Exhibit PR-3.

(3) is from Exhibit PR-4.

(4) is from Exhibit PR-5.

(5) and (6) are from Exhibit PR-7.

(7) is from Exhibit PR-8.

(8) is based on (2) to (7) and actuarial judgment.



Projected Ultimate Limited Losses for 2012/13 and Subsequent

Claim Period (1)	Projected Ultimate Limited Losses (2)	TIV (000) (3)	Limited Loss Rate per \$10,000 of TIV (2)/(3)X10 (4)	Loss Rate Trend (2012/13 = 1.000) (5)	Trended Limited Loss Rate per \$10,000 of TIV (4)X(5) (6)	Present Value of Projected Limited Loss Rate per \$10,000 of TIV (7)X(10) (11)	Present Value of Projected Ultimate Limited Losses (8)X(11)/10 (12)
2002/03	\$624,266	\$955,040	\$6.54	1.105	\$7.22		
2003/04	397,103	1,025,920	3.87	1.094	4.23		
2004/05	267,470	1,095,600	2.44	1.083	2.64		
2005/06	108,468	1,266,680	0.86	1.072	0.92		
2006/07	200,653	1,442,530	1.39	1.062	1.48		
2007/08	194,415	1,613,850	1.20	1.051	1.27		
2008/09	365,962	1,629,990	2.25	1.041	2.34		
2009/10	372,000	1,646,290	2.26	1.030	2.33		
2010/11	412,000	1,661,410	2.48	1.020	2.53		
2011/12	58,000	1,674,912	0.35	1.010	0.35		
Total	\$3,000,337	\$14,012,222	\$2.14		\$2.53		
2012/13	\$2.12	\$1,752,553	\$371,000	0.97	\$2.06	\$361,000	
2013/14	2.14	1,770,079	378,000	0.97	2.08	368,000	

(2) is from Exhibit PR-9.

(3) was provided by SCCSIG.

(5) is based on a 1% trend.

(7) for 2012/13 is based on (6) and actuarial judgment.

(7) for 2013/14 and subsequent are based on 2012/13 plus a 1% trend.

(8) to 2012/13 was provided by SCCSIG. Other claim periods are based on a 1% trend.

(10) is based on a 2% interest rate and the payout pattern in Exhibit PR-2.

SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
PROPERTY

Exhibit PR-11

Estimated Outstanding Losses as of December 31, 2012

Claim Period (1)	Limited Paid Losses 12/31/12 (2)	Limited Case Reserves 12/31/12 (3)	Limited Reported Incurred Losses 12/31/12 (4)	Projected Ultimate Limited Losses (5)	Estimated IBNR 12/31/12 (5)-(4) (6)	Estimated Outstanding Losses 12/31/12 (3)+(6) (7)	Present Value Factor (8)	Present Value of Estimated Outstanding Losses 12/31/12 (7)X(8) (9)
to 1993/94	\$868,910	\$0	\$868,910	\$868,910	\$0	\$0	1.00	\$0
1994/95	129,024	0	129,024	129,024	0	0	1.00	0
1995/96	84,429	0	84,429	84,429	0	0	1.00	0
1996/97	71,571	0	71,571	71,571	0	0	1.00	0
1997/98	202,293	0	202,293	202,293	0	0	1.00	0
1998/99	258,583	0	258,583	258,583	0	0	1.00	0
1999/00	252,959	0	252,959	252,959	0	0	1.00	0
2000/01	172,462	0	172,462	172,462	0	0	1.00	0
2001/02	166,621	0	166,621	166,621	0	0	1.00	0
2002/03	624,266	0	624,266	624,266	0	0	1.00	0
2003/04	397,103	0	397,103	397,103	0	0	1.00	0
2004/05	267,470	0	267,470	267,470	0	0	1.00	0
2005/06	108,468	0	108,468	108,468	0	0	1.00	0
2006/07	200,653	0	200,653	200,653	0	0	1.00	0
2007/08	194,415	0	194,415	194,415	0	0	1.00	0
2008/09	365,962	0	365,962	365,962	0	0	1.00	0
2009/10	365,550	5,285	370,834	372,000	1,166	6,451	0.99	6,387
2010/11	404,768	2,903	407,671	412,000	4,329	7,232	0.99	7,125
2011/12	43,840	1,500	45,340	58,000	12,660	14,160	0.98	13,938
2012/13	6,086	61,454	67,540	185,500	117,960	179,414	0.99	177,186
Total	\$5,185,432	\$71,142	\$5,256,574	\$5,392,688	\$136,115	\$207,257		\$204,636

(2), (3) and (4) are net of specific self insured retention and aggregate retention.

(5) to 2011/12 is from Exhibit PR-9. The amount for 2012/13 is from Exhibit PR-10. (50% of the period).

(8) is based on a 2% interest rate and the payout pattern in Exhibit PR-2.



SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
PROPERTY

Exhibit PR-12

Projected Losses Paid January 1, 2013 to June 30, 2013

Claim Period (1)	Months of Development 12/31/12 (2)	Percent Losses Paid (3)	Months of Development 6/30/13 (4)	Percent Losses Paid (5)	Percent Outstanding Losses Paid 1/1/13 to 6/30/13 [(5)-(3)]/ [100.0%-(3)] (6)	Estimated Outstanding Losses 12/31/12 (7)	Projected Losses Paid (6)X(7) (8)	Estimated Outstanding Losses 6/30/13 (7)-(8) (9)	Present Value Factor (10)	Present Value of Estimated Outstanding Losses 6/30/13 (9)X(10) (11)
to 1993/94	234.0	100.0%	240.0	100.0%	25.0% *	\$0	\$0	\$0	1.00	\$0
1994/95	222.0	100.0%	228.0	100.0%	25.0% *	0	0	0	1.00	0
1995/96	210.0	100.0%	216.0	100.0%	25.0% *	0	0	0	1.00	0
1996/97	198.0	100.0%	204.0	100.0%	25.0% *	0	0	0	1.00	0
1997/98	186.0	100.0%	192.0	100.0%	25.0% *	0	0	0	1.00	0
1998/99	174.0	100.0%	180.0	100.0%	25.0% *	0	0	0	1.00	0
1999/00	162.0	100.0%	168.0	100.0%	25.0% *	0	0	0	1.00	0
2000/01	150.0	100.0%	156.0	100.0%	25.0% *	0	0	0	1.00	0
2001/02	138.0	100.0%	144.0	100.0%	25.0% *	0	0	0	1.00	0
2002/03	126.0	100.0%	132.0	100.0%	25.0% *	0	0	0	1.00	0
2003/04	114.0	100.0%	120.0	100.0%	25.0% *	0	0	0	1.00	0
2004/05	102.0	100.0%	108.0	100.0%	25.0% *	0	0	0	1.00	0
2005/06	90.0	100.0%	96.0	100.0%	25.0% *	0	0	0	1.00	0
2006/07	78.0	100.0%	84.0	100.0%	25.0% *	0	0	0	1.00	0
2007/08	66.0	100.0%	72.0	100.0%	25.0% *	0	0	0	1.00	0
2008/09	54.0	100.0%	60.0	100.0%	25.0% *	0	0	0	1.00	0
2009/10	42.0	99.0%	48.0	99.5%	25.0% *	6,451	1,613	4,838	0.99	4,790
2010/11	30.0	97.1%	36.0	98.0%	25.0% *	7,232	1,808	5,424	0.99	5,344
2011/12	18.0	86.7%	24.0	91.9%	25.0% *	14,160	3,540	10,620	0.98	10,453
2012/13	6.0	10.2%	12.0	20.4%	11.4% *	364,914	41,432	323,482	0.99	319,464
Total						\$392,757	\$48,393	\$344,364		\$340,051

* - Limited to a maximum of 50% per actuarial judgment.

(3) and (5) are from Exhibit PR-2.

(7) to 2011/12 is from Exhibit PR-11. The amount for 2012/13 is for the full period.

(10) is based on a 2% interest rate and the payout pattern in Exhibit PR-2.



SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
PROPERTY

Exhibit PR-13

Projected Losses Paid July 1, 2013 to June 30, 2014

Claim Period (1)	Months of Development 6/30/13 (2)	Percent Losses Paid (3)	Months of Development 6/30/14 (4)	Percent Losses Paid (5)	Percent Outstanding Losses Paid 7/1/13 to 6/30/14 [(5)-(3)]/ [100.0%-(3)] (6)	Estimated Outstanding Losses 6/30/13 (7)	Projected Losses Paid (6)X(7) (8)	Estimated Outstanding Losses 6/30/14 (7)-(8) (9)	Present Value Factor (10)	Present Value of Estimated Outstanding Losses 6/30/14 (9)X(10) (11)
to 1993/94	240.0	100.0%	252.0	100.0%	50.0% *	\$0	\$0	\$0	1.00	\$0
1994/95	228.0	100.0%	240.0	100.0%	50.0% *	0	0	0	1.00	0
1995/96	216.0	100.0%	228.0	100.0%	50.0% *	0	0	0	1.00	0
1996/97	204.0	100.0%	216.0	100.0%	50.0% *	0	0	0	1.00	0
1997/98	192.0	100.0%	204.0	100.0%	50.0% *	0	0	0	1.00	0
1998/99	180.0	100.0%	192.0	100.0%	50.0% *	0	0	0	1.00	0
1999/00	168.0	100.0%	180.0	100.0%	50.0% *	0	0	0	1.00	0
2000/01	156.0	100.0%	168.0	100.0%	50.0% *	0	0	0	1.00	0
2001/02	144.0	100.0%	156.0	100.0%	50.0% *	0	0	0	1.00	0
2002/03	132.0	100.0%	144.0	100.0%	50.0% *	0	0	0	1.00	0
2003/04	120.0	100.0%	132.0	100.0%	50.0% *	0	0	0	1.00	0
2004/05	108.0	100.0%	120.0	100.0%	50.0% *	0	0	0	1.00	0
2005/06	96.0	100.0%	108.0	100.0%	50.0% *	0	0	0	1.00	0
2006/07	84.0	100.0%	96.0	100.0%	50.0% *	0	0	0	1.00	0
2007/08	72.0	100.0%	84.0	100.0%	50.0% *	0	0	0	1.00	0
2008/09	60.0	100.0%	72.0	100.0%	50.0% *	0	0	0	1.00	0
2009/10	48.0	99.5%	60.0	100.0%	50.0% *	4,838	2,419	2,419	1.00	2,419
2010/11	36.0	98.0%	48.0	99.5%	50.0% *	5,424	2,712	2,712	0.99	2,685
2011/12	24.0	91.9%	36.0	98.0%	50.0% *	10,620	5,310	5,310	0.99	5,232
2012/13	12.0	20.4%	24.0	91.9%	50.0% *	323,482	161,741	161,741	0.98	159,203
2013/14	0.0	0.0%	12.0	20.4%	20.4% *	378,000	77,084	300,916	0.99	297,178
Total						\$722,364	\$249,266	\$473,098		\$466,717

* - Limited to a maximum of 50% per actuarial judgment.

(3) and (5) are from Exhibit PR-2.

(7) to 2012/13 is from Exhibit PR-12, (9). The amount for 2013/14 is from Exhibit PR-10.

(10) is based on a 2% interest rate and the payout pattern in Exhibit PR-2.



List of Large Claims
Reported Incurred Losses Greater Than \$50,000

Claim Number (1)	Date of Loss (2)	Claim Period (3)	Specific Self-Insured Retention (4)	Unlimited Paid Losses 12/31/12 (5)	Unlimited Case Reserves 12/31/12 (6)	Unlimited Reported Incurred Losses 12/31/12 (7)
S1889	7/1/1981	to 1993/94	\$10,000	\$219,462	\$0	\$219,462
55983	2/16/1999	1998/99	100,000	95,000	0	95,000
62571	5/12/2000	1999/00	100,000	100,000	0	100,000
74387	10/2/2002	2002/03	100,000	70,000	0	70,000
76000	12/4/2002	2002/03	100,000	55,779	0	55,779
76021	12/14/2002	2002/03	100,000	100,000	0	100,000
77736	6/13/2003	2002/03	100,000	100,000	0	100,000
80603	11/6/2003	2003/04	100,000	96,784	0	96,784
85304	8/10/2004	2004/05	100,000	77,269	0	77,269
90233	3/29/2005	2004/05	100,000	100,000	0	100,000
96373	5/27/2006	2005/06	100,000	100,000	0	100,000
98860	12/10/2006	2006/07	100,000	58,532	0	58,532
17015	1/4/2008	2007/08	100,000	60,301	0	60,301
17032	1/4/2008	2007/08	100,000	68,331	0	68,331
08-69846	9/15/2008	2008/09	100,000	92,007	0	92,007
09-70554	1/4/2009	2008/09	100,000	100,000	0	100,000
09-71584	2/19/2009	2008/09	100,000	95,913	0	95,913
10-79766	1/2/2010	2009/10	100,000	58,860	1	58,861
10-80114	1/20/2010	2009/10	100,000	68,785	0	68,785
10-81465	3/2/2010	2009/10	100,000	53,094	5,284	58,378
10-84667	6/5/2010	2009/10	100,000	100,000 *	0	100,000 *
10-85732	7/16/2010	2010/11	100,000	100,000 *	0	100,000 *
10-87428	9/27/2010	2010/11	100,000	56,535	1,918	58,453
10-88965	11/29/2010	2010/11	100,000	100,000 *	0	100,000 *

Amounts are shown gross of the self-insured retention and net of other recoveries.

The claim(s) indicated by a "*" have been limited in development.

(1) through (7) were provided by SCCSIG.

SANTA CLARA COUNTY SCHOOLS INSURANCE GROUP
PROPERTY

Exhibit PR-15

Size of Loss Distribution

I. Reported Claim Count

Layer (1)	Prior (2)	2008/09 (3)	2009/10 (4)	2010/11 (5)	2011/12 (6)	2012/13 (7)	Total (2)...(7) (8)	Non-Zero Claim Cumulative Total (9)	Non-Zero Claim Cumulative % of Total (10)
0	0	0	0	0	0	0	0		
0.01 - 5,000	344	17	11	9	8	8	397	397	65.8%
5,000 - 10,000	78	2	4	2	3	1	90	487	80.8%
10,000 - 25,000	54	2	2	3	1	0	62	549	91.0%
25,000 - 50,000	22	1	1	3	1	2	30	579	96.0%
50,000 - 100,000	13	1	3	1	0	0	18	597	99.0%
100,000 - 250,000	1	1	0	2	0	0	4	601	99.7%
250,000 - 500,000	0	0	1	0	0	0	1	602	99.8%
500,000 - 750,000	0	1	0	0	0	0	1	603	100.0%
750,000 - 1,000,000	0	0	0	0	0	0	0	603	100.0%
Over 1,000,000	0	0	0	0	0	0	0	603	100.0%
Total	512	25	22	20	13	11	603	603	

II. Total Reported Incurred Losses

Layer (1)	Prior (2)	2008/09 (3)	2009/10 (4)	2010/11 (5)	2011/12 (6)	2012/13 (7)	Total (2)...(7) (8)	Non-Zero Claim Cumulative Total (9)	Non-Zero Claim Cumulative % of Total (10)
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
0.01 - 5,000	692,840	30,125	20,459	19,331	15,497	17,302	795,554	795,554	12.1%
5,000 - 10,000	564,112	11,876	29,123	12,456	21,951	7,039	646,557	1,442,111	21.9%
10,000 - 25,000	951,063	36,639	24,908	48,184	15,576	0	1,076,371	2,518,481	38.2%
25,000 - 50,000	786,373	32,873	41,565	121,852	34,614	70,944	1,088,221	3,606,702	54.7%
50,000 - 100,000	1,081,996	92,007	199,344	62,291	0	0	1,435,639	5,042,341	76.5%
100,000 - 250,000	219,462	122,334	0	285,753	0	0	627,549	5,669,890	86.0%
250,000 - 500,000	0	0	250,631	0	0	0	250,631	5,920,521	89.8%
500,000 - 750,000	0	670,987	0	0	0	0	670,987	6,591,508	100.0%
750,000 - 1,000,000	0	0	0	0	0	0	0	6,591,508	100.0%
Over 1,000,000	0	0	0	0	0	0	0	6,591,508	100.0%
Total	\$4,295,846	\$996,841	\$566,030	\$549,867	\$87,639	\$95,285	\$6,591,508	\$6,591,508	

Amounts are shown gross of the self-insured retention and net of other recoveries.

2012/13 reflects 6.0 months of exposure.

Data was provided by SCCSIG.

