

AGENDA



Bay Area Schools Insurance Cooperative
**BAY AREA SCHOOLS INSURANCE COOPERATIVE
SPECIAL BOARD OF DIRECTORS MEETING
AGENDA**

Tuesday, April 16, 2024

10:00 a.m.

Teleconference

This meeting will be held using the Teams platform.

To join the meeting, please click on the following link (For best results, use Google Chrome as your browser) :

Click here to join meeting(<https://simbli.eboardsolutions.com/SU/F5Lzs9pHZHElhMuNe0luJg==>)

Audio Only: If you do not have internet access, you may join by phone by using the following information:









Meeting ID: 210 565 367 642 Passcode: yBZtin

All portions of this meeting will be conducted via teleconference in accordance with Government Code Section 54953(b). The teleconference locations are as follows: *Butte Schools Self-Funded Programs, 500 Cohasset Rd., Suite 24, Chico, CA 959269; North Bay Schools Insurance Authority, 380 Chadbourne Rd., Fairfield, CA 94534; Redwood Empire Schools' Insurance Group, 5760 Skylane Blvd., #100, Windsor, CA 95492*

Members of the public may participate in the meeting via Teams or may listen to the meeting telephonically. No physical location will be available from which members may observe the meeting and offer public comment. Public comments may be submitted in advance of the meeting by emailing Cindy Wilkerson at cwilkerson@resig.org. If a member of the public would like to address the Board during the meeting, the person may email Ms. Wilkerson during the meeting and, if timely received, Ms. Wilkerson will read or summarize the email to the directors.

In compliance with the Americans with Disabilities Act, if you need a disability-related modification or accommodation to participate in this meeting, please contact Christy Patterson at cpatterson@bsspipa.org or 530-879-7438. Requests must be made as early as possible, and preferably at least one full business day before the start of the meeting.

Documents and materials relating to an open session agenda item that are provided to the BASIC Board of Directors less than 72 hours prior to a regular meeting will be available for public inspection.

A. Call to Order	4
B. Introductions	5
C. Approval of the Agenda	6
D. Public Comments	7
E. Report from Board Members	8
F. Executive Director's Report	9
G. Consent Calendar	11
1. Claims Handling Instructions 	12
2. Meeting Minutes 	24
H. Coverage Matters	31
1. Excess Liability Claims Audit - 2024 	32
2. Excess Liability Deductible Corridor Explanation	41
3. Bickmore 2024/2025 Actuarial Study Presentation 	42
4. 2024-2025 Excess Liability Renewal Discussion 	144
I. Finance Matters	164
1. BASIC Quarterly Financial Report 	165
2. Target Equity Policy Review 	178
3. Contribution Deferral Discussion	189
J. Administrative Matters	190
1. BASIC CAJPA 2024 Accreditation 	191
K. Closed Session	194
1. Settlement Authority Discussion- Gov. Code § 54956.9(d)(1)	195
L. Next Board of Directors Meeting	196
M. Closing Comments	197
N. Adjournment	198

A. Call to Order

B. Introductions

C. Approval of the Agenda

D. Public Comments

Summary

This time is reserved for members of the public to address the Board relative to matters of BASIC not on the agenda. No action may be taken on non-agenda items unless authorized by law. Comments will be limited to five minutes per person and 20 minutes in total.

E. Report from Board Members

Summary

This time is reserved for individual Board Members to report on items, issues, and changes in membership.

F. Executive Director's Report

Background

EXECUTIVE DIRECTOR'S REPORT

As you all know, IT'S GO TIME! A lot has happened since the BASIC Board last met in February, and there is more to look forward to in the next few months as we prepare for the 2024 renewal. This meeting is intended to provide the Board, staff, and brokers with current and historical information to aid us in deciding BASIC's July 1, 2024, renewal and rate setting.

Here is a summary of a few of my activities since we last met:

- Participated in three SPA meetings
- Weekly meetings with Catie Chaquica
- Reviewed and suggested edits to BASIC's 2024/25 actuarial study
- Reviewed claims audits provided by Tim Farley for BASIC, RESIG, NBSIA, and Butte
- Reviewed Safety National's reinsurance quotations and SIR options effective July 1, 2024
- Met with George Hill's claims team and reviewed the January 1, 2024, loss run at length
- Approved coverage counsel billings
- Met with John Chaquica to discuss the renewal of GH's JPA admin contract (expiring June 30, 2024)
- Ongoing communication with CAJPA regarding granting BASIC an Accreditation extension

I am happy to report that the 2024/25 actuarial report is crystal clear. BASIC is in outstanding financial shape with many options and tough decisions ahead. I have always been taught that options are good and BASIC's financial position is proof of that statement! That said, with the actuarial study being considered, the BASIC Board will have to decide whether to raise its SIR effective July 1, 2024. This decision will be difficult in light of the "frequency of severity" the entire California public sector is experiencing. From Bickmore, Mike Harrington and his team will be joining our meeting to answer any questions regarding BASIC's funding, future SIR, etc.

I am also happy to report that the claims audits received were all very good. Tim Farley will discuss the results of BASIC's recently performed claims audit. He will not be discussing the three individual JPA members' audits at this meeting.

Prior to our May 14, 2024, Board meeting, we will be reaching out to the following entities to request renewal quotations on their respective service contracts with BASIC:

- George Hills (Claims Admin plus JPA Admin)
- NBSIA (Accounting and Budget Admin)
- RESIG (Administrative Admin)
- STOP IT
- Presidium
- Simbli (agenda prep software), assuming the Board wants staff to pursue this option

As always, I am happy to speak privately with any board member or service provider regarding questions or comments.

It is an honor and a privilege to work with you all.

Mike Kielty

G. Consent Calendar

Summary


If a Board Member would like to discuss any item listed, it may be pulled from the Consent Calendar.

G. 1. Claims Handling Instructions 

Subject

Claims Handling Instructions

Supporting Documents

 BASIC GHC Claims Handling Instructions_BOD Approved 4.16.24



Bay Area Schools Insurance Cooperative

SPECIAL CLAIMS HANDLING STANDARDS AND INSTRUCTIONS

These are client-specific instructions and are to be used in conjunction with George Hills’ Best Practices. Claims adjusters handling **Bay Area Schools Insurance Cooperative (BASIC)** claims will follow these standards and instructions.

CLIENT SUMMARY:

BASIC was created in 1998 and was formed as a joint powers authority to provide a unified commitment to well-funded self-insurance programs for liability and property coverage. Our membership currently consists of three California Joint Powers Authorities (JPA). Any public educational agency in the State of California is eligible for membership of the group.

PRIMARY CONTACTS:

ENTITY	NAME/TITLE	EMAIL	PHONE
George Hills	Mike Kielty <i>Executive Director, Pool Administrator</i>	mike.kielty@georgehills.com	(916)730-3950
Butte County Schools	Eric Knak <i>Claims Administrator</i>	erik@knakCo.com	(530) 247-1049
North Bay Schools Insurance Authority	Brandon Schlenker <i>Claims Manager</i>	brandons@nbsia.org	(707) 428-1830 ext. 130
Redwood Empire Schools Insurance Group	Sandy Manzoni <i>Risk Manager</i>	smanzoni@resig.org	(707) 836-0779

BASIC BOARD MEETINGS / CALENDAR ITEMS:

Quarterly Board Meetings, Special Meetings as needed.

E-MAIL PROTOCOL:

The Subject line of each e-mail will include Claimant Last Name, Claimant First Name, Claim/file number, Type of E-Mail (i.e., Request for Settlement Authority, Status Update, Closing Report). All emails will be sent to the Member.

NEW CLAIMS REPORTING:

All new claims will be reported to George Hills via email to: MyGHCNewclaims@georgehills.com

Within 1 business day of receipt, the Claims Processor will set-up the loss into CMIS (Claims Management Information System) and assign the loss to the adjuster.

INVESTIGATION:

Upon receipt of the new claim, George Hills assigns the Adjuster.

A claim file will be created within twenty-four (24) hours of receipt.

Primary Investigation responsibility will be by the involved member.

The Member will be contacted to discuss the need for any special outside investigation, appraisal services, retention of independent adjusters, experts, use of IMEs. Authorizations will be obtained from the Member.

The GHC Adjuster will be informed by the Member and all activities shall be clearly documented in the claim file. All investigated material must be transmitted by member to GHC and GHC may make additional recommendations.

CLAIM UPDATES:

The George Hills *Plan of Action* document, located in CMIS, will be completed in the first 30 days, and will include a file summary and recommendations. Thereafter, update reporting, in CMIS, will occur as necessary and/or at a minimum, every 90 days.

REPORTS:

In lieu of formal written reports, George Hills will meet with the Executive Director every 90 days as needed to discuss the procedural status of the tort claim, recent claims handling activity, updated evaluations, significant events /changes, recommendations, and further activity planned.

RESERVES:

The George Hills adjuster will establish monetary reserves reasonably adequate for the expected settlement value of the claim, given BASIC's member percentage of liability net of their SIR.

Reserves shall be established based on facts known. Legal and adjusting expenses shall be included. The reserves can include amounts excess of BASIC's SIR.

INDEXING:

Responsibility of the primary member.

MEDICAL AUTHORIZATIONS:

Responsibility of the primary member.

MMSEA:

George Hills shall be responsible for and shall comply with all Medicare reporting requirements under Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 on all claims subject to the act.

Members are responsible for their individual RRE profile and to be recertified on an annual basis. Upon receipt of the RRE profile certifications, the Members must send to George Hills.

TENDERS:

Responsibility of the primary member.

SETTLEMENT AUTHORITY

George Hills as **\$00.00** settlement authority. Any amount above the member's retention necessary for the settlement of a claim needs to be presented and approved by BASIC BOD.

[SETTLEMENT AUTHORITY REQUEST FORM](#) (Page 11)

BANKING:

No GHC bank account.

REJECTION OF CLAIMS/ UNTIMELY/ INSUFFICIENCY:

Responsibility of the primary member.

LITIGATED FILES:

Litigation management is the responsibility of the primary member. If George Hills needs a coverage opinion as it related to BASIC's coverage, the opinion will be obtained from Dominic Spinelli.

Domenic D. Spinelli
Spinelli, Donald, & Nott
815 S. Street, 2nd Floor
Sacramento, CA 95811
916-448-7888
domenics@sdnlaw.com

CLAIM REVIEWS:

George Hills will meet with BASIC members on a quarterly basis, to review and discuss claims.

EXCESS REPORTING:

GH will report to all excess layers and reinsurers as applicable. George Hills will update the insurance tower on an annual basis.

BASIC Claims Reporting Requirements 2023-2024

Carrier	Coverage Layers / Conditions
Safety National Policy #: FCA4068240	3.5M XS \$1.5M SIR XS \$1M AAD
Everest Re (SPA) Policy #: FC10059439-2023	\$5M XS \$5M Primary \$20M (4X Layer) SPA Pool Aggregate Limit Aggregate Does Not Apply to Auto Limit
Allied World (AWAC) (SPA) Policy #: 0312-8892	\$10M XS \$10M \$50M (4 X Layer) SPA Pool Aggregate Limit \$20M (2 X Layer) SAM Pool Aggregate Limit SAM Aggregate Erodes Pool Aggregate Aggregate Does Not Apply to Auto Liability
Great American (SPA) Policy #: 2480080-02	\$5m XS \$20m \$20m (2 X Layer) SPA Pool Aggregate Aggregate Does Not Apply to Auto Liability
Upland 44% of Layer Bowhead 56% of Layer (SPA) Upland Policy #: USXPE0375123 Bowhead Policy #: PEX-172340253-00	\$4.5M XS \$2M \$20M (4 X Layer) SPA Pool Aggregate Aggregate Does Not Apply to Auto Liability
Ark Bermuda 50% of Layer Arcadian Bermuda 50% of Layer Policy #: B1284 1007SK23 Direct Placement	\$2.5M XS \$29.5M \$5M (2 X Layer) SPA Pool Aggregate Aggregate Does Not Apply to Auto Liability

BASIC Claims Contact Information 2023-2024

Claim and Notice of Circumstance Notifications [Must be in Written Form]:

Rose Melchor
George Hills P.O. Box 278
Rancho Cordova, CA 95741 Phone: (707) 792-4980
E-Mail Notifications: rose.melchor@georgehills.com

Please Note:

This document is intended to assist BASIC and its claims representatives about when various reinsurance and excess insurance carriers should first be advised of occurrences and/or potential losses.

For terms regarding defense, settlement or conditions of coverage regarding any loss, BASIC and/or its claims representatives should carefully review the policies of reinsurance or excess insurance issued by these carriers. Any questions relative to defense, settlement, or conditions should be discussed with the various carriers involved.

**Safety National - Claims Reporting Requirements -
Contract #FCA4068240**

Safety National Casualty Corporation
1832 Schuetz Road, St. Louis, Missouri 63146-3540

Notice of Claim. As soon as the Company becomes aware, the Company must provide prompt notice to the Reinsurer of any claim or action commenced against the Company that exceeds, or is likely to exceed, fifty percent (50%) of the Reinsured Company Retention as specified in the Declarations. In addition, the following categories of claims shall be reported to the Reinsurer immediately, regardless of any question of potential involvement of the Reinsurer:

- a. Fatalities;
- b. Paraplegics and quadriplegics;
- c. Serious burns;
- d. Brain injury;
- e. Spinal cord injury;
- f. Amputation of a major extremity;
- g. Any Accident which results in serious injury to two or more claimants;
- h. Any matter involving riots or civil unrest; and

The Company has the obligation to investigate and defend claims or suits affecting this reinsurance and to pursue such claims or suits to final determination. The Company, when so requested, will afford the Reinsurer an opportunity to be associated with the Company, at the expense of the Reinsurer, in the defense or control of any claim, suit or proceeding involving this reinsurance, and the Company and the Reinsurer shall cooperate in every respect in the defense and control of such claim, suit or proceeding. The Company has the obligation to furnish the Reinsurer with quarterly loss runs concurrent with the Reinsurance Certificate Policy Period

Everest Re – Claims Reporting Requirements –

Contract #FC10059439-2023

First Notice of claim to Everest should be reported via email: ClaimInfo@everestre.com

Reinsured shall advise the Reinsurers promptly of all losses which equal or exceed fifty percent (50%) of the Reinsured's Retentions outlined in the Article entitled REINSURANCE COVERAGE and which, in the opinion of the Reinsured, may result in a claim hereunder and of all subsequent developments thereto that may materially affect the position of the Reinsurers. (Please note this statement also applies specially to sub categories below 1,2,3 and 13 in that they do not need to notify of every loss, but will notify when loss is equal or exceeds fifty percent (50%) of the Reinsured's Retentions as listed above)

The Reinsured shall provide the Reinsurer, regardless of the liability of the Member or coverage under the Policy, a written report of any Loss Occurrence involving the following categories:

1. Cases involving coverage issues including, but not limited to allegations of; civil rights violations, Employment Practices Liability, Employee Benefits Liability, punitive damages, environmental liability claims, advertising injury, third party claims involving law enforcement activities and any other non-specific coverage question.
2. Any claim assigned a trial date, as soon as the trial date is on the court calendar.
3. Claims involving allegations of harassment, including but not limited to sexual, employment-based or third-party, bullying or any other actionable harassment.
4. Any claim involving Sexual Misconduct or molestation – including allegations of assault, misconduct, rape and related offenses.
5. Class Action lawsuits
6. Fatalities.
7. Spinal Cord injuries resulting in any degree of paraplegia or quadriplegia.
8. Nerve damage injuries resulting in paralysis or loss of sensation.
9. Brain damage claims including, but not limited to, closed head injuries, permanent disorientation, behavior disorder, personality change, seizure, motor deficit or other cognitive disorders.
10. Burns – Third degree burns involving 10% of the body, or second-degree burns involving 30% of the body.
11. Amputation – complete or partial.
12. Impairment of vision or hearing – 50% or greater.
13. Multiple injuries arising out of one occurrence, including but not limited to; massive internal injuries or multiple fractures involving more than one member or multiple claimants

**Allied World (AWAC) – Claims Reporting Requirements –
Contract #0312-8892**

The **insured** must provide the **company** with immediate written notice of any claim, either paid or reserved, for twenty five percent (25%) or more of the applicable limits of **underlying excess insurance**.

The **insured** must also give the **company** immediate written notice of any injury of the following types:

- a. a fatality;
- b. severe burns;
- c. traumatic brain injury;
- d. dismemberment or amputation;
- e. paralysis;
- f. loss or impairment of eyesight or hearing; or
- g. severe scarring.
- h. a sexual assault or battery, including, but not limited to, rape, molestation or
- i. sexual abuse.

All notices of occurrence, claim, suit, or proceeding:

ALLIED WORLD NATIONAL ASSURANCE COMPANY
ATTN: CLAIMS DEPARTMENT
199 WATER STREET, 29TH FLOOR
NEW YORK, NY 10038
FACSIMILE: 646-794-0811
E-MAIL: AWACUS.GeneralCasualtyClaims@awac.com

**Great American - Claims Reporting Requirements -
Contract #2480080-02**

PublicSectorClaims@gaig.com

The Named Insured, or the TPA Service Company, if applicable, is required to report to the designated Great American Insurance claims email mailbox publicsectorclaims@gaig.com the following:

1. Any claim reserved at the Total Incurred of 50% or greater of the coverage attachment; inclusive of all expenses, suffixes and related claims.
2. In addition, the TPA Service Company or insured is also required to report the following losses regardless of reserve:
 - a. Any claim alleging bad faith, extra-contractual obligations or demands in excess of the policy limits.
 - b. Any claim with an assigned trial date in the next 30 days that has not been otherwise reported.
 - c. Class action suits.
 - d. Law enforcement actions alleging excessing use of force or wrongful conviction.
 - e. Any coverage issues related to the excess policy.
 - f. Claims involving allegations of harassment, including but not limited to sexual, employment-based or third-party, bullying or any other actionable harassment.
 - g. Sexual misconduct or molestation – including allegations of assault, misconduct, rape and related offenses.
 - h. Fatalities.
 - i. Spinal cord injuries resulting in any degree of paraplegia or quadriplegia.
 - j. Nerve damage injuries resulting in paralysis or loss of sensation.
 - k. Brain damage claims including, but not limited to, closed head injuries, permanent disorientation, behavior disorder, personality change, seizure, motor deficit or other cognitive disorders.
 - l. Burns – Third degree burns involving 10% of the body, or second-degree burns involving 30% of the body.
 - m. Amputation – complete or partial.
 - n. Impairment of vision or hearing – 50% or greater.
 - o. Multiple injuries arising out of one occurrence, including but not limited to; massive internal injuries or multiple fractures involving more than one member or multiple claimants.

Claim Audits

We have the right to examine and audit your claims handling and reserving procedures, practices and records while this policy is in force and for three years after the final settlement of all claims. Also, you will provide us any claim information, which we may request. If we identify significant problems with the quality of claim handling, we shall have the right to change claim adjusters handling the file.

Loss Runs

The Named Insured, or the TPA Service Company, if applicable, is required to provide us with loss runs on a semi-annual basis.

Upland Specialty – Claims Reporting Requirements –

Contract #USXPE0375123

The Company shall notify the Reinsurer promptly of any claim or occurrence which in the Company's estimate of the value of injuries or damages sought, might result in a judgment in an amount sufficient to involve this reinsurance. The Company shall also notify the Reinsurer promptly of any claim or occurrence in respect of which the Company has created a loss reserve equal to or greater than 50% of the Company's Retention specified in item 3, of the Declarations, or, if this reinsurance applies on a Contributing Excess basis, when notice of claim is received by the Company. Notice of any occurrence, wrongful act, or accident likely to involve this reinsurance certificate is to be sent with all pertinent facts to:

Telephone: 972-532-0797

Electronic Mail: claims@uplandcapgroup.com

Facsimile: 1-888-892-1683

Internet: www.uplandcapgroup.com

Regular Mail: 5050 Quorum Drive, Suite 700- #473, Dallas, TX 75254

Bowhead / Homesite – Claims Reporting Requirements –

Contract #PEX-172340253-00

The Company shall notify the Reinsurer promptly of any claim or occurrence which in the Company's estimate of the value of injuries or damages sought, might result in a judgment in an amount sufficient to involve this reinsurance. The Company shall also notify the Reinsurer promptly of any claim or occurrence in respect of which the Company has created a loss reserve equal to or greater than 50% of the Company's Retention specified in item 3, of the Declarations, or, if this reinsurance applies on a Contributing Excess basis, when notice of claim is received by the Company. Notice of any occurrence, wrongful act, or accident likely to involve this reinsurance certificate is to be sent with all pertinent facts for both policy and reinsurance for Bowhead/Homesite:

Notice of Claims and Circumstances; Notice of Loss:

Email: claims@bowheadspecialty.com

Address: Attention: Claims Department Bowhead Specialty
667 Madison Ave, 5th Floor New York, NY 10065

All Other Notices:

Email: policyadmin@bowheadspecialty.com

Address: Attention: Policy Administration Department Bowhead Specialty
667 Madison Ave, 5th Floor New York, NY 10065

**Ark Bermuda / Arcadia Bermuda – Claims Reporting Requirements –
Contract #B128410075K23**

NOTICE OF OCCURRENCE

Whenever the Insured has information from which they may reasonably conclude that an Occurrence covered hereunder involves injuries or damages which, in the event that the Insured should be held liable, is likely to involve this contract, notice shall be sent to the Insurer via the entity stated in Item 6.a) of the Declarations as soon as practicable, provided, however, that failure to give notice of any Occurrence which at the time of its happening did not appear to involve this contract, but which, at a later date would appear to give rise to claims hereunder, shall not prejudice such claims.

- a) All Notices of Occurrence
BMS Bermuda Limited,
3rd Floor,
19 Par-La-Ville Road,
Hamilton HM11, Bermuda

- b) All Other Notices
BMS Bermuda Limited,
3rd Floor,
19 Par-La-Ville Road,
Hamilton HM11,
Bermuda

SETTLEMENT AUTHORITY REQUEST FORM

SETTLEMENT AUTHORITY REQUEST
(CONFIDENTIAL - Internal Work Product)

RE: **CLAIMANT:**
DISTRICT/MEMBER:
Date of Loss:
Claim Number:

Facts:

Injuries:

Plaintiff Attorney, Firm:
Defense Attorney, Firm:
Litigation Status:

RESERVES (Ground Up)	PAID TO DATE (Ground Up)
Loss = \$	Loss = \$0.00
Expense = \$	Expense = \$
Pool Exposure:	
Excess Exposure:	

Litigation Discussion:

Case Weaknesses:

Case Strengths:

Jury Verdict / Venue / Jury Pool (fav to Plaintiff or Defense):

Additional Comments/Discussion:

Evaluation:

Recommendations.

Authority Requested:

Settlement Authority Approved by:

G. 2. Meeting Minutes 

Subject

February 6, 2024

Supporting Documents

 2-6-24 BASIC Minutes

**BAY AREA SCHOOLS INSURANCE COOPERATIVE
BOARD OF DIRECTORS MEETING**

Teams Platform / Teleconference

Tuesday, February 6, 2024

10:00 a.m.

MINUTES

Board Members Present:

Christy Patterson, Butte Schools Self-Funded Programs

Kim Santin, North Bay Schools Insurance Authority

Cindy Wilkerson, Redwood Empire Schools' Insurance Group

Board Members Absent:

None

Alternate Board Members Present:

Brandon Schlenker, North Bay Schools Insurance Authority

Nicole Strauch, Butte Schools Self-Funded Programs

Sandy Manzoni, Redwood Empire Schools' Insurance Group

Alternate Board Members Absent:

None

Others Present:

Mike Kielty, George Hills Company

Catie Chaquica, George Hills Company

Andrew Obando, North Bay Schools Insurance Authority

Nicole Thysell, Redwood Empire Schools' Insurance Group

Jim Wilkey, Newfront Insurance

Eileen Massa, Newfront Insurance

1. CALL TO ORDER

The meeting was called to order by President Christy Patterson at 10:02 a.m.

2. INTRODUCTIONS

No introductions were needed.

3. APPROVAL OF AGENDA AS POSTED (OR AMENDED)

Cindy Wilkerson motioned to approve the agenda as-is; Kim Santin seconded. A roll call vote was taken. Ayes: Patterson, Santin, Wilkerson. Nays: None

4. PUBLIC COMMENTS

None.

5. REPORT FROM BOARD MEMBERS

The Board members each shared that there were varied minor impacts from storms across their members, some of which will become property claims, but luckily no injuries have been reported. Patterson also confirmed that Thermolito Union Elementary School District and the County Office of Education are withdrawing membership at the end of the year for property and liability. They currently account for roughly 30% of Butte Schools Self-Funded Program’s payroll.

6. EXECUTIVE DIRECTOR’S REPORT

A. Report from BASIC Executive Director

Mike Kielty reported that since the December 11, 2023, meeting he has met with all factions of BASIC. A settlement for NBSIA for the 2018/2019 fiscal year was recently collected from Great American, causing BASIC to exhaust its corridor for that policy year. Kielty would like to add a discussion to the upcoming April meeting where subsequent years policies are evaluated to determine what policy corridor exists for each, what payments have been made, and what is left. Kielty requested that Jim Wilkey provide this corridor information to update the Board on what that means for them and the claims team. Wilkey highlighted that Great American needs to be notified both when payments are made into the corridor and once a corridor has been satisfied. One of the reasons BASIC’s net position stands currently at \$13 million is because BASIC has fully funded that corridor

every year. Bickmore's actuarial study includes the corridor aggregate funding, but Kielty was unsure if the auditors accounted for corridor exposure based on open losses.

7. CONSENT CALENDAR

B. BASIC MOLC

C. Minutes of December 11, 2023, Board of Director's Meeting

D. Bickmore Data Analysis Contract

E. CAJPA Accreditation 6 Month Extension

Mike Kielty updated that BASIC's accreditation specialist consultant will now be David Nunley. BASIC is waiting to be contacted by Nunley to move forward.

Cindy Wilkerson motioned to accept the Consent Calendar items; Kim Santin seconded. A roll call vote was taken. Ayes: Patterson, Santin, Wilkerson. Nays: None

8. COVERAGE MATTERS

F. Claims Handling Instruction

Kielty reported the Claims Handling Instructions have been updated after input from the Board at the last meeting, as well as final input from the George Hills' Claims team. Members agreed the instructions look accurate and should be included as a Consent Calendar item at the next meeting on April 16, 2024. Catie Chaquica will inform George Hills staff this document is final and send it out to each member and Newfront. Additionally, each member and George Hills have been contacted by or are expecting contact from Tim Farley to begin their audits, which should be completed by the end of February 2024.

G. Arbitration Clause Review

Dominic Spinelli was consulted to review the current arbitration clauses with BASIC's reinsurers and propose areas of concern to be addressed. Spinelli highlighted the issues below, and stressed that if only some of these items could be agreed upon, the most important to work towards adopting are items 1 and 2:

1. The location where arbitration occurs.
2. The arbitrators should be three retired judges local to the location where arbitration is held.
3. The jurisdiction should be the location of the JPA or public agency.
4. Specified procedures for arbitration.

5. Specifying whether to follow the rules or evidence or attached exhibits as evidence, depending on circumstances.
6. How to split arbitration costs.

Wilkey will move forward with discussing these items with reinsurers. Kielty will be securing Spinelli's permission to directly share the drafted letter with reinsurers as a starting point for the conversation. Wilkey also highlighted that each member should review their individual MOCs to ensure their clauses do not undermine the updates requested for BASIC. He will report back at the next meeting about movement made on this item.

H. BASIC Responsible Reporting Entity (RRE)

Wilkerson reported RRE status follows the entity who pays the claimant. The Claims Handling Instructions with George Hills mention they will handle reporting, but there is no BASIC RRE number to facilitate reporting, and this is not included in the contract between BASIC and George Hills. Going forward, to remain in compliance, once a claim is settled and has been approved by the BASIC Board, BASIC will forward the money to the member to issue the check directly to the claimant. As the underlying member is the one paying the claimant, their RRE will be utilized for their claim, and BASIC does not need its own number. The question arose about BASIC reimbursing in advance of the member paying the claimant or after. An argument for sending reimbursement prior to paying out a settlement was that, depending on the amount, it could be impossible for the member to advance large sums. Wilkey provided input that the flow from the reinsurer's standpoint is fine either way, and that BASIC will just need to work on getting finances in hand quickly enough for member to send money to a claimant on time.

I. Status of Underwriting Submission

Kielty reported that Bickmore has completed the compilation of a single loss run for BASIC as of November 30, 2023. The finalized loss run has been forwarded to Newfront to be used for both the renewal and actuarial reports. Per Wilkey, BASIC and SPA will be ready for market by the end of the week, which is on time per BASIC's deadline with SPA.

J. Actuarial Report/SIR Options Update

Kielty met with the Bickmore team and determined there are a few items needing direction:

- Bickmore has provided BASIC with options to discount liabilities at 1.5% and 2%. Choosing a lower discount rate will result in more conservative financial statements. Kielty advised using these numbers for now, unless members would like to see different rates at the Board Meeting in April after reviewing the actuarial study.

- Kielty requested clarity on SIR options BASIC members would consider insuring above. As of now, he has requested information reflecting SIRs at \$150,000, \$250,000, \$350,000 and \$500,000. Wilkerson requested to have an option for \$1,000,000 as well to have as a benchmark for now and the future.
- Kielty has directed Bickmore to provide information for increased BASIC self-funded options at \$1,500,000, \$1,750,000, \$2,000,000 and \$2,500,000. This could get BASIC more options from reinsurers and may result in a significant premium reduction from Safety National. Depending on what the increase in collection from members would be, these are options to consider. Kielty expected to have a quote available for review at the April meeting.
- Kielty stated he would like to see a confidence level added to the report and members agreed.

9. FINANCE MATTERS

K. Financial Report as of December 31, 2023

L. Check Register October 1, 2023 – December 31, 2023

M. Treasurer’s Report as of September 30, 2023

N. Treasurer’s Report as of December 31, 2023

Andrew Obando shared the reports stand as presented. He stated that current discount rates have a roughly 4% yield, however short-term returns currently do not reflect any potential upcoming changes. He attempted to provide reports similar to Sedgwick’s presentation in the past and was open to suggestions or adjustments requested. Patterson requested the balance sheet be compared against the prior fiscal year end, rather than mid-year. Obando will be looking deeper into which corridor reserves are built into the liabilities and which are not before he updates the Board on that matter. This will be an action item to bring forward in the future. The financial reports now managed by NBSIA represent a full and final transition into BASICs new management structure.

Cindy Wilkerson motioned to receive and accept financial items; Kim Santin seconded. A roll call vote was taken. Ayes: Patterson, Santin, Wilkerson. Nays: None

10. ADMINISTRATIVE MATTERS

O. Operations Calendar

Chaquica presented the Operations Calendar she has been compiling through Planner, a Microsoft application. Her intention is to continue building this out over the next one to two years for completeness. She will also begin working with other BASIC admin through this

platform to see how collaboration between organizations is possible. Some items included on the calendar at this moment include:

- Contract renewals
- Board meetings
- Admin items
- Coverage renewal items

11. CLOSED SESSION

P. Pending Litigation – Review of open litigated claims

Entered closed session at 11:18 a.m.

Returned from closed session at: 11:35 a.m.

Report from closed session: No action taken.

12. CLOSING COMMENTS

None.

13. ADJOURNMENT

The meeting was adjourned by President Christy Patterson at 11:37 a.m.

H. Coverage Matters

H. 1. Excess Liability Claims Audit - 2024

Recommendation

Review and accept.

Supporting Documents



BASIC-Excess report 2024



March 15, 2024

Bay Area Schools Insurance Cooperative
% George Hills
P.O. Box 278
Rancho Cordova, CA 95741

Attn: Mr. Mike Kielty
Executive Director

by email: mike.kielty@georgehills.com

2024 Audit of BASIC Excess Claims

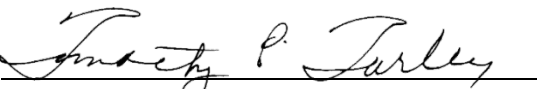
Dear Mr. Kielty:

This report presents a summary of findings for the audit of the BASIC excess reportable claims administered by George Hills in Ontario, California. Please review this document and advise if you have any questions.

FCS appreciates the opportunity to provide this analysis to BASIC.

Respectfully submitted,

FARLEY CONSULTING SERVICES

by 

Timothy P. Farley, CPCU
President

Excess Liability Claims Audit - 2024

for

Bay Area Schools Insurance Cooperative



Bay Area Schools Insurance Cooperative

March 15, 2024



FCS

**F A R L E Y
CONSULTING SERVICES, LLC**

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**An Independent Claims Management
Consulting Firm**

Contents

Bay Area Schools Insurance Cooperative – Excess Claims Handling (George Hills Company)..... 1

- A. Staffing 1
- B. Case Reserve Accuracy..... 1
- C. Litigation Management 1
- D. Investigation..... 2
- E. Diary/Claim Closure..... 2
- F. Claim Data Organization/Documentation Clarity 2
- G. Excess Reporting and Status Efficiency 2

Bay Area Schools Insurance Cooperative – Excess Claims Handling (George Hills Company)

FCS reviewed 20 open claims via remote access to the claims management information system of George Hills Company (George Hills). All of the underlying primary claims generating the creation of the excess claims at George Hills were reviewed in conjunction with the overall BASIC claim audit project.

The primary focus when reviewing BASIC excess claims is confirmation that communication between underlying administrators and BASIC (George Hills) is effective and accurate. The main categories for evaluation are:

- Case reserve accuracy (reserves established by George Hills) and the accurate assessment of the reserves established by the underlying administrators.
- Timely notice of the claims from the underlying member to George Hills.
- Litigation management and the documentation of timely litigation status updates to the George Hills information system.
- Claim data documentation accuracy and clarity (e.g., confirmation that notices from underlying administrators to BASIC/George Hills and George Hill's acknowledgement of the receipt of those notices are documented in BASIC's data).

A Staffing

BASIC excess claims are administered by Ms. Samantha Morgan at George Hills. She administers the entire caseload of 42 claims (as of the day of the inception of this project). She also administers claims for other George Hills clients. Her total caseload is 154. This caseload is reasonable. Ms. Morgain has the requisite experience to administer BASIC excess claims.

B. Case Reserve Accuracy

Eight of the 20 claims reviewed have established BASIC case reserves (reserves excess the members' underlying retention). Those reserves are appropriate. No case reserve inaccuracies are observed. In all instances, George Hills documented its understanding and evaluation of the underlying case reserves.

C. Litigation Management

Any litigation activity on claims meeting excess reporting requirements is managed by Ms. Rose Melchor, George Hills Claims Supervisor. All of the claims reviewed involve litigation. Most of the claims reviewed exhibit timely retrieval and documentation of periodic litigation status reports sent to the underlying administrator. George Hills routinely requests these status updates. There were several

instances where the underlying administrator did not respond timely to these requests. This deficiency is discussed in more detail in Section E, Diary/Claim Closure.

D. Investigation

Nearly all investigation observed on BASIC excess claims is performed by administrators for the underlying members. Several claims generated requests for investigation status from George Hills to the underlying pools' investigation team. Those requests were clearly documented to George Hills' information system. The audit identified some instances where the underlying member did not respond to the request timely.

E. Diary/Claim Closure

Four of the claims reviewed lack timely diary activity. George Hills' activity is primarily on a monitoring basis. An extended diary (maximum 90 days) is acceptable, but the claims in Exhibit 1 are not compliant.

F. Claim Data Organization/Documentation Clarity

Claim activity material viewed via remote access reflects consistent documentation of the notices generated by underlying administrators to BASIC/George Hills. No claim documentation clarity deficiencies on the George Hills claims are identified.

G. Excess Reporting and Status Efficiency

All of the claims reviewed for this audit were also reviewed by FCS when conducting audits of the individual underlying BASIC members. The audit of George Hills claims revealed no absent or tardy initial reporting of claims qualifying for excess monitoring. Some lack of responsiveness to requests for status updates and George Hills' failure to ask for status updates are presented in Sections C and E above.

Exhibit 1 – BASIC Excess Diary Analysis

Claim Number	Discussion
BAS19-0214 (BSSP)	Notes indicate this claim was resolved at the underlying level in November 2023. It is unclear why the claim is still open with an outstanding loss reserve on the George Hills system.
GHC 0041599 (BSSP)	The last note documented is dated 10/10/23. It is a request to the underlying administrator for a status update. No follow up inquiry to secure that status or documentation of any status received is evident.
GHC 0051183 (NBSIA)	The last note documented to the information system is dated 10/24/23. The claim is litigated and the case was remanded back to the trial court. No status update from counsel is documented.
BAS19-1114 (RESIG)	George Hills has requested a litigation status update at least 3 times in the last few months. No reply is documented. This is not necessarily a George Hills deficiency.

Appendix

BASIC Excess Audit Claim List

BASIC Excess

Insured	Claim Number
1. BSSFP	BAS19-0214-2
2. BSSFP	GHC0031565
3. BSSFP	GHC0041599
4. BSSFP	GHC0046157
5. BSSFP	GHC0068014
6. NBSIA	BAS18-1128
7. NBSIA	GHC0040857
8. NBSIA	GHC0051183
9. NBSIA	GHC0054559
10. NBSIA	GHC0060909
11. NBSIA	GHC0067005
12. RESIG	BAS19-1016
13. RESIG	BAS19-1114
14. RESIG	GHC0042524
15. RESIG	GHC0052386
16. RESIG	GHC0052386
17. RESIG	GHC0060782
18. RESIG	GHC0064757
19. RESIG	GHC0067668
20. RESIG	GHC0067986

H. 2. Excess Liability Deductible Corridor Explanation

Background

BASIC provides excess liability coverage above member retentions of \$250,000 to \$5,000,000. Claims from \$250,001 to \$1,500,000 are self-insured, while claims from \$1,500,001 to \$5,000,000 are covered by Safety National. Claims in excess of \$5,000,000 are covered through the Schools Program Alliance (SPA).

Within the Safety National layer there is a \$1,000,000 annual aggregate deductible (AAD or corridor) with no aggregate limits. Jim Wilkey/Newfront will explain the AAD/corridor mechanism as it relates to payment of claims.

Recommendation

Feedback and direction.

Contact Person

Jim Wilkey

Subject

Excess Liability Deductible Corridor Explanation

Fiscal Impact

N/A

H. 3. Bickmore 2024/2025 Actuarial Study Presentation

Background

Each year BASIC hires Bickmore to provide the draft actuarial study & x-mods for BASIC's pooled liability program. Mike Harrington will provide an overview of this year's study which will include:

- Discounted funding rates at the various confidence levels, member SIR, & BASIC SIR options, with and without corridor deductible. These discounted figures assume a 1.5% investment rate.
- Comparison of the 85% confidence level funding for 2024-25 at varying member & BASIC retentions under assumed investment returns of either 1.5% or 2.0%.
- Estimate of outstanding liabilities compared to the 6/30/2023 estimate of our prior report.
- 2024-25 projected rates relative to our prior reports 2023-24 projected rates

Recommendation

Review and accept.

Contact Person

Mike Harrington

Subject


Bickmore 2024-2025 Actuarial Study Presentation

Fiscal Impact

N/A

Supporting Documents

 BASIC Liab Xmods Rpt 2023-24 DRAFT 2024-03-20

 BASIC Liab Rpt 2023-24 DRAFT 2024-03-20



Bickmore — Actuarial

Experience Modification Plan For the Pooled Liability Program

Forecast for Program Year 2024-25

Presented to
Bay Area Schools Insurance Cooperative

March 20, 2024 - DRAFT

SCOPE

Bay Area Schools Insurance Cooperative (“BASIC”, the Pool) has engaged Bickmore Actuarial to conduct an actuarial review of the 2024-25 experience modification factors for its self-insured pooled liability program utilizing data valued as of November 30, 2023.

The specific objectives of the study are:

- Summarize exposure data (payroll) for the 2018-19 to 2022-23 program years
- Summarize loss and ALAE data for the 2018-19 to 2022-23 program years
- Calculate the experience modification factors for 2024-25 with historical exposure and loss data using credibility formula and calculation methodology approved by BASIC.

METHODOLOGY

The factors included in this report are derived based upon data provided by BASIC, including historical payroll, incurred losses, and claim counts valued as of November 30, 2023.

The experience modification factor (x-mod) for each member represents the relationship between the experience of the member and the experience of the pool as a whole. Generally, a factor greater than 1.00 indicates that the member’s expected loss rate is worse than the pool average. Conversely, a factor less than 1.00 indicates that the member’s expected loss rate is better than the pool average.

This plan includes losses capped in the \$150,000 to \$1,000,000 layer. Capping losses reduces the impact of single large, fortuitous losses and makes the plan more sensitive to the frequency of claims, a measure that is typically easier for the member to control. Increasing the cap introduces more volatility in the factors from year to year but encourages the members to contain losses to the extent possible. There is currently no cap on annual changes in the x-mod.

The calculation of the x-mod is based upon the 2018-19 through 2022-23 experience. These five years of losses in the 150,000 to \$1,000,000 layer, claim counts in this layer, and total payroll are summed by member, and the member proportions are calculated for each of these measures.

An initial x-mod is calculated based on a member’s weighted proportion of capped losses, claims counts and payroll (weights of 12.5%, 12.5% and 75%, respectively) as compared to its proportion of payroll. A credibility weight is assigned to each member’s initial x-mod. The largest member receives a 50% credibility, while all other members receive a scaled credibility no greater than 50%.

The remaining weight, or complement of credibility, is assigned to the pool x-mod (1.00) to calculate an initial credibility-weighted x-mod. Then the plan is balanced with an off-balance factor to ensure that the plan is revenue neutral.

The methodology described is consistent with that of the prior x-mod calculation performed by Bickmore Actuarial in the report dated March 19, 2024.

SIGNATURE

We appreciate the opportunity to be of service to BASIC in preparing this report. Please feel free to call Mike Harrington at (916) 244-1162 or Daniel Shaw at (503) 419-0457 with any questions you may have concerning this report.

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

DRAFT

Mike Harrington, FCAS, MAAA
President and Managing Partner

DRAFT

Sarah Ashworth
Senior Actuarial Analyst

DRAFT

Daniel Shaw, ACAS, MAAA
Actuarial Manager

BASIC Experience Modification Factors Liability

Calculation of 2024-25 Experience Modification Factors

Member	2018-19 to 2022-23 Distribution			Weighted Distribution (D)	Experience Modification Factor (E)	Credibility Weighting (F)	Credibility Weighted Experience Modification Factor (G)	2024-25 Projected Payroll (H)	2024-25 Balanced Experience Modification Factor (I)
	Incurring Losses \$150K-\$1M (A)	Reported Counts \$150K-\$1M (B)	Payroll (C)						
	BSSP	6.1%	9.6%						
NBSIA	49.6%	43.3%	41.1%	42.4%	1.032	46.1%	1.015	544,400,585	1.013
RESIG	44.3%	47.1%	48.0%	47.5%	0.988	50.0%	0.994	610,000,000	0.992
All Members	100.0%	100.0%	100.0%	100.0%				\$1,296,679,613	1.000
(J) Weights	12.5%	12.5%	75.0%						

Notes:

- (A), (B), (C): From Exhibit 3.
- (D): Average of (A), (B), & (C) using weights from (J).
- (E): (D)/(C)
- (F): (C) / [(C) + max (C)]
- (G): [(F) x (E) + (1 - (F)) x 1]
- (H): Provided by BASIC.
- (I): [(G) x off balance of 0.998]
- (J): Based on current experience modification policy.

BASIC Experience Modification Factors Liability

2024-25 Discounted Premium at 85% Confidence Level, Assuming 1.5% Interest Rate

Member	2024-25 Selected Loss Rate Per \$100 of Payroll (A)	2024-25 Payroll (B)	2024-25 Indicated Premium (C)	2024-25 Balanced Experience Modification Factor (D)	2024-25 Experience Modified Rate (E)	2024-25 Experience Modified Premium (F)	Modified Premium Difference (G)	Modified Premium Percent Change (H)
BSSP	\$0.286	\$142,279,028	\$406,918	0.985	\$0.282	\$400,960	-\$5,958	-1.5%
NBSIA	0.286	544,400,585	1,556,986	1.013	0.290	1,577,133	20,147	1.3%
RESIG	0.286	610,000,000	1,744,600	0.992	0.284	1,730,411	-14,189	-0.8%
All Members	\$0.286	\$1,296,679,613	\$3,708,504	1.000	\$0.286	\$3,708,504	\$0	0.0%

2024-25 Discounted Premium at 85% Confidence Level, Assuming 2.0% Interest Rate

Member	2024-25 Selected Loss Rate Per \$100 of Payroll (A)	2024-25 Payroll (B)	2024-25 Indicated Premium (C)	2024-25 Balanced Experience Modification Factor (D)	2024-25 Experience Modified Rate (E)	2024-25 Experience Modified Premium (F)	Modified Premium Difference (G)	Modified Premium Percent Change (H)
BSSP	\$0.282	\$142,279,028	\$401,227	0.985	\$0.278	\$395,352	-\$5,875	-1.5%
NBSIA	0.282	544,400,585	1,535,210	1.013	0.286	1,555,076	19,866	1.3%
RESIG	0.282	610,000,000	1,720,200	0.992	0.280	1,706,209	-13,991	-0.8%
All Members	\$0.282	\$1,296,679,613	\$3,656,637	1.000	\$0.282	\$3,656,637	\$0	0.0%

Notes:

(A): From actuarial study. Assumes \$250K Member SIR, \$1.5M BASIC SIR and \$1M Corridor.

(B): From Exhibit 3.

(C): (A) x (B) / 100.

(D): From Exhibit 1.

(E): (A) x (D)

(F): (B) x (E) / 100.

(G): (F) - (C)

(H): (F) / (C) - 1

BASIC
Experience Modification Factors
Liability

Summary of Payroll and Loss Data

(A) Incurred Losses in Layer from \$150,000 to \$1,000,000 as of 11/30/2022						
Member	(1) 2018-19	(2) 2019-20	(3) 2020-21	(4) 2021-22	(5) 2022-23	(6) 5-Yr Total
BSSP	\$120,000	\$200,000	\$0	\$100,000	\$0	\$420,000
NBSIA	1,700,000	170,214	123,525	202,220	570,000	2,765,959
RESIG	135,067	1,023,303	119,253	400,000	212,194	1,889,818
All Members	\$1,955,067	\$1,393,518	\$242,778	\$702,220	\$782,194	\$5,075,777

(B) Distribution of Incurred Losses in Layer from \$150,000 to \$1,000,000 as of 11/30/2022							
Notes:	(1) 2018-19	(2) 2019-20	(3) 2020-21	(4) 2021-22	(5) 2022-23	(6) 5-Yr Average	(7) 5-Yr Weighted
BSSP	6.1%	14.4%	0.0%	14.2%	0.0%	6.9%	6.1%
NBSIA	87.0%	12.2%	50.9%	28.8%	72.9%	50.3%	49.6%
RESIG	6.9%	73.4%	49.1%	57.0%	27.1%	42.7%	44.3%

(C) Weights:	1.0	2.0	3.0	4.0	5.0
--------------	-----	-----	-----	-----	-----

(D) Claim Count in Layer from \$150,000 to \$1,000,000 as of 11/30/2022						
Member	(1) 2018-19	(2) 2019-20	(3) 2020-21	(4) 2021-22	(5) 2022-23	(6) 5-Yr Total
BSSP	1	2	0	1	0	4
NBSIA	2	2	1	3	2	10
RESIG	2	5	3	1	2	13
All Members	5	9	4	5	4	27

(E) Distribution of Claim Counts in Layer from \$150,000 to \$1,000,000 as of 11/30/2022							
Member	(1) 2018-19	(2) 2019-20	(3) 2020-21	(4) 2021-22	(5) 2022-23	(6) 5-Yr Average	(7) 5-Yr Weighted
BSSP	20.0%	22.2%	0.0%	20.0%	0.0%	12.4%	9.6%
NBSIA	40.0%	22.2%	25.0%	60.0%	50.0%	39.4%	43.3%
RESIG	40.0%	55.6%	75.0%	20.0%	50.0%	48.1%	47.1%

(F) Weights:	1.0	2.0	3.0	4.0	5.0
--------------	-----	-----	-----	-----	-----

(G) Payroll							
Member	(1) 2018-19	(2) 2019-20	(3) 2020-21	(4) 2021-22	(5) 2022-23	(6) 5-Yr Total	(7) 2024-25
BSSP	\$120,408,823	\$123,447,467	\$121,948,710	\$120,908,277	\$129,705,531	\$616,418,808	\$142,279,028
NBSIA	447,354,752	457,744,541	462,364,064	477,366,243	489,591,336	2,334,420,936	544,400,585
RESIG	492,534,033	514,206,257	524,599,143	579,449,049	627,927,193	2,738,715,675	610,000,000
All Members	\$1,060,297,608	\$1,095,398,265	\$1,108,911,917	\$1,177,723,569	\$1,247,224,060	\$5,689,555,419	\$1,296,679,613

(H) Distribution of Payroll							
Member	(1) 2018-19	(2) 2019-20	(3) 2020-21	(4) 2021-22	(5) 2022-23	(6) 5-Yr Average	(7) 2024-25
BSSP	11.4%	11.3%	11.0%	10.3%	10.4%	10.9%	11.0%
NBSIA	42.2%	41.8%	41.7%	40.5%	39.3%	41.1%	42.0%
RESIG	46.5%	46.9%	47.3%	49.2%	50.3%	48.0%	47.0%

Notes:
 (A),(D),(G): Provided by BASIC.
 (B)(7): (B)(1) through (B)(5) weighted based on (C).
 (E)(7): (E)(1) through (E)(5) weighted based on (F).

BASIC Experience Modification Factors Liability

Experience Modification Factor Comparison

Member	2022-23 Experience Modification Factor (A)	2023-24 Experience Modification Factor (B)	2024-25 Experience Modification Factor (C)	2023-24 to 2024-25 Change (D)
BSSP	0.978	0.971	0.985	1%
NBSIA	0.954	0.944	1.013	7%
RESIG	1.047	1.054	0.992	-6%
All Members	0.000	0.000	0.000	

Notes:

- (A): From 11/30/2021 AON report.
- (B): From 11/30/2022 Bickmore Actuarial report.
- (C): From Exhibit 1, (I).
- (D): (G)/(F)-1



Bickmore — Actuarial

Actuarial Review of the Pooled Liability Program

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

Presented to
Bay Area Schools Insurance Cooperative

March 20, 2024 - DRAFT

SCOPE AND SIGNATURE

Bay Area Schools Insurance Cooperative (“BASIC”) has engaged Bickmore Actuarial to conduct an actuarial review of unpaid loss and loss adjustment expenses for claims that occurred on or before June 30, 2024 for its self-insured pooled liability program utilizing data valued as of November 30, 2023. BASIC also seeks guidance on the appropriate funding level for claims to be incurred during the upcoming program year.

The specific objectives of the study are:

1. Estimate BASIC’s net liability for outstanding claims as of June 30, 2024. Liabilities net of reinsurance are presented on an undiscounted basis only. The net liabilities are also presented at the expected level (i.e. without a risk margin) and with risk margins, which are quantified via confidence levels. The net liabilities include provisions for loss and allocated loss adjustment expense (ALAE) but exclude unallocated loss adjustment expense (ULAE). ALAE and ULAE are defined in the Glossary section of this report.
2. Project ultimate claims costs for the 2024-25 program year at various retentions and corridor deductibles. The ultimate program year costs are presented on both undiscounted and discounted bases. Projections with and without risk margins are also included.
3. Provide a statement of compliance with Governmental Accounting Standards Board Statement #10.

We appreciate the opportunity to be of service to BASIC in preparing this report. Please feel free to call Mike Harrington at (916) 244-1162 or Daniel Shaw at (503) 419-0457 with any questions you may have concerning this report.

Mike Harrington and Daniel Shaw meet the Casualty Actuarial Society continuing education requirements and the American Academy of Actuaries’ qualification standards to sign Statements of Actuarial Opinion.

DRAFT

Mike Harrington, FCAS, MAAA
President and Managing Partner

DRAFT

Daniel Shaw, ACAS, MAAA
Actuarial Manager

DRAFT

Sarah Ashworth
Senior Actuarial Analyst

TABLE OF CONTENTS

SCOPE AND SIGNATURE	1
EXECUTIVE SUMMARY	3
BACKGROUND	7
OBSERVATIONS AND ANALYSIS	8
Comparison of Liabilities: Prior vs. Current Reports	10
Comparison of Funding Projections: Prior vs. Current Reports	11
Loss Rate Trend	12
Average Claim Size (Severity) Trend	13
Claim Frequency Trend	14
Loss and ALAE Liabilities by Layer	15
Losses by Layer	16
METHODOLOGY	18
CONSIDERATIONS AND KEY ASSUMPTIONS	20
CONDITIONS AND LIMITATIONS	23
DISTRIBUTION AND USE	24
GLOSSARY OF ACTUARIAL TERMS	25
EXHIBITS AND APPENDICES	27

EXECUTIVE SUMMARY

Net Claim Liabilities

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

Loss & ALAE Claim Liabilities
As of June 30, 2024, Net of Reinsurance

Dollars (\$000s)	Expected ¹	← Confidence Level →				
		80%	85%	90%	95%	98%
Loss & ALAE						
(Within SIR)	\$5,538	\$6,932	\$7,393	\$8,023	\$9,146	\$12,001
(Within Corridor) ²	<u>2,336</u>	<u>2,924</u>	<u>3,118</u>	<u>3,384</u>	<u>3,700</u>	<u>3,700</u>
Total Loss & ALAE	\$7,874	\$9,856	\$10,511	\$11,406	\$12,846	\$15,700
Assets	16,443	16,443	16,443	16,443	16,443	16,443
Surplus/(Deficit)	8,569	6,587	5,932	5,037	3,597	743
Short Term L&ALAE ³	\$1,920	\$2,403	\$2,563	\$2,781	\$3,171	\$4,161
Long Term L&ALAE ³	5,954	7,453	7,948	8,625	9,675	11,539

¹ Expected values represent the "best actuarial" or "central" estimate.

² Corridor at higher confidence levels is capped at maximum outstanding corridor.

³ Short-term liabilities are projected to be paid within 12 months of the accounting date. Long-term liabilities are projected to be paid after 12 months.

BASIC's liability program is currently funded in excess of the 98% confidence level.

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

Statement of Compliance with GASB #10

The outstanding liabilities presented in this section, when claims administration costs (ULAE) are included, comply with the requirements promulgated by GASB #10. ULAE is typically 5% to 10% of the estimated outstanding loss and ALAE liabilities.

Funding Projections

The following tables present our estimates of ultimate funding rates for 2024-25.

Projected Discounted¹ Funding Rates², SIR of \$1,500,000

	← Confidence Level →					
	Expected ³	70%	75%	80%	85%	90%
<u>Member SIR</u>	Excluding Corridor Deductible					
\$150,000	\$0.199	\$0.235	\$0.252	\$0.273	\$0.300	\$0.335
\$250,000	0.152	0.180	0.194	0.210	0.231	0.259
\$300,000	0.136	0.161	0.173	0.188	0.207	0.232
\$350,000	0.123	0.146	0.157	0.171	0.188	0.211
\$500,000	0.094	0.111	0.120	0.131	0.144	0.162
	\$1,000,000 Corridor Deductible⁴					
	\$0.041	\$0.057	\$0.064	\$0.072	\$0.072	\$0.072
<u>Member SIR</u>	Including Corridor Deductible					
\$150,000	\$0.240	\$0.292	\$0.316	\$0.345	\$0.372	\$0.407
\$250,000	0.193	0.237	0.258	0.282	0.303	0.331
\$300,000	0.177	0.218	0.237	0.260	0.279	0.304
\$350,000	0.164	0.203	0.221	0.243	0.260	0.283
\$500,000	0.135	0.168	0.184	0.203	0.216	0.234

Projected Discounted¹ Funding Rates², SIR of \$1,750,000

	← Confidence Level →					
	Expected ³	70%	75%	80%	85%	90%
<u>Member SIR</u>	Excluding Corridor Deductible					
\$150,000	\$0.208	\$0.245	\$0.264	\$0.286	\$0.314	\$0.351
\$250,000	0.162	0.191	0.206	0.224	0.246	0.276
\$300,000	0.146	0.172	0.186	0.202	0.222	0.249
\$350,000	0.133	0.156	0.169	0.184	0.202	0.227
\$500,000	0.104	0.123	0.133	0.145	0.159	0.179
	\$1,000,000 Corridor Deductible⁴					
	\$0.038	\$0.046	\$0.054	\$0.065	\$0.072	\$0.072
<u>Member SIR</u>	Including Corridor Deductible					
\$150,000	\$0.247	\$0.291	\$0.318	\$0.351	\$0.386	\$0.423
\$250,000	0.200	0.237	0.260	0.289	0.318	0.348
\$300,000	0.184	0.218	0.240	0.267	0.294	0.321
\$350,000	0.171	0.202	0.223	0.249	0.274	0.299
\$500,000	0.143	0.169	0.187	0.210	0.231	0.251

¹ Discounting is based on an annual discount rate of 1.5% and assumes that invested funding is equal to the recommended funding level and is invested at the beginning of the fiscal year.

² Rate is per \$100 of payroll.

³ Expected values represent the “best actuarial” or “central” estimate.

⁴ Corridor at higher confidence levels is limited by maximum discounted corridor.

Projected Discounted¹ Funding Rates², SIR of \$2,000,000

	Expected ³	← Confidence Level →				
		70%	75%	80%	85%	90%
<u>Member SIR</u>	Excluding Corridor Deductible					
\$150,000	\$0.218	\$0.257	\$0.277	\$0.301	\$0.330	\$0.370
\$250,000	0.172	0.203	0.219	0.238	0.262	0.294
\$300,000	0.156	0.184	0.199	0.216	0.238	0.268
\$350,000	0.142	0.168	0.182	0.198	0.218	0.246
\$500,000	0.114	0.134	0.146	0.159	0.175	0.198
	\$1,000,000 Corridor Deductible⁴					
	\$0.038	\$0.045	\$0.057	\$0.068	\$0.072	\$0.072
<u>Member SIR</u>	Including Corridor Deductible					
\$150,000	\$0.256	\$0.302	\$0.334	\$0.369	\$0.402	\$0.442
\$250,000	0.210	0.248	0.276	0.306	0.334	0.366
\$300,000	0.194	0.229	0.256	0.284	0.310	0.340
\$350,000	0.180	0.213	0.239	0.266	0.290	0.318
\$500,000	0.152	0.179	0.203	0.227	0.247	0.270

Projected Discounted¹ Funding Rates², SIR of \$2,500,000

	Expected ³	← Confidence Level →				
		70%	75%	80%	85%	90%
<u>Member SIR</u>	Excluding Corridor Deductible					
\$150,000	\$0.230	\$0.272	\$0.293	\$0.319	\$0.352	\$0.396
\$250,000	0.184	0.217	0.236	0.257	0.284	0.321
\$300,000	0.168	0.198	0.215	0.235	0.261	0.295
\$350,000	0.154	0.183	0.199	0.217	0.241	0.273
\$500,000	0.126	0.149	0.162	0.178	0.198	0.225
	\$1,000,000 Corridor Deductible⁴					
	\$0.035	\$0.035	\$0.048	\$0.062	\$0.072	\$0.072
<u>Member SIR</u>	Including Corridor Deductible					
\$150,000	\$0.265	\$0.307	\$0.341	\$0.381	\$0.424	\$0.468
\$250,000	0.219	0.252	0.284	0.319	0.356	0.393
\$300,000	0.203	0.233	0.263	0.297	0.333	0.367
\$350,000	0.190	0.218	0.247	0.279	0.313	0.345
\$500,000	0.161	0.184	0.210	0.240	0.270	0.297

¹ Discounting is based on an annual discount rate of 1.5% and assumes that invested funding is equal to the recommended funding level and is invested at the beginning of the fiscal year.

² Rate is per \$100 of payroll.

³ Expected values represent the “best actuarial” or “central” estimate.

⁴ Corridor at higher confidence levels is limited by maximum discounted corridor.

Projected Discounted Funding Rates¹ at 85% Confidence Level
At Various Retentions & Discount Rates²

	1.5% Discount Rate				2.0% Discount Rate			
	1.5M SIR	1.75M SIR	2M SIR	2.5M SIR	1.5M SIR	1.75M SIR	2M SIR	2.5M SIR
Member SIR	Excluding Corridor Deductible							
\$150,000	\$0.300	\$0.314	\$0.330	\$0.352	\$0.295	\$0.308	\$0.325	\$0.346
\$250,000	0.231	0.246	0.262	0.284	0.228	0.241	0.258	0.279
\$300,000	0.207	0.222	0.238	0.261	0.204	0.218	0.234	0.256
\$350,000	0.188	0.202	0.218	0.241	0.185	0.199	0.215	0.237
\$500,000	0.144	0.159	0.175	0.198	0.142	0.157	0.172	0.194
	\$1,000,000 Corridor Deductible							
	\$0.072	\$0.072	\$0.072	\$0.072	\$0.071	\$0.070	\$0.071	\$0.070
	Including Corridor Deductible							
\$150,000	\$0.372	\$0.386	\$0.402	\$0.424	\$0.366	\$0.378	\$0.396	\$0.416
\$250,000	0.303	0.318	0.334	0.356	0.299	0.311	0.329	0.349
\$300,000	0.279	0.294	0.310	0.333	0.275	0.288	0.305	0.326
\$350,000	0.260	0.274	0.290	0.313	0.256	0.269	0.286	0.307
\$500,000	0.216	0.231	0.247	0.270	0.213	0.227	0.243	0.264

¹ Rate is per \$100 of payroll.

² Discounting assumes that invested funding is equal to the recommended funding level and is invested at the beginning of the fiscal year.

BACKGROUND

On July 1, 2004 BASIC established its pooled liability program. Current members are Butte Schools Self-Funded Program (BSSP), North Bay Schools Insurance Authority (NBSIA) and Redwood Empire Schools Insurance Group (RESIG). Previous members include Central Region Schools Insurance Group (CRSIG), Alameda County Schools Insurance Group (ACSIG) and San Joaquin Delta Community College (SJDCC). ACSIG and SJDCC are excluded from this analysis, as they have no remaining open claims with BASIC, having terminated membership as of 7/1/2008 and 7/1/2009, respectively. CRSIG terminated membership beginning 7/1/2019, and BASIC retains liability for claims prior to that date.

Program administration services are provided by George Hills. Claims administration services for BASIC layer claims are also provided by George Hills. Claims data is compiled by Bickmore Actuarial from the individual member loss runs and reconciled to the loss data provided by George Hills.

The following table shows a history of BASIC's self-insured retentions (SIRs) and corridor deductibles by year.

Policy Year Start Date	Per Occurrence Retention					Corridor Deductible
	BSSP	CRSIG	NBSIA	RESIG	BASIC ¹	BASIC
7/1/2004	\$100,000	\$100,000	\$150,000	\$250,000	\$500,000	(none)
7/1/2005	100,000	n/a	150,000	250,000	300,000	200,000
7/1/2006	150,000	n/a	150,000	250,000	300,000	200,000
7/1/2007	150,000	n/a	250,000	250,000	300,000	(none)
7/1/2008	150,000	n/a	250,000	250,000	350,000	(none)
7/1/2009	150,000	n/a	250,000	250,000	350,000	(none)
7/1/2010	150,000	n/a	250,000	250,000	350,000	(none)
7/1/2011	150,000	n/a	250,000	250,000	350,000	(none)
7/1/2012	150,000	n/a	250,000	250,000	350,000	(none)
7/1/2013	150,000	250,000	250,000	250,000	350,000	(none)
7/1/2014	150,000	250,000	250,000	250,000	350,000	(none)
7/1/2015	250,000	250,000	250,000	250,000	350,000	(none)
7/1/2016	250,000	250,000	250,000	250,000	500,000	(none)
7/1/2017	250,000	250,000	250,000	250,000	500,000	(none)
7/1/2018	250,000	250,000	250,000	250,000	500,000	250,000
7/1/2019	250,000	n/a	250,000	250,000	500,000	500,000
7/1/2020	250,000	n/a	250,000	250,000	1,000,000	500,000
7/1/2021	250,000	n/a	250,000	250,000	1,000,000	1,000,000
7/1/2022	250,000	n/a	250,000	250,000	1,500,000	1,000,000
7/1/2023	250,000	n/a	250,000	250,000	1,500,000	1,000,000

¹ BASIC's listed per occurrence retention is the ground-up reinsurance attachment point. For instance, for the policy year starting 7/1/2023, BASIC retained the layer between \$250,000 and \$1,500,000 per occurrence.

OBSERVATIONS AND ANALYSIS

In this section, we present a comparison to the prior analysis as well as an overview of claims trends that we have observed. The prior report for BASIC was performed by AON Risk Solutions, was dated March 21, 2023 and relied on data evaluated as of November 30, 2022. The current analysis relies on data evaluated as of November 30, 2023.

Change in Projected Ultimate Loss & ALAE¹ Prior vs. Current Reports (\$000s)

Fiscal Year	Prior Ultimate	Current Ultimate	Change in Ultimate
2014-15	\$438	\$437	(\$1)
2015-16	295	299	4
2016-17	360	360	0
2017-18	355	347	(8)
2018-19	1,231	1,070	(161)
2019-20	745	856	111
2020-21	1,197	768	(429)
2021-22	1,697	1,422	(275)
2022-23	2,216	2,648	432
Total	\$8,534	\$8,208	(\$327)

- ¹ Projected ultimate loss & ALAE are limited to BASIC's retention and corridor deductible, at expected (no risk margin), and not discounted to reflect net present value.

The following tables show the breakdown of the change in ultimates for 2018-19 and subsequent between the pool's per occurrence retained layer and the corridor deductible.

Change in Projected Pool Retention Ultimate Loss & ALAE (\$000s)

Fiscal Year	Prior Ultimate	Current Ultimate	Change in Ultimate
2018-19	\$981	\$820	(\$161)
2019-20	347	356	9
2020-21	814	399	(415)
2021-22	951	802	(149)
2022-23	1,716	2,041	325

Change in Projected Corridor Ultimate Loss & ALAE
(\$000s)

Fiscal Year	Prior Ultimate	Current Ultimate	Change in Ultimate
2018-19	\$250	\$250	\$0
2019-20	398	500	102
2020-21	383	369	(14)
2021-22	746	620	(126)
2022-23	500	607	107

Comparison of Liabilities: Prior vs. Current Reports

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

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

Dollars (\$000s)	Prior Report at 6/30/2023	Current Report at 6/30/2024	Dollar Change	Percent Change
Loss & ALAE (Within SIR)	\$3,880	\$5,538	\$1,658	42.7%
(Within Corridor)	2,237	2,336	99	4.4%
Total (Undiscounted)	\$6,117	\$7,874	\$1,757	28.7%

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

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

	Dollars (\$000s)
(A) Prior 6/30/2023 Undiscounted Loss & ALAE Liabilities	\$6,117
(B1) Change in Ultimate SIR Loss & ALAE (AY 2022-23 and Prior)	(391)
(B2) Change in Corridor Loss & ALAE (AY 2022-23 and Prior)	69
(C1) 2023-24 Estimated Ultimate SIR Loss & ALAE	2,041
(C2) 2023-24 Estimated Ultimate Corridor Loss & ALAE	540
(D) Change in Estimated Paid Loss & ALAE thru 2023-24	(497)
(E) Current 6/30/2024 Undiscounted Loss & ALAE Liabilities	\$7,874

Liability for outstanding claims has increased between June 30, 2023 and June 30, 2024 due mainly to the additional year of liability outpacing the payments on previously open years.

Comparison of Funding Projections: Prior vs. Current Reports

The following tables compare the funding estimates for the 2023-24 year from the prior report to our funding estimates of the 2024-25 year from our current report.

Change in Discounted¹ Funding Rate² Estimates
At Expected (without Risk Margin), Net of Reinsurance
BASIC Retention of \$1,500,000, Including \$1,000,000 Corridor Deductible

Pool Layer	Prior Report 2023-24	Current Report 2024-25	Dollar Change	Percent Change
\$150,000 to \$1,500,000	\$0.223	\$0.240	\$0.017	7.6%
\$250,000 to \$1,500,000	0.179	0.193	0.014	7.8%
\$300,000 to \$1,500,000	n/a	0.177	n/a	n/a
\$350,000 to \$1,500,000	0.152	0.164	0.012	7.9%
\$500,000 to \$1,500,000	0.126	0.135	0.009	7.1%

Change in Discounted¹ Funding Rate² Estimates
At 85% Confidence Level, Net of Reinsurance
BASIC Retention of \$1,500,000, Including \$1,000,000 Corridor Deductible

Pool Layer	Prior Report 2023-24	Current Report 2024-25	Dollar Change	Percent Change
\$150,000 to \$1,500,000	\$0.355	\$0.372	\$0.017	4.8%
\$250,000 to \$1,500,000	0.290	0.303	0.013	4.5%
\$300,000 to \$1,500,000	n/a	0.279	n/a	n/a
\$350,000 to \$1,500,000	0.249	0.260	0.011	4.4%
\$500,000 to \$1,500,000	0.209	0.216	0.007	3.3%

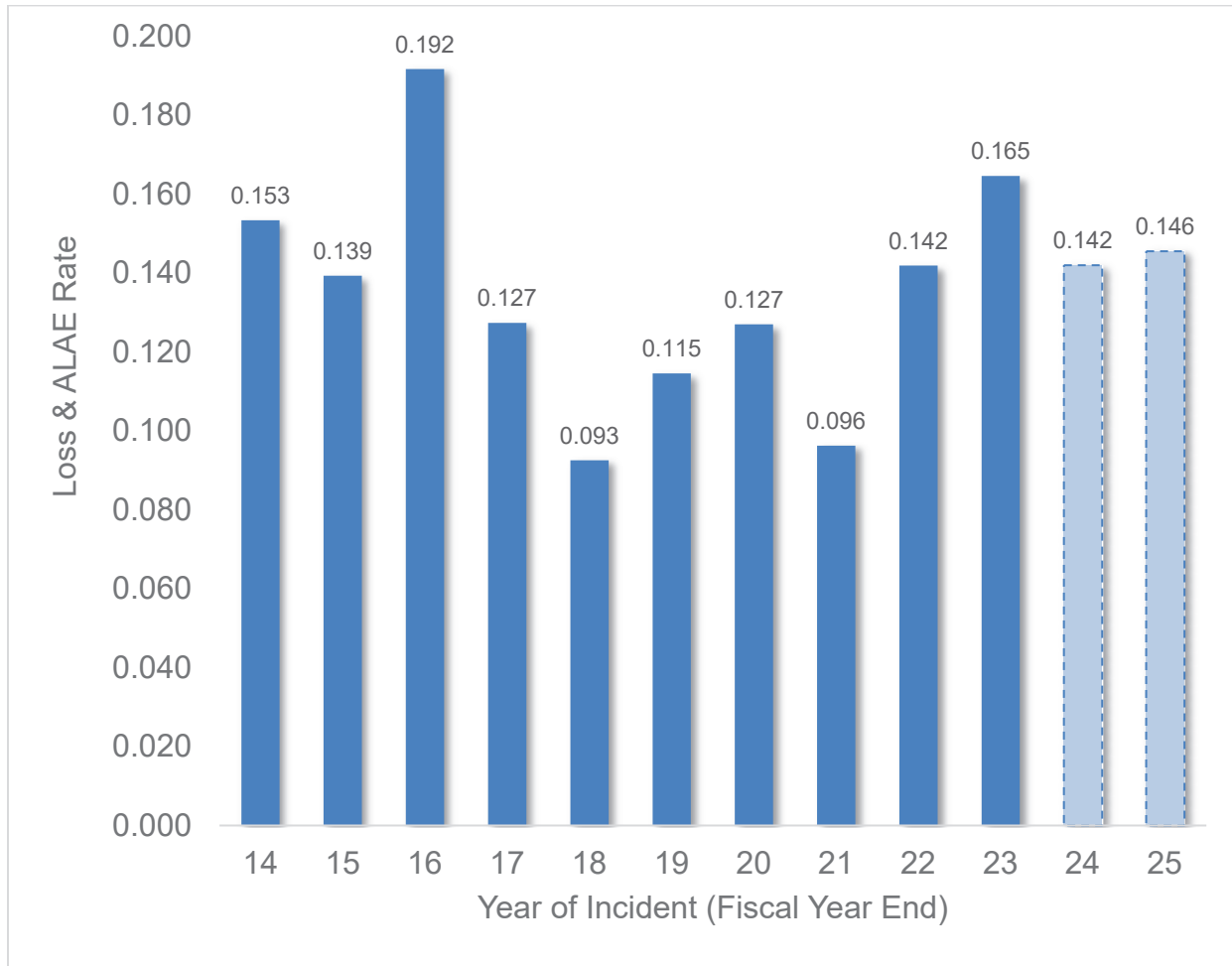
¹ Discounting is based on an annual discount rate of 1.5%.

² Rate is per \$100 of payroll.

Loss Rate Trend

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

Loss & ALAE Rate Trend¹
Ultimate Loss & ALAE / Payroll (\$100s)

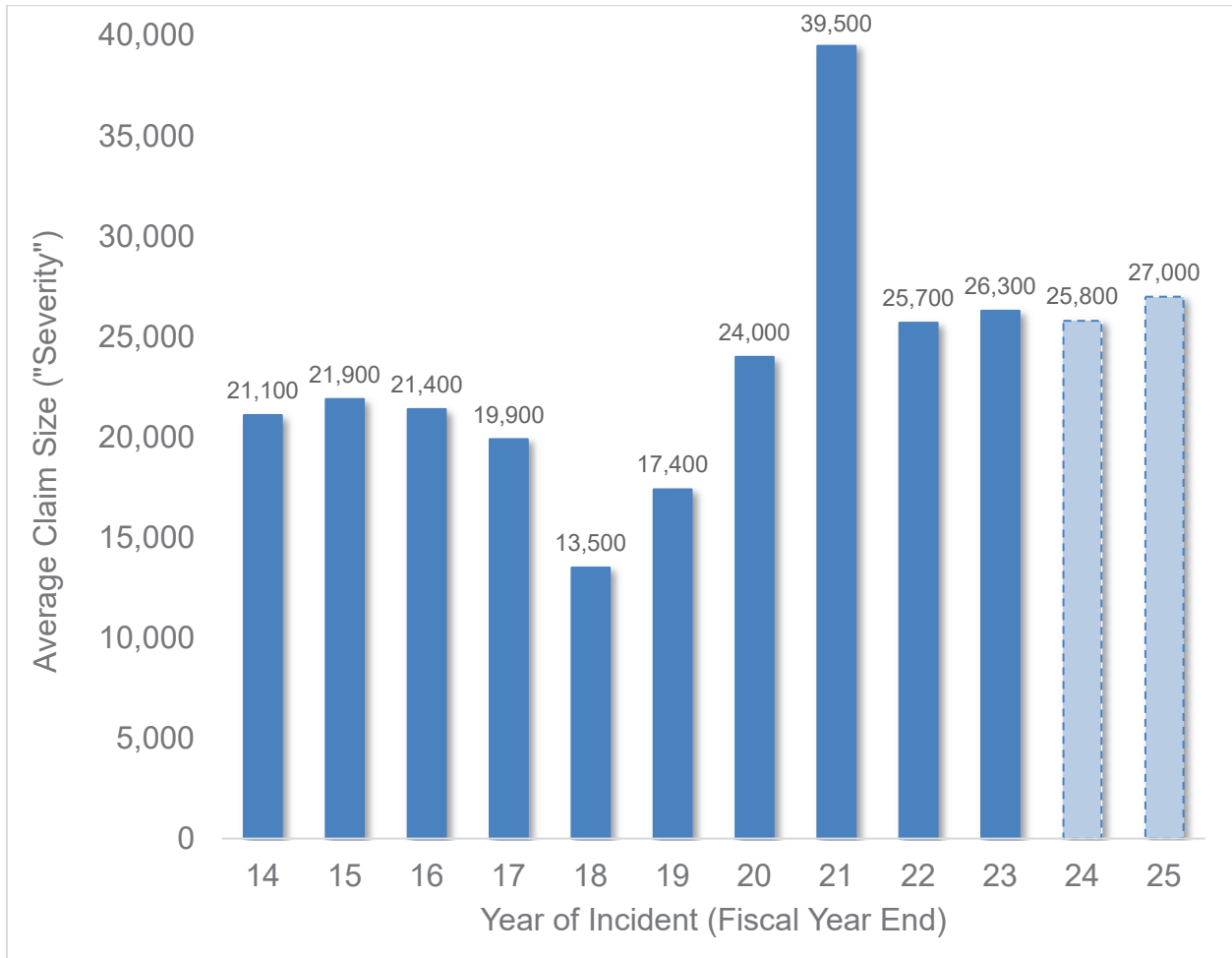


¹ Losses are at expected (no risk margin) and are not discounted to reflect net present value.

Average Claim Size (Severity) Trend

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

Average Claim Size Trend¹
Ultimate Loss & ALAE / Ultimate Reported Claims

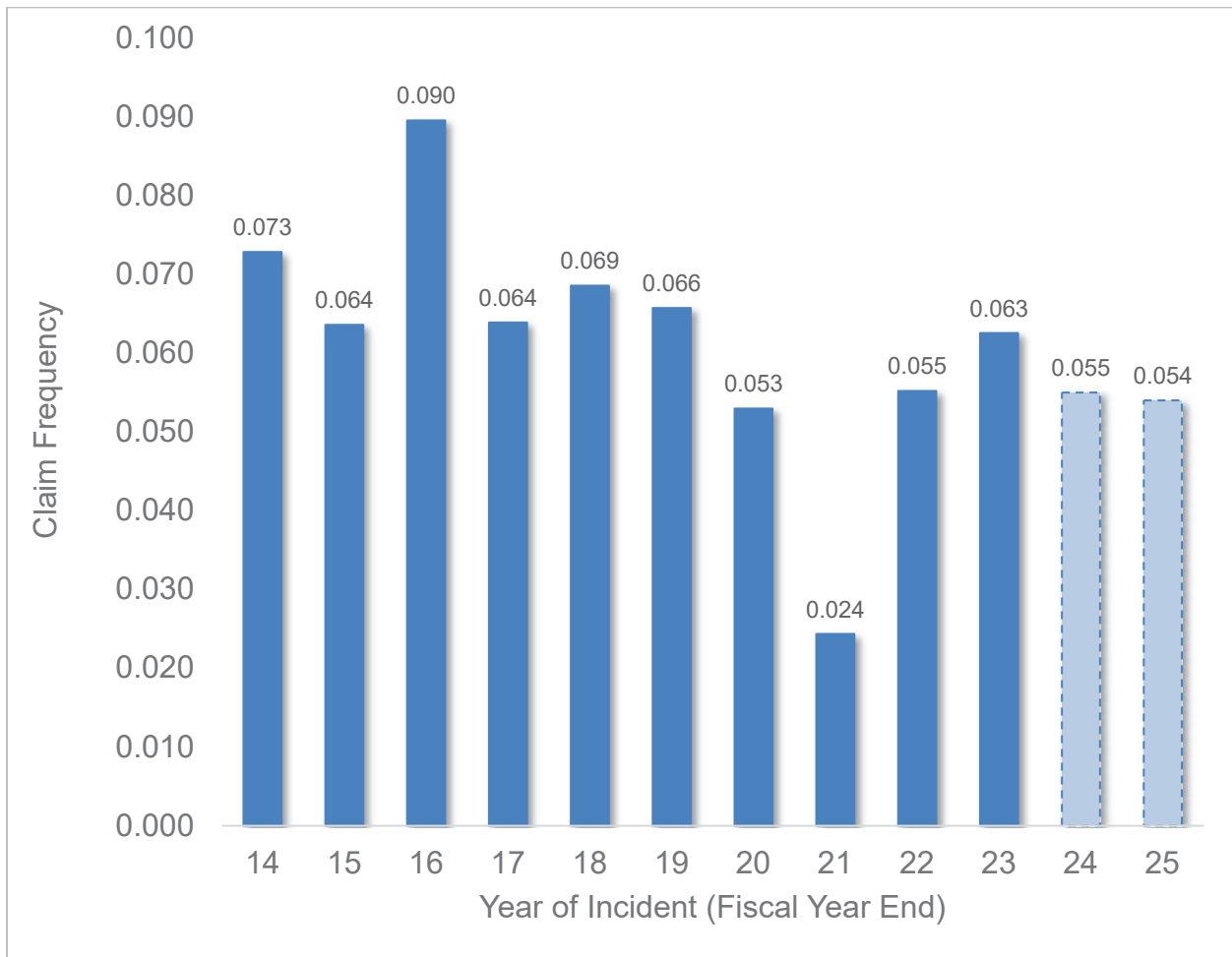


¹ Losses are at expected (no risk margin) and are not discounted to reflect net present value.

Claim Frequency Trend

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

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



Loss and ALAE Liabilities by Layer

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

Loss & ALAE Liabilities by Layer and Year¹
As of June 30, 2024, Net of Reinsurance
(\$000s)

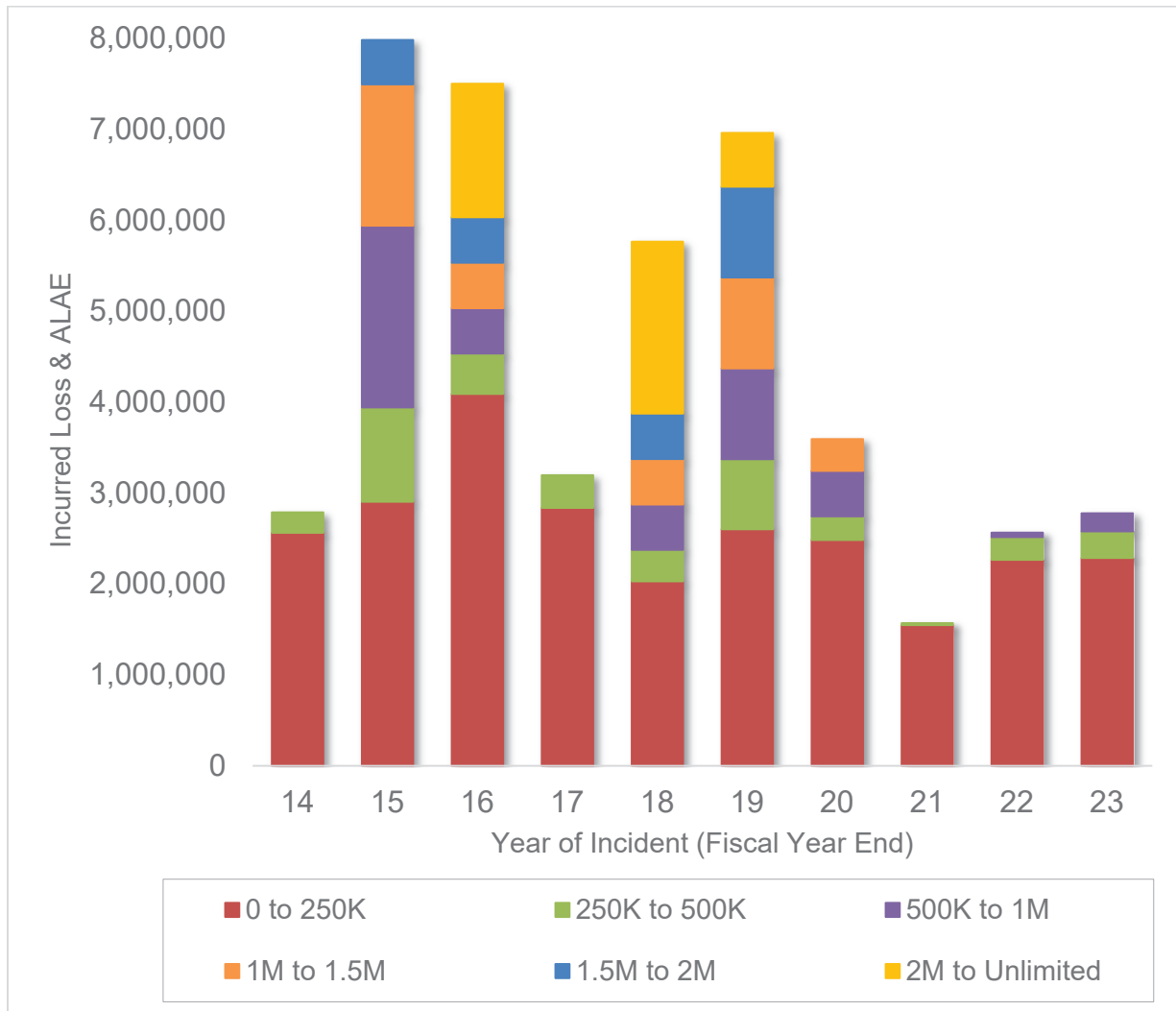
Fiscal Year	Per Occurrence Retention	Corridor Deductible	Total Liabilities
2004-05	\$0	\$0	\$0
2005-06	0	0	0
2006-07	0	0	0
2007-08	0	0	0
2008-09	0	0	0
2009-10	0	0	0
2010-11	0	0	0
2011-12	0	0	0
2012-13	0	0	0
2013-14	0	0	0
2014-15	0	0	0
2015-16	35	0	35
2016-17	0	0	0
2017-18	0	0	0
2018-19	671	200	871
2019-20	41	0	41
2020-21	227	369	596
2021-22	626	620	1,246
2022-23	1,904	607	2,511
2023-24	2,034	540	2,574
Total Loss & ALAE	\$5,538	\$2,336	\$7,874

¹ Loss & ALAE liabilities are at expected (no risk margin), and not discounted to reflect net present value.

Losses by Layer

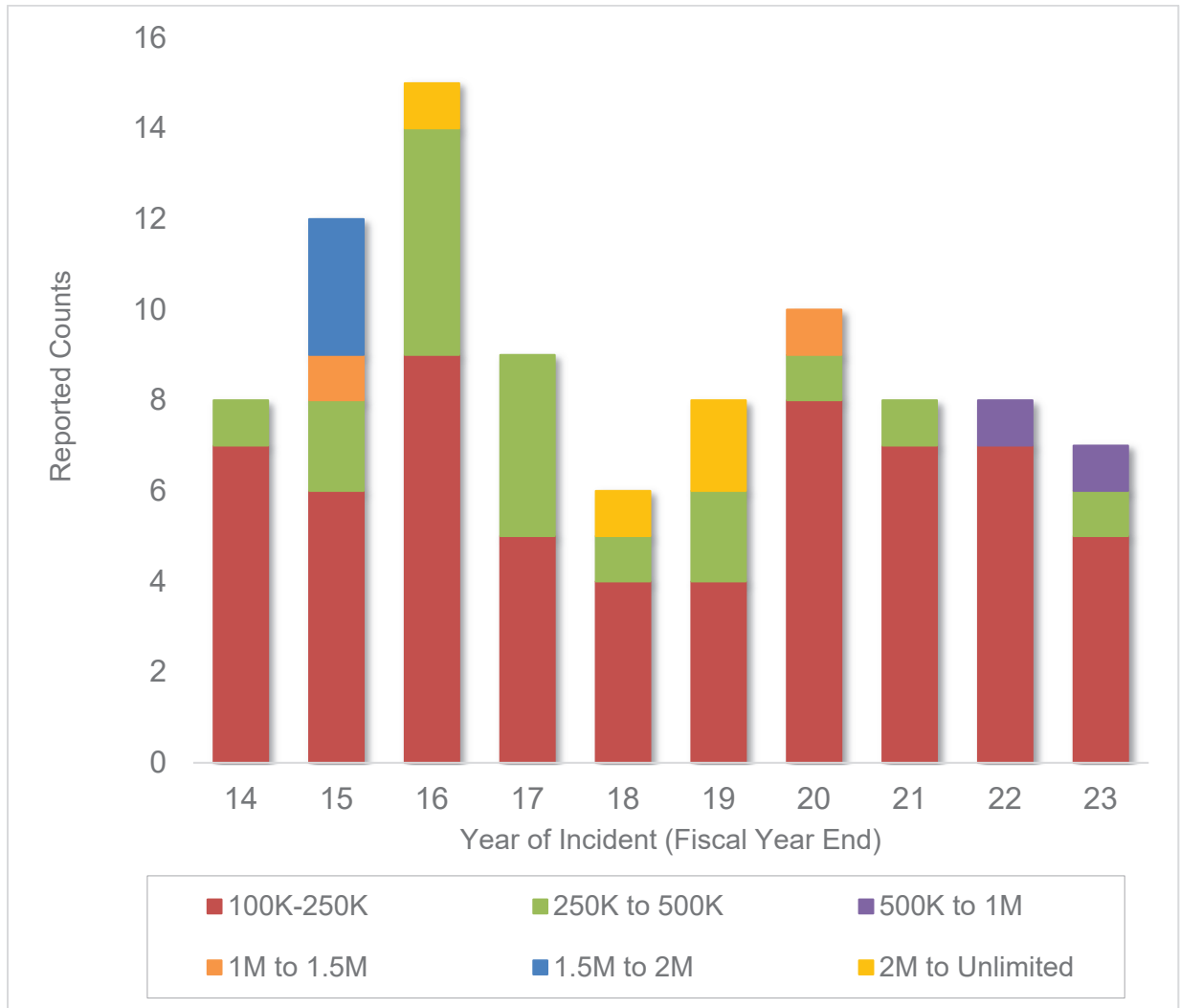
The following graph shows the incurred losses by layer as of the valuation date of November 30, 2023.

Incurred Loss & ALAE by Layer
As of November 30, 2023



The following graph shows the claim counts by layer as of the valuation date of November 30, 2023.

Claim Counts by Layer
As of November 30, 2023



METHODOLOGY

The methodology that we have used to estimate ultimate Loss & ALAE liabilities is in accordance with standard actuarial principles. We performed separate analyses on the \$0 to member SIR layer (Section B) and the \$0 to pool SIR (Section C). The process described below outlines the methods used to calculate the liabilities.

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

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

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

- Frequency x Severity: This calculates ultimate costs based on expected ultimate severity and expected ultimate frequency derived from historical experience.
2. Select Ultimate Loss & ALAE: Based on the indicated ultimate loss and ALAE from the various methods described previously, the ultimate losses by year are selected. The ultimate losses in the pool layer (Section A) are based on the results selected ultimates in the \$0 to member SIR layer (Section B) and the \$0 to pool SIR (Section C).
 3. Calculate Expected Undiscounted Unpaid Loss & ALAE: Unpaid loss & ALAE equals ultimate Loss & ALAE (calculated in step #2, above) minus payments to date.
 4. Discounting/Net Present Value: Since payments associated with claims liabilities will be spread out over several years, they are discounted to reflect anticipated investment income on the assets set aside to pay these costs. The expected Loss & ALAE payout pattern is based on the paid loss development factors previously described. Per BASIC's instructions, outstanding liabilities are presented on an undiscounted basis only, while future funding is presented on a discounted basis.
 5. Confidence Levels: The "expected" estimate of unpaid Loss & ALAE is our best estimate given current information. However, there is uncertainty inherent in the claims settlement process. This uncertainty is quantified via confidence levels. For example, we believe that future payments have a 90% chance of being less than the liabilities at the 90% confidence level and have only a 10% chance of exceeding the 10% confidence level estimates. The confidence levels are based on the Heckman Meyers approach.

CONSIDERATIONS AND KEY ASSUMPTIONS

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

Data

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

Exposure: The exposure base utilized in this study is payroll, which was provided to us by BASIC. A list of exposure by year can be found in Section A - Appendix D.

Claims: The claims data utilized in this study was provided to us by the individual members, compiled by Bickmore Actuarial and reconciled with BASIC loss information provided by George Hills.

Other Program Information: Key program information, including historical retentions and corridor deductibles, were provided to us by BASIC. We relied on this information without audit.

Key Dates

Accounting Date: This study presents liabilities as of an accounting date of June 30, 2024.

Valuation Date: The data underlying this study are valued as of November 30, 2023.

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

Accounting Standard

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

Other Actuarial Considerations

Discounting to Reflect Net Present Value: Reserves in this report are presented on an undiscounted basis only, while future funding is presented on both undiscounted and discounted bases. At BASIC's instruction, we have assumed that assets held for investment will generate an average annual rate of return of 1.5% over the time during

which the loss liabilities are paid out. It should be noted that actual future investment returns may vary significantly from this assumption, depending upon prevailing investment market conditions. This recommendation assumes that all earnings on the assets invested (which are equal to the recommended discounted funding level) will accrue to the program. The discount for future earnings should only be reflected, however, when the total indicated funds are available for investment and are expected to earn the indicated yield rate until all claims are closed.

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

Trending: We have adjusted historical payroll and claims costs to reflect inflation as well as other changes in the claims environment. The payroll, claim frequency, and claim cost trend factors by year are in Section A - Appendix D and Section A - Appendix E, respectively. We have also projected payroll and claim costs to account for future changes in cost levels.

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

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

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

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

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

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

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

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

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

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

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

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

Operational Changes: This analysis has not made special adjustment for any specific operational changes at BASIC or among its individual members.

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

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

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

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

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

CONDITIONS AND LIMITATIONS

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

Loss Activity since the Evaluation Date: The losses in this study were valued as of November 30, 2023. It is possible that there has been significant loss activity that has occurred since that date which would change the findings of this report.

Data Accuracy: This report relies on unaudited loss and exposure information provided by Sedgwick, George Hills, and the individual members. The accuracy of our projections relies on the accuracy of this data.

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

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

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

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

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

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

DISTRIBUTION AND USE

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

GLOSSARY OF ACTUARIAL TERMS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Paid Losses – Losses actually paid on all reported claims.

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

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

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

Severity – Average claim cost.

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

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

EXHIBITS AND APPENDICES

Bay Area Schools Insurance Cooperative - Liability
Pool Layer Analysis

Funding Guidelines for Outstanding Liabilities at
June 30, 2024

	<u>Total</u>	<u>Short-Term</u>	<u>Long-Term</u>		
(A) Estimated Outstanding Liability for Claims Within BASIC Retention at 6/30/24: (From Section A - Exhibit 3, Page 1, (H))	\$5,538,207	\$1,720,100	\$3,818,107		
(B) Estimated Outstanding Liability for Corridor Deductible 6/30/24: (From Section A - Exhibit 3, Page 4, (H))	2,336,000	200,000	2,136,000		
(C) Total Outstanding Liability for Claims at 6/30/24: ((A) + (B))	\$7,874,207	\$1,920,100	\$5,954,107		
(D) Reserve Discount Factor: (No Discount Reflected)	1.000				
(E) Discounted Outstanding Liability for Claims at 6/30/24: ((C) x (D))*	\$7,874,207				
Confidence Level of Adequacy:	80%	85%	90%	95%	98%
(F) Confidence Level Factor: (From Section A - Appendix B)	1.252	1.335	1.449	1.651	2.167
(G) Margin for Adverse Experience: ((A) x (D) x [(F) - 1]) + ((B) x (D) x [(F) - 1])*	1,982,000	2,637,000	3,532,000	4,972,000	7,826,000
(H) Total Required Undiscounted Assets at 6/30/24: ((E) + (G))	\$9,856,000	\$10,511,000	\$11,406,000	\$12,846,000	\$15,700,000
(I) Estimated Total Assets at 6/30/24: (From Section A - Appendix F)	\$16,443,000	\$16,443,000	\$16,443,000	\$16,443,000	\$16,443,000
(J) Estimated Redundancy (Deficiency) at 6/30/24: ((I) - (H))	\$6,587,000	\$5,932,000	\$5,037,000	\$3,597,000	\$743,000

Current (short term) liabilities are the portion of the total estimated liability that is expected to be paid out within the coming year. Based on results from Section C - Appendix E and Section B - Appendix E.

*Corridor at higher confidence levels is limited to maximum outstanding corridor of \$3,700,000 based on Section A - Exhibit 3, Page 4.

Bay Area Schools Insurance Cooperative - Liability
Pool Layer Analysis

Discounted Funding Options for Program Year 2024-2025 (BASIC SIR = \$1,500,000)

	Expected	Marginally	Recommended			Conservative	
		Acceptable	75%	80%	85%		90%
		70%					
<i>Excluding Corridor Deductible</i>							
<u>Member Retention</u>			<u>(A) Discounted Rate per \$100 of Payroll:</u>				
150,000	0.199	0.235	0.252	0.273	0.300	0.335	
250,000	0.152	0.180	0.194	0.210	0.231	0.259	
300,000	0.136	0.161	0.173	0.188	0.207	0.232	
350,000	0.123	0.146	0.157	0.171	0.188	0.211	
500,000	0.094	0.111	0.120	0.131	0.144	0.162	
<u>Member Retention</u>			<u>(B) Recommended Discounted Funding in 2024-2025 for Claims Costs</u>				
\$150,000	2,580,000	3,047,000	3,268,000	3,540,000	3,890,000	4,344,000	
250,000	1,971,000	2,334,000	2,516,000	2,723,000	2,995,000	3,358,000	
300,000	1,763,000	2,088,000	2,243,000	2,438,000	2,684,000	3,008,000	
350,000	1,595,000	1,893,000	2,036,000	2,217,000	2,438,000	2,736,000	
500,000	1,219,000	1,439,000	1,556,000	1,699,000	1,867,000	2,101,000	
<i>\$1,000,000 Corridor Deductible</i>							
(C) Discounted Rate	0.041						
(D) Discounted Funding	527,000						
<i>Including Corridor Deductible</i>							
<u>Member Retention</u>			<u>(E) Discounted Rate per \$100 of Payroll:</u>				
\$150,000	0.240	0.292	0.316	0.345	0.372	0.407	
250,000	0.193	0.237	0.258	0.282	0.303	0.331	
250,000	0.177	0.218	0.237	0.260	0.279	0.304	
350,000	0.164	0.203	0.221	0.243	0.260	0.283	
500,000	0.135	0.168	0.184	0.203	0.216	0.234	
<u>Member Retention</u>			<u>(F) Recommended Discounted Funding in 2024-2025 for Claims Costs</u>				
\$150,000	3,112,000	3,786,000	4,098,000	4,474,000	4,824,000	5,277,000	
250,000	2,503,000	3,073,000	3,345,000	3,657,000	3,929,000	4,292,000	
250,000	2,295,000	2,827,000	3,073,000	3,371,000	3,618,000	3,942,000	
350,000	2,127,000	2,632,000	2,866,000	3,151,000	3,371,000	3,670,000	
500,000	1,751,000	2,178,000	2,386,000	2,632,000	2,801,000	3,034,000	
(G) Loss Discount Factor (Based on a Discount Rate of 1.50%):				(1)	0.951	SIR Layer	
(Based on Section A - Appendix A, (G))				(2)	0.940	Corridor Layer	

Notes:

- (A) Expected is Section A - Exhibit 4 x (G). Higher confidence levels are multiplied by factors from Section A - Appendix B.
- (B) (A) x 2024-2025 payroll of \$1,296,679,600.
- (C) Payroll rates per hundred dollars are (D) divided by 2024-2025 payroll of \$1,296,679,600.
- (D) Section A - Exhibit 3, Page 4, (P) x (G).
- (E) Expected is (A) + (C). Higher confidence levels are multiplied by factors from Section A - Appendix B.
- (F) (E) x 2024-2025 payroll of \$1,296,679,600.

Bay Area Schools Insurance Cooperative - Liability
Pool Layer Analysis

Discounted Funding Options for Program Year 2024-2025 (BASIC SIR = \$1,750,000)

	Expected	Marginally	Recommended			Conservative
		Acceptable	75%	80%	85%	
		70%				
<i>Excluding Corridor Deductible</i>						
<u>Member Retention</u>		<u>(A) Discounted Rate per \$100 of Payroll:</u>				
\$150,000	0.208	0.245	0.264	0.286	0.314	0.351
250,000	0.162	0.191	0.206	0.224	0.246	0.276
300,000	0.146	0.172	0.186	0.202	0.222	0.249
350,000	0.133	0.156	0.169	0.184	0.202	0.227
500,000	0.104	0.123	0.133	0.145	0.159	0.179
<u>Member Retention</u>		<u>(B) Recommended Discounted Funding in 2024-2025 for Claims Costs</u>				
\$150,000	2,700,000	3,177,000	3,423,000	3,709,000	4,072,000	4,551,000
250,000	2,099,000	2,477,000	2,671,000	2,905,000	3,190,000	3,579,000
300,000	1,890,000	2,230,000	2,412,000	2,619,000	2,879,000	3,229,000
350,000	1,718,000	2,023,000	2,191,000	2,386,000	2,619,000	2,943,000
500,000	1,350,000	1,595,000	1,725,000	1,880,000	2,062,000	2,321,000
<u>\$1,000,000 Corridor Deductible</u>						
(C) Discounted Rate	0.038					
(D) Discounted Funding	498,000					
<i>Including Corridor Deductible</i>						
<u>Member Retention</u>		<u>(E) Discounted Rate per \$100 of Payroll:</u>				
\$150,000	0.247	0.291	0.318	0.351	0.386	0.423
250,000	0.200	0.237	0.260	0.289	0.318	0.348
300,000	0.184	0.218	0.240	0.267	0.294	0.321
350,000	0.171	0.202	0.223	0.249	0.274	0.299
500,000	0.143	0.169	0.187	0.210	0.231	0.251
<u>Member Retention</u>		<u>(F) Recommended Discounted Funding in 2024-2025 for Claims Costs</u>				
\$150,000	3,198,000	3,773,000	4,123,000	4,551,000	5,005,000	5,485,000
250,000	2,597,000	3,073,000	3,371,000	3,747,000	4,123,000	4,512,000
300,000	2,388,000	2,827,000	3,112,000	3,462,000	3,812,000	4,162,000
350,000	2,216,000	2,619,000	2,892,000	3,229,000	3,553,000	3,877,000
500,000	1,848,000	2,191,000	2,425,000	2,723,000	2,995,000	3,255,000
(G) Loss Discount Factor (Based on a Discount Rate of 1.50%.):		(1)	0.950	SIR Layer		
(Based on Section A - Appendix A, (G))		(2)	0.939	Corridor Layer		

Notes:

- (A) Expected is Section A - Exhibit 4 x (G). Higher confidence levels are multiplied by factors from Section A - Appendix B.
- (B) (A) x 2024-2025 payroll of \$1,296,679,600.
- (C) Payroll rates per hundred dollars are (D) divided by 2024-2025 payroll of \$1,296,679,600.
- (D) Section A - Exhibit 3, Page 4, (P) x (G).
- (E) Expected is (A) + (C). Higher confidence levels are multiplied by factors from Section A - Appendix B.
- (F) (E) x 2024-2025 payroll of \$1,296,679,600.

Bay Area Schools Insurance Cooperative - Liability
Pool Layer Analysis

Discounted Funding Options for Program Year 2024-2025 (BASIC SIR = \$2,000,000)

	Expected	Marginally Acceptable		Recommended			Conservative
		70%	75%	80%	85%	90%	
<i>Excluding Corridor Deductible</i>							
<u>Member Retention</u>		<u>(A) Discounted Rate per \$100 of Payroll:</u>					
\$150,000	0.218	0.257	0.277	0.301	0.330	0.370	
250,000	0.172	0.203	0.219	0.238	0.262	0.294	
300,000	0.156	0.184	0.199	0.216	0.238	0.268	
350,000	0.142	0.168	0.182	0.198	0.218	0.246	
500,000	0.114	0.134	0.146	0.159	0.175	0.198	
<u>Member Retention</u>		<u>(B) Recommended Discounted Funding in 2024-2025 for Claims Costs</u>					
\$150,000	2,830,000	3,332,000	3,592,000	3,903,000	4,279,000	4,798,000	
250,000	2,227,000	2,632,000	2,840,000	3,086,000	3,397,000	3,812,000	
300,000	2,018,000	2,386,000	2,580,000	2,801,000	3,086,000	3,475,000	
350,000	1,846,000	2,178,000	2,360,000	2,567,000	2,827,000	3,190,000	
500,000	1,477,000	1,738,000	1,893,000	2,062,000	2,269,000	2,567,000	
<i>\$1,000,000 Corridor Deductible</i>							
(C) Discounted Rate	0.038						
(D) Discounted Funding	487,000						
<i>Including Corridor Deductible</i>							
<u>Member Retention</u>		<u>(E) Discounted Rate per \$100 of Payroll:</u>					
\$150,000	0.256	0.302	0.334	0.369	0.402	0.442	
250,000	0.210	0.248	0.276	0.306	0.334	0.366	
300,000	0.194	0.229	0.256	0.284	0.310	0.340	
350,000	0.180	0.213	0.239	0.266	0.290	0.318	
500,000	0.152	0.179	0.203	0.227	0.247	0.270	
<u>Member Retention</u>		<u>(F) Recommended Discounted Funding in 2024-2025 for Claims Costs</u>					
\$150,000	3,323,000	3,916,000	4,331,000	4,785,000	5,213,000	5,731,000	
250,000	2,720,000	3,216,000	3,579,000	3,968,000	4,331,000	4,746,000	
300,000	2,511,000	2,969,000	3,319,000	3,683,000	4,020,000	4,409,000	
350,000	2,339,000	2,762,000	3,099,000	3,449,000	3,760,000	4,123,000	
500,000	1,969,000	2,321,000	2,632,000	2,943,000	3,203,000	3,501,000	
(G) Loss Discount Factor (Based on a Discount Rate of 1.50%):			(1)	0.949	SIR Layer		
(Based on Section A - Appendix A, (G))			(2)	0.937	Corridor Layer		

Notes:

- (A) Expected is Section A - Exhibit 4 x (G). Higher confidence levels are multiplied by factors from Section A - Appendix B.
- (B) (A) x 2024-2025 payroll of \$1,296,679,600.
- (C) Payroll rates per hundred dollars are (D) divided by 2024-2025 payroll of \$1,296,679,600.
- (D) Section A - Exhibit 3, Page 4, (P) x (G).
- (E) Expected is (A) + (C). Higher confidence levels are multiplied by factors from Section A - Appendix B.
- (F) (E) x 2024-2025 payroll of \$1,296,679,600.

Bay Area Schools Insurance Cooperative - Liability
Pool Layer Analysis

Discounted Funding Options for Program Year 2024-2025 (BASIC SIR = \$2,500,000)

	<u>Expected</u>	<u>Marginally Acceptable</u>		<u>Recommended</u>			<u>Conservative</u>
		70%	75%	80%	85%	90%	
<i>Excluding Corridor Deductible</i>							
<u>Member Retention</u>		<u>(A) Discounted Rate per \$100 of Payroll:</u>					
\$150,000	0.230	0.272	0.293	0.319	0.352	0.396	
250,000	0.184	0.217	0.236	0.257	0.284	0.321	
300,000	0.168	0.198	0.215	0.235	0.261	0.295	
350,000	0.154	0.183	0.199	0.217	0.241	0.273	
500,000	0.126	0.149	0.162	0.178	0.198	0.225	
<u>Member Retention</u>		<u>(B) Recommended Discounted Funding in 2024-2025 for Claims Costs</u>					
\$150,000	2,982,000	3,527,000	3,799,000	4,136,000	4,564,000	5,135,000	
250,000	2,381,000	2,814,000	3,060,000	3,332,000	3,683,000	4,162,000	
300,000	2,172,000	2,567,000	2,788,000	3,047,000	3,384,000	3,825,000	
350,000	2,001,000	2,373,000	2,580,000	2,814,000	3,125,000	3,540,000	
500,000	1,632,000	1,932,000	2,101,000	2,308,000	2,567,000	2,918,000	
<i>\$1,000,000 Corridor Deductible</i>							
(C) Discounted Rate	0.035						
(D) Discounted Funding	458,000						
<i>Including Corridor Deductible</i>							
<u>Member Retention</u>		<u>(E) Discounted Rate per \$100 of Payroll:</u>					
\$150,000	0.265	0.307	0.341	0.381	0.424	0.468	
250,000	0.219	0.252	0.284	0.319	0.356	0.393	
300,000	0.203	0.233	0.263	0.297	0.333	0.367	
350,000	0.190	0.218	0.247	0.279	0.313	0.345	
500,000	0.161	0.184	0.210	0.240	0.270	0.297	
<u>Member Retention</u>		<u>(F) Recommended Discounted Funding in 2024-2025 for Claims Costs</u>					
\$150,000	3,440,000	3,981,000	4,422,000	4,940,000	5,498,000	6,068,000	
250,000	2,839,000	3,268,000	3,683,000	4,136,000	4,616,000	5,096,000	
300,000	2,630,000	3,021,000	3,410,000	3,851,000	4,318,000	4,759,000	
350,000	2,459,000	2,827,000	3,203,000	3,618,000	4,059,000	4,474,000	
500,000	2,090,000	2,386,000	2,723,000	3,112,000	3,501,000	3,851,000	
(G) Loss Discount Factor (Based on a Discount Rate of 1.50%.):		(1)	0.947	SIR Layer			
(Based on Section A - Appendix A, (G))		(2)	0.934	Corridor Layer			

Notes:

- (A) Expected is Section A - Exhibit 4 x (G). Higher confidence levels are multiplied by factors from Section A - Appendix B.
- (B) (A) x 2024-2025 payroll of \$1,296,679,600.
- (C) Payroll rates per hundred dollars are (D) divided by 2024-2025 payroll of \$1,296,679,600.
- (D) Section A - Exhibit 3, Page 4, (P) x (G).
- (E) Expected is (A) + (C). Higher confidence levels are multiplied by factors from Section A - Appendix B.
- (F) (E) x 2024-2025 payroll of \$1,296,679,600.

Bay Area Schools Insurance Cooperative - Liability
Pool Layer Analysis

Estimated Outstanding Pool Losses
Excluding Corridor Deductible

Accident Year (A)	Pool Layer Incurred as of 11/30/23 (B)	Pool Layer Paid as of 11/30/23 (C)	Pool Layer Selected Ultimate (D)	Pool Layer IBNR Reserves as of 11/30/23 (E)	Pool Layer Case Reserves as of 11/30/23 (F)	Pool Layer Total Reserves as of 11/30/23 (G)	Pool Layer IBNR Reserves as of 6/30/24 (H)	Pool Layer Total Reserves as of 6/30/24 (I)
2004-2005	\$228,194	\$228,194	\$228,194	\$0	\$0	\$0	\$0	\$0
2005-2006	87,277	87,277	87,277	0	0	0	0	0
2006-2007	313,085	313,085	313,085	0	0	0	0	0
2007-2008	200,000	200,000	200,000	0	0	0	0	0
2008-2009	83,949	83,949	83,949	0	0	0	0	0
2009-2010	293,684	293,684	293,684	0	0	0	0	0
2010-2011	112,216	112,216	112,216	0	0	0	0	0
2011-2012	0	0	0	0	0	0	0	0
2012-2013	100,000	100,000	100,000	0	0	0	0	0
2013-2014	100,000	100,000	100,000	0	0	0	0	0
2014-2015	436,708	436,708	436,708	0	0	0	0	0
2015-2016	294,551	264,551	299,480	4,929	30,000	34,929	0	34,929
2016-2017	360,375	360,375	360,375	0	0	0	0	0
2017-2018	345,766	345,766	347,000	1,234	0	1,234	234	0
2018-2019	770,000	0	820,000	50,000	770,000	820,000	19,000	670,911
2019-2020	261,214	11,214	356,000	94,786	250,000	344,786	64,786	41,281
2020-2021	23,525	0	399,000	375,475	23,525	399,000	258,475	227,022
2021-2022	300,000	0	802,000	502,000	300,000	802,000	199,000	625,637
2022-2023	492,194	0	2,041,000	1,548,806	492,194	2,041,000	972,806	1,904,206
2023-2024	0	0	2,041,000	850,000	0	850,000	1,782,000	2,034,221
Total	4,802,738	2,937,019	9,420,968	3,427,230	1,865,719	5,292,949	3,296,301	5,538,207
2024-2025	0	0	2,075,000	0	0	0	0	0

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Section C - Appendix F, Page 1, (J) Less Section B - Appendix F, Page 1, (J). For AY 2008-09 and prior, ACSIG and SJDCC losses included.
- (C) Section C - Appendix F, Page 2, (J) Less Section B - Appendix F, Page 2, (J). For AY 2008-09 and prior, ACSIG and SJDCC losses included.
- (D) Section C - Exhibit 1, (A) less Section B - Exhibit 1, (A). 2024-2025 is projected under the assumption that there is no change to the pool layer from 2023-2024
- (E) (D) - (B). 2023-2024 is adjusted for partial year.
- (F) (B) - (C).
- (G) (E) + (F).
- (H) Section C - Exhibit 1, (F) less Section B - Exhibit 1, (F).

Bay Area Schools Insurance Cooperative - Liability
Pool Layer Analysis

Estimated Ultimate Unlimited Losses

Accident Year (A)	Unlimited Incurred (B)	Unlimited Paid (C)	Unlimited Case (D)	Unlimited Incurred LDF (E)	Unlimited Paid LDF (F)	Unlimited Case LDF (G)	Unlimited ILF (H)	Indicated Unlimited Incurred Ultimate (I)	Indicated Unlimited Paid Ultimate (J)	Indicated Incurred Exposure Ultimate (K)	Indicated Paid Exposure Ultimate (L)
2004-2005	\$1,567,359	\$1,567,359	\$0	1.000	1.000	1.000	1.915	\$1,567,359	\$1,567,359	\$1,567,359	\$1,567,359
2005-2006	633,702	633,702	0	1.000	1.000	1.000	1.963	633,702	633,702	633,702	633,702
2006-2007	2,138,645	2,138,645	0	1.000	1.000	1.000	2.012	2,138,645	2,138,645	2,138,645	2,138,645
2007-2008	1,767,448	1,767,448	0	1.000	1.000	1.000	2.064	1,767,448	1,767,448	1,767,448	1,767,448
2008-2009	1,283,397	1,283,397	0	1.000	1.001	1.000	2.118	1,283,397	1,284,680	1,283,397	1,285,065
2009-2010	2,646,243	2,326,134	320,109	1.000	1.003	1.000	2.174	2,646,243	2,333,112	2,646,243	2,331,680
2010-2011	2,461,042	2,461,042	0	1.000	1.004	1.000	2.233	2,461,042	2,470,886	2,461,042	2,472,588
2011-2012	889,910	889,910	0	1.000	1.006	1.000	2.293	889,910	895,249	889,910	900,153
2012-2013	2,078,595	2,004,777	73,818	1.000	1.008	1.000	2.357	2,078,595	2,020,815	2,078,595	2,028,204
2013-2014	2,787,252	2,787,252	0	1.000	1.010	1.000	2.423	2,787,252	2,815,125	2,787,252	2,833,234
2014-2015	7,985,474	7,875,331	110,143	1.000	1.014	1.000	2.491	7,985,474	7,985,586	7,985,474	7,935,178
2015-2016	7,503,814	7,227,407	276,407	1.000	1.021	1.000	2.562	7,503,814	7,379,183	7,510,332	7,344,729
2016-2017	3,197,429	3,197,429	0	1.003	1.032	1.107	2.636	3,207,021	3,299,747	3,211,762	3,326,428
2017-2018	5,765,706	5,559,264	206,442	1.007	1.054	1.157	2.713	5,806,066	5,859,464	5,787,742	5,720,858
2018-2019	6,963,426	2,399,899	4,563,527	1.025	1.082	1.475	2.792	7,137,512	2,596,691	7,075,599	2,758,854
2019-2020	3,594,588	1,984,187	1,610,401	1.053	1.214	1.400	2.875	3,785,101	2,408,803	3,768,486	2,594,950
2020-2021	1,569,797	802,391	767,406	1.092	1.631	1.278	2.961	1,714,218	1,308,700	1,888,047	2,336,178
2021-2022	2,565,517	884,962	1,680,555	1.339	3.219	1.580	3.050	3,435,227	2,848,693	3,667,221	4,059,609
2022-2023	2,777,708	510,305	2,267,403	2.355	10.892	2.729	3.142	6,541,502	5,558,242	5,688,796	5,240,161
Total	\$60,177,052	\$48,300,841	\$11,876,211					\$65,369,528	\$57,172,130	\$64,837,052	\$59,275,023

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Section C - Appendix F, Page 1, (E).
- (C) Section C - Appendix F, Page 2, (E).
- (D) (B) - (C).
- (E) Based on Section C - Appendix A, (F), adjusted to unlimited.
- (F) Based on Section C - Appendix B, (F), adjusted to unlimited.
- (G) Based on (E) and (F).
- (H) Based on a Burr distribution, a mathematical model of claims sizes.
- (I) (B) x (E).
- (J) (C) x (F).
- (K) Section C - Appendix C, Page 1, (A) x Section C - Appendix C, Page 1, (D) x Section C - Appendix C, Page 3, (F) x (H) + (B).
- (L) Section C - Appendix C, Page 2, (A) x Section C - Appendix C, Page 2, (D) x Section C - Appendix C, Page 3, (F) x (H) + (C).

Bay Area Schools Insurance Cooperative - Liability
Pool Layer Analysis

Estimated Ultimate Corridor Losses

Accident Year (A)	XS of SIR Incurred as of 11/30/23 (B)	XS of SIR Paid as of 11/30/23 (C)	Indicated XS of SIR Incurred Ultimate (D)	Indicated XS of SIR Paid Ultimate (E)	Indicated XS of SIR Incurred Exposure (F)	Indicated XS of SIR Paid Exposure (G)	XS of SIR Selected Ultimate (H)	XS of SIR Corridor Deductible (I)	XS of SIR Corridor Deductible Ultimate (J)
2004-2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2005-2006	0	0	0	0	0	0	0	200,000	0
2006-2007	446,038	446,038	446,038	446,038	446,038	446,038	446,038	200,000	200,000
2007-2008	171,910	171,910	171,910	171,910	171,910	171,910	171,910	0	0
2008-2009	0	0	0	0	0	487	0	0	0
2009-2010	216,832	216,832	216,832	219,591	216,832	218,491	217,661	0	0
2010-2011	655,060	655,060	655,060	657,680	655,060	658,622	656,841	0	0
2011-2012	0	0	0	0	0	3,317	0	0	0
2012-2013	507,324	507,324	507,324	511,382	507,324	515,091	511,207	0	0
2013-2014	123,709	123,709	123,709	124,947	123,709	139,480	131,594	0	0
2014-2015	4,643,699	4,643,699	4,643,699	4,711,944	4,643,699	4,664,719	4,654,209	0	0
2015-2016	3,118,743	3,118,743	3,114,358	3,196,563	3,121,113	3,161,395	3,141,254	0	0
2016-2017	0	0	0	12,790	4,525	40,727	22,626	0	0
2017-2018	3,391,049	3,391,049	3,417,161	3,591,511	3,398,158	3,443,179	3,420,669	0	0
2018-2019	3,591,000	0	3,697,637	33,599	3,628,565	120,208	3,591,000	250,000	250,000
2019-2020	850,000	0	922,496	91,273	909,859	210,236	909,859	500,000	500,000
2020-2021	0	0	21,977	79,437	76,620	369,263	369,000	500,000	369,000
2021-2022	0	0	110,317	267,259	274,812	791,894	620,000	1,000,000	620,000
2022-2023	0	0	383,323	851,189	524,818	852,710	607,000	1,000,000	607,000
2023-2024	0	0					540,000	1,000,000	540,000
Total	\$17,715,364	\$13,274,364	\$18,431,841	\$14,967,113	\$18,703,041	\$15,807,767	\$20,010,868	\$4,650,000	\$3,086,000

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Section C - Appendix F, Page 1, (F).
- (C) Section C - Appendix F, Page 2, (F).
- (D) Section A - Exhibit 3, Page 2, (I) minus Section C - Exhibit 2, (A).
- (E) Section A - Exhibit 3, Page 2, (J) minus Section C - Exhibit 2, (B).
- (F) Section A - Exhibit 3, Page 2, (K) minus Section C - Exhibit 2, (C).
- (G) Section A - Exhibit 3, Page 2, (L) minus Section C - Exhibit 2, (D).
- (H) Selected based on Columns (D) through (G).
- (I) Section A - Appendix C.
- (J) Minimum of (H) and (I).

Bay Area Schools Insurance Cooperative - Liability
Pool Layer Analysis

Estimated Corridor Deductible

Accident Year	Reported Losses Within Corridor as of 11/30/23 (A)	Paid Losses Within Corridor as of 11/30/23 (B)	BASIC Per Occurrence Retention (C)	BASIC Corridor Deductible (D)	Ultimate Corridor Deductible Losses (E)	Corridor Deductible IBNR Losses as of 11/30/23 (F)	Outstanding Corridor Deductible Losses as of 11/30/23 (G)	Outstanding Corridor Deductible Losses as of 6/30/24 (H)
2005-2006	0	0	300,000	200,000	0	0	0	0
2006-2007	200,000	200,000	300,000	200,000	200,000	0	0	0
2018-2019	250,000	0	500,000	250,000	250,000	0	250,000	200,000
2019-2020	500,000	0	500,000	500,000	500,000	0	500,000	0
2020-2021	0	0	1,000,000	500,000	369,000	369,000	369,000	369,000
2021-2022	0	0	1,000,000	1,000,000	620,000	620,000	620,000	620,000
2022-2023	0	0	1,500,000	1,000,000	607,000	607,000	607,000	607,000
2023-2024	0	0	1,500,000	1,000,000	540,000	230,000	230,000	540,000
Total	\$950,000	\$200,000			\$3,086,000	\$1,826,000	\$2,576,000	\$2,336,000

Per. Occ. SIR Corridor	Trended Reported Losses Excess (I)	Trended Reported Losses Excess (J)	Trended Reported Losses Excess (J)	Trended Reported Losses Excess (K)	Trended Payroll (\$00) (L)	\$1M Corr. Excess \$1.5M SIR Loss Rate (M)	\$1M Corr. Excess \$1.75M SIR Loss Rate (N)	\$1M Corr. Excess \$2M SIR Loss Rate (N)	\$1M Corr. Excess \$2.5M SIR Loss Rate (O)
2013-2014	0	0	0	0	12,202,564	0.000	0.000	0.000	0.000
2014-2015	1,000,000	1,000,000	1,000,000	0	12,662,028	0.079	0.079	0.079	0.000
2015-2016	0	0	0	0	12,499,973	0.000	0.000	0.000	0.000
2016-2017	0	0	0	0	12,593,684	0.000	0.000	0.000	0.000
2017-2018	1,000,000	1,000,000	1,000,000	1,000,000	12,445,837	0.080	0.080	0.080	0.080
2018-2019	1,000,000	1,000,000	1,000,000	643,511	12,419,974	0.081	0.081	0.081	0.052
2019-2020	103,377	0	0	0	12,399,909	0.008	0.000	0.000	0.000
2020-2021	0	0	0	0	12,242,387	0.000	0.000	0.000	0.000
2021-2022	0	0	0	0	12,684,083	0.000	0.000	0.000	0.000
2022-2023	532,080	282,080	32,080	0	13,108,325	0.041	0.022	0.002	0.000
2023-2024	748,020	498,020	248,020	0	13,290,966	0.056	0.037	0.019	0.000
Average									
10-Yr x Latest	363,546	328,208	303,208	164,351	12,525,876	0.029	0.026	0.024	0.013
14/15 thru 19/20	517,230	500,000	500,000	273,919	12,503,567	0.041	0.040	0.040	0.022
6-Yr x Latest	439,243	380,347	338,680	273,919	12,550,086	0.035	0.030	0.027	0.022
5-Yr x Latest	327,091	256,416	206,416	128,702	12,570,936	0.026	0.020	0.016	0.010

Projected Corridor Losses					(P)		
2023-2024	1,500,000	1,000,000		12,966,796	0.042	540,000	
2024-2025	1,500,000	1,000,000		12,966,796	0.043	560,000	
2024-2025	1,750,000	1,000,000		12,966,796		0.041	530,000
2024-2025	2,000,000	1,000,000		12,966,796		0.040	520,000
2024-2025	2,500,000	1,000,000		12,966,796		0.038	490,000

Notes:

- (A)-(D) Provided by BASIC.
- (E) Section A - Exhibit 3, Page 3, (J).
- (F) (E) - (A). 2023-2024 is adjusted for partial year.
- (G) (E) - (B). 2023-2024 is adjusted for partial year.
- (H) (G) Adjusted for expected payout between 11/30 and 6/30 .
- (I) - (K) Trended developed incurred losses. Excludes CRSIG.
- (L) Payroll excluding CRSIG. Trended to 2024-2025.
- (M) (I) / (L).
- (N) (J) / (L).
- (O) (K) / (L).
- (P) Selected loss rate (M) or (N) x projected payroll (L).

Bay Area Schools Insurance Cooperative - Liability

Selection of Projected Layer Loss Rates

Accident Year	Ultimate \$100K Limited Losses (A)	Trend Factor (B)	Trended \$100K Limited Losses (C)	Trended Payroll (\$00) (D)	Trended \$100K Limited Loss Rate (E)
2004-2005	\$1,180,881	1.598	\$1,887,048	\$18,289,305	\$0.103
2005-2006	531,601	1.559	828,766	13,684,695	0.061
2006-2007	1,067,221	1.521	1,623,243	12,781,211	0.127
2007-2008	1,175,549	1.484	1,744,515	13,127,118	0.133
2008-2009	786,338	1.448	1,138,617	13,123,023	0.087
2009-2010	1,279,593	1.412	1,806,785	12,147,841	0.149
2010-2011	1,290,696	1.378	1,778,579	11,340,703	0.157
2011-2012	744,169	1.344	1,000,163	10,787,842	0.093
2012-2013	1,237,629	1.312	1,623,769	11,721,799	0.139
2013-2014	1,895,436	1.280	2,426,158	15,817,414	0.153
2014-2015	1,840,883	1.249	2,299,263	16,501,363	0.139
2015-2016	2,548,344	1.218	3,103,883	16,204,466	0.192
2016-2017	1,814,435	1.188	2,155,549	16,939,612	0.127
2017-2018	1,350,000	1.160	1,566,000	16,923,905	0.093
2018-2019	1,708,000	1.132	1,933,456	16,879,721	0.115
2019-2020	1,391,000	1.104	1,535,664	12,093,197	0.127
2020-2021	1,067,000	1.077	1,149,159	11,942,981	0.096
2021-2022	1,671,000	1.051	1,756,221	12,377,875	0.142
2022-2023	2,053,000	1.025	2,104,325	12,784,047	0.165
Totals	\$26,632,775		\$33,461,164	265,468,118	\$0.126
13/14-21/22*	14,219,098		16,776,194	123,737,553	0.136
19/20-22/23*	5,115,000		5,396,210	37,255,119	0.145
<i>*Excl. 19/20</i>					
Prior 2023-2024 Limited Rate:					\$0.138
(F) Selected 2023-2024 Limited Rate:					\$0.142
(G) Trend Factor:					1.025
(H) Selected 2024-2025 Limited Rate:					\$0.146

2024-2025 Layer Loss Rates per \$100

Retention (I)	Factor from \$100K to Retention (J)	Retained Loss Rate Per \$100 of Payroll (K)	Loss Rate Member Retention to \$1,000,000 (L)	Loss Rate Member Retention to \$1,500,000 (M)	Loss Rate Member Retention to \$1,750,000 (N)	Loss Rate Member Retention to \$2,000,000 (O)	Loss Rate Member Retention to \$2,500,000 (P)
\$150,000	1.256	\$0.183	\$0.169	\$0.209	\$0.220	\$0.230	\$0.243
250,000	1.596	0.232	0.120	0.160	0.171	0.181	0.194
300,000	1.711	0.249	0.103	0.143	0.154	0.164	0.177
350,000	1.805	0.263	0.089	0.129	0.140	0.150	0.163
500,000	2.013	0.293	0.059	0.099	0.110	0.120	0.133
1,000,000	2.421	0.352					
1,500,000	2.690	0.392					
1,750,000	2.770	0.403					
2,000,000	2.837	0.413					
2,500,000	2.927	0.426					

SEE NOTES ON NEXT PAGE.

Bay Area Schools Insurance Cooperative - Liability

Selection of Projected Layer Loss Rates

Notes:

- (A) From Section B - Exhibit 2, Page 2, Column (F).
For purposes of projecting future losses, losses are capped at \$100,000 per occurrence.
- (B) From Section A - Appendix E, Page 1, Column (B).
- (C) (A) x (B).
- (D) Section A - Appendix D, Column (C).
- (E) (C) / (D).
- (F) Selected based on (E).
- (G) From Section A - Appendix E.
- (H) (F) x (G).
- (J) Based on a Burr distribution, a mathematical model of claims sizes.
- (K) (H) x (J).
- (L),(M),(N),(O),(P) Based on (K).

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

Bay Area Schools Insurance Cooperative - Liability
Pool Layer Analysis

Calculation of Discount Factors

Payment Year (A)	Payment Pattern (B)	Return on Investment (C)	Discounted Reserves (D)	Undiscounted Reserves (E)	Discount Factor (F)
22	0.0%	1.50%	0.000	0.000	1.000
21	0.0%	1.50%	0.000	0.000	1.000
20	0.0%	1.50%	0.000	0.000	1.000
19	0.0%	1.50%	0.000	0.000	1.000
18	0.0%	1.50%	0.000	0.000	1.000
17	0.0%	1.50%	0.000	0.000	1.000
16	0.0%	1.50%	0.000	0.000	1.000
15	0.0%	1.50%	0.000	0.000	1.000
14	0.0%	1.50%	0.000	0.000	1.000
13	0.0%	1.50%	0.000	0.000	1.000
12	0.0%	1.50%	0.000	0.000	1.000
11	0.0%	1.50%	0.000	0.000	1.000
10	0.0%	1.50%	0.000	0.000	1.000
9	4.8%	1.50%	0.047	0.048	0.993
8	7.1%	1.50%	0.117	0.118	0.987
7	8.8%	1.50%	0.202	0.206	0.981
6	9.7%	1.50%	0.295	0.303	0.975
5	13.9%	1.50%	0.430	0.443	0.971
4	23.0%	1.50%	0.651	0.672	0.969
3	28.7%	1.50%	0.926	0.959	0.966
2	4.0%	1.50%	0.952	0.999	0.953
1	0.1%	1.50%	0.939	1.000	0.939

(G) Discount Factor for Future Funding:	2023-2024	0.946
	2024-2025	0.946

Notes:

- (A) This is the year of payment relative to the accident year. For example, year 7 refers to payments made in the seventh year after the inception of the accident year. We assume that payments are made at midyear.
- (B) Percent of ultimate loss paid this year. This payment pattern is based on the paid loss development pattern selected in Section C - Appendix B, Page 2.
- (C) Assumed Investment Income Rates.
- (D) Discounted Reserves at the beginning of this year is next year's Discounted Reserves discounted one year plus this year's payments discounted six months. For example, in year 2, $95.2\% = [92.6\% / 1.015] + [4.0\% / (1.007)]$.
- (E) Summation of future (B) values. This is the percent of ultimate loss unpaid at the beginning of the year.
- (F) (D) / (E).
- (G) (F) at year 1, with interest accumulated for six months. We assume that the required funding is deposited at the middle of the first year.

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

Bay Area Schools Insurance Cooperative - Liability
Pool Layer Analysis

Confidence Level Table

Outstanding Losses	
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98%	2.167
95%	1.651
90%	1.449
85%	1.335
80%	1.252
75%	1.186
70%	1.130

Probability	Projected Losses				
	Excluding Corridor				
	150K-1.5M	250K-1.5M	300K-1.5M	350K-1.5M	500K-1.5M
95%	1.980	2.010	2.020	2.030	2.043
90%	1.683	1.702	1.708	1.714	1.721
85%	1.506	1.519	1.523	1.527	1.531
80%	1.373	1.382	1.385	1.388	1.390
75%	1.268	1.274	1.276	1.277	1.279
70%	1.179	1.182	1.183	1.184	1.185

Probability	Excluding Corridor				
	150K-1.75M	250K-1.75M	300K-1.75M	350K-1.75M	500K-1.75M
95%	1.982	2.010	2.019	2.028	2.039
90%	1.685	1.703	1.709	1.714	1.721
85%	1.507	1.519	1.523	1.527	1.531
80%	1.373	1.382	1.384	1.387	1.389
75%	1.267	1.272	1.274	1.275	1.276
70%	1.177	1.180	1.180	1.181	1.180

Probability	Excluding Corridor				
	150K-2M	250K-2M	300K-2M	350K-2M	500K-2M
95%	1.996	2.026	2.037	2.047	2.062
90%	1.694	1.713	1.720	1.726	1.735
85%	1.512	1.526	1.530	1.534	1.540
80%	1.377	1.386	1.389	1.391	1.394
75%	1.269	1.274	1.276	1.277	1.278
70%	1.178	1.180	1.181	1.181	1.181

Probability	Excluding Corridor				
	150K-2.5M	250K-2.5M	300K-2.5M	350K-2.5M	500K-2.5M
95%	2.044	2.085	2.100	2.114	2.143
90%	1.723	1.748	1.758	1.767	1.784
85%	1.532	1.549	1.555	1.561	1.572
80%	1.389	1.400	1.404	1.408	1.415
75%	1.276	1.283	1.285	1.287	1.290
70%	1.181	1.184	1.184	1.185	1.186

Probability	Corridor			
	XS 1.5M	XS 1.75M	XS 2M	XS 2.5M
95%	2.802	2.976	3.044	3.144
90%	2.341	2.465	2.566	2.589
85%	2.117	2.170	2.187	2.196
80%	1.880	1.849	1.814	1.755
75%	1.578	1.530	1.517	1.361
70%	1.395	1.299	1.206	0.981

To read table: For the 150K-1.5M layer excluding corridor, there is a 90% chance that final loss settlements will be less than 1.683 times the average expected amount of losses.

Bay Area Schools Insurance Cooperative - Liability

Program History

Policy Year Start Date (A)	Per Occurrence Member Retention				BASIC Retention	
	BSSP (B)	CRSIG (C)	NBSIA (D)	RESIG (E)	Per Occurrence (F)	Corridor Deductible (G)
7/1/2004	\$100,000	\$100,000	\$150,000	\$250,000	\$500,000	\$0
7/1/2005	100,000	n/a	150,000	250,000	300,000	200,000
7/1/2006	150,000	n/a	150,000	250,000	300,000	200,000
7/1/2007	150,000	n/a	250,000	250,000	300,000	0
7/1/2008	150,000	n/a	250,000	250,000	350,000	0
7/1/2009	150,000	n/a	250,000	250,000	350,000	0
7/1/2010	150,000	n/a	250,000	250,000	350,000	0
7/1/2011	150,000	n/a	250,000	250,000	350,000	0
7/1/2012	150,000	n/a	250,000	250,000	350,000	0
7/1/2013	150,000	250,000	250,000	250,000	350,000	0
7/1/2014	150,000	250,000	250,000	250,000	350,000	0
7/1/2015	250,000	250,000	250,000	250,000	350,000	0
7/1/2016	250,000	250,000	250,000	250,000	500,000	0
7/1/2017	250,000	250,000	250,000	250,000	500,000	0
7/1/2018	250,000	250,000	250,000	250,000	500,000	250,000
7/1/2019	250,000	n/a	250,000	250,000	500,000	500,000
7/1/2020	250,000	n/a	250,000	250,000	1,000,000	500,000
7/1/2021	250,000	n/a	250,000	250,000	1,000,000	1,000,000
7/1/2022	250,000	n/a	250,000	250,000	1,500,000	1,000,000
7/1/2023	250,000	n/a	250,000	250,000	1,500,000	1,000,000
7/1/2024	250,000	n/a	250,000	250,000	1,500,000	1,000,000

Notes:

(F) BASIC retention is layer between member SIR and BASIC SIR.

Prior members not included in analysis:

Alameda County Schools Insurance Group (ACSIG) terminated membership 7/1/2008.

San Joaquin Delta Community College (SJDCC) terminated membership 7/1/2009.

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

Bay Area Schools Insurance Cooperative - Liability

Exposure Measures

Accident Year	Total Payroll (\$00) (A)	Inflation Trend Factor (B)	Trended Payroll (\$00) (C)
2004-2005	\$11,445,122	1.598	\$18,289,305
2005-2006	8,777,867	1.559	13,684,695
2006-2007	8,403,163	1.521	12,781,211
2007-2008	8,845,767	1.484	13,127,118
2008-2009	9,062,861	1.448	13,123,023
2009-2010	8,597,198	1.413	12,147,841
2010-2011	8,223,860	1.379	11,340,703
2011-2012	8,020,700	1.345	10,787,842
2012-2013	8,934,298	1.312	11,721,799
2013-2014	12,357,355	1.280	15,817,414
2014-2015	13,211,660	1.249	16,501,363
2015-2016	13,293,245	1.219	16,204,466
2016-2017	14,246,940	1.189	16,939,612
2017-2018	14,589,573	1.160	16,923,905
2018-2019	14,911,414	1.132	16,879,721
2019-2020	10,953,983	1.104	12,093,197
2020-2021	11,089,119	1.077	11,942,981
2021-2022	11,777,236	1.051	12,377,875
2022-2023	12,472,241	1.025	12,784,047
2023-2024	12,966,796	1.000	12,966,796
2024-2025	12,966,796	1.000	12,966,796

Notes:

- (A) Provided by BASIC.
Includes payroll for active members during given AY.
- (B) Based on industry factors.
- (C) (A) x (B).

Bay Area Schools Insurance Cooperative - Liability

Loss Trend Factors

Accident Year	Benefit Level Factor (A)	Factor to 2023-2024 Loss Rate Level (B)	Factor to 2024-2025 Loss Rate Level (C)	Factor to 2025-2026 Loss Rate Level (D)	Factor to 2026-2027 Loss Rate Level (E)	Factor to 2023-2024 Frequency Level (F)	Factor to 2024-2025 Frequency Level (G)	Factor to 2025-2026 Frequency Level (H)	Factor to 2026-2027 Frequency Level (I)	Factor to 2023-2024 Severity Level (J)
2002-2003	1.000	1.679	1.720	1.764	1.808	0.810	0.802	0.794	0.786	2.062
2003-2004	1.000	1.638	1.678	1.721	1.764	0.819	0.810	0.802	0.794	1.993
2004-2005	1.000	1.598	1.637	1.679	1.721	0.827	0.818	0.810	0.802	1.925
2005-2006	1.000	1.559	1.598	1.638	1.679	0.835	0.827	0.818	0.810	1.860
2006-2007	1.000	1.521	1.559	1.598	1.638	0.843	0.835	0.826	0.818	1.797
2007-2008	1.000	1.484	1.520	1.559	1.598	0.852	0.843	0.834	0.826	1.736
2008-2009	1.000	1.448	1.483	1.521	1.559	0.860	0.851	0.842	0.834	1.678
2009-2010	1.000	1.412	1.447	1.484	1.521	0.868	0.859	0.851	0.842	1.621
2010-2011	1.000	1.378	1.412	1.448	1.484	0.877	0.868	0.860	0.851	1.566
2011-2012	1.000	1.344	1.378	1.413	1.448	0.887	0.878	0.869	0.860	1.513
2012-2013	1.000	1.312	1.344	1.379	1.413	0.896	0.887	0.878	0.869	1.461
2013-2014	1.000	1.280	1.312	1.345	1.379	0.905	0.896	0.887	0.878	1.412
2014-2015	1.000	1.249	1.280	1.312	1.345	0.914	0.905	0.896	0.887	1.364
2015-2016	1.000	1.218	1.248	1.280	1.312	0.924	0.914	0.905	0.896	1.318
2016-2017	1.000	1.188	1.218	1.249	1.280	0.933	0.923	0.914	0.905	1.273
2017-2018	1.000	1.160	1.188	1.219	1.249	0.942	0.933	0.923	0.914	1.230
2018-2019	1.000	1.132	1.160	1.189	1.219	0.952	0.942	0.932	0.923	1.189
2019-2020	1.000	1.104	1.131	1.160	1.189	0.961	0.951	0.941	0.932	1.148
2020-2021	1.000	1.077	1.104	1.132	1.160	0.970	0.960	0.951	0.941	1.109
2021-2022	1.000	1.051	1.077	1.104	1.132	0.979	0.969	0.960	0.950	1.071
2022-2023	1.000	1.025	1.050	1.077	1.104	0.990	0.980	0.970	0.960	1.035
2023-2024	1.000	1.000	1.025	1.051	1.077	1.000	0.990	0.980	0.970	1.000
2024-2025	1.000	--	1.000	1.025	1.051	--	1.000	0.990	0.980	--
2025-2026	1.000	--	--	1.000	1.025	--	--	1.000	0.990	--
2026-2027	1.000	--	--	--	1.000	--	--	--	1.000	--

Notes:

- (A) No benefit level adjustment applied.
- (B) - (E) (A) adjusted for a 2.5% annual loss rate trend.
- (F) - (I) (A) adjusted for a -1.0% annual frequency trend.
- (J) (A) adjusted for a 3.5% annual severity trend.

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

Bay Area Schools Insurance Cooperative - Liability

Residual Trend Factors

Accident Year	Initial Estimate of Ultimate Limited Losses (A)	Ultimate Reported Claims (B)	BLF (C)	Adjusted Limited Severity (D)	Trended Payroll (\$00) (E)	Ultimate Frequency (F)
2004-2005	\$1,180,881	104	1.000	\$11,355	\$18,289,305	0.057
2005-2006	531,601	51	1.000	10,424	13,684,695	0.037
2006-2007	1,067,221	71	1.000	15,031	12,781,211	0.056
2007-2008	1,175,549	71	1.000	16,557	13,127,118	0.054
2008-2009	786,338	68	1.000	11,564	13,123,023	0.052
2009-2010	1,279,593	79	1.000	16,197	12,147,841	0.065
2010-2011	1,290,696	88	1.000	14,667	11,340,703	0.078
2011-2012	744,169	68	1.000	10,944	10,787,842	0.063
2012-2013	1,237,629	64	1.000	19,338	11,721,799	0.055
2013-2014	1,895,436	90	1.000	21,060	15,817,414	0.057
2014-2015	1,840,883	84	1.000	21,915	16,501,363	0.051
2015-2016	2,548,344	119	1.000	21,415	16,204,466	0.073
2016-2017	1,814,435	91	1.000	19,939	16,939,612	0.054
2017-2018	1,350,000	100	1.000	13,500	16,923,905	0.059
2018-2019	1,708,000	98	1.000	17,429	16,879,721	0.058
2019-2020	1,392,000	58	1.000	24,000	12,093,197	0.048
2020-2021	1,062,000	27	1.000	39,333	11,942,981	0.023
2021-2022	1,649,000	65	1.000	25,369	12,377,875	0.053
2022-2023	2,515,000	78	1.000	32,244	12,784,047	0.061

	Severity Trend Factors	Frequency Trend Factors
Latest 10 x 2022-2023	1.039	0.954
Mvg 5-Yr Wtd Latest 8 x 2022-2023	1.009	0.975
Latest 6 x 2022-2023	1.145	0.913
Mvg 5-Yr Wtd Latest 5 x 2022-2023	1.015	0.951
Prior	1.035	0.990
Default	1.030	0.975
Selected Residual Trend	1.035	0.990

Notes:

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

Bay Area Schools Insurance Cooperative - Liability

Estimated Total Assets as of 6/30/24

(A) <u>Total Assets as of 6/30/23:</u>	\$14,290,000
(B) <u>Total Estimated Income to Fund Between 6/30/23 and 6/30/24</u>	
Contributions:	\$9,676,000
Interest:	0
Other:	0
Total Income:	<u>\$9,676,000</u>
(C) <u>Total Estimated Payments from Fund Between 6/30/23 and 6/30/24</u>	
Loss and ALAE:	\$1,596,000
Excess Insurance:	4,760,000
Cyber/Crime Premium:	754,000
Program Administration	212,000
Other General and Administrative Expenses:	<u>201,000</u>
Total Payments:	<u>\$7,523,000</u>
(D) <u>Estimated Total Assets as of 6/30/24:</u>	\$16,443,000

Notes:

- (A) Provided by BASIC.
- (B) Provided by BASIC.
- (C) Provided by BASIC. Loss and ALAE paid is estimated in Section C - Appendix E.
- (D) (A) + (B) - (C).

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

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

Accident Year	Estimated Member Layer Ultimate (A)	Reported as of 11/30/23 (B)	Estimated IBNR as of 11/30/23 (C)	Estimated Percent of IBNR Reported Between 12/1/23 and 6/30/24 (D)	Estimated IBNR Reported (E)	Estimated IBNR as of 6/30/24 (F)
2004-2005	\$1,339,165	\$1,339,165	\$0	100.0%	\$0	\$0
2005-2006	546,424	546,424	0	100.0%	0	0
2006-2007	1,438,250	1,438,250	0	100.0%	0	0
2007-2008	1,545,538	1,545,538	0	100.0%	0	0
2008-2009	1,268,813	1,268,813	0	100.0%	0	0
2009-2010	2,135,727	2,135,727	0	100.0%	0	0
2010-2011	1,693,766	1,693,766	0	100.0%	0	0
2011-2012	889,910	889,910	0	100.0%	0	0
2012-2013	1,471,271	1,471,271	0	100.0%	0	0
2013-2014	2,563,543	2,563,543	0	100.0%	0	0
2014-2015	2,905,067	2,905,067	0	100.0%	0	0
2015-2016	4,090,520	4,090,520	0	100.0%	0	0
2016-2017	2,837,054	2,837,054	0	66.6%	0	0
2017-2018	2,042,000	2,028,891	13,109	33.2%	4,000	9,109
2018-2019	2,623,000	2,602,426	20,574	55.1%	11,000	9,574
2019-2020	2,506,000	2,483,374	22,626	29.8%	7,000	15,626
2020-2021	1,598,000	1,546,272	51,728	25.5%	13,000	38,728
2021-2022	2,529,000	2,265,517	263,483	63.0%	166,000	97,483
2022-2023	3,256,000	2,285,514	970,486	45.0%	437,000	533,486
2023-2024	2,918,000	419,669	796,331	26.5%	662,000	1,836,331
Totals	\$42,197,048	\$38,356,711	\$2,138,337		\$1,300,000	\$2,540,337

Notes:

- (A) From Section B - Exhibit 2, Page 1.
- (B) Section B - Appendix F, Page 1. Includes BSSP, CRSIG, NBSIA and RESIG covered claims. These losses exclude amounts incurred above the Member's SIR for each year.
- (C) (A) - (B).
- (D) Percentage of incurred but not reported (IBNR) expected to be reported between 12/1/23 and 6/30/24. The percentage is based on the development pattern selected in Section B - Appendix A.
- (E) ((A) - (B)) x (D).
- (F) (A) - (B) - (E).

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

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

Estimated Ultimate Losses Limited to Member Retention

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Estimate of Ultimate Losses (F)
2004-2005	\$1,339,165	\$1,339,165	\$1,339,165	\$1,339,165	\$1,180,920	\$1,339,165
2005-2006	546,424	546,424	546,424	546,424	531,624	546,424
2006-2007	1,438,250	1,438,250	1,438,250	1,438,250	1,067,201	1,438,250
2007-2008	1,545,538	1,545,538	1,545,538	1,545,538	1,175,547	1,545,538
2008-2009	1,268,813	1,270,082	1,268,813	1,269,600	786,352	1,268,813
2009-2010	2,135,727	1,819,249	2,135,727	1,818,169	1,279,563	2,135,727
2010-2011	1,693,766	1,698,847	1,693,766	1,697,645	1,290,696	1,693,766
2011-2012	889,910	894,360	889,910	893,632	744,192	889,910
2012-2013	1,471,271	1,407,235	1,471,271	1,406,151	1,237,632	1,471,271
2013-2014	2,563,543	2,586,615	2,563,543	2,580,626	1,895,400	2,563,543
2014-2015	2,905,067	2,825,667	2,905,067	2,815,253	1,840,860	2,905,067
2015-2016	4,094,611	3,909,463	4,094,279	3,908,023	3,767,778	4,090,520
2016-2017	2,845,565	2,910,817	2,845,185	2,904,812	2,706,613	2,837,054
2017-2018	2,041,064	1,895,346	2,041,076	1,899,621	2,029,400	2,042,000
2018-2019	2,649,270	2,541,493	2,657,116	2,570,047	3,437,252	2,623,000
2019-2020	2,572,775	2,247,216	2,562,524	2,248,867	2,125,294	2,506,000
2020-2021	1,639,048	1,138,593	1,677,657	1,482,365	1,032,966	1,598,000
2021-2022	2,768,462	2,190,281	2,713,819	2,353,027	2,597,075	2,529,000
2022-2023	4,385,901	3,475,687	3,553,091	2,767,597	3,252,210	3,256,000
Totals						\$39,279,048
						Projected Losses for the Year 2023-2024 (G) \$2,918,000
						Projected Losses for the Year 2024-2025 (H) 3,008,000

Notes:

- (A) From Section B - Appendix A, Page 1, Column (G).
- (B) From Section B - Appendix B, Page 1, Column (G).
- (C) From Section B - Appendix C, Page 1, Column (G).
- (D) From Section B - Appendix C, Page 2, Column (G).
- (E) From Section B - Appendix D, Page 1, Column (C).
- (F) Selected averages of (A), (B), (C), (D), and (E).
- (G) From Section A - Exhibit 4, (K) x Section A - Appendix D, (C).
- (H) From Section A - Exhibit 4, (K) x Section A - Appendix D, (C). Assuming \$250,000 member retentior

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

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

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

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Ultimate Limited Losses (F)
2004-2005	\$1,180,881	\$1,180,881	\$1,180,881	\$1,180,881	\$1,180,920	\$1,180,881
2005-2006	531,601	531,601	531,601	531,601	531,624	531,601
2006-2007	1,067,221	1,067,221	1,067,221	1,067,221	1,067,201	1,067,221
2007-2008	1,175,549	1,175,549	1,175,549	1,175,549	1,175,547	1,175,549
2008-2009	786,338	787,124	786,338	787,125	786,352	786,338
2009-2010	1,279,593	1,136,753	1,279,593	1,137,035	1,279,563	1,279,593
2010-2011	1,290,696	1,294,568	1,290,696	1,294,575	1,290,696	1,290,696
2011-2012	744,169	747,890	744,169	747,891	744,192	744,169
2012-2013	1,237,629	1,171,959	1,237,629	1,172,510	1,237,632	1,237,629
2013-2014	1,895,436	1,912,495	1,895,436	1,912,519	1,895,400	1,895,436
2014-2015	1,840,883	1,790,218	1,840,883	1,791,070	1,840,860	1,840,883
2015-2016	2,550,892	2,488,716	2,550,888	2,490,099	2,548,385	2,548,344
2016-2017	1,819,878	1,850,724	1,819,873	1,850,686	1,814,449	1,814,435
2017-2018	1,349,207	1,303,705	1,349,283	1,304,516	1,350,000	1,350,000
2018-2019	1,707,879	1,697,787	1,711,056	1,708,247	2,266,642	1,708,000
2019-2020	1,391,408	1,410,845	1,393,230	1,414,735	1,389,390	1,391,000
2020-2021	1,061,042	804,064	1,071,476	935,676	669,519	1,067,000
2021-2022	1,713,085	1,583,537	1,700,565	1,584,267	1,669,005	1,671,000
2022-2023	2,505,248	2,524,675	2,239,262	1,856,925	2,072,460	2,053,000
Totals						\$26,632,775

Notes:

- (A) From Section B - Appendix A, Page 1, Column (D).
- (B) From Section B - Appendix B, Page 1, Column (D).
- (C) Based on results in Section B - Appendix C, Page 1.
- (D) Based on results in Section B - Appendix C, Page 2.
- (E) Based on results in Section B - Appendix D, Page 1.
- (F) Selected averages of (A), (B), (C), (D), and (E).

This exhibit summarizes the results of the actuarial methods we have applied to estimate limited losses for each year. These results are used to select a limited loss rate for future years.

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

Reported Loss Development

Accident Year (A)	\$100K Limited Reported Losses as of 11/30/23 (B)	Reported Loss Development Factor (C)	\$100K Limited Ultimate Losses (D)	Member Layer Reported Losses as of 11/30/23 (E)	Reported Loss Development Factor (F)	Member Layer Ultimate Losses (G)
2004-2005	\$1,180,881	1.000	\$1,180,881	\$1,339,165	1.000	\$1,339,165
2005-2006	531,601	1.000	531,601	546,424	1.000	546,424
2006-2007	1,067,221	1.000	1,067,221	1,438,250	1.000	1,438,250
2007-2008	1,175,549	1.000	1,175,549	1,545,538	1.000	1,545,538
2008-2009	786,338	1.000	786,338	1,268,813	1.000	1,268,813
2009-2010	1,279,593	1.000	1,279,593	2,135,727	1.000	2,135,727
2010-2011	1,290,696	1.000	1,290,696	1,693,766	1.000	1,693,766
2011-2012	744,169	1.000	744,169	889,910	1.000	889,910
2012-2013	1,237,629	1.000	1,237,629	1,471,271	1.000	1,471,271
2013-2014	1,895,436	1.000	1,895,436	2,563,543	1.000	2,563,543
2014-2015	1,840,883	1.000	1,840,883	2,905,067	1.000	2,905,067
2015-2016	2,548,344	1.001	2,550,892	4,090,520	1.001	4,094,611
2016-2017	1,814,435	1.003	1,819,878	2,837,054	1.003	2,845,565
2017-2018	1,341,160	1.006	1,349,207	2,028,891	1.006	2,041,064
2018-2019	1,690,969	1.010	1,707,879	2,602,426	1.018	2,649,270
2019-2020	1,368,149	1.017	1,391,408	2,483,374	1.036	2,572,775
2020-2021	1,034,154	1.026	1,061,042	1,546,272	1.060	1,639,048
2021-2022	1,540,544	1.112	1,713,085	2,265,517	1.222	2,768,462
2022-2023	1,692,514	1.480	2,505,248	2,285,514	1.919	4,385,901
Totals	\$26,060,265		\$27,128,635	\$37,937,042		\$40,794,171

Notes:

- (A) Years are 7/1 to 6/30.
 (B) Section B - Appendix F, Page 1. Includes BSSP, CRSIG, NBSIA and RESIG covered claims. These losses exclude amounts over \$100,000 per occurrence.
 (C) From Section B - Appendix A, Page 2. Interpolated to apply to data as of 11/30/23.
 (D) (B) x (C).
 These losses exclude amounts over \$100,000 per occurrence.
 (E) Section B - Appendix F, Page 1. Includes BSSP, CRSIG, NBSIA and RESIG covered claims. These losses exclude amounts over member SIR per occurrence.
 (F) Derived from factors on Section B - Appendix A, Page 4. Interpolated to apply to data as of 11/30/23.
 (G) (E) x (F).

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

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

Bay Area Schools Insurance Cooperative - Liability - Member Layer Analysis
Reported Loss Development

Accident Year	Limited Losses Reported as of:									
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
2002-2003										
2003-2004										
2004-2005									1,267	1,251
2005-2006								558	558	558
2006-2007							1,090	1,090	1,090	1,090
2007-2008						1,129	1,145	1,183	1,183	1,183
2008-2009					886	886	886	886	886	886
2009-2010				1,243	1,186	1,189	1,276	1,285	1,285	1,276
2010-2011			1,461	1,297	1,297	1,297	1,297	1,297	1,297	1,297
2011-2012		701	861	748	748	844	763	763	763	763
2012-2013	847	1,233	1,226	1,167	1,140	1,140	1,140	1,239	1,204	1,163
2013-2014	559	1,069	1,220	1,496	1,431	1,401	1,399	1,399	1,399	1,399
2014-2015	333	1,106	1,236	1,318	1,318	1,318	1,318	1,318	1,346	
2015-2016	759	1,589	1,655	1,833	1,833	1,933	1,933	1,933		
2016-2017	911	1,161	1,382	1,413	1,423	1,423	1,423			
2017-2018	452	1,009	995	864	884	884				
2018-2019	625	1,108	1,429	1,252	1,176					
2019-2020	1,098	1,337	1,418	1,368						
2020-2021	340	665	909							
2021-2022	653	1,455								
2022-2023	742									

Amounts above the diagonal are from prior actuarial study.
Triangles exclude CRSIG and include historical Napa Valley.

Reported Loss Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
2002-2003										
2003-2004										
2004-2005									0.987	1.000
2005-2006								1.000	1.000	1.009
2006-2007							1.000	1.000	1.000	1.000
2007-2008						1.014	1.033	1.000	1.000	1.000
2008-2009					1.000	1.000	1.000	1.000	1.000	1.010
2009-2010				0.954	1.003	1.073	1.007	1.000	0.993	1.000
2010-2011			0.888	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2011-2012		1.228	0.869	1.000	1.128	0.904	1.000	1.000	1.000	1.000
2012-2013	1.456	0.994	0.952	0.977	1.000	1.000	1.087	0.972	0.966	1.000
2013-2014	1.912	1.141	1.226	0.957	0.979	0.999	1.000	1.000	1.000	
2014-2015	3.321	1.118	1.066	1.000	1.000	1.000	1.000	1.021		
2015-2016	2.094	1.042	1.107	1.000	1.055	1.000	1.000			
2016-2017	1.274	1.190	1.023	1.007	1.000	1.000				
2017-2018	2.232	0.986	0.868	1.024	1.000					
2018-2019	1.772	1.290	0.876	0.939						
2019-2020	1.218	1.061	0.965							
2020-2021	1.956	1.367								
2021-2022	2.228									

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
Average	1.946	1.142	0.984	0.986	1.017	0.999	1.013	0.999	0.995	1.002
Dollar-Wtd. Avgs.										
Total	1.784	1.123	0.990	0.985	1.014	1.002	1.012	0.999	0.994	1.001
3-yr	1.653	1.208	0.907	0.987	1.024	1.000	1.000	0.998	0.988	1.000
4-yr	1.681	1.154	0.937	0.991	1.018	1.000	1.017	0.999	0.991	1.000
Comparative Factors										
Prior	2.325	1.225	1.060	1.020	1.020	1.020	1.020	1.008	1.005	1.005
Selected	1.785	1.145	1.010	1.008	1.005	1.003	1.003	1.001	1.000	1.000
Cumulated	2.105	1.179	1.030	1.020	1.012	1.007	1.004	1.001	1.000	1.000

Bay Area Schools Insurance Cooperative - Liability - Member Layer Analysis
Reported Loss Development

Accident Year	Limited Losses Reported as of:								
	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months
2002-2003									
2003-2004									
2004-2005	1,251	1,251	1,251	1,251	1,230	1,230	1,230	1,230	1,230
2005-2006	563	563	563	563	563	563	563	563	
2006-2007	1,090	1,090	1,090	1,090	1,082	1,082	1,082		
2007-2008	1,183	1,186	1,186	1,186	1,186	1,186			
2008-2009	895	895	895	895	895				
2009-2010	1,276	1,279	1,279	1,371					
2010-2011	1,297	1,297	1,297						
2011-2012	763	763							
2012-2013	1,163								
2013-2014									
2014-2015									
2015-2016									
2016-2017									
2017-2018									
2018-2019									
2019-2020									
2020-2021									
2021-2022									
2022-2023									

	Reported Loss Development Factors:								
	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-Ult. Months
2002-2003									
2003-2004									
2004-2005	1.000	1.000	1.000	0.983	1.000	1.000	1.000	1.000	
2005-2006	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2006-2007	1.000	1.000	1.000	0.993	1.000	1.000			
2007-2008	1.002	1.000	1.000	1.000	1.000				
2008-2009	1.000	1.000	1.000	1.000					
2009-2010	1.002	1.000	1.072						
2010-2011	1.000	1.000							
2011-2012	1.000								
2012-2013									
2013-2014									
2014-2015									
2015-2016									
2016-2017									
2017-2018									
2018-2019									
2019-2020									
2020-2021									
2021-2022									

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-Ult. Months
Average	1.001	1.000	1.012	0.995	1.000	1.000	1.000	1.000	
Dollar-Wtd. Avgs									
Total	1.001	1.000	1.015	0.994	1.000	1.000	1.000	1.000	
3-yr	1.001	1.000	1.027	0.998	1.000	1.000			
4-yr	1.001	1.000	1.021	0.998	1.000				
Comparative Factors									
Prior	1.005	1.005	1.003	1.003	1.002	1.001	1.001	1.000	1.000
Selected	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Bay Area Schools Insurance Cooperative - Liability - Member Layer Analysis
Reported between \$100,000 and \$1,000,000 Loss Development

Accident Year	<u>Losses Reported as of:</u>									
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
2002-2003										
2003-2004										
2004-2005										624
2005-2006									102	102
2006-2007								1,067	1,117	1,072
2007-2008							523	601	592	592
2008-2009						500	500	500	500	500
2009-2010					1,073	1,073	1,223	1,373	1,317	1,317
2010-2011				1,179	1,203	1,203	1,511	1,259	1,165	1,165
2011-2012			150	125	150	229	146	146	146	146
2012-2013		955	632	984	841	841	841	891	841	841
2013-2014		45	442	573	429	372	372	372	372	372
2014-2015	110	1,112	2,965	3,087	3,283	3,833	3,833	3,833	3,873	
2015-2016	301	869	2,127	1,516	1,382	1,582	1,583	1,583		
2016-2017	191	568	1,100	1,322	1,300	1,300	1,300			
2017-2018		1,763	1,577	1,377	1,377	1,483				
2018-2019	1,005	1,220	2,026	2,478	2,461					
2019-2020	641	1,467	1,651	1,972						
2020-2021	250	25	419							
2021-2022	50	795								
2022-2023	242									

Amounts above the diagonal are from prior actuarial study.
Triangles exclude CRSIG and include historical Napa Valley.

Reported Loss Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
2002-2003										
2003-2004										
2004-2005										1.000
2005-2006									1.000	1.000
2006-2007								1.047	0.960	1.000
2007-2008							1.149	0.985	1.000	1.000
2008-2009						1.000	1.000	1.000	1.000	1.000
2009-2010					1.000	1.140	1.123	0.959	1.000	1.000
2010-2011				1.020	1.000	1.256	0.833	0.926	1.000	1.000
2011-2012			0.833	1.200	1.527	0.638	0.998	1.000	1.000	1.000
2012-2013		0.662	1.557	0.855	1.000	1.000	1.060	0.944	1.000	1.000
2013-2014		9.822	1.296	0.749	0.867	1.000	1.000	1.000	1.000	
2014-2015	10.109	2.666	1.041	1.064	1.168	1.000	1.000	1.010		
2015-2016	2.887	2.448	0.713	0.911	1.145	1.000	1.000			
2016-2017	2.974	1.936	1.202	0.983	1.000	1.000				
2017-2018		0.895	0.873	1.000	1.077					
2018-2019	1.214	1.661	1.223	0.993						
2019-2020	2.288	1.126	1.194							
2020-2021	0.100	16.743								
2021-2022	15.895									

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
Average	5.067	4.218	1.104	0.975	1.087	1.004	1.018	0.986	0.996	1.000
Dollar-Wtd. Avgs.										
Total	2.377	1.613	1.060	0.983	1.080	1.034	1.002	0.988	0.993	1.000
3-yr	2.430	1.510	1.109	0.993	1.075	1.000	1.000	0.998	1.000	1.000
4-yr	1.802	1.268	1.125	0.974	1.117	1.000	1.008	0.998	1.000	1.000
Comparative Factors										
Prior	9.000	1.875	1.475	1.200	1.100	1.065	1.025	1.025	1.015	1.010
Selected	3.000	1.700	1.050	1.040	1.040	1.010	1.005	1.000	1.000	1.000
Cumulated	3.000	1.615	1.060	1.040	1.040	1.005	1.005	1.000	1.000	1.000

Bay Area Schools Insurance Cooperative - Liability - Member Layer Analysis
Reported between \$100,000 and \$1,000,000 Loss Development

Accident Year	<u>Losses Reported as of:</u>								
	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months
2002-2003									
2003-2004									
2004-2005	624	624	624	624	520	520	520	520	520
2005-2006	102	102	102	102	102	102	102	102	
2006-2007	1,072	1,072	1,072	1,071	1,071	1,071	1,071		
2007-2008	592	592	592	592	592	592			
2008-2009	500	500	500	500	500				
2009-2010	1,317	1,317	1,317	1,367					
2010-2011	1,165	1,165	1,165						
2011-2012	146	146							
2012-2013	841								
2013-2014									
2014-2015									
2015-2016									
2016-2017									
2017-2018									
2018-2019									
2019-2020									
2020-2021									
2021-2022									
2022-2023									

Reported Loss Development Factors:

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-Ult. Months
2002-2003									
2003-2004									
2004-2005	1.000	1.000	1.000	0.834	1.000		1.000	1.000	
2005-2006	1.000	1.000	1.001	1.000	1.000	1.000	1.000		
2006-2007	1.000	1.000	0.999	1.000	1.000	1.000			
2007-2008	1.000	1.000	1.000	1.000	1.000				
2008-2009	1.000	1.000	1.000	1.000					
2009-2010	1.000	1.000	1.038						
2010-2011	1.000	1.000							
2011-2012	1.000								
2012-2013									
2013-2014									
2014-2015									
2015-2016									
2016-2017									
2017-2018									
2018-2019									
2019-2020									
2020-2021									
2021-2022									

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-Ult. Months
Average	1.000	1.000	1.006	0.967	1.000	1.000	1.000	1.000	
Dollar-Wtd. Avgs									
Total	1.000	1.000	1.012	0.964	1.000	1.000	1.000	1.000	
3-yr	1.000	1.000	1.021	1.000	1.000	1.000			
4-yr	1.000	1.000	1.014	1.000	1.000				
Comparative Factors	1.005	1.005	1.005	1.003	1.003	1.003	1.002	1.000	1.000
Prior	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

Paid Loss Development

Accident Year (A)	\$100K Limited Paid Losses as of 11/30/23 (B)	Paid Loss Development Factor (C)	\$100K Ultimate Losses (D)	Member Layer Paid Losses as of 11/30/23 (E)	Paid Loss Development Factor (F)	Member Layer Ultimate Losses (G)
2004-2005	\$1,180,881	1.000	\$1,180,881	\$1,339,165	1.000	\$1,339,165
2005-2006	531,601	1.000	531,601	546,424	1.000	546,424
2006-2007	1,067,221	1.000	1,067,221	1,438,250	1.000	1,438,250
2007-2008	1,175,549	1.000	1,175,549	1,545,538	1.000	1,545,538
2008-2009	786,338	1.001	787,124	1,268,813	1.001	1,270,082
2009-2010	1,134,484	1.002	1,136,753	1,815,618	1.002	1,819,249
2010-2011	1,290,696	1.003	1,294,568	1,693,766	1.003	1,698,847
2011-2012	744,169	1.005	747,890	889,910	1.005	894,360
2012-2013	1,163,812	1.007	1,171,959	1,397,453	1.007	1,407,235
2013-2014	1,895,436	1.009	1,912,495	2,563,543	1.009	2,586,615
2014-2015	1,770,740	1.011	1,790,218	2,794,923	1.011	2,825,667
2015-2016	2,451,937	1.015	2,488,716	3,844,113	1.017	3,909,463
2016-2017	1,814,435	1.020	1,850,724	2,837,054	1.026	2,910,817
2017-2018	1,270,668	1.026	1,303,705	1,822,448	1.040	1,895,346
2018-2019	1,641,960	1.034	1,697,787	2,399,899	1.059	2,541,493
2019-2020	1,324,737	1.065	1,410,845	1,972,973	1.139	2,247,216
2020-2021	650,537	1.236	804,064	802,391	1.419	1,138,593
2021-2022	807,927	1.960	1,583,537	884,962	2.475	2,190,281
2022-2023	510,305	4.947	2,524,675	510,305	6.811	3,475,687
Totals	\$23,213,433		\$26,460,312	\$32,367,548		\$37,680,329

Notes:

- (A) Years are 7/1 to 6/30.
 (B) Section B - Appendix F, Page 2. Includes BSSP, CRSIG, NBSIA and RESIG covered claims. These losses exclude amounts over \$100,000 per occurrence.
 (C) From Section B - Appendix B, Page 2. Interpolated to apply to data as of 11/30/23.
 (D) (B) x (C).
 These losses exclude amounts over \$100,000 per occurrence.
 (E) Section B - Appendix F, Page 2. Includes BSSP, CRSIG, NBSIA and RESIG covered claims. These losses exclude amounts over member SIR per occurrence.
 (F) Derived from factors on Section B - Appendix B, Page 4. Interpolated to apply to data as of 11/30/23.
 (G) (E) x (F).

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

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

Bay Area Schools Insurance Cooperative - Liability - Member Layer Analysis
Paid Loss Development

Accident Year	Limited Losses Paid as of:									
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
2002-2003										
2003-2004										
2004-2005									1,250	1,251
2005-2006								558	558	558
2006-2007							1,090	1,090	1,090	1,090
2007-2008						1,071	1,133	1,183	1,183	1,183
2008-2009					886	886	886	886	886	886
2009-2010				1,071	1,084	1,096	1,124	1,142	1,203	1,194
2010-2011			882	1,140	1,244	1,277	1,297	1,297	1,297	1,297
2011-2012		351	684	748	748	751	763	763	763	763
2012-2013	120	294	966	1,130	1,138	1,138	1,139	1,158	1,162	1,163
2013-2014	101	284	830	1,265	1,384	1,398	1,399	1,399	1,399	1,399
2014-2015	87	298	958	1,250	1,250	1,250	1,250	1,250	1,276	
2015-2016	139	501	1,074	1,792	1,833	1,835	1,836	1,836		
2016-2017	156	547	1,131	1,376	1,423	1,423	1,423			
2017-2018	190	507	793	838	879	884				
2018-2019	180	465	956	1,133	1,176					
2019-2020	258	598	1,066	1,308						
2020-2021	67	249	550							
2021-2022	107	471								
2022-2023	245									

Amounts above the diagonal are from prior actuarial study.
Triangles exclude CRSIG and include historical Napa Valley.

Paid Loss Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
2002-2003										
2003-2004										
2004-2005									1.001	1.000
2005-2006								1.000	1.000	1.009
2006-2007							1.000	1.000	1.000	1.000
2007-2008						1.058	1.044	1.000	1.000	1.000
2008-2009					1.000	1.000	1.000	1.000	1.000	1.010
2009-2010				1.012	1.011	1.026	1.016	1.053	0.992	1.000
2010-2011			1.293	1.091	1.027	1.016	1.000	1.000	1.000	1.000
2011-2012		1.949	1.094	1.000	1.004	1.016	1.000	1.000	1.000	1.000
2012-2013	2.450	3.286	1.170	1.007	1.000	1.001	1.017	1.004	1.001	1.000
2013-2014	2.812	2.923	1.524	1.094	1.010	1.000	1.000	1.000	1.000	
2014-2015	3.425	3.215	1.305	1.000	1.000	1.000	1.000	1.021		
2015-2016	3.604	2.144	1.669	1.022	1.001	1.001	1.000			
2016-2017	3.506	2.068	1.217	1.034	1.000	1.000				
2017-2018	2.669	1.564	1.057	1.049	1.006					
2018-2019	2.587	2.058	1.185	1.038						
2019-2020	2.315	1.784	1.227							
2020-2021	3.721	2.209								
2021-2022	4.402									

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
Average	3.149	2.320	1.274	1.035	1.006	1.012	1.008	1.008	0.999	1.002
Dollar-Wtd. Avgs.										
Total	2.999	2.201	1.283	1.035	1.006	1.010	1.007	1.008	0.999	1.001
3-yr	3.049	1.962	1.165	1.039	1.002	1.000	1.000	1.008	1.000	1.000
4-yr	2.914	1.851	1.180	1.033	1.001	1.000	1.003	1.007	1.000	1.000
Comparative Factors										
Prior	4.750	2.185	1.425	1.180	1.035	1.030	1.030	1.008	1.008	1.008
Selected	3.000	2.055	1.300	1.050	1.010	1.008	1.006	1.004	1.002	1.002
Cumulated	3.350	2.055	1.265	1.045	1.009	1.007	1.005	1.005	1.002	1.002
Average	9.454	2.822	1.373	1.085	1.038	1.029	1.022	1.017	1.012	1.010

Bay Area Schools Insurance Cooperative - Liability - Member Layer Analysis
Paid Loss Development

Accident Year	<u>Limited Losses Paid as of:</u>								
	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months
2002-2003									
2003-2004									
2004-2005	1,251	1,251	1,251	1,251	1,230	1,230	1,230	1,230	1,230
2005-2006	563	563	563	563	563	563	563	563	
2006-2007	1,090	1,090	1,090	1,090	1,082	1,082	1,082		
2007-2008	1,183	1,186	1,186	1,186	1,186	1,186			
2008-2009	895	895	895	895	895				
2009-2010	1,194	1,197	1,197	1,215					
2010-2011	1,297	1,297	1,297						
2011-2012	763	763							
2012-2013	1,163								
2013-2014									
2014-2015									
2015-2016									
2016-2017									
2017-2018									
2018-2019									
2019-2020									
2020-2021									
2021-2022									
2022-2023									

Paid Loss Development Factors:

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-Ult. Months
2002-2003									
2003-2004									
2004-2005	1.000	1.000	1.000	0.983	1.000	1.000	1.000	1.000	
2005-2006	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2006-2007	1.000	1.000	1.000	0.993	1.000	1.000			
2007-2008	1.002	1.000	1.000	1.000	1.000				
2008-2009	1.000	1.000	1.000	1.000					
2009-2010	1.003	1.000	1.015						
2010-2011	1.000	1.000							
2011-2012	1.000								
2012-2013									
2013-2014									
2014-2015									
2015-2016									
2016-2017									
2017-2018									
2018-2019									
2019-2020									
2020-2021									
2021-2022									

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-Ult. Months
Average	1.001	1.000	1.003	0.995	1.000	1.000	1.000	1.000	
Dollar-Wtd. Avgs									
Total	1.001	1.000	1.003	0.994	1.000	1.000	1.000	1.000	
3-yr	1.001	1.000	1.006	0.998	1.000	1.000			
4-yr	1.001	1.000	1.004	0.998	1.000				
Comparative Factors									
Prior	1.007	1.006	1.005	1.004	1.003	1.002	1.001	1.001	1.004
Selected	1.002	1.002	1.002	1.001	1.001	1.000	1.000	1.000	1.000
Cumulated	1.008	1.006	1.004	1.002	1.001	1.000	1.000	1.000	1.000

Bay Area Schools Insurance Cooperative - Liability - Member Layer Analysis
Paid between \$100,000 and \$1,000,000 Loss Development

Accident Year	Losses Paid as of:									
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
2002-2003										
2003-2004										
2004-2005										624
2005-2006									102	102
2006-2007								1,044	1,072	1,072
2007-2008							523	592	592	592
2008-2009						500	500	500	500	500
2009-2010					948	948	948	948	1,192	1,192
2010-2011				1,062	1,083	1,083	1,256	1,259	1,165	1,165
2011-2012			37	119	143	146	146	146	146	146
2012-2013			82	276	841	841	841	841	841	841
2013-2014			157	311	395	372	372	372	372	372
2014-2015			2,033	2,935	3,018	3,083	3,833	3,833	3,833	
2015-2016			512	1,337	1,376	1,389	1,403	1,403		
2016-2017		76	995	1,275	1,300	1,300	1,300			
2017-2018		93	611	627	1,377	1,385				
2018-2019			13	226	508					
2019-2020	150	150	303	576						
2020-2021			151							
2021-2022										
2022-2023										

Amounts above the diagonal are from prior actuarial study.
Triangles exclude CRSIG and include historical Napa Valley.

Paid Loss Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
2002-2003										
2003-2004										
2004-2005										1.000
2005-2006									1.000	1.000
2006-2007								1.027	1.000	1.000
2007-2008							1.132	1.000	1.000	1.000
2008-2009						1.000	1.000	1.000	1.000	1.000
2009-2010					1.000	1.000	1.000	1.257	1.000	1.000
2010-2011				1.020	1.000	1.160	1.002	0.926	1.000	1.000
2011-2012			3.216	1.202	1.021	1.000	0.998	1.000	1.000	1.000
2012-2013			3.366	3.047	1.000	1.000	1.000	1.000	1.000	1.000
2013-2014			1.981	1.270	0.942	1.000	1.000	1.000	1.000	
2014-2015			1.444	1.028	1.021	1.243	1.000	1.000		
2015-2016			2.612	1.029	1.010	1.010	1.000			
2016-2017		13.089	1.282	1.020	1.000	1.000				
2017-2018		6.571	1.026	2.195	1.005					
2018-2019			16.925	2.253						
2019-2020	1.000	2.020	1.901							
2020-2021										
2021-2022										

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
Average	1.000	7.227	3.750	1.563	1.000	1.046	1.015	1.023	1.000	1.000
Dollar-Wtd. Avgs.										
Total	1.000	5.984	1.620	1.229	1.006	1.097	1.007	1.019	1.000	1.000
3-yr	1.000	3.112	1.540	1.497	1.005	1.132	1.000	1.000	1.000	1.000
4-yr	1.000	4.436	1.407	1.316	1.012	1.124	1.000	1.000	1.000	1.000
Comparative Factors										
Prior	40.000	5.000	2.150	1.450	1.175	1.110	1.040	1.030	1.030	1.010
Selected	20.000	5.000	1.700	1.225	1.039	1.037	1.019	1.010	1.000	1.000
Cumulated	20.000	5.000	1.700	1.315	1.039	1.037	1.019	1.010	1.006	1.002
Cumulated	252.500	12.625	2.525	1.485	1.129	1.087	1.048	1.028	1.018	1.012

Bay Area Schools Insurance Cooperative - Liability - Member Layer Analysis
Paid between \$100,000 and \$1,000,000 Loss Development

Accident Year	Losses Paid as of:								
	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months
2002-2003									
2003-2004									
2004-2005	624	624	624	624	520	520	520	520	520
2005-2006	102	102	102	102	102	102	102	102	
2006-2007	1,072	1,072	1,072	1,071	1,071	1,071	1,071		
2007-2008	592	592	592	592	592	592			
2008-2009	500	500	500	500	500				
2009-2010	1,192	1,192	1,192	1,192					
2010-2011	1,165	1,165	1,165						
2011-2012	146	146							
2012-2013	841								
2013-2014									
2014-2015									
2015-2016									
2016-2017									
2017-2018									
2018-2019									
2019-2020									
2020-2021									
2021-2022									
2022-2023									

Paid Loss Development Factors:

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-Ult. Months
2002-2003									
2003-2004									
2004-2005	1.000	1.000	1.000	0.834	1.000	1.000	1.000	1.000	
2005-2006	1.000	1.000	1.001	1.000	1.000	1.000	1.000		
2006-2007	1.000	1.000	0.999	1.000	1.000	1.000			
2007-2008	1.000	1.000	1.000	1.000	1.000				
2008-2009	1.000	1.000	1.000	1.000					
2009-2010	1.000	1.000	1.000						
2010-2011	1.000	1.000							
2011-2012	1.000								
2012-2013									
2013-2014									
2014-2015									
2015-2016									
2016-2017									
2017-2018									
2018-2019									
2019-2020									
2020-2021									
2021-2022									

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-Ult. Months
Average	1.000	1.000	1.000	0.967	1.000	1.000	1.000	1.000	
Dollar-Wtd. Avgs									
Total	1.000	1.000	1.000	0.964	1.000	1.000	1.000	1.000	
3-yr	1.000	1.000	1.000	1.000	1.000	1.000			
4-yr	1.000	1.000	1.000	1.000	1.000				
Comparative Factors	1.009	1.008	1.007	1.006	1.005	1.003	1.002	1.001	1.008
Prior	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.002	1.002	1.002	1.002	1.002	1.000	1.000	1.000	1.000
Cumulated	1.010	1.008	1.006	1.004	1.002	1.000	1.000	1.000	1.000

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

Exposure and Development Method
Based on Reported Losses

Accident Year	Trended Payroll (\$00) (A)	Member Layer Reported Losses as of 11/30/23 (B)	Reported Loss Development Factor (C)	Percentage of Losses Yet to Be Reported (D)	Member Layer Rate (E)	Incurred but not Reported (IBNR) (F)	Member Layer Ultimate Losses (G)
2004-2005	\$18,289,305	\$1,339,165	1.000	0.000	\$0.065	\$0	\$1,339,165
2005-2006	13,684,695	546,424	1.000	0.000	0.039	0	546,424
2006-2007	12,781,211	1,438,250	1.000	0.000	0.083	0	1,438,250
2007-2008	13,127,118	1,545,538	1.000	0.000	0.090	0	1,545,538
2008-2009	13,123,023	1,268,813	1.000	0.000	0.060	0	1,268,813
2009-2010	12,147,841	2,135,727	1.000	0.000	0.105	0	2,135,727
2010-2011	11,340,703	1,693,766	1.000	0.000	0.114	0	1,693,766
2011-2012	10,787,842	889,910	1.000	0.000	0.069	0	889,910
2012-2013	11,721,799	1,471,271	1.000	0.000	0.106	0	1,471,271
2013-2014	15,817,414	2,563,543	1.000	0.000	0.120	0	2,563,543
2014-2015	16,501,363	2,905,067	1.000	0.000	0.112	0	2,905,067
2015-2016	16,204,466	4,090,520	1.001	0.001	0.232	3,759	4,094,279
2016-2017	16,939,612	2,837,054	1.003	0.003	0.160	8,131	2,845,185
2017-2018	16,923,905	2,028,891	1.006	0.006	0.120	12,185	2,041,076
2018-2019	16,879,721	2,602,426	1.018	0.018	0.180	54,690	2,657,116
2019-2020	12,093,197	2,483,374	1.036	0.035	0.187	79,150	2,562,524
2020-2021	11,942,981	1,546,272	1.060	0.057	0.193	131,385	1,677,657
2021-2022	12,377,875	2,265,517	1.222	0.182	0.199	448,302	2,713,819
2022-2023	12,784,047	2,285,514	1.919	0.479	0.207	1,267,577	3,553,091
Totals	\$265,468,118	\$37,937,042				\$2,005,179	\$39,942,221

Notes:

- (A) Section A - Appendix D, Column (C). Includes BSSP, CRSIG, NBSIA and RESIG for covered AYs.
- (B) Section B - Appendix F, Page 1. Includes BSSP, CRSIG, NBSIA and RESIG covered claims. These losses exclude amounts over member SIR per occurrence.
- (C) From Section B - Appendix A, Page 1, Column (F).
- (D) $1 - 1 / (C)$.
- (E) From Section B - Appendix C, Page 3, Column (H).
- (F) $(A) \times (D) \times (E)$.
- (G) $(B) + (F)$.

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

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

Exposure and Development Method
Based on Paid Losses

Accident Year	Trended Payroll (\$00) (A)	Member Layer Paid Losses as of 11/30/23 (B)	Paid Loss Development Factor (C)	Percentage of Losses Yet to Be Paid (D)	Member Layer Rate (E)	Incurred but not Paid (F)	Member Layer Ultimate Losses (G)
2004-2005	\$18,289,305	\$1,339,165	1.000	0.000	\$0.065	\$0	\$1,339,165
2005-2006	13,684,695	546,424	1.000	0.000	0.039	0	546,424
2006-2007	12,781,211	1,438,250	1.000	0.000	0.083	0	1,438,250
2007-2008	13,127,118	1,545,538	1.000	0.000	0.090	0	1,545,538
2008-2009	13,123,023	1,268,813	1.001	0.001	0.060	787	1,269,600
2009-2010	12,147,841	1,815,618	1.002	0.002	0.105	2,551	1,818,169
2010-2011	11,340,703	1,693,766	1.003	0.003	0.114	3,879	1,697,645
2011-2012	10,787,842	889,910	1.005	0.005	0.069	3,722	893,632
2012-2013	11,721,799	1,397,453	1.007	0.007	0.106	8,698	1,406,151
2013-2014	15,817,414	2,563,543	1.009	0.009	0.120	17,083	2,580,626
2014-2015	16,501,363	2,794,923	1.011	0.011	0.112	20,330	2,815,253
2015-2016	16,204,466	3,844,113	1.017	0.017	0.232	63,910	3,908,023
2016-2017	16,939,612	2,837,054	1.026	0.025	0.160	67,758	2,904,812
2017-2018	16,923,905	1,822,448	1.040	0.038	0.120	77,173	1,899,621
2018-2019	16,879,721	2,399,899	1.059	0.056	0.180	170,148	2,570,047
2019-2020	12,093,197	1,972,973	1.139	0.122	0.187	275,894	2,248,867
2020-2021	11,942,981	802,391	1.419	0.295	0.193	679,974	1,482,365
2021-2022	12,377,875	884,962	2.475	0.596	0.199	1,468,065	2,353,027
2022-2023	12,784,047	510,305	6.811	0.853	0.207	2,257,292	2,767,597
Totals	265,468,118	\$32,367,548				\$5,117,264	\$37,484,812

Notes:

- (A) Section A - Appendix D, Column (C). Includes BSSP, CRSIG, NBSIA and RESIG for covered AYs.
- (B) Section B - Appendix F, Page 2. Includes BSSP, CRSIG, NBSIA and RESIG covered claims. These losses exclude amounts over member SIR per occurrence.
- (C) From Section B - Appendix B, Page 1, Column (F).
- (D) 1 - 1 / (C).
- (E) From Section B - Appendix C, Page 3, Column (H).
- (F) (A) x (D) x (E).
- (G) (B) + (F).

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

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

Exposure and Development Method

Accident Year	Trended Payroll (\$00) (A)	\$100K Limited Ultimate Losses (B)	Trend Factor (C)	Trended \$100K Limited Losses (D)	Trended \$100K Limited Loss Rate (E)	\$100K Limited Loss Rate (F)	Factor to Member SIR (G)	Member SIR Loss Rate (H)
2004-2005	\$18,289,305	\$1,180,881	1.598	\$1,887,048	\$0.103	\$0.065	1.000	\$0.065
2005-2006	13,684,695	531,601	1.559	828,766	0.061	0.039	1.000	0.039
2006-2007	12,781,211	1,067,221	1.521	1,623,243	0.127	0.083	1.000	0.083
2007-2008	13,127,118	1,175,549	1.484	1,744,515	0.133	0.090	1.000	0.090
2008-2009	13,123,023	786,338	1.448	1,138,617	0.087	0.060	1.000	0.060
2009-2010	12,147,841	1,279,593	1.412	1,806,785	0.149	0.105	1.000	0.105
2010-2011	11,340,703	1,290,696	1.378	1,778,579	0.157	0.114	1.000	0.114
2011-2012	10,787,842	744,169	1.344	1,000,163	0.093	0.069	1.000	0.069
2012-2013	11,721,799	1,237,629	1.312	1,623,769	0.139	0.106	1.000	0.106
2013-2014	15,817,414	1,895,436	1.280	2,426,158	0.153	0.120	1.000	0.120
2014-2015	16,501,363	1,840,883	1.249	2,299,263	0.139	0.112	1.000	0.112
2015-2016	16,204,466	2,548,344	1.218	3,103,883	0.192	0.157	1.479	0.232
2016-2017	16,939,612	1,814,435	1.188	2,155,549	0.127	0.107	1.492	0.160
2017-2018	16,923,905	1,350,000	1.160	1,566,000	0.093	0.080	1.503	0.120
2018-2019	16,879,721	1,708,000	1.132	1,933,456	0.115	0.119	1.516	0.180
2019-2020	12,093,197	1,392,000	1.104	1,536,768	0.127	0.122	1.530	0.187
2020-2021	11,942,981	1,062,000	1.077	1,143,774	0.096	0.125	1.543	0.193
2021-2022	12,377,875	1,649,000	1.051	1,733,099	0.140	0.128	1.556	0.199
2022-2023	12,784,047	2,515,000	1.025	2,577,875	0.202	0.132	1.569	0.207
Total/Avg	265,468,118	\$27,068,775		\$33,907,311	\$0.128			
15/16-21/22*	91,418,776	10,461,779		12,028,755	0.132			
18/19-22/23*	54,134,840	7,264,000		7,781,198	0.144			
*Excl. 20/21								
				Selected Limited Rate:	\$0.135			
				Prior:	\$0.130			

Notes:

- (A) Section A - Appendix D, Column (C). Includes BSSP, CRSIG, NBSIA and RESIG for covered AYs.
- (B) Selected average of results from Appendices A and B.
- (C) From Section A - Appendix E, Page 1, Column (B).
- (D) (B) x (C).
- (E) (D) / (A).
- (F) Selected Limited Rate / (C). For 2017-2018 and prior (B) / (A).
- (G) Based on a Burr distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

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

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

Frequency and Severity Method

Accident Year	Member SIR Ultimate Severity (A)	Adjusted Ultimate Claims (B)	Member Limited Ultimate Losses (C)
2004-2005	\$11,355	104	\$1,180,920
2005-2006	10,424	51	531,624
2006-2007	15,031	71	1,067,201
2007-2008	16,557	71	1,175,547
2008-2009	11,564	68	786,352
2009-2010	16,197	79	1,279,563
2010-2011	14,667	88	1,290,696
2011-2012	10,944	68	744,192
2012-2013	19,338	64	1,237,632
2013-2014	21,060	90	1,895,400
2014-2015	21,915	84	1,840,860
2015-2016	31,662	119	3,767,778
2016-2017	29,743	91	2,706,613
2017-2018	20,294	100	2,029,400
2018-2019	35,074	98	3,437,252
2019-2020	36,643	58	2,125,294
2020-2021	38,258	27	1,032,966
2021-2022	39,955	65	2,597,075
2022-2023	41,695	78	3,252,210
Total		1,474	\$33,978,575

Notes:

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

This exhibit shows the calculation of the estimated ultimate losses for each year based on the observed average frequency and severity of claims.

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

Frequency and Severity Method

Accident Year	\$100K Limited Ultimate Losses (A)	Adjusted Ultimate Claims (B)	\$100K Limited Ultimate Severity (C)	Trend Factor (D)	Trended Limited Severity (E)	\$100K Limited Severity (F)	Factor to Member SIR (G)	Member SIR Ultimate Severity (H)
2004-2005	\$1,180,881	104	\$11,355	1.925	\$21,858	\$11,355	1.000	\$11,355
2005-2006	531,601	51	10,424	1.860	19,389	10,424	1.000	10,424
2006-2007	1,067,221	71	15,031	1.797	27,011	15,031	1.000	15,031
2007-2008	1,175,549	71	16,557	1.736	28,743	16,557	1.000	16,557
2008-2009	786,338	68	11,564	1.678	19,404	11,564	1.000	11,564
2009-2010	1,279,593	79	16,197	1.621	26,255	16,197	1.000	16,197
2010-2011	1,290,696	88	14,667	1.566	22,969	14,667	1.000	14,667
2011-2012	744,169	68	10,944	1.513	16,558	10,944	1.000	10,944
2012-2013	1,237,629	64	19,338	1.461	28,253	19,338	1.000	19,338
2013-2014	1,895,436	90	21,060	1.412	29,737	21,060	1.000	21,060
2014-2015	1,840,883	84	21,915	1.364	29,892	21,915	1.000	21,915
2015-2016	2,548,344	119	21,415	1.318	28,225	21,415	1.479	31,662
2016-2017	1,814,435	91	19,939	1.273	25,382	19,939	1.492	29,743
2017-2018	1,350,000	100	13,500	1.230	16,605	13,500	1.503	20,294
2018-2019	1,708,000	98	17,429	1.189	20,723	23,129	1.516	35,074
2019-2020	1,391,000	58	23,983	1.148	27,532	23,955	1.530	36,643
2020-2021	1,067,000	27	39,519	1.109	43,827	24,797	1.543	38,258
2021-2022	1,669,000	65	25,677	1.071	27,500	25,677	1.556	39,955
2022-2023	2,049,000	78	26,269	1.035	27,188	26,570	1.569	41,695

Average Limited Severity: \$25,634
 Average 16/17-21/22 Limited Severity: 26,928
 Average 18/19-21/22 Limited Severity: 29,896

Selected Limited Severity: \$27,500
 Prior: \$23,900

Notes:

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

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

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

Frequency and Severity Method
Projection of Ultimate Claims

Accident Year	Reported Claim Development (A)	Closed Claim Development (B)	Selected Ultimate Claims (C)	Trended Payroll (\$000,000) (D)	Claim Frequency (E)	Trend Factor (F)	Trended Claim Frequency (G)
2004-2005	104	104	104	1,828.9	0.057	0.827	0.047
2005-2006	51	51	51	1,368.5	0.037	0.835	0.031
2006-2007	71	71	71	1,278.1	0.056	0.843	0.047
2007-2008	71	71	71	1,312.7	0.054	0.852	0.046
2008-2009	68	68	68	1,312.3	0.052	0.860	0.045
2009-2010	79	77	79	1,214.8	0.065	0.868	0.056
2010-2011	88	88	88	1,134.1	0.078	0.877	0.068
2011-2012	68	68	68	1,078.8	0.063	0.887	0.056
2012-2013	64	63	64	1,172.2	0.055	0.896	0.049
2013-2014	90	91	90	1,581.7	0.057	0.905	0.052
2014-2015	84	84	84	1,650.1	0.051	0.914	0.047
2015-2016	119	120	119	1,620.4	0.073	0.924	0.067
2016-2017	91	93	91	1,694.0	0.054	0.933	0.050
2017-2018	100	99	100	1,692.4	0.059	0.942	0.056
2018-2019	98	96	98	1,688.0	0.058	0.952	0.055
2019-2020	58	55	58	1,209.3	0.048	0.961	0.046
2020-2021	27	23	27	1,194.3	0.023	0.970	0.022
2021-2022	67	60	65	1,237.8	0.053	0.979	0.052
2022-2023	88	67	78	1,278.4	0.061	0.990	0.060
Total	1,486	1,449	1,474	26,546.8			0.050
15/16-19/20	466	463	466	7,904.1			0.055
17/18-21/22*	323	310	321	5,827.5			0.053
*Excl. 20/21						(H) Selected Frequency: Prior:	0.055 0.055
Program Year:				2023-2024	2024-2025		
(I) Trend Factor:				1.000	0.990		
(J) Selected Frequency:				0.055	0.054		
(K) Est. Payroll (\$000,000):				1,296.7	1,296.7		
(L) Ultimate Claims:				71	70		

Notes:

- (A) Section B - Appendix D, Page 4, (C).
- (B) Section B - Appendix D, Page 5, (C).
- (C) Selected from (A) and (B).
- (D) Section A - Appendix D, Column (C) / 10,000.
- (E) (C) / (D).
- (F) Section A - Appendix E, Page 1, Column (F).
- (G) (E) x (F).
- (H) The selected frequency of 0.055 is based on (G).
- (I) Section A - Appendix E, Page 1, Column (F).
- (J) (H) x (I).
- (K) Section A - Appendix D, Column (C) / 10,000.
- (L) (J) x (K).

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

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

Frequency and Severity Method
Reported Claim Count Development

Accident Year	Claims Reported as of 11/30/2023 (A)	Reported Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
2004-2005	104	1.000	104	0.047
2005-2006	51	1.000	51	0.031
2006-2007	71	1.000	71	0.047
2007-2008	71	1.000	71	0.046
2008-2009	68	1.000	68	0.045
2009-2010	79	1.000	79	0.056
2010-2011	88	1.000	88	0.068
2011-2012	68	1.000	68	0.056
2012-2013	64	1.000	64	0.049
2013-2014	90	1.000	90	0.051
2014-2015	84	1.000	84	0.047
2015-2016	119	1.000	119	0.068
2016-2017	91	1.000	91	0.050
2017-2018	100	1.000	100	0.056
2018-2019	98	1.001	98	0.055
2019-2020	58	1.003	58	0.046
2020-2021	27	1.005	27	0.022
2021-2022	66	1.008	67	0.053
2022-2023	87	1.013	88	0.068
Total	1,484		1,486	0.051

Notes:

- (A) Provided by BASIC.
- (B) From Section B - Appendix D, Page 6. Interpolated to apply to data as of 11/30/23.
- (C) (A) x (B).
- (D) (C) / [Section B - Appendix D, Page 3, (D)] x [Section B - Appendix D, Page 3, (F)].

This exhibit shows the calculation of estimated ultimate claims for each year based on reported claims as provided by BASIC. These numbers of claims tend to "develop" or change from period to period as more claims are filed. This development tends to follow quantifiable patterns over time.

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

Frequency and Severity Method
Closed Claim Count Development

Accident Year	Claims Closed as of 11/30/2023 (A)	Closed Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
2004-2005	104	1.000	104	0.047
2005-2006	51	1.000	51	0.031
2006-2007	71	1.000	71	0.047
2007-2008	71	1.000	71	0.046
2008-2009	68	1.001	68	0.045
2009-2010	77	1.002	77	0.055
2010-2011	88	1.003	88	0.068
2011-2012	68	1.004	68	0.056
2012-2013	63	1.005	63	0.048
2013-2014	90	1.006	91	0.052
2014-2015	83	1.008	84	0.047
2015-2016	118	1.013	120	0.068
2016-2017	91	1.021	93	0.051
2017-2018	96	1.033	99	0.055
2018-2019	92	1.047	96	0.054
2019-2020	51	1.072	55	0.044
2020-2021	20	1.126	23	0.019
2021-2022	48	1.242	60	0.047
2022-2023	36	1.866	67	0.052
Total	1,386		1,449	0.049

Notes:

- (A) Provided by BASIC.
- (B) From Section B - Appendix D, Page 7. Interpolated to apply to data as of 11/30/23.
- (C) (A) x (B).
- (D) (C) / [Section B - Appendix D, Page 3, (D)] x [Section B - Appendix D, Page 3, (F)].

This exhibit shows the calculation of estimated ultimate claims for each year based on closed claims as provided by BASIC. These numbers of closed claims tend to "develop" or change from period to period as more claims are closed. This development tends to follow quantifiable patterns over time.

Bay Area Schools Insurance Cooperative - Liability - Member Layer Analysis
Reported Claim Count Development

Claims Reported as of:

Accident Year	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months
2002-2003													
2003-2004													
2004-2005									103	103	103	103	103
2005-2006								60	60	60	61	61	61
2006-2007							80	80	80	80	80	80	81
2007-2008						78	78	78	78	78	78	81	81
2008-2009					75	75	75	75	75	75	77	77	77
2009-2010				87	87	87	87	88	88	87	87	87	87
2010-2011			97	94	95	94	94	94	93	93	93	93	93
2011-2012		80	80	79	79	79	79	79	79	79	79	79	
2012-2013	71	63	62	62	62	62	64	64	64	64	64		
2013-2014	67	69	73	75	75	78	78	78	78	78			
2014-2015	48	61	61	61	61	61	61	61	62				
2015-2016	78	96	97	98	98	99	99	99					
2016-2017	74	75	68	68	68	68	68						
2017-2018	74	73	75	75	75	75							
2018-2019	79	84	81	81	81								
2019-2020	71	59	59	58									
2020-2021	22	26	26										
2021-2022	73	64											
2022-2023	79												

Amounts above the diagonal are from prior actuarial study.
Triangles exclude CRSIG and include historical Napa Valley.

Reported Claim Count Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months	132-144 Months	144-156 Months	156-168 Months
2002-2003													
2003-2004													
2004-2005									1.000	1.000	1.000	1.000	1.000
2005-2006								1.000	1.000	1.017	1.000	1.000	
2006-2007							1.000	1.000	1.000	1.000	1.000		1.000
2007-2008						1.000	1.000	1.000	1.000	1.000		1.000	1.000
2008-2009					1.000	1.000	1.000	1.000	1.000		1.000	1.000	1.000
2009-2010				1.000	1.000	1.000	1.011	1.000		1.000	1.000	1.000	1.000
2010-2011			0.969	1.011	0.989	1.000	1.000		1.000	1.000	1.000	1.000	
2011-2012		1.000	0.988	1.000	1.000	1.000		1.000	1.000	1.000	1.000		
2012-2013	0.887	0.984	1.000	1.000	1.000		1.000	1.000	1.000	1.000			
2013-2014	1.030	1.058	1.027	1.000		1.000	1.000	1.000	1.000				
2014-2015	1.271	1.000	1.000		1.000	1.000	1.000	1.016					
2015-2016	1.231	1.010		1.000	1.010	1.000	1.000						
2016-2017	1.014		1.000	1.000	1.000	1.000							
2017-2018		1.027	1.000	1.000	1.000								
2018-2019	1.063	0.964	1.000	1.000									
2019-2020	0.831	1.000	0.983										
2020-2021	1.182	1.000											
2021-2022	0.877												
Average	1.043	1.005	0.996	1.001	1.000	1.000	1.001	1.002	1.000	1.002	1.000	1.000	1.000
Claim-Wtd. Avgs.													
Total	1.020	0.994	0.997	1.001	1.004	1.003	1.001	1.000	0.999	1.004	1.005	1.002	1.002
3-yr	0.898	0.982	0.995	1.000	1.004	1.000	1.000	1.005	1.000	1.000	1.000	1.000	1.000
4-yr	0.951	0.996	0.996	1.000	1.003	1.000	1.000	1.004	1.000	1.000	1.000	1.000	1.000
Comparative Factors													
Prior	1.335	1.035	1.015	1.010	1.007	1.005	1.004	1.003	1.001	1.001	1.001	1.001	1.001
Selected	1.075	1.005	1.005	1.003	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	1.050	1.003	1.002	1.002	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	1.059	1.009	1.006	1.004	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Bay Area Schools Insurance Cooperative - Liability - Member Layer Analysis
Closed Claim Development

Accident Year	Claims Closed as of:												
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months
2002-2003													
2003-2004													
2004-2005													
2005-2006													
2006-2007													81
2007-2008												81	81
2008-2009											77	77	77
2009-2010										86	86	86	86
2010-2011									93	93	93	93	93
2011-2012								79	79	79	79	79	
2012-2013							62	63	63	64	64		
2013-2014						77	78	78	78	78			
2014-2015					59	59	60	60	61				
2015-2016				94	97	97	98	98					
2016-2017			62	66	68	67	68						
2017-2018		61	70	73	74	74							
2018-2019	34	62	68	75	78								
2019-2020	31	45	50	50									
2020-2021	7	17	20										
2021-2022	18	45											
2022-2023	22												

Triangles exclude CRSIG and include historical Napa Valley.

Closed Claim Count Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months	132-144 Months	144-156 Months	156-168 Months
2002-2003													
2003-2004													
2004-2005													
2005-2006													
2006-2007													1.000
2007-2008												1.000	1.000
2008-2009											1.000	1.000	1.000
2009-2010										1.000	1.000	1.000	0.988
2010-2011									1.000	1.000	1.000	1.000	
2011-2012								1.000	1.000	1.000	1.000		
2012-2013							1.016	1.000	1.016	1.000			
2013-2014						1.013	1.000	1.000	1.000				
2014-2015					1.000	1.017	1.000	1.017					
2015-2016				1.032	1.000	1.010	1.000						
2016-2017			1.065	1.030	0.985	1.015							
2017-2018		1.148	1.043	1.014	1.000								
2018-2019	1.824	1.097	1.103	1.040									
2019-2020	1.452	1.111	1.000										
2020-2021	2.429	1.176											
2021-2022	2.500												
Average Claim-Wtd. Avgs.													
Total	1.878	1.124	1.056	1.029	0.997	1.013	1.003	1.004	1.003	1.000	1.000	1.000	0.997
3-yr	1.911	1.113	1.053	1.028	0.996	1.013	1.000	1.005	1.005	1.000	1.000	1.000	0.996
4-yr	1.878	1.124	1.056	1.029	0.997	1.013	1.003	1.004	1.003	1.000	1.000	1.000	0.997
Comparative Factors													
Prior	2.185	1.175	1.080	1.050	1.015	1.015	1.015	1.010	1.008	1.007	1.006	1.005	1.004
Selected	2.050	1.133	1.065	1.030	1.015	1.013	1.010	1.005	1.004	1.001	1.001	1.001	1.001
Cumulated	2.688	1.311	1.157	1.086	1.054	1.038	1.025	1.015	1.010	1.006	1.005	1.004	1.003

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>11/30/2023</u>	<u>Calendar Period</u>	
		<u>12/1/2023</u> <u>to</u> <u>6/30/2024</u>	<u>7/1/2024</u> <u>to</u> <u>6/30/2025</u>
Prior			
Ultimate Member Layer Loss	\$3,323,839	\$3,323,839	\$3,323,839
Paid in Calendar Period	-		
Paid to Date	3,323,839	3,323,839	3,323,839
Outstanding Liability			
2007-2008			
Ultimate Member Layer Loss	\$1,545,538	\$1,545,538	\$1,545,538
Paid in Calendar Period	-		
Paid to Date	1,545,538	1,545,538	1,545,538
Outstanding Liability			
2008-2009			
Ultimate Member Layer Loss	\$1,268,813	\$1,268,813	\$1,268,813
Paid in Calendar Period	-		
Paid to Date	1,268,813	1,268,813	1,268,813
Outstanding Liability			
2009-2010			
Ultimate Member Layer Loss	\$2,135,727	\$2,135,727	\$2,135,727
Paid in Calendar Period	-	160,055	160,054
Paid to Date	1,815,618	1,975,673	2,135,727
Outstanding Liability	320,109	160,054	
2010-2011			
Ultimate Member Layer Loss	\$1,693,766	\$1,693,766	\$1,693,766
Paid in Calendar Period	-		
Paid to Date	1,693,766	1,693,766	1,693,766
Outstanding Liability			
2011-2012			
Ultimate Member Layer Loss	\$889,910	\$889,910	\$889,910
Paid in Calendar Period	-		
Paid to Date	889,910	889,910	889,910
Outstanding Liability			
2012-2013			
Ultimate Member Layer Loss	\$1,471,271	\$1,471,271	\$1,471,271
Paid in Calendar Period	-	10,482	23,688
Paid to Date	1,397,453	1,407,935	1,431,623
Outstanding Liability	73,818	63,336	39,648
2013-2014			
Ultimate Member Layer Loss	\$2,563,543	\$2,563,543	\$2,563,543
Paid in Calendar Period	-		
Paid to Date	2,563,543	2,563,543	2,563,543
Outstanding Liability			

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>11/30/2023</u>	<u>Calendar Period</u>	
		<u>12/1/2023</u> <u>to</u> <u>6/30/2024</u>	<u>7/1/2024</u> <u>to</u> <u>6/30/2025</u>
2014-2015			
Ultimate Member Layer Loss	\$2,905,067	\$2,905,067	\$2,905,067
Paid in Calendar Period	-	9,913	19,846
Paid to Date	2,794,923	2,804,836	2,824,682
Outstanding Liability	110,144	100,231	80,385
2015-2016			
Ultimate Member Layer Loss	\$4,090,520	\$4,090,520	\$4,090,520
Paid in Calendar Period	-	71,704	28,826
Paid to Date	3,844,113	3,915,817	3,944,643
Outstanding Liability	246,407	174,703	145,877
2016-2017			
Ultimate Member Layer Loss	\$2,837,054	\$2,837,054	\$2,837,054
Paid in Calendar Period	-	-	-
Paid to Date	2,837,054	2,837,054	2,837,054
Outstanding Liability	-	-	-
2017-2018			
Ultimate Member Layer Loss	\$2,042,000	\$2,042,000	\$2,042,000
Paid in Calendar Period	-	53,351	48,863
Paid to Date	1,822,448	1,875,799	1,924,662
Outstanding Liability	219,552	166,201	117,338
2018-2019			
Ultimate Member Layer Loss	\$2,623,000	\$2,623,000	\$2,623,000
Paid in Calendar Period	-	39,712	66,754
Paid to Date	2,399,899	2,439,611	2,506,365
Outstanding Liability	223,101	183,389	116,635
2019-2020			
Ultimate Member Layer Loss	\$2,506,000	\$2,506,000	\$2,506,000
Paid in Calendar Period	-	258,518	74,392
Paid to Date	1,972,973	2,231,491	2,305,883
Outstanding Liability	533,027	274,509	200,117
2020-2021			
Ultimate Member Layer Loss	\$1,598,000	\$1,598,000	\$1,598,000
Paid in Calendar Period	-	352,455	273,869
Paid to Date	802,391	1,154,846	1,428,715
Outstanding Liability	795,609	443,154	169,285
2021-2022			
Ultimate Member Layer Loss	\$2,529,000	\$2,529,000	\$2,529,000
Paid in Calendar Period	-	572,125	618,494
Paid to Date	884,962	1,457,087	2,075,581
Outstanding Liability	1,644,038	1,071,913	453,419

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>11/30/2023</u>	<u>Calendar Period</u>	
		<u>12/1/2023</u> <u>to</u> <u>6/30/2024</u>	<u>7/1/2024</u> <u>to</u> <u>6/30/2025</u>
2022-2023			
Ultimate Member Layer Loss	\$3,256,000	\$3,256,000	\$3,256,000
Paid in Calendar Period	-	351,449	1,142,055
Paid to Date	510,305	861,754	2,003,809
Outstanding Liability	2,745,695	2,394,246	1,252,191
2023-2024			
Ultimate Member Layer Loss	\$1,216,000	\$2,918,000	\$2,918,000
Paid in Calendar Period	-	121,504	557,061
Paid to Date	25,050	146,554	703,615
Outstanding Liability	1,190,950	2,771,446	2,214,385
2024-2025			
Ultimate Member Layer Loss	-	-	\$3,008,000
Paid in Calendar Period	-	-	207,552
Paid to Date	-	-	207,552
Outstanding Liability	-	-	2,800,448
Totals			
Ultimate Member Layer Loss	\$40,495,048	\$42,197,048	\$45,205,048
Paid in Calendar Period	-	2,001,268	3,221,454
Paid to Date	32,392,598	34,393,866	37,615,320
Outstanding Liability	8,102,450	7,803,182	7,589,728

Notes appear on the next page.

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

Payment and Reserve Forecast

Notes to previous page:

- Accident Year is associated with date of loss. Calendar Period is associated with date of transaction. For example, for the losses which occurred during 2021-2022, \$572,125 is expected to be paid between 12/1/23 and 6/30/24, \$1,457,087 will have been paid by 6/30/24, and the reserve for remaining payments on these claims should be \$1,071,913.
- Ultimate Member Layer Losses for each accident year are from Section B - Exhibit 2, Page 1.
- Paid in Calendar Period is a proportion of the Outstanding Liability from the previous calendar period. These proportions are derived from the paid loss development pattern selected in Appendix B. For example, \$618,494 = \$1,071,913 x 57.7%.
- Paid to Date is Paid in Calendar Period plus Paid to Date from previous calendar period. For example, \$2,075,581 = \$618,494 + \$1,457,087.
- Outstanding Liability is Ultimate Member Layer Loss minus Paid to Date. For example, \$1,071,913 = \$2,529,000 - \$1,457,087.

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

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

Incurred Losses as of 11/30/23

Accident Year (A)	Unlimited Incurred (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Incurred (E)	Incurred Over Member SIR (F)	Incurred Over \$100,000 (G)	Incurred Capped at \$100,000 (H)	Incurred \$100,000 to Member SIR Layer (I)	Incurred Capped at Member SIR (J)
2004-2005	\$1,687,637	\$0	\$120,278	\$1,567,359	\$228,194	\$386,478	\$1,180,881	\$158,284	\$1,339,165
2005-2006	633,702	0	0	633,702	87,277	102,101	531,601	14,824	546,424
2006-2007	2,139,593	0	948	2,138,645	700,395	1,071,424	1,067,221	371,030	1,438,250
2007-2008	1,807,448	0	40,000	1,767,448	221,911	591,900	1,175,549	369,989	1,545,538
2008-2009	1,283,397	0	0	1,283,397	14,584	497,059	786,338	482,475	1,268,813
2009-2010	2,646,243	0	0	2,646,243	510,516	1,366,650	1,279,593	856,134	2,135,727
2010-2011	2,554,342	0	93,300	2,461,042	767,276	1,170,346	1,290,696	403,070	1,693,766
2011-2012	894,910	0	5,000	889,910	0	145,740	744,169	145,740	889,910
2012-2013	2,115,915	0	37,321	2,078,595	607,324	840,966	1,237,629	233,641	1,471,271
2013-2014	2,914,160	0	126,908	2,787,252	223,709	891,816	1,895,436	668,108	2,563,543
2014-2015	7,985,474	0	0	7,985,474	5,080,408	6,144,591	1,840,883	1,064,183	2,905,067
2015-2016	7,568,814	0	65,000	7,503,814	3,413,294	4,955,470	2,548,344	1,542,176	4,090,520
2016-2017	3,397,429	0	200,000	3,197,429	360,375	1,382,993	1,814,435	1,022,619	2,837,054
2017-2018	5,943,206	0	177,500	5,765,706	3,736,816	4,424,546	1,341,160	687,730	2,028,891
2018-2019	6,967,222	0	3,796	6,963,426	4,361,000	5,272,456	1,690,969	911,456	2,602,426
2019-2020	3,596,004	0	1,416	3,594,588	1,111,214	2,226,439	1,368,149	1,115,224	2,483,374
2020-2021	1,687,175	0	117,378	1,569,797	23,525	535,643	1,034,154	512,118	1,546,272
2021-2022	2,565,517	0	0	2,565,517	300,000	1,024,972	1,540,544	724,972	2,265,517
2022-2023	2,777,708	0	0	2,777,708	492,194	1,085,194	1,692,514	593,000	2,285,514
2023-2024	419,669	0	0	419,669	0	100,000	319,669	100,000	419,669
Total	\$61,585,565	\$0	\$988,844	\$60,596,721	\$22,240,011	\$34,216,785	\$26,379,936	\$11,976,774	\$38,356,710

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by BASIC. Includes BSSP, CRSIG, NBSIA and RESIG for AYs that member was part of BASIC.
- (C)
- (D) Non-excess recoveries.
- (E) (B) + (C) - (D).
- (F) Sum of incurred losses in excess of Member SIR.
- (G) Sum of incurred losses in excess of \$100,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

Paid Losses as of 11/30/23

Accident Year (A)	Unlimited Paid (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Paid (E)	Paid Over Member SIR (F)	Paid Over \$100,000 (G)	Paid Capped at \$100,000 (H)	Paid \$100,000 to Member SIR Layer (I)	Paid Capped at Member SIR (J)
2004-2005	\$1,687,637	\$0	\$120,278	\$1,567,359	\$228,194	\$386,478	\$1,180,881	\$158,284	\$1,339,165
2005-2006	633,702	0	0	633,702	87,277	102,101	531,601	14,824	546,424
2006-2007	2,139,593	0	948	2,138,645	700,395	1,071,424	1,067,221	371,030	1,438,250
2007-2008	1,807,448	0	40,000	1,767,448	221,911	591,900	1,175,549	369,989	1,545,538
2008-2009	1,283,397	0	0	1,283,397	14,584	497,059	786,338	482,475	1,268,813
2009-2010	2,326,134	0	0	2,326,134	510,516	1,191,650	1,134,484	681,134	1,815,618
2010-2011	2,554,342	0	93,300	2,461,042	767,276	1,170,346	1,290,696	403,070	1,693,766
2011-2012	894,910	0	5,000	889,910	0	145,740	744,169	145,740	889,910
2012-2013	2,042,098	0	37,321	2,004,777	607,324	840,966	1,163,812	233,641	1,397,453
2013-2014	2,914,160	0	126,908	2,787,252	223,709	891,816	1,895,436	668,108	2,563,543
2014-2015	7,875,331	0	0	7,875,331	5,080,408	6,104,591	1,770,740	1,024,183	2,794,923
2015-2016	7,292,407	0	65,000	7,227,407	3,383,294	4,775,470	2,451,937	1,392,176	3,844,113
2016-2017	3,397,429	0	200,000	3,197,429	360,375	1,382,993	1,814,435	1,022,619	2,837,054
2017-2018	5,736,764	0	177,500	5,559,264	3,736,816	4,288,596	1,270,668	551,780	1,822,448
2018-2019	2,403,695	0	3,796	2,399,899	0	757,939	1,641,960	757,939	2,399,899
2019-2020	1,985,603	0	1,416	1,984,187	11,214	659,450	1,324,737	648,236	1,972,973
2020-2021	919,768	0	117,378	802,391	0	151,853	650,537	151,853	802,391
2021-2022	884,962	0	0	884,962	0	77,035	807,927	77,035	884,962
2022-2023	510,305	0	0	510,305	0	0	510,305	0	510,305
2023-2024	25,050	0	0	25,050	0	0	25,050	0	25,050
Total	\$49,314,735	\$0	\$988,844	\$48,325,890	\$15,933,292	\$25,087,408	\$23,238,482	\$9,154,116	\$32,392,598

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by BASIC. Includes BSSP, CRSIG, NBSIA and RESIG for AYs that member was part of BASIC.
- (C)
- (D) Non-excess recoveries.
- (E) (B) + (C) - (D).
- (F) Sum of paid losses in excess of Member SIR.
- (G) Sum of paid losses in excess of \$100,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

Case Reserves as of 11/30/23

Accident Year (A)	Unlimited Reserves (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Reserves (E)	Reserves Over Member SIR (F)	Reserves Over \$100,000 (G)	Reserves Capped at \$100,000 (H)	Reserves \$100,000 to Member SIR Layer (I)	Reserves Capped at Member SIR (J)
2004-2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2005-2006	0	0	0	0	0	0	0	0	0
2006-2007	0	0	0	0	0	0	0	0	0
2007-2008	0	0	0	0	0	0	0	0	0
2008-2009	0	0	0	0	0	0	0	0	0
2009-2010	320,109	0	0	320,109	0	175,000	145,109	175,000	320,109
2010-2011	0	0	0	0	0	0	0	0	0
2011-2012	0	0	0	0	0	0	0	0	0
2012-2013	73,818	0	0	73,818	0	0	73,818	0	73,818
2013-2014	0	0	0	0	0	0	0	0	0
2014-2015	110,143	0	0	110,143	0	40,000	70,143	40,000	110,143
2015-2016	276,407	0	0	276,407	30,000	180,000	96,407	150,000	246,407
2016-2017	0	0	0	0	0	0	0	0	0
2017-2018	206,442	0	0	206,442	0	135,950	70,493	135,950	206,442
2018-2019	4,563,527	0	0	4,563,527	4,361,000	4,514,518	49,009	153,518	202,527
2019-2020	1,610,401	0	0	1,610,401	1,100,000	1,566,988	43,412	466,988	510,401
2020-2021	767,407	0	0	767,407	23,525	383,790	383,617	360,265	743,882
2021-2022	1,680,555	0	0	1,680,555	300,000	947,937	732,618	647,937	1,380,555
2022-2023	2,267,403	0	0	2,267,403	492,194	1,085,194	1,182,209	593,000	1,775,209
2023-2024	394,619	0	0	394,619	0	100,000	294,619	100,000	394,619
Total	\$12,270,830	\$0	\$0	\$12,270,830	\$6,306,719	\$9,129,377	\$3,141,454	\$2,822,658	\$5,964,112

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Section B - Appendix F, Page 1, Column (B) - Section B - Appendix F, Page 2, Column (B).
- (C) Section B - Appendix F, Page 1, Column (C) - Section B - Appendix F, Page 2, Column (C).
- (D) Section B - Appendix F, Page 1, Column (D) - Section B - Appendix F, Page 2, Column (D).
- (E) (B) + (C) - (D).
- (F) Sum of case reserves in excess of Member SIR.
- (G) Sum of case reserves in excess of \$100,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).

Bay Area Schools Insurance Cooperative - Liability
Member Layer Analysis

Claim Counts as of 11/30/23

Accident Year (A)	Reported Claims (B)	Additions to Reported Claims (C)	Subtractions from Reported Claims (D)	Adjusted Reported Claims (E)	Closed Claims (F)	Additions to Closed Claims (G)	Subtractions from Closed Claims (H)	Adjusted Closed Claims (I)	Open Claims (J)	Adjusted Open Claims (K)
2004-2005	183	0	79	104	183	0	79	104	0	0
2005-2006	109	0	58	51	109	0	58	51	0	0
2006-2007	127	0	56	71	127	0	56	71	0	0
2007-2008	135	0	64	71	135	0	64	71	0	0
2008-2009	118	0	50	68	118	0	50	68	0	0
2009-2010	135	0	56	79	133	0	56	77	2	2
2010-2011	138	0	50	88	138	0	50	88	0	0
2011-2012	112	0	44	68	112	0	44	68	0	0
2012-2013	115	0	51	64	114	0	51	63	1	1
2013-2014	139	0	49	90	139	0	49	90	0	0
2014-2015	117	0	33	84	116	0	33	83	1	1
2015-2016	151	0	32	119	150	0	32	118	1	1
2016-2017	140	0	49	91	140	0	49	91	0	0
2017-2018	140	0	40	100	136	0	40	96	4	4
2018-2019	156	0	58	98	150	0	58	92	6	6
2019-2020	86	0	28	58	79	0	28	51	7	7
2020-2021	37	0	10	27	30	0	10	20	7	7
2021-2022	97	0	31	66	79	0	31	48	18	18
2022-2023	112	0	25	87	61	0	25	36	51	51
2023-2024	28	0	0	28	3	0	0	3	25	25
Total	2,375	0	863	1,512	2,252	0	863	1,389	123	123

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by BASIC. Includes BSSP, CRSIG, NBSIA and RESIG for AYs that member was part of BASIC.
- (C)
- (D) Closed with no payments.
- (E) (B) + (C) - (D).
- (F) Provided by BASIC. Includes BSSP, CRSIG, NBSIA and RESIG for AYs that member was part of BASIC.
- (G)
- (H) Closed with no payments.
- (I) (F) + (G) - (H).
- (J) (B) - (F).
- (K) (E) - (I).

Bay Area Schools Insurance Cooperative - Liability
\$0 to BASIC Retention Analysis

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

Accident Year	Estimated Ultimate (A)	Reported as of 11/30/23 (B)	Estimated IBNR as of 11/30/23 (C)	Estimated Percent of IBNR Reported Between 12/1/23 and 6/30/24 (D)	Estimated IBNR Reported (E)	Estimated IBNR as of 6/30/24 (F)
2004-2005	\$1,567,359	\$1,567,359	\$0	100.0%	\$0	\$0
2005-2006	633,702	633,702	0	100.0%	0	0
2006-2007	1,692,607	1,692,607	0	100.0%	0	0
2007-2008	1,595,538	1,595,538	0	100.0%	0	0
2008-2009	1,283,397	1,283,397	0	100.0%	0	0
2009-2010	2,429,411	2,429,411	0	100.0%	0	0
2010-2011	1,805,982	1,805,982	0	100.0%	0	0
2011-2012	889,910	889,910	0	100.0%	0	0
2012-2013	1,571,271	1,571,271	0	100.0%	0	0
2013-2014	2,663,543	2,663,543	0	100.0%	0	0
2014-2015	3,341,775	3,341,775	0	100.0%	0	0
2015-2016	4,390,000	4,385,071	4,929	100.0%	4,929	0
2016-2017	3,197,429	3,197,429	0	66.6%	0	0
2017-2018	2,389,000	2,374,657	14,343	33.2%	5,000	9,343
2018-2019	3,443,000	3,372,426	70,574	59.5%	42,000	28,574
2019-2020	2,862,000	2,744,588	117,412	31.6%	37,000	80,412
2020-2021	1,997,000	1,569,797	427,203	30.4%	130,000	297,203
2021-2022	3,331,000	2,565,517	765,483	61.3%	469,000	296,483
2022-2023	5,297,000	2,777,708	2,519,292	40.2%	1,013,000	1,506,292
2023-2024	4,959,000	419,669	1,646,331	20.3%	921,000	3,618,331
Totals	\$51,339,924	\$42,881,357	\$5,565,567		\$2,621,929	\$5,836,638

Notes:

- (A) From Section C - Exhibit 2.
- (B) Section C - Appendix F, Page 1. Includes BSSP, CRSIG, NBSIA and RESIG covered claims. These losses exclude amounts incurred above BASIC's SIR for each year.
- (C) (A) - (B).
- (D) Percentage of incurred but not reported (IBNR) expected to be reported between 12/1/23 and 6/30/24. The percentage is based on the development pattern selected in Section C - Appendix A.
- (E) ((A) - (B)) x (D).
- (F) (A) - (B) - (E).

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

Bay Area Schools Insurance Cooperative - Liability
\$0 to BASIC Retention Analysis

Estimated Ultimate Losses Limited to BASIC Retention

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Estimate of Ultimate Losses (F)
2004-2005	\$1,567,359	1,567,359	1,567,359	1,567,359	1,798,576	1,567,359
2005-2006	633,702	633,702	633,702	633,702	746,538	633,702
2006-2007	1,692,607	1,692,607	1,692,607	1,692,607	1,516,205	1,692,607
2007-2008	1,595,538	1,595,538	1,595,538	1,595,538	1,687,599	1,595,538
2008-2009	1,283,397	1,284,680	1,283,397	1,284,578	1,182,112	1,283,397
2009-2010	2,429,411	2,113,521	2,429,411	2,113,189	1,946,718	2,429,411
2010-2011	1,805,982	1,813,206	1,805,982	1,813,966	1,987,128	1,805,982
2011-2012	889,910	895,249	889,910	896,836	1,159,196	889,910
2012-2013	1,571,271	1,509,433	1,571,271	1,513,113	1,950,336	1,571,271
2013-2014	2,663,543	2,690,178	2,663,543	2,693,754	3,024,360	2,663,543
2014-2015	3,341,775	3,273,642	3,341,775	3,270,459	2,970,744	3,341,775
2015-2016	4,389,456	4,182,620	4,389,219	4,183,334	4,158,812	4,390,000
2016-2017	3,207,021	3,286,957	3,207,237	3,285,701	3,275,454	3,197,429
2017-2018	2,388,905	2,267,953	2,389,584	2,277,679	2,472,700	2,389,000
2018-2019	3,439,875	2,563,092	3,447,034	2,638,646	4,207,728	3,443,000
2019-2020	2,862,605	2,317,530	2,858,627	2,384,714	2,615,858	2,862,000
2020-2021	1,692,241	1,229,263	1,811,427	1,966,915	1,506,087	1,997,000
2021-2022	3,324,910	2,581,434	3,392,409	3,267,715	3,825,380	3,331,000
2022-2023	6,158,179	4,707,053	5,163,978	4,387,451	5,332,860	5,297,000
Totals						\$46,380,924
			Projected Losses for the Year 2023-2024 (G)			\$4,959,000
			Projected Losses for the Year 2024-2025 (H)			5,083,000

Notes:

- (A) From Section C - Appendix A, Column (G).
- (B) From Section C - Appendix B, Column (G).
- (C) From Section C - Appendix C, Page 1, Column (G).
- (D) From Section C - Appendix C, Page 2, Column (G).
- (E) From Section C - Appendix D, Page 1, Column (C).
- (F) Selected averages of (A), (B), (C), (D), and (E).
- (G) From Section A - Exhibit 4, (K) x Section A - Appendix D, (C).
- (H) From Section A - Exhibit 4, (K) x Section A - Appendix D, (C). Assuming \$1,500,000 BASIC retention.

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

Bay Area Schools Insurance Cooperative - Liability
\$0 to BASIC Retention Analysis

Reported Loss Development

Accident Year (A)	\$100K Limited Reported Losses as of 11/30/23 (B)	Reported Loss Development Factor (C)	\$100K Limited Ultimate Losses (D)	\$0 to BASIC SIR Reported Losses as of 11/30/23 (E)	Reported Loss Development Factor (F)	\$0 to BASIC SIR Ultimate Losses (G)
2004-2005	\$1,180,881	1.000	\$1,180,881	\$1,567,359	1.000	\$1,567,359
2005-2006	531,601	1.000	531,601	633,702	1.000	633,702
2006-2007	1,067,221	1.000	1,067,221	1,692,607	1.000	1,692,607
2007-2008	1,175,549	1.000	1,175,549	1,595,538	1.000	1,595,538
2008-2009	786,338	1.000	786,338	1,283,397	1.000	1,283,397
2009-2010	1,279,593	1.000	1,279,593	2,429,411	1.000	2,429,411
2010-2011	1,290,696	1.000	1,290,696	1,805,982	1.000	1,805,982
2011-2012	744,169	1.000	744,169	889,910	1.000	889,910
2012-2013	1,237,629	1.000	1,237,629	1,571,271	1.000	1,571,271
2013-2014	1,895,436	1.000	1,895,436	2,663,543	1.000	2,663,543
2014-2015	1,840,883	1.000	1,840,883	3,341,775	1.000	3,341,775
2015-2016	2,548,344	1.001	2,550,892	4,385,071	1.001	4,389,456
2016-2017	1,814,435	1.003	1,819,878	3,197,429	1.003	3,207,021
2017-2018	1,341,160	1.006	1,349,207	2,374,657	1.006	2,388,905
2018-2019	1,690,969	1.010	1,707,879	3,372,426	1.020	3,439,875
2019-2020	1,368,149	1.017	1,391,408	2,744,588	1.043	2,862,605
2020-2021	1,034,154	1.026	1,061,042	1,569,797	1.078	1,692,241
2021-2022	1,540,544	1.112	1,713,085	2,565,517	1.296	3,324,910
2022-2023	1,692,514	1.480	2,505,248	2,777,708	2.217	6,158,179
Totals	\$26,060,265		\$27,128,635	\$42,461,688		\$46,937,687

Notes:

- (A) Years are 7/1 to 6/30.
 (B) Section C - Appendix F, Page 1. Includes BSSP, CRSIG, NBSIA and RESIG covered claims. These losses exclude amounts over \$100,000 per occurrence.
 (C) From Section B - Appendix A, Page 1.
 (D) (B) x (C).
 These losses exclude amounts over \$100,000 per occurrence.
 (E) Section C - Appendix F, Page 1. Includes BSSP, CRSIG, NBSIA and RESIG covered claims. These losses exclude amounts over BASIC SIR per occurrence.
 (F) Derived from factors on Section C - Appendix A, Page 3. Interpolated to apply to data as of 11/30/23.
 (G) (E) x (F).

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

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

Bay Area Schools Insurance Cooperative - Liability
\$0 to BASIC Retention Analysis

Paid Loss Development

Accident Year (A)	\$100K Limited Paid Losses as of 11/30/23 (B)	Paid Loss Development Factor (C)	\$100K Ultimate Losses (D)	\$0 to BASIC SIR Paid Losses as of 11/30/23 (E)	Paid Loss Development Factor (F)	\$0 to BASIC SIR Ultimate Losses (G)
2004-2005	\$1,180,881	1.000	\$1,180,881	\$1,567,359	1.000	\$1,567,359
2005-2006	531,601	1.000	531,601	633,702	1.000	633,702
2006-2007	1,067,221	1.000	1,067,221	1,692,607	1.000	1,692,607
2007-2008	1,175,549	1.000	1,175,549	1,595,538	1.000	1,595,538
2008-2009	786,338	1.001	787,124	1,283,397	1.001	1,284,680
2009-2010	1,134,484	1.002	1,136,753	2,109,302	1.002	2,113,521
2010-2011	1,290,696	1.003	1,294,568	1,805,982	1.004	1,813,206
2011-2012	744,169	1.005	747,890	889,910	1.006	895,249
2012-2013	1,163,812	1.007	1,171,959	1,497,453	1.008	1,509,433
2013-2014	1,895,436	1.009	1,912,495	2,663,543	1.010	2,690,178
2014-2015	1,770,740	1.011	1,790,218	3,231,631	1.013	3,273,642
2015-2016	2,451,937	1.015	2,488,716	4,108,664	1.018	4,182,620
2016-2017	1,814,435	1.020	1,850,724	3,197,429	1.028	3,286,957
2017-2018	1,270,668	1.026	1,303,705	2,168,215	1.046	2,267,953
2018-2019	1,641,960	1.034	1,697,787	2,399,899	1.068	2,563,092
2019-2020	1,324,737	1.065	1,410,845	1,984,187	1.168	2,317,530
2020-2021	650,537	1.236	804,064	802,391	1.532	1,229,263
2021-2022	807,927	1.960	1,583,537	884,962	2.917	2,581,434
2022-2023	510,305	4.947	2,524,675	510,305	9.224	4,707,053
Totals	\$23,213,433		\$26,460,312	\$35,026,476		\$42,205,019

Notes:

- (A) Years are 7/1 to 6/30.
 (B) Section C - Appendix F, Page 2. Includes BSSP, CRSIG, NBSIA and RESIG covered claims. These losses exclude amounts over \$100,000 per occurrence.
 (C) From Section B - Appendix B, Page 1.
 (D) (B) x (C).
 These losses exclude amounts over \$100,000 per occurrence.
 (E) Section C - Appendix F, Page 2. Includes BSSP, CRSIG, NBSIA and RESIG covered claims. These losses exclude amounts over BASIC SIR per occurrence.
 (F) Derived from factors on Section C - Appendix B, Page 3. Interpolated to apply to data as of 11/30/23.
 (G) (E) x (F).

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

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

Bay Area Schools Insurance Cooperative - Liability
\$0 to BASIC Retention Analysis

Exposure and Development Method
Based on Reported Losses

Accident Year	Trended Payroll (\$00) (A)	\$0 to BASIC SIR Reported Losses as of 11/30/23 (B)	Reported Loss Development Factor (C)	Percentage of Losses Yet to Be Reported (D)	\$0 to BASIC SIR Rate (E)	Incurred but not Reported (IBNR) (F)	\$0 to BASIC SIR Ultimate Losses (G)
2004-2005	\$18,289,305	\$1,567,359	1.000	0.000	\$0.099	\$0	\$1,567,359
2005-2006	13,684,695	633,702	1.000	0.000	0.055	0	633,702
2006-2007	12,781,211	1,692,607	1.000	0.000	0.118	0	1,692,607
2007-2008	13,127,118	1,595,538	1.000	0.000	0.129	0	1,595,538
2008-2009	13,123,023	1,283,397	1.000	0.000	0.090	0	1,283,397
2009-2010	12,147,841	2,429,411	1.000	0.000	0.160	0	2,429,411
2010-2011	11,340,703	1,805,982	1.000	0.000	0.176	0	1,805,982
2011-2012	10,787,842	889,910	1.000	0.000	0.107	0	889,910
2012-2013	11,721,799	1,571,271	1.000	0.000	0.167	0	1,571,271
2013-2014	15,817,414	2,663,543	1.000	0.000	0.191	0	2,663,543
2014-2015	16,501,363	3,341,775	1.000	0.000	0.181	0	3,341,775
2015-2016	16,204,466	4,385,071	1.001	0.001	0.256	4,148	4,389,219
2016-2017	16,939,612	3,197,429	1.003	0.003	0.193	9,808	3,207,237
2017-2018	16,923,905	2,374,657	1.006	0.006	0.147	14,927	2,389,584
2018-2019	16,879,721	3,372,426	1.020	0.020	0.221	74,608	3,447,034
2019-2020	12,093,197	2,744,588	1.043	0.041	0.230	114,039	2,858,627
2020-2021	11,942,981	1,569,797	1.078	0.072	0.281	241,630	1,811,427
2021-2022	12,377,875	2,565,517	1.296	0.228	0.293	826,892	3,392,409
2022-2023	12,784,047	2,777,708	2.217	0.549	0.340	2,386,270	5,163,978
Totals	\$265,468,118	\$42,461,688				\$3,672,323	\$46,134,011

Notes:

- (A) Section A - Appendix D, Column (C). Includes BSSP, CRSIG, NBSIA and RESIG for covered AYs.
- (B) Section C - Appendix F, Page 2. Includes BSSP, CRSIG, NBSIA and RESIG covered claims. These losses exclude amounts over BASIC SIR per occurrence.
- (C) From Section C - Appendix A, Column (F).
- (D) $1 - 1 / (C)$.
- (E) From Section C - Appendix C, Page 3, Column (H).
- (F) $(A) \times (D) \times (E)$.
- (G) $(B) + (F)$.

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

Bay Area Schools Insurance Cooperative - Liability
\$0 to BASIC Retention Analysis

Exposure and Development Method
Based on Paid Losses

Accident Year	Trended Payroll (\$00) (A)	\$0 to BASIC SIR Paid Losses as of 11/30/23 (B)	Paid Loss Development Factor (C)	Percentage of Losses Yet to Be Paid (D)	\$0 to BASIC SIR Rate (E)	Incurred but not Paid (F)	\$0 to BASIC SIR Ultimate Losses (G)
2004-2005	\$18,289,305	\$1,567,359	1.000	0.000	\$0.099	\$0	\$1,567,359
2005-2006	13,684,695	633,702	1.000	0.000	0.055	0	633,702
2006-2007	12,781,211	1,692,607	1.000	0.000	0.118	0	1,692,607
2007-2008	13,127,118	1,595,538	1.000	0.000	0.129	0	1,595,538
2008-2009	13,123,023	1,283,397	1.001	0.001	0.090	1,181	1,284,578
2009-2010	12,147,841	2,109,302	1.002	0.002	0.160	3,887	2,113,189
2010-2011	11,340,703	1,805,982	1.004	0.004	0.176	7,984	1,813,966
2011-2012	10,787,842	889,910	1.006	0.006	0.107	6,926	896,836
2012-2013	11,721,799	1,497,453	1.008	0.008	0.167	15,660	1,513,113
2013-2014	15,817,414	2,663,543	1.010	0.010	0.191	30,211	2,693,754
2014-2015	16,501,363	3,231,631	1.013	0.013	0.181	38,828	3,270,459
2015-2016	16,204,466	4,108,664	1.018	0.018	0.256	74,670	4,183,334
2016-2017	16,939,612	3,197,429	1.028	0.027	0.193	88,272	3,285,701
2017-2018	16,923,905	2,168,215	1.046	0.044	0.147	109,464	2,277,679
2018-2019	16,879,721	2,399,899	1.068	0.064	0.221	238,747	2,638,646
2019-2020	12,093,197	1,984,187	1.168	0.144	0.230	400,527	2,384,714
2020-2021	11,942,981	802,391	1.532	0.347	0.281	1,164,524	1,966,915
2021-2022	12,377,875	884,962	2.917	0.657	0.293	2,382,753	3,267,715
2022-2023	12,784,047	510,305	9.224	0.892	0.340	3,877,146	4,387,451
Totals	265,468,118	\$35,026,476				\$8,440,780	\$43,467,256

Notes:

- (A) Section A - Appendix D, Column (C). Includes BSSP, CRSIG, NBSIA and RESIG for covered AYs.
- (B) Section C - Appendix F, Page 2. Includes BSSP, CRSIG, NBSIA and RESIG covered claims. These losses exclude amounts over BASIC SIR per occurrence.
- (C) From Section C - Appendix B, Column (F).
- (D) $1 - 1 / (C)$.
- (E) From Section C - Appendix C, Page 3, Column (H).
- (F) $(A) \times (D) \times (E)$.
- (G) $(B) + (F)$.

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

Bay Area Schools Insurance Cooperative - Liability
\$0 to BASIC Retention Analysis

Exposure and Development Method

Accident Year	Trended Payroll (\$00) (A)	\$100K Limited Ultimate Losses (B)	Trend Factor (C)	Trended \$100K Limited Losses (D)	Trended \$100K Limited Loss Rate (E)	\$100K Limited Loss Rate (F)	Factor to \$0 to BASIC SIR (G)	\$0 to BASIC SIR Loss Rate (H)
2004-2005	\$18,289,305	\$1,180,881	1.598	\$1,887,048	\$0.103	\$0.065	1.523	\$0.099
2005-2006	13,684,695	531,601	1.559	828,766	0.061	0.039	1.404	0.055
2006-2007	12,781,211	1,067,221	1.521	1,623,243	0.127	0.083	1.421	0.118
2007-2008	13,127,118	1,175,549	1.484	1,744,515	0.133	0.090	1.436	0.129
2008-2009	13,123,023	786,338	1.448	1,138,617	0.087	0.060	1.503	0.090
2009-2010	12,147,841	1,279,593	1.412	1,806,785	0.149	0.105	1.521	0.160
2010-2011	11,340,703	1,290,696	1.378	1,778,579	0.157	0.114	1.540	0.176
2011-2012	10,787,842	744,169	1.344	1,000,163	0.093	0.069	1.558	0.107
2012-2013	11,721,799	1,237,629	1.312	1,623,769	0.139	0.106	1.576	0.167
2013-2014	15,817,414	1,895,436	1.280	2,426,158	0.153	0.120	1.596	0.191
2014-2015	16,501,363	1,840,883	1.249	2,299,263	0.139	0.112	1.614	0.181
2015-2016	16,204,466	2,548,344	1.218	3,103,883	0.192	0.157	1.632	0.256
2016-2017	16,939,612	1,814,435	1.188	2,155,549	0.127	0.107	1.805	0.193
2017-2018	16,923,905	1,350,000	1.160	1,566,000	0.093	0.080	1.832	0.147
2018-2019	16,879,721	1,708,000	1.132	1,933,456	0.115	0.119	1.856	0.221
2019-2020	12,093,197	1,392,000	1.104	1,536,768	0.127	0.122	1.883	0.230
2020-2021	11,942,981	1,062,000	1.077	1,143,774	0.096	0.125	2.250	0.281
2021-2022	12,377,875	1,649,000	1.051	1,733,099	0.140	0.128	2.292	0.293
2022-2023	12,784,047	2,515,000	1.025	2,577,875	0.202	0.132	2.573	0.340
Total/Avg	265,468,118	\$27,068,775		\$33,907,311	\$0.128			
14/15-20/21	107,485,245	11,715,662		13,738,693	0.128			
18/19-22/23	66,077,821	8,326,000		8,924,972	0.135			
				Selected Limited Rate:	\$0.135			
				Prior:	\$0.130			

Notes:

- (A) Section A - Appendix D, Column (C). Includes BSSP, CRSIG, NBSIA and RESIG for covered AYs.
- (B) Selected average of results from Appendices A and B.
- (C) From Section A - Appendix E, Page 1, Column (B).
- (D) (B) x (C).
- (E) (D) / (A).
- (F) Selected Limited Rate / (C). For 2017-2018 and prior (B) / (A).
- (G) Based on a Burr distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

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

Bay Area Schools Insurance Cooperative - Liability
\$0 to BASIC Retention Analysis

Frequency and Severity Method

Accident Year	\$0 to BASIC SIR Ultimate Severity (A)	Adjusted Ultimate Claims (B)	\$0 to BASIC Limited Ultimate Losses (C)
2004-2005	\$17,294	104	\$1,798,576
2005-2006	14,638	51	746,538
2006-2007	21,355	71	1,516,205
2007-2008	23,769	71	1,687,599
2008-2009	17,384	68	1,182,112
2009-2010	24,642	79	1,946,718
2010-2011	22,581	88	1,987,128
2011-2012	17,047	68	1,159,196
2012-2013	30,474	64	1,950,336
2013-2014	33,604	90	3,024,360
2014-2015	35,366	84	2,970,744
2015-2016	34,948	119	4,158,812
2016-2017	35,994	91	3,275,454
2017-2018	24,727	100	2,472,700
2018-2019	42,936	98	4,207,728
2019-2020	45,101	58	2,615,858
2020-2021	55,781	27	1,506,087
2021-2022	58,852	65	3,825,380
2022-2023	68,370	78	5,332,860
Total		1,474	\$47,364,391

Notes:

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

This exhibit shows the calculation of the estimated ultimate losses for each year based on the observed average frequency and severity of claims.

Bay Area Schools Insurance Cooperative - Liability
\$0 to BASIC Retention Analysis

Frequency and Severity Method

Accident Year	\$100K Limited Ultimate Losses (A)	Adjusted Ultimate Claims (B)	\$100K Limited Ultimate Severity (C)	Trend Factor (D)	Trended Limited Severity (E)	\$100K Limited Severity (F)	Factor to \$0 to BASIC SIR (G)	\$0 to BASIC SIR Ultimate Severity (H)
2004-2005	\$1,180,881	104	\$11,355	1.925	\$21,858	\$11,355	1.523	\$17,294
2005-2006	531,601	51	10,424	1.860	19,389	10,424	1.404	14,638
2006-2007	1,067,221	71	15,031	1.797	27,011	15,031	1.421	21,355
2007-2008	1,175,549	71	16,557	1.736	28,743	16,557	1.436	23,769
2008-2009	786,338	68	11,564	1.678	19,404	11,564	1.503	17,384
2009-2010	1,279,593	79	16,197	1.621	26,255	16,197	1.521	24,642
2010-2011	1,290,696	88	14,667	1.566	22,969	14,667	1.540	22,581
2011-2012	744,169	68	10,944	1.513	16,558	10,944	1.558	17,047
2012-2013	1,237,629	64	19,338	1.461	28,253	19,338	1.576	30,474
2013-2014	1,895,436	90	21,060	1.412	29,737	21,060	1.596	33,604
2014-2015	1,840,883	84	21,915	1.364	29,892	21,915	1.614	35,366
2015-2016	2,548,344	119	21,415	1.318	28,225	21,415	1.632	34,948
2016-2017	1,814,435	91	19,939	1.273	25,382	19,939	1.805	35,994
2017-2018	1,350,000	100	13,500	1.230	16,605	13,500	1.832	24,727
2018-2019	1,708,000	98	17,429	1.189	20,723	23,129	1.856	42,936
2019-2020	1,391,000	58	23,983	1.148	27,532	23,955	1.883	45,101
2020-2021	1,067,000	27	39,519	1.109	43,827	24,797	2.250	55,781
2021-2022	1,669,000	65	25,677	1.071	27,500	25,677	2.292	58,852
2022-2023	2,049,000	78	26,269	1.035	27,188	26,570	2.573	68,370

Average Limited Severity: \$25,634
 Average 16/17-20/21 Limited Severity: 26,814
 Average 18/19-22/23 Limited Severity: 32,838

Selected Limited Severity: \$27,500
 Prior: \$23,900

Notes:

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

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

Bay Area Schools Insurance Cooperative - Liability
\$0 to BASIC Retention Analysis

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>11/30/2023</u>	<u>Calendar Period</u>	
		<u>12/1/2023</u> <u>to</u> <u>6/30/2024</u>	<u>7/1/2024</u> <u>to</u> <u>6/30/2025</u>
Prior			
Ultimate \$0 to BASIC SIR Loss	\$3,893,668	\$3,893,668	\$3,893,668
Paid in Calendar Period	-		
Paid to Date	3,893,668	3,893,668	3,893,668
Outstanding Liability			
2007-2008			
Ultimate \$0 to BASIC SIR Loss	\$1,595,538	\$1,595,538	\$1,595,538
Paid in Calendar Period	-		
Paid to Date	1,595,538	1,595,538	1,595,538
Outstanding Liability			
2008-2009			
Ultimate \$0 to BASIC SIR Loss	\$1,283,397	\$1,283,397	\$1,283,397
Paid in Calendar Period	-		
Paid to Date	1,283,397	1,283,397	1,283,397
Outstanding Liability			
2009-2010			
Ultimate \$0 to BASIC SIR Loss	\$2,429,411	\$2,429,411	\$2,429,411
Paid in Calendar Period	-	160,055	160,054
Paid to Date	2,109,302	2,269,357	2,429,411
Outstanding Liability	320,109	160,054	
2010-2011			
Ultimate \$0 to BASIC SIR Loss	\$1,805,982	\$1,805,982	\$1,805,982
Paid in Calendar Period	-		
Paid to Date	1,805,982	1,805,982	1,805,982
Outstanding Liability			
2011-2012			
Ultimate \$0 to BASIC SIR Loss	\$889,910	\$889,910	\$889,910
Paid in Calendar Period	-		
Paid to Date	889,910	889,910	889,910
Outstanding Liability			
2012-2013			
Ultimate \$0 to BASIC SIR Loss	\$1,571,271	\$1,571,271	\$1,571,271
Paid in Calendar Period	-	10,482	17,987
Paid to Date	1,497,453	1,507,935	1,525,922
Outstanding Liability	73,818	63,336	45,349
2013-2014			
Ultimate \$0 to BASIC SIR Loss	\$2,663,543	\$2,663,543	\$2,663,543
Paid in Calendar Period	-		
Paid to Date	2,663,543	2,663,543	2,663,543
Outstanding Liability			

Bay Area Schools Insurance Cooperative - Liability
\$0 to BASIC Retention Analysis

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>11/30/2023</u>	<u>Calendar Period</u>	
		<u>12/1/2023</u> <u>to</u> <u>6/30/2024</u>	<u>7/1/2024</u> <u>to</u> <u>6/30/2025</u>
2014-2015			
Ultimate \$0 to BASIC SIR Loss	\$3,341,775	\$3,341,775	\$3,341,775
Paid in Calendar Period	-	9,913	18,042
Paid to Date	3,231,631	3,241,544	3,259,586
Outstanding Liability	110,144	100,231	82,189
2015-2016			
Ultimate \$0 to BASIC SIR Loss	\$4,390,000	\$4,390,000	\$4,390,000
Paid in Calendar Period	-	71,704	44,442
Paid to Date	4,108,664	4,180,368	4,224,810
Outstanding Liability	281,336	209,632	165,190
2016-2017			
Ultimate \$0 to BASIC SIR Loss	\$3,197,429	\$3,197,429	\$3,197,429
Paid in Calendar Period	-	-	-
Paid to Date	3,197,429	3,197,429	3,197,429
Outstanding Liability	-	-	-
2017-2018			
Ultimate \$0 to BASIC SIR Loss	\$2,389,000	\$2,389,000	\$2,389,000
Paid in Calendar Period	-	54,584	48,863
Paid to Date	2,168,215	2,222,799	2,271,662
Outstanding Liability	220,785	166,201	117,338
2018-2019			
Ultimate \$0 to BASIC SIR Loss	\$3,443,000	\$3,443,000	\$3,443,000
Paid in Calendar Period	-	188,801	330,614
Paid to Date	2,399,899	2,588,700	2,919,314
Outstanding Liability	1,043,101	854,300	523,686
2019-2020			
Ultimate \$0 to BASIC SIR Loss	\$2,862,000	\$2,862,000	\$2,862,000
Paid in Calendar Period	-	562,023	88,105
Paid to Date	1,984,187	2,546,210	2,634,315
Outstanding Liability	877,813	315,790	227,685
2020-2021			
Ultimate \$0 to BASIC SIR Loss	\$1,997,000	\$1,997,000	\$1,997,000
Paid in Calendar Period	-	524,433	421,541
Paid to Date	802,391	1,326,824	1,748,365
Outstanding Liability	1,194,609	670,176	248,635
2021-2022			
Ultimate \$0 to BASIC SIR Loss	\$3,331,000	\$3,331,000	\$3,331,000
Paid in Calendar Period	-	748,488	972,696
Paid to Date	884,962	1,633,450	2,606,146
Outstanding Liability	2,446,038	1,697,550	724,854

Bay Area Schools Insurance Cooperative - Liability
\$0 to BASIC Retention Analysis

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>11/30/2023</u>	<u>Calendar Period</u>	
		<u>12/1/2023</u> <u>to</u> <u>6/30/2024</u>	<u>7/1/2024</u> <u>to</u> <u>6/30/2025</u>
2022-2023			
Ultimate \$0 to BASIC SIR Loss	\$5,297,000	\$5,297,000	\$5,297,000
Paid in Calendar Period	-	488,243	1,848,334
Paid to Date	510,305	998,548	2,846,882
Outstanding Liability	4,786,695	4,298,452	2,450,118
2023-2024			
Ultimate \$0 to BASIC SIR Loss	\$2,066,000	\$4,959,000	\$4,959,000
Paid in Calendar Period	-	128,283	783,324
Paid to Date	25,050	153,333	936,657
Outstanding Liability	2,040,950	4,805,667	4,022,343
2024-2025			
Ultimate \$0 to BASIC SIR Loss	-	-	\$5,083,000
Paid in Calendar Period	-	-	223,652
Paid to Date	-	-	223,652
Outstanding Liability	-	-	4,859,348
Totals			
Ultimate \$0 to BASIC SIR Loss	\$48,446,924	\$51,339,924	\$56,422,924
Paid in Calendar Period	-	2,947,009	4,957,654
Paid to Date	35,051,526	37,998,535	42,956,189
Outstanding Liability	13,395,398	13,341,389	13,466,735

Notes appear on the next page.

Bay Area Schools Insurance Cooperative - Liability
\$0 to BASIC Retention Analysis

Payment and Reserve Forecast

Notes to previous page:

- Accident Year is associated with date of loss. Calendar Period is associated with date of transaction. For example, for the losses which occurred during 2021-2022, \$748,488 is expected to be paid between 12/1/23 and 6/30/24, \$1,633,450 will have been paid by 6/30/24, and the reserve for remaining payments on these claims should be \$1,697,550.
- Ultimate \$0 to BASIC SIR Losses for each accident year are from Section C - Exhibit 2.
- Paid in Calendar Period is a proportion of the Outstanding Liability from the previous calendar period. These proportions are derived from the paid loss development pattern selected in Appendix B. For example, \$972,696 = \$1,697,550 x 57.3%.
- Paid to Date is Paid in Calendar Period plus Paid to Date from previous calendar period. For example, \$2,606,146 = \$972,696 + \$1,633,450.
- Outstanding Liability is Ultimate \$0 to BASIC SIR Loss minus Paid to Date. For example, \$1,697,550 = \$3,331,000 - \$1,633,450.

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

Bay Area Schools Insurance Cooperative - Liability
\$0 to BASIC Retention Analysis

Incurred Losses as of 11/30/23

Accident Year (A)	Unlimited Incurred (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Incurred (E)	Incurred Over Pool SIR (F)	Incurred Over \$100,000 (G)	Incurred Capped at \$100,000 (H)	Incurred \$100,000 to Pool SIR Layer (I)	Incurred Capped at Pool SIR (J)
2004-2005	\$1,687,637	\$0	\$120,278	\$1,567,359	\$0	\$386,478	\$1,180,881	\$386,478	\$1,567,359
2005-2006	633,702	0	0	633,702	0	102,101	531,601	102,101	633,702
2006-2007	2,139,593	0	948	2,138,645	446,038	1,071,424	1,067,221	625,386	1,692,607
2007-2008	1,807,448	0	40,000	1,767,448	171,911	591,900	1,175,549	419,989	1,595,538
2008-2009	1,283,397	0	0	1,283,397	0	497,059	786,338	497,059	1,283,397
2009-2010	2,646,243	0	0	2,646,243	216,832	1,366,650	1,279,593	1,149,818	2,429,411
2010-2011	2,554,342	0	93,300	2,461,042	655,060	1,170,346	1,290,696	515,286	1,805,982
2011-2012	894,910	0	5,000	889,910	0	145,740	744,169	145,740	889,910
2012-2013	2,115,915	0	37,321	2,078,595	507,324	840,966	1,237,629	333,641	1,571,271
2013-2014	2,914,160	0	126,908	2,787,252	123,709	891,816	1,895,436	768,108	2,663,543
2014-2015	7,985,474	0	0	7,985,474	4,643,700	6,144,591	1,840,883	1,500,891	3,341,775
2015-2016	7,568,814	0	65,000	7,503,814	3,118,743	4,955,470	2,548,344	1,836,727	4,385,071
2016-2017	3,397,429	0	200,000	3,197,429	0	1,382,993	1,814,435	1,382,993	3,197,429
2017-2018	5,943,206	0	177,500	5,765,706	3,391,049	4,424,546	1,341,160	1,033,496	2,374,657
2018-2019	6,967,222	0	3,796	6,963,426	3,591,000	5,272,456	1,690,969	1,681,456	3,372,426
2019-2020	3,596,004	0	1,416	3,594,588	850,000	2,226,439	1,368,149	1,376,439	2,744,588
2020-2021	1,687,175	0	117,378	1,569,797	0	535,643	1,034,154	535,643	1,569,797
2021-2022	2,565,517	0	0	2,565,517	0	1,024,972	1,540,544	1,024,972	2,565,517
2022-2023	2,777,708	0	0	2,777,708	0	1,085,194	1,692,514	1,085,194	2,777,708
2023-2024	419,669	0	0	419,669	0	100,000	319,669	100,000	419,669
Total	\$61,585,565	\$0	\$988,844	\$60,596,721	\$17,715,366	\$34,216,785	\$26,379,936	\$16,501,418	\$42,881,355

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by BASIC. Includes BSSP, CRSIG, NBSIA and RESIG for AYs that member was part of BASIC.
- (C)
- (D) Non-excess recoveries.
- (E) (B) + (C) - (D).
- (F) Sum of incurred losses in excess of Pool SIR.
- (G) Sum of incurred losses in excess of \$100,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).

Bay Area Schools Insurance Cooperative - Liability
\$0 to BASIC Retention Analysis

Paid Losses as of 11/30/23

Accident Year (A)	Unlimited Paid (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Paid (E)	Paid Over Pool SIR (F)	Paid Over \$100,000 (G)	Paid Capped at \$100,000 (H)	Paid \$100,000 to Pool SIR Layer (I)	Paid Capped at Pool SIR (J)
2004-2005	\$1,687,637	\$0	\$120,278	\$1,567,359	\$0	\$386,478	\$1,180,881	\$386,478	\$1,567,359
2005-2006	633,702	0	0	633,702	0	102,101	531,601	102,101	633,702
2006-2007	2,139,593	0	948	2,138,645	446,038	1,071,424	1,067,221	625,386	1,692,607
2007-2008	1,807,448	0	40,000	1,767,448	171,911	591,900	1,175,549	419,989	1,595,538
2008-2009	1,283,397	0	0	1,283,397	0	497,059	786,338	497,059	1,283,397
2009-2010	2,326,134	0	0	2,326,134	216,832	1,191,650	1,134,484	974,818	2,109,302
2010-2011	2,554,342	0	93,300	2,461,042	655,060	1,170,346	1,290,696	515,286	1,805,982
2011-2012	894,910	0	5,000	889,910	0	145,740	744,169	145,740	889,910
2012-2013	2,042,098	0	37,321	2,004,777	507,324	840,966	1,163,812	333,641	1,497,453
2013-2014	2,914,160	0	126,908	2,787,252	123,709	891,816	1,895,436	768,108	2,663,543
2014-2015	7,875,331	0	0	7,875,331	4,643,700	6,104,591	1,770,740	1,460,891	3,231,631
2015-2016	7,292,407	0	65,000	7,227,407	3,118,743	4,775,470	2,451,937	1,656,727	4,108,664
2016-2017	3,397,429	0	200,000	3,197,429	0	1,382,993	1,814,435	1,382,993	3,197,429
2017-2018	5,736,764	0	177,500	5,559,264	3,391,049	4,288,596	1,270,668	897,547	2,168,215
2018-2019	2,403,695	0	3,796	2,399,899	0	757,939	1,641,960	757,939	2,399,899
2019-2020	1,985,603	0	1,416	1,984,187	0	659,450	1,324,737	659,450	1,984,187
2020-2021	919,768	0	117,378	802,391	0	151,853	650,537	151,853	802,391
2021-2022	884,962	0	0	884,962	0	77,035	807,927	77,035	884,962
2022-2023	510,305	0	0	510,305	0	0	510,305	0	510,305
2023-2024	25,050	0	0	25,050	0	0	25,050	0	25,050
Total	\$49,314,735	\$0	\$988,844	\$48,325,890	\$13,274,366	\$25,087,408	\$23,238,482	\$11,813,042	\$35,051,524

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by BASIC. Includes BSSP, CRSIG, NBSIA and RESIG for AYs that member was part of BASIC.
- (C)
- (D) Non-excess recoveries.
- (E) (B) + (C) - (D).
- (F) Sum of paid losses in excess of Pool SIR.
- (G) Sum of paid losses in excess of \$100,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).

Bay Area Schools Insurance Cooperative - Liability
\$0 to BASIC Retention Analysis

Case Reserves as of 11/30/23

Accident Year (A)	Unlimited Reserves (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Reserves (E)	Reserves Over Pool SIR (F)	Reserves Over \$100,000 (G)	Reserves Capped at \$100,000 (H)	Reserves \$100,000 to Pool SIR Layer (I)	Reserves Capped at Pool SIR (J)
2004-2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2005-2006	0	0	0	0	0	0	0	0	0
2006-2007	0	0	0	0	0	0	0	0	0
2007-2008	0	0	0	0	0	0	0	0	0
2008-2009	0	0	0	0	0	0	0	0	0
2009-2010	320,109	0	0	320,109	0	175,000	145,109	175,000	320,109
2010-2011	0	0	0	0	0	0	0	0	0
2011-2012	0	0	0	0	0	0	0	0	0
2012-2013	73,818	0	0	73,818	0	0	73,818	0	73,818
2013-2014	0	0	0	0	0	0	0	0	0
2014-2015	110,143	0	0	110,143	0	40,000	70,143	40,000	110,143
2015-2016	276,407	0	0	276,407	0	180,000	96,407	180,000	276,407
2016-2017	0	0	0	0	0	0	0	0	0
2017-2018	206,442	0	0	206,442	0	135,950	70,493	135,950	206,442
2018-2019	4,563,527	0	0	4,563,527	3,591,000	4,514,518	49,009	923,518	972,527
2019-2020	1,610,401	0	0	1,610,401	850,000	1,566,988	43,412	716,988	760,401
2020-2021	767,407	0	0	767,407	0	383,790	383,617	383,790	767,407
2021-2022	1,680,555	0	0	1,680,555	0	947,937	732,618	947,937	1,680,555
2022-2023	2,267,403	0	0	2,267,403	0	1,085,194	1,182,209	1,085,194	2,267,403
2023-2024	394,619	0	0	394,619	0	100,000	294,619	100,000	394,619
Total	\$12,270,830	\$0	\$0	\$12,270,830	\$4,441,000	\$9,129,377	\$3,141,454	\$4,688,377	\$7,829,830

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Section C - Appendix F, Page 1, Column (B) - Section C - Appendix F, Page 2, Column (B).
- (C) Section C - Appendix F, Page 1, Column (C) - Section C - Appendix F, Page 2, Column (C).
- (D) Section C - Appendix F, Page 1, Column (D) - Section C - Appendix F, Page 2, Column (D).
- (E) (B) + (C) - (D).
- (F) Sum of case reserves in excess of Pool SIR.
- (G) Sum of case reserves in excess of \$100,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).

Bay Area Schools Insurance Cooperative - Liability
\$0 to BASIC Retention Analysis

Claim Counts as of 11/30/23

Accident Year (A)	Reported Claims (B)	Additions to Reported Claims (C)	Subtractions from Reported Claims (D)	Adjusted Reported Claims (E)	Closed Claims (F)	Additions to Closed Claims (G)	Subtractions from Closed Claims (H)	Adjusted Closed Claims (I)	Open Claims (J)	Adjusted Open Claims (K)
2004-2005	183	0	79	104	183	0	79	104	0	0
2005-2006	109	0	58	51	109	0	58	51	0	0
2006-2007	127	0	56	71	127	0	56	71	0	0
2007-2008	135	0	64	71	135	0	64	71	0	0
2008-2009	118	0	50	68	118	0	50	68	0	0
2009-2010	135	0	56	79	133	0	56	77	2	2
2010-2011	138	0	50	88	138	0	50	88	0	0
2011-2012	112	0	44	68	112	0	44	68	0	0
2012-2013	115	0	51	64	114	0	51	63	1	1
2013-2014	139	0	49	90	139	0	49	90	0	0
2014-2015	117	0	33	84	116	0	33	83	1	1
2015-2016	151	0	32	119	150	0	32	118	1	1
2016-2017	140	0	49	91	140	0	49	91	0	0
2017-2018	140	0	40	100	136	0	40	96	4	4
2018-2019	156	0	58	98	150	0	58	92	6	6
2019-2020	86	0	28	58	79	0	28	51	7	7
2020-2021	37	0	10	27	30	0	10	20	7	7
2021-2022	97	0	31	66	79	0	31	48	18	18
2022-2023	112	0	25	87	61	0	25	36	51	51
2023-2024	28	0	0	28	3	0	0	3	25	25
Total	2,375	0	863	1,512	2,252	0	863	1,389	123	123

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by BASIC. Includes BSSP, CRSIG, NBSIA and RESIG for AYs that member was part of BASIC.
- (C)
- (D) Closed with no payments.
- (E) (B) + (C) - (D).
- (F) Provided by BASIC. Includes BSSP, CRSIG, NBSIA and RESIG for AYs that member was part of BASIC.
- (G)
- (H) Closed with no payments.
- (I) (F) + (G) - (H).
- (J) (B) - (F).
- (K) (E) - (I).

H. 4. 2024-2025 Excess Liability Renewal Discussion

Background

For reference, the ADA submitted for 2023/24 was 136,516. The ADA submitted for renewal is 131,676 – a reduction of approximately 3.5%. The premium last year was \$2,020,458. While Safety National never quotes rates, we can divide the premium by the ADA to determine an effective rate last year of \$14.8002/ADA.

Option 1 – Renewal with same terms as 2023/24

Limit: \$3.5m XS \$1.5m SIR
Corridor Deductible: \$1m
Aggregate Limit: NA (none)
Premium: \$2,199,615 – representing an approximate 9% increase.
Effective Rate: \$16.70/ADA – representing an approximate 13% increase.

Option 2 – Renewal with \$2m SIR

Limit: \$3m XS \$2m SIR
Corridor Deductible: \$1m
Aggregate Limit: NA (none)
Premium: \$1,984,679 – representing an approximate 1.8% premium decrease
Effective Rate: \$15.07/ADA – representing an approximate 1.82% rate increase

Both options provide reinsurance excess of the BASIC Memorandum of Liability coverage – providing coverage on an occurrence basis with no annual aggregates. Both options also include an allowance of \$25,000 for risk control initiatives reviewed and approved by Safety National Risk Control Services.

Recommendation

Review.

Contact Person

Jim Wilkey

Subject

2024/2025 Excess Liability Renewal Discussion

Fiscal Impact

TBD, depending on option selected

Supporting Documents



2024 BASIC Proposal 7.1.2024



Business Insurance Renewal Proposal

Bay Area Schools Insurance Cooperative July 1, 2024 – July 1, 2025

Presented by:

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Table of Contents

Table of Contents	2
Common Policy Exclusions	3
Insurance Market Conditions	4
Executive Summary	5
Named Insured Schedule	6
Workers' Compensation	6
Proposal Acceptance	7
When to Contact Us	10
Account Services Team Directory	11
Understanding AM Best Ratings	12
What are Claims Made and Claims Made & Reported?	13
Disclosure Pursuant to Terrorism Risk Insurance Act	14
Errors & Omissions Polling Questionnaire	15
Disclaimer	16
Company Highlights	18

Common Policy Exclusions

This is not meant to encompass all exclusions. The below list is intended to provide an overview of common exclusions. Please refer to your policy for all exclusions, terms and conditions. Some exclusions can be removed, modified or obtained through an additional policy. Please contact our office if you are interested in discussing your options.

Property Exclusions:	General Liability Exclusions:
Earth movement	Aircraft
Electrical Disturbance	Employee Bodily Injury
Explosion of Steam Boilers	Employment Related Practices
Flood, Surface Water, Tidal Waves	Electronic Privacy Violations / Cyber Liability
Mechanical Breakdown	Intentional or Illegal Acts
Mold, Pollution and/or Asbestos	Mold, Pollution and/or Asbestos
Mysterious Disappearance	Nuclear Hazard, War
Nuclear Hazard	Professional Services
Vacancy	Watercraft over 26' in length
War, Military or Government Action	Workers Compensation Exclusions:
Wear & Tear	Aircraft Flight Crews
Virus, bacteria or other microorganisms	Domestic Servants
Automobile Exclusions:	USL&H
Depleted Value	Crime Exclusions:
Employee Bodily Injury	Fraudulent Acts by Insured and/or Partner
Loss of Use	Loss discovered by inventory
Mold, Pollution and/or Asbestos	Voluntary Surrender of Property
Nuclear Hazard, War	Boiler Exclusions:
Umbrella/Excess Exclusions:	Earth Movement
ERISA	Flood, Surface Water, Tidal Waves
Employment Related Practices	Mold, Pollution and/or Asbestos
Mold, Pollution and/or Asbestos	Nuclear Hazard, War
Nuclear Hazard, War	Product Liability Exclusions
Property in your Care, Custody and Control	Asbestos/Pollution
Uninsured motorists	Damage to Your Property
Inland Marine Exclusions:	Data Breach
Earth Movement	Nuclear Hazard, War
Flood, Surface Water, Tidal Waves	Professional Medical Services
Mysterious Disappearance	Recall Of Products
Mold, Pollution and/or Asbestos	Cyber Liability Exclusions
Nuclear Hazard, War	Nuclear Hazard, War
	Property Damage

Insurance Market Conditions

Premiums rose by 8.9% across all account sizes, slightly up from the previous quarter's increase of 8.8%.

Similar to last quarter, respondents reported that carriers often required additional detail on submissions during renewals, in particular when it came to lines like commercial property and commercial auto.

However, several respondents also mentioned that they believed carriers were also more willing to compete for accounts by pulling back on premium increases and lowering retentions. Large accounts were a major focus of this competition, with one respondent from a large Southwestern firm explaining, "Large accounts were very competitive right now, with expiring carriers wanting rate but new carriers offering major discounts." And notably, large accounts did see less of an increase this quarter, at 9.7% down from 11.4% in Q1.

AVERAGE COMMERCIAL PRICING INCREASES

By Account Size	SMALL	MEDIUM	LARGE	AVERAGE
Second Quarter 2023	7.2%	9.8%	9.7%	8.9%
First Quarter 2023	6.2%	9.0%	11.4%	8.8%
Fourth Quarter 2022	6.5%	8.3%	9.1%	8.0%
Third Quarter 2022	6.5%	9.0%	8.8%	8.1%
Second Quarter 2022	6.4%	7.3%	7.5%	7.1%
High	20.8%	31.7%	33.0%	28.5%
<i>High Date</i>	4Q01	4Q01	4Q01	
Low	-10.0%	-15.0%	-15.9%	-13.6%
<i>Low Date</i>	1Q08	3Q07	3Q07	

BY LINE FIRST QUARTER 2023 RATE CHANGES RANGED FROM -0.5% TO +20.4%

	COMM'L AUTO	WORKERS' COMP	COMM'L PROPERTY	GEN'L LIABILITY	UMBRELLA	AVERAGE
Second Quarter 2023	10.4%	-0.7%	18.3%	5.2%	8.1%	8.3%
First Quarter 2023	8.3%	-0.5%	20.4%	4.6%	8.5%	8.3%
Fourth Quarter 2022	7.3%	-1.1%	16.0%	4.9%	9.6%	7.4%
Third Quarter 2022	7.6%	-0.7%	11.2%	5.7%	11.3%	7.0%
Second Quarter 2022	7.2%	-1.2%	8.3%	4.7%	11.3%	6.1%
<i>High</i>	28.6%	24.9%	45.4%	26.0%	51.9%	35.3%
Low	-11.6%	-12.3%	-15.0%	-13.6%	-13.5%	-13.2%

Source: The Council of Insurance Agents & Brokers

Executive Summary

Exposure Summary

	Expiring	Renewal	% Change
ADA	136,516	131,676	-3%
Employee Count	22,332	22,238	-0.42%

Rate Change

	Expiring	Renewal at \$1.5M SIR	% Change	Renewal at \$2M SIR	% Change
Excess Liability (Rate per ADA)	\$14.800155	\$16.70048	+12.839%	\$15.0724	+1.8394%

Cost Analysis

Coverage	Expiring	Renewal at \$1.5M SIR	% Change	Renewal at \$2M SIR	% Change
Excess Liability	\$2,020,458	\$2,199,615	+8.867%	\$1,984,679	-1.77%
Crime	36,719	37,111	+1.068%	37,111	+1.068%
Grand Total	\$2,057,177	\$2,236,726	+8.728%	\$2,021,790	+1.720

Subjectivities:

- Signed proposal acceptance (page 7)

Named Insured Schedule

The first named insured will be the prime contact for all transactions to your policy. If you need to specify another First Named Insured, please alert a member of your Newfront team.

Named Insured Schedule

Bay Area Schools' Insurance Cooperative (BASIC)
Butte Schools' Self-Funded Programs (BSSFP)
North Bay Schools' Insurance Authority (NBSIA)
Redwood Empire Schools' Insurance Group (RESIG)

Mailing Address

Address	City	State	Zip Code
P.O. Box 278	Rancho Cordova	CA	95741

Only names shown above are included for coverage

Excess Liability

Insurance Company	Safety National
Admitted/Non-Admitted	Admitted
A.M. Best Rating	A++ XV
Policy Term	7/1/2024 to 7/1/2025
Claims Basis	Per Occurrence

Reinsurance Coverage: Casualty including Educators Legal Liability, Personal Injury Liability, Products and Completed Operations, Premises Liability, Automobile Liability, Employment Practices Liability, Employee Benefits Liability, Professional Liability, Directors and Officers Liability and Errors & Omissions Liability, per the Memoranda of Cover issued by Bay Area Schools' Insurance Cooperative to its Members for the term and subject to the applicable exceptions, exclusion and limitations referred in the reinsurance agreement.

Limits of coverage:

- \$3,500,000- Educators Legal Liability
- \$3,500,000- Personal Injury Liability
- \$3,500,000- Products & Completed Operations
- \$3,500,000- Premises Liability
- \$3,500,000- Automobile Liability
- \$3,500,000- Employment Practices Liability
- \$3,500,000- Professional Liability
- \$3,500,000- Directors & Officers Liability
- \$3,500,000- Errors & Omissions Liability

Retained limits:

A \$1,500,000 SIR will apply Per Occurrence or Per Claim, regardless of the number of members or coverage parts involved.

\$1,000,000 Per Occurrence/Claim and Annual Aggregate Corridor Retention

Exclusions include:

- War & Terrorism
- Nuclear Incident
- Asbestos
- Fungi or Bacteria
- Silica or Silica-Related Dust
- Extra Contractual Obligations
- Loss in Excess of Policy Limits
- Owned, leased or regularly chartered aircraft
- Participation in Guarantee or Insolvency Funds and exclusions as per original policy, including any endorsement attached thereto

Premium includes \$25,000 maximum for risk control initiatives reviewed and approved by Safety National Risk Control Services.

Crime

Insurance Company	Lexington Insurance Company
Admitted/Non-Admitted	Non-Admitted
A.M. Best Rating	A XV
Policy Term	7/1/2024 to 7/1/2025

Limits	Subject of Insurance	Deductible
\$1,000,000	Employee theft – per loss coverage	\$10,000
\$1,000,000	Forgery or Alteration	\$10,000
\$1,000,000	Inside Premises – theft of money & securities	\$10,000
\$1,000,000	Inside Premises – robbery, safe burglary – other property	\$10,000
\$1,000,000	Outside the Premises	\$10,000
\$1,000,000	Computer Fraud	\$10,000
\$1,000,000	Funds Transfer Fraud	\$10,000
\$1,000,000	Money Orders & Counterfeit Paper Currency	\$10,000

Terms & conditions:

Government Crime Policy CR0027 (05/06)

Will provide the basic contract – loss discovered form, per expiring

Forms, Endorsements and Notable Exclusions

CR 02 49 09/12 CALIFORNIA CHANGES
 CR2001 08/07 POLICY CHANGE
 113013 10/12 PROTECTED INFORMATION EXCLUSION
 CR2508 08/07 INCLUDE SPECIFIED NON-COMPENSATED OFFICERS AS EMPLOYEES
 141306 08/21 CYBER EXTORTION EXCLUSION (RESULTING DIRECTLY)
 119679 09/15 ECONOMIC SANCTIONS ENDORSEMENT
 CR2506 08/07 INCLUDE CHAIRPERSON AND MEMBERS OF SPECIFIED COMMITTEES AS EMPLOYEES
 113024 10/12 INDIRECT OR CONSEQUENTIAL LOSS EXCLUSION
 95454 08/07 DIMINUTION OF DEDUCTIBLE
 CR2519 05/06 ADD FAITHFUL PERFORMANCE OF DUTY COVERAGE FOR GOVERNMENT EMPLOYEES
 95419 08/07 BONDED EMPLOYEES' EXCLUSION DELETED
 CR2512 08/07 INCLUDE TREASURER OR TAX COLLECTORS AS EMPLOYEES
 CR2532 08/07 PROVIDE EMPLOYEE THEFT COVERAGE EXCESS OVER A STATUTORY BOND REQUIREMENT
 95427 08/07 CRIME ADVANTAGE
 95439 08/07 OMNIBUS NAMED INSURED
 99758 08/08 NOTICE OF CLAIM (REPORTING BY E-MAIL)
 CR2520 08/07 ADD CREDIT, DEBIT OR CHARGE CARD FORGERY
 CR2540 08/07 INCLUDE EXPENSES INCURRED TO ESTABLISH AMOUNT OF COVERED LOSS
 134480 07/19 IMPERSONATION FRAUD COVERAGE (ADDITIONAL PREMIUM) (ISO COM AND GOV CRIME)
 95417 08/07 ADDITIONAL NAMED INSURED
 78859 10/01 FORMS INDEX ENDORSEMENT

Proposal Acceptance

This proposal contains proprietary confidential information. Reproduction or disclosure of this material to any third party is prohibited without the written consent of Newfront Insurance Holdings, Inc.

The intent of this proposal is to provide an overview of our suggested insurance program. Policy terms and conditions and/or exclusions outlined in this summary do not represent the full extent of such terms and conditions and/or exclusions. Refer to your policy for all such terms and conditions, limitations, exclusions, sub-limits and definitions. In the event this summary and the policy language differ, the policy language will prevail. Higher policy limits may be available upon request.

This proposal was created based on our understanding of the information provided by you. The information provided should be carefully reviewed for accuracy. If any of the information you provided is no longer accurate, the policy terms and conditions may be subject to change. Changes in your business may also affect your insurance program; please advise Newfront as soon as possible if your business operations have now changed or change at any point during the policy term.

I have read and understand the terms and conditions of this proposal.

After careful review, we accept your proposal dated 4/5/2024

- 1.
- 2.
- 3.
- 4.

Named Insured: _____ Title: _____

Signature: _____ Date: _____

When to Contact Us

Should any material changes in operations present themselves, please notify Newfront immediately. A “material circumstance” is one that might influence the carrier in their evaluation of the risk. Insurance carriers evaluate and accept risks based on the information provided. Any misrepresentation of these details may lead to complications in claims situations. If you have any questions or concerns about what might be material, please contact Newfront for guidance.

Such changes may include, but are not limited to:

- Personnel changes affecting responsibility for insurance decisions
- Employees traveling overseas
- Employees working on military bases
- Mergers & Acquisitions
- Legal change in corporate structure
- Purchase, construction or occupancy of a new premises
- Altering, vacating or temporary unoccupancy of an existing premises
- Material increase or decrease in property values
- Addition of owned, leased or borrowed automobiles
- Material change in business operations
- Alteration, addition or disconnection of any alarm system
- Usage of non-owned watercraft or aircraft
- Employment of personnel in states where you were not previously doing business
- Appointment of a new officer (CEO, CFO, COO)
- Change in ownership either with the board of directors or stock ownership
- Fluctuation of ERISA plan assets
- Addition/Deletion of new drivers

Account Services Team Directory

Executive Vice President	Mark Stokes
	(707) 682-5319
	Mark.Stokes@Newfront.com
Senior Vice President	James Wilkey
	(530) 836-4409
	James.Wilkey@Newfront.com
Account Executive	Eileen Massa, CLCS, CRIS
	(707) 220-8303
	Eileen.Massa@Newfront.com
Claims & Contract Specialist	Jennet Horder, CLCS, WCCA, WC SIP
	(707) 780-1661
	Jennet.Horder@Newfront.com
VP Risk Control Services	Scott Rhymes, ARM, CIH, CSP, REHS
	(707) 515-7664
	Scott.Rhymes@Newfront.com
Employee Benefits	John Fradelizio
	(707) 722-3256
	John.Fradelizio@Newfront.com
Surety Bonds	Bryan Martin
	(415) 302 4309
	Bryan.Martin@Newfront.com
Office Address	1435 North McDowell Blvd, Suite 320; Petaluma, CA

Understanding AM Best Ratings

Secure Best's Ratings		Vulnerable Best's Ratings	
A++, A+	SUPERIOR	B, B-	FAIR
A, A-	EXCELLENT	C++, C+	MARGINAL
B++, B+	VERY GOOD	C, C-	WEAK
		D	POOR
		E	UNDER REGULATORY SUPERVISION
		F	IN LIQUIDATION
		S	RATING SUSPENDED
Financial Size Category			
Based on capital, surplus and conditional review			
<i>Funds in Millions of Dollars</i>			
XV –	GREATER THAN 2,000	X–	500 – 750
XIV –	1,500 – 2,000	IX –	250 – 500
XIII –	1,250 – 1,500	VIII –	100 – 250
XII –	1,000 – 1,250	VII –	50 – 100
XI –	750 – 1,000		
		Rating Modifiers	
		u-	UNDER REVIEW
		s-	SYNDICATE
		pd-	PUBLIC DATA

What are Claims Made and Claims Made & Reported?

Claims Made

1	Under a claims-made form, the policy that is in effect at the time that a claim is made against you is the policy that will respond to that claim, regardless of when the accident, incident or injury occurred (subject to any retroactive date). This differs from an occurrence form, which responds to claims resulting from accidents, incidents or injuries occurring while the policy was in effect, regardless of when a claim for damages is brought.
2	If your policy has a retroactive date, the accident, incident or injury must have occurred after the retroactive date in order for the policy to respond to a claim.
3	You may have the right to purchase an extended reporting period (ERP) endorsement if the policy is cancelled or not renewed. This endorsement will provide a period of time to continue to report claims that arise resulting from accidents, incidents or injuries that occurred after any retroactive date and before the ending of your policy. The ERP (often called “tail” coverage) must be requested within a specific time frame and the additional premium promptly paid when due.

Claims Made and Reported

A type of claims made policy in which a claim must be both made against the insured and reported to the insurer during the policy period for coverage to apply*

**Source: IRMI Glossary of Insurance and Risk Management Terms*

Disclosure Pursuant to Terrorism Risk Insurance Act

Terrorism Coverage and Premium

In accordance with the federal Terrorism Risk Insurance Act (as amended "TRIA"), we are required to make coverage available under your policy for "certified acts of terrorism." The actual coverage provided by your policy(ies) will be limited by the terms, conditions, exclusions, limits, and other provisions of your policy(ies), as well as any applicable rules of law.

The portion of your premium attributable to this terrorism coverage is shown in the premium section(s) of this quote proposal or binder.

Definition of Certified Act of Terrorism

A "certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of TRIA, to be an act of terrorism under TRIA. The criteria contained in TRIA for a "certified act of terrorism" include the following:

1. The act results in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to TRIA; and
2. The act results in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of an United States mission; and
3. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals acting as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion

Disclosure of Federal Share of Terrorism Losses under TRIA

The United States Department of the Treasury will reimburse insurers for 85% of insured losses that exceed the applicable insurer deductible. Effective January 1, 2016, this percentage will be reduced to 84%, effective January 1, 2017 to 83%, effective January 1, 2018 to 82%, effective January 1, 2019 to 81%, and effective January 1, 2020 to 80%.

However, if aggregate industry insured losses under TRIA exceed \$100 Billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion. The United States government has not charged any premium for their participation in covering terrorism losses.

Cap on Insurer Liability for Terrorism Losses

If aggregate industry insured losses attributable to "certified acts of terrorism" under TRIA exceed \$100 Billion in a calendar year, and we have met, or will meet, our insurer deductible under TRIA, we shall not be liable for the payment of any portion of the amount of such losses that exceed \$100 billion. In such case, your coverage for terrorism losses may be reduced on a pro-rata basis in accordance with procedures established by the Treasury, based on its estimates of aggregate industry losses and our estimate that we will exceed our insurer deductible.

In accordance with the Treasury's procedures, amounts paid for losses may be subject to further adjustments based on differences between actual losses and estimates.

Errors & Omissions Polling Questionnaire

4/4/2024

Dear All,

Our Errors & Omissions policy is issued on a **claims-made and reported** form, which requires us to report all claims and circumstances that could lead to a claim to the insurance company **prior to the policy expiration**. Our E&O policy expires on 11/1/2024 Please advise me immediately if you are aware of any claims or circumstances that could fall under the general descriptions below.

Errors & Omissions and Professional Services: damages arising from any negligent act, error, or omission of our products or professional services.

Media Liability: damages arising from defamation, libel, slander, or other tort related to disparagement to the reputation of any person or organization; infringement of copyright, trademark or service mark; negligence regarding the content of media communication.

Network Security: damages arising from our computer systems security that results in the failure to prevent transmission of malicious code to third party systems; failure to prevent unauthorized access that results in the destruction or corruption of data, theft of data, or denial of service attacks; failure to allow access to an authorized user.

Privacy Liability: damages for violation of a privacy law; disclosure or theft of non-public personal identifiable information that is in our care, custody or control; privacy notification costs including costs to hire a computer security expert, legal fees to comply with breach notice laws, credit monitoring; regulatory defense and penalties.

I appreciate your immediate reply as this is a time-sensitive exercise.

Thank you,

Mark Stokes, EVP

Disclaimer

This proposal serves only as an outline. It does not include every term, coverage, exclusion, limitation and condition reflected in the actual insurance contract. Please refer to the policy for these details.

This proposal does not amend or alter any insurance contract. Detailed questions regarding policy information should be directed to your Newfront Insurance Holdings, Inc service team.

Confidential

This proposal contains confidential information regarding Newfront Insurance Holdings, Inc as well as our clients. Circulation, reproduction or disclosure of this material is prohibited without the express permission and written consent of Newfront Insurance Holdings, Inc

Certificates

Often times, we are asked to provide certificates of insurance to lenders, landlords, vendors, contractors, etc. Many of these requests modify coverage or coverage provisions. The Department of Insurance may not have approved the insurance company to make these modifications.

Contracts

In the course of business, you may sign leases, contracts, agreements, etc. that may transfer serious financial obligations to you. We recommend you have an attorney and/or CPA review the contracts and advise you if any changes are necessary to properly protect you from these exposures.

Compensation

Contingent, supplemental, or bonus commissions

As is customary in the insurance industry, some of the insurers that we represent may pay us additional incentive commission, sometimes referred to as contingent, supplemental or bonus commissions, which may be based on the total volume of business we sell for them, and/or the growth rate of that business, retention rate, claims loss ratio, or other factors considering our entire book of business with a given insurer for a designated period of time. This additional commission is generally not client specific and does not impair our objectivity nor impact our commitment to you. Such additional commissions would be in addition to any other compensation we may receive.

Miscellaneous sources of compensation

In addition to the foregoing, we may also receive income from the following sources:

- Interest earned on premiums received from you and forwarded to your insurers through our bank account.
- Payments from insurers to defray the cost of services provided for them, including advertising, training, certain employee compensation, and other expenses.

At your request, we will provide you with a detailed statement regarding our compensation on your account and how the compensation is calculated.

Exposures

This overview is based upon exposures currently made known to us by you and believed to be an accurate representation of your operations. Values used were those presented to us and should be carefully reviewed. All changes to exposures must be reported by you so coverage may be modified as appropriate. Additional coverages may be available.

Executive Liability

Liability arising out of executive decisions are generally excluded from a standard liability policy. If you are interested in obtaining this coverage please contact our office.

Higher Limits

Higher limits may be available through the existing policy or umbrella coverage. Should you wish to purchase higher limits please contact our office.

Named Insureds

Certain responsibilities/duties fall upon the first Named Insured:

- Pay all premiums, including audit premiums. Receive all return or refunded premiums
- Cancel the policy and/or receive notices pertaining to cancellation or non-renewal from the Insurer
- Request changes in the terms of the policy
- Record keeping of information for premium computation
- Request information regarding claims or occurrences from the Insurer

Note: Partnerships and joint ventures are not automatically included unless listed.

Minimum Earned Premium

A minimum earned premium is the least you will have to pay once a policy goes into effect.

Professional Liability

Liability arising out of professional services are generally excluded from a standard liability policy. If you are interested in obtaining this coverage please contact our office.

Company Highlights

Newfront was founded to *transform* this industry.

With a vision to de-risk human progress, we are transforming this industry by **leveraging exceptional expertise empowered with data and technology** to maximize human potential.

14K+

Clients trust us

99%

Client retention ⁽¹⁾

"We see modern, full-stack platforms transforming large parts of financial services, and we believe Newfront's marriage of technology, people, and domain expertise represents the future of the insurance industry."


Paul Pate | Goldman Sachs

40+ WORLD-CLASS INVESTORS

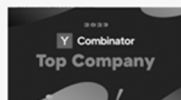
Goldman Sachs

 **FOUNDERS FUND**

 **B Capital Group**

 **Combinator**

ACCOLADES



I. Finance Matters

I. 1. BASIC Quarterly Financial Report

Background

BASIC's Financial operations are managed via contract by NBSIA. Andrew Obando has provided the enclosed reports and will provide a brief overview.

Recommendation

Review and Approve

Subject

BASIC Quarterly Financial Report

Supporting Documents



BASIC Treasurers Report_03.31.24



BASIC Interim Financial Statements - FY24 Q3



BASIC Check Register 1.1.24-3.31.24

BAY AREA SCHOOLS INSURANCE COOPERATIVE
Treasurer's Report
As of March 31, 2024

	Book Balance	Market Value	Effective Yield
California Bank & Trust - Cash Account	\$ 52,605.68	\$ 52,605.68	0.00%
Local Agency Investment Fund	1,745,547.08	1,735,407.66	4.23%
CalTRUST - Short Term Fund	572,465.00	573,598.96	4.76%
CalTRUST - Medium Term Fund	2,833,630.09	2,754,059.18	3.59%
CalTRUST – Liquidity Fund	14,696,881.15	14,696,881.15	5.13%
Total Cash and Investments	\$ 19,901,129.00	\$ 19,812,552.63	4.43%

Attached are the Local Agency Investment Fund (LAIF) and Investment Trust of California (CalTRUST) statements detailing all investment transactions.

The LAIF market value was derived by applying the March fair value factor of 0.994191267 to the book balance.

I certify that this report reflects all cash and investments and is in conformance with the Authority's Investment Policy. The investment program herein shown provides sufficient cash flow liquidity to meet the Authority's expenditures for the next six months.

Respectfully Submitted,



Andrew Obando, Accounting Manager

Accepted,



Cindy Wilkerson, Secretary-Treasurer/Auditor



PMIA/LAIF Performance Report as of 4/3/24



Quarterly Performance Quarter Ended 12/31/23

LAIF Apportionment Rate ⁽²⁾ :	4.00
LAIF Earnings Ratio ⁽²⁾ :	0.00010932476863589
LAIF Administrative Cost ^{(1)*} :	0.29
LAIF Fair Value Factor ⁽¹⁾ :	0.993543131
PMIA Daily ⁽¹⁾ :	3.96
PMIA Quarter to Date ⁽¹⁾ :	3.81
PMIA Average Life ⁽¹⁾ :	230

PMIA Average Monthly Effective Yields⁽¹⁾

March	4.232
February	4.122
January	4.012
December	3.929
November	3.843
October	3.670

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 2/29/24 \$164.3 billion

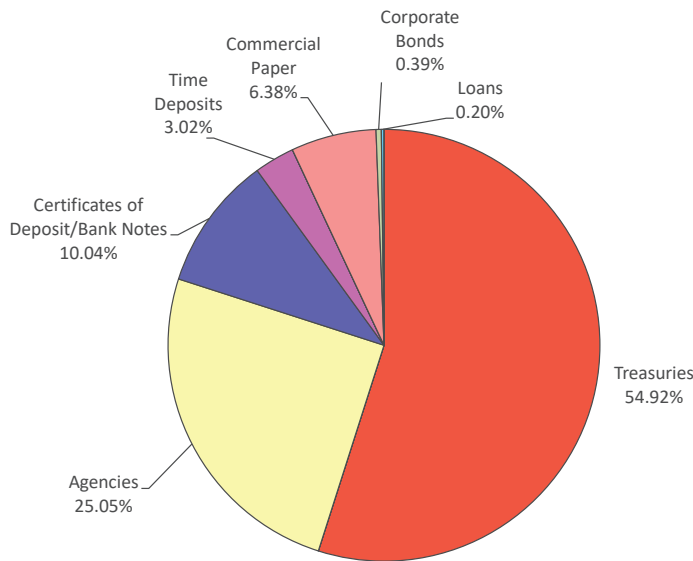


Chart does not include \$2,059,000.00 in mortgages, which equates to 0.001%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

*The percentage of administrative cost equals the total administrative cost divided by the quarterly interest earnings. The law provides that administrative costs are not to exceed 5% of quarterly EARNINGS of the fund. However, if the 13-week Daily Treasury Bill Rate on the last day of the fiscal year is below 1%, then administrative costs shall not exceed 8% of quarterly EARNINGS of the fund for the subsequent fiscal year.

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller



State of California Pooled Money Investment Account Market Valuation 3/31/2024

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest Purch.	Amortized Cost		
United States Treasury:				
Bills	\$ 29,016,845,381.94	\$ 29,371,836,247.06	\$ 29,367,095,500.00	NA
Notes	\$ 62,110,996,962.28	\$ 62,104,127,889.83	\$ 61,362,065,500.00	\$ 369,303,999.50
Federal Agency:				
SBA	\$ 261,355,671.12	\$ 261,355,671.12	\$ 260,406,267.21	\$ 1,266,206.33
MBS-REMICs	\$ 2,005,373.23	\$ 2,005,373.23	\$ 1,960,327.91	\$ 8,754.66
Debentures	\$ 7,783,430,186.00	\$ 7,782,764,811.01	\$ 7,697,999,950.00	\$ 46,603,305.45
Debentures FR	\$ -	\$ -	\$ -	\$ -
Debentures CL	\$ 800,000,000.00	\$ 800,000,000.00	\$ 788,678,500.00	\$ 7,575,278.00
Discount Notes	\$ 23,090,969,201.38	\$ 23,348,321,402.73	\$ 23,332,896,000.00	NA
Supranational Debentures				
Supranational Debentures FR	\$ -	\$ -	\$ -	\$ -
CDs and YCDs FR				
Bank Notes	\$ -	\$ -	\$ -	\$ -
CDs and YCDs	\$ 14,450,000,000.00	\$ 14,450,000,000.00	\$ 14,449,006,916.17	\$ 207,463,250.04
Commercial Paper	\$ 10,127,921,458.38	\$ 10,230,717,347.37	\$ 10,227,601,597.30	NA
Corporate:				
Bonds FR	\$ -	\$ -	\$ -	\$ -
Bonds	\$ 670,418,926.95	\$ 670,265,926.95	\$ 654,690,660.00	\$ 6,109,777.60
Repurchase Agreements				
Reverse Repurchase	\$ -	\$ -	\$ -	\$ -
Time Deposits				
PMIA & GF Loans	\$ 349,660,000.00	\$ 349,660,000.00	\$ 349,660,000.00	NA
TOTAL	\$ 156,472,442,295.33	\$ 157,179,893,803.35	\$ 156,266,877,818.59	\$ 651,694,073.08

Fair Value Including Accrued Interest

\$ 156,918,571,891.67

Repurchase Agreements, Time Deposits, PMIA & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (0.994191267). As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$19,883,825.35 or \$20,000,000.00 x 0.994191267.

California State Treasurer *Fiona Ma, CPA*



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

February 01, 2024

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

BAY AREA SCHOOLS INSURANCE COOPERATIVE

TREASURER
PO BOX 278
RANCHO CORDOVA, CA 95741

[Tran Type Definitions](#)



Account Number: 40-48-002

January 2024 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
1/12/2024	1/11/2024	QRD	1745638	N/A	SYSTEM	35,197.37

Account Summary

Total Deposit:	35,197.37	Beginning Balance:	4,770,349.71
Total Withdrawal:	0.00	Ending Balance:	4,805,547.08

California State Treasurer *Fiona Ma, CPA*



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

March 01, 2024

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

BAY AREA SCHOOLS INSURANCE COOPERATIVE

TREASURER
PO BOX 278
RANCHO CORDOVA, CA 95741

[Tran Type Definitions](#)

Account Number: 40-48-002

February 2024 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	4,805,547.08
Total Withdrawal:	0.00	Ending Balance:	4,805,547.08

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

April 08, 2024

[LAIF Home](#)
[PMIA Average Monthly Yields](#)

BAY AREA SCHOOLS INSURANCE COOPERATIVE

TREASURER
PO BOX 278
RANCHO CORDOVA, CA 95741

[Tran Type Definitions](#)

Account Number: 40-48-002

March 2024 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
3/1/2024	2/29/2024	RW	1748634	1709062	ANDREW OBANDO	-3,000,000.00
3/18/2024	3/18/2024	RW	1749090	1709518	ANDREW OBANDO	-60,000.00

Account Summary

Total Deposit:	0.00	Beginning Balance:	4,805,547.08
Total Withdrawal:	-3,060,000.00	Ending Balance:	1,745,547.08



CalTRUST
 PO Box 2709
 Granite Bay, CA 95746
 www.caltrust.org
 Email: admin@caltrust.org
 Fax: 402-963-9094
 Phone: 833-CALTRUST (225-8787)

Investment Account Summary

01/01/2024 through 01/31/2024

SUMMARY OF INVESTMENTS

Fund	Account Number	Total Shares Owned	Net Asset Value per Share on Jan 31 (\$)	Value on Jan 31 (\$)	Average Cost Amount (\$)	Cumulative Change in Value (\$)
BAY AREA SCHOOLS INSURANCE COOPERATIVE	20100027710					
CalTRUST Short Term Fund	20100027710	56,682.574	10.06	570,226.69	567,961.30	2,265.39
CalTRUST Medium Term Fund	20100027710	280,450.285	9.82	2,754,021.80	2,816,774.45	(62,752.65)
CalTRUST Liquidity Fund	20100027710	14,566,327.020	1.00	14,566,327.02	14,566,327.02	0.00
Portfolios Total value as of 01/31/2024				17,890,575.51		

DETAIL OF TRANSACTION ACTIVITY

Activity Description	Activity Date	Amount (\$)	Amount in Shares	Balance in Shares	Price per Share (\$)	Balance (\$)	Average Cost Amt (\$)	Realized Gain/(Loss) (\$)
CalTRUST Short Term Fund		BAY AREA SCHOOLS INSURANCE COOPERATIVE			Account Number: 201 00027710			
Beginning Balance	01/01/2024			56,434.206	10.06	567,728.11		
Accrual Income Div Reinvestment	01/31/2024	2,498.58	248.368	56,682.574	10.06	570,226.69	0.00	0.00
Change in Value						0.00		
Closing Balance as of	Jan 31			56,682.574	10.06	570,226.69		
CalTRUST Medium Term Fund		BAY AREA SCHOOLS INSURANCE COOPERATIVE			Account Number: 201 00027710			
Beginning Balance	01/01/2024			279,473.913	9.82	2,744,433.83		
Accrual Income Div Reinvestment	01/31/2024	9,587.97	976.372	280,450.285	9.82	2,754,021.80	0.00	0.00
Change in Value						0.00		
Closing Balance as of	Jan 31			280,450.285	9.82	2,754,021.80		
CalTRUST Liquidity Fund		BAY AREA SCHOOLS INSURANCE COOPERATIVE			Account Number: 201 00027710			
Beginning Balance	01/01/2024			14,499,796.240	1.00	14,499,796.24		
Accrual Income Div Reinvestment	01/31/2024	66,530.78	66,530.780	14,566,327.020	1.00	14,566,327.02	0.00	0.00
Change in Value						0.00		
Closing Balance as of	Jan 31			14,566,327.020	1.00	14,566,327.02		

Please note that this information should not be construed as tax advice and it is recommended that you consult with a tax professional regarding your account.



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Investment Account Summary

02/01/2024 through 02/29/2024

SUMMARY OF INVESTMENTS

Fund	Account Number	Total Shares Owned	Net Asset Value per Share on Feb 29 (\$)	Value on Feb 29 (\$)	Average Cost Amount (\$)	Cumulative Change in Value (\$)
BAY AREA SCHOOLS INSURANCE COOPERATIVE	20100027710					
CalTRUST Short Term Fund	20100027710	56,904.783	10.03	570,754.97	570,190.06	564.91
CalTRUST Medium Term Fund	20100027710	281,326.497	9.75	2,742,933.35	2,825,317.52	(82,384.17)
CalTRUST Liquidity Fund	20100027710	14,629,698.710	1.00	14,629,698.71	14,629,698.71	0.00
Portfolios Total value as of 02/29/2024				17,943,387.03		

DETAIL OF TRANSACTION ACTIVITY

Activity Description	Activity Date	Amount (\$)	Amount in Shares	Balance in Shares	Price per Share (\$)	Balance (\$)	Average Cost Amt (\$)	Realized Gain/(Loss) (\$)
CalTRUST Short Term Fund		BAY AREA SCHOOLS INSURANCE COOPERATIVE				Account Number: 201 00027710		
Beginning Balance	02/01/2024			56,682.574	10.06	570,226.69		
Accrual Income Div Reinvestment	02/29/2024	2,228.76	222.209	56,904.783	10.03	570,754.97	0.00	0.00
Change in Value						(1,700.48)		
Closing Balance as of	Feb 29			56,904.783	10.03	570,754.97		
CalTRUST Medium Term Fund		BAY AREA SCHOOLS INSURANCE COOPERATIVE				Account Number: 201 00027710		
Beginning Balance	02/01/2024			280,450.285	9.82	2,754,021.80		
Accrual Income Div Reinvestment	02/29/2024	8,543.07	876.212	281,326.497	9.75	2,742,933.35	0.00	0.00
Change in Value						(19,631.52)		
Closing Balance as of	Feb 29			281,326.497	9.75	2,742,933.35		
CalTRUST Liquidity Fund		BAY AREA SCHOOLS INSURANCE COOPERATIVE				Account Number: 201 00027710		
Beginning Balance	02/01/2024			14,566,327.020	1.00	14,566,327.02		
Accrual Income Div Reinvestment	02/29/2024	63,371.69	63,371.690	14,629,698.710	1.00	14,629,698.71	0.00	0.00
Change in Value						0.00		
Closing Balance as of	Feb 29			14,629,698.710	1.00	14,629,698.71		

Please note that this information should not be construed as tax advice and it is recommended that you consult with a tax professional regarding your account.



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Investment Account Summary

03/01/2024 through 03/31/2024

SUMMARY OF INVESTMENTS

Fund	Account Number	Total Shares Owned	Net Asset Value per Share on Mar 31 (\$)	Value on Mar 31 (\$)	Average Cost Amount (\$)	Cumulative Change in Value (\$)
BAY AREA SCHOOLS INSURANCE COOPERATIVE	20100027710					
CalTRUST Short Term Fund	20100027710	57,131.371	10.04	573,598.96	572,465.00	1,133.96
CalTRUST Medium Term Fund	20100027710	282,178.195	9.76	2,754,059.18	2,833,630.09	(79,570.91)
CalTRUST Liquidity Fund	20100027710	14,696,881.150	1.00	14,696,881.15	14,696,881.15	0.00
Portfolios Total value as of 03/31/2024				18,024,539.29		

DETAIL OF TRANSACTION ACTIVITY

Activity Description	Activity Date	Amount (\$)	Amount in Shares	Balance in Shares	Price per Share (\$)	Balance (\$)	Average Cost Amt (\$)	Realized Gain/(Loss) (\$)
CalTRUST Short Term Fund		BAY AREA SCHOOLS INSURANCE COOPERATIVE			Account Number: 201 00027710			
Beginning Balance	03/01/2024			56,904.783	10.03	570,754.97		
Accrual Income Div Reinvestment	03/28/2024	2,274.94	226.588	57,131.371	10.04	573,598.96	0.00	0.00
Change in Value						569.05		
Closing Balance as of	Mar 31			57,131.371	10.04	573,598.96		
CalTRUST Medium Term Fund		BAY AREA SCHOOLS INSURANCE COOPERATIVE			Account Number: 201 00027710			
Beginning Balance	03/01/2024			281,326.497	9.75	2,742,933.35		
Accrual Income Div Reinvestment	03/28/2024	8,312.57	851.698	282,178.195	9.76	2,754,059.18	0.00	0.00
Change in Value						2,813.26		
Closing Balance as of	Mar 31			282,178.195	9.76	2,754,059.18		
CalTRUST Liquidity Fund		BAY AREA SCHOOLS INSURANCE COOPERATIVE			Account Number: 201 00027710			
Beginning Balance	03/01/2024			14,629,698.710	1.00	14,629,698.71		
Accrual Income Div Reinvestment	03/28/2024	67,182.44	67,182.440	14,696,881.150	1.00	14,696,881.15	0.00	0.00
Change in Value						0.00		
Closing Balance as of	Mar 31			14,696,881.150	1.00	14,696,881.15		

Please note that this information should not be construed as tax advice and it is recommended that you consult with a tax professional regarding your account.

BAY AREA SCHOOLS INSURANCE COOPERATIVE

Statement of Revenues, Expenses and Changes in Net Position

Comparison to Operating Budget

For the Nine Months Ended March 31, 2024

	Actuals Liability & Crime	Budget Annual Budget	Percentage Percentage of Annual Budget
Revenues			
Member contributions	\$ 7,087,643	\$ 9,675,766	73%
Investment income**	776,302		
Total Revenues	7,863,946	9,675,766	81%
Expenses			
Direct Operation Expenses			
Claims paid	1,000,000	} 3,476,687	54%
Changes in reserves/IBNR	871,235		
Change in reserve for corridor	(500,000)		
Change in reserve for adverse development	625,000		
Excess insurance	3,569,852	4,759,803	75%
Crime policy premium	27,539	36,719	75%
Cyber liability policy premium	297,394	622,100	48%
STOPit program premium	46,449	95,266	49%
Praesidium training	6,250	21,000	30%
Total Direct Operating Expenses	5,943,719	9,011,575	66%
General & Administration Expenses			
Actuarial services	5,638	10,800	52%
Accreditation fees	5,750	5,100	113%
Claims audit fees	-	9,900	0%
Broker fees	37,500	50,000	75%
Financial audit & tax	15,000	15,500	97%
Legal fees	1,395	30,000	5%
Litigation management	21,375	31,000	69%
Program administration	169,709	212,169	80%
Meetings & Conferences	429	7,500	6%
Data reconciliation	-	15,900	0%
Miscellaneous	4,037	4,500	90%
Total General & Administrative Expenses	260,833	392,369	66%
Total Expenses	6,204,552	9,403,944	66%
Changes in Net Position	\$ 1,659,393	\$ 271,822	
Net position, beginning of year	12,617,488	12,617,488	
Net position, end of period	\$ 14,276,882	12,889,310	

BAY AREA SCHOOLS INSURANCE COOPERATIVE

Statement of Net Position

March 31, 2024 and

June 30, 2023

	March 31, 2024	June 30, 2023
Assets		
Cash and cash equivalents	\$ 50,106	\$ 966,417
Cash - LAIF	1,745,547	1,076,916
LAIF - Market Valuation	(10,139)	(16,338)
CalTRUST - Investments	18,024,539	11,238,076
Interest receivable**	38,462	33,453
Other receivables	3,000,000	1,000,000
Prepaid expenses	39,566	146,266
Prepaid Insurance	1,298,262	4,731,655
Total Assets	24,186,342	19,176,445
Liabilities		
Accounts payable	-	8,279
Unearned premium contributions	2,362,548	-
Reserves for claims	2,325,000	1,225,000
Reserves for Corridor	-	500,000
Reserves for IBNR	5,221,913	4,651,678
Reserves for adverse development	-	174,000
Total Liabilities	9,909,461	6,558,957
Net Position		
Net position, beginning of year	12,617,488	9,612,647
Change in Net position, current year	1,659,393	3,004,841
Total Net Position	\$ 14,276,882	\$ 12,617,488

** Interest Receivables is the estimated interest earnings from deposits held with LAIF for the period 1/1/24 - 3/31/24. As of 4/10/2024, the California State Controller has not issued its LAIF interest earned statement for the quarter ending 03/31/2024.

This amount is also reflected in the Statement of Revenues, Expenses, and Changes in Net Position as Investment income.

Bay Area Schools Insurance Cooperative
Check Register
From 01/1/2024 Through 03/31/2024

Check Number	Vendor Name	Check Date	Amount
0016 EFT	George Hills	1/22/2024	23,720.46
0017 EFT	James Marta and Company LLC	1/22/2024	1,310.00
0018 EFT	Spinelli Donald Nott	1/22/2024	145.00
0019	Prime Actuarial Consulting LLC	1/22/2024	1,487.50
0020	Central San Joaquin Valley Risk Management Authority	1/22/2024	26.25
0021	North Bay Schools Insurance Authority	1/22/2024	2,083.33
0022	Praesidium	1/22/2024	1,000.00
0023	Redwood Empire Schools Insurance Group	1/22/2024	2,500.00
1.22.24	California Bank & Trust	1/22/2024	129.07
02.21.24	California Bank & Trust	2/21/2024	136.38
0024	Prime Actuarial Consulting LLC	3/1/2024	4,150.00
0025	California Association of Joint Powers Authorities	3/1/2024	5,250.00
0026	Emergent LLP	3/1/2024	1,620,000.00
0027	Redwood Empire Schools Insurance Group	3/1/2024	2,500.00
0028	USAA Annuity Services Corporation	3/1/2024	1,380,000.00
0029 EFT	George Hills	3/4/2024	16,666.66
0030	California Association of Joint Powers Authorities	3/15/2024	2,500.00
0031	North Bay Schools Insurance Authority	3/15/2024	4,636.76
0032	Redwood Empire Schools Insurance Group	3/15/2024	2,500.00
0033	Schools Program Alliance	3/15/2024	64,866.61
03.21.24	California Bank & Trust	3/21/2024	132.70
Total Checks: 21		Total Amount:	3,135,740.72

I. 2. Target Equity Policy Review

Background

Targeted Equity ratios and benchmarks are an indication of the financial health of a risk pool. BASIC's Target Equity Policy, last updated in February 2023, is included for review and discussion regarding financial benchmarking. A sample of prior benchmark analysis is included.

Contact Person

Mike Kielty

Subject

Target Equity Policy Review

Fiscal Impact

N/A

Supporting Documents



7.E.1 Target Equity Ratios.Retrospective Adjustment of Equity Policy_2.10.2010_Amend 02.07.23_..



SAMPLE Staff Report_Review of Target Equity Ratios and Program Year Accounting 2020

BAY AREA SCHOOLS INSURANCE COOPERATIVE (BASIC)

Target Equity Ratios / Retrospective Adjustment of Equity Policy

I. PURPOSE

The purpose of this policy is to give guidance to the Board of Directors in making annual funding, dividend, and assessment decisions for the BASIC program. By adoption of this policy, the Board of Directors acknowledges the long-term financial strength of the BASIC program is of utmost importance.

The Board of Directors acknowledges there is a high degree of uncertainty in the annual actuarial estimates due to the possibility of occasional catastrophic claims and inconsistent or inaccurate case reserving; therefore, the Board of Directors desires to fund the BASIC program in a cautious and prudent manner and return equity to its members in an equally cautious and prudent manner. It is the policy of BASIC to conservatively fund its programs to maintain sufficient assets to pay all losses and avoid substantial fluctuations in contributions.

In order to fund program years in a fiscally prudent manner, the BASIC Board of Directors collects contributions at an actuarially determined confidence level as determined by the Board annually. The BASIC Board of Directors strives to annually collect at the 85% confidence level or higher as determined by the actuary.

In addition, as provided in the BASIC governing documents, dividends may be declared and paid solely at the discretion of the Board after a program year is:

- At least 10 (ten) years old,
- Program Year is formally closed,
- Funded at least at a 90% confidence level,
- Provided that the combined assets of all program years after the issuance of the dividend shall equal or exceed a 90% confidence level, and
- Minimum equity balance is ten (10) times the BASIC self-insured retention.

II. DEFINITIONS

- “Claims Paid to Date” is the amount actually paid on reported claims at the date of valuation. “Claims Paid to Date,” includes those amounts paid for both defense and indemnity of claims.
- “Confidence Level” is a statistical term used to express the degree to which an actuarial projection (usually “Ultimate Net Loss”) will be an accurate prediction of the dollar losses ultimately paid for a given program year or combination of years. The higher a “Confidence Level” the greater certainty the actuary has that losses will not exceed the dollar value used to attain that “Confidence Level.”

- “Equity” or Net Position is the amount of funds remaining, after deducting all administrative and excess insurance costs, available to pay claims in excess of actuarial expected losses at the actuarially determined “Expected” “Confidence Level.”
- “Expected Liabilities” is the total of all “Outstanding Reserves” and “IBNR,” at the “expected” confidence level, which by industry standard translates roughly to the 50% to 56% “Confidence Level” as determined by the independent actuary.
- “Incurred But Not Reported (IBNR)” is the estimate of the funds needed to pay for covered losses that have occurred but have not yet been reported to the member and/or BASIC. “IBNR” includes (a) known and unknown loss events that are expected to be claims; and (b) expected future development on claims already reported.
- “Net Contribution” includes the total contributions from members less the excess and other insurance premium costs.
- “Net Present Value” is the discounting of future cash flows to current values by taking into account the time-value of money.
- “Self Insured Retention” is the maximum amount of exposure to a single loss retained by BASIC.
- “Outstanding Reserves” are the sum total of unpaid case reserves in the “Self Insured Retention” as determined by the BASIC member and the Claims Administrator.
- “Ultimate Net Loss” is the sum of “Claims Paid to Date.” “Outstanding Reserves” and “IBNR”, all within BASIC’s “Self Insured Retention”. It is the estimate of the total value of all claims that will ultimately be made against members for which BASIC is responsible.

III. TARGET EQUITY RATIOS

The following Target Equity Ratios provide useful benchmarking and year-over-year comparative information and are intended to be used as a tool by the BASIC Board of Directors to guide in the annual funding and retrospective adjustment decisions. They are not intended to mandate a particular course of action should the ratios exceed or fall below the target parameters.

“Net Contributions” to “Net Position” ratio: Target $\leq 2:1$

This ratio is a measure of how “Net Position” is leveraged against possible pricing inaccuracies. A low ratio is desirable.

“Loss Reserves” to “Net Position” ratio: Target \leq 3:1

This ratio is a measure of how “Net Position” is leveraged against possible reserve inaccuracies. A low ratio is desirable.

“Net Position” to “Self-Insured Retention” ratio: Target \geq 4:1

This ratio is a measure of the maximum amount that “Net Position” could decline due to a single loss. A high ratio is desirable.

Operating ratio: Target \leq 100%

This ratio is a measure of the inflows versus the outflows in each program year. An operating ratio of less than 100% is desirable.

Reserve Development: Target \leq 20%

This is a measure of the change in aggregate ultimate losses from one valuation period to the prior valuation(s). Generally, the one-year and two-year reserve development to “Equity” threshold should be less than 20%. NOTE: This factor should not be evaluated until the group has at least six years of actual loss experience.

Change in Net Position: Target \geq -10%

This ratio measures if a decline in equity in excess of 10% warrants an increase in annual contribution or an assessment.

- IV. ANNUAL ACTUARIAL STUDY.** BASIC will conduct an annual actuarial analysis to assist the Board of Directors in making funding decisions on a prospective and retrospective basis.
- V. RETROSPECTIVE RETURN OF EQUITY CRITERIA.** After annual review of the “Equity” position of the program as a whole, the program years to be adjusted and the target equity ratios, the Board of Directors will determine whether it is desirable to increase, decrease, or stabilize “Equity.” If the Board desires to decrease “Equity”, by returning “Equity” to the members, it will not return funds from any given program year that will cause the given program year to fall below a 90% “Confidence Level” (unless the program year is officially “closed”, in which case equity would be returned at the expected confidence level), or the funding of the program as a whole to fall below the 90% “Confidence Level”.
- VI. CLOSURE OF PROGRAM YEARS.** After annual review of the Net Position of the program as a whole, the Board of Directors will determine whether it is desirable to close programs year(s). A program year may be closed provided all claims in the program year are closed, there are no remaining reserves, and provided the actuary has determined that there are no Incurred But Not Reported (IBNR) reserves for a period of at least ten years. Program year(s) may be closed by the return of the equity to, or the assessment of participating members in that year, or by the application of equity in such year(s) to open

program year(s). Any closed years, however, may be reopened, if deemed necessary, and approved by the Board.

VII. AMENDMENT. This policy, approved by the Board of Directors on February 7, 2023, may be reviewed periodically and reaffirmed or modified accordingly.

Appendix A

Dividend / Assessment Calculation Process

As each program year is independent from the others, it is possible to assess each program year's deficit, or surplus, independently on an annual basis as each program year reaches a certain maturity threshold, as well as the Program's overall deficit or surplus position.

Article IV. Section 3, B of the BASIC Bylaws defines the parameters by which dividends may be released or assessments may be levied to the members as noted below:

Members within a Program (including former Members) shall share any equity refunds or any liability for deficit assessments, if any, on a pro-rata basis. Each Member's or former Member's share of refunds or assessments shall be calculated by dividing each Member's total contributions to that Program Fund during the years that produced the surplus funds or the deficit of funds, by the total funds contributed by all Members to that Program Fund during the same time period.

The Board of Directors may consider declaring a dividend provided the funding for all program years exceeds the following parameters:

- a. Program Year is at least ten (10) years old,
 - b. Program Year is formally closed,
 - c. Funded at least at a 90% confidence level,
 - d. Provided that the combined assets of all program years after the issuance of the dividend shall equal or exceed a 90% confidence level, and
 - e. Minimum equity balance is ten (10) times the BASIC self-insured retention
1. Timing:
- Annually, the Board of Directors shall review the funding of the program to determine whether dividends may be issued. If the aggregate equity for all program years meets the above equity criteria, the Board of Directors may consider declaring a dividend from program years that are at least ten years old.

2. Calculation:

The following calculation will be made annually to determine the aggregate equity at the 90% confidence level:

- (a) First, the equity for each program year shall be calculated as follows:
 - i. Contributions earned for each program year shall be credited to each respective program year and will include original deposit contributions.

- ii. Interest income earned during the program year shall be credited to each respective program year.
 - iii. Administrative expenses, claims administration costs not directly attributable to a specific claim, and insurance costs incurred during each program year shall be deducted from the available assets of each respective program year.
 - iv. Losses incurred within BASIC's self-insured layer for each program year will be deducted from available assets for each respective program year.
 - v. The amount of Incurred but not Reported (IBNR) and Unallocated Loss Adjustment Expenses (ULAE) as determined by an actuary will be deducted from available assets at the 90% confidence level.
 - vi. Prior dividends and assessments, if any, will be added or subtracted from available assets of each program, respectively.
- (b) Next, the equity calculated in section 2(a) shall be combined for all program years and become the aggregate equity at the 90% confidence level. To arrive at the amount potentially available for dividends, ten times the current self-insured retention (SIR) shall be deducted from the total aggregate equity. The total after the deduction becomes the amount "available" to be released.
- (c) Dividends may only be issued if the aggregate equity is equal to or exceeds the 90% confidence level as determined by the most recent actuarial study. This aggregate equity balance includes the deduction of ten (10) times the current SIR.
- (d) The aggregate dividend shall be determined by the Board of Directors, subject to the following:
- i. A program year shall be "eligible" for a dividend from the assets of that year if the program year has existed for at least ten (10) full program years.
 - ii. The aggregate equity for all program years may not be reduced below the 90% confidence level after the dividend.
 - iii. Dividends declared shall be first issued from the oldest program year but only to the extent that program year maintains equity in excess of the 90% confidence level. Any unapplied dividend may be carried forward to the next oldest program year(s) in the same fashion until the total of the aggregate dividend amount has been applied, even if that results in a partial application to a program year; or may not be fully applied if the carryover would extend to program years not fully ten (10) years old.
 - iv. As the aggregate dividend is carried forward for application, it may be used to offset program years that are funded below the 90% confidence level, but only to the extent that the applied amount brings that year's equity to the 90% confidence level.
 - v. If any current year(s) that are less than ten (10) years old have negative equity at the 90% confidence level, the negative equity at the 90% confidence level from those year(s) must be added to the calculation to arrive at the final "eligible" aggregate dividend.

Appendix B

Distributions to and Assessments of Withdrawn or Terminated Members

It is the policy of the BASIC Board of Directors that once a program year in which the terminated member participated is ten full years old, an assessment may be levied, or a dividend declared for that program year in an amount sufficient to bring the member's account balance to the 90% confidence level for that program year, unless the year is closed in which case the expected confidence level would be used. Return of equity to withdrawn or terminated members will be considered at the time eligible dividends are declared by the Board of Directors as outlined in Appendix A.

Notwithstanding the above provision, the BASIC Board of Directors may elect to levy assessments at an earlier time pursuant to the Target Equity/Retrospective Adjustment of Equity policy and the BASIC governing documents.

ADMINISTRATIVE MATTERS

Agenda Item 9.B.

SUBJECT: Review of Target Equity Ratios and Program Year Accounting

BACKGROUND AND STATUS:

Ms. Katie O'Brien, BASIC Finance Manager, will be present to review the results of the BASIC Benchmarking Ratio Results and Program Year Accounting as of June 30, 2020.

The BASIC Target Equity Ratios/Return of Equity Policy was approved at the February 10, 2010, Board of Directors meeting. The benchmarking ratio calculation as outlined in the Policy is performed at the end of each fiscal year for the Board's review and guidance.

The Board's goal toward building equity in the program has been a priority for the last several years. As such, the 2019/20 Liability Program pool funding rates were at the 85% confidence level. Due to an increase in insurance expenses, primarily in the Property Program, the Board did not collect additional contributions toward their equity building plan. The 2019/20 Liability Program pool funding included \$500,00 toward the corridor deductible. The retention of deposit premiums, investment income, and additional equity funding resulted in an increase of net contributions leading to the 34% increase inequity.

All but one of the ratios used in benchmarking BASIC's targets are a component of equity. As such, equity is the major driver in the calculation of the targets. As BASIC's equity position increased by 24% as of June 30, 2020, as compared to June 30, 2019; and had increased 20% as of June 30, 2019, as compared to June 30, 2018; each of the bench-markers have resulted in a score of "Pass" as of June 30, 2020.

Following are descriptions of each ratio, expanded from the present policy language, to aid in the Board's review, as well as the analysis of this year's result.

"Net Contribution" to "Equity" ratio: Target \leq 2:1

- Compares current equity for all program years to the net contributions collected in the current year.
- This ratio is a measurement of how "Equity" is leveraged against possible contribution inadequacies.
- The higher the equity, the lower the ratio; hence, a low ratio is desirable.
- *The current year result is "Pass," as was the result last year. The ratio decreased slightly from the prior year from 0.55 to 0.37 due to the 24% increase in equity and a -17% decrease in net contributions.*

ADMINISTRATIVE MATTERS

Agenda Item 9.B., Page 2

“Outstanding Reserves” to “Equity” ratio: Target \leq 3:1

- Compares current equity for all program years to total claims liability.
- This ratio is a measurement of how “Equity” is leveraged against total claims reserves
- The lower the liabilities, and/or the higher the equity, the lower the ratio; hence, a low ratio is desirable.
- *The current year result is “Pass,” as was the result last year. The ratio increased slightly over the prior year from 0.67 to 0.68 due to the 24% increase in equity and the 25% increase in reserves.*

“Equity” to “Self-Insured Retention” ratio: Target \geq 4:1

- Compares current equity for all program years to the group’s current averaged self-insured retention.
- This ratio is a measurement of the maximum amount that “Equity” could decline due to a single loss.
- The higher the equity, the greater number of “full hits” the group can absorb; hence, a high ratio is desirable.
- *The current year result is “Pass,” as was the result last year. The ratio increased over the prior year from 18.9 to 23.3 due to the 24% increase in equity.*

Operating ratio: Target \leq 100%

- Compares revenues to expenses during a given year.
- This ratio is a measurement of the inflows versus the outflows in each program year.
- The higher the revenues, and/or the lower the expenses, the lower the ratio. Hence, an operating ratio of less than 100% is desirable.
- *The current year result is “Pass,” as was the result last year. The ratio decreased from the prior year from 70% to 48% due to the decrease in Losses and Loss Adjustment Expenses (LAE) from \$1.5 million to \$1.3 million and increases in the Reserves for Incurred But Not Reported from \$1.6 million to \$2.7 million and Operating expenses decreased from \$450,000 to \$410,000.*

Reserve Development: Target \leq 20%

- Compares changes in reserve liabilities from one year(s) to the next.
- This ratio is a measurement of the change in aggregate ultimate losses from one valuation period to the prior valuation(s).
- The smaller the change in liability, the more stable the program. Hence, generally, the one-year and two-year reserve development to “Equity” threshold should be less than 20%.
- *The current year results are “Pass,” as was the result last year. The one-year ratio decreased over the prior year from 16% to -7% and the two-year development increased over the prior year from 5% to 9% due to the 25% increase in reserves during the current year.*

ADMINISTRATIVE MATTERS

Agenda Item 9.B., Page 3

Change in Equity:

Target \geq -10%

- Measures change in total equity from one year to the next.
- This ratio may indicate if a decline in equity in excess of 10% warrants action by the Board, such as an increase in annual contribution, or an assessment.
- *The current year result is "Pass," as was the result last year. The ratio increased from the prior year from 20% to 24% due to the 24% increase in equity over the prior year.*

EQUITY BUILDING RATIOS:

As previously noted, the BASIC Board has established a goal toward building equity within the program. To aid in identifying BASIC's current equity position toward meeting these goals, additional ratios have been included for informational purposes at each threshold listed below.

- i. \$2.5 Million by June 30, 2018 (Assuming a BASIC retained layer of \$250,000);
- ii. \$5.0 Million by June 30, 2020 (Assuming a BASIC retained layer of \$500,000); and
- iii. \$7.5 Million by June 30, 2023 (Assuming a BASIC retained layer of \$750,000);

I. "Equity" to "Self-Insured Retention of \$250k" ratio: Target \geq 10:1

- *The equity position as of June 30, 2020, result is 23.3, resulting in a "Pass" of this equity target at the 2019/20 \$250,000 pool retention.*

II. "Equity" to "Self-Insured Retention of \$500k" ratio: Target \geq 10:1

- *The equity position as of June 30, 2020, result is 11.7, resulting in a "Fail" of this equity target if BASIC were at a \$500,000 pool retention.*

III. "Equity" to "Self-Insured Retention of \$750k" ratio: Target \geq 10:1

- *The equity position as of June 30, 2020, result is 7.8, resulting in a "Fail" of this equity target if BASIC were at a \$750,000 pool retention.*

RECOMMENDATION:

Receive and file Benchmarking Ratios and Program Year Accounting as of June 30, 2020.

REFERENCE MATERIAL:

- BASIC Benchmarking Ratio Results as of June 30, 2020
- BASIC Program Year Accounting as of June 30, 2020

I. 3. Contribution Deferral Discussion

Background

As California enters a year with a state budget deficit, school funding deferrals are again being considered. When this occurs, BASIC is able to adjust contribution collection to align better with state funding disbursements to public schools.

The BASIC Board of Directors will discuss the current funding climate and options available to defer contributions to support member schools.

Recommendation

Review.

Contact Person

Christy Patterson

Subject

Contribution Deferral Discussion

J. Administrative Matters

J. 1. BASIC CAJPA 2024 Accreditation

Background

BASIC has earned Accreditation with Excellence from CAJPA. This accreditation status is valid for three years, and BASIC's accreditation is up for renewal. Due to the recent BASIC administration transition, BASIC has requested a 6-month extension until October, 2024, to begin the accreditation review.

BASIC's re-accreditation application was filed with a request that a 6-month extension be granted. CAJPA dues were also brought current.

Contact Person

Mike Kielty, Christy Patterson


Subject

BASIC CAJPA 2024 Accreditation

Fiscal Impact

N/A

Supporting Documents

 2024_BASIC_Appendix A1 - AccreditationApplication

A. APPLICATION FOR ACCREDITATION

JPA Applicant: <input style="width: 90%;" type="text"/>		
Mailing Address: <input style="width: 90%;" type="text"/>		
City: <input style="width: 40%;" type="text"/>	State: <input style="width: 20%;" type="text"/>	Zip: <input style="width: 20%;" type="text"/>
Phone: <input style="width: 40%;" type="text"/>	Email: <input style="width: 60%;" type="text"/>	
Contact Person: <input style="width: 90%;" type="text"/>		
Name of Sister JPA: <input style="width: 90%;" type="text"/>		

The JPA Applicant requests (check appropriate boxes):

- | | |
|--|--|
| <input type="checkbox"/> New Accreditation Applicant | <input type="checkbox"/> Full Accreditation Review |
| <input type="checkbox"/> Re-Accreditation Applicant | <input type="checkbox"/> Pre-Accreditation Review* |

The JPA Applicant agrees to pay an accreditation fee of \$, based upon the fee schedule attached (please attach fee calculation to this application). All applicants for accreditation or re-accreditation have six (6) months after payment of fees in which to provide the requested accreditation review materials. If the applicant does not submit the necessary materials within the designated time frame, their application will be canceled. In the event the application is canceled, 75% of the accreditation fee will be returned to the JPA. CAJPA will retain 25% of the fee to cover administrative costs.

It is understood that the accreditation review will be based upon criteria as specified the Accreditation Standards (appendix B).

The JPA applicant agrees to fully cooperate with the CAJPA Accreditation Consultant and Committee during the evaluation process. The applicant further agrees to hold harmless CAJPA, its officers, employees, agents and volunteers from all damages, costs or expenses in law or equity that may result from damages to property or personal injury received by reason of or during the accreditation process, except for willful acts of gross negligence of CAJPA.

CAJPA does not guarantee that accreditation by CAJPA ensures the solvency or liquidity of the JPA now or any time before or after such accreditation. Neither does accreditation guarantee that the management of an accredited JPA is administered in such a way that the JPA and its programs are now or will continue to be, financially sound.

Sister Joint Powers Authorities

Sister JPA's will receive a 25% discount off the most expensive accreditation study if they fall within the following criteria:

- The two JPA's have essentially the same Board of Directors.
- Are managed by the same firm.
- At least 75% of the members of one JPA are also members of the sister JPA; and
- The Accreditation Studies are done at the same time.

If a new program is added after the initial evaluation, additional fees for each program will be charged for the annual review. The cost for pre-accreditation review is 60% of the fee for accreditation and this fee can be applied to a subsequent accreditation review if initiated within three months after completion of the pre- accreditation review, or 50% can be applied if initiated after three months, but within 12 months.

Signature: 

Title:

Date:



Trusted Leadership
for California's Public
Risk Sharing Pools

CAJPA ACCREDITATION FEE CALCULATION

Effective May 1, 2022

(Please Include With the Application for Accreditation)

JPA Name: _____

	A	B	C	A+ (B or C)
	Application Fee Required	Accreditation Fees		Amount
		Select one		
Base Fee (must choose one)		Non-Member	Member	
Annual Revenues under \$ 2.5M	\$250	\$3,000	\$2,500	
Annual Revenues between \$2.5M and \$5M	\$250	\$3,750	\$3,250	
Annual Revenues between \$5M and \$7.5M	\$500	\$4,500	\$4,000	
Annual Revenues over \$7.5M	\$500	\$5,000	\$4,500	
Program Fee (select all that apply)		Group Purchase	Self-Funded	
1. Workers' Compensation		\$250	\$750	
2. Liability		\$250	\$750	
3. Medical Malpractice		\$250	\$750	
4. Property Only		\$250	\$750	
5. Property / Casualty Package		\$250	\$1,000	
6. Excess, Captive, or other lines (list each)				
a. Other:		\$250	\$750	
b. Other:		\$250	\$750	
c. Other:		\$250	\$750	
7. Benefits (select all that apply)				
a. Medical		\$250	\$750	
b. Dental		\$100	\$250	
c. Vision		\$100	\$250	
d. Life/ADD		\$100	\$250	
e. LTD		\$100	\$250	
8. Miscellaneous Separate Programs		\$100	\$250	
			Total Fee:	

Minimum Accreditation Fee: \$3,250

Maximum Accreditation Fee: \$11,000

Return completed application, fee schedule and payment
to 808 R Street, Suite 209 | Sacramento | CA | 95811
P: 916-231-2139 | F: 916-231-2141 | www.cajpa.org

K. Closed Session

K. 1. Settlement Authority Discussion- Gov. Code § 54956.9(d)(1)

Background

Settlement Authority Discussion

Claim #: GHC0043140

Central Regions Schools' Insurance Group (CRSIG)

Contact Person

Samantha Morgan

Subject

CLOSED SESSION: Settlement Authority Discussion

L. Next Board of Directors Meeting

Summary

The next Board of Directors meeting will be held on May 14th, 2024 at 10:00a.m. via Zoom Videoconference.

M. Closing Comments

Summary

This time is reserved for comments by the Board of Directors and/or staff and to identify matters for future Board of Directors business.

N. Adjournment
