

Oklahoma Schools Insurance Group

Financial Statements
With Supplementary Information
With Independent Auditor's Report Thereon
June 30, 2021 and 2020

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RSM US LLP

Independent Auditor's Report

The Board of Trustees
Oklahoma Schools Insurance Group

Report on the Financial Statements

We have audited the accompanying financial statements of Oklahoma Schools Insurance Group, which comprise the statements of net position, as of June 30, 2021 and 2020, and the related statements of revenues, expenses, and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Oklahoma Schools Insurance Group as of June 30, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and loss development information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

RSM US LLP

Oklahoma City, Oklahoma
November 30, 2021

Oklahoma Schools Insurance Group

Management's Discussion and Analysis

The following Management's Discussion and Analysis (MD&A) of the activities and financial performance of Oklahoma Schools Insurance Group (OSIG) provides an introduction to the financial statements for the years ended June 30, 2021 and 2020.

OSIG, established in July 2001, is an Interlocal Cooperation Act Agency of schools offering membership to public school districts in Oklahoma, with a mission to provide quality, cost effective, risk management products and services to its member school districts.

Activity Highlights

	Years Ended June 30		
	2021	2020	2019
Member schools at beginning of year	452	400	375
Member schools added (lost) during the year, net	16	52	25
Total member schools, end of year	468	452	400
Member contributions	\$ 51,610,260	\$ 43,471,382	\$ 32,872,092
Member distributions	-	-	1,478,521

During the years ended June 30, 2021, 2020, and 2019 net position increased \$133,850, \$1,930,300 and \$23,333, respectively. These changes are a direct result of claim experience, the benefit of excess insurance policies protecting against large claim losses and investment income.

The school superintendents who serve on the OSIG Board of Trustees have played an integral part in the formation and critical decisions of OSIG. All member schools have a voice in OSIG. It is a school-owned program, run by its members and in business solely to serve Oklahoma schools.

OSIG operates under the open meeting act similar to school districts. In addition to the property and casualty insurance program available to OSIG members, OSIG offers risk management resources such as online training programs in the areas of child safety and child sexual abuse prevention and various employment practices liability issues to its member schools. OSIG also performs loss control risk assessments free of charge to its members. Additional services may be added in the future.

Board of Trustees:

- Terry Davidson, Finance Director – Comanche Public Schools
- Rick Thomas, Superintendent – Skiatook Public Schools
- Shelley Free, Superintendent – Kiamichi Technology Center
- Brad Overton, Superintendent – Cordell Schools
- Randy Hughes, Superintendent – McAlester Schools
- John Cox, Superintendent – Peggs Schools
- Sherry Durkee, Superintendent – Sand Springs Public Schools

Executive Director: David Martin

Oklahoma Schools Insurance Group

Management's Discussion and Analysis

Financial and Activity Highlights (Continued)

Program administrators: Arthur J. Gallagher Risk Management Services, Inc. (Gallagher):

- Wally Bryce, national vice president business development
- Jay Eshelman, regional president
- Chris Mangum, area president
- Jennifer McKenzie, program manager
- Matt McClaran, assistant program manager (loss control and underwriting)
- Brya D'Abrosca, assistant program manager (finance and marketing)
- Beth Meeker, senior customer service representative
- Susan Sullivan, administrative assistant
- Roger Johnson, independent loss control consultant
- Marty Martin, independent loss control consultant

Claims administrators: Alternative Service Concepts, LLC:

- Richard Hall, claims supervisor/senior liability claims adjuster
- Ross McCollum, property claims adjuster
- Lacrista Medina, liability claims adjuster
- David Sepulveda, liability claims adjuster
- Denise Wilson, claims assistant

Accounting, audit, and actuarial service:

- Hogan and Taylor, L.L.P. (accounting services)
- RSM US LLP (audit services)
- Select Actuarial Services (actuarial services)

Reinsurance coverage and carriers:

Coverage	Reinsurance Providers	AM BEST Financial Rating
Buildings and contents	Alliant Property Insurance Program	A-VIII to A++XV
Automobile physical damage	Alliant Property Insurance Program	A-VIII to A++XV
Cyber liability	Alliant Property Insurance Program	A-VIII to A++XV
Boiler and machinery	Travelers Property & Casualty	A++ XV
General liability	United Educators Insurance Company	A IX
Automobile liability	United Educators Insurance Company	A IX
Educators legal liability	United Educators Insurance Company	A IX
Umbrella liability	United Educators Insurance Company	A IX
Pollution	Interstate Fire & Casualty Insurance Company	A+XV
School violent act protection	Self-funded	N/A
Crime	Self-funded	N/A

Oklahoma Schools Insurance Group

Management's Discussion and Analysis

Overview of the Financial Statements

Included herein are summarized versions of the statements of net position, the statements of revenues, expenses and changes in net position and the statements of cash flows. These statements provide financial information on OSIG as a whole.

These statements include all assets and liabilities using the accrual basis of accounting, which is consistent with the accounting used by private-sector institutions. All of the current year's revenues and expenses are recognized when earned or incurred, regardless of when cash is received or paid. Capital assets are capitalized and depreciated over their useful lives.

This section of the report is designed to provide member school districts, creditors and suppliers with a general overview of OSIG's finances.

The statements of net position: The statements of net position and the statements of revenues, expenses and changes in net position report OSIG's net position and how it has changed over the stated period. Net position, the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, is one measure of OSIG's financial health or position. OSIG has no deferred outflows or inflows at June 30, 2021, 2020 or 2019. The following summarizes OSIG's assets, liabilities and net position as of June 30, 2021, 2020 and 2019:

	As of June 30		
	2021	2020	2019
Assets:			
Cash, cash equivalents and investments	\$ 15,215,888	\$ 20,821,106	\$ 23,003,506
Net reinsurance receivable	18,758,799	10,651,653	4,787,340
Other	36,108	91,657	82,405
Total assets	<u>\$ 34,010,795</u>	<u>\$ 31,564,416</u>	<u>\$ 27,873,251</u>
Liabilities:			
Net unpaid losses and loss adjustment expenses	\$ 17,997,166	\$ 15,416,602	\$ 12,724,860
Prepaid member contributions	2,039,372	2,286,484	1,768,368
Other	65,438	86,361	1,535,354
Total liabilities	<u>\$ 20,101,976</u>	<u>\$ 17,789,447</u>	<u>\$ 16,028,582</u>
Net position:			
Investment in capital assets	\$ -	\$ -	\$ -
Unrestricted	13,908,819	13,774,969	11,844,669
Total net position	<u>\$ 13,908,819</u>	<u>\$ 13,774,969</u>	<u>\$ 11,844,669</u>

Oklahoma Schools Insurance Group

Management's Discussion and Analysis

Overview of the Financial Statements (Continued)

The statements of revenues, expenses and changes in net position: The following summarizes OSIG's statements of revenues, expenses and changes in net position for the years ended June 30, 2021, 2020 and 2019:

	Years Ended June 30		
	2021	2020	2019
Operating revenues:			
Member contributions	\$ 51,610,260	\$ 43,471,382	\$ 32,872,092
Operating expenses:			
Losses and loss adjustment expenses	16,414,213	12,229,381	9,950,688
Reinsurance premiums	25,321,119	20,940,436	15,352,691
Agent commissions	4,984,961	4,094,279	3,175,125
Management fees	3,612,718	3,359,429	2,629,767
Claims administration fees	719,233	647,117	588,769
Risk management services	166,328	166,397	137,512
Other expenses	472,020	590,477	289,281
Total operating expenses	51,690,592	42,027,516	32,123,833
Operating income (loss)	(80,332)	1,443,866	748,259
Nonoperating revenues:			
Investment income	215,073	456,713	474,913
Net change in fair value of investments	(891)	29,721	278,682
Net nonoperating revenues	214,182	486,434	753,595
Distributions to members	-	-	1,478,521
Change in net position	133,850	1,930,300	23,333
Net position at beginning of year	13,774,969	11,844,669	11,821,336
Net position at end of year	\$ 13,908,819	\$ 13,774,969	\$ 11,844,669

All of OSIG's member contributions are the premiums charged to provide coverage in the OSIG plan.

The statements of cash flows: The primary purpose of the statements of cash flows is to provide information about the cash receipts and disbursements of an entity during a period. These statements also aid in the assessment of an entity's ability to generate future cash flows, ability to meet obligations as they come due and needs for external financing.

Oklahoma Schools Insurance Group

Management's Discussion and Analysis

Overview of the Financial Statements (Continued)

The following summarizes OSIG's cash flows for the years ended June 30, 2021, 2020 and 2019:

	Years Ended June 30		
	2021	2020	2019
Cash provided by (used in):			
Operating activities	\$ (5,819,400)	\$ (2,716,771)	\$ (2,171,529)
Investing activities	4,266,846	3,706,532	3,876,287
Net change in cash and cash equivalents	(1,552,554)	989,761	1,704,758
Cash and cash equivalents at beginning of year	5,953,403	4,963,642	3,258,884
Cash and cash equivalents at end of year	<u>\$ 4,400,849</u>	<u>\$ 5,953,403</u>	<u>\$ 4,963,642</u>

OSIG's overall liquidity decreased during the year ended June 30, 2021, and increased during 2020 and 2019, with a net decrease to cash and cash equivalents of \$1,552,554, and a net increase of \$989,761 and \$1,704,758, respectively. The cash provided by or used in operating activities is primarily related to receipts of member contributions, offset by the payment of claims, insurance premiums and management expenses. Cash provided by or used in investing activities relates to net purchases and sales of investments, plus interest and dividend income received. Cash used in financing activities relates to capital asset purchases.

Member Distributions

When underwriting results are favorable, OSIG makes every effort to distribute equity back to its' member schools. OSIG declared a distribution to the members of \$-0-, \$-0- and \$1,478,521 for the years ended June 30, 2021, 2020 and 2019.

Capital Asset and Debt Administration

OSIG had no significant capital asset activity and no debt administration activity during the years ended June 30, 2021, 2020 or 2019.

Economic Factors and Premium Rates

OSIG's management considered many factors when developing the annual operating budget for the fiscal year ending June 30, 2022.

The budget for the fiscal year ending June 30, 2022, was developed based upon the following key assumptions:

- Member contributions are based upon the losses projected to be incurred for the upcoming year and premium costs from the reinsurance markets. These contributions are expected to increase approximately 27.7% due to approximately 63 new members joining OSIG and an increase in reinsurance premium cost.
- Investment income is projected to be approximately 1.8% of the market value of total investments, consistent with the current low interest rate environment.
- Forecasted claim losses are based upon actuarial estimates.

Contacting the OSIG's Financial Management

This financial report is designed to provide a general overview of OSIG. If you have questions about this report or would like to request additional information, contact the Oklahoma Schools Insurance Group at P.O. Box 3068, Tulsa, Oklahoma 74101.

Oklahoma Schools Insurance Group

Statements of Net Position
June 30, 2021 and 2020

	2021	2020
Assets		
Current assets:		
Cash and cash equivalents	\$ 4,400,849	\$ 5,953,403
Investments	9,405,295	8,239,282
Reinsurance receivable:		
Reinsurance receivable on paid and unpaid losses	107,248,342	86,096,822
Less reinsurance receivable on unpaid losses	(88,489,543)	(75,445,169)
Reinsurance receivable on paid losses	18,758,799	10,651,653
Accounts receivable	23,481	79,030
Prepaid expenses	12,627	12,627
Total current assets	32,601,051	24,935,995
Noncurrent assets:		
Long term investments	1,409,744	6,628,421
Total assets	\$ 34,010,795	\$ 31,564,416
Liabilities and Net Position		
Current liabilities:		
Unpaid losses and loss adjustment expenses:		
Gross case reserves	\$ 101,967,709	\$ 87,197,771
Less reinsurance recoverable on unpaid losses	(88,489,543)	(75,445,169)
Net unpaid losses and loss adjustment expenses	13,478,166	11,752,602
Accrued expenses	65,438	86,361
Prepaid member contributions	2,039,372	2,286,484
Total current liabilities	15,582,976	14,125,447
Noncurrent liabilities:		
Unpaid losses and loss adjustment expenses:		
Incurred but not reported (IBNR) reserves	4,519,000	3,664,000
Total liabilities	20,101,976	17,789,447
Net position:		
Unrestricted	13,908,819	13,774,969
Total net position	13,908,819	13,774,969
Total liabilities and net position	\$ 34,010,795	\$ 31,564,416

See notes to financial statements.

Oklahoma Schools Insurance Group

Statements of Revenues, Expenses, and Changes in Net Position
Years Ended June 30, 2021 and 2020

	2021	2020
Operating revenues:		
Member contributions	\$ 51,610,260	\$ 43,471,382
Operating expenses:		
Losses and loss adjustment expenses, net	16,414,213	12,229,381
Reinsurance premiums	25,321,119	20,940,436
Agent commissions	4,984,961	4,094,279
Management fees	3,612,718	3,359,429
Claims administration fees	719,233	647,117
Actuarial and accounting	99,440	99,440
Risk management services	166,328	166,397
Other	372,580	491,037
Total operating expenses	51,690,592	42,027,516
Operating income (loss)	(80,332)	1,443,866
Nonoperating revenues:		
Investment income	215,073	456,713
Net change in the fair value of investments	(891)	29,721
Net nonoperating revenues	214,182	486,434
Change in net position	133,850	1,930,300
Net position at beginning of year	13,774,969	11,844,669
Net position at end of year	\$ 13,908,819	\$ 13,774,969

See notes to financial statements.

Oklahoma Schools Insurance Group

Statements of Cash Flows

Years Ended June 30, 2021 and 2020

	2021	2020
Operating activities:		
Member contributions received	\$ 49,323,776	\$ 40,224,493
Prepaid member contributions received	2,039,372	2,286,484
Reinsurance premiums paid	(25,321,119)	(20,940,436)
Payments collected from reinsurers	50,803,580	22,538,114
Payments for claims, management and administrative fees and other operating expenses	(82,665,009)	(46,825,426)
Net cash used in operating activities	(5,819,400)	(2,716,771)
Investing activities:		
Purchases of investments	(4,000,000)	(35,000,000)
Proceeds from maturity and sales of investments	8,000,000	38,500,000
Interest and dividend income received	266,846	206,532
Net cash provided by investing activities	4,266,846	3,706,532
Net change in cash and cash equivalents	(1,552,554)	989,761
Cash and cash equivalents at beginning of year	5,953,403	4,963,642
Cash and cash equivalents at end of year	\$ 4,400,849	\$ 5,953,403
Reconciliation of operating income (loss) to net cash used in operating activities:		
Operating income (loss)	\$ (80,332)	\$ 1,443,866
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Distributions payable to members applied to contributions	-	(1,478,521)
Changes in assets and liabilities:		
Reinsurance receivable on paid losses	(8,107,146)	(5,864,313)
Accounts receivable	55,549	(57,189)
Accrued expenses	(20,923)	29,528
Prepaid member contributions	(247,112)	518,116
Unpaid losses and loss adjustment expenses—case reserves and incurred but not reported (IBNR) reserves	2,580,564	2,691,742
Net cash used in operating activities	\$ (5,819,400)	\$ (2,716,771)

See notes to financial statements.

Oklahoma Schools Insurance Group

Notes to Financial Statements

Note 1. Organization and Significant Accounting Policies

Organization: Oklahoma Schools Insurance Group (OSIG) was established by an agreement with an effective date of July 1, 2001, and a duration of fifty years, unless sooner dissolved or extended. OSIG is an Interlocal Cooperation Act Agency of schools offering membership to 468 public school districts (the members) in Oklahoma with a mission to provide quality, cost effective, risk management products and services to its members. OSIG is owned by its members.

OSIG is governed by a seven-member Board of Trustees elected by its members. Trustee responsibilities include reviewing and ensuring compliance with OSIG's policies and services as contemplated in its establishing agreement and bylaws. Title to all assets acquired by OSIG is vested in it. Each participating member pays its share for all costs, premiums or other fees attributable to its respective participation in any plan, policy or service created in the establishing agreement and is responsible for its obligation under any contract entered into with OSIG. In the event of dissolution of OSIG, the funds and other assets not necessary to pay claims or the expenses of OSIG are to be distributed to the members in accordance with the bylaws as determined by the Board of Trustees.

Financial statement presentation: OSIG's financial statements are presented in accordance with the requirements of Governmental Accounting Standards Board (GASB) specific to enterprise fund activities. Under these requirements, OSIG is required to present a statement of net position classified between current and noncurrent assets and liabilities, a statement of revenues, expenses and changes in net position, with separate presentation for operating and nonoperating revenues and expenses and a statement of cash flows, using the direct method.

Basis of accounting: For financial reporting purposes, OSIG is considered a special-purpose government entity engaged only in business-type activities. Accordingly, OSIG's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when an obligation has been incurred.

Cash, cash equivalents and other deposits: OSIG considers investments with original maturities of three months or less to be cash equivalents. OSIG had no cash equivalents at June 30, 2021 or 2020.

Investments: Investments, which include U.S. Treasury bills, are reported at fair value. Certificates of deposit are recorded at cost which approximates fair value. Fair value is the last reported sales price at current exchange rates on a national exchange, as available, or estimated fair value as provided by the investment manager. All investments expected to be liquidated in the next fiscal year to cover claim payments are reported as current. Remaining investments are reported as noncurrent.

Allowance for doubtful accounts: Based on a review of the current status of existing receivables, OSIG's management determined that an allowance for doubtful accounts for reinsurance and accounts receivables at June 30, 2021 and 2020, was not necessary.

Reinsurance: In the ordinary course of business, OSIG has reinsured portions of its liability, property, and other insurance coverage to limit the amounts of potential losses on individual claims, although it does not discharge the primary responsibility of OSIG as direct insurance of the risks reinsured. Reinsurance is ceded on an excess of loss basis. OSIG does not report reinsured risks as liabilities unless it is probable that those risks will not be covered by reinsurers. Amounts recoverable from reinsurers are estimated in a manner consistent with the unpaid losses and loss adjustment expenses associated with the reinsurance policy.

Unpaid losses and loss adjustment expenses: The provision for unpaid losses and loss adjustment expenses includes the estimated costs of investigating and settling all claims incurred as of the date of the statements of net position.

Oklahoma Schools Insurance Group

Notes to Financial Statements

Note 1. Organization and Significant Accounting Policies (Continued)

Such amounts include estimates for case reserves and incurred but not reported (IBNR) claims and are determined on the basis of claims adjusters' evaluations and independent actuarial estimates. Unpaid losses and loss adjustment expenses are reported net of amounts that are expected to be recovered from reinsurers. Unpaid losses and loss adjustment expenses are not discounted for expected investment rates of return.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income taxes: OSIG is a public entity organized under the laws of the state of Oklahoma and, as such, is considered to be an instrumentality of a political subdivision exempt from federal income taxes under Internal Revenue Code section 115.

Revenue recognition: Insurance contracts with members are for a one-year period beginning July 1 through June 30. Member contributions are determined on a member-by-member basis and are due at the beginning of each contract period and are recognized as revenue over the period of the contract. OSIG's program administrator calculates each member's contribution using premium rates provided by OSIG's reinsurer's loss rates within the retention as estimated by the actuary, and factors to include underwriting considerations, administrative expenses, claims adjustment expenses and agent commissions. Prepaid member contributions are amounts received for which coverage has not yet been provided.

Premium deficiency: A premium deficiency exists when the sum of expected claims costs (including an estimated liability for unreported claims) and all expected claims adjustment expenses, and coverage agreement acquisition costs exceed related unearned premiums. OSIG anticipates investment income in determining if a premium deficiency exists. At June 30, 2021 and 2020, OSIG determined no premium deficiency existed.

Classification of revenues: OSIG has classified its revenues as either operating or nonoperating revenues. Operating revenues include transactions that constitute OSIG's principal ongoing operations, such as providing coverage. Nonoperating revenues consist of other revenue sources not directly affiliated with operations, such as investment income.

Custodial credit risk—deposits: Custodial credit risk is the risk that in the event of bank failure, OSIG's cash deposits may be lost. OSIG does not have a deposit policy for custodial credit risk. As of June 30, 2021 and 2020, OSIG had fully insured cash on deposits with financial institutions of approximately \$500,000. As of June 30, 2021, approximately \$4,790,000 of OSIG's bank balance of approximately \$5,290,000 (carrying amount of approximately \$4,401,000) was uninsured and uncollateralized and therefore exposed to custodial credit risk. As of June 30, 2020, approximately \$6,405,000 of OSIG's bank balance of approximately \$6,905,000 (carrying amount of approximately \$5,953,000) was uninsured and uncollateralized and therefore exposed to custodial credit risk.

Credit risk—insurance carriers: As discussed in Note 5, OSIG utilizes reinsurance contracts to minimize its exposure on certain types of claims. Failure of the insurance carrier to honor its obligation under the insurance agreements could result in losses to OSIG. OSIG's management evaluates the financial condition of its insurance carriers to minimize its exposure to significant losses and believes the carriers presently used are financially sound and will be able to meet their contractual obligations. OSIG, through Arthur J. Gallagher, only places coverage with companies rated A-VII or better by A.M. Best, an industry- standard rating company.

Oklahoma Schools Insurance Group

Notes to Financial Statements

Note 2. Investments

Custodial credit risk—investments: For an investment, custodial credit risk is the risk that OSIG will not be able to recover the value of its investments that are in the possession of its safekeeping custodians. All of OSIG's investments are held by its agent in OSIG's name. Accordingly, no investments are subject to custodial credit risk. At June 30, 2021 and 2020, OSIG held certificates of deposit with an original maturity exceeding three months, totaling \$6,815,067 and \$11,868,353, respectively. The certificates of deposits are fully insured by the Federal Deposit Insurance Corporation (FDIC).

Fair value hierarchy: OSIG categorizes its fair value measurements within the fair value hierarchy established by GASB 72. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets in markets that are not active, and other market corroborated inputs; Level 3 inputs are significant unobservable inputs. The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

OSIG has the following Level 2 fair value of investments and their maturities as of June 30, 2021 are as follows:

Investment Type	Investment Maturities (In Years)				
	Fair Value	Less Than 1	1–5	6–10	More Than 10
Certificates of deposit	\$ 6,815,067	\$ 5,405,323	\$ 1,409,744	\$ -	\$ -
U.S. Treasury bills	3,999,972	3,999,972	-	-	-
Total	<u>\$ 10,815,039</u>	<u>\$ 9,405,295</u>	<u>\$ 1,409,744</u>	<u>\$ -</u>	<u>\$ -</u>

OSIG has the following Level 2 fair value of investments and their maturities as of June 30, 2020 are as follows:

Investment Type	Investment Maturities (In Years)				
	Fair Value	Less Than 1	1–5	6–10	More Than 10
Certificates of deposit	\$ 11,868,353	\$ 5,239,932	\$ 6,628,421	\$ -	\$ -
U.S. Treasury bills	2,999,350	2,999,350	-	-	-
Total	<u>\$ 14,867,703</u>	<u>\$ 8,239,282</u>	<u>\$ 6,628,421</u>	<u>\$ -</u>	<u>\$ -</u>

All investments expected to be liquidated in the next fiscal year to cover claim payments are reported as current in the accompanying statements of net position. Remaining investments are reported as noncurrent.

Interest rate risk: OSIG does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The majority of OSIG's investments are in certificates of deposit, which are subject to risks associated with rising interest rates.

Concentration of credit risk: OSIG does not have a formal policy that limits the amount of an investment into a single issuer. Exposure to concentration of credit risk is considered to exist when investments in any one issuer represent a significant percent of total investments of OSIG (any over 5% are disclosed). Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools and other pooled investments are excluded from this consideration.

Oklahoma Schools Insurance Group

Notes to Financial Statements

Note 3. Administrative and Other Costs

For the years ended June 30, 2021 and 2020, the Board of Trustees contracted with Arthur J. Gallagher Risk Management Services (Gallagher) to serve as the program administrator. Under the terms of the contract with Gallagher, OSIG agreed to pay Gallagher a fee equal to 7% of member contributions for the years ended June 30, 2021 and 2020. Fees paid to Gallagher for the years ended June 30, 2021 and 2020, totaled approximately \$3,613,000 and \$3,359,000, respectively. In addition to their duties as administrator, Gallagher pays for loss control inspections, property appraisals and other risk management resources.

For the years ended June 30, 2021 and 2020, the Board of Trustees contracted with Alternative Service Concepts LLC (ASC) to be the third-party administrator responsible for claims processing. Fees paid to ASC for the years ended June 30, 2021 and 2020, totaled approximately \$719,000 and \$647,000, respectively. OSIG also pays a 10% commission independent insurance agents, which totaled approximately \$4,985,000 and \$4,094,000 for the years ended June 30, 2021 and 2020, respectively. Additionally, OSIG contracted with David Martin to serve as OSIG's executive director. Payments to David Martin for services rendered under the contract was approximately \$97,000 and \$95,000 during the years ended June 30, 2021 and 2020, respectively.

Note 4. Unpaid Losses and Loss Adjustment Expenses

The coverage offered by OSIG is on an occurrence basis except educators' legal liability, which is offered to members on a claims-made basis. The liability for unpaid losses and loss adjustment expenses is estimated, based upon an evaluation of reported claims and an estimate for IBNR claims. The IBNR reserve estimates expenses related to incidents which have already occurred, but have not yet been reported as a claim, and expected future development of claims already reported. The estimate is based on a study performed by an independent actuarial service with actual claims data as of June 30, 2021 and 2020.

The accuracy of these estimates cannot be determined prior to the ultimate settlement of each claim. Accordingly, the ultimate cost of settling these claims may vary significantly from the liabilities recorded at year-end and may do so in the near term.

There is a substantial liability for any additional reported claims that could be incurred by OSIG up to the maximum liability as defined under its excess reinsurance contracts.

At June 30, 2021 and 2020, the liability for unpaid losses and loss adjustment expenses excludes approximately \$88,490,000 and \$75,445,000, respectively, for unpaid claims expected to be recoverable from excess carriers.

Oklahoma Schools Insurance Group

Notes to Financial Statements

Note 4. Unpaid Losses and Loss Adjustment Expenses (Continued)

The following represents changes in the liability of unpaid losses and loss adjustment expenses for OSIG:

	Year Ended June 30, 2021		
	Case Reserves	IBNR	Total
Net unpaid losses and loss adjustment expenses at beginning of year	\$ 11,752,602	\$ 3,664,000	\$ 15,416,602
Incurred losses and loss adjustment expenses:			
Provision for insured events of the current year	13,071,457	2,549,000	15,620,457
Change in provision for insured events of prior years	2,487,756	(1,694,000)	793,756
Net incurred losses and loss adjustment expenses	15,559,213	855,000	16,414,213
Payments:			
Losses and loss adjustment expenses attributable to insured events of the current year	5,244,608	-	5,244,608
Losses and loss adjustment expenses attributable to insured events of prior years	8,589,041	-	8,589,041
Net payments	13,833,649	-	13,833,649
Unpaid losses and loss adjustment expenses at end of year, net of reinsurance receivable	\$ 13,478,166	\$ 4,519,000	\$ 17,997,166

The provision for unpaid losses and loss adjustment expenses increased by approximately \$794,000 in 2021 due to unfavorable development on case-basis reserves of \$2,488,000 partially offset by expiration of IBNR risk on older policy years of \$1,694,000. The liability for unpaid losses and loss adjustment expenses at June 30, 2021 included approximately \$4,519,000 for IBNR claims.

Oklahoma Schools Insurance Group

Notes to Financial Statements

Note 4. Unpaid Losses and Loss Adjustment Expenses (Continued)

	Year Ended June 30, 2020		
	Case Reserves	IBNR	Total
Net unpaid losses and loss adjustment expenses at beginning of year	\$ 10,546,860	\$ 2,178,000	\$ 12,724,860
Incurred losses and loss adjustment expenses:			
Provision for insured events of the current year	10,818,526	2,038,000	12,856,526
Change in provision for insured events of prior years	(75,145)	(552,000)	(627,145)
Net incurred losses and loss adjustment expenses	10,743,381	1,486,000	12,229,381
Payments:			
Losses and loss adjustment expenses attributable to insured events of the current year	6,191,652	-	6,191,652
Losses and loss adjustment expenses attributable to insured events of prior years	3,345,987	-	3,345,987
Net payments	9,537,639	-	9,537,639
Unpaid losses and loss adjustment expenses at end of year, net of reinsurance receivable	\$ 11,752,602	\$ 3,664,000	\$ 15,416,602

The provision for unpaid losses and loss adjustment expenses decreased by approximately \$627,000 in 2020 due to favorable development on case-basis reserves of \$75,000 offset by expiration of IBNR risk on older policy years of \$552,000. The liability for unpaid losses and loss adjustment expenses at June 30, 2020 included approximately \$3,664,000 for IBNR claims.

Note 5. Reinsurance Coverage/Structure

OSIG provides its members with property damage, automobile damage, general liability, auto liability, educators legal liability, boiler and machinery, school violent act protection, crime, and cyber liability coverages. Claims have historically been paid with funding from the annual member contributions, with claims in excess of specified thresholds covered by reinsurance coverage.

Thresholds for the years ended June 30, 2021 and 2020, were as follows:

	Per Occurrence	Aggregate
2021:		
Property and automobile damage	\$ 250,000 *	N/A
Property and automobile damage—windstorm/hail/CAT	750,000 *	N/A
General, automobile and professional liability	100,000	5,981,589

Oklahoma Schools Insurance Group

Notes to Financial Statements

Note 5. Reinsurance Coverage/Structure (Continued)

	<u>Per Occurrence</u>	<u>Aggregate</u>
2020:		
Property and automobile damage	\$ 250,000 *	N/A
Property and automobile damage—windstorm/hail	500,000 *	N/A
General, automobile and professional liability	100,000	5,537,139

* Property insurance per occurrence reimbursements from reinsurers are subject to a corridor deductible of \$3,000,000. Each property claim that is not related to windstorm or hail damage in excess of \$250,000 first must satisfy the \$250,000 per occurrence threshold, with amounts over \$250,000 applied toward the corridor deductible. Each property claim related to windstorm, hail damage or CAT claims in excess of \$750,000 first must satisfy the \$750,000 per occurrence threshold, with amounts over \$750,000 applied toward the corridor deductible. No amounts are due under the agreement until the \$3,000,000 corridor deductible is satisfied.

In some instances, multiple members can be affected by the same loss event. These reinsurance thresholds are applied to the aggregate loss for these single events. The reinsurance contracts do not relieve OSIG from its obligation to its members.

Reinsurance was not utilized for either the boiler and machinery or crime coverage. Boiler and machinery coverage is 100% reinsured. The boiler and machinery reinsurance contract has a required deductible per claim of \$1,000, which is passed through to the member filing the claim. Crime coverage is self-insured by OSIG, with a maximum limit on each claim of \$10,000 and deductibles per claim of \$1,000.

During the years ended June 30, 2021 and 2020, there was a gross increase in recoverable claims cost, prior to netting cash received from reinsurers, of approximately \$71,955,000 and \$76,923,000, respectively.

Note 6. Commitments and Contingencies

Legal matters: In conducting its activities, OSIG, from time to time, is the subject of various claims arising from the ordinary course of business. OSIG reserves the underlying losses at best estimates as events transpire. In the opinion of management, the ultimate resolution of such claims is not expected to have a material adverse effect upon the financial statements of OSIG.

COVID-19 Implications: A pandemic, epidemic or outbreak of an infectious disease could adversely impact OSIG. Due to the evolving and highly uncertain nature of COVID-19, it currently is not possible to provide an estimate of any potential financial exposure or the indirect effect the outbreak may have on OSIG's results of operations, financial condition or liquidity. OSIG will continue to monitor the effects of COVID-19.

Required Supplementary Information

Oklahoma Schools Insurance Group

10-Year Loss Development

The following table illustrates how OSIG's earned member contributions and investment income (net of amounts ceded to reinsurance carriers) compare to related costs of loss (net of loss assumed by reinsurers) and other expenses assumed by OSIG as of the end of each of the last ten years. The rows of the table are defined as follows:

- (1) Total earned member contributions and investment revenues, net of costs for reinsurance.
- (2) Other administrative costs of OSIG, including overhead and claims expense not allocable to individual claims.
- (3) Incurred claims and allocated claim adjustment expenses (both paid and reserved, net of losses covered by reinsurance) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (policy year).
- (4) Cumulative amounts paid as of the end of successive years for each policy year.
- (5) Latest reestimated amount of losses assumed by reinsurers for each policy year.
- (6) Increase or decrease in estimates of net incurred claims and allocated claim adjustment expenses for each policy year as of the end of successive years. This annual reestimation results from new information received on known claims, reevaluation of existing information on known claims, as well as emergence of new claims not previously reported.
- (7) Compares the latest reestimated incurred claims amount (line 6) and the estimate originally established (line 3). Shows whether the latest estimate of claims cost is greater or less than originally estimated. As data for individual policy years mature, the correlation between original estimates and reestimated amounts is commonly used to evaluate the accuracy of initial loss estimation methods.

(Continued)

Oklahoma Schools Insurance Group
 Required Supplementary Information - Schedule of Claims Development - Unaudited
 For the 10 Years Ended June 30, 2021
 10-Year Loss Development

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
(1) Premiums and investment revenue, as originally reported at end of policy year:										
Earned	\$ 51,824,442	\$ 43,957,816	\$ 33,625,687	\$ 26,423,157	\$ 25,536,509	\$ 23,935,709	\$ 25,003,145	\$ 24,339,336	\$ 21,853,448	\$ 22,232,030
Ceded to reinsurers	(25,321,119)	(20,940,435)	15,352,691	11,204,265	11,652,147	10,794,487	10,588,820	11,660,027	10,626,030	12,323,603
Net earned	77,145,561	64,898,252	18,272,996	15,218,892	13,884,362	13,141,222	14,414,325	12,679,309	11,227,418	9,908,427
(2) Unallocated expenses, as originally reported at end of policy year	9,955,260	8,857,699	6,820,454	5,651,130	5,398,914	6,055,814	5,187,826	4,818,166	4,498,793	4,699,233
(3) Estimated losses and expenses, end of policy year:										
Incurred	42,111,003	49,083,889	15,673,463	14,161,187	13,551,154	8,117,000	7,628,500	5,919,500	8,073,854	8,778,575
Recoverable from reinsurers	26,490,546	36,227,363	5,450,063	5,424,260	4,304,154	64,000	26,500	124,500	112,854	612,425
Net incurred	15,620,457	12,856,526	10,223,400	8,736,927	9,247,000	8,053,000	7,602,000	5,795,000	7,961,000	8,166,150
(4) Net paid (cumulative) as of:										
End of policy year	5,244,608	6,191,652	3,199,691	3,726,396	4,862,059	2,843,847	2,810,778	2,044,045	3,050,569	2,930,550
One year later		9,633,094	6,796,997	6,177,935	6,605,071	6,027,267	5,054,326	3,734,202	5,902,181	5,381,794
Two years later			6,015,997	7,213,606	8,104,624	6,947,359	6,305,373	5,080,503	6,236,599	5,949,150
Three years later				6,374,459	8,668,036	7,442,038	6,585,368	5,260,843	6,314,806	6,205,373
Four years later					7,478,666	7,704,211	7,303,736	5,287,810	6,338,490	6,264,951
Five years later						6,360,228	7,439,963	5,306,622	6,392,520	6,323,238
Six years later							6,071,184	5,379,065	6,803,392	6,426,126
Seven years later								3,980,712	6,800,990	6,426,594
Eight years later									4,401,263	6,426,814
Nine years later										5,690,868
(5) Reestimated ceded losses and expenses, recoverable from reinsurers	26,490,546	90,764,681	36,016,781	13,242,494	9,261,049	10,014,217	4,820,246	2,244,503	3,460,382	2,964,149
(6) Reestimated net incurred losses and expenses:										
End of policy year	15,620,457	12,856,526	10,223,400	8,736,927	9,247,000	8,053,000	7,602,000	5,795,000	7,961,000	8,166,150
One year later		12,510,984	10,299,338	9,292,005	9,545,793	8,141,000	7,164,000	5,678,000	7,207,000	7,486,000
Two years later			8,063,211	8,878,763	10,198,681	8,258,607	7,561,000	5,679,000	6,752,000	6,700,000
Three years later				7,469,164	10,052,386	8,243,873	7,857,981	5,535,000	6,675,000	6,466,000
Four years later					8,625,491	7,970,757	7,807,404	5,418,352	6,567,175	6,449,000
Five years later						6,486,893	7,919,129	5,362,177	6,501,151	6,443,489
Six years later							6,224,662	5,420,194	6,666,675	6,462,489
Seven years later								4,013,019	6,864,992	6,453,489
Eight years later									4,436,992	6,428,000
Nine years later										5,691,054
(7) (Decrease) increase in estimated net incurred losses and expenses from end of policy year	-	(345,532)	(2,160,189)	(1,267,763)	(621,509)	(1,566,107)	(1,377,338)	(1,781,981)	(3,524,008)	(2,475,096)



Forecast Losses for 7/1/21-22

Oklahoma Schools Insurance Group

APRIL 21, 2021

28 White Bridge Road, Suite 205
Nashville, TN 37205-1428
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Loss Forecast for 7/1/21-22

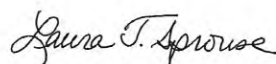
Oklahoma Schools Insurance Group

Report Date: April 21, 2021

Report Notes

Based on data as of December 31, 2020

Prepared by

 Digitally signed by Laura
Sprouse, FCAS, MAAA
Date: 2021-04-21 12:39:
10

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Section 1

Executive Summary

The purpose of this report is to provide the Oklahoma Schools Insurance Group (OSIG) with an evaluation of the projected liabilities associated with its property and liability insurance programs. The specific objectives are (a) to forecast ultimate losses for the 7/1/21-22 period; and (b) to analyze the variability inherent in the forecast losses by deriving estimates at various percentiles or confidence levels. Throughout this report the term losses refers to both losses and allocated loss adjustment expenses.

The liability program will continue with a \$100,000 per occurrence retention. The results are summarized below.

Liability Program Forecast for 7/1/21-22 with \$100,000 Retention	
Total Expected Losses	\$3,910,000
75 th Percentile Losses	\$4,333,000
Exposure (students)	485,913
Expected Rate	\$8.05

The property program will change from a SIR plus corridor structure to a \$25,000 maintenance deductible with a large aggregate deductible, followed by a \$100,000 trailing deductible per occurrence, once the aggregate is reached. A separate forecast for members who purchase only automobile physical damage is shown along with the property program losses at two different aggregate limits. Also, auto physical damage claims due to over the road injuries do not erode the aggregate.

Property Program Forecast for 7/1/21-22			
	<i>Primary Auto Physical Damage</i>	<i>Property with APD \$20M Aggregate</i>	<i>Property with APD \$25M Aggregate</i>
Total Expected Losses	\$124,000	\$22,941,000	\$26,852,000
<i>75th Percentile Losses</i>	<i>\$138,000</i>	<i>\$23,988,000</i>	<i>\$28,637,000</i>
<i>Exposure</i>	<i>1,369 vehicles</i>	<i>\$16.5 Billion</i>	<i>\$16.5 Billion</i>
<i>Expected Loss Rate</i>	<i>\$90.26</i>	<i>\$0.139 per \$100</i>	<i>\$0.161 per \$100</i>
<i>Retentions</i>	<i>\$100,000 Per Occurrence</i>	<i>\$25,000 Maintenance Deductible/\$100,000 Trailing Deductible</i>	<i>\$25,000 Maintenance Deductible/\$100,000 Trailing Deductible</i>

Tables at the end of this Executive Summary display the results of our analysis in greater detail. Table A summarizes the forecast losses, loss rate per exposure, total expected claims and expected large claims. Table B shows the aggregate distribution of the forecast losses.

Discussion of Results

Automobile Liability

We project that OSIG will incur accident year 7/1/21-22 automobile liability losses of \$1,485,000, at a cost of \$114 per vehicle. This rate is about 8.0% less than the rate estimated in the previous actuarial report. We estimate a total of 223.9 claims with 2.7 of these claims expected to exceed \$100,000 (Exhibit 5). The total provision for large claims at the \$100,000 retention is \$267,000, which makes up about 18% of the total forecast. There is a 50% chance that losses will be less than \$1,451,000, and a 10% chance that losses will exceed \$1,944,000 (Exhibit 6).

General Liability

We project that OSIG will incur accident year 7/1/21-22 general liability losses of \$2,425,000, at a cost of \$4.99 per student. This rate is about the same as the rate estimated in the previous actuarial report. We estimate a total of 116.5 claims with 8.1 of these claims expected to exceed \$100,000 (Exhibit 5). The total provision for large claims at the \$100,000 retention is \$810,000, which makes up 33% of the total forecast. There is a 50% chance that losses will be less than \$2,360,000, and a 10% chance that losses will exceed \$3,237,000 (Exhibit 6).

Auto Physical Damage

For members that only purchase the primary APD policy, we estimate the losses within OSIG's \$100,000 retention to be \$124,000 which is a rate of \$90.26 per vehicle. We expect about 15.8 claims with an average size of \$7,800. There is a 50% probability that losses will be less than \$122,000 and a 10% probability that they could exceed \$155,000.

Most members participate in the property program which includes auto physical damage within the same limits. We have estimated that the losses included in the property forecast that are attributed to APD causes is about \$1,097,000 which is a rate of \$97.58 per vehicle.

Property

The structure of the proposed property program is different from the previous program. OSIG retains the first \$25,000 for all claims, with amounts in excess of \$25,000 applied to the aggregate. The exception is that auto physical damage claims due to over the road injuries will not erode the aggregate. The large aggregate deductible applies to all other claims regardless of size or cause of loss. Once the aggregate is reached, OSIG will have a \$100,000 trailing deductible for all claims, with the carrier picking up the losses excess of \$100,000.

We expect OSIG to incur about 327.4 claims with an average severity of \$124,000. Total expected losses before application of the insurance provisions are \$40,333,000. For any given claim, there is a 90.5%

probability that the claim will be less than \$100,000, and would be retained by OSIG, either through the aggregate retention or the trailing deductible. There is a 1.0% probability that a claim would exceed \$2,000,000, the 99th percentile and 0.1% probability that a claim could exceed \$13,800,000, the 99.9th percentile.

After applying the \$25,000 maintenance deductible, the \$20,000,000 aggregate deductible and the trailing deductible of \$100,000 we subtract the member deductibles of \$1,602,000 to get total program expected losses of \$22,941,000. There is a 25% probability that claims will be less than \$23,988,000 and a 10% probability that they could exceed \$24,559,000.

Raising the aggregate retention to \$25,000,000 also raises the expected program losses to \$26,582,000. The 75th percentile estimate is \$28,637,000, and the 90th percentile is \$29,287,000.

Forecast Ultimate Losses for 7/1/21-22

	<i>Automobile Liability</i>	<i>General Liability</i>	<i>Total</i>
<i>Forecast Ultimate Losses</i>	\$1,485,000	\$2,425,000	\$3,910,000
<i>Exposure*</i>	13,074	485,913	485,913
<i>Cost per exposure</i>	\$114	\$4.99	\$8.05
<i>Per Occurrence Retention</i>	\$100,000	\$100,000	
<i>Forecast Claim Counts</i>	223.9	116.5	340.4
<i>Average Claim Size</i>	\$6,600	\$20,800	\$11,500
<i>Total Claims over \$100,000</i>	2.7	8.1	10.8

* Exposures are Vehicle for AL and Student Count for GL

Distribution of Forecast Losses for 7/1/21-22
 Assuming a \$100,000 SIR

<i>Percentile</i>	<i>SIR Layer \$100,000</i>	<i>Layer \$900,000 xs \$100,000</i>	<i>Losses Limited to \$1,000,000</i>	<i>Losses Excess of \$1,000,000</i>	<i>Total Incurred Losses</i>
20.0%	\$3,319,000	\$648,000	\$4,162,000	\$0	\$4,162,000
30.0%	\$3,512,000	\$773,000	\$4,436,000	\$0	\$4,440,000
40.0%	\$3,682,000	\$891,000	\$4,700,000	\$0	\$4,703,000
50.0%	\$3,849,000	\$1,014,000	\$4,927,000	\$0	\$4,938,000
60.0%	\$4,030,000	\$1,144,000	\$5,167,000	\$0	\$5,180,000
70.0%	\$4,224,000	\$1,296,000	\$5,457,000	\$0	\$5,479,000
75.0%	\$4,333,000	\$1,383,000	\$5,621,000	\$0	\$5,642,000
80.0%	\$4,468,000	\$1,483,000	\$5,805,000	\$0	\$5,832,000
85.0%	\$4,629,000	\$1,607,000	\$6,014,000	\$0	\$6,053,000
90.0%	\$4,853,000	\$1,773,000	\$6,306,000	\$0	\$6,342,000
95.0%	\$5,191,000	\$2,016,000	\$6,737,000	\$0	\$6,801,000
99.0%	\$5,884,000	\$2,588,000	\$7,631,000	\$680,000	\$7,759,000
Expected	\$3,910,000	\$1,085,000	\$4,995,000	\$17,000	\$5,012,000
<i>Vehicles</i>	13,074				
<i>Students</i>	485,913				
Cost Per Student	\$8.05	\$2.23	\$10.28	\$0.03	\$10.31

Forecast Ultimate Losses for 7/1/21-22

<i>Auto Physical Damage - Primary Only Retention</i>	\$100,000
<i>Property with APD - Maintenance Deductible</i>	\$25,000
<i>Property with APD - Aggregate Retention</i>	\$20,000,000
<i>Property with APD - Trailing Deductible</i>	\$100,000

	<i>Auto Physical Damage Primary Only Members</i>	<i>Property/APD Program</i>	<i>Total (PR and APD)</i>
<i>Forecast Ultimate Losses</i>	\$124,000	\$22,941,000	\$23,065,000
<i>Exposure</i>	1,369	\$165,080,000	
<i>Cost per exposure*</i>	\$90.26	\$0.139	\$0.140
<i>Forecast Claim Counts</i>	145.8	327.4	
<i>Average Claim Severity</i>	\$900	\$70,100	
<i>Vehicles at Program Limits</i>		11,243	
<i>Rate at Program Limits</i>		\$97.58	
<i>APD Losses Included in Property Retention</i>		\$1,097,000	

* Exposures are Vehicles for APD, and \$100 TIV for Property
 - Auto Physical Damage claims due to Over the Road accidents do not erode the aggregate

Forecast Ultimate Losses for 7/1/21-22

Auto Physical Damage - Primary Only Retention	\$100,000
Property with APD - Maintenance Deductible	\$25,000
Property with APD - Aggregate Retention	\$25,000,000
Property with APD - Trailing Deductible	\$100,000

	Auto Physical Damage Primary Only Members	Property/APD Program	Total (PR and APD)
Forecast Ultimate Losses	\$124,000	\$26,582,000	\$26,706,000
Exposure	1,369	\$165,080,000	
Cost per exposure*	\$90.26	\$0.161	\$0.162
Forecast Claim Counts	145.8	327.4	
Average Claim Severity	\$900	\$81,200	
	Vehicles at Program Limits	11,243	
	Rate at Program Limits	\$97.58	
	APD Losses Included in Property Retention	\$1,097,000	

* Exposures are Vehicles for APD, and \$100 TIV for Property
 - Auto Physical Damage claims due to Over the Road accidents do not erode the aggregate

Forecast Ultimate Losses for 7/1/21-22

Maintenance Deductible \$25,000
Aggregate Deductible \$20,000,000
Trailing Deductible \$100,000

(A) Percentile	(B) Ultimate Claims	(C) Member Deductibles	(D) Retained APD Losses	(E) Unlimited Losses	(F) Total Program Losses	(G) Total Net of Member Deductibles	(H) Insured Excess
20.0%	312	\$1,388,000	\$25,000	\$26,017,000	\$24,061,000	\$22,570,000	\$1,775,000
30.0%	318	\$1,458,000	\$25,000	\$29,236,000	\$24,409,000	\$22,876,000	\$4,605,000
40.0%	323	\$1,522,000	\$50,000	\$32,444,000	\$24,694,000	\$23,121,000	\$7,531,000
50.0%	327	\$1,585,000	\$50,000	\$35,942,000	\$24,962,000	\$23,355,000	\$10,791,000
60.0%	332	\$1,650,000	\$75,000	\$40,027,000	\$25,232,000	\$23,591,000	\$14,648,000
70.0%	337	\$1,721,000	\$75,000	\$45,308,000	\$25,527,000	\$23,847,000	\$19,721,000
75.0%	340	\$1,762,000	\$75,000	\$48,615,000	\$25,688,000	\$23,988,000	\$22,950,000
80.0%	343	\$1,808,000	\$125,000	\$52,712,000	\$25,867,000	\$24,145,000	\$26,965,000
85.0%	346	\$1,863,000	\$125,000	\$57,928,000	\$26,077,000	\$24,329,000	\$32,111,000
90.0%	351	\$1,935,000	\$155,000	\$64,992,000	\$26,341,000	\$24,559,000	\$39,120,000
95.0%	358	\$2,046,000	\$155,000	\$75,935,000	\$26,721,000	\$24,890,000	\$49,930,000
99.0%	370	\$2,267,000	\$155,000	\$98,631,000	\$27,402,000	\$25,477,000	\$72,238,000
<i>Expected</i>	327	\$1,603,000	\$60,000	\$40,333,000	\$24,544,000	\$22,941,000	\$15,789,000
<i>TIV in \$00s</i>	\$165,080,000						
<i>Rate</i>		\$0.010		\$0.244	\$0.149	\$0.139	\$0.096

(B) - Exhibit 3

(C) - Exhibit 5

(E) - Exhibit 4

(F) - Results of Monte Carlo simulation of claim frequency and severity with insurance limits applied

Includes APD losses due to Over the Road accidents

(G) = (F), net of member deductibles

(H) = (E) - (F)

Forecast Ultimate Losses for 7/1/21-22

Maintenance Deductible \$25,000
Aggregate Deductible \$25,000,000
Trailing Deductible \$100,000

(A) Percentile	(B) Ultimate Claims	(C) Member Deductibles	(D) Retained APD Losses	(E) Unlimited Losses	(F) Total Program Losses	(G) Total Net of Member Deductibles	(H) Insured Excess
20.0%	312	\$1,388,000	\$25,000	\$26,017,000	\$26,017,000	\$24,546,000	\$0
30.0%	318	\$1,458,000	\$25,000	\$29,236,000	\$28,780,000	\$27,240,000	\$184,000
40.0%	323	\$1,522,000	\$50,000	\$32,444,000	\$29,233,000	\$27,660,000	\$3,019,000
50.0%	327	\$1,585,000	\$50,000	\$35,942,000	\$29,538,000	\$27,929,000	\$6,217,000
60.0%	332	\$1,650,000	\$75,000	\$40,027,000	\$29,835,000	\$28,191,000	\$10,009,000
70.0%	337	\$1,721,000	\$75,000	\$45,308,000	\$30,161,000	\$28,477,000	\$15,012,000
75.0%	340	\$1,762,000	\$75,000	\$48,615,000	\$30,346,000	\$28,637,000	\$18,203,000
80.0%	343	\$1,808,000	\$125,000	\$52,712,000	\$30,550,000	\$28,814,000	\$22,184,000
85.0%	346	\$1,863,000	\$125,000	\$57,928,000	\$30,784,000	\$29,024,000	\$27,300,000
90.0%	351	\$1,935,000	\$155,000	\$64,992,000	\$31,077,000	\$29,287,000	\$34,285,000
95.0%	358	\$2,046,000	\$155,000	\$75,935,000	\$31,502,000	\$29,668,000	\$45,087,000
99.0%	370	\$2,267,000	\$155,000	\$98,631,000	\$32,240,000	\$30,332,000	\$67,324,000
<i>Expected</i>	327	\$1,603,000	\$60,000	\$40,333,000	\$28,185,000	\$26,582,000	\$12,148,000
<i>TIV in \$00s</i>	\$165,080,000						
<i>Rate</i>				\$0.244	\$0.171	\$0.161	\$0.074

(B) - Exhibit 3

(C) - Exhibit 5

(E) - Exhibit 4

(F) - Results of Monte Carlo simulation of claim frequency and severity with insurance limits applied

Includes APD losses due to Over the Road accidents

(G) = (F), net of member deductibles

(H) = (E) - (F)

Distribution of Forecast Losses for 7/1/21-22

<i>Percentile</i>	<i>Members at Primary Limits</i>	<i>Other Members Included in Program</i>
20.0%	\$104,000	\$899,000
30.0%	\$110,000	\$961,000
40.0%	\$116,000	\$1,017,000
50.0%	\$122,000	\$1,073,000
60.0%	\$128,000	\$1,132,000
70.0%	\$135,000	\$1,198,000
75.0%	\$138,000	\$1,236,000
80.0%	\$143,000	\$1,281,000
85.0%	\$148,000	\$1,334,000
90.0%	\$155,000	\$1,404,000
95.0%	\$166,000	\$1,516,000
99.0%	\$189,000	\$1,749,000
<i>Expected</i>	\$124,000	\$1,097,000
<i>Vehicles</i>	1,369	11,243
<i>Expected Rate per Vehicle</i>	\$90.26	\$97.58

**Distribution of Forecast Losses for 7/1/21-22
Assuming a \$100,000 SIR**

Percentile	SIR Layer \$100,000	Layer \$900,000 xs \$100,000	Losses Limited to \$1,000,000	Losses Excess of \$1,000,000	Total Incurred Losses
20.0%	\$1,191,000	\$57,000	\$1,304,000	\$0	\$1,304,000
30.0%	\$1,280,000	\$90,000	\$1,424,000	\$0	\$1,424,000
40.0%	\$1,365,000	\$122,000	\$1,534,000	\$0	\$1,534,000
50.0%	\$1,451,000	\$156,000	\$1,638,000	\$0	\$1,638,000
60.0%	\$1,537,000	\$198,000	\$1,751,000	\$0	\$1,751,000
70.0%	\$1,633,000	\$243,000	\$1,870,000	\$0	\$1,870,000
75.0%	\$1,692,000	\$275,000	\$1,939,000	\$0	\$1,939,000
80.0%	\$1,754,000	\$309,000	\$2,018,000	\$0	\$2,019,000
85.0%	\$1,840,000	\$351,000	\$2,123,000	\$0	\$2,123,000
90.0%	\$1,944,000	\$409,000	\$2,245,000	\$0	\$2,245,000
95.0%	\$2,100,000	\$509,000	\$2,459,000	\$0	\$2,459,000
99.0%	\$2,495,000	\$740,000	\$2,869,000	\$0	\$2,892,000
Expected	\$1,485,000	\$195,000	\$1,680,000	\$0	\$1,680,000
Vehicles	13,074				
Students	485,913				
Cost Per Vehicle	\$114	\$15	\$128	\$0	\$128
Cost Per Student	\$3.06	\$0.40	\$3.46	\$0.00	\$3.46

Percentiles based on combined distributions for small and large losses
 Aggregate small losses modeled using a lognormal distribution
 Large claim size modeled using an inverse Weibull distribution
 Large claim counts modeled using a Poisson Distribution

Lognormal
 Mu = 13.98065
 Sigma = 0.25000
Inverse Weibull
 Tau = 3.89530
 Theta = 138062.3
Poisson
 Lambda = 2.68

**Distribution of Forecast Losses for 7/1/21-22
Assuming a \$100,000 SIR**

<i>Percentile</i>	<i>SIR Layer \$100,000</i>	<i>Layer \$900,000 xs \$100,000</i>	<i>Losses Limited to \$1,000,000</i>	<i>Losses Excess of \$1,000,000</i>	<i>Total Incurred Losses</i>
20.0%	\$1,916,000	\$486,000	\$2,575,000	\$0	\$2,575,000
30.0%	\$2,078,000	\$595,000	\$2,815,000	\$0	\$2,817,000
40.0%	\$2,222,000	\$706,000	\$3,034,000	\$0	\$3,035,000
50.0%	\$2,360,000	\$811,000	\$3,244,000	\$0	\$3,249,000
60.0%	\$2,511,000	\$935,000	\$3,471,000	\$0	\$3,480,000
70.0%	\$2,673,000	\$1,078,000	\$3,727,000	\$0	\$3,746,000
75.0%	\$2,775,000	\$1,162,000	\$3,865,000	\$0	\$3,884,000
80.0%	\$2,896,000	\$1,264,000	\$4,025,000	\$0	\$4,048,000
85.0%	\$3,052,000	\$1,392,000	\$4,231,000	\$0	\$4,259,000
90.0%	\$3,237,000	\$1,554,000	\$4,500,000	\$0	\$4,554,000
95.0%	\$3,556,000	\$1,785,000	\$4,900,000	\$0	\$4,978,000
99.0%	\$4,224,000	\$2,322,000	\$5,740,000	\$648,000	\$5,932,000
Expected	\$2,425,000	\$890,000	\$3,315,000	\$17,000	\$3,332,000
<i>Students</i>	485,913				
Cost Per Student	\$4.99	\$1.83	\$6.82	\$0.03	\$6.86

*Percentiles based on combined distributions for small and large losses
Aggregate small losses modeled using a lognormal distribution
Large claim size modeled using an inverse Weibull distribution
Large claim counts modeled using a Poisson Distribution*

Distribution of Forecast Losses for 7/1/21-22

<i>Percentile</i>	<i>Members at Primary Limits</i>	<i>Other Members Unlimited</i>
20.0%	\$104,000	\$899,000
30.0%	\$110,000	\$961,000
40.0%	\$116,000	\$1,017,000
50.0%	\$122,000	\$1,073,000
60.0%	\$128,000	\$1,132,000
70.0%	\$135,000	\$1,198,000
75.0%	\$138,000	\$1,236,000
80.0%	\$143,000	\$1,281,000
85.0%	\$148,000	\$1,334,000
90.0%	\$155,000	\$1,404,000
95.0%	\$166,000	\$1,516,000
99.0%	\$189,000	\$1,749,000
<i>Expected</i>	\$124,000	\$1,097,000
<i>Vehicles</i>	1,369	11,243
<i>Expected Rate per Vehicle</i>	\$90.26	\$97.58
<i>Forecast Claims</i>	15.8	130.0
<i>Severity</i>	\$7,800	\$8,400

Forecast Ultimate Losses for 7/1/21-22

Maintenance Deductible \$25,000
Aggregate Deductible \$20,000,000
Trailing Deductible \$100,000

(A) Percentile	(B) Ultimate Claims	(C) Member Deductibles	(D) Retained APD Losses	(E) Unlimited Losses	(F) Total Program Losses	(G) Total Net of Member Deductibles	(H) Insured Excess
20.0%	312	\$1,388,000	\$25,000	\$26,017,000	\$24,061,000	\$22,570,000	\$1,775,000
30.0%	318	\$1,458,000	\$25,000	\$29,236,000	\$24,409,000	\$22,876,000	\$4,605,000
40.0%	323	\$1,522,000	\$50,000	\$32,444,000	\$24,694,000	\$23,121,000	\$7,531,000
50.0%	327	\$1,585,000	\$50,000	\$35,942,000	\$24,962,000	\$23,355,000	\$10,791,000
60.0%	332	\$1,650,000	\$75,000	\$40,027,000	\$25,232,000	\$23,591,000	\$14,648,000
70.0%	337	\$1,721,000	\$75,000	\$45,308,000	\$25,527,000	\$23,847,000	\$19,721,000
75.0%	340	\$1,762,000	\$75,000	\$48,615,000	\$25,688,000	\$23,988,000	\$22,950,000
80.0%	343	\$1,808,000	\$125,000	\$52,712,000	\$25,867,000	\$24,145,000	\$26,965,000
85.0%	346	\$1,863,000	\$125,000	\$57,928,000	\$26,077,000	\$24,329,000	\$32,111,000
90.0%	351	\$1,935,000	\$155,000	\$64,992,000	\$26,341,000	\$24,559,000	\$39,120,000
95.0%	358	\$2,046,000	\$155,000	\$75,935,000	\$26,721,000	\$24,890,000	\$49,930,000
99.0%	370	\$2,267,000	\$155,000	\$98,631,000	\$27,402,000	\$25,477,000	\$72,238,000
<i>Expected</i>	327	\$1,603,000	\$60,000	\$40,333,000	\$24,544,000	\$22,941,000	\$15,789,000
<i>TIV in \$00s</i>	\$165,080,000						
<i>Rate</i>		\$0.010		\$0.244	\$0.149	\$0.139	\$0.096

(B) - Exhibit 3

(C) - Exhibit 5

(E) - Exhibit 4

(F) - Results of Monte Carlo simulation of claim frequency and severity with insurance limits applied

Includes APD losses due to Over the Road accidents

(G) = (F), net of member deductibles

(H) = (E) - (F)

Forecast Ultimate Losses for 7/1/21-22

Maintenance Deductible \$25,000
Aggregate Deductible \$25,000,000
Trailing Deductible \$100,000

(A) Percentile	(B) Ultimate Claims	(C) Member Deductibles	(D) Retained APD Losses	(E) Unlimited Losses	(F) Total Program Losses	(G) Total Net of Member Deductibles	(H) Insured Excess
20.0%	312	\$1,388,000	\$25,000	\$26,017,000	\$26,017,000	\$24,546,000	\$0
30.0%	318	\$1,458,000	\$25,000	\$29,236,000	\$28,780,000	\$27,240,000	\$184,000
40.0%	323	\$1,522,000	\$50,000	\$32,444,000	\$29,233,000	\$27,660,000	\$3,019,000
50.0%	327	\$1,585,000	\$50,000	\$35,942,000	\$29,538,000	\$27,929,000	\$6,217,000
60.0%	332	\$1,650,000	\$75,000	\$40,027,000	\$29,835,000	\$28,191,000	\$10,009,000
70.0%	337	\$1,721,000	\$75,000	\$45,308,000	\$30,161,000	\$28,477,000	\$15,012,000
75.0%	340	\$1,762,000	\$75,000	\$48,615,000	\$30,346,000	\$28,637,000	\$18,203,000
80.0%	343	\$1,808,000	\$125,000	\$52,712,000	\$30,550,000	\$28,814,000	\$22,184,000
85.0%	346	\$1,863,000	\$125,000	\$57,928,000	\$30,784,000	\$29,024,000	\$27,300,000
90.0%	351	\$1,935,000	\$155,000	\$64,992,000	\$31,077,000	\$29,287,000	\$34,285,000
95.0%	358	\$2,046,000	\$155,000	\$75,935,000	\$31,502,000	\$29,668,000	\$45,087,000
99.0%	370	\$2,267,000	\$155,000	\$98,631,000	\$32,240,000	\$30,332,000	\$67,324,000
<i>Expected</i>	327	\$1,603,000	\$60,000	\$40,333,000	\$28,185,000	\$26,582,000	\$12,148,000
<i>TIV in \$00s</i>	\$165,080,000						
<i>Rate</i>				\$0.244	\$0.171	\$0.161	\$0.074

(B) - Exhibit 3

(C) - Exhibit 5

(E) - Exhibit 4

(F) - Results of Monte Carlo simulation of claim frequency and severity with insurance limits applied

Includes APD losses due to Over the Road accidents

(G) = (F), net of member deductibles

(H) = (E) - (F)

Section 2

Considerations

Background

Oklahoma Schools Insurance Group was formed in 2002 to insure the liability and property exposures for member school districts in the state of Oklahoma. The group purchases excess insurance for above a retention layer that varies by line of coverage. Arthur J. Gallagher Risk Management Services, Inc. manages OSIG. Select Actuarial Services has provided actuarial consulting services for OSIG, including loss forecasting and reserving studies since 2002.

Scope

Select Actuarial Services has prepared this report for OSIG at the request of Jennifer McKenzie of Arthur J. Gallagher Risk Management Services, Program Manager for OSIG. The specific objectives are (a) to forecast the ultimate losses for 7/1/21-22 for property and liability; and (b) to analyze the variability inherent in the losses by deriving estimates at various percentiles or confidence levels.

This report is an actuarial analysis of data, conditions, and practices communicated as of January 26, 2021, to Select Actuarial Services as described in this report. While Select Actuarial Services believes these communications to be reliable, it has not attempted to audit the information and cannot guarantee the accuracy of any information supplied. However, the data have been reviewed for reasonableness and internal consistency, comparing the claims experience from year to year, and comparing to prior evaluations.

We have not anticipated any extraordinary changes to the social, legal and economic environment that may affect the frequency, cost or future reporting and settlement patterns of claims. In addition, our estimates do not include any provision for future claims arising out of causes not represented in the current data.

Use and Distribution

The actuarial estimates in this report are based upon appropriate actuarial assumptions and procedures described in the section of this report entitled "Description of Exhibits." Select Actuarial Services assumes no responsibility for any loss or damage that might arise from the use of or reliance upon this report other than for the purposes set forth herein.

This report was prepared for the use of and is only to be relied upon by the management of the Oklahoma Schools Insurance Group. This report may also be provided to OSIG's auditors and insurance brokers. No portion of the report may be provided to any other party without Select Actuarial Services' prior consent. In the event that such consent is provided, the report must be provided in its entirety.

We recommend that any such party have its own actuary review this report to ensure that the party understands the assumptions and uncertainties inherent in our estimates.

Qualifications and Standards of Practice

Laura Sprouse is a Fellow of the Casualty Actuarial Society and a Member of the American Academy of Actuaries. She meets the Qualification Standards of the American Academy of Actuaries to render actuarial opinions for property/casualty reserves. This report is prepared in accordance with Actuarial Standards of Practice No. 23, *Data Quality*, No. 41, *Actuarial Communications*, and No. 53, *Estimating Future Costs for Prospective Property/Casualty Risk Transfer and Risk Retention*.

Coverage

OSIG began writing automobile liability, general liability, errors & omissions, auto physical damage and property coverage for member school districts in the state of Oklahoma in 2002. The Group purchases excess insurance above a retention layer which varies by coverage. This retention sits above the member deductibles, which vary by member and by year.

For the 7/1/21-22 year we are estimating the ultimate losses within a \$100,000 retention for automobile and general liability (including E&O). For Property claims we are estimating losses within an aggregate deductible of \$20,000,000 or \$25,000,000 excess of the member maintenance deductible of \$25,000, with a trailing deductible of \$100,000. In addition, OSIG will retain 100% of auto physical damage claims due to over the road accidents. OSIG's will have the benefit of all member deductibles. A few members purchase only auto physical damage coverage with primary limits of \$100,000.

Available Data

Loss information was provided by Jennifer McKenzie, Program Manager for OSIG. This loss information included detail loss runs as of December 31, 2020 and at prior annual evaluations. Exposure data for each member was provided and included vehicle counts, student population and total insured value.

Development is the process in which losses and claim counts for a given accident period change over time. Development is caused by late reporting of claims, case reserve changes, claims reopening, and actual payment and settlement of claims.

Ideally, a client's own patterns should be utilized whenever possible to reflect the client's unique claims administration, reporting procedures, and so forth. Since several historical valuations of the data were available, we have selected patterns based on OSIG's development, supplemented with a benchmark for Oklahoma public entities. A curve-fitting technique is used to smooth and extrapolate the observed development patterns.

Trends and External Influences

Trends are defined as changes over time in underlying costs. Trend factors are used to adjust losses and exposure costs from past years to the level at which they would have been had they occurred during a

future period. This is vital since historical losses and exposure costs may have occurred in a different environment in terms of monetary inflation and/or benefit levels. Trends in average loss costs cannot be clearly discerned from available OSIG data. This analysis explicitly recognizes the effect of external influences upon expected claims costs. Economic inflation is measured by changes in the U.S. Claims Cost Indices as compiled by Willis Towers Watson. We have used the changes in the Consumer Price Index to measure inflation in property values.

Actuarial Central Estimate

The estimates of ultimate losses at the “expected” level in this analysis are actuarial central estimates - estimates that represent an expected value over the range of reasonably possible outcomes. Such a range of reasonably possible outcomes may not include all conceivable outcomes. For example, it would not include conceivable extreme events where the contribution of such events to an expected value estimate is not reliably measurable.

Loss Models

Statistical distributions are often used by the insurance industry to model the loss generating process. This technique allows for the projection of ultimate losses at the expected level and at various confidence levels or percentiles. The variation estimated in this modeling technique is the variation inherent in the historical experience; it does not include potential variation due to unanticipated changes in the environment or to misestimation of parameters.

In forecasting loss experience for 7/1/21-22 we have employed various curves and distributions to model the loss generating process. For the liability program we modeled small losses separately from large losses. Aggregate small losses for the forecast period are modeled by the lognormal probability distribution. Large claim frequencies are modeled by a Poisson distribution. The inverse Weibull distribution was used to model large claim severities. For the property program we modeled the losses using a total claim frequency and severity. A Poisson distribution was selected for frequency. Severity was modeled using a combination of a lognormal distribution and an inverse gamma distribution. We then used a Monte Carlo simulation to generate 10,000 sample years (250,000 sample years for property). The percentile estimates are derived from these outcomes. For example, 7,500 of the outcomes are below the 75th percentile, while 1,000 of the outcomes are above the 90th percentile.

Subrogation and Recoveries

We have used data net of recoveries other than excess throughout this analysis. The effect of such recoveries is therefore implicit in our calculations and no other reductions for collateral sources other than excess insurance have been incorporated into the estimates.

Definitions

Accident Period: All of the events with occurrence dates during a period specified make up the corresponding accident period. The dollars associated with those events total the accident period's

losses, although they may be paid long after the end of the accident period. Losses are grouped by accident period throughout our analyses.

Ultimate Losses: The total amount that will eventually be paid on all losses for a particular accident period. Our estimate of the ultimate losses for an accident period is the sum of the paid losses, the case reserves, and the IBNR reserve.

Paid Losses: Dollars paid as of the latest available evaluation on losses incurred through the latest available evaluation.

Case Reserves: Reserves established on individual claims by the claims adjusters, as of the latest available evaluation. The case reserve plus the amount paid to date represents the adjuster's best estimate of the ultimate value of a particular claim.

Reported Losses: Paid losses plus case reserves as of the latest available evaluation.

Loss Development: The change in the paid losses or the reported losses over time. As more information is provided, individual claim estimates get closer and closer to the ultimate value of the claims. The increase in the total reported losses through time is the reported loss development. Similarly, as losses are paid out over time, the increase in total paid losses is the paid loss development.

Section 3

Description of Exhibits

Exhibit 1: Summary of Data

Exhibit 1-A summarizes the number of reported claims, open claims, paid and reported losses, and exposures for each accident period evaluated as of December 31, 2020. In this Exhibit, all losses are shown gross of per occurrence retentions and net of member deductibles. The exposure data is also shown. The losses and exposures used in this forecast study are those of the current membership.

Exhibit 1-B contains a listing of large claims that are expected to exceed the forecast retentions in effect during the forecast period. These retentions vary by coverage, and by peril for property claims. The reported losses are multiplied by development and trend factors to determine which claims would exceed the retention. These trended and developed claim values are used to estimate the potential large claim experience for the forecast year.

Exhibit 2: Severity Distribution

This exhibit shows the severity distribution fit to claims over \$100,000 for the liability lines and total claims for property. The claims are developed to ultimate and trended to the 7/1/21-22 level. An inverse Weibull curve was fitted to the liability claims. For property, a lognormal distribution provided a best fit for claims below \$75,000, and an inverse gamma distribution was fitted to claims greater than \$75,000. The two distributions were combined to form a single distribution. The curves assigns probabilities to various claim sizes and allows us to model the variation in the large claim experience. The percentiles of the empirical data (the trended developed claims in Exhibit 1-B) are compared to the percentiles derived from the curve.

Exhibit 3: Forecast Claim Counts

Exhibit 3-A calculates the claim frequency for historical years and projects the number of claims for the 7/1/21-22 year. First the reported claims are developed to ultimate using the development factors from Appendix A. Next these ultimate claims are related to the underlying exposures, adjusted for inflation to the 7/1/21-22 level. A frequency rate is selected based on the experience of the more recent years and is multiplied by the forecast exposure to derive an estimate of the total number of claims.

For the liability lines, Exhibit 3-B estimates the ultimate number of large claims for 7/1/21-22 based on the claims in Exhibit 1-B that develop and trend over \$100,000.

Exhibits 4 and 5: Liability

Exhibit 4 calculates the forecast small losses for the 7/1/21-22 period. In Exhibit 4-A, losses for historical accident periods below the large loss threshold are developed to ultimate and trended to the cost level of the forecast period using the trend factors from Appendix B. Losses that would exceed the forecast retention on an ultimate trended basis are removed from the reported and paid loss data. The remaining small losses are developed to ultimate using the loss development factors in Appendix A.

In Exhibit 4-B the ultimate small losses from Exhibit 4-A are compared to the underlying exposure, also trended to the forecast period. In this way, we can compare the experience of each year as if it had happened in 7/1/21-22. We also relate the ultimate small losses to the ultimate small claim counts to derive the small claim severity. The forecast small losses are determined by either selecting a loss rate to apply to the forecast exposure, or selecting the small claim severity to multiply by the forecast number of small claims.

In Exhibit 5, the small and large loss forecasts are combined to estimate the total ultimate losses for the forecast period. Large losses are capped to produce estimates of ultimate losses limited to \$100,000, \$1,000,000, as well as on an unlimited basis.

Exhibits 4 and 5: Auto Physical Damage

Ultimate losses for auto physical damage are forecasted on an aggregate pure premium basis for losses limited to \$100,000 and unlimited. In Exhibit 4-A, claims that develop and trend over \$100,000 are subtracted from the reported losses and a provision for each claim limited to \$100,000 is added back to the developed and trended small losses. The limited ultimate losses are related to the underlying exposures to derive loss rates or pure premiums for each year. A rate is selected for the forecast year and multiplied by the exposures for those members in the primary APD program.

In Exhibit 4-B reported losses are developed to ultimate and trended to 7/1/21-22, then divided by the exposure to derive unlimited pure premiums. A rate is selected for the forecast period and applied to the exposures for the members participating in OSIG's property/APD program.

Exhibit 5 summarizes the results of the forecast.

Exhibits 4 and 5: Property with APD

In Exhibit 4, the reported total losses, including member deductibles, are developed to ultimate and trended to the 7/1/21-22 level. The exposures, which are total insured values (TIV) are also adjusted for inflation using the Consumer Price Index. The ratio of the trended unlimited ultimate losses to the trended exposures is calculated a loss rate or pure premium. A rate is selected for the forecast period and multiplied by the forecast TIV to derive an estimate of the total unlimited losses.

An estimate of the member deductibles for 7/1/21-22 is derived in Exhibit 5 in a method analogous to Exhibit 4.

Exhibit 6: Aggregate Loss Distribution with Percentiles

Exhibit 6 presents the results of the Monte Carlo simulation. Small and large losses for liability are modeled and the applicable deductibles are applied to estimate the expected losses and a range of percentiles.

APD losses are modeled in the aggregate using a single lognormal distribution.

An empirical distribution of annual auto physical damage losses above \$25,000 that were associated with over the road accidents was selected based on a review of the average annual losses for such claims over the last ten years.

Property losses are modeled by randomly generating the total number of claims expected, then randomly assigning a claim amount for each claim from the distribution in Exhibit 2. The insurance program is applied and member deductibles, also randomly generated based on claim size, are subtracted.

Expected losses are average values that one might expect to see if the 7/1/21-22 year were repeated multiple times. Actual losses will inevitably vary from expected losses. The results at various percentiles give an estimate of the amount of potential variation. For example, we estimate that there is a 75% probability that losses will be less than the 75th percentile, and a 90% probability that they won't exceed the 90th percentile.

Appendix A: Loss and Claim Development Factors

Selected loss development factors are fit to an inverse power curve in Appendices A1 through A3, in order to extrapolate factors at the maturities needed. The selected factors are based on analysis in OSIG's reserves study.

Appendix B: Trend Factors

Trend factors are calculated to adjust losses for inflation based on an index of countrywide claims costs.

Trend factors for insured values for property are based on the Consumer Price Index. Vehicle counts and student population are not inflation sensitive and are not adjusted.

Section 4

Exhibits – Automobile Liability

Exhibit 1	Summary of Data Large Loss Listing
Exhibit 2	Large Loss Severity Distribution
Exhibit 3	Forecast Total Claim Counts Forecast Large Claim Counts
Exhibit 4	Trended and Developed Small Losses Forecast Small Losses
Exhibit 5	Forecast Losses for 7/1/21-22
Exhibit 6	Aggregate Distribution of Forecast with Percentiles
Appendix A	Loss Development Factors
Appendix B	Loss Trend Factors

Summary of Loss and Exposure Data
Total Experience Net of Member Deductibles

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Accident Period	Evaluation Date	Maturity (months)	Reported NonZero Claims	Loss and Expense Payments	Loss and Expense Reserves	Loss and Expense Incurred	Vehicles
7/1/10-11	12/31/2020	126	179	\$853,004	\$0	\$853,004	8,131
7/1/11-12	12/31/2020	114	168	\$871,953	\$0	\$871,953	6,286
7/1/12-13	12/31/2020	102	157	\$651,731	\$0	\$651,731	6,586
7/1/13-14	12/31/2020	90	184	\$722,774	\$0	\$722,774	7,116
7/1/14-15	12/31/2020	78	221	\$1,217,197	\$95,768	\$1,312,965	8,621
7/1/15-16	12/31/2020	66	217	\$1,063,914	\$92,596	\$1,156,510	9,085
7/1/16-17	12/31/2020	54	203	\$1,015,637	\$233,181	\$1,248,819	9,865
7/1/17-18	12/31/2020	42	166	\$621,489	\$372,673	\$994,162	9,799
7/1/18-19	12/31/2020	30	195	\$783,981	\$280,563	\$1,064,544	11,261
7/1/19-20	12/31/2020	18	190	\$895,638	\$609,875	\$1,505,513	12,613
7/1/20-21	12/31/2020	6	65	\$149,126	\$361,620	\$510,746	13,059
7/1/21-22							13,074

- Loss and policy information provided by Jennifer McKenzie, Arthur J. Gallagher Risk Management Services
- Loss and Exposure data contains only current OSIG members as of 12/31/2020

Large Claim Listing
Claims Exceeding \$100,000 after Development and Trend

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Occurrence #	Loss Date	Net Paid	Net Incurred	Severity Factor	Trend Factor	Loss After Development & Trend
90075	8/18/2010	\$134,999	\$134,999	1.000	1.405	\$189,758
P625-10-90105	8/27/2010	\$76,778	\$76,778	1.000	1.405	\$107,921
90305	12/8/2010	\$103,684	\$103,684	1.000	1.405	\$145,741
P625-11-90851	9/9/2011	\$96,221	\$96,221	1.001	1.357	\$130,662
91477	9/19/2012	\$135,786	\$135,786	1.001	1.321	\$179,461
92239	1/7/2014	\$130,707	\$130,707	1.001	1.285	\$168,171
93008	3/23/2015	\$206,102	\$206,102	1.002	1.247	\$257,592
P625-15-93019	3/26/2015	\$13,582	\$85,200	1.002	1.247	\$106,485
93063	4/20/2015	\$219,224	\$219,224	1.002	1.247	\$273,991
93397	10/10/2015	\$12,808	\$105,404	1.004	1.202	\$127,222
93477	11/19/2015	\$174,557	\$174,557	1.004	1.202	\$210,690
94052	9/29/2016	\$126,307	\$126,307	1.008	1.160	\$147,749
94363	3/23/2017	\$37,521	\$128,040	1.008	1.160	\$149,775
94907	1/30/2018	\$9,947	\$178,250	1.020	1.125	\$204,585
95622	3/8/2019	\$24,657	\$131,100	1.062	1.093	\$152,255
P625-19-96065	10/2/2019	\$90,750	\$90,750	1.127	1.064	\$108,841
96137	10/29/2019	\$2,905	\$293,000	1.127	1.064	\$351,409
96204	11/15/2019	\$120,601	\$120,601	1.127	1.064	\$144,643
P625-19-96206	11/15/2019	\$30,379	\$110,379	1.127	1.064	\$132,382
96766	10/29/2020	\$0	\$128,000	1.127	1.032	\$148,889
		\$1,747,517	\$2,775,091			

- Loss and policy information provided by Jennifer McKenzie, Arthur J. Gallagher Risk Management Services

Fitted Large Claim Distribution
Claims Developed and Trended over \$100,000

Inverse Weibull Distribution
 Tau = 3.89530
 Theta = 138,062.32

Percentile	Observed	Fitted
5%	\$107,849	\$108,551
10%	\$108,749	\$114,441
15%	\$124,465	\$119,572
20%	\$129,974	\$124,322
25%	\$131,952	\$128,883
30%	\$140,965	\$133,443
35%	\$145,357	\$138,194
40%	\$146,946	\$142,944
45%	\$148,376	\$147,885
50%	\$149,332	\$153,205
55%	\$150,891	\$159,096
60%	\$158,621	\$165,557
65%	\$172,123	\$172,967
70%	\$182,550	\$181,518
75%	\$193,465	\$191,779
80%	\$205,806	\$204,510
85%	\$217,725	\$221,802
90%	\$259,232	\$248,025
95%	\$277,862	\$298,190
99%	\$336,700	\$453,245
<i>Expected</i>	\$171,911	\$172,749
<i>Limited to \$100,000</i>		\$100,000
<i>Limited to \$1,000,000</i>		\$173,000
<i>Unlimited</i>		\$173,000

Projected Total Claim Frequency

(A) Accident Period	(B) Number of Nonzero Claims	(C) CCDF	(D) Ultimate Claims	(E) Exposures (Vehicles)	(F) Exposure Trend	(G) Trended Exposures	(H) Frequency per 1,000 Vehicles
7/1/10-11	179	1.000	179.0	8,131	1.000	8,131	22.0
7/1/11-12	168	1.000	168.0	6,286	1.000	6,286	26.7
7/1/12-13	157	1.000	157.0	6,586	1.000	6,586	23.8
7/1/13-14	184	1.000	184.0	7,116	1.000	7,116	25.9
7/1/14-15	221	1.000	221.0	8,621	1.000	8,621	25.6
7/1/15-16	217	1.000	217.0	9,085	1.000	9,085	23.9
7/1/16-17	203	1.000	203.0	9,865	1.000	9,865	20.6
7/1/17-18	166	1.000	166.0	9,799	1.000	9,799	16.9
7/1/18-19	195	1.000	195.0	11,261	1.000	11,261	17.3
7/1/19-20	190	1.002	190.3	12,613	1.000	12,613	15.1
7/1/20-21	65	2.003	130.2	13,059	1.000	13,059	10.0
Total	1,945		2,010.5	102,421		102,421	19.6

7/1/20-21 7/1/21-22

(I) Selected Frequency 17.1 17.1

(J) Forecast Exposure 13,059 13,074

(K) Forecast Total Claims 223.7 223.9

(L) Expected % Unreported 50.1%

(M) Ultimate Claims 177.0

(B) - Exhibit 1-A

(C) - Appendix A3

(D) - (B) * (C)

(E), (J) = Exhibit 1-A

(F) - no trend for vehicle counts

(G) = (E) * (F)

(H) = (D) / (G)

(I) = Average of 17-18 and 18-19

(K) = (I) * (J)

**Projected Large Claim Frequency
Claims Exceeding \$100,000 per Occurrence**

(A) Accident Period	(B) Number of Claims > \$100,000	(C) CCDF	(D) Ultimate Claims	(E) Trended Exposures	(F) Frequency per 1,000 Vehicles
7/1/10-11	3	1.000	3.0	8,131	0.37
7/1/11-12	1	1.000	1.0	6,286	0.16
7/1/12-13	1	1.000	1.0	6,586	0.15
7/1/13-14	1	1.000	1.0	7,116	0.14
7/1/14-15	3	1.000	3.0	8,621	0.35
7/1/15-16	2	1.000	2.0	9,085	0.22
7/1/16-17	2	1.000	2.0	9,865	0.20
7/1/17-18	1	1.000	1.0	9,799	0.10
7/1/18-19	1	1.000	1.0	11,261	0.09
7/1/19-20	4	1.002	4.0	12,613	0.32
7/1/20-21	1	2.003	2.0	13,059	0.15
Total	20		21.0	102,421	0.21
				<u>7/1/20-21</u>	<u>7/1/21-22</u>
		(G) Selected Frequency		0.20	0.20
		(H) Forecast Exposure		13,059	13,074
		(I) Forecast Number of Large Claims		2.1	2.7
		(J) Forecast Number of Small Claims		174.9	221.3

(B) - Exhibit 1-B

(C) - Appendix A3

(D) - (B) * (C)

(E) = Exhibit 3-A

(F) = (D) / (E) * 1,000

(G) = All years average

(H) - Exhibit 1-A

(I) = (G) * (H)

(J) = (K), Exhibit 3-A - (I)

**Estimation of Ultimate Small Losses
At the Forecast Loss Level**

	(A)	(B)	(C)	(D)	(E)
Accident Period	Reported Losses	Reported on Large Losses	Trend Factor to 7/1/21-22	Reported Develop. Factor	Ultimate on Small Claims
7/1/10-11	\$853,004	\$315,462	1.405	1.000	\$755,581
7/1/11-12	\$871,953	\$96,221	1.357	1.001	\$1,053,387
7/1/12-13	\$651,731	\$135,786	1.321	1.001	\$681,894
7/1/13-14	\$722,774	\$130,707	1.285	1.001	\$761,766
7/1/14-15	\$1,312,965	\$510,526	1.247	1.002	\$1,002,907
7/1/15-16	\$1,156,510	\$279,961	1.202	1.004	\$1,057,991
7/1/16-17	\$1,248,819	\$254,347	1.160	1.008	\$1,163,290
7/1/17-18	\$994,162	\$178,250	1.125	1.020	\$936,455
7/1/18-19	\$1,064,544	\$131,100	1.093	1.062	\$1,084,067
7/1/19-20	\$1,505,513	\$614,729	1.064	1.129	\$1,070,075
7/1/20-21	\$510,746	\$128,000	1.032	2.258	\$891,845
Total	\$10,892,721	\$2,775,091			\$10,459,258

	(F)	(G)	(H)	(I)	(J)
Accident Period	Paid Losses	Paid on Large Losses	Trend Factor to 7/1/21-22	Paid Develop. Factor	Ultimate on Small Claims
7/1/10-11	\$853,004	\$315,462	1.405	1.001	\$755,836
7/1/11-12	\$871,953	\$96,221	1.357	1.001	\$1,054,205
7/1/12-13	\$651,731	\$135,786	1.321	1.003	\$683,046
7/1/13-14	\$722,774	\$130,707	1.285	1.005	\$764,520
7/1/14-15	\$1,217,197	\$438,909	1.247	1.010	\$980,258
7/1/15-16	\$1,063,914	\$187,366	1.202	1.021	\$1,075,757
7/1/16-17	\$1,015,637	\$163,828	1.160	1.046	\$1,033,276
7/1/17-18	\$621,489	\$9,947	1.125	1.104	\$759,639
7/1/18-19	\$783,981	\$24,657	1.093	1.249	\$1,036,412
7/1/19-20	\$895,638	\$244,634	1.064	1.629	\$1,128,169
7/1/20-21	\$149,126	\$0	1.032	4.628	\$712,171
Total	\$8,846,444	\$1,747,517			\$9,983,289

(A) and (F) - Exhibit 1-A

(B) and (G) - Exhibit 1-B

(C) and (H) - Appendix B

(D) - Appendix A1

(E) = [(A) - (B)] * (C) * (D)

(I) - Appendix A2

(J) = [(F) - (G)] * (H) * (I)

**Calculation of Forecast Ultimate Losses for 7/1/21-22
Less than \$100,000 per Occurrence**

(A) Accident Period	(B) Trended Ultimate Losses	(C) Ultimate Small Claims	(D) Small Claim Severity	(E) Trended Exposures	(F) Small Loss Rate	(F) Loss Rate Limited to \$100,000
7/1/10-11	\$756,000	176.0	\$4,300	8,131	\$93	\$130
7/1/11-12	\$1,054,000	167.0	\$6,300	6,286	\$168	\$184
7/1/12-13	\$682,000	156.0	\$4,400	6,586	\$104	\$119
7/1/13-14	\$763,000	183.0	\$4,200	7,116	\$107	\$121
7/1/14-15	\$992,000	218.0	\$4,600	8,621	\$115	\$150
7/1/15-16	\$1,067,000	215.0	\$5,000	9,085	\$117	\$139
7/1/16-17	\$1,098,000	201.0	\$5,500	9,865	\$111	\$132
7/1/17-18	\$848,000	165.0	\$5,100	9,799	\$87	\$97
7/1/18-19	\$1,060,000	194.0	\$5,500	11,261	\$94	\$103
7/1/19-20	\$1,099,000	186.3	\$5,900	12,613	\$87	\$119
7/1/20-21	\$802,000	128.2	\$6,300	13,059	\$61	\$69
Total	\$10,221,000	1,989.5	\$5,100	102,421	\$100	\$119

	<u>7/1/20-21</u>	<u>7/1/21-22</u>
(G) Selected Small Loss Severity	\$5,300	\$5,500
(H) Forecast Small Claim Counts	174.9	221.3
(I) Forecast Small Losses	\$927,000	\$1,217,000
(J) Exposures	13,059	13,074
(K) Forecast Small Loss Rate	\$71	\$93

- (B) - Average of Columns (E) and (J)
- (C) - Difference in Column (C) from Exhibits 3-A and 3-B
- (D) = (B) / (C)
- (E) - Exhibit 1-A
- (F) = (B) / (E)
- (G) - Average of 16-17 through 19-20
- (H) - Exhibit 3-B
- (I) = (G) * (H)
- (J) - Exhibit 1-A
- (K) = (I) / (J)

Forecast Ultimate Losses for 7/1/21-22
Total Experience Net of Member Deductibles

	<u>7/1/20-21</u>	<u>7/1/21-22</u>
(1) Forecast Small Losses {Exhibit 4-B}	\$927,000	\$1,217,000
(2) Forecast Number of Claims over \$100,000 {Exhibit 3-B}	2.1	2.7
(3) Expected Severity of Losses over \$100,000: { Exhibit 2 }		
Limited to \$100,000	\$100,000	\$100,000
Limited to \$1,000,000	\$168,000	\$173,000
Unlimited	\$168,000	\$173,000
(4) Projected Total Losses { Line(1) + [Line(2) * Line (3)] }		
Limited to \$100,000	\$1,139,000	\$1,485,000
Limited to \$1,000,000	\$1,283,000	\$1,680,000
Unlimited	\$1,283,000	\$1,680,000
(5) Forecast Vehicle Counts	13,059	13,074
(6) Projected Cost per Vehicle { Line (4) / Line (5) }		
Limited to \$100,000	\$87	\$114
Limited to \$1,000,000	\$98	\$128
Unlimited	\$98	\$128
(7) Projected total Claims { Exhibit 3-A }	177.0	223.9
(8) Average Severity { Line (4) / Line (7) }		
Limited to \$100,000	\$6,400	\$6,600
Limited to \$1,000,000	\$7,200	\$7,500
Unlimited	\$7,200	\$7,500

**Distribution of Forecast Losses for 7/1/21-22
Assuming a \$100,000 SIR**

Percentile	SIR Layer \$100,000	Layer \$900,000 xs \$100,000	Losses Limited to \$1,000,000	Losses Excess of \$1,000,000	Total Incurred Losses
20.0%	\$1,191,000	\$57,000	\$1,304,000	\$0	\$1,304,000
30.0%	\$1,280,000	\$90,000	\$1,424,000	\$0	\$1,424,000
40.0%	\$1,365,000	\$122,000	\$1,534,000	\$0	\$1,534,000
50.0%	\$1,451,000	\$156,000	\$1,638,000	\$0	\$1,638,000
60.0%	\$1,537,000	\$198,000	\$1,751,000	\$0	\$1,751,000
70.0%	\$1,633,000	\$243,000	\$1,870,000	\$0	\$1,870,000
75.0%	\$1,692,000	\$275,000	\$1,939,000	\$0	\$1,939,000
80.0%	\$1,754,000	\$309,000	\$2,018,000	\$0	\$2,019,000
85.0%	\$1,840,000	\$351,000	\$2,123,000	\$0	\$2,123,000
90.0%	\$1,944,000	\$409,000	\$2,245,000	\$0	\$2,245,000
95.0%	\$2,100,000	\$509,000	\$2,459,000	\$0	\$2,459,000
99.0%	\$2,495,000	\$740,000	\$2,869,000	\$0	\$2,892,000
Expected	\$1,485,000	\$195,000	\$1,680,000	\$0	\$1,680,000
Vehicles	13,074				
Students	485,913				
Cost Per Vehicle	\$114	\$15	\$128	\$0	\$128
Cost Per Student	\$3.06	\$0.40	\$3.46	\$0.00	\$3.46

Percentiles based on combined distributions for small and large losses
 Aggregate small losses modeled using a lognormal distribution
 Large claim size modeled using an inverse Weibull distribution
 Large claim counts modeled using a Poisson Distribution

Lognormal
 Mu = 13.98065
 Sigma = 0.25000
Inverse Weibull
 Tau = 3.89530
 Theta = 138062.3
Poisson
 Lambda = 2.68

**Estimation of Cumulative Reported Loss Development Factors
 Using "The Method of Least Squares"**

Curve : $Y = A(1/(X+C))^B + 1$ (Modified Inverse Power Curve)

Months of Maturity X	Cumulative Factors Y*	Transformed Values for Regression					Fitted Values	
		X'	Y'	(X')^2	(Y')^2	X' x Y'	X	Cumulative Factor Y
		LN(1/(X+C))	LN(Y-1)					
24	1.127	-3.3673	-2.0658	11.339	4.2675	6.9562	126	1.000
36	1.037	-3.7136	-3.3001	13.791	10.8904	12.2550	114	1.001
48	1.011	-3.9703	-4.5067	15.763	20.3102	17.8928	102	1.001
60	1.006	-4.1744	-5.1152	17.426	26.1649	21.3527	90	1.001
							78	1.002
							66	1.004
							54	1.008
							42	1.020
							30	1.062
							18	1.129
							6	2.258
Sum		-15.2255	-14.9877	58.3180	61.6329	58.4567		
Average		-3.8064	-3.7469	14.5795	15.4082	14.6142		

N =	4		
A =	5.900E+04		
B =	3.870	R^2 =	0.99509
C =	5		

* - Appendix A4 from IBNR Study

**Estimation of Cumulative Paid Loss Development Factors
Using "The Method of Least Squares"**

Curve : $Y = A(1/(X+C))^B + 1$ (Modified Inverse Power Curve)

Months of Maturity X	Cumulative Factors Y*	Transformed Values for Regression					Fitted Values	
		X'	Y'	(X')^2	(Y')^2	X' x Y'	X	Cumulative Factor Y
		$LN(1/(X+C))$	$LN(Y-1)$					
12	2.027	-5.1761	0.0262	26.793	0.0007	-0.1358	126	1.001
24	1.394	-5.2417	-0.9306	27.476	0.8660	4.8779	114	1.001
36	1.154	-5.3033	-1.8700	28.125	3.4969	9.9172	102	1.003
48	1.071	-5.3613	-2.6393	28.743	6.9661	14.1503	90	1.005
60	1.030	-5.4161	-3.4999	29.334	12.2494	18.9559	78	1.010
							66	1.021
							54	1.046
							42	1.104
							30	1.249
							18	1.629
							6	4.628
Sum		-26.4986	-8.9136	140.4711	23.5791	47.7655		
Average		-5.2997	-1.7827	28.0942	4.7158	9.5531		

N =	5		
A =	7.323E+32		
B =	14.615	R^2 =	0.99956
C =	165		

* - Appendix A5 from IBNR Study

**Estimation of Cumulative Reported Claim Development Factors
Using "The Method of Least Squares"**

Curve : $Y = A(1/(X+C))^B + 1$ (Modified Inverse Power Curve)

Months of Maturity X	Cumulative Factors Y*	Transformed Values for Regression					Fitted Values	
		X'	Y'	(X')^2	(Y')^2	X' x Y'	X	Cumulative Factor Y
		LN(1/(X+C))	LN(Y-1)					
12	1.002						126	1.000
24	1.002						114	1.000
							102	1.000
							90	1.000
							78	1.000
							66	1.000
							54	1.000
							42	1.000
							30	1.000
							18	1.002
							6	2.003
Sum		0.0000	0.0000	0.0000	0.0000	0.0000		
Average		0.0000	0.0000	0.0000	0.0000	0.0000		

N =	2	
A =		
B =		R^2 =
C =	0	

* - Appendix A6 from IBNR study

**U.S. Claims Cost Index
Automobile Liability**

(A) Year	(B) Index	(C) Annual Percent Increase	(D) Accident Period	(E) Interpolated Index	(F) Trend Factor to 7/1/21-22
2005	100.0				
2006	104.3	4.3%			
2007	109.2	4.7%			
2008	113.7	4.0%			
2009	119.4	5.0%			
2010	123.5	3.5%			
2011	128.3	3.9%	7/1/10-11	125.9	1.405
2012	132.4	3.2%	7/1/11-12	130.4	1.357
2013	135.6	2.4%	7/1/12-13	134.0	1.321
2014	139.8	3.1%	7/1/13-14	137.7	1.285
2015	143.9	2.9%	7/1/14-15	141.9	1.247
2016	150.4	4.5%	7/1/15-16	147.2	1.202
2017	154.6	2.8%	7/1/16-17	152.5	1.160
2018	159.9	3.4%	7/1/17-18	157.2	1.125
2019	163.8	2.5%	7/1/18-19	161.8	1.093
2020	168.8	3.0%	7/1/19-20	166.3	1.064
2021*	174.2	3.2%	7/1/20-21	171.5	1.032
2022*	179.7	3.2%	7/1/21-22	176.9	1.000

(B) and (C) - Willis Towers Watson Claim Cost Index, willistowerswatson.com
Jeremy Pecora and Emily Thompson, September 9, 2020

* 2021 Estimated based on average of last six years

(E) - Linear interpolation of column (B)

(F) - $[(E), \text{forecast period}] / [(E), \text{current period}]$

Section 5

Exhibits – General Liability

Exhibit 1	Summary of Data Large Loss Listing
Exhibit 2	Large Loss Severity Distribution
Exhibit 3	Forecast Total Claim Counts Forecast Large Claim Counts
Exhibit 4	Trended and Developed Small Losses Forecast Small Losses
Exhibit 5	Forecast Losses for 7/1/21-22
Exhibit 6	Aggregate Distribution of Forecast with Percentiles
Appendix A	Loss Development Factors
Appendix B	Loss Trend Factors

**Summary of Loss and Exposure Data
Total Experience Net of Member Deductibles**

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Accident Period	Evaluation Date	Maturity (months)	Reported NonZero Claims	Loss and Expense Payments	Loss and Expense Reserves	Loss and Expense Incurred	Students
7/1/10-11	12/31/2020	126	107	\$2,261,935	\$16,851	\$2,278,786	329,896
7/1/11-12	12/31/2020	114	81	\$3,304,050	\$0	\$3,304,050	291,458
7/1/12-13	12/31/2020	102	109	\$676,161	\$35,349	\$711,510	270,724
7/1/13-14	12/31/2020	90	85	\$882,277	\$41,036	\$923,313	313,502
7/1/14-15	12/31/2020	78	115	\$2,100,639	\$109,481	\$2,210,120	367,551
7/1/15-16	12/31/2020	66	119	\$1,859,289	\$50,280	\$1,909,569	368,608
7/1/16-17	12/31/2020	54	131	\$2,883,553	\$588,701	\$3,472,255	380,503
7/1/17-18	12/31/2020	42	77	\$809,903	\$1,119,383	\$1,929,286	372,123
7/1/18-19	12/31/2020	30	112	\$582,791	\$2,221,698	\$2,804,489	427,871
7/1/19-20	12/31/2020	18	95	\$138,511	\$1,390,041	\$1,528,552	472,188
7/1/20-21	12/31/2020	6	48	\$57,898	\$797,635	\$855,533	485,913
7/1/21-22							485,913

- Loss and policy information provided by Jennifer McKenzie, Arthur J. Gallagher Risk Management Services
- Loss and Exposure data contains only current OSIG members as of 12/31/2020

Large Claim Listing
Claims Exceeding \$100,000 after Development and Trend

(A)	(B)	(C)	(D)	(E)	(F)	(G)
<i>Occurrence #</i>	<i>Loss Date</i>	<i>Net Paid</i>	<i>Net Incurred</i>	<i>Severity Factor</i>	<i>Trend Factor</i>	<i>Loss After Development & Trend</i>
90054	7/29/2010	\$117,074	\$117,074	1.000	1.385	\$162,209
P625-10-90080	8/19/2010	\$94,545	\$94,545	1.000	1.385	\$130,994
90084	8/22/2010	\$115,615	\$115,615	1.000	1.385	\$160,187
90118	9/1/2010	\$136,645	\$136,645	1.000	1.385	\$189,324
90205	10/14/2010	\$123,444	\$123,444	1.000	1.385	\$171,033
90236	10/25/2010	\$290,942	\$290,942	1.000	1.385	\$403,104
90297	12/6/2010	\$162,221	\$162,221	1.000	1.385	\$224,759
90313	12/14/2010	\$106,663	\$106,663	1.000	1.385	\$147,784
P625-11-90589	1/4/2011	\$72,819	\$72,819	1.000	1.385	\$100,892
90519	3/11/2011	\$122,502	\$122,502	1.000	1.385	\$169,729
90838	6/30/2011	\$280,047	\$280,047	1.000	1.385	\$388,010
P625-11-91010	8/25/2011	\$84,730	\$84,730	1.000	1.339	\$113,523
91394	9/1/2011	\$149,418	\$149,418	1.000	1.339	\$200,193
91388	10/25/2011	\$443,010	\$443,010	1.000	1.339	\$593,554
P625-11-90962	10/26/2011	\$95,962	\$95,962	1.000	1.339	\$128,572
P625-11-90991	10/28/2011	\$97,912	\$97,912	1.000	1.339	\$131,184
91040	11/11/2011	\$1,708,795	\$1,708,795	1.000	1.339	\$2,289,478
91564	5/28/2012	\$210,533	\$210,533	1.000	1.339	\$282,077
92222	12/23/2013	\$150,266	\$150,266	1.001	1.269	\$190,910
92382	1/29/2014	\$100,352	\$100,352	1.001	1.269	\$127,494
92492	4/1/2014	\$66,964	\$108,000	1.001	1.269	\$137,212
92867	4/4/2014	\$176,221	\$176,221	1.001	1.269	\$223,885
92975	9/1/2014	\$113,715	\$142,500	1.003	1.234	\$176,486
92999	3/2/2015	\$240,862	\$240,862	1.003	1.234	\$298,308
P625-15-93000	3/11/2015	\$83,728	\$83,728	1.003	1.234	\$103,697
93289	3/22/2015	\$211,827	\$211,827	1.003	1.234	\$262,348
P625-15-93028	3/22/2015	\$87,019	\$87,019	1.003	1.234	\$107,773
94241	4/16/2015	\$366,221	\$366,221	1.003	1.234	\$453,565
93143	5/15/2015	\$141,576	\$141,576	1.003	1.234	\$175,342
P625-15-93609	12/3/2015	\$93,180	\$93,180	1.008	1.196	\$112,404
93680	3/7/2016	\$185,028	\$185,028	1.008	1.196	\$223,202
94063	3/24/2016	\$153,730	\$153,730	1.008	1.196	\$185,447
94446	5/5/2016	\$167,801	\$167,801	1.008	1.196	\$202,421
P625-16-93885	7/8/2016	\$94,128	\$94,128	1.021	1.158	\$111,288
P625-16-94009	9/13/2016	\$92,961	\$92,961	1.021	1.158	\$109,908
P625-16-94168	11/3/2016	\$100,630	\$100,630	1.021	1.158	\$118,974
94291	12/16/2016	\$146,328	\$146,328	1.021	1.158	\$173,004
P625-17-94450	1/26/2017	\$53,482	\$87,000	1.021	1.158	\$102,860
94280	1/27/2017	\$1,325,161	\$1,325,161	1.021	1.158	\$1,566,735
P625-17-94491	5/17/2017	\$87,382	\$87,382	1.021	1.158	\$103,312
95484	6/26/2017	\$68,381	\$160,000	1.021	1.158	\$189,168
P625-17-94689	8/9/2017	\$14,477	\$93,000	1.053	1.124	\$110,005
96032	9/12/2017	\$69,399	\$160,000	1.053	1.124	\$189,256
95106	9/14/2017	\$23,759	\$141,500	1.053	1.124	\$167,373
P625-17-95154	12/1/2017	\$66,550	\$95,000	1.053	1.124	\$112,371

Large Claim Listing
Claims Exceeding \$100,000 after Development and Trend

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Occurrence #	Loss Date	Net Paid	Net Incurred	Severity Factor	Trend Factor	Loss After Development & Trend
95506	1/11/2018	\$12,887	\$167,582	1.053	1.124	\$198,225
94898	1/25/2018	\$85,804	\$119,000	1.053	1.124	\$140,759
P625-18-95394	1/25/2018	\$66,787	\$96,000	1.053	1.124	\$113,554
P625-18-95168	3/2/2018	\$41,094	\$95,958	1.053	1.124	\$113,505
95055	5/3/2018	\$9,913	\$117,850	1.053	1.124	\$139,399
95249	5/15/2018	\$103,313	\$316,301	1.053	1.124	\$374,137
95302	7/25/2018	\$17,101	\$111,500	1.136	1.092	\$138,218
95270	9/4/2018	\$30,929	\$112,333	1.136	1.092	\$139,250
95512	9/29/2018	\$25,909	\$196,000	1.136	1.092	\$242,965
96372	2/20/2019	\$19,103	\$111,729	1.136	1.092	\$138,501
96369	3/14/2019	\$16,392	\$801,668	1.136	1.092	\$993,763
96161	3/15/2019	\$6,165	\$127,000	1.136	1.092	\$157,432
95837	4/29/2019	\$37,812	\$107,200	1.136	1.092	\$132,887
P625-19-96141	4/29/2019	\$9,778	\$85,000	1.136	1.092	\$105,368
96788	12/4/2019	\$0	\$128,000	1.350	1.061	\$183,354
96285	12/5/2019	\$0	\$128,000	1.350	1.061	\$183,354
P625-19-96281	11/22/2019	\$0	\$70,000	1.350	1.061	\$100,272
P625-20-96661	8/27/2020	\$11,776	\$90,000	1.648	1.030	\$152,862
96736	10/6/2020	\$0	\$128,000	1.648	1.030	\$217,403
96723	10/12/2020	\$0	\$138,500	1.648	1.030	\$235,237
P625-20-96762	10/27/2020	\$7,068	\$75,000	1.648	1.030	\$127,385
		\$9,395,837	\$12,726,900			\$16,349,184

(A) through (D) - Provided by Jennifer McKenzie, Arthur J. Gallagher Risk Services
 (E) = RLDF / CCDF
 (F) - Appendix B
 (G) = (D) * (E) * (F)

Fitted Large Claim Distribution
 Claims Developed and Trended over \$100,000

Inverse Weibull Distribution
 Tau = 2.74503
 Theta = 145,256.2

Percentile	Observed	Fitted
5%	\$103,408	\$108,551
10%	\$108,841	\$115,772
15%	\$112,100	\$122,422
20%	\$113,523	\$128,693
25%	\$127,412	\$135,154
30%	\$131,089	\$141,614
35%	\$137,967	\$148,455
40%	\$139,399	\$155,486
45%	\$154,005	\$163,086
50%	\$164,791	\$171,447
55%	\$172,511	\$180,758
60%	\$183,354	\$191,019
65%	\$189,190	\$202,990
70%	\$194,568	\$217,242
75%	\$213,658	\$234,723
80%	\$224,759	\$257,336
85%	\$267,280	\$288,689
90%	\$381,074	\$337,714
95%	\$558,557	\$438,804
99%	\$1,819,695	\$794,329
Expected	\$247,715	\$211,807
Limited to \$100,000		\$100,000
Limited to \$1,000,000		\$210,000
Unlimited		\$212,000

Projected Total Claim Frequency

(A) Accident Period	(B) Number of Nonzero Claims	(C) CCDF	(D) Ultimate Claims	(E) Exposures (Students)	(F) Exposure Trend	(G) Trended Exposures	(H) Frequency per 1,000 Students
7/1/10-11	107	1.000	107.0	329,896	1.000	329,896	0.32
7/1/11-12	81	1.000	81.0	291,458	1.000	291,458	0.28
7/1/12-13	109	1.000	109.0	270,724	1.000	270,724	0.40
7/1/13-14	85	1.000	85.0	313,502	1.000	313,502	0.27
7/1/14-15	115	1.000	115.0	367,551	1.000	367,551	0.31
7/1/15-16	119	1.000	119.0	368,608	1.000	368,608	0.32
7/1/16-17	131	1.000	131.0	380,503	1.000	380,503	0.34
7/1/17-18	77	1.000	77.0	372,123	1.000	372,123	0.21
7/1/18-19	112	1.002	112.2	427,871	1.000	427,871	0.26
7/1/19-20	95	1.011	96.1	472,188	1.000	472,188	0.20
7/1/20-21	48	2.150	103.2	485,913	1.000	485,913	0.21
Total	1,079		1,135.5	4,080,337		4,080,337	0.28

7/1/21-22

(I) Selected Frequency

0.24

(J) Forecast Exposure

485,913

(K) Forecast Total Claims

116.5

(B) - Exhibit 1-A

(C) - Appendix A3

(D) - (B) * (C)

(E) = Exhibit 1-A

(F) - no trend for student population

(G) = (E) * (F)

(H) = (D) / (G)

(I) = Same as Prior

(J) - Exhibit 1-A

(K) = (I) * (J)

**Projected Large Claim Frequency
Claims Exceeding \$100,000 per Occurrence**

(A) Accident Period	(B) Number of Claims > \$100,000	(C) CCDF	(D) Ultimate Claims	(E) Trended Exposures	(F) Frequency per 1,000 Students
7/1/10-11	11	1.000	11.0	329,896	0.033
7/1/11-12	7	1.000	7.0	291,458	0.024
7/1/12-13	0	1.000	0.0	270,724	0.000
7/1/13-14	4	1.000	4.0	313,502	0.013
7/1/14-15	7	1.000	7.0	367,551	0.019
7/1/15-16	4	1.000	4.0	368,608	0.011
7/1/16-17	8	1.000	8.0	380,503	0.021
7/1/17-18	10	1.000	10.0	372,123	0.027
7/1/18-19	8	1.002	8.0	427,871	0.019
7/1/19-20	3	1.011	3.0	472,188	0.006
7/1/20-21	4	2.150	8.6	485,913	0.018
Total	66		70.7	4,080,337	0.017
					<u>7/1/21-22</u>
					(G) Selected Frequency 0.017
					(H) Forecast Exposure 485,913
					(I) Forecast Number of Large Claims 8.1
					(J) Forecast Number of Small Claims 108.4

(B) - Exhibit 1-B

(C) - Appendix A3

(D) - (B) * (C)

(E) = Exhibit 3-A

(F) = (D) / (E) * 1,000

(G) = Average of 11-12 through 18-19

(H) - Exhibit 1-A

(I) = (G) * (H)

(J) = (K) from Exhibit 3-A - (I)

**Estimation of Ultimate Small Losses
At the Forecast Loss Level**

Accident Period	(A) Reported Losses	(B) Reported on Large Losses	(C) Trend Factor to 7/1/21-22	(D) Reported Develop. Factor	(E) Ultimate on Small Claims
7/1/10-11	\$2,278,786	\$1,622,518	1.385	1.000	\$909,000
7/1/11-12	\$3,304,050	\$2,790,361	1.339	1.000	\$688,000
7/1/12-13	\$711,510	\$0	1.302	1.001	\$927,000
7/1/13-14	\$923,313	\$534,838	1.269	1.001	\$494,000
7/1/14-15	\$2,210,120	\$1,273,733	1.234	1.003	\$1,160,000
7/1/15-16	\$1,909,569	\$599,739	1.196	1.008	\$1,580,000
7/1/16-17	\$3,472,255	\$2,093,590	1.158	1.021	\$1,630,000
7/1/17-18	\$1,929,286	\$1,402,191	1.124	1.053	\$624,000
7/1/18-19	\$2,804,489	\$1,652,429	1.092	1.138	\$1,430,000
7/1/19-20	\$1,528,552	\$326,000	1.061	1.365	\$1,742,000
7/1/20-21	\$855,533	\$431,500	1.030	3.544	\$1,548,000
Total	\$21,927,462	\$12,726,900			\$12,732,000

Accident Period	(F) Paid Losses	(G) Paid on Large Losses	(H) Trend Factor to 7/1/21-22	(I) Paid Develop. Factor	(J) Ultimate on Small Claims
7/1/10-11	\$2,261,935	\$1,622,518	1.385	1.001	\$886,000
7/1/11-12	\$3,304,050	\$2,790,361	1.339	1.001	\$689,000
7/1/12-13	\$676,161	\$0	1.302	1.003	\$883,000
7/1/13-14	\$882,277	\$493,802	1.269	1.007	\$496,000
7/1/14-15	\$2,100,639	\$1,244,948	1.234	1.016	\$1,073,000
7/1/15-16	\$1,859,289	\$599,739	1.196	1.042	\$1,570,000
7/1/16-17	\$2,883,553	\$1,968,454	1.158	1.118	\$1,185,000
7/1/17-18	\$809,903	\$493,983	1.124	1.369	\$486,000
7/1/18-19	\$582,791	\$163,188	1.092	2.305	\$1,056,000
7/1/19-20	\$138,511	\$0	1.061	6.374	\$937,000
7/1/20-21	\$57,898	\$18,844	1.030	37.181	\$1,496,000
Total	\$15,557,007	\$9,395,837			\$10,757,000

(A) and (F) - Exhibit 1-A

(B) and (G) - Exhibit 1-B

(C) and (H) - Appendix B

(D) - Appendix A1

(E) = [(A) - (B)] * (C) * (D)

(I) - Appendix A2

(J) = [(F) - (G)] * (H) * (I)

**Calculation of Forecast Ultimate Losses for 7/1/21-22
Less than \$100,000 per Occurrence**

(A) Accident Period	(B) Trended Ultimate Losses	(C) Ultimate Small Claims	(D) Small Claim Severity	(E) Trended Exposures	(F) Small Loss Rate	(F) Loss Rate Limited to \$100,000
7/1/10-11	\$898,000	96.0	\$9,400	329,896	\$2.72	\$6.06
7/1/11-12	\$689,000	74.0	\$9,300	291,458	\$2.36	\$4.77
7/1/12-13	\$905,000	109.0	\$8,300	270,724	\$3.34	\$3.34
7/1/13-14	\$495,000	81.0	\$6,100	313,502	\$1.58	\$2.85
7/1/14-15	\$1,117,000	108.0	\$10,300	367,551	\$3.04	\$4.94
7/1/15-16	\$1,575,000	115.0	\$13,700	368,608	\$4.27	\$5.36
7/1/16-17	\$1,630,000	123.0	\$13,300	380,503	\$4.28	\$6.39
7/1/17-18	\$624,000	67.0	\$9,300	372,123	\$1.68	\$4.36
7/1/18-19	\$1,430,000	104.2	\$13,700	427,871	\$3.34	\$5.21
7/1/19-20	\$1,742,000	93.1	\$18,700	472,188	\$3.69	\$4.32
7/1/20-21	\$1,548,000	94.6	\$16,400	485,913	\$3.19	\$4.01
Total	\$12,653,000	1,064.9	\$11,900	4,080,337	\$3.10	\$4.72

7/1/21-22

(G) Forecast Small Loss Rate

\$3.32

(H) Exposure

485,913

(I) Forecast Small Losses

\$1,615,000

(J) Forecast Small Claim Counts

108.4

(K) Forecast Small Claim Severity

\$14,900

(B) - Average of Columns (E) and (J) through 14-15, (E) for other years

(C) - Difference in Column (C) from Exhibits 3-A and 3-B

(D) = (B) / (C)

(E) - Exhibit 1-A

(F) = (B) / (E)

(G) - Average of 14-15 through 18-19

(H) - Exhibit 3-B

(I) = (G) * (H)

(J) - Exhibit 3-B

(K) = (I) / (J)

Forecast Ultimate Losses for 7/1/21-22
Total Experience Net of Member Deductibles

	<u>7/1/21-22</u>								
(1) Forecast Small Losses {Exhibit 4-B}	\$1,615,000								
(2) Forecast Number of Claims over \$100,000 {Exhibit 3-B}	8.1								
(3) Expected Severity of Losses over \$100,000: { Exhibit 2 }									
Limited to \$100,000	\$100,000								
Limited to \$1,000,000	\$210,000								
Unlimited	\$212,000								
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">(4) Projected Total Losses { Line(1) + [Line(2) * Line (3)] }</td> <td></td> </tr> <tr> <td style="padding-left: 40px;">Limited to \$100,000</td> <td style="text-align: right;">\$2,425,000</td> </tr> <tr> <td style="padding-left: 40px;">Limited to \$1,000,000</td> <td style="text-align: right;">\$3,315,000</td> </tr> <tr> <td style="padding-left: 40px;">Unlimited</td> <td style="text-align: right;">\$3,332,000</td> </tr> </table>		(4) Projected Total Losses { Line(1) + [Line(2) * Line (3)] }		Limited to \$100,000	\$2,425,000	Limited to \$1,000,000	\$3,315,000	Unlimited	\$3,332,000
(4) Projected Total Losses { Line(1) + [Line(2) * Line (3)] }									
Limited to \$100,000	\$2,425,000								
Limited to \$1,000,000	\$3,315,000								
Unlimited	\$3,332,000								
(5) Forecast Student Population	485,913								
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">(6) Projected Cost per Student { Line (4) / Line (5) }</td> <td></td> </tr> <tr> <td style="padding-left: 40px;">Limited to \$100,000</td> <td style="text-align: right;">\$4.99</td> </tr> <tr> <td style="padding-left: 40px;">Limited to \$1,000,000</td> <td style="text-align: right;">\$6.82</td> </tr> <tr> <td style="padding-left: 40px;">Unlimited</td> <td style="text-align: right;">\$6.86</td> </tr> </table>		(6) Projected Cost per Student { Line (4) / Line (5) }		Limited to \$100,000	\$4.99	Limited to \$1,000,000	\$6.82	Unlimited	\$6.86
(6) Projected Cost per Student { Line (4) / Line (5) }									
Limited to \$100,000	\$4.99								
Limited to \$1,000,000	\$6.82								
Unlimited	\$6.86								
(7) Projected Total Claims { Exhibit 3-A }	116.5								
(8) Average Severity { Line (4) / Line (7) }									
Limited to \$100,000	\$20,800								
Limited to \$1,000,000	\$28,500								
Unlimited	\$28,600								

**Distribution of Forecast Losses for 7/1/21-22
Assuming a \$100,000 SIR**

<i>Percentile</i>	<i>SIR Layer \$100,000</i>	<i>Layer \$900,000 xs \$100,000</i>	<i>Losses Limited to \$1,000,000</i>	<i>Losses Excess of \$1,000,000</i>	<i>Total Incurred Losses</i>
20.0%	\$1,916,000	\$486,000	\$2,575,000	\$0	\$2,575,000
30.0%	\$2,078,000	\$595,000	\$2,815,000	\$0	\$2,817,000
40.0%	\$2,222,000	\$706,000	\$3,034,000	\$0	\$3,035,000
50.0%	\$2,360,000	\$811,000	\$3,244,000	\$0	\$3,249,000
60.0%	\$2,511,000	\$935,000	\$3,471,000	\$0	\$3,480,000
70.0%	\$2,673,000	\$1,078,000	\$3,727,000	\$0	\$3,746,000
75.0%	\$2,775,000	\$1,162,000	\$3,865,000	\$0	\$3,884,000
80.0%	\$2,896,000	\$1,264,000	\$4,025,000	\$0	\$4,048,000
85.0%	\$3,052,000	\$1,392,000	\$4,231,000	\$0	\$4,259,000
90.0%	\$3,237,000	\$1,554,000	\$4,500,000	\$0	\$4,554,000
95.0%	\$3,556,000	\$1,785,000	\$4,900,000	\$0	\$4,978,000
99.0%	\$4,224,000	\$2,322,000	\$5,740,000	\$648,000	\$5,932,000
Expected	\$2,425,000	\$890,000	\$3,315,000	\$17,000	\$3,332,000
<i>Students</i>	485,913				
Cost Per Student	\$4.99	\$1.83	\$6.82	\$0.03	\$6.86

*Percentiles based on combined distributions for small and large losses
Aggregate small losses modeled using a lognormal distribution
Large claim size modeled using an inverse Weibull distribution
Large claim counts modeled using a Poisson Distribution*

**Estimation of Cumulative Reported Loss Development Factors
 Using "The Method of Least Squares"**

Curve : $Y = A(1/(X+C))^B + 1$ (Modified Inverse Power Curve)

Months of Maturity X	Cumulative Factors Y*	Transformed Values for Regression					Fitted Values	
		X'	Y'	(X')^2	(Y')^2	X' x Y'	X	Cumulative Factor Y
		LN(1/(X+C))	LN(Y-1)					
12	1.618	-6.2383	-0.4805	38.917	0.2309	2.9973	126	1.000
24	1.211	-6.2615	-1.5548	39.206	2.4173	9.7352	114	1.000
36	1.089	-6.2841	-2.4233	39.490	5.8725	15.2286	102	1.001
48	1.030	-6.3063	-3.4974	39.769	12.2319	22.0556	90	1.001
60	1.015	-6.3279	-4.1964	40.043	17.6096	26.5544	78	1.003
72	1.005	-6.3491	-5.2983	40.312	28.0722	33.6398	66	1.008
							54	1.021
							42	1.053
							30	1.138
							18	1.365
							6	3.544
Sum		-37.7673	-17.4507	237.7368	66.4343	110.2108		
Average		-6.2946	-2.9084	39.6228	11.0724	18.3685		

N =	6		
A =	2.322E+115		
B =	42.664	R^2 =	0.99771
C =	500		

* - Appendix A4 from IBNR Study

**Estimation of Cumulative Paid Loss Development Factors
 Using "The Method of Least Squares"**

Curve : $Y = A(1/(X+C))^B + 1$ (Modified Inverse Power Curve)

Months of Maturity X	Cumulative Factors Y*	Transformed Values for Regression					Fitted Values	
		X'	Y'	(X')^2	(Y')^2	X' x Y'	X	Cumulative Factor Y
		LN(1/(X+C))	LN(Y-1)					
12	13.257	-4.4773	2.5061	20.047	6.2805	-11.2206	126	1.001
24	3.417	-4.6052	0.8826	21.208	0.7789	-4.0644	114	1.001
36	1.632	-4.7185	-0.4584	22.264	0.2101	2.1629	102	1.003
48	1.249	-4.8203	-1.3886	23.235	1.9281	6.6933	90	1.007
60	1.056	-4.9127	-2.8788	24.134	8.2872	14.1423	78	1.016
72	1.028	-4.9972	-3.5752	24.972	12.7821	17.8661	66	1.042
84	1.012	-5.0752	-4.4315	25.757	19.6378	22.4904	54	1.118
96	1.004	-5.1475	-5.5661	26.497	30.9811	28.6513	42	1.369
							30	2.305
							18	6.374
							6	37.181
Sum		-38.7538	-14.9098	188.1139	80.8860	76.7213		
Average		-4.8442	-1.8637	23.5142	10.1107	9.5902		

N =	8		
A =	9.468E+23		
B =	11.781	R^2 =	0.99732
C =	76		

* - Appendix A5 from IBNR Study

**Estimation of Cumulative Reported Claim Development Factors
 Using "The Method of Least Squares"**

Curve : $Y = A(1/(X+C))^B + 1$ (Modified Inverse Power Curve)

Months of Maturity X	Cumulative Factors Y*	Transformed Values for Regression					Fitted Values	
		X'	Y'	(X')^2	(Y')^2	X' x Y'	X	Cumulative Factor Y
		LN(1/(X+C))	LN(Y-1)					
12	1.038	-3.5553	-3.2715	12.640	10.7025	11.6312	126	1.000
24	1.004	-3.8501	-5.5052	14.824	30.3070	21.1957	114	1.000
36	1.001	-4.0775	-7.2296	16.626	52.2673	29.4790	102	1.000
							90	1.000
							78	1.000
							66	1.000
							54	1.000
							42	1.000
							30	1.002
							18	1.011
							6	2.150
Sum		-11.4830	-16.0063	44.0904	93.2768	62.3060		
Average		-3.8277	-5.3354	14.6968	31.0923	20.7687		

N =	3		
A =	1.919E+10		
B =	7.580	R^2 =	1.00000
C =	23		

* - Appendix A6 from IBNR study

**U.S. Claims Cost Index
General Liability**

(A)	(B)	(C)	(D)	(E)	(F)
Year	Index	Annual Percent Increase	Accident Period	Interpolated Index	Trend Factor to 7/1/21-22
2005	100.0				
2006	104.4	4.4%			
2007	109.0	4.5%			
2008	113.2	3.8%			
2009	115.7	2.3%			
2010	118.4	2.3%			
2011	122.8	3.7%	7/1/10-11	120.6	1.385
2012	126.7	3.2%	7/1/11-12	124.7	1.339
2013	129.9	2.5%	7/1/12-13	128.3	1.302
2014	133.5	2.8%	7/1/13-14	131.7	1.269
2015	137.2	2.8%	7/1/14-15	135.3	1.234
2016	142.1	3.6%	7/1/15-16	139.6	1.196
2017	146.4	3.0%	7/1/16-17	144.2	1.158
2018	150.9	3.1%	7/1/17-18	148.7	1.124
2019	155.2	2.8%	7/1/18-19	153.0	1.092
2020	159.7	2.9%	7/1/19-20	157.4	1.061
2021*	164.6	3.0%	7/1/20-21	162.1	1.030
2022*	169.6	3.0%	7/1/21-22	167.1	1.000

(B) and (C) - Willis Towers Watson Claim Cost Index, willistowerswatson.com

Jeremy Pecora and Emily Thompson, September 9, 2020

2021 Estimated based on average of last six years

(E) - Linear interpolation of (B)

(F) = (E, forecast period) / (E)

Section 6

Exhibits – Auto Physical Damage

Exhibit 1	Summary of Data Large Loss Listing
Exhibit 2	NA
Exhibit 3	Forecast Total Claim Counts
Exhibit 4	Forecast Losses Limited to \$100,000 Forecast Unlimited Losses
Exhibit 5	Forecast Losses for 7/1/21-22
Exhibit 6	Aggregate Distribution of Forecast with Percentiles
Appendix A	Loss Development Factors
Appendix B	Loss Trend Factors

Summary of Loss and Exposure Data
Total Experience Net of Member Deductibles

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Accident Period	Evaluation Date	Maturity (months)	Reported NonZero Claims	Losses Paid	Loss Reserves	Expense & Legal Paid	Expense & Legal Reserves	Total Loss and Expenses Incurred	Vehicles
7/1/10-11	12/31/2020	126	95	\$452,378	\$0	\$13,212	\$0	\$465,590	7,176
7/1/11-12	12/31/2020	114	83	\$449,529	\$0	\$24,283	\$0	\$473,811	7,842
7/1/12-13	12/31/2020	102	79	\$499,643	\$0	\$25,067	\$0	\$524,710	6,769
7/1/13-14	12/31/2020	90	68	\$465,193	\$0	\$20,671	\$0	\$485,864	5,999
7/1/14-15	12/31/2020	78	111	\$692,138	\$0	\$36,947	\$0	\$729,085	6,591
7/1/15-16	12/31/2020	66	94	\$417,675	\$1,001	\$37,003	\$2,203	\$457,882	8,327
7/1/16-17	12/31/2020	54	110	\$640,403	\$1,000	\$39,849	\$2,744	\$683,996	8,658
7/1/17-18	12/31/2020	42	109	\$899,794	\$1,000	\$56,339	\$31	\$957,164	9,425
7/1/18-19	12/31/2020	30	117	\$586,373	\$5,631	\$62,058	\$32,363	\$686,425	9,633
7/1/19-20	12/31/2020	18	133	\$1,012,817	\$12,720	\$62,934	\$18,434	\$1,106,905	12,117
7/1/20-21	12/31/2020	6	60	\$386,357	\$169,511	\$13,999	\$3,804	\$573,671	12,612
7/1/21-22									12,612
			1059	\$6,502,300	\$190,863	\$392,360	\$59,579	\$7,145,103	

- Loss and policy information provided by Jennifer McKenzie, Arthur J. Gallagher Risk Management Services
- Loss and Exposure data contains only current OSIG members as of 12/31/2020

Large Claim Listing
Claims Exceeding \$100,000 after Development and Trend

(A)	(B)	(C)	(D)	(G)	(H)	
<i>Occurrence #</i>	<i>Loss Date</i>	<i>Net Paid Loss & ALAE</i>	<i>Net Incurred Loss & ALAE</i>	<i>Severity Factor</i>	<i>Trend Factor</i>	<i>Trended Ultimate Claim</i>
0050	5/22/2011	\$92,221	\$92,221	1.000	1.228	\$113,306
91392	7/14/2012	\$89,430	\$89,430	1.001	1.205	\$107,843
92831	12/3/2014	\$129,683	\$129,683	1.002	1.166	\$151,572
94879	1/11/2018	\$318,916	\$318,916	1.023	1.110	\$362,140
P625-19-95984	8/29/2019	\$94,843	\$94,843	1.114	1.048	\$110,662
0079	4/21/2020	\$162,961	\$162,961	1.114	1.048	\$190,142
		\$888,053	\$888,053			

- Loss and policy information provided by Jennifer McKenzie, Arthur J. Gallagher Risk Management Services

Projected Total Claim Frequency

(A) Accident Period	(B) Number of Nonzero Claims	(C) CCDF	(D) Ultimate Claims	(E) Exposures (Vehicles)	(F) Exposure Trend	(G) Trended Exposures	(H) Frequency per 1,000 Vehicles
7/1/10-11	95	1.000	95.0	7,176	1.000	7,176	13.2
7/1/11-12	83	1.000	83.0	7,842	1.000	7,842	10.6
7/1/12-13	79	1.000	79.0	6,769	1.000	6,769	11.7
7/1/13-14	68	1.000	68.0	5,999	1.000	5,999	11.3
7/1/14-15	111	1.000	111.0	6,591	1.000	6,591	16.8
7/1/15-16	94	1.000	94.0	8,327	1.000	8,327	11.3
7/1/16-17	110	1.000	110.0	8,658	1.000	8,658	12.7
7/1/17-18	109	1.000	109.0	9,425	1.000	9,425	11.6
7/1/18-19	117	1.000	117.0	9,633	1.000	9,633	12.1
7/1/19-20	133	1.000	133.0	12,117	1.000	12,117	11.0
7/1/20-21	60	2.167	130.0	12,612	1.000	12,612	10.3
Total	1,059		1,129.0	95,149		95,149	11.9

7/1/21-22

(I) Selected Frequency 11.6

(J) Forecast Exposure 12,612

Primary Only Members 1,369

Property Program Members 11,243

(K) Forecast Total Claims 145.8

Primary Only Members 15.8

Property Program Members 130.0

(B) - Exhibit 1-A

(C) - Appendix A3

(D) - (B) * (C)

(E) and (J) = Exhibit 1-A

(F) - no trend for vehicle counts

(G) = (E) * (F)

(H) = (D) / (G) * 1000

(I) = average of 17-18 through 19-20

(K) = (I) * (J) / 1000

**Estimation of Forecast Losses for 7/1/21-22
Members at Primary Limit of \$100,000 per Occurrence**

(A) Accident Period	(B) Reported Losses	(C) Large Losses	(E) Trend Factor to 7/1/21-22	(F) Reported Develop. Factor	Ultimate Small Losses	Provision For Large Losses	(G) Ultimate Limited Losses	(H) Vehicles	(I) Limited Loss Rate
7/1/10-11	\$465,590	\$92,221	1.228	1.000	\$458,737	\$100,000	\$558,737	7,176	\$77.86
7/1/11-12	\$473,811	\$0	1.215	1.000	\$575,627	\$0	\$575,627	7,842	\$73.40
7/1/12-13	\$524,710	\$89,430	1.205	1.001	\$524,901	\$100,000	\$624,901	6,769	\$92.32
7/1/13-14	\$485,864	\$0	1.187	1.001	\$577,263	\$0	\$577,263	5,999	\$96.23
7/1/14-15	\$729,085	\$129,683	1.166	1.002	\$700,578	\$100,000	\$800,578	6,591	\$121.46
7/1/15-16	\$457,882	\$0	1.146	1.005	\$527,297	\$0	\$527,297	8,327	\$63.32
7/1/16-17	\$683,996	\$0	1.129	1.011	\$780,454	\$0	\$780,454	8,658	\$90.15
7/1/17-18	\$957,164	\$318,916	1.110	1.023	\$724,751	\$100,000	\$824,751	9,425	\$87.51
7/1/18-19	\$686,425	\$0	1.080	1.050	\$778,663	\$0	\$778,663	9,633	\$80.84
7/1/19-20	\$1,106,905	\$257,804	1.048	1.114	\$990,727	\$200,000	\$1,190,727	12,117	\$98.27
7/1/20-21	\$573,671	\$0	1.022	2.426	\$1,422,332	\$0	\$1,422,332	12,612	\$112.78
Total	\$7,145,103	\$888,053			\$8,061,331	\$600,000	\$8,661,331	95,149	\$91.03

(J) Selected Loss Rate \$90.26

(K) Forecast Vehicle Count 1,369

(L) Forecast Ultimate Losses \$124,000

(A) - Exhibit 1-A

(B) - Exhibit 1-B

(C) = (A) - (B)

(D) - Appendix B

(E) - Appendix A1

(G) = (D) * (E) * (F)

(H) and (K) - Exhibit 1-A

(I) = (G) / (H)

(J) = Average of 14-15 through 19-20

(L) = (J) * (K)

**Estimation of Forecast Losses for 7/1/21-22
All Other Members Unlimited Losses**

(A) Accident Period	(B) Reported Losses	(C) Large Losses	(E) Trend Factor to 7/1/21-22	(F) Reported Develop. Factor	Ultimate Small Losses	Provision For Large Losses	(G) Ultimate Limited Losses	(H) Vehicles	(I) Loss Rate
7/1/10-11	\$465,590	\$0	1.228	1.000	\$572,043	\$0	\$572,043	7,176	\$79.71
7/1/11-12	\$473,811	\$0	1.215	1.000	\$575,627	\$0	\$575,627	7,842	\$73.40
7/1/12-13	\$524,710	\$0	1.205	1.001	\$632,744	\$0	\$632,744	6,769	\$93.48
7/1/13-14	\$485,864	\$0	1.187	1.001	\$577,263	\$0	\$577,263	5,999	\$96.23
7/1/14-15	\$729,085	\$0	1.166	1.002	\$852,151	\$0	\$852,151	6,591	\$129.29
7/1/15-16	\$457,882	\$0	1.146	1.005	\$527,297	\$0	\$527,297	8,327	\$63.32
7/1/16-17	\$683,996	\$0	1.129	1.011	\$780,454	\$0	\$780,454	8,658	\$90.15
7/1/17-18	\$957,164	\$0	1.110	1.023	\$1,086,891	\$0	\$1,086,891	9,425	\$115.32
7/1/18-19	\$686,425	\$0	1.080	1.050	\$778,663	\$0	\$778,663	9,633	\$80.84
7/1/19-20	\$1,106,905	\$0	1.048	1.114	\$1,291,531	\$0	\$1,291,531	12,117	\$106.59
7/1/20-21	\$573,671	\$0	1.022	2.426	\$1,422,332	\$0	\$1,422,332	12,612	\$112.78
Total	\$7,145,103	\$0			\$9,096,996	\$0	\$9,096,996	95,149	\$95.61

(J) Selected Loss Rate \$97.58

(K) Forecast Vehicle Count 11,243

(L) Forecast Ultimate Losses \$1,097,000

(A) - Exhibit 1-A

(B) - Exhibit 1-B

(C) = (A) - (B)

(D) - Appendix B

(E) - Appendix A1

(G) = (D) * (E) * (F)

(H) and (K) - Exhibit 1-A

(I) = (G) / (H)

(J) = Average of 14-15 through 19-20

(L) = (J) * (K)

**Forecast Ultimate Losses for 7/1/21-22
 Total Experience Net of Member Deductibles**

	(A) Vehicles	(B) Forecast Loss Rate	(C) Ultimate Losses
Primary Limits of \$100,000	1,369	\$90.26	\$124,000
Unlimited	11,243	\$97.58	\$1,097,000
Total Forecast for 7/1/20-21	12,612	\$96.81	\$1,221,000

(A) - Provided by OSIG

(B) - Exhibit 4

(C) = (A) * (B)

Distribution of Forecast Losses for 7/1/21-22

<i>Percentile</i>	<i>Members at Primary Limits</i>	<i>Other Members Unlimited</i>
20.0%	\$104,000	\$899,000
30.0%	\$110,000	\$961,000
40.0%	\$116,000	\$1,017,000
50.0%	\$122,000	\$1,073,000
60.0%	\$128,000	\$1,132,000
70.0%	\$135,000	\$1,198,000
75.0%	\$138,000	\$1,236,000
80.0%	\$143,000	\$1,281,000
85.0%	\$148,000	\$1,334,000
90.0%	\$155,000	\$1,404,000
95.0%	\$166,000	\$1,516,000
99.0%	\$189,000	\$1,749,000
<i>Expected</i>	\$124,000	\$1,097,000
<i>Vehicles</i>	1,369	11,243
<i>Expected Rate per Vehicle</i>	\$90.26	\$97.58
<i>Forecast Claims</i>	15.8	130.0
<i>Severity</i>	\$7,800	\$8,400

**Estimation of Cumulative Reported Loss Development Factors
Using "The Method of Least Squares"**

Curve : $Y = A(1/(X+C))^B + 1$ (Modified Inverse Power Curve)

Months of Maturity X	Cumulative Factors Y*	Transformed Values for Regression					Fitted Values	
		X'	Y'	(X')^2	(Y')^2	X' x Y'	X	Cumulative Factor Y
12	1.177	-5.8916	-1.7311	34.711	2.9968	10.1992	126	1.000
24	1.069	-5.9243	-2.6675	35.097	7.1156	15.8031	114	1.000
36	1.037	-5.9558	-3.3001	35.472	10.8910	19.6551	102	1.001
48	1.015	-5.9865	-4.1964	35.838	17.6096	25.1214	90	1.001
							78	1.002
							66	1.005
							54	1.011
							42	1.023
							30	1.050
							18	1.114
							6	2.426
Sum		-23.7582	-11.8952	141.1179	38.6130	70.7788		
Average		-5.9395	-2.9738	35.2795	9.6533	17.6947		

N =	4		
A =	1.743E+64		
B =	25.405	R ² =	0.99505
C =	350		

* - Appendix A4 from IBNR Study

**Estimation of Cumulative Reported Claim Development Factors
 Using "The Method of Least Squares"**

Curve : $Y = A(1/(X+C))^B + 1$ (Modified Inverse Power Curve)

Months of Maturity X	Cumulative Factors Y*	Transformed Values for Regression					Fitted Values	
		X'	Y'	(X')^2	(Y')^2	X' x Y'	X	Cumulative Factor Y
		$LN(1/(X+C))$	$LN(Y-1)$					
12	1.000						126	1.000
24	1.000						114	1.000
							102	1.000
							90	1.000
							78	1.000
							66	1.000
							54	1.000
							42	1.000
							30	1.000
							18	1.000
							6	2.167
Sum		0.0000	0.0000	0.0000	0.0000	0.0000		
Average		0.0000	0.0000	0.0000	0.0000	0.0000		

N =	2	
A =		
B =		R^2 =
C =	0	

* - Appendix A6 from IBNR study

**U.S. Claims Cost Index
Auto Physical Damage**

(A) Year	(B) Index	(C) Annual Percent Increase	(D) Accident Period	(E) Interpolated Index	(F) Trend Factor to 7/1/21-22
2005	100.0				
2006	102.4	2.4%			
2007	105.1	2.7%			
2008	107.9	2.6%			
2009	118.2	9.6%			
2010	120.3	1.7%			
2011	122.6	1.9%	7/1/10-11	121.4	1.228
2012	123.1	0.4%	7/1/11-12	122.8	1.215
2013	124.5	1.2%	7/1/12-13	123.8	1.205
2014	126.9	1.9%	7/1/13-14	125.7	1.187
2015	129.0	1.6%	7/1/14-15	127.9	1.166
2016	131.4	1.9%	7/1/15-16	130.2	1.146
2017	132.8	1.1%	7/1/16-17	132.1	1.129
2018	135.9	2.3%	7/1/17-18	134.4	1.110
2019	140.3	3.3%	7/1/18-19	138.1	1.080
2020	144.4	2.9%	7/1/19-20	142.4	1.048
2021*	147.6	2.2%	7/1/20-21	146.0	1.022
2022*	150.8	2.2%	7/1/21-22	149.2	1.000

(B) and (C) - Willis Towers Watson Claim Cost Index, willistowerswatson.com

Jeremy Pecora and Emily Thompson, September 9, 2020

*2021 Estimated based on average of last six years

(E) - Linear interpolation of column (B)

(F) - $[(E), \text{forecast period}] / [(E), \text{current period}]$

Section 7

Exhibits – Property with APD

Exhibit 1	Summary of Data
Exhibit 2	Claim Severity Distribution
Exhibit 3	Forecast Total Claim Counts
Exhibit 4	Forecast Total Losses for 7/1/21-22
Exhibit 5	Forecast Member Deductibles for 7/1/21-22
Exhibit 6	Aggregate Distribution of Forecast with Percentiles
Appendix A	Loss Development Factors
Appendix B	Loss Trend Factors Exposure Trend Factors

Summary of Loss and Exposure Data
Total Experience Net of Member Deductibles

(A) Accident Period	(B) Evaluation Date	(C) Maturity (months)	(D) Reported NonZero Claims	(E) Member Deductibles	(F) Total Net Paid Losses & Expenses	(G) Case Reserves	(H) Total net Incurred Losses & Expenses	(I) Gross of Member Deductibles	(J) Total Insured Value in \$100s
7/1/05-06	12/31/2020	186	171	\$536,000	\$2,822,883	\$0	\$2,822,883	\$3,358,883	\$45,372,745
7/1/06-07	12/31/2020	174	210	\$1,145,000	\$5,424,180	\$0	\$5,424,180	\$6,569,180	\$57,370,353
7/1/07-08	12/31/2020	162	220	\$1,122,500	\$27,248,717	\$0	\$27,248,717	\$28,371,217	\$62,925,938
7/1/08-09	12/31/2020	150	183	\$1,049,000	\$13,254,298	\$0	\$13,254,298	\$14,303,298	\$66,426,354
7/1/09-10	12/31/2020	138	236	\$1,079,000	\$16,098,237	\$0	\$16,098,237	\$17,177,237	\$70,400,877
7/1/10-11	12/31/2020	126	210	\$943,000	\$24,317,661	\$0	\$24,317,661	\$25,260,661	\$74,175,355
7/1/11-12	12/31/2020	114	160	\$462,000	\$3,739,202	\$0	\$3,739,202	\$4,201,202	\$69,686,902
7/1/12-13	12/31/2020	102	152	\$729,500	\$5,579,422	\$0	\$5,579,422	\$6,308,922	\$62,594,433
7/1/13-14	12/31/2020	90	151	\$285,000	\$4,569,014	\$0	\$4,569,014	\$4,854,014	\$68,701,308
7/1/14-15	12/31/2020	78	196	\$801,500	\$7,006,691	\$597,734	\$7,604,425	\$8,405,925	\$78,210,987
7/1/15-16	12/31/2020	66	168	\$612,000	\$13,088,323	\$1,435,854	\$14,524,177	\$15,136,177	\$79,094,269
7/1/16-17	12/31/2020	54	217	\$1,061,000	\$9,124,585	\$1,631,509	\$10,756,094	\$11,817,094	\$90,180,374
7/1/17-18	12/31/2020	42	187	\$574,500	\$15,213,203	\$7,093,152	\$22,306,355	\$22,880,855	\$88,680,169
7/1/18-19	12/31/2020	30	217	\$1,012,500	\$26,074,218	\$6,809,954	\$32,884,172	\$33,896,672	\$117,640,965
7/1/19-20	12/31/2020	18	223	\$1,086,000	\$35,172,103	\$41,276,467	\$76,448,570	\$77,534,570	\$152,720,243
7/1/20-21	12/31/2020	6	111	\$575,500	\$3,024,866	\$2,923,321	\$5,948,187	\$6,523,687	\$164,261,745
7/1/21-22									\$165,080,000
			3012	\$13,074,000	\$211,757,601	\$61,767,991	\$273,525,592	\$286,599,592	

- Loss and policy information provided by Jennifer McKenzie, Arthur J. Gallagher Risk Management Services
- Loss and Exposure data contains only current OSIG members as of 12/31/2020

Fitted Claim Distribution
All Claims

<i>Percentile</i>	<i>Observed</i>	<i>Fitted</i>
5%	\$1,736	\$1,895
10%	\$2,303	\$2,591
15%	\$2,843	\$3,250
20%	\$3,448	\$3,923
25%	\$4,170	\$4,619
30%	\$4,940	\$5,366
35%	\$5,624	\$6,188
40%	\$6,462	\$7,083
45%	\$7,581	\$8,097
50%	\$8,908	\$9,267
55%	\$10,341	\$10,621
60%	\$12,234	\$12,249
65%	\$15,013	\$14,262
70%	\$17,768	\$16,860
75%	\$22,077	\$20,449
80%	\$29,314	\$25,940
85%	\$41,778	\$36,420
90%	\$67,493	\$86,166
95%	\$165,991	\$348,377
97.5%	\$928,353	\$1,040,099
99.0%	\$3,320,301	\$2,000,000
99.5%	\$9,064,525	\$3,410,324
99.9%	\$25,059,159	\$13,780,783
Average Severity	\$185,277	\$124,183

Projected Total Claim Frequency

(A) Accident Period	(B) Number of Nonzero Claims	(C) CCDF	(D) Ultimate Claims	(E) Exposures TIV (\$100s)	(F) Exposure Trend	(G) Trended Exposures	(H) Frequency per \$1M TIV
7/1/05-06	171	1.000	171.0	\$45,372,745	1.341	\$60,831,534	0.0281
7/1/06-07	210	1.000	210.0	\$57,370,353	1.301	\$74,646,357	0.0281
7/1/07-08	220	1.000	220.0	\$62,925,938	1.259	\$79,222,527	0.0278
7/1/08-09	183	1.000	183.0	\$66,426,354	1.238	\$82,224,664	0.0223
7/1/09-10	236	1.000	236.0	\$70,400,877	1.230	\$86,574,423	0.0273
7/1/10-11	210	1.000	210.0	\$74,175,355	1.201	\$89,082,852	0.0236
7/1/11-12	160	1.000	160.0	\$69,686,902	1.171	\$81,572,904	0.0196
7/1/12-13	152	1.000	152.0	\$62,594,433	1.150	\$71,998,695	0.0211
7/1/13-14	151	1.000	151.0	\$68,701,308	1.133	\$77,823,435	0.0194
7/1/14-15	196	1.000	196.0	\$78,210,987	1.123	\$87,838,368	0.0223
7/1/15-16	168	1.000	168.0	\$79,094,269	1.115	\$88,221,401	0.0190
7/1/16-17	217	1.000	217.0	\$90,180,374	1.097	\$98,903,125	0.0219
7/1/17-18	187	1.000	187.0	\$88,680,169	1.072	\$95,080,281	0.0197
7/1/18-19	217	1.000	217.0	\$117,640,965	1.050	\$123,510,258	0.0176
7/1/19-20	223	1.000	223.0	\$152,720,243	1.034	\$157,924,473	0.0141
7/1/20-21	111	2.167	240.5	\$164,261,745	1.018	\$167,275,050	0.0144
Total	3,012		3,141.5	\$1,348,443,018		\$1,522,730,346	0.0206

7/1/21-22

(I) Selected Frequency 0.0198

(J) Forecast Exposure \$165,080,000

(K) Forecast Total Claims 327.4

(B) - Exhibit 1-A

(C) - Appendix A3

(D) - (B) * (C)

(E) and (J) = Exhibit 1-A

(F) - Appndix B2

(G) = (E) * (F)

(H) = (D) / (G) * 10,000

(I) - Average of 14-15 through 19-20

(K) = (I) * (J) / 10,000

**Calculation of Forecast Ultimate Losses for 7/1/21-22
Unlimited Losses**

(A) Accident Period	(B) Reported Losses	(C) RLDF	(D) Loss Trend Factor	(E) Trended Ultimate Claims	(F) Trended Exposures	(G) Loss Rate
7/1/05-06	\$3,358,883	1.000	1.478	\$4,964,915	\$60,831,534	\$0.082
7/1/06-07	\$6,569,180	1.000	1.420	\$9,327,381	\$74,646,357	\$0.125
7/1/07-08	\$28,371,217	1.000	1.369	\$38,848,550	\$79,222,527	\$0.490
7/1/08-09	\$14,303,298	1.000	1.314	\$18,791,896	\$82,224,664	\$0.229
7/1/09-10	\$17,177,237	1.000	1.240	\$21,308,522	\$86,574,423	\$0.246
7/1/10-11	\$25,260,661	1.000	1.201	\$30,331,658	\$89,082,852	\$0.340
7/1/11-12	\$4,201,202	1.000	1.207	\$5,072,711	\$81,572,904	\$0.062
7/1/12-13	\$6,308,922	1.001	1.201	\$7,580,553	\$71,998,695	\$0.105
7/1/13-14	\$4,854,014	1.001	1.165	\$5,659,797	\$77,823,435	\$0.073
7/1/14-15	\$8,405,925	1.002	1.134	\$9,556,759	\$87,838,368	\$0.109
7/1/15-16	\$15,136,177	1.005	1.102	\$16,769,246	\$88,221,401	\$0.190
7/1/16-17	\$11,817,094	1.011	1.072	\$12,807,721	\$98,903,125	\$0.129
7/1/17-18	\$22,880,855	1.023	1.071	\$25,062,940	\$95,080,281	\$0.264
7/1/18-19	\$33,896,672	1.050	1.069	\$38,047,905	\$123,510,258	\$0.308
7/1/19-20	\$77,534,570	1.114	1.044	\$90,186,866	\$157,924,473	\$0.571
7/1/20-21	\$6,523,687	2.426	1.018	\$16,111,076	\$167,275,050	\$0.096
Total	\$286,599,592			\$350,428,496	\$1,522,730,346	\$0.188

7/1/21-22

(H) Forecast Loss Rate \$0.244

(I) Forecast Exposures \$165,080,000

(J) Forecast Ultimate Losses \$40,333,000

(B) - Exhibit 1

(C) - Appendix A1

(D) - Appendix B1

(E) = (B) * (C) * (D)

(F) - Exhibit 3

(G) = (E) / (F)

(H) - Average of 10-11 through 19-20

(I) - Exhibit 1

(J) = (H) * (I)

Calculation of Forecast Member Deductibles for 7/1/21-22

(A)	(B)	(C)	(D)
Accident Period	Member Deductibles	Reported Claims	Average Deductible
7/1/05-06	\$536,000	171	\$3,135
7/1/06-07	\$1,145,000	210	\$5,452
7/1/07-08	\$1,122,500	220	\$5,102
7/1/08-09	\$1,049,000	183	\$5,732
7/1/09-10	\$1,079,000	236	\$4,572
7/1/10-11	\$943,000	210	\$4,490
7/1/11-12	\$462,000	160	\$2,888
7/1/12-13	\$729,500	152	\$4,799
7/1/13-14	\$285,000	151	\$1,887
7/1/14-15	\$801,500	196	\$4,089
7/1/15-16	\$612,000	168	\$3,643
7/1/16-17	\$1,061,000	217	\$4,889
7/1/17-18	\$574,500	187	\$3,072
7/1/18-19	\$1,012,500	217	\$4,666
7/1/19-20	\$1,086,000	223	\$4,870
7/1/20-21	\$575,500	111	\$5,185
Total	\$13,074,000	3,012	\$4,341
	(E) Selected Average Deductible		\$4,900
	(F) Forecast Total Claims		327.4
	(G) Forecast Deductible Losses		\$1,603,000

(B) and (C) - Exhibit 1

(D) = (B) / (C)

(E) - Judgmentally selected based on recent years

(F) - Exhibit 3

(G) = (E) * (F)

Forecast Ultimate Losses for 7/1/21-22

Maintenance Deductible \$25,000
Aggregate Deductible \$20,000,000
Trailing Deductible \$100,000

(A) Percentile	(B) Ultimate Claims	(C) Member Deductibles	(D) Retained APD Losses	(E) Unlimited Losses	(F) Total Program Losses	(G) Total Net of Member Deductibles	(H) Insured Excess
20.0%	312	\$1,388,000	\$25,000	\$26,017,000	\$24,061,000	\$22,570,000	\$1,775,000
30.0%	318	\$1,458,000	\$25,000	\$29,236,000	\$24,409,000	\$22,876,000	\$4,605,000
40.0%	323	\$1,522,000	\$50,000	\$32,444,000	\$24,694,000	\$23,121,000	\$7,531,000
50.0%	327	\$1,585,000	\$50,000	\$35,942,000	\$24,962,000	\$23,355,000	\$10,791,000
60.0%	332	\$1,650,000	\$75,000	\$40,027,000	\$25,232,000	\$23,591,000	\$14,648,000
70.0%	337	\$1,721,000	\$75,000	\$45,308,000	\$25,527,000	\$23,847,000	\$19,721,000
75.0%	340	\$1,762,000	\$75,000	\$48,615,000	\$25,688,000	\$23,988,000	\$22,950,000
80.0%	343	\$1,808,000	\$125,000	\$52,712,000	\$25,867,000	\$24,145,000	\$26,965,000
85.0%	346	\$1,863,000	\$125,000	\$57,928,000	\$26,077,000	\$24,329,000	\$32,111,000
90.0%	351	\$1,935,000	\$155,000	\$64,992,000	\$26,341,000	\$24,559,000	\$39,120,000
95.0%	358	\$2,046,000	\$155,000	\$75,935,000	\$26,721,000	\$24,890,000	\$49,930,000
99.0%	370	\$2,267,000	\$155,000	\$98,631,000	\$27,402,000	\$25,477,000	\$72,238,000
Expected	327	\$1,603,000	\$60,000	\$40,333,000	\$24,544,000	\$22,941,000	\$15,789,000
TIV in \$00s	\$165,080,000						
Rate		\$0.010		\$0.244	\$0.149	\$0.139	\$0.096

(B) - Exhibit 3
(C) - Exhibit 5
(E) - Exhibit 4
(F) - Results of Monte Carlo simulation of claim frequency and severity with insurance limits applied
Includes APD losses due to Over the Road accidents
(G) = (F), net of member deductibles
(H) = (E) - (F)

Forecast Ultimate Losses for 7/1/21-22

Maintenance Deductible \$25,000
Aggregate Deductible \$25,000,000
Trailing Deductible \$100,000

(A) Percentile	(B) Ultimate Claims	(C) Member Deductibles	(D) Retained APD Losses	(E) Unlimited Losses	(F) Total Program Losses	(G) Total Net of Member Deductibles	(H) Insured Excess
20.0%	312	\$1,388,000	\$25,000	\$26,017,000	\$26,017,000	\$24,546,000	\$0
30.0%	318	\$1,458,000	\$25,000	\$29,236,000	\$28,780,000	\$27,240,000	\$184,000
40.0%	323	\$1,522,000	\$50,000	\$32,444,000	\$29,233,000	\$27,660,000	\$3,019,000
50.0%	327	\$1,585,000	\$50,000	\$35,942,000	\$29,538,000	\$27,929,000	\$6,217,000
60.0%	332	\$1,650,000	\$75,000	\$40,027,000	\$29,835,000	\$28,191,000	\$10,009,000
70.0%	337	\$1,721,000	\$75,000	\$45,308,000	\$30,161,000	\$28,477,000	\$15,012,000
75.0%	340	\$1,762,000	\$75,000	\$48,615,000	\$30,346,000	\$28,637,000	\$18,203,000
80.0%	343	\$1,808,000	\$125,000	\$52,712,000	\$30,550,000	\$28,814,000	\$22,184,000
85.0%	346	\$1,863,000	\$125,000	\$57,928,000	\$30,784,000	\$29,024,000	\$27,300,000
90.0%	351	\$1,935,000	\$155,000	\$64,992,000	\$31,077,000	\$29,287,000	\$34,285,000
95.0%	358	\$2,046,000	\$155,000	\$75,935,000	\$31,502,000	\$29,668,000	\$45,087,000
99.0%	370	\$2,267,000	\$155,000	\$98,631,000	\$32,240,000	\$30,332,000	\$67,324,000
<i>Expected</i>	327	\$1,603,000	\$60,000	\$40,333,000	\$28,185,000	\$26,582,000	\$12,148,000
<i>TIV in \$00s</i>	\$165,080,000						
<i>Rate</i>				\$0.244	\$0.171	\$0.161	\$0.074

(B) - Exhibit 3

(C) - Exhibit 5

(E) - Exhibit 4

(F) - Results of Monte Carlo simulation of claim frequency and severity with insurance limits applied

Includes APD losses due to Over the Road accidents

(G) = (F), net of member deductibles

(H) = (E) - (F)

**Estimation of Cumulative Reported Loss Development Factors
 Losses Limited to \$250,000 per Occurrence
 Using "The Method of Least Squares"**

Curve : $Y = A(1/(X+C))^B + 1$ (Modified Inverse Power Curve)

Months of Maturity X	Cumulative Factors Y*	Transformed Values for Regression					Fitted Values	
		X'	Y'	(X')^2	(Y')^2	X' x Y'	X	Cumulative Factor Y
		LN(1/(X+C))	LN(Y-1)					
12	1.177	-5.8916	-1.7311	34.711	2.9968	10.1992	186	1.000
24	1.069	-5.9243	-2.6675	35.097	7.1156	15.8031	174	1.000
36	1.037	-5.9558	-3.3001	35.472	10.8910	19.6551	162	1.000
48	1.015	-5.9865	-4.1964	35.838	17.6096	25.1214	150	1.000
							138	1.000
							126	1.000
							114	1.000
							102	1.001
							90	1.001
							78	1.002
							66	1.005
							54	1.011
Sum		-23.7582	-11.8952	141.1179	38.6130	70.7788	42	1.023
Average		-5.9395	-2.9738	35.2795	9.6533	17.6947	30	1.050
							18	1.114
							6	2.426

N =	4		
A =	1.743E+64		
B =	25.405	R^2 =	0.99505
C =	350		

* - Appendix A4 from IBNR Study

**Estimation of Cumulative Reported Claim Development Factors
 Using "The Method of Least Squares"**

Curve : $Y = A(1/(X+C))^B + 1$ (Modified Inverse Power Curve)

Months of Maturity X	Cumulative Factors Y*	Transformed Values for Regression					Fitted Values	
		X'	Y'	(X')^2	(Y')^2	X' x Y'	X	Cumulative Factor Y
		LN(1/(X+C))	LN(Y-1)					
12	1.000						186	1.000
24	1.000						174	1.000
							162	1.000
							150	1.000
							138	1.000
							126	1.000
							114	1.000
							102	1.000
							90	1.000
							78	1.000
							66	1.000
							54	1.000
Sum		0.0000	0.0000	0.0000	0.0000	0.0000	42	1.000
Average		0.0000	0.0000	0.0000	0.0000	0.0000	30	1.000
							18	1.000
							6	2.167

N =	2
A =	
B =	
C =	

* - Appendix A6 from IBNR study

Derivation of Loss Trend Factors
Base on U.S. Claims Cost Index - Commerical Property

(A) Year	(B) Index	(C) Annual Percent Increase	(D) Accident Period	(E) Interpolated Index	(F) Trend Factor to 7/1/21-22
2005	100.0				
2006	104.7	4.7%	7/1/05-06	102.3	1.478
2007	108.4	3.6%	7/1/06-07	106.5	1.420
2008	112.5	3.8%	7/1/07-08	110.5	1.369
2009	117.7	4.6%	7/1/08-09	115.1	1.314
2010	126.2	7.2%	7/1/09-10	121.9	1.240
2011	125.8	-0.3%	7/1/10-11	126.0	1.201
2012	124.8	-0.8%	7/1/11-12	125.3	1.207
2013	127.1	1.9%	7/1/12-13	126.0	1.201
2014	132.6	4.3%	7/1/13-14	129.9	1.165
2015	134.1	1.1%	7/1/14-15	133.4	1.134
2016	140.3	4.6%	7/1/15-16	137.2	1.102
2017	141.8	1.0%	7/1/16-17	141.0	1.072
2018	140.7	-0.7%	7/1/17-18	141.2	1.071
2019	142.3	1.1%	7/1/18-19	141.5	1.069
2020	147.3	3.5%	7/1/19-20	144.8	1.044
2021*	149.9	1.8%	7/1/20-21	148.6	1.018
2022*	152.6	1.8%	7/1/21-22	151.3	1.000

(B) and (C) - Willis Towers Watson Claim Cost Index, willistowerswatson.com

Jeremy Pecora and Emily Thompson, September 9, 2020

* 2021 Estimated based on average of last six years

(E) - Linear interpolation of column (B)

(F) - [(E), forecast period] / [(E), current period]

**Derivation of Exposure Trend Factors
Based on the Consumer Price Index**

(A) Year	(B) Index	(C) Annual Percent Increase	(D) Accident Period	(E) Interpolated Index	(F) Trend Factor to 7/1/21-22
2005	195.3				
2006	201.6	3.2%	7/1/05-06	198.4	1.341
2007	207.3	2.9%	7/1/06-07	204.5	1.301
2008	215.3	3.8%	7/1/07-08	211.3	1.259
2009	214.6	-0.3%	7/1/08-09	214.9	1.238
2010	218.1	1.6%	7/1/09-10	216.3	1.230
2011	224.9	3.1%	7/1/10-11	221.5	1.201
2012	229.6	2.1%	7/1/11-12	227.3	1.171
2013	233.0	1.5%	7/1/12-13	231.3	1.150
2014	236.7	1.6%	7/1/13-14	234.8	1.133
2015	237.0	0.1%	7/1/14-15	236.9	1.123
2016	240.0	1.3%	7/1/15-16	238.5	1.115
2017	245.1	2.1%	7/1/16-17	242.6	1.097
2018	251.1	2.4%	7/1/17-18	248.1	1.072
2019	255.7	1.8%	7/1/18-19	253.4	1.050
2020	258.9	1.3%	7/1/19-20	257.3	1.034
2021*	263.6	1.8%	7/1/20-21	261.2	1.018
2022*	268.4	1.8%	7/1/21-22	266.0	1.000

(B) and (C) - CPI data published by U.S. Department of Labor, Bureau of Statistics

* - future trend estimated based on last three years

(E) - Linear interpolation of column (B)

(F) - [(E), forecast period] / [(E), current period]



Reserve Evaluation

Oklahoma Schools Insurance Group

APRIL 21, 2021

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Reserve Evaluation

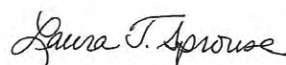
Oklahoma Schools Insurance Group

Report Date: April 21, 2021

Report Notes

Based on data as of December 31, 2020

Prepared by



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Section 1

Executive Summary

The purpose of this report is to provide the Oklahoma Schools Insurance Group (OSIG) with an evaluation of the projected liabilities associated with the retained losses and allocated loss adjustment expenses for its property and liability programs. The specific objectives are (a) to estimate the liability for unpaid losses and allocated loss adjustment expenses as of December 31, 2020 and projected to June 30, 2021; and (b) to analyze the variability inherent in the outstanding losses and IBNR reserves by deriving estimates at various percentiles or confidence levels. Throughout this report the term losses refers to both losses and allocated loss adjustment expenses.

The table below shows the outstanding losses projected as of June 30, 2021, broken down between case reserves and IBNR reserves. Losses shown are undiscounted.

<i>Estimated Unpaid Liabilities as of June 30, 2021</i>			
	<i>Case Reserves</i>	<i>IBNR Reserves</i>	<i>Total Reserve</i>
<i>Liability</i>	\$6,085,000	\$1,984,000	\$8,069,000
<i>Property</i>	\$4,506,803	\$2,864,000	\$7,371,000
<i>Total</i>	\$10,591,803	\$4,848,000	\$15,440,000

Tables at the end of this Executive Summary display the results of our analysis in greater detail. Table A summarizes the ultimate and outstanding losses and IBNR by policy year. Table B shows the IBNR estimates at various percentiles. Table C shows the change in experience since the previous actuarial report. Tables 1 and 2 for each coverage show the projected reserves as of June 30, 2021 and the change in experience since the previous actuarial report.

Discussion of Results

Automobile Liability

Outstanding losses as of December 31, 2020, are \$2,115,000 undiscounted. This includes \$1,676,000 in case reserves and \$439,000 in IBNR reserves. The estimated required reserves as of June 30, 2021 are expected to be \$1,854,000 with \$432,000 of this due to IBNR (Exhibits 5-A&B).

Compared to the projections in the previous actuarial study as of June 30, 2020, reported losses have developed about \$497,000 less than expected in total. The 20-21 year losses are significantly below

expected levels as the pandemic continues to affect in person instruction and bus ridership and routes. We have reduced the ultimate losses from the forecast estimate of \$1,583,000 to \$1,117,000. There were also some smaller reductions on years 14-15 through 19-20. In total, the selected ultimate losses for years through 20-21 have been decreased by \$631,000 (Exhibit 4-A).

General Liability

Outstanding losses as of December 31, 2020, are \$6,540,000 undiscounted. This includes \$5,095,000 in case reserves and \$1,445,000 in IBNR reserves. The estimated required reserves as of June 30, 2021 are expected to be \$6,245,000 with \$1,552,000 of this due to IBNR (Exhibits 5-A&B).

Compared to the projections in the previous actuarial study as of June 30, 2020, reported losses have developed about \$202,000 more than expected in total. The 20-21 year losses are above expected levels with four claims already reported over \$75,000, and slightly higher claim frequency than the prior year. We have increased the ultimate losses from the forecast estimate of \$2,434,000 to \$2,536,000. There were also increases to the 18-19 and 19-20 years and decreases to years 11-12 through 17-18. In total, the selected ultimate losses for years through 20-21 have been increased by \$247,000 (Exhibit 4-A).

Property including Auto Physical Damage

Outstanding losses as of December 31, 2020, are \$8,544,000 undiscounted. This includes \$4,834,000 in case reserves and \$3,721,000 in IBNR reserves. The IBNR includes \$834,000 for the corridor layer as OSIG has \$2,166,000 of reported losses in the corridor so far. The estimated required reserves as of June 30, 2021 are expected to be \$7,371,000 with \$2,864,000 of this due to IBNR (Exhibit 5-A&B). We would expect that the corridor will be reached by June 30.

Compared to the projections in the previous actuarial study as of June 30, 2020, total losses increased significantly due to the costs of storms in the spring of 2020. The effects on OSIG's retained losses was minor in comparison. We increased the ultimate losses for the 19-20 year by \$372,000, which was offset by reductions on prior years. In total, the ultimate losses for years through 20-21 were increased by \$156,000.

COVID-19

As school systems suspended in person learning at the start of the pandemic and moved to various forms of hybrid learning for the current year, the biggest impact to OSIG has been the reduction in claim frequency for automobile liability. General liability losses which lagged for 19-20 seem to have rebounded as ultimate losses were increased for 20-21 and also for a number of historical years. It will be a number of years before the effects of the pandemic are known.

**Projection of Outstanding Losses
 As of June 30, 2021**

(A) Accident Period	(B) Ultimate Losses	(C) Projected Paid Losses	(D) Projected Reported Losses	(E) Projected Case Reserves	(F) IBNR Losses	(G) Outstanding Losses
7/1/02-03	\$233,996	\$233,996	\$233,996	\$0	\$0	\$0
7/1/03-04	\$1,197,571	\$1,197,571	\$1,197,571	\$0	\$0	\$0
7/1/04-05	\$1,107,309	\$1,107,309	\$1,107,309	\$0	\$0	\$0
7/1/05-06	\$1,704,377	\$1,704,377	\$1,704,377	\$0	\$0	\$0
7/1/06-07	\$1,488,442	\$1,488,442	\$1,488,442	\$0	\$0	\$0
7/1/07-08	\$2,192,521	\$2,192,521	\$2,192,521	\$0	\$0	\$0
7/1/08-09	\$2,582,887	\$2,582,887	\$2,582,887	\$0	\$0	\$0
7/1/09-10	\$1,975,261	\$1,975,261	\$1,975,261	\$0	\$0	\$0
7/1/10-11	\$2,691,333	\$2,672,333	\$2,684,333	\$12,000	\$7,000	\$19,000
7/1/11-12	\$2,408,511	\$2,408,511	\$2,408,511	\$0	\$0	\$0
7/1/12-13	\$1,404,317	\$1,380,317	\$1,404,317	\$24,000	\$0	\$24,000
7/1/13-14	\$1,506,842	\$1,484,842	\$1,506,842	\$22,000	\$0	\$22,000
7/1/14-15	\$2,759,000	\$2,642,000	\$2,753,000	\$111,000	\$6,000	\$117,000
7/1/15-16	\$2,820,000	\$2,715,000	\$2,807,000	\$92,000	\$13,000	\$105,000
7/1/16-17	\$3,778,000	\$3,130,000	\$3,738,000	\$608,000	\$40,000	\$648,000
7/1/17-18	\$2,639,000	\$1,852,000	\$2,496,000	\$644,000	\$143,000	\$787,000
7/1/18-19	\$3,281,000	\$1,903,000	\$3,075,000	\$1,172,000	\$206,000	\$1,378,000
7/1/19-20	\$3,455,000	\$1,457,000	\$2,929,000	\$1,472,000	\$526,000	\$1,998,000
7/1/20-21	\$3,653,000	\$682,000	\$2,610,000	\$1,928,000	\$1,043,000	\$2,971,000
Total	\$42,878,366	\$34,809,366	\$40,894,366	\$6,085,000	\$1,984,000	\$8,069,000

(B) through (D) - Exhibit 5-B, sum of AL and GL losses within OSIG Retention

(E) = (D) - (C)

(F) = (B) - (D)

(G) = (B) - (C)

**Percentile Distribution of IBNR
For Liability Coverages
As of June 30, 2021**

<i>percentile</i>	<i>Ultimate Losses</i>	<i>IBNR Reserve</i>	<i>Total Reserve</i>
Expected	\$42,878,366	\$1,984,000	\$8,069,000
40%	\$42,341,000	\$1,447,000	\$7,532,000
50%	\$42,709,000	\$1,815,000	\$7,900,000
60%	\$43,078,000	\$2,184,000	\$8,269,000
70%	\$43,462,000	\$2,568,000	\$8,653,000
75%	\$43,700,000	\$2,806,000	\$8,891,000
80%	\$43,944,000	\$3,050,000	\$9,135,000
90%	\$44,664,000	\$3,770,000	\$9,855,000
95%	\$45,207,000	\$4,313,000	\$10,398,000

<i>Total Expected Ultimate Losses</i>	\$42,878,366
<i>Total Paid Losses as of 6/30/21</i>	\$34,809,366
<i>Total Case Reserves as of 6/30/21</i>	\$6,085,000
<i>Total IBNR Reserves as of 6/30/21</i>	\$1,984,000
<i>Total Outstanding Losses as of 6/30/21</i>	\$8,069,000

- Based on a Monte Carlo simulation of 10,000 sample outcomes
AL and GL losses modeled by accident year using a lognormal distribution
Losses are limited to program aggregate limits each year.

Comparison of Results with Previous Estimates as of 06/30/20

(A) Accident Period	(B) Actual Reported Losses 6/30/2020	(C) Projected Reported Losses 12/31/2020	(D) Actual Reported Losses 12/31/2020	(E) Percent Difference	(I) Actual Paid Losses 6/30/2020	(J) Projected Paid Losses 12/31/2020	(K) Actual Paid Losses 12/31/2020	(L) Percent Difference	(F) Expected Ultimate Losses 6/30/2020	(F) Actual Ultimate Losses 12/31/2020	(H) Percent Difference
7/1/02-03	\$233,996	\$233,996	\$233,996	0.0%	\$233,996	\$233,996	\$233,996	0.0%	\$233,996	\$233,996	0.0%
7/1/03-04	\$1,197,571	\$1,197,571	\$1,197,571	0.0%	\$1,197,571	\$1,197,571	\$1,197,571	0.0%	\$1,197,571	\$1,197,571	0.0%
7/1/04-05	\$1,107,309	\$1,107,309	\$1,107,309	0.0%	\$1,107,309	\$1,107,309	\$1,107,309	0.0%	\$1,107,309	\$1,107,309	0.0%
7/1/05-06	\$1,704,377	\$1,704,377	\$1,704,377	0.0%	\$1,704,377	\$1,704,377	\$1,704,377	0.0%	\$1,704,377	\$1,704,377	0.0%
7/1/06-07	\$1,488,442	\$1,488,442	\$1,488,442	0.0%	\$1,488,442	\$1,488,442	\$1,488,442	0.0%	\$1,488,442	\$1,488,442	0.0%
7/1/07-08	\$2,192,521	\$2,192,521	\$2,192,521	0.0%	\$2,192,521	\$2,192,521	\$2,192,521	0.0%	\$2,192,521	\$2,192,521	0.0%
7/1/08-09	\$2,582,887	\$2,582,887	\$2,582,887	0.0%	\$2,582,887	\$2,582,887	\$2,582,887	0.0%	\$2,582,887	\$2,582,887	0.0%
7/1/09-10	\$1,975,261	\$1,975,261	\$1,975,261	0.0%	\$1,975,261	\$1,975,261	\$1,975,261	0.0%	\$1,975,261	\$1,975,261	0.0%
7/1/10-11	\$2,681,419	\$2,681,725	\$2,681,419	0.0%	\$2,663,590	\$2,668,822	\$2,664,567	-0.2%	\$2,682,333	\$2,691,333	0.3%
7/1/11-12	\$2,408,325	\$2,408,726	\$2,408,325	0.0%	\$2,408,325	\$2,408,675	\$2,408,325	0.0%	\$2,409,511	\$2,408,511	0.0%
7/1/12-13	\$1,403,664	\$1,413,420	\$1,403,664	-0.7%	\$1,368,315	\$1,388,355	\$1,368,315	-1.4%	\$1,432,317	\$1,404,317	-2.0%
7/1/13-14	\$1,506,686	\$1,507,769	\$1,506,686	-0.1%	\$1,472,888	\$1,485,177	\$1,473,650	-0.8%	\$1,509,842	\$1,506,842	-0.2%
7/1/14-15	\$2,796,598	\$2,803,456	\$2,751,026	-1.9%	\$2,573,301	\$2,668,252	\$2,585,901	-3.1%	\$2,816,000	\$2,759,000	-2.0%
7/1/15-16	\$2,883,164	\$2,905,361	\$2,800,334	-3.6%	\$2,628,083	\$2,750,398	\$2,662,863	-3.2%	\$2,946,000	\$2,820,000	-4.3%
7/1/16-17	\$3,654,251	\$3,701,215	\$3,716,637	0.4%	\$2,653,988	\$3,088,080	\$2,748,389	-11.0%	\$3,787,000	\$3,778,000	-0.2%
7/1/17-18	\$2,554,653	\$2,624,679	\$2,415,505	-8.0%	\$1,170,471	\$1,729,490	\$1,420,619	-17.9%	\$2,755,000	\$2,639,000	-4.2%
7/1/18-19	\$2,662,205	\$2,820,042	\$2,949,471	4.6%	\$985,597	\$1,535,585	\$1,345,739	-12.4%	\$3,141,000	\$3,281,000	4.5%
7/1/19-20	\$2,495,717	\$2,671,549	\$2,782,097	4.1%	\$764,831	\$1,136,146	\$1,030,060	-9.3%	\$3,284,000	\$3,455,000	5.2%
7/1/20-21		\$1,443,659	\$1,271,780	-11.9%		\$376,102	\$207,024	-45.0%	\$4,017,000	\$3,653,000	-9.1%
Total	\$37,529,045	\$39,463,962	\$39,169,307	-0.7%	\$31,171,753	\$33,717,447	\$32,397,815	-3.9%	\$43,262,366	\$42,878,366	-0.9%
<i>Difference in Actual and Expected Losses</i>			<i>-\$294,655</i>						<i>Change in Ultimates</i>		<i>-\$384,000</i>

(B), (F), (I) and (M) - From Previous actuarial report as of 6/30/2020

(C) and (J) - Based on information available as of 6/30/2020

(D) and (K) - Exhibit 1-C

(E) = [(D) / (C)] - 1

(G) and (N) - Exhibit 3

(H) = [(G) / (F)] - 1

(L) = [(K) / (J)] - 1

(O) = [(N) / (M)] - 1

**Projection of Outstanding Losses
As of June 30, 2021**

(A) Accident Period	(B) SIR	(C) Ultimate Losses	(D) Projected Paid Losses	(E) Projected Reported Losses	(F) Projected Case Reserves	(G) IBNR Losses	(H) Outstanding Losses
7/1/02-03	\$100k/\$200k	\$312,045	\$312,045	\$312,045	\$0	\$0	\$0
7/1/03-04	\$100k/\$200k	\$1,287,169	\$1,287,169	\$1,287,169	\$0	\$0	\$0
7/1/04-05	\$100k/\$200k	\$1,266,993	\$1,266,993	\$1,266,993	\$0	\$0	\$0
7/1/05-06	\$100k/\$200k	\$2,616,997	\$2,616,997	\$2,616,997	\$0	\$0	\$0
7/1/06-07	\$100k/\$200k	\$2,604,514	\$2,604,514	\$2,604,514	\$0	\$0	\$0
7/1/07-08	\$100k/\$200k	\$3,915,481	\$3,915,481	\$3,915,481	\$0	\$0	\$0
7/1/08-09	\$100k/\$200k	\$4,560,396	\$4,560,396	\$4,560,396	\$0	\$0	\$0
7/1/09-10	\$100k/\$200k	\$4,870,041	\$4,870,041	\$4,870,041	\$0	\$0	\$0
7/1/10-11	\$100k/\$200k	\$3,569,472	\$3,569,472	\$3,569,472	\$0	\$0	\$0
Subtotal		\$25,003,107	\$25,003,107	\$25,003,107	\$0	\$0	\$0
7/1/11-12	\$250,000	\$3,282,543	\$3,282,543	\$3,282,543	\$0	\$0	\$0
7/1/12-13	\$250,000	\$3,032,675	\$3,032,675	\$3,032,675	\$0	\$0	\$0
7/1/13-14	\$250,000	\$2,506,177	\$2,506,177	\$2,506,177	\$0	\$0	\$0
7/1/14-15	\$250,000	\$3,730,000	\$3,496,525	\$3,723,459	\$226,933	\$7,000	\$233,000
7/1/15-16	\$250,000	\$3,744,000	\$3,685,735	\$3,730,609	\$44,874	\$13,000	\$58,000
7/1/16-17	\$250,000	\$4,749,000	\$4,636,025	\$4,714,644	\$78,618	\$34,000	\$113,000
7/1/17-18	\$250,000	\$5,311,000	\$4,817,288	\$5,229,625	\$412,337	\$81,000	\$494,000
7/1/18-19	\$250,000	\$4,792,000	\$4,557,184	\$4,635,057	\$77,872	\$157,000	\$235,000
7/1/19-20	\$250,000 / \$500,000	\$9,722,000	\$8,504,947	\$9,040,299	\$535,352	\$682,000	\$1,217,000
7/1/20-21	\$250,000 / \$750,000	\$10,497,000	\$6,976,138	\$8,606,954	\$1,630,816	\$1,890,000	\$3,521,000
Subtotal		\$51,366,394	\$45,495,237	\$48,502,040	\$3,006,803	\$2,864,000	\$5,871,000
Corridor Losses							
7/1/11-12	\$2,700,000	\$735,946	\$735,946	\$735,946	\$0	\$0	\$0
7/1/12-13	\$2,400,000	\$2,400,000	\$2,400,000	\$2,400,000	\$0	\$0	\$0
7/1/13-14	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$0	\$0	\$0
7/1/14-15	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$0	\$0	\$0
7/1/15-16	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$0	\$0	\$0
7/1/16-17	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$0	\$0	\$0
7/1/17-18	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$0	\$0	\$0
7/1/18-19	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$0	\$0	\$0
7/1/19-20	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$0	\$0	\$0
7/1/20-21	\$3,000,000	\$3,000,000	\$1,500,000	\$3,000,000	\$1,500,000	\$0	\$1,500,000
Subtotal		\$15,935,946	\$14,435,946	\$15,935,946	\$1,500,000	\$0	\$1,500,000
Total		\$92,305,448	\$84,934,290	\$89,441,094	\$4,506,803	\$2,864,000	\$7,371,000

(C) - Ultimate losses are equal to limited reported losses in (E) through 10-11
Exhibit 3 for 11-12 to present

(D) and (E) - Projected using loss development factors

(F) = (E) - (D)

(G) = (C) - (E)

(H) = (C) - (D)

**Percentile Distribution of IBNR
 For Property Coverages
 As of June 30, 2021**

<i>percentile</i>	<i>Ultimate Losses</i>	<i>IBNR Reserve</i>	<i>Total Reserve</i>
Expected	\$92,305,448	\$2,864,000	\$7,371,000
40%	\$91,487,000	\$2,046,000	\$6,553,000
50%	\$92,135,000	\$2,694,000	\$7,201,000
60%	\$92,833,000	\$3,392,000	\$7,899,000
70%	\$93,569,000	\$4,128,000	\$8,635,000
75%	\$94,005,000	\$4,564,000	\$9,071,000
80%	\$94,475,000	\$5,034,000	\$9,541,000
90%	\$95,766,000	\$6,325,000	\$10,832,000
95%	\$96,842,000	\$7,401,000	\$11,908,000

<i>Total Expected Ultimate Losses</i>	\$92,305,448
<i>Total Paid Losses as of 6/30/21</i>	\$84,934,290
<i>Total Case Reserves as of 6/30/21</i>	\$4,506,803
<i>Total IBNR Reserves as of 6/30/21</i>	\$2,864,000
<i>Total Outstanding Losses as of 6/30/21</i>	\$7,371,000

Comparison of Results with Previous Estimates as of 6/30/20

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Accident Period	Prior Reported Losses 6/30/2020	Expected Reported Losses 12/31/2020	Actual Reported Losses 12/31/2020	Percent Difference	Prior Ultimate Losses 6/30/2020	Current Ultimate Losses 12/31/2020	Percent Difference
Limited to SIR							
7/1/11-12	\$3,282,543	\$3,282,543	\$3,282,543	0.0%	\$3,282,543	\$3,282,543	0.0%
7/1/12-13	\$3,032,675	\$3,032,675	\$3,032,675	0.0%	\$3,032,675	\$3,032,675	0.0%
7/1/13-14	\$2,506,177	\$2,506,177	\$2,506,177	0.0%	\$2,510,352	\$2,506,177	-0.2%
7/1/14-15	\$3,720,690	\$3,720,690	\$3,720,690	0.0%	\$3,740,662	\$3,730,000	-0.3%
7/1/15-16	\$3,724,762	\$3,732,711	\$3,724,762	-0.2%	\$3,744,000	\$3,744,000	0.0%
7/1/16-17	\$4,699,189	\$4,754,826	\$4,699,199	-1.2%	\$4,833,000	\$4,749,000	-1.7%
7/1/17-18	\$5,038,789	\$5,151,762	\$5,192,157	0.8%	\$5,310,000	\$5,311,000	0.0%
7/1/18-19	\$4,660,002	\$4,762,950	\$4,562,010	-4.2%	\$4,910,000	\$4,792,000	-2.4%
7/1/19-20	\$8,100,294	\$9,242,787	\$8,729,260	-5.6%	\$9,350,000	\$9,722,000	4.0%
7/1/20-21		\$4,311,381	\$3,782,666	-12.3%	\$10,497,000	\$10,497,000	0.0%
Total	\$38,765,120	\$44,498,500	\$43,232,139	-2.8%	\$51,210,232	\$51,366,394	0.3%
Unlimited							
7/1/11-12	\$4,018,489	\$4,018,489	\$4,018,489	0.0%	\$4,018,489	\$4,018,489	0.0%
7/1/12-13	\$6,136,455	\$6,136,455	\$6,136,455	0.0%	\$6,136,455	\$6,136,455	0.0%
7/1/13-14	\$4,590,290	\$4,590,290	\$4,590,290	0.0%	\$4,590,290	\$4,590,290	0.0%
7/1/14-15	\$7,768,693	\$7,768,693	\$7,768,693	0.0%	\$7,787,000	\$7,800,000	0.2%
7/1/15-16	\$14,849,611	\$14,882,239	\$14,849,611	-0.2%	\$14,941,000	\$15,002,000	0.4%
7/1/16-17	\$11,283,323	\$11,357,082	\$11,283,333	-0.6%	\$11,474,000	\$11,583,000	0.9%
7/1/17-18	\$21,777,841	\$22,078,724	\$22,481,686	1.8%	\$22,496,000	\$24,033,000	6.8%
7/1/18-19	\$29,947,726	\$31,057,731	\$32,890,372	5.9%	\$32,439,000	\$38,849,000	19.8%
7/1/19-20	\$44,221,069	\$51,030,933	\$76,536,545	50.0%	\$52,528,000	\$103,434,000	96.9%
7/1/20-21		\$8,898,941	\$5,948,187	-33.2%	\$30,111,000	\$30,111,000	0.0%
Total	\$144,593,496	\$161,819,575	\$186,503,660	15.3%	\$186,521,233	\$245,557,233	31.7%
SIR + Corridor							
7/1/11-12	\$4,018,489	\$4,018,489	\$4,018,489	0.0%	\$4,018,489	\$4,018,489	0.0%
7/1/12-13	\$5,432,675	\$5,432,675	\$5,432,675	0.0%	\$5,432,675	\$5,432,675	0.0%
7/1/13-14	\$3,906,177	\$3,906,177	\$3,906,177	0.0%	\$3,910,352	\$3,906,177	-0.1%
7/1/14-15	\$5,120,690	\$5,120,690	\$5,120,690	0.0%	\$5,140,662	\$5,130,000	-0.2%
7/1/15-16	\$5,124,762	\$5,132,711	\$5,124,762	-0.2%	\$5,144,000	\$5,144,000	0.0%
7/1/16-17	\$6,099,189	\$6,154,826	\$6,099,199	-0.9%	\$6,233,000	\$6,149,000	-1.3%
7/1/17-18	\$6,438,789	\$6,551,762	\$6,592,157	0.6%	\$6,710,000	\$6,711,000	0.0%
7/1/18-19	\$6,060,002	\$6,162,950	\$5,962,010	-3.3%	\$6,310,000	\$6,192,000	-1.9%
7/1/19-20	\$9,500,294	\$10,642,787	\$10,129,260	-4.8%	\$10,750,000	\$11,122,000	3.5%
7/1/20-21		\$7,311,381	\$5,948,187	-18.6%	\$13,497,000	\$13,497,000	0.0%
Total	\$51,701,066	\$60,434,446	\$58,333,606	-3.5%	\$67,146,177	\$67,302,340	0.2%

(B) and (F) - From Previous actuarial report as of 6/30/2020
 (C) - Derived from (B) and (F) using loss development patterns
 (D) - Exhibit 1-C
 (E) = [(D) / (C)] - 1
 (G) - Exhibit 3
 (H) = [(G) / (F)] - 1

Projected Outstanding Losses
As of June 30, 2021

(A) Accident Period	(B) Estimated Ultimate Losses	(C) Projected Paid Losses	(D) Projected Reported Losses	(E) Limited Case Reserves	(F) IBNR Losses	(G) Outstanding Losses
7/1/02-03	\$168,909	\$168,909	\$168,909	\$0	\$0	\$0
7/1/03-04	\$840,274	\$840,274	\$840,274	\$0	\$0	\$0
7/1/04-05	\$488,972	\$488,972	\$488,972	\$0	\$0	\$0
7/1/05-06	\$1,253,449	\$1,253,449	\$1,253,449	\$0	\$0	\$0
7/1/06-07	\$953,237	\$953,237	\$953,237	\$0	\$0	\$0
7/1/07-08	\$1,432,614	\$1,432,614	\$1,432,614	\$0	\$0	\$0
7/1/08-09	\$1,159,541	\$1,159,541	\$1,159,541	\$0	\$0	\$0
7/1/09-10	\$1,271,848	\$1,271,848	\$1,271,848	\$0	\$0	\$0
7/1/10-11	\$1,848,000	\$1,829,000	\$1,841,000	\$12,000	\$7,000	\$19,000
7/1/11-12	\$1,460,000	\$1,460,000	\$1,460,000	\$0	\$0	\$0
7/1/12-13	\$779,000	\$755,000	\$779,000	\$24,000	\$0	\$24,000
7/1/13-14	\$807,000	\$785,000	\$807,000	\$22,000	\$0	\$22,000
7/1/14-15	\$1,649,000	\$1,601,000	\$1,645,000	\$44,000	\$4,000	\$48,000
7/1/15-16	\$1,701,000	\$1,660,000	\$1,692,000	\$32,000	\$9,000	\$41,000
7/1/16-17	\$2,563,000	\$2,062,000	\$2,530,000	\$468,000	\$33,000	\$501,000
7/1/17-18	\$1,678,000	\$1,122,000	\$1,564,000	\$442,000	\$114,000	\$556,000
7/1/18-19	\$2,157,000	\$1,014,000	\$2,001,000	\$987,000	\$156,000	\$1,143,000
7/1/19-20	\$1,936,000	\$391,000	\$1,620,000	\$1,229,000	\$316,000	\$1,545,000
7/1/20-21	\$2,536,000	\$190,000	\$1,623,000	\$1,433,000	\$913,000	\$2,346,000
Total	\$26,682,844	\$20,437,844	\$25,130,844	\$4,693,000	\$1,552,000	\$6,245,000

(B) - Exhibit 3

(C) and (D) - Projected using loss development factors

(E) = (D) - (C)

(F) = (B) - (D)

(G) = (B) - (C)

Comparison of Results with Previous Estimates as of 6/30/20

(A) Accident Period	(B) Actual Reported Losses 6/30/2020	(C) Expected Reported Losses 12/31/2020	(D) Actual Reported Losses 12/31/2020	(E) Percent Difference	(F) Actual Paid Losses 6/30/2020	(G) Expected Paid Losses 12/31/2020	(H) Actual Paid Losses 12/31/2020	(I) Percent Difference	(J) Expected Ultimate Losses 6/30/2020	(K) Actual Ultimate Losses 12/31/2020	(L) Percent Difference
7/1/02-03	\$168,909	\$168,909	\$168,909	0.0%	\$168,909	\$168,909	\$168,909	0.0%	\$168,909	\$168,909	0.0%
7/1/03-04	\$840,274	\$840,274	\$840,274	0.0%	\$840,274	\$840,274	\$840,274	0.0%	\$840,274	\$840,274	0.0%
7/1/04-05	\$488,972	\$488,972	\$488,972	0.0%	\$488,972	\$488,972	\$488,972	0.0%	\$488,972	\$488,972	0.0%
7/1/05-06	\$1,253,449	\$1,253,449	\$1,253,449	0.0%	\$1,253,449	\$1,253,449	\$1,253,449	0.0%	\$1,253,449	\$1,253,449	0.0%
7/1/06-07	\$953,237	\$953,237	\$953,237	0.0%	\$953,237	\$953,237	\$953,237	0.0%	\$953,237	\$953,237	0.0%
7/1/07-08	\$1,432,614	\$1,432,614	\$1,432,614	0.0%	\$1,432,614	\$1,432,614	\$1,432,614	0.0%	\$1,432,614	\$1,432,614	0.0%
7/1/08-09	\$1,159,541	\$1,159,541	\$1,159,541	0.0%	\$1,159,541	\$1,159,541	\$1,159,541	0.0%	\$1,159,541	\$1,159,541	0.0%
7/1/09-10	\$1,271,848	\$1,271,848	\$1,271,848	0.0%	\$1,271,848	\$1,271,848	\$1,271,848	0.0%	\$1,271,848	\$1,271,848	0.0%
7/1/10-11	\$1,838,086	\$1,838,392	\$1,838,086	0.0%	\$1,820,257	\$1,825,489	\$1,821,235	-0.2%	\$1,839,000	\$1,848,000	0.5%
7/1/11-12	\$1,459,814	\$1,460,214	\$1,459,814	0.0%	\$1,459,814	\$1,460,164	\$1,459,814	0.0%	\$1,461,000	\$1,460,000	-0.1%
7/1/12-13	\$778,348	\$788,103	\$778,348	-1.2%	\$742,998	\$763,038	\$742,998	-2.6%	\$807,000	\$779,000	-3.5%
7/1/13-14	\$806,844	\$807,927	\$806,844	-0.1%	\$773,047	\$785,336	\$773,808	-1.5%	\$810,000	\$807,000	-0.4%
7/1/14-15	\$1,633,386	\$1,638,779	\$1,643,386	0.3%	\$1,568,217	\$1,596,716	\$1,574,030	-1.4%	\$1,649,000	\$1,649,000	0.0%
7/1/15-16	\$1,763,087	\$1,781,422	\$1,686,295	-5.3%	\$1,607,814	\$1,684,958	\$1,636,015	-2.9%	\$1,816,000	\$1,701,000	-6.3%
7/1/16-17	\$2,448,996	\$2,485,907	\$2,511,382	1.0%	\$1,690,600	\$2,015,356	\$1,748,276	-13.3%	\$2,556,000	\$2,563,000	0.3%
7/1/17-18	\$1,616,250	\$1,667,410	\$1,499,593	-10.1%	\$590,742	\$989,555	\$799,130	-19.2%	\$1,768,000	\$1,678,000	-5.1%
7/1/18-19	\$1,623,731	\$1,740,721	\$1,916,027	10.1%	\$333,296	\$710,724	\$561,758	-21.0%	\$1,994,000	\$2,157,000	8.2%
7/1/19-20	\$1,084,651	\$1,260,483	\$1,472,605	16.8%	\$60,174	\$214,201	\$131,065	-38.8%	\$1,733,000	\$1,936,000	11.7%
7/1/20-21		\$729,879	\$789,033	8.1%		\$67,786	\$57,898	-14.6%	\$2,434,000	\$2,536,000	4.2%
Total	\$22,622,036	\$23,768,082	\$23,970,256	0.9%	\$18,215,803	\$19,682,167	\$18,874,869	-4.1%	\$26,435,844	\$26,682,844	0.9%

(B), (F) and (I) - From Previous actuarial report as of 6/30/2020

(C) and (G) - Based on information available as of 6/30/2020

(D) and (H) - Exhibit 1-C

(E) = [(D) / (C)] - 1

(I) = [(H) / (G)] - 1

(K) - Exhibit 3

(L) = [(K) / (J)] - 1

**Projected Outstanding Losses
As of June 30, 2021**

(A) Accident Period	(B) Estimated Ultimate Losses	(C) Projected Paid Losses	(D) Projected Reported Losses	(E) Limited Case Reserves	(F) IBNR Losses	(G) Outstanding Losses
7/1/02-03	\$65,087	\$65,087	\$65,087	\$0	\$0	\$0
7/1/03-04	\$357,297	\$357,297	\$357,297	\$0	\$0	\$0
7/1/04-05	\$618,336	\$618,336	\$618,336	\$0	\$0	\$0
7/1/05-06	\$450,928	\$450,928	\$450,928	\$0	\$0	\$0
7/1/06-07	\$535,205	\$535,205	\$535,205	\$0	\$0	\$0
7/1/07-08	\$759,907	\$759,907	\$759,907	\$0	\$0	\$0
7/1/08-09	\$1,423,346	\$1,423,346	\$1,423,346	\$0	\$0	\$0
7/1/09-10	\$703,413	\$703,413	\$703,413	\$0	\$0	\$0
7/1/10-11	\$843,333	\$843,333	\$843,333	\$0	\$0	\$0
7/1/11-12	\$948,511	\$948,511	\$948,511	\$0	\$0	\$0
7/1/12-13	\$625,317	\$625,317	\$625,317	\$0	\$0	\$0
7/1/13-14	\$699,842	\$699,842	\$699,842	\$0	\$0	\$0
7/1/14-15	\$1,110,000	\$1,041,000	\$1,108,000	\$67,000	\$2,000	\$69,000
7/1/15-16	\$1,119,000	\$1,055,000	\$1,115,000	\$60,000	\$4,000	\$64,000
7/1/16-17	\$1,215,000	\$1,068,000	\$1,208,000	\$140,000	\$7,000	\$147,000
7/1/17-18	\$961,000	\$730,000	\$932,000	\$202,000	\$29,000	\$231,000
7/1/18-19	\$1,124,000	\$889,000	\$1,074,000	\$185,000	\$50,000	\$235,000
7/1/19-20	\$1,519,000	\$1,066,000	\$1,309,000	\$243,000	\$210,000	\$453,000
7/1/20-21	\$1,117,000	\$492,000	\$987,000	\$495,000	\$130,000	\$625,000
Total	\$16,196,000	\$14,371,522	\$15,763,522	\$1,392,000	\$432,000	\$1,824,000

(B) - Exhibit 3

(C) and (D) - Projected using loss development factors

(E) = (D) - (C)

(F) = (B) - (D)

(G) = (B) - (C)

Comparison of Results with Previous Estimates as of 6/30/20

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
Accident Period	Actual Reported Losses 6/30/2020	Expected Reported Losses 12/31/2020	Actual Reported Losses 12/31/2020	Percent Difference	Actual Paid Losses 6/30/2020	Expected Paid Losses 12/31/2020	Actual Paid Losses 12/31/2020	Percent Difference	Expected Ultimate Losses 6/30/2020	Actual Ultimate Losses 12/31/2020	Percent Difference
7/1/02-03	\$65,087	\$65,087	\$65,087	0.0%	\$65,087	\$65,087	\$65,087	0.0%	\$65,087	\$65,087	0.0%
7/1/03-04	\$357,297	\$357,297	\$357,297	0.0%	\$357,297	\$357,297	\$357,297	0.0%	\$357,297	\$357,297	0.0%
7/1/04-05	\$618,336	\$618,336	\$618,336	0.0%	\$618,336	\$618,336	\$618,336	0.0%	\$618,336	\$618,336	0.0%
7/1/05-06	\$450,928	\$450,928	\$450,928	0.0%	\$450,928	\$450,928	\$450,928	0.0%	\$450,928	\$450,928	0.0%
7/1/06-07	\$535,205	\$535,205	\$535,205	0.0%	\$535,205	\$535,205	\$535,205	0.0%	\$535,205	\$535,205	0.0%
7/1/07-08	\$759,907	\$759,907	\$759,907	0.0%	\$759,907	\$759,907	\$759,907	0.0%	\$759,907	\$759,907	0.0%
7/1/08-09	\$1,423,346	\$1,423,346	\$1,423,346	0.0%	\$1,423,346	\$1,423,346	\$1,423,346	0.0%	\$1,423,346	\$1,423,346	0.0%
7/1/09-10	\$703,413	\$703,413	\$703,413	0.0%	\$703,413	\$703,413	\$703,413	0.0%	\$703,413	\$703,413	0.0%
7/1/10-11	\$843,333	\$843,333	\$843,333	0.0%	\$843,333	\$843,333	\$843,333	0.0%	\$843,333	\$843,333	0.0%
7/1/11-12	\$948,511	\$948,511	\$948,511	0.0%	\$948,511	\$948,511	\$948,511	0.0%	\$948,511	\$948,511	0.0%
7/1/12-13	\$625,317	\$625,317	\$625,317	0.0%	\$625,317	\$625,317	\$625,317	0.0%	\$625,317	\$625,317	0.0%
7/1/13-14	\$699,842	\$699,842	\$699,842	0.0%	\$699,842	\$699,842	\$699,842	0.0%	\$699,842	\$699,842	0.0%
7/1/14-15	\$1,163,213	\$1,164,677	\$1,107,640	-4.9%	\$1,005,084	\$1,071,537	\$1,011,872	-5.6%	\$1,167,000	\$1,110,000	-4.9%
7/1/15-16	\$1,120,077	\$1,123,939	\$1,114,040	-0.9%	\$1,020,269	\$1,065,439	\$1,026,848	-3.6%	\$1,130,000	\$1,119,000	-1.0%
7/1/16-17	\$1,205,255	\$1,215,308	\$1,205,255	-0.8%	\$963,388	\$1,072,724	\$1,000,113	-6.8%	\$1,231,000	\$1,215,000	-1.3%
7/1/17-18	\$938,403	\$957,268	\$915,912	-4.3%	\$579,729	\$739,935	\$621,489	-16.0%	\$987,000	\$961,000	-2.6%
7/1/18-19	\$1,038,474	\$1,079,320	\$1,033,444	-4.3%	\$652,301	\$824,861	\$783,981	-5.0%	\$1,147,000	\$1,124,000	-2.0%
7/1/19-20	\$1,411,066	\$1,411,066	\$1,309,491	-7.2%	\$704,657	\$921,945	\$898,995	-2.5%	\$1,551,000	\$1,519,000	-2.1%
7/1/20-21		\$713,780	\$482,746	-32.4%		\$308,317	\$149,126	-51.6%	\$1,583,000	\$1,117,000	-29.4%
Total	\$14,907,010	\$15,695,881	\$15,199,051	-3.2%	\$12,955,950	\$14,035,280	\$13,522,946	-3.7%	\$16,826,522	\$16,195,522	-3.8%

(B), (F) and (I) - From Previous actuarial report as of 6/30/2020

(C) and (G) - Based on information available as of 6/30/2020

(D) and (H) - Exhibit 1-C

(E) = [(D) / (C)] - 1

(I) = [(H) / (G)] - 1

(K) - Exhibit 3

(L) = [(K) / (I)] - 1

**Projection of Outstanding Losses
As of June 30, 2021**

(A) Accident Period	(B) SIR	(C) Ultimate Losses	(D) Projected Paid Losses	(E) Projected Reported Losses	(F) Projected Case Reserves	(G) IBNR Losses	(H) Outstanding Losses
7/1/02-03	\$100k/\$200k	\$312,045	\$312,045	\$312,045	\$0	\$0	\$0
7/1/03-04	\$100k/\$200k	\$1,287,169	\$1,287,169	\$1,287,169	\$0	\$0	\$0
7/1/04-05	\$100k/\$200k	\$1,266,993	\$1,266,993	\$1,266,993	\$0	\$0	\$0
7/1/05-06	\$100k/\$200k	\$2,616,997	\$2,616,997	\$2,616,997	\$0	\$0	\$0
7/1/06-07	\$100k/\$200k	\$2,604,514	\$2,604,514	\$2,604,514	\$0	\$0	\$0
7/1/07-08	\$100k/\$200k	\$3,915,481	\$3,915,481	\$3,915,481	\$0	\$0	\$0
7/1/08-09	\$100k/\$200k	\$4,560,396	\$4,560,396	\$4,560,396	\$0	\$0	\$0
7/1/09-10	\$100k/\$200k	\$4,870,041	\$4,870,041	\$4,870,041	\$0	\$0	\$0
7/1/10-11	\$100k/\$200k	\$3,569,472	\$3,569,472	\$3,569,472	\$0	\$0	\$0
7/1/11-12	\$250,000 /\$2.7M corridor	\$4,018,489	\$4,018,489	\$4,018,489	\$0	\$0	\$0
7/1/12-13	\$250,000 /\$2.4M corridor	\$5,432,675	\$5,432,675	\$5,432,675	\$0	\$0	\$0
7/1/13-14	\$250,000 /\$1.4M corridor	\$3,906,177	\$3,906,177	\$3,906,177	\$0	\$0	\$0
7/1/14-15	\$250,000 /\$1.4M corridor	\$5,130,000	\$4,896,525	\$5,123,459	\$226,933	\$7,000	\$233,000
7/1/15-16	\$250,000 /\$1.4M corridor	\$5,144,000	\$5,085,735	\$5,130,609	\$44,874	\$13,000	\$58,000
7/1/16-17	\$250,000 /\$1.4M corridor	\$6,149,000	\$6,036,025	\$6,114,644	\$78,618	\$34,000	\$113,000
7/1/17-18	\$250,000 /\$1.4M corridor	\$6,711,000	\$6,217,288	\$6,629,625	\$412,337	\$81,000	\$494,000
7/1/18-19	\$250,000 /\$1.4M corridor	\$6,192,000	\$5,957,184	\$6,035,057	\$77,872	\$157,000	\$235,000
7/1/19-20	\$250k/\$500k + \$1.4M corr.	\$11,122,000	\$9,904,947	\$10,440,299	\$535,352	\$682,000	\$1,217,000
7/1/20-21	\$250k/\$750k + \$3.0M corr.	\$13,497,000	\$8,476,138	\$11,606,954	\$3,130,816	\$1,890,000	\$5,021,000
Total		\$92,305,448	\$84,934,290	\$89,441,094	\$4,506,803	\$2,864,000	\$7,371,000

(C) - Ultimate losses are equal to limited reported losses in (E) through 10-11
Exhibit 3 for 11-12 to present

(D) and (E) - Projected using loss development factors

(F) = (E) - (D)

(G) = (C) - (E)

(H) = (C) - (D)

Comparison of Results with Previous Estimates as of 6/30/20

(A) Accident Period	(B) Prior Reported Losses 6/30/2020	(C) Expected Reported Losses 12/31/2020	(D) Actual Reported Losses 12/31/2020	(E) Percent Difference	(F) Prior Ultimate Losses 6/30/2020	(G) Current Ultimate Losses 12/31/2020	(H) Percent Difference
Limited to SIR							
7/1/11-12	\$3,282,543	\$3,282,543	\$3,282,543	0.0%	\$3,282,543	\$3,282,543	0.0%
7/1/12-13	\$3,032,675	\$3,032,675	\$3,032,675	0.0%	\$3,032,675	\$3,032,675	0.0%
7/1/13-14	\$2,506,177	\$2,506,177	\$2,506,177	0.0%	\$2,510,352	\$2,506,177	-0.2%
7/1/14-15	\$3,720,690	\$3,720,690	\$3,720,690	0.0%	\$3,740,662	\$3,730,000	-0.3%
7/1/15-16	\$3,724,762	\$3,732,711	\$3,724,762	-0.2%	\$3,744,000	\$3,744,000	0.0%
7/1/16-17	\$4,699,189	\$4,754,826	\$4,699,199	-1.2%	\$4,833,000	\$4,749,000	-1.7%
7/1/17-18	\$5,038,789	\$5,151,762	\$5,192,157	0.8%	\$5,310,000	\$5,311,000	0.0%
7/1/18-19	\$4,660,002	\$4,762,950	\$4,562,010	-4.2%	\$4,910,000	\$4,792,000	-2.4%
7/1/19-20	\$8,100,294	\$9,242,787	\$8,729,260	-5.6%	\$9,350,000	\$9,722,000	4.0%
7/1/20-21		\$4,311,381	\$3,782,666	-12.3%	\$10,497,000	\$10,497,000	0.0%
Total	\$38,765,120	\$44,498,500	\$43,232,139	-2.8%	\$51,210,232	\$51,366,394	0.3%
Unlimited							
7/1/11-12	\$4,018,489	\$4,018,489	\$4,018,489	0.0%	\$4,018,489	\$4,018,489	0.0%
7/1/12-13	\$6,136,455	\$6,136,455	\$6,136,455	0.0%	\$6,136,455	\$6,136,455	0.0%
7/1/13-14	\$4,590,290	\$4,590,290	\$4,590,290	0.0%	\$4,590,290	\$4,590,290	0.0%
7/1/14-15	\$7,768,693	\$7,768,693	\$7,768,693	0.0%	\$7,787,000	\$7,800,000	0.2%
7/1/15-16	\$14,849,611	\$14,882,239	\$14,849,611	-0.2%	\$14,941,000	\$15,002,000	0.4%
7/1/16-17	\$11,283,323	\$11,357,082	\$11,283,333	-0.6%	\$11,474,000	\$11,583,000	0.9%
7/1/17-18	\$21,777,841	\$22,078,724	\$22,481,686	1.8%	\$22,496,000	\$24,033,000	6.8%
7/1/18-19	\$29,947,726	\$31,057,731	\$32,890,372	5.9%	\$32,439,000	\$38,849,000	19.8%
7/1/19-20	\$44,221,069	\$51,030,933	\$76,536,545	50.0%	\$52,528,000	#####	96.9%
7/1/20-21		\$8,898,941	\$5,948,187	-33.2%	\$30,111,000	\$30,111,000	0.0%
Total	#####	#####	#####	15.3%	#####	#####	31.7%
SIR + Corridor							
7/1/11-12	\$4,018,489	\$4,018,489	\$4,018,489	0.0%	\$4,018,489	\$4,018,489	0.0%
7/1/12-13	\$5,432,675	\$5,432,675	\$5,432,675	0.0%	\$5,432,675	\$5,432,675	0.0%
7/1/13-14	\$3,906,177	\$3,906,177	\$3,906,177	0.0%	\$3,910,352	\$3,906,177	-0.1%
7/1/14-15	\$5,120,690	\$5,120,690	\$5,120,690	0.0%	\$5,140,662	\$5,130,000	-0.2%
7/1/15-16	\$5,124,762	\$5,132,711	\$5,124,762	-0.2%	\$5,144,000	\$5,144,000	0.0%
7/1/16-17	\$6,099,189	\$6,154,826	\$6,099,199	-0.9%	\$6,233,000	\$6,149,000	-1.3%
7/1/17-18	\$6,438,789	\$6,551,762	\$6,592,157	0.6%	\$6,710,000	\$6,711,000	0.0%
7/1/18-19	\$6,060,002	\$6,162,950	\$5,962,010	-3.3%	\$6,310,000	\$6,192,000	-1.9%
7/1/19-20	\$9,500,294	\$10,642,787	\$10,129,260	-4.8%	\$10,750,000	\$11,122,000	3.5%
7/1/20-21		\$7,311,381	\$5,948,187	-18.6%	\$13,497,000	\$13,497,000	0.0%
Total	\$51,701,066	\$60,434,446	\$58,333,606	-3.5%	\$67,146,177	\$67,302,340	0.2%

(B) and (F) - From Previous actuarial report as of 6/30/2020
 (C) - Derived from (B) and (F) using loss development patterns
 (D) - Exhibit 1-C
 (E) = [(D) / (C)] - 1
 (G) - Exhibit 3
 (H) = [(G) / (F)] - 1

Section 2

Considerations

Background

Oklahoma Schools Insurance Group was formed in 2002 to insure the liability and property exposures for member school districts in the state of Oklahoma. The group purchases excess insurance above a retention layer that varies by line of coverage. Arthur J. Gallagher Risk Management Services, Inc. manages OSIG. Select Actuarial Services has provided actuarial consulting services for OSIG, including loss forecasting and reserving studies since 2002.

Scope

Select Actuarial Services has prepared this report for OSIG at the request of Jennifer McKenzie of Arthur J. Gallagher Risk Management Services, Program Manager for OSIG. The specific objectives are (a) to estimate ultimate and outstanding losses and ALAE for the group's property and liability experience as of December 31, 2020 and projected to June 30, 2021; and (b) to analyze the variability inherent in the losses by deriving estimates at various percentiles or confidence levels.

This report is an actuarial analysis of data, conditions, and practices communicated as of January 26, 2021, to Select Actuarial Services as described in this report. While Select Actuarial Services believes these communications to be reliable, it has not attempted to audit the information and cannot guarantee the accuracy of any information supplied. However, the data have been reviewed for reasonableness and internal consistency, comparing the claims experience from year to year, and comparing to prior evaluations.

We have not anticipated any extraordinary changes to the social, legal and economic environment that may affect the frequency, cost or future reporting and settlement patterns of claims. In addition, our estimates do not include any provision for future claims arising out of causes not represented in the current data.

Use and Distribution

The actuarial estimates in this report are based upon appropriate actuarial assumptions and procedures described in the section of this report entitled "Description of Exhibits." Select Actuarial Services assumes no responsibility for any loss or damage that might arise from the use of or reliance upon this report other than for the purposes set forth herein.

This report was prepared for the use of and is only to be relied upon by the management of Oklahoma Schools Insurance Group. This report may also be provided to OSIG's auditors and insurance brokers. No portion of the report may be provided to any other party without Select Actuarial Services' prior

consent. In the event that such consent is provided, the report must be provided in its entirety. We recommend that any such party have its own actuary review this report to ensure that the party understands the assumptions and uncertainties inherent in our estimates.

Qualifications and Standards of Practice

Laura Sprouse is a Fellow of the Casualty Actuarial Society and a Member of the American Academy of Actuaries. She meets the Qualification Standards of the American Academy of Actuaries to render actuarial opinions for property/casualty reserves. This report is prepared in accordance with Actuarial Standards of Practice No. 23, *Data Quality*, No. 41, *Actuarial Communications*, and No. 43, *Property/Casualty Unpaid Claim Estimates*.

Coverage

OSIG began writing automobile liability, general liability, errors & omissions, auto physical damage and property coverage for member school districts in the state of Oklahoma in 2002. The Group retains \$100,000 combined loss and ALAE for liability losses per occurrence, above the member deductibles, which vary by member and by year. OSIG is further protected by aggregate coverage.

The group initially retained property losses of \$200,000 per occurrence for wind/hail related claims and \$100,000 for all other perils. Beginning with the 7/1/11-12 policy year, the per occurrence retention increased to \$250,000 for losses, with OSIG retaining most of the ALAE. Coverage also included a corridor deductible above the \$250,000 retention. Effective with the 7/1/19-20 policy year, the per occurrence retention for wind/hail related claims increased to \$500,000, and increased to \$750,000 for the 7/1/20-21 year.

Available Data

Loss information was provided by Jennifer McKenzie, Program Manager for OSIG. This loss information included detail loss runs as of December 31, 2020 and at prior annual evaluations. Exposure data for each member was provided and included vehicle counts, student population and total insured value.

Development

Development is the process in which losses and claim counts for a given accident period change over time. Development is caused by late reporting of claims, case reserve changes, claims reopening, and actual payment and settlement of claims.

Ideally, a client's own patterns should be utilized whenever possible to reflect the client's unique claims administration, reporting procedures, and so forth. Since several historical valuations of the data were available, we have selected patterns based on OSIG's development, supplemented with a benchmark for Oklahoma public entities. A curve-fitting technique is used to smooth and extrapolate the observed development patterns.

Actuarial Central Estimate

The estimates of ultimate losses at the “expected” level in this analysis are actuarial central estimates - estimates that represent an expected value over the range of reasonably possible outcomes. Such a range of reasonably possible outcomes may not include all conceivable outcomes. For example, it would not include conceivable extreme events where the contribution of such events to an expected value estimate is not reliably measurable.

Loss Models

Statistical distributions are often used by the insurance industry to model the loss generating process. In this analysis, the lognormal probability distribution has been used to model the required reserves. This technique allows for the projection of ultimate losses at the expected level and at various confidence levels or percentiles. The variation estimated in this modeling technique is the variation inherent in the historical experience; it does not include potential variation due to unanticipated changes in the environment or to misestimation of parameters. A Monte Carlo simulation was used to estimate the percentiles for the combined loss distributions for liability and property. This process randomly generates 10,000 sample outcomes for OSIG. The percentiles are based on these outcomes. For example, the 75th percentile estimate is a value that 7,500 of the outcomes are less than.

Discounting

OSIG does not discount its loss reserves.

Subrogation and Recoveries

We have used data net of recoveries other than excess and member deductibles throughout this analysis. The effect of such recoveries is therefore implicit in our calculations and no other reductions for collateral sources other than excess insurance and deductibles have been incorporated into the estimates.

Definitions

Accident Period: All of the events with occurrence dates during a period specified make up the corresponding accident period. The dollars associated with those events total the accident period's losses, although they may be paid long after the end of the accident period. Losses are grouped by accident period throughout our analyses.

Ultimate Losses: The total amount that will eventually be paid on all losses for a particular accident period. Our estimate of the ultimate losses for an accident period is the sum of the paid losses, the case reserves, and the IBNR reserve.

Paid Losses: Dollars paid as of the latest available evaluation on losses incurred through the latest available evaluation.

Case Reserves: Reserves established on individual claims by the claims adjusters, as of the latest available evaluation. The case reserve plus the amount paid to date represents the adjuster's best estimate of the ultimate value of a particular claim.

Reported Losses: Paid losses plus case reserves as of the latest available evaluation.

IBNR Reserve: ("Incurred But Not Reported") This is the dollar amount which we estimate will be added to the reported losses between the date when the losses were compiled and final settlement of all claims for the accident period. Some of these additional dollars will be added to claims which are already known and currently open but which will finally cost more than they are currently reserved for. Other of these dollars are associated with claims which are known and closed but will be reopened before final closure. The balance of the IBNR reserve is for late-reported events.

Outstanding Losses: The losses not yet paid. Outstanding losses equal the difference between the ultimate losses and the paid losses. They are also the sum of the case reserves and the IBNR reserve.

Loss Development: The change in the paid losses or the reported losses over time. As more information is provided, individual claim estimates get closer and closer to the ultimate value of the claims. The increase in the total reported losses through time is the reported loss development. Similarly, as losses are paid out over time, the increase in total paid losses is the paid loss development.

Section 3

Description of Exhibits

Actuarial procedures employed to project ultimate and outstanding losses consist of a number of steps. Exhibits representing the various steps in the process are explained in this section of the report.

Exhibit 1: Summary of Data

Exhibit 1-A summarizes the number of reported claims, open claims, paid and reported losses, and exposures for each accident period evaluated as of December 31, 2020. In this Exhibit, all losses are shown gross of per occurrence retentions, but net of member deductibles.

Exhibit 1-B contains a listing of large claims that are expected to exceed the retention in effect during each claim's accident period. The applicable retentions are discussed in the "Considerations" section of this report.

In Exhibit 1-C, limited paid and reported losses are calculated by capping each claim at the applicable retention level for each accident period.

Exhibit 2: Estimation Methods for Ultimate Losses

In Exhibit 2, reported and paid losses are developed to ultimate using various standard actuarial methods. Exhibit 2-A displays the reported and paid loss development methods. These methods apply the loss development factors derived in Appendix A to the reported and paid losses from Exhibit 1. Any individual claims which are expected to exceed the historic retention are first deducted from the aggregate losses before the factors are applied. Then a provision for the large claims equal to the retention plus an allowance for the probability of an as yet unreported large loss is added to the developed small losses to derive estimates of limited ultimate losses.

In Exhibit 2-B, the Bornhuetter-Ferguson methods are used to calculate additional estimates of ultimate losses. These methods, also referred to as the estimated unpaid and estimated unreported methods, combine the previous estimates of ultimate losses with current paid and reported losses to produce a blended estimate. The purpose of the Bornhuetter-Ferguson method is to dampen the effect of short-term swings in reporting and payment patterns that may not be reflective of long-term development. The estimates of ultimate losses for each policy year from the previous actuarial report are used as the *a priori* estimates for those years.

Property losses for years 7/1/11-12 through 7/1/20-21 are estimated both limited to the per occurrence retentions and on an unlimited basis.

Exhibit 3: Selection of Ultimate Losses

The results of the estimation methods are compared in Exhibit 3, along with the prior estimate. A selection of our best estimate of the ultimate cost for each accident period is made based on the reasonableness of the various estimates when compared to loss experience to date, and the reasonableness of the estimates of ultimate losses and resulting unreported losses from year to year.

For Property, we have selected ultimate losses limited to the retention and unlimited. The difference in these estimates is compared to estimate the ultimate losses within the corridor.

Exhibit 4: Comparison to Previous Actuarial Report

Exhibit 4 compares the current loss experience with projections based on previous actuarial studies. A comparison of this actual versus expected experience can help pinpoint changes in the ultimate losses and serves as a check of reasonableness. Exhibit 4-A compares to the 6/30/2020 study and Exhibit 4-B compares to the 1/31/2020 study.

Exhibit 5: Outstanding Losses

Ultimate and outstanding losses as of December 31, 2020, are shown in Exhibit 5-A. Limited paid losses are subtracted from the ultimate losses to estimate outstanding losses. Similarly, limited reported losses are subtracted from the ultimate losses to estimate the IBNR reserves.

Exhibit 5-B shows the outstanding losses projected to June 30, 2021. The reported and paid losses as of June 30, 2020 are projected using the loss development factors in Appendix A.

Exhibit 6: Historical Summary

This exhibit shows the ultimate number of claims, average claim size (severity), the rate of claims per \$1M payroll (claim frequency) and the rate of ultimate losses per exposure unit.

Appendix A: Loss and Claim Development Factors

Selected loss development factors are fit to an inverse power curve in Appendices A1 through A3, in order to extrapolate factors at the maturities needed. The selected factors are based on the triangles shown in Appendices A4-A6. In Appendix A7 we measure the variability in the reported loss development history in order to select parameters for the lognormal distributions for each accident year.

Section 4

Exhibits – General Liability including E&O

Exhibit 1	Summary of Data Large Loss Listing Calculation of Limited Losses
Exhibit 2	Loss Development Methods Bornhuetter-Ferguson Methods
Exhibit 3	Summary and Selection of Ultimate Losses
Exhibit 4	Comparison to Previous Actuarial Report
Exhibit 5	Outstanding Losses as of 12/31/2020 Projected Outstanding Losses and IBNR as of 6/30/2021
Exhibit 6	Historical Claim Frequency, Severity and Loss Rates
Appendix A	Loss Development Factors

Summary of Loss Data as of December 31, 2020
Total Experience Net of Member Deductibles

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	
Accident Period	Evaluation Date	Maturity (months)	Total Claims	Open Claims	Loss and Expense Payments	Loss and Expense Reserves	Loss and Expense Incurred	Students
7/1/02-03	12/31/2020	222	28	0	\$168,909	\$0	\$168,909	
7/1/03-04	12/31/2020	210	88	0	\$848,061	\$0	\$848,061	
7/1/04-05	12/31/2020	198	115	0	\$525,685	\$0	\$525,685	198,498
7/1/05-06	12/31/2020	186	136	0	\$1,330,178	\$0	\$1,330,178	249,419
7/1/06-07	12/31/2020	174	132	0	\$1,351,835	\$0	\$1,351,835	267,684
7/1/07-08	12/31/2020	162	163	0	\$1,501,995	\$0	\$1,501,995	308,999
7/1/08-09	12/31/2020	150	155	0	\$2,172,804	\$0	\$2,172,804	313,473
7/1/09-10	12/31/2020	138	144	0	\$1,503,548	\$0	\$1,503,548	314,947
7/1/10-11	12/31/2020	126	110	1	\$2,417,910	\$16,851	\$2,434,762	356,970
7/1/11-12	12/31/2020	114	87	0	\$3,688,203	\$0	\$3,688,203	309,147
7/1/12-13	12/31/2020	102	109	2	\$1,063,466	\$35,349	\$1,098,816	282,168
7/1/13-14	12/31/2020	90	86	1	\$895,646	\$41,036	\$936,683	325,035
7/1/14-15	12/31/2020	78	117	4	\$2,134,516	\$109,481	\$2,243,996	381,156
7/1/15-16	12/31/2020	66	120	4	\$1,832,574	\$50,280	\$1,882,854	381,204
7/1/16-17	12/31/2020	54	136	18	\$2,914,765	\$823,107	\$3,737,872	393,462
7/1/17-18	12/31/2020	42	77	17	\$802,443	\$1,119,383	\$1,921,826	393,700
7/1/18-19	12/31/2020	30	112	31	\$561,758	\$2,221,698	\$2,783,456	448,676
7/1/19-20	12/31/2020	18	95	45	\$131,065	\$1,397,541	\$1,528,605	482,173
7/1/20-21	12/31/2020	6	48	41	\$57,898	\$797,635	\$855,533	485,913
7/1/21-22								485,913
			2,058	164	\$25,903,258	\$6,612,361	\$32,515,619	6,378,537

- Loss and policy information provided by Jennifer McKenzie, Arthur J. Gallagher Risk Management Services
- Claims are grouped by occurrence, exclude claims with \$0 incurred
- Losses are net of member deductibles

Large Claim Listing

Occurrence #	School	Loss Date	Net Paid	Net Incurred	Policy Year	SIR	Excess Recoveries	Excess Reported	Severity Factor	Ultimate Net
00286	BOISE CITY ISD	5/3/2004	\$107,737	\$107,737	7/1/03-04	\$100,000	\$7,787	\$7,787	1.000	\$107,737
00709	HARDESTY ISD	9/1/2004	\$136,712	\$136,712	7/1/04-05	\$100,000	\$36,712	\$36,712	1.000	\$136,712
00919	MANNFORD PUBLIC SCHOOL	10/31/2005	\$139,329	\$139,329	7/1/05-06	\$100,000	\$39,329	\$39,329	1.000	\$139,330
00951	GORE ISD #6	1/9/2006	\$137,400	\$137,400	7/1/05-06	\$100,000	\$37,400	\$37,400	1.000	\$137,400
01194	OLOGAH TALALA ISD	7/7/2006	\$104,657	\$104,657	7/1/06-07	\$100,000	\$4,657	\$4,657	1.000	\$104,657
01213	POCOIA ISD	7/26/2006	\$113,021	\$113,021	7/1/06-07	\$100,000	\$13,021	\$13,021	1.000	\$113,022
02076	DEER CREEK ISD	4/6/2007	\$470,603	\$470,603	7/1/06-07	\$100,000	\$370,603	\$370,603	1.000	\$470,605
01955	MIDWAY PUBLIC SCHOOL	5/15/2007	\$110,316	\$110,316	7/1/06-07	\$100,000	\$10,316	\$10,316	1.000	\$110,317
02387	KIAMICHI TECHNOLOGY CENTER	7/31/2007	\$102,095	\$102,095	7/1/07-08	\$100,000	\$2,095	\$2,095	1.000	\$102,096
02047	POTEAU ISD	10/19/2007	\$109,798	\$109,798	7/1/07-08	\$100,000	\$9,798	\$9,798	1.000	\$109,799
01968	GUTHRIE PUBLIC SCHOOLS	11/2/2007	\$121,452	\$121,452	7/1/07-08	\$100,000	\$26,452	\$26,452	1.000	\$121,453
02250	BLANCHARD PUBLIC SCHOOL	4/25/2008	\$131,036	\$131,036	7/1/07-08	\$100,000	\$31,036	\$31,036	1.000	\$131,038
02595	BYNG SCHOOL DISTRICT 1-16	10/20/2008	\$1,075,745	\$1,075,745	7/1/08-09	\$100,000	\$975,745	\$975,745	1.000	\$1,075,770
02711	SHAWNEE PUBLIC SCHOOL	1/13/2009	\$124,447	\$124,447	7/1/08-09	\$100,000	\$24,447	\$24,447	1.000	\$124,450
03297	BIXBY PUBLIC SCHOOLS	5/28/2009	\$113,070	\$113,070	7/1/08-09	\$100,000	\$13,070	\$13,070	1.000	\$113,073
03267	LAWTON BOARD OF EDUCATION ISD#8	11/4/2009	\$107,144	\$107,144	7/1/09-10	\$100,000	\$7,144	\$7,144	1.000	\$107,150
03567	OLOGAH TALALA ISD	2/18/2010	\$117,345	\$117,345	7/1/09-10	\$100,000	\$19,845	\$19,845	1.000	\$117,351
90906	MOUNDS PUBLIC SCHOOLS	5/10/2010	\$304,711	\$304,711	7/1/09-10	\$100,000	\$204,711	\$204,711	1.000	\$304,726
90054	CANTON ISD	7/29/2010	\$114,574	\$114,574	7/1/10-11	\$100,000	\$17,074	\$17,074	1.000	\$114,587
90084	PUTNAM CITY ISD	8/22/2010	\$115,615	\$115,615	7/1/10-11	\$100,000	\$15,615	\$15,615	1.000	\$115,628
90118	JAY PUBLIC SCHOOLS	9/1/2010	\$136,645	\$136,645	7/1/10-11	\$100,000	\$36,645	\$36,645	1.000	\$136,660
90205	HOMINY BOARD OF EDUCATION	10/14/2010	\$123,444	\$123,444	7/1/10-11	\$100,000	\$23,444	\$23,444	1.000	\$123,458
90236	ARDMORE ISD #19	10/25/2010	\$290,942	\$290,942	7/1/10-11	\$100,000	\$190,942	\$190,942	1.000	\$290,974
90297	LAWTON BOARD OF EDUCATION ISD#8	12/6/2010	\$157,221	\$157,221	7/1/10-11	\$100,000	\$62,221	\$62,221	1.000	\$157,238
90313	BOSWELL PUBLIC SCHOOL	12/14/2010	\$104,163	\$104,163	7/1/10-11	\$100,000	\$6,663	\$6,663	1.000	\$104,175
90519	VERDIGRIS PUBLIC SCHOOL	3/11/2011	\$122,502	\$122,502	7/1/10-11	\$100,000	\$22,502	\$22,502	1.000	\$122,516
90708	CHOUTEAU MAZIE SCHOOL DISTRICT	3/22/2011	\$141,522	\$141,522	7/1/10-11	\$100,000	\$41,522	\$41,522	1.000	\$141,538
90838	TAHLEQUAH PUBLIC SCHOOL	6/30/2011	\$280,047	\$280,047	7/1/10-11	\$100,000	\$180,047	\$180,047	1.000	\$280,079
91394	ALTUS PUBLIC SCHOOL	9/1/2011	\$149,418	\$149,418	7/1/11-12	\$100,000	\$49,418	\$49,418	1.000	\$149,456
91014	PADEN PUBLIC SCHOOL	10/13/2011	\$153,190	\$153,190	7/1/11-12	\$100,000	\$53,190	\$53,190	1.000	\$153,230
91388	NOWATA ISD	10/25/2011	\$443,010	\$443,010	7/1/11-12	\$100,000	\$343,010	\$343,010	1.000	\$443,124
91040	MCLLOUD ISD	11/11/2011	\$1,708,795	\$1,708,795	7/1/11-12	\$200,000	\$1,508,795	\$1,508,795	1.000	\$1,709,235
91405	FAIRLAND ISD	4/20/2012	\$263,443	\$263,443	7/1/11-12	\$100,000	\$163,443	\$163,443	1.000	\$263,511
91564	LAWTON BOARD OF EDUCATION ISD#8	5/28/2012	\$210,533	\$210,533	7/1/11-12	\$100,000	\$110,533	\$110,533	1.000	\$210,587
91445	CHOUTEAU MAZIE SCHOOL DISTRICT	8/29/2012	\$420,468	\$420,468	7/1/12-13	\$100,000	\$320,468	\$320,468	1.001	\$420,720
92222	SPIRO PUBLIC SCHOOLS	12/23/2013	\$145,266	\$145,266	7/1/13-14	\$100,000	\$45,266	\$45,266	1.001	\$145,471
92382	BROKEN ARROW PUBLIC SCHOOLS	1/29/2014	\$100,352	\$100,352	7/1/13-14	\$100,000	\$352	\$352	1.001	\$100,493
92492	COMMERCE ISD #18	4/1/2014	\$66,964	\$108,000	7/1/13-14	\$100,000	\$0	\$8,000	1.001	\$108,152
92867	HOLLIS ISD	4/4/2014	\$176,221	\$176,221	7/1/13-14	\$100,000	\$76,221	\$76,221	1.001	\$176,469
92975	TALOGA ISD #10	9/1/2014	\$111,339	\$140,125	7/1/14-15	\$100,000	\$0	\$40,125	1.003	\$140,600
92999	SAPULPA ISD	3/2/2015	\$240,862	\$240,862	7/1/14-15	\$100,000	\$140,862	\$140,862	1.003	\$241,679
93289	JAY PUBLIC SCHOOLS	3/22/2015	\$211,827	\$211,827	7/1/14-15	\$100,000	\$111,827	\$111,827	1.003	\$212,545
94241	LUTHER PUBLIC SCHOOLS	4/16/2015	\$366,221	\$366,221	7/1/14-15	\$100,000	\$266,221	\$266,221	1.003	\$367,463
93143	POTEAU ISD	5/15/2015	\$141,576	\$141,576	7/1/14-15	\$100,000	\$41,576	\$41,576	1.003	\$142,057
93680	ARDMORE ISD #19	3/7/2016	\$175,028	\$175,028	7/1/15-16	\$100,000	\$75,028	\$75,028	1.008	\$176,481
94063	KIAMICHI TECHNOLOGY CENTER	3/24/2016	\$153,730	\$153,730	7/1/15-16	\$100,000	\$53,730	\$53,730	1.008	\$155,006
94446	VIAN PUBLIC SCHOOLS	5/5/2016	\$167,801	\$167,801	7/1/15-16	\$100,000	\$67,801	\$67,801	1.008	\$169,194
P625-16-94168	NEWKIRK PUBLIC SCHOOLS	11/3/2016	\$98,130	\$98,130	7/1/16-17	\$100,000	\$0	\$0	1.021	\$100,160
94291	MORRIS ISD #3	12/16/2016	\$141,328	\$141,328	7/1/16-17	\$100,000	\$41,328	\$41,328	1.021	\$144,253
94280	PERRY ISD	1/27/2017	\$1,325,161	\$1,325,161	7/1/16-17	\$200,000	\$1,125,161	\$1,125,161	1.021	\$1,352,581
95484	PONCA CITY ISD	6/26/2017	\$68,381	\$160,000	7/1/16-17	\$100,000	\$0	\$60,000	1.021	\$163,311
96032	JENKS ISD	9/12/2017	\$69,399	\$160,000	7/1/17-18	\$100,000	\$0	\$60,000	1.053	\$168,409
95106	PIEDMONT ISD	9/14/2017	\$23,759	\$141,500	7/1/17-18	\$100,000	\$0	\$41,500	1.053	\$148,936
95506	PRESTON PUBLIC SCHOOL	1/11/2018	\$12,887	\$167,582	7/1/17-18	\$100,000	\$0	\$67,582	1.053	\$176,389
94898	COYLE PUBLIC SCHOOL	1/25/2018	\$85,804	\$119,000	7/1/17-18	\$100,000	\$0	\$19,000	1.053	\$125,254
P625-18-95394	COYLE PUBLIC SCHOOL	1/25/2018	\$66,787	\$96,000	7/1/17-18	\$100,000	\$0	\$0	1.053	\$101,045
P625-18-95168	HARRAH ISD	3/2/2018	\$41,094	\$95,958	7/1/17-18	\$100,000	\$0	\$0	1.053	\$101,001
95055	MIDWEST CITY-DEL CITY ISD	5/3/2018	\$9,913	\$117,850	7/1/17-18	\$100,000	\$0	\$17,850	1.053	\$124,043
95249	BROKEN ARROW PUBLIC SCHOOLS	5/15/2018	\$103,313	\$316,301	7/1/17-18	\$100,000	\$3,313	\$216,301	1.053	\$332,923
95302	MACOMB PUBLIC SCHOOL	7/25/2018	\$17,101	\$111,500	7/1/18-19	\$100,000	\$0	\$11,500	1.136	\$126,630
95270	INDIANOLA PUBLIC SCHOOL	9/4/2018	\$30,929	\$112,333	7/1/18-19	\$100,000	\$0	\$12,333	1.136	\$127,575
95512	PUTNAM CITY ISD	9/29/2018	\$25,909	\$196,000	7/1/18-19	\$100,000	\$0	\$96,000	1.136	\$222,595
96372	VALLIANT ISD	2/20/2019	\$19,103	\$111,729	7/1/18-19	\$100,000	\$0	\$11,729	1.136	\$126,890
96369	SALINA ISD	3/14/2019	\$16,392	\$801,668	7/1/18-19	\$100,000	\$0	\$701,668	1.136	\$910,447
96161	HARRAH ISD	3/15/2019	\$6,165	\$127,000	7/1/18-19	\$100,000	\$0	\$27,000	1.136	\$144,233
95837	BERRYHILL ISD #10	4/29/2019	\$37,812	\$107,200	7/1/18-19	\$100,000	\$0	\$7,200	1.136	\$121,746
96788	AUSKOGEE PUBLIC SCHOOL DISTRICT 1-21	12/4/2019	\$0	\$128,000	7/1/19-20	\$100,000	\$0	\$28,000	1.350	\$172,796
96285	ADA ISD	12/5/2019	\$0	\$128,000	7/1/19-20	\$100,000	\$0	\$28,000	1.350	\$172,796
P625-20-96661	STILLWATER PUBLIC SCHOOLS	8/27/2020	\$11,776	\$90,000	7/1/20-21	\$100,000	\$0	\$0	1.648	\$148,360
96736	NEWKIRK PUBLIC SCHOOLS	10/6/2020	\$0	\$128,000	7/1/20-21	\$100,000	\$0	\$28,000	1.648	\$211,001
96723	CYRIL PUBLIC SCHOOLS	10/12/2020	\$0	\$138,500	7/1/20-21	\$100,000	\$0	\$38,500	1.648	\$228,310
P625-20-96762	MARYETTA ISD #22	10/27/2020	\$7,068	\$75,000	7/1/20-21	\$100,000	\$0	\$0	1.648	\$123,634
			\$12,837,550	\$15,882,900			\$7,028,389	\$8,545,362		

Calculation of Limited Losses

(A) Policy Period	(B) Retention	(C) Unlimited Paid Losses	(D) Unlimited Reported Losses	(E) Paid Excess of Primary	(F) Reported Excess of Primary	(G) Paid Limited to Primary	(H) Reported Limited to Primary
7/1/02-03	\$100,000	\$168,909	\$168,909	\$0	\$0	\$168,909	\$168,909
7/1/03-04	\$100,000	\$848,061	\$848,061	\$7,787	\$7,787	\$840,274	\$840,274
7/1/04-05	\$100,000	\$525,685	\$525,685	\$36,712	\$36,712	\$488,972	\$488,972
7/1/05-06	\$100,000	\$1,330,178	\$1,330,178	\$76,729	\$76,729	\$1,253,449	\$1,253,449
7/1/06-07	\$100,000	\$1,351,835	\$1,351,835	\$398,598	\$398,598	\$953,237	\$953,237
7/1/07-08	\$100,000	\$1,501,995	\$1,501,995	\$69,380	\$69,380	\$1,432,614	\$1,432,614
7/1/08-09	\$100,000	\$2,172,804	\$2,172,804	\$1,013,263	\$1,013,263	\$1,159,541	\$1,159,541
7/1/09-10	\$100,000	\$1,503,548	\$1,503,548	\$231,700	\$231,700	\$1,271,848	\$1,271,848
7/1/10-11	\$100,000	\$2,417,910	\$2,434,762	\$596,676	\$596,676	\$1,821,235	\$1,838,086
7/1/11-12	\$100,000	\$3,688,203	\$3,688,203	\$2,228,390	\$2,228,390	\$1,459,814	\$1,459,814
7/1/12-13	\$100,000	\$1,063,466	\$1,098,816	\$320,468	\$320,468	\$742,998	\$778,348
7/1/13-14	\$100,000	\$895,646	\$936,683	\$121,838	\$129,838	\$773,808	\$806,844
7/1/14-15	\$100,000	\$2,134,516	\$2,243,996	\$560,486	\$600,611	\$1,574,030	\$1,643,386
7/1/15-16	\$100,000	\$1,832,574	\$1,882,854	\$196,559	\$196,559	\$1,636,015	\$1,686,295
7/1/16-17	\$100,000	\$2,914,765	\$3,737,872	\$1,166,489	\$1,226,489	\$1,748,276	\$2,511,382
7/1/17-18	\$100,000	\$802,443	\$1,921,826	\$3,313	\$422,233	\$799,130	\$1,499,593
7/1/18-19	\$100,000	\$561,758	\$2,783,456	\$0	\$867,429	\$561,758	\$1,916,027
7/1/19-20	\$100,000	\$131,065	\$1,528,605	\$0	\$56,000	\$131,065	\$1,472,605
7/1/20-21	\$100,000	\$57,898	\$855,533	\$0	\$66,500	\$57,898	\$789,033
Total		\$25,903,258	\$32,515,619	\$7,028,389	\$8,545,362	\$18,874,869	\$23,970,256

(C) and (D) - Exhibit 1-A

(E) and (F) - Excess amounts from claims in Exhibit 1-B

(G) = (C) - (E)

(H) = (D) - (F)

**Estimated Ultimate Losses Limited to OSIG Retentions
Using Loss Development Methods**

(A) Accident Period	(B) Net Reported Losses	(C) Net Reported on Large Losses	(D) Reported Develop. Factor	(E) Ultimate on Small Claims	(F) Provision for Large Claims	(G) Estimated Ultimate Net Losses
7/1/02-03	\$168,909	\$0	1.000	\$168,909	\$0	\$169,000
7/1/03-04	\$848,061	\$107,737	1.000	\$740,324	\$100,000	\$840,000
7/1/04-05	\$525,685	\$136,712	1.000	\$388,973	\$100,000	\$489,000
7/1/05-06	\$1,330,178	\$276,729	1.000	\$1,053,451	\$200,000	\$1,253,000
7/1/06-07	\$1,351,835	\$798,598	1.000	\$553,240	\$400,000	\$953,000
7/1/07-08	\$1,501,995	\$464,380	1.000	\$1,037,625	\$400,000	\$1,438,000
7/1/08-09	\$2,172,804	\$1,313,263	1.000	\$859,560	\$300,000	\$1,160,000
7/1/09-10	\$1,503,548	\$529,200	1.000	\$974,397	\$300,000	\$1,274,000
7/1/10-11	\$2,434,762	\$1,586,676	1.000	\$848,182	\$1,000,001	\$1,848,000
7/1/11-12	\$3,688,203	\$2,928,390	1.000	\$760,010	\$700,001	\$1,460,000
7/1/12-13	\$1,098,816	\$420,468	1.001	\$678,755	\$100,000	\$779,000
7/1/13-14	\$936,683	\$529,838	1.001	\$407,421	\$400,002	\$807,000
7/1/14-15	\$2,243,996	\$1,100,611	1.003	\$1,147,279	\$500,006	\$1,647,000
7/1/15-16	\$1,882,854	\$496,559	1.008	\$1,397,847	\$300,010	\$1,698,000
7/1/16-17	\$3,737,872	\$1,724,619	1.021	\$2,055,109	\$500,048	\$2,555,000
7/1/17-18	\$1,921,826	\$1,214,191	1.053	\$745,082	\$800,278	\$1,545,000
7/1/18-19	\$2,783,456	\$1,567,429	1.138	\$1,383,288	\$701,144	\$2,084,000
7/1/19-20	\$1,528,605	\$256,000	1.365	\$1,737,638	\$202,288	\$1,940,000
Total	\$31,660,085	\$15,451,400		\$16,937,090	\$7,003,779	\$23,939,000

(A) Accident Period	(H) Net Paid Losses	(I) Net Paid on Large Losses	(J) Paid Develop. Factor	(K) Ultimate on Small Claims	(L) Provision for Large Claims	(M) Estimated Ultimate Net Losses
7/1/02-03	\$168,909	\$0	1.000	\$168,910	\$0	\$169,000
7/1/03-04	\$848,061	\$107,737	1.000	\$740,332	\$100,000	\$840,000
7/1/04-05	\$525,685	\$136,712	1.000	\$388,979	\$100,000	\$489,000
7/1/05-06	\$1,330,178	\$276,729	1.000	\$1,053,481	\$200,000	\$1,253,000
7/1/06-07	\$1,351,835	\$798,598	1.000	\$553,267	\$400,000	\$953,000
7/1/07-08	\$1,501,995	\$464,380	1.000	\$1,037,713	\$400,000	\$1,438,000
7/1/08-09	\$2,172,804	\$1,313,263	1.000	\$859,691	\$300,000	\$1,160,000
7/1/09-10	\$1,503,548	\$529,200	1.000	\$974,671	\$300,000	\$1,275,000
7/1/10-11	\$2,417,910	\$1,586,676	1.001	\$831,779	\$1,000,001	\$1,832,000
7/1/11-12	\$3,688,203	\$2,928,390	1.001	\$760,838	\$700,001	\$1,461,000
7/1/12-13	\$1,063,466	\$420,468	1.003	\$644,867	\$100,000	\$745,000
7/1/13-14	\$895,646	\$488,802	1.007	\$409,536	\$400,002	\$810,000
7/1/14-15	\$2,134,516	\$1,071,826	1.016	\$1,079,709	\$500,006	\$1,580,000
7/1/15-16	\$1,832,574	\$496,559	1.042	\$1,391,657	\$300,010	\$1,692,000
7/1/16-17	\$2,914,765	\$1,633,000	1.118	\$1,432,826	\$500,048	\$1,933,000
7/1/17-18	\$802,443	\$412,957	1.369	\$533,159	\$800,278	\$1,333,000
7/1/18-19	\$561,758	\$153,410	2.305	\$941,240	\$701,144	\$1,642,000
7/1/19-20	\$131,065	\$0	6.374	\$835,460	\$202,288	\$1,038,000
Total	\$25,845,360	\$12,818,706		\$14,638,115	\$7,003,779	\$21,643,000

(B) and (H) - Exhibit 1-A
(C) and (I) - Exhibit 1-B
(D) - Appendix A1
(E) = [(B) - (C)] x (D)
(F) and (L) = # large x SIR x ccdf

(G) = (E) + (F)
(J) - Appendix A2
(K) = [(H) - (I)] x (J)
(M) = (K) + (L)

**Estimated Ultimate Losses Limited to OSIG Retention
Using Bornhuetter-Ferguson Method**

(A) Accident Period	(B) Prior Ultimate or Forecast	(C) Reported Develop. Factor	(D) Expected % Unreported	(E) Expected Unreported Losses	(F) Limited Reported Losses	(G) Estimated Ultimate Losses
7/1/02-03	\$168,909	1.000	0%	\$0	\$168,909	\$169,000
7/1/03-04	\$840,274	1.000	0%	\$0	\$840,274	\$840,000
7/1/04-05	\$488,972	1.000	0%	\$1	\$488,972	\$489,000
7/1/05-06	\$1,253,449	1.000	0%	\$3	\$1,253,449	\$1,253,000
7/1/06-07	\$953,237	1.000	0%	\$5	\$953,237	\$953,000
7/1/07-08	\$1,432,614	1.000	0%	\$15	\$1,432,614	\$1,433,000
7/1/08-09	\$1,159,541	1.000	0%	\$26	\$1,159,541	\$1,160,000
7/1/09-10	\$1,271,848	1.000	0%	\$64	\$1,271,848	\$1,272,000
7/1/10-11	\$1,839,000	1.000	0%	\$208	\$1,838,086	\$1,838,000
7/1/11-12	\$1,461,000	1.000	0%	\$378	\$1,459,814	\$1,460,000
7/1/12-13	\$807,000	1.001	0%	\$484	\$778,348	\$779,000
7/1/13-14	\$810,000	1.001	0%	\$1,146	\$806,844	\$808,000
7/1/14-15	\$1,649,000	1.003	0%	\$5,595	\$1,643,386	\$1,649,000
7/1/15-16	\$1,816,000	1.008	1%	\$15,008	\$1,686,295	\$1,701,000
7/1/16-17	\$2,556,000	1.021	2%	\$52,058	\$2,511,382	\$2,563,000
7/1/17-18	\$1,768,000	1.053	5%	\$88,859	\$1,499,593	\$1,588,000
7/1/18-19	\$1,994,000	1.138	12%	\$241,106	\$1,916,027	\$2,157,000
7/1/19-20	\$1,733,000	1.365	27%	\$463,791	\$1,472,605	\$1,936,000
7/1/20-21	\$2,434,000	3.544	72%	\$1,747,155	\$789,033	\$2,536,000
Total	\$26,435,844			\$2,615,903	\$23,970,256	\$26,584,000

(A) Accident Period	(H) Prior Ultimate or Forecast	(I) Paid Develop. Factor	(J) Expected % Unpaid	(K) Expected Unpaid Losses	(L) Limited Paid Losses	(M) Estimated Ultimate Losses
7/1/02-03	\$168,909	1.000	0%	\$1	\$168,909	\$169,000
7/1/03-04	\$840,274	1.000	0%	\$9	\$840,274	\$840,000
7/1/04-05	\$488,972	1.000	0%	\$9	\$488,972	\$489,000
7/1/05-06	\$1,253,449	1.000	0%	\$38	\$1,253,449	\$1,253,000
7/1/06-07	\$953,237	1.000	0%	\$51	\$953,237	\$953,000
7/1/07-08	\$1,432,614	1.000	0%	\$136	\$1,432,614	\$1,433,000
7/1/08-09	\$1,159,541	1.000	0%	\$202	\$1,159,541	\$1,160,000
7/1/09-10	\$1,271,848	1.000	0%	\$422	\$1,271,848	\$1,272,000
7/1/10-11	\$1,839,000	1.001	0%	\$1,204	\$1,821,235	\$1,822,000
7/1/11-12	\$1,461,000	1.001	0%	\$1,967	\$1,459,814	\$1,462,000
7/1/12-13	\$807,000	1.003	0%	\$2,339	\$742,998	\$745,000
7/1/13-14	\$810,000	1.007	1%	\$5,324	\$773,808	\$779,000
7/1/14-15	\$1,649,000	1.016	2%	\$25,992	\$1,574,030	\$1,600,000
7/1/15-16	\$1,816,000	1.042	4%	\$72,609	\$1,636,015	\$1,709,000
7/1/16-17	\$2,556,000	1.118	11%	\$269,477	\$1,748,276	\$2,018,000
7/1/17-18	\$1,768,000	1.369	27%	\$476,431	\$799,130	\$1,276,000
7/1/18-19	\$1,994,000	2.305	57%	\$1,128,921	\$561,758	\$1,691,000
7/1/19-20	\$1,733,000	6.374	84%	\$1,461,132	\$131,065	\$1,592,000
7/1/20-21	\$2,434,000	37.181	97%	\$2,368,536	\$57,898	\$2,426,000
Total	\$26,435,844			\$5,814,799	\$18,874,869	\$24,689,000

(B) and (H) - Exhibit 3
(C) - Appendix A1
(D) = 1 - 1/(C)
(E) = (B) * (D)
(F) and (L) - Exhibit I-C
(G) = (E) + (F)

(I) - Appendix A2
(J) = 1 - 1/(I)
(K) = (H) * (J)
(M) = (K) + (L)

Summary and Selection of Ultimate Limited Loss Estimates

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Accident Period	Prior Ultimate	Reported Loss Development Method	Paid Loss Development Method	Expected Unreported Method	Expected Unpaid Method	Selected Ultimate Loss Estimate
7/1/02-03	\$168,909	\$169,000	\$169,000	\$169,000	\$169,000	\$168,909
7/1/03-04	\$840,274	\$840,000	\$840,000	\$840,000	\$840,000	\$840,274
7/1/04-05	\$488,972	\$489,000	\$489,000	\$489,000	\$489,000	\$488,972
7/1/05-06	\$1,253,449	\$1,253,000	\$1,253,000	\$1,253,000	\$1,253,000	\$1,253,449
7/1/06-07	\$953,237	\$953,000	\$953,000	\$953,000	\$953,000	\$953,237
7/1/07-08	\$1,432,614	\$1,438,000	\$1,438,000	\$1,433,000	\$1,433,000	\$1,432,614
7/1/08-09	\$1,159,541	\$1,160,000	\$1,160,000	\$1,160,000	\$1,160,000	\$1,159,541
7/1/09-10	\$1,271,848	\$1,274,000	\$1,275,000	\$1,272,000	\$1,272,000	\$1,271,848
7/1/10-11	\$1,839,000	\$1,848,000	\$1,832,000	\$1,838,000	\$1,822,000	\$1,848,000
7/1/11-12	\$1,461,000	\$1,460,000	\$1,461,000	\$1,460,000	\$1,462,000	\$1,460,000
7/1/12-13	\$807,000	\$779,000	\$745,000	\$779,000	\$745,000	\$779,000
7/1/13-14	\$810,000	\$807,000	\$810,000	\$808,000	\$779,000	\$807,000
7/1/14-15	\$1,649,000	\$1,647,000	\$1,580,000	\$1,649,000	\$1,600,000	\$1,649,000
7/1/15-16	\$1,816,000	\$1,698,000	\$1,692,000	\$1,701,000	\$1,709,000	\$1,701,000
7/1/16-17	\$2,556,000	\$2,555,000	\$1,933,000	\$2,563,000	\$2,018,000	\$2,563,000
7/1/17-18	\$1,768,000	\$1,545,000	\$1,333,000	\$1,588,000	\$1,276,000	\$1,678,000
7/1/18-19	\$1,994,000	\$2,084,000	\$1,642,000	\$2,157,000	\$1,691,000	\$2,157,000
7/1/19-20	\$1,733,000	\$1,940,000	\$1,038,000	\$1,936,000	\$1,592,000	\$1,936,000
7/1/20-21	\$2,434,000			\$2,536,000	\$2,426,000	\$2,536,000
Total	\$26,435,844	\$23,939,000	\$21,643,000	\$26,584,000	\$24,689,000	\$26,682,844

(B) - From Previous Report as of 6/30/2020

(C) and (D) - Exhibit 2-A

(E) and (F) - Exhibit 2-B

(G) - Selected as Noted:

Limited Reported Losses for 02-03 through 09-10

(C) for 10-11 through 13-14

(E) for 14-15 through 16-17, and 18-19 through 20-21

Average of (B) and (F) for 17-18

Comparison of Results with Previous Estimates as of 6/30/20

(A) Accident Period	(B) Actual Reported Losses 6/30/2020	(C) Expected Reported Losses 12/31/2020	(D) Actual Reported Losses 12/31/2020	(E) Percent Difference	(F) Actual Paid Losses 6/30/2020	(G) Expected Paid Losses 12/31/2020	(H) Actual Paid Losses 12/31/2020	(I) Percent Difference	(J) Expected Ultimate Losses 6/30/2020	(K) Actual Ultimate Losses 12/31/2020	(L) Percent Difference
7/1/02-03	\$168,909	\$168,909	\$168,909	0.0%	\$168,909	\$168,909	\$168,909	0.0%	\$168,909	\$168,909	0.0%
7/1/03-04	\$840,274	\$840,274	\$840,274	0.0%	\$840,274	\$840,274	\$840,274	0.0%	\$840,274	\$840,274	0.0%
7/1/04-05	\$488,972	\$488,972	\$488,972	0.0%	\$488,972	\$488,972	\$488,972	0.0%	\$488,972	\$488,972	0.0%
7/1/05-06	\$1,253,449	\$1,253,449	\$1,253,449	0.0%	\$1,253,449	\$1,253,449	\$1,253,449	0.0%	\$1,253,449	\$1,253,449	0.0%
7/1/06-07	\$953,237	\$953,237	\$953,237	0.0%	\$953,237	\$953,237	\$953,237	0.0%	\$953,237	\$953,237	0.0%
7/1/07-08	\$1,432,614	\$1,432,614	\$1,432,614	0.0%	\$1,432,614	\$1,432,614	\$1,432,614	0.0%	\$1,432,614	\$1,432,614	0.0%
7/1/08-09	\$1,159,541	\$1,159,541	\$1,159,541	0.0%	\$1,159,541	\$1,159,541	\$1,159,541	0.0%	\$1,159,541	\$1,159,541	0.0%
7/1/09-10	\$1,271,848	\$1,271,848	\$1,271,848	0.0%	\$1,271,848	\$1,271,848	\$1,271,848	0.0%	\$1,271,848	\$1,271,848	0.0%
7/1/10-11	\$1,838,086	\$1,838,392	\$1,838,086	0.0%	\$1,820,257	\$1,825,489	\$1,821,235	-0.2%	\$1,839,000	\$1,848,000	0.5%
7/1/11-12	\$1,459,814	\$1,460,214	\$1,459,814	0.0%	\$1,459,814	\$1,460,164	\$1,459,814	0.0%	\$1,461,000	\$1,460,000	-0.1%
7/1/12-13	\$778,348	\$788,103	\$778,348	-1.2%	\$742,998	\$763,038	\$742,998	-2.6%	\$807,000	\$779,000	-3.5%
7/1/13-14	\$806,844	\$807,927	\$806,844	-0.1%	\$773,047	\$785,336	\$773,808	-1.5%	\$810,000	\$807,000	-0.4%
7/1/14-15	\$1,633,386	\$1,638,779	\$1,643,386	0.3%	\$1,568,217	\$1,596,716	\$1,574,030	-1.4%	\$1,649,000	\$1,649,000	0.0%
7/1/15-16	\$1,763,087	\$1,781,422	\$1,686,295	-5.3%	\$1,607,814	\$1,684,958	\$1,636,015	-2.9%	\$1,816,000	\$1,701,000	-6.3%
7/1/16-17	\$2,448,996	\$2,485,907	\$2,511,382	1.0%	\$1,690,600	\$2,015,356	\$1,748,276	-13.3%	\$2,556,000	\$2,563,000	0.3%
7/1/17-18	\$1,616,250	\$1,667,410	\$1,499,593	-10.1%	\$590,742	\$989,555	\$799,130	-19.2%	\$1,768,000	\$1,678,000	-5.1%
7/1/18-19	\$1,623,731	\$1,740,721	\$1,916,027	10.1%	\$333,296	\$710,724	\$561,758	-21.0%	\$1,994,000	\$2,157,000	8.2%
7/1/19-20	\$1,084,651	\$1,260,483	\$1,472,605	16.8%	\$60,174	\$214,201	\$131,065	-38.8%	\$1,733,000	\$1,936,000	11.7%
7/1/20-21		\$729,879	\$789,033	8.1%		\$67,786	\$57,898	-14.6%	\$2,434,000	\$2,536,000	4.2%
Total	\$22,622,036	\$23,768,082	\$23,970,256	0.9%	\$18,215,803	\$19,682,167	\$18,874,869	-4.1%	\$26,435,844	\$26,682,844	0.9%

(B), (F) and (I) - From Previous actuarial report as of 6/30/2020

(C) and (G) - Based on information available as of 6/30/2020

(D) and (H) - Exhibit 1-C

(E) = [(D) / (C)] - 1

(I) = [(H) / (G)] - 1

(K) - Exhibit 3

(L) = [(K) / (I)] - 1

Comparison of Results with Previous Estimates as of 1/31/20

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
Accident Period	Actual Reported Losses 1/31/2020	Expected Reported Losses 12/31/2020	Actual Reported Losses 12/31/2020	Percent Difference	Actual Paid Losses 1/31/2020	Expected Paid Losses 12/31/2020	Actual Paid Losses 12/31/2020	Percent Difference	Expected Ultimate Losses 1/31/2020	Actual Ultimate Losses 12/31/2020	Percent Difference
7/1/02-03	\$168,909	\$168,909	\$168,909	0.0%	\$168,909	\$168,909	\$168,909	0.0%	\$168,909	\$168,909	0.0%
7/1/03-04	\$840,274	\$840,274	\$840,274	0.0%	\$840,274	\$840,274	\$840,274	0.0%	\$840,274	\$840,274	0.0%
7/1/04-05	\$488,972	\$488,972	\$488,972	0.0%	\$488,972	\$488,972	\$488,972	0.0%	\$488,972	\$488,972	0.0%
7/1/05-06	\$1,253,449	\$1,253,449	\$1,253,449	0.0%	\$1,253,449	\$1,253,449	\$1,253,449	0.0%	\$1,253,449	\$1,253,449	0.0%
7/1/06-07	\$953,237	\$953,237	\$953,237	0.0%	\$953,237	\$953,237	\$953,237	0.0%	\$953,237	\$953,237	0.0%
7/1/07-08	\$1,432,614	\$1,432,614	\$1,432,614	0.0%	\$1,432,614	\$1,432,614	\$1,432,614	0.0%	\$1,432,614	\$1,432,614	0.0%
7/1/08-09	\$1,159,541	\$1,159,541	\$1,159,541	0.0%	\$1,159,541	\$1,159,541	\$1,159,541	0.0%	\$1,159,541	\$1,159,541	0.0%
7/1/09-10	\$1,271,848	\$1,271,848	\$1,271,848	0.0%	\$1,271,848	\$1,271,848	\$1,271,848	0.0%	\$1,271,848	\$1,271,848	0.0%
7/1/10-11	\$1,838,086	\$1,838,568	\$1,838,086	0.0%	\$1,818,575	\$1,827,885	\$1,821,235	-0.4%	\$1,839,000	\$1,848,000	0.5%
7/1/11-12	\$1,459,814	\$1,460,444	\$1,459,814	0.0%	\$1,459,814	\$1,460,381	\$1,459,814	0.0%	\$1,461,000	\$1,460,000	-0.1%
7/1/12-13	\$805,866	\$806,472	\$778,348	-3.5%	\$745,498	\$776,436	\$742,998	-4.3%	\$807,000	\$779,000	-3.5%
7/1/13-14	\$806,844	\$808,542	\$806,844	-0.2%	\$761,998	\$787,390	\$773,808	-1.7%	\$810,000	\$807,000	-0.4%
7/1/14-15	\$1,633,386	\$1,641,826	\$1,643,386	0.1%	\$1,562,027	\$1,610,274	\$1,574,030	-2.3%	\$1,649,000	\$1,649,000	0.0%
7/1/15-16	\$1,847,403	\$1,871,008	\$1,686,295	-9.9%	\$1,532,168	\$1,738,446	\$1,636,015	-5.9%	\$1,891,000	\$1,701,000	-10.0%
7/1/16-17	\$2,434,276	\$2,499,779	\$2,511,382	0.5%	\$1,637,179	\$2,163,553	\$1,748,276	-19.2%	\$2,556,000	\$2,563,000	0.3%
7/1/17-18	\$1,539,250	\$1,633,106	\$1,499,593	-8.2%	\$393,774	\$1,065,424	\$799,130	-25.0%	\$1,718,000	\$1,678,000	-2.3%
7/1/18-19	\$1,433,818	\$1,684,449	\$1,916,027	13.7%	\$250,780	\$813,325	\$561,758	-30.9%	\$1,944,000	\$2,157,000	11.0%
7/1/19-20	\$693,194	\$1,659,016	\$1,472,605	-11.2%	\$24,226	\$334,188	\$131,065	-60.8%	\$2,283,000	\$1,936,000	-15.2%
Total	\$22,060,781	\$23,472,053	\$23,181,223	-1.2%	\$17,754,883	\$20,146,148	\$18,816,971	-6.6%	\$24,526,844	\$24,146,844	-1.5%

(B), (F) and (I) - From Previous actuarial report as of 1/31/2020

(C) and (G) - Based on information available as of 1/31/2020

(D) and (H) - Exhibit 1-C

(E) = [(D) / (C)] - 1

(I) = [(H) / (G)] - 1

(K) - Exhibit 3

(L) = [(K) / (J)] - 1

Estimated Outstanding Losses
As of December 31, 2020

(A) Accident Period	(B) Estimated Ultimate Losses	(C) Limited Paid Losses	(D) Limited Reported Losses	(E) Limited Case Reserves	(F) IBNR Losses	(G) Outstanding Losses
7/1/02-03	\$168,909	\$168,909	\$168,909	\$0	\$0	\$0
7/1/03-04	\$840,274	\$840,274	\$840,274	\$0	\$0	\$0
7/1/04-05	\$488,972	\$488,972	\$488,972	\$0	\$0	\$0
7/1/05-06	\$1,253,449	\$1,253,449	\$1,253,449	\$0	\$0	\$0
7/1/06-07	\$953,237	\$953,237	\$953,237	\$0	\$0	\$0
7/1/07-08	\$1,432,614	\$1,432,614	\$1,432,614	\$0	\$0	\$0
7/1/08-09	\$1,159,541	\$1,159,541	\$1,159,541	\$0	\$0	\$0
7/1/09-10	\$1,271,848	\$1,271,848	\$1,271,848	\$0	\$0	\$0
7/1/10-11	\$1,848,000	\$1,821,235	\$1,838,086	\$16,851	\$10,000	\$27,000
7/1/11-12	\$1,460,000	\$1,459,814	\$1,459,814	\$0	\$0	\$0
7/1/12-13	\$779,000	\$742,998	\$778,348	\$35,349	\$1,000	\$36,000
7/1/13-14	\$807,000	\$773,808	\$806,844	\$33,036	\$0	\$33,000
7/1/14-15	\$1,649,000	\$1,574,030	\$1,643,386	\$69,356	\$6,000	\$75,000
7/1/15-16	\$1,701,000	\$1,636,015	\$1,686,295	\$50,280	\$15,000	\$65,000
7/1/16-17	\$2,563,000	\$1,748,276	\$2,511,382	\$763,107	\$52,000	\$815,000
7/1/17-18	\$1,678,000	\$799,130	\$1,499,593	\$700,463	\$178,000	\$879,000
7/1/18-19	\$2,157,000	\$561,758	\$1,916,027	\$1,354,269	\$241,000	\$1,595,000
7/1/19-20	\$1,936,000	\$131,065	\$1,472,605	\$1,341,541	\$463,000	\$1,805,000
7/1-12/31/20	\$1,268,000	\$57,898	\$789,033	\$731,135	\$479,000	\$1,210,000
Total	\$25,414,844	\$18,874,869	\$23,970,256	\$5,095,387	\$1,445,000	\$6,540,000
1/1-6/30/21	\$1,268,000					

(B) - Exhibit 3

(C) and (D) - Exhibit 1-C

(E) = (D) - (C)

(F) = (B) - (D)

(G) = (B) - (C)

Projected Outstanding Losses
As of June 30, 2021

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Accident Period	Estimated Ultimate Losses	Projected Paid Losses	Projected Reported Losses	Limited Case Reserves	IBNR Losses	Outstanding Losses
7/1/02-03	\$168,909	\$168,909	\$168,909	\$0	\$0	\$0
7/1/03-04	\$840,274	\$840,274	\$840,274	\$0	\$0	\$0
7/1/04-05	\$488,972	\$488,972	\$488,972	\$0	\$0	\$0
7/1/05-06	\$1,253,449	\$1,253,449	\$1,253,449	\$0	\$0	\$0
7/1/06-07	\$953,237	\$953,237	\$953,237	\$0	\$0	\$0
7/1/07-08	\$1,432,614	\$1,432,614	\$1,432,614	\$0	\$0	\$0
7/1/08-09	\$1,159,541	\$1,159,541	\$1,159,541	\$0	\$0	\$0
7/1/09-10	\$1,271,848	\$1,271,848	\$1,271,848	\$0	\$0	\$0
7/1/10-11	\$1,848,000	\$1,829,000	\$1,841,000	\$12,000	\$7,000	\$19,000
7/1/11-12	\$1,460,000	\$1,460,000	\$1,460,000	\$0	\$0	\$0
7/1/12-13	\$779,000	\$755,000	\$779,000	\$24,000	\$0	\$24,000
7/1/13-14	\$807,000	\$785,000	\$807,000	\$22,000	\$0	\$22,000
7/1/14-15	\$1,649,000	\$1,601,000	\$1,645,000	\$44,000	\$4,000	\$48,000
7/1/15-16	\$1,701,000	\$1,660,000	\$1,692,000	\$32,000	\$9,000	\$41,000
7/1/16-17	\$2,563,000	\$2,062,000	\$2,530,000	\$468,000	\$33,000	\$501,000
7/1/17-18	\$1,678,000	\$1,122,000	\$1,564,000	\$442,000	\$114,000	\$556,000
7/1/18-19	\$2,157,000	\$1,014,000	\$2,001,000	\$987,000	\$156,000	\$1,143,000
7/1/19-20	\$1,936,000	\$391,000	\$1,620,000	\$1,229,000	\$316,000	\$1,545,000
7/1/20-21	\$2,536,000	\$190,000	\$1,623,000	\$1,433,000	\$913,000	\$2,346,000
Total	\$26,682,844	\$20,437,844	\$25,130,844	\$4,693,000	\$1,552,000	\$6,245,000

(B) - Exhibit 3

(C) and (D) - Projected using loss development factors

(E) = (D) - (C)

(F) = (B) - (D)

(G) = (B) - (C)

Average Ultimate Claim Sizes

(A)	(B)	(C)	(D)	(E)	(F)	(F)	(H)
Accident Period	Reported Claims	Reported Claim Development	Estimated Ultimate Claims	Estimated Ultimate Losses	Estimated Average Ultimate Claim	Exposure (Students)	Loss Rate
7/1/02-03	28	1.000	28.0	\$168,909	\$6,000		
7/1/03-04	88	1.000	88.0	\$840,274	\$9,500		
7/1/04-05	115	1.000	115.0	\$488,972	\$4,300	198,498	\$2.46
7/1/05-06	136	1.000	136.0	\$1,253,449	\$9,200	249,419	\$5.03
7/1/06-07	132	1.000	132.0	\$953,237	\$7,200	267,684	\$3.56
7/1/07-08	163	1.000	163.0	\$1,432,614	\$8,800	308,999	\$4.64
7/1/08-09	155	1.000	155.0	\$1,159,541	\$7,500	313,473	\$3.70
7/1/09-10	144	1.000	144.0	\$1,271,848	\$8,800	314,947	\$4.04
7/1/10-11	110	1.000	110.0	\$1,848,000	\$16,800	356,970	\$5.18
7/1/11-12	87	1.000	87.0	\$1,460,000	\$16,800	309,147	\$4.72
7/1/12-13	109	1.000	109.0	\$779,000	\$7,100	282,168	\$2.76
7/1/13-14	86	1.000	86.0	\$807,000	\$9,400	325,035	\$2.48
7/1/14-15	117	1.000	117.0	\$1,649,000	\$14,100	381,156	\$4.33
7/1/15-16	120	1.000	120.0	\$1,701,000	\$14,200	381,204	\$4.46
7/1/16-17	136	1.000	136.0	\$2,563,000	\$18,800	393,462	\$6.51
7/1/17-18	77	1.000	77.0	\$1,678,000	\$21,800	393,700	\$4.26
7/1/18-19	112	1.002	112.2	\$2,157,000	\$19,200	448,676	\$4.81
7/1/19-20	95	1.011	96.1	\$1,936,000	\$20,100	482,173	\$4.02
7/1/20-21	48	2.150	110.3	\$2,536,000	\$23,000	485,913	\$5.22
7/1/21-22			116.5	\$2,425,000	\$20,800	485,913	\$4.99
Total	2,058		2,238.1	\$29,107,844	\$13,000	6,378,537	\$4.56

- Results for 7/1/21-22 are from Forecast Report

(B) - Exhibit 1-A

(C) - Appendix A3

(D) = (B) x (C), BF estimate for 20-21, forecast for 21-22

(E) = Exhibit 3, Forecast for 21-22

(F) = (E) / (D)

(G) - Exhibit 1-A, provided by OSIG

(H) = (E) / (G)

**Estimation of Cumulative Reported Loss Development Factors
 Using "The Method of Least Squares"**

Curve : $Y = A(1/(X+C))^B + 1$ (Modified Inverse Power Curve)

Months of Maturity X	Cumulative Factors Y*	Transformed Values for Regression					Fitted Values		
		X'	Y'	(X')^2	(Y')^2	X' x Y'	Accident Year	X	Cumulative Factor Y
12	1.618	-6.2383	-0.4805	38.917	0.2309	2.9973	7/1/02-03	222.0	1.000
24	1.211	-6.2615	-1.5548	39.206	2.4173	9.7352	7/1/03-04	210	1.000
36	1.089	-6.2841	-2.4233	39.490	5.8725	15.2286	7/1/04-05	198	1.000
48	1.030	-6.3063	-3.4974	39.769	12.2319	22.0556	7/1/05-06	186	1.000
60	1.015	-6.3279	-4.1964	40.043	17.6096	26.5544	7/1/06-07	174	1.000
72	1.005	-6.3491	-5.2983	40.312	28.0722	33.6398	7/1/07-08	162	1.000
							7/1/08-09	150	1.000
							7/1/09-10	138	1.000
							7/1/10-11	126	1.000
							7/1/11-12	114	1.000
							7/1/12-13	102	1.001
							7/1/13-14	90	1.001
Sum		-37.7673	-17.4507	237.7368	66.4343	110.2108	7/1/14-15	78	1.003
Average		-6.2946	-2.9084	39.6228	11.0724	18.3685	7/1/15-16	66	1.008
							7/1/16-17	54	1.021
							7/1/17-18	42	1.053
							7/1/18-19	30	1.138
							7/1/19-20	18	1.365
							7/1/20-21	6	3.544

N =	6		
A =	2.322E+115		
B =	42.664	R^2 =	0.997708
C =	500		

* - Appendix A4

**Estimation of Cumulative Paid Loss Development Factors
 Using "The Method of Least Squares"**

Curve : $Y = A(1/(X+C))^B + 1$ (Modified Inverse Power Curve)

Months of Maturity X	Cumulative Factors Y*	Transformed Values for Regression					Fitted Values		
		X'	Y'	(X')^2	(Y')^2	X' x Y'	Accident Year	X	Cumulative Factor Y
12	13.257	-4.4773	2.5061	20.047	6.2805	-11.2206	7/1/02-03	222.0	1.000
24	3.417	-4.6052	0.8826	21.208	0.7789	-4.0644	7/1/03-04	210	1.000
36	1.632	-4.7185	-0.4584	22.264	0.2101	2.1629	7/1/04-05	198	1.000
48	1.249	-4.8203	-1.3886	23.235	1.9281	6.6933	7/1/05-06	186	1.000
60	1.056	-4.9127	-2.8788	24.134	8.2872	14.1423	7/1/06-07	174	1.000
72	1.028	-4.9972	-3.5752	24.972	12.7821	17.8661	7/1/07-08	162	1.000
84	1.012	-5.0752	-4.4315	25.757	19.6378	22.4904	7/1/08-09	150	1.000
96	1.004	-5.1475	-5.5661	26.497	30.9811	28.6513	7/1/09-10	138	1.000
							7/1/10-11	126	1.001
							7/1/11-12	114	1.001
							7/1/12-13	102	1.003
							7/1/13-14	90	1.007
Sum		-38.7538	-14.9098	188.1139	80.8860	76.7213	7/1/14-15	78	1.016
Average		-4.8442	-1.8637	23.5142	10.1107	9.5902	7/1/15-16	66	1.042
							7/1/16-17	54	1.118
							7/1/17-18	42	1.369
							7/1/18-19	30	2.305
							7/1/19-20	18	6.374
							7/1/20-21	6	37.181

N =	8		
A =	9.468E+23		
B =	11.781	R^2 =	0.997321
C =	76		

* - Appendix A5

**Estimation of Cumulative Reported Claim Development Factors
 Using "The Method of Least Squares"**

Curve : $Y = A(1/(X+C))^B + 1$ (Modified Inverse Power Curve)

Months of Maturity X	Cumulative Factors Y*	Transformed Values for Regression					Fitted Values		
		X'	Y'	(X')^2	(Y')^2	X' x Y'	Accident Year	X	Cumulative Factor Y
12	1.038	-3.5553	-3.2715	12.640	10.7025	11.6312	7/1/02-03	222.0	1.000
24	1.004	-3.8501	-5.5052	14.824	30.3070	21.1957	7/1/03-04	210	1.000
36	1.001	-4.0775	-7.2296	16.626	52.2673	29.4790	7/1/04-05	198	1.000
							7/1/05-06	186	1.000
							7/1/06-07	174	1.000
							7/1/07-08	162	1.000
							7/1/08-09	150	1.000
							7/1/09-10	138	1.000
							7/1/10-11	126	1.000
							7/1/11-12	114	1.000
							7/1/12-13	102	1.000
							7/1/13-14	90	1.000
Sum		-11.4830	-16.0063	44.0904	93.2768	62.3060	7/1/14-15	78	1.000
Average		-3.8277	-5.3354	14.6968	31.0923	20.7687	7/1/15-16	66	1.000
							7/1/16-17	54	1.000
							7/1/17-18	42	1.000
							7/1/18-19	30	1.002
							7/1/19-20	18	1.011
							7/1/20-21	6	2.150

N =	3		
A =	1.919E+10		
B =	7.580	R^2 =	1.000000
C =	23		

* - Appendix A6

Analysis of Reported Loss Development
Reported Losses and ALAE Net of Member Deductibles

Year	Reported Losses and ALAE as of (months):									
	12	24	36	48	60	72	84	96	108	120
7/1/05-06	\$816,923	\$1,112,049	\$1,229,274	\$1,405,786	\$1,398,668	\$1,318,468	\$1,335,203	\$1,330,178	\$1,330,178	\$1,330,178
7/1/06-07	\$980,380	\$1,099,400	\$1,048,254	\$1,108,562	\$1,328,586	\$1,351,525	\$1,411,197	\$1,411,197	\$1,351,835	\$1,351,835
7/1/07-08	\$1,546,988	\$1,678,303	\$1,820,948	\$1,681,989	\$1,578,663	\$1,528,365	\$1,501,995	\$1,501,995	\$1,501,995	\$1,501,995
7/1/08-09	\$1,818,383	\$1,498,349	\$1,690,273	\$1,328,980	\$1,211,633	\$1,303,460	\$2,248,460	\$2,172,804	\$2,172,804	\$2,172,804
7/1/09-10	\$1,911,271	\$1,672,753	\$1,443,458	\$1,751,670	\$1,603,126	\$1,564,138	\$1,524,198	\$1,524,198	\$1,524,198	\$1,503,548
7/1/10-11	\$2,532,003	\$2,683,693	\$2,774,100	\$2,589,243	\$2,532,090	\$2,434,762	\$2,434,762	\$2,434,762	\$2,434,762	\$2,434,762
7/1/11-12	\$1,927,480	\$2,611,099	\$3,751,625	\$3,977,466	\$3,919,928	\$3,747,985	\$3,688,203	\$3,688,203	\$3,688,203	
7/1/12-13	\$1,311,489	\$1,442,277	\$1,150,970	\$1,348,515	\$1,213,833	\$1,167,520	\$1,126,334	\$1,098,816		
7/1/13-14	\$1,136,920	\$1,270,561	\$1,003,224	\$1,041,935	\$943,543	\$895,683	\$936,683			
7/1/14-15	\$1,195,898	\$1,507,077	\$1,985,502	\$2,246,921	\$2,242,422	\$2,236,041				
7/1/15-16	\$1,726,427	\$1,880,174	\$2,190,719	\$2,132,574	\$1,959,646					
7/1/16-17	\$2,362,228	\$3,423,590	\$3,517,430	\$3,675,485						
7/1/17-18	\$917,464	\$1,493,734	\$2,052,983							
7/1/18-19	\$1,445,316	\$2,392,822								
7/1/19-20	\$1,084,651									

Year	Age-to-Age Factors									
	12:24	24:36	36:48	48:60	60:72	72:84	84:96	96:108	108:120	120:ult
7/1/05-06	1.361	1.105	1.144	0.995	0.943	1.013	0.996	1.000	1.000	
7/1/06-07	1.121	0.953	1.058	1.198	1.017	1.044	1.000	0.958	1.000	
7/1/07-08	1.085	1.085	0.924	0.939	0.968	0.983	1.000	1.000	1.000	
7/1/08-09	0.824	1.128	0.786	0.912	1.076	1.725	0.966	1.000	1.000	
7/1/09-10	0.875	0.863	1.214	0.915	0.976	0.974	1.000	1.000	0.986	
7/1/10-11	1.060	1.034	0.933	0.978	0.962	1.000	1.000	1.000	1.000	
7/1/11-12	1.355	1.437	1.060	0.986	0.956	0.984	1.000	1.000		
7/1/12-13	1.100	0.798	1.172	0.900	0.962	0.965	0.976			
7/1/13-14	1.118	0.790	1.039	0.906	0.949	1.046				
7/1/14-15	1.260	1.317	1.132	0.998	0.997					
7/1/15-16	1.089	1.165	0.973	0.919						
7/1/16-17	1.449	1.027	1.045							
7/1/17-18	1.628	1.374								
7/1/18-19	1.656									
Average	1.213	1.083	1.040	0.968	0.981	1.082	0.992	0.994	0.998	
Wtd. Avg.	1.191	1.098	1.029	0.967	0.976	1.058	0.993	0.996	0.998	
5 year average	1.416	1.135	1.072	0.942	0.965	0.994	0.988	1.000	0.997	
OK Benchmark	2.018	1.232	0.958	0.954	0.956	1.000	1.000	1.000	1.000	1.000
Prior	1.256	1.090	1.057	1.025	1.010	1.006	1.000	1.000	1.000	1.000
Selected	1.336	1.113	1.057	1.015	1.010	1.005	1.000	1.000	1.000	1.000
Cumulative	1.618	1.211	1.089	1.030	1.015	1.005	1.000	1.000	1.000	1.000

Analysis of Paid Loss Development
Paid Losses and ALAE Net of Member Deductibles

Year	Paid Losses and ALAE as of (months):									
	12	24	36	48	60	72	84	96	108	120
7/1/05-06	\$231,455	\$584,973	\$771,010	\$1,092,719	\$1,312,650	\$1,313,442	\$1,330,178	\$1,330,178	\$1,330,178	\$1,330,178
7/1/06-07	\$322,617	\$678,216	\$787,689	\$943,320	\$1,208,914	\$1,271,236	\$1,344,837	\$1,351,835	\$1,351,835	\$1,351,835
7/1/07-08	\$170,163	\$665,391	\$1,286,746	\$1,455,173	\$1,501,494	\$1,501,995	\$1,501,995	\$1,501,995	\$1,501,995	\$1,501,995
7/1/08-09	\$158,208	\$609,160	\$939,799	\$984,969	\$1,127,969	\$1,163,044	\$2,170,476	\$2,172,804	\$2,172,804	\$2,172,804
7/1/09-10	\$297,737	\$767,474	\$1,041,914	\$1,347,942	\$1,505,891	\$1,496,609	\$1,503,479	\$1,502,945	\$1,503,515	\$1,503,548
7/1/10-11	\$201,545	\$1,303,203	\$2,109,602	\$2,299,143	\$2,347,892	\$2,385,861	\$2,395,912	\$2,400,815	\$2,407,808	\$2,416,933
7/1/11-12	\$128,159	\$704,902	\$1,700,471	\$2,356,202	\$3,580,758	\$3,685,134	\$3,688,203	\$3,688,203	\$3,688,203	
7/1/12-13	\$148,090	\$496,864	\$655,081	\$980,783	\$1,004,467	\$1,058,497	\$1,065,869	\$1,063,466		
7/1/13-14	\$70,272	\$359,375	\$563,792	\$811,678	\$838,630	\$847,442	\$894,885			
7/1/14-15	\$131,121	\$604,571	\$1,391,247	\$1,592,115	\$2,092,796	\$2,128,703				
7/1/15-16	\$275,027	\$824,838	\$1,304,248	\$1,605,611	\$1,804,373					
7/1/16-17	\$236,290	\$740,126	\$2,540,308	\$2,857,089						
7/1/17-18	\$56,435	\$250,424	\$590,742							
7/1/18-19	\$86,271	\$333,296								
7/1/19-20	\$60,174									

Year	Age-to-Age Factors									
	12:24	24:36	36:48	48:60	60:72	72:84	84:96	96:108	108:120	120:ult
7/1/05-06	2.527	1.318	1.417	1.201	1.001	1.013	1.000	1.000	1.000	
7/1/06-07	2.102	1.161	1.198	1.282	1.052	1.058	1.005	1.000	1.000	
7/1/07-08	3.910	1.934	1.131	1.032	1.000	1.000	1.000	1.000	1.000	
7/1/08-09	3.850	1.543	1.048	1.145	1.031	1.866	1.001	1.000	1.000	
7/1/09-10	2.578	1.358	1.294	1.117	0.994	1.005	1.000	1.000	1.000	
7/1/10-11	6.466	1.619	1.090	1.021	1.016	1.004	1.002	1.003	1.004	
7/1/11-12	5.500	2.412	1.386	1.520	1.029	1.001	1.000	1.000		
7/1/12-13	3.355	1.318	1.497	1.024	1.054	1.007	0.998			
7/1/13-14	5.114	1.569	1.440	1.033	1.011	1.056				
7/1/14-15	4.611	2.301	1.144	1.314	1.017					
7/1/15-16	2.999	1.581	1.231	1.124						
7/1/16-17	3.132	3.432	1.125							
7/1/17-18	4.437	2.359								
7/1/18-19	3.863									
Average	3.889	1.839	1.250	1.165	1.020	1.112	1.001	1.000	1.001	
Wtd. Avg.	3.550	1.826	1.214	1.185	1.020	1.080	1.001	1.001	1.001	
5 year average	3.809	2.248	1.287	1.203	1.025	1.015	1.000	1.001	1.001	
OK benchmark	2.552	1.975	1.312	1.082	1.038	1.016	1.008	1.003	1.000	1.000
Prior	3.951	1.938	1.325	1.163	1.029	1.016	1.008	1.003	1.001	1.000
	12	24	36	48	60	72	84	96	108	120
Selected	3.880	2.093	1.306	1.183	1.027	1.016	1.008	1.003	1.001	1.000
Cumulative	13.257	3.417	1.632	1.249	1.056	1.028	1.012	1.004	1.001	1.000

Analysis of Reported Occurrences

Year	Reported Claims as of (months):									
	12	24	36	48	60	72	84	96	108	120
7/1/05-06	114	136	137	138	136	136	136	136	136	136
7/1/06-07	128	132	133	132	132	132	132	132	132	132
7/1/07-08	148	161	164	164	163	163	163	163	163	163
7/1/08-09	146	155	155	155	155	155	155	155	155	155
7/1/09-10	139	143	144	144	144	144	144	144	144	144
7/1/10-11	108	109	109	110	110	110	110	110	110	110
7/1/11-12	89	87	87	87	87	87	87	87	87	87
7/1/12-13	110	109	109	109	109	109	109	109	109	109
7/1/13-14	83	85	86	86	86	86	86	86	86	86
7/1/14-15	103	116	116	116	116	116	116	116	116	116
7/1/15-16	120	122	119	119	119	119	119	119	119	119
7/1/16-17	125	135	133	135	135	135	135	135	135	135
7/1/17-18	80	77	77	77	77	77	77	77	77	77
7/1/18-19	122	115	115	115	115	115	115	115	115	115
7/1/19-20	92	92	92	92	92	92	92	92	92	92

Year	Age-to-Age Factors									
	12:24	24:36	36:48	48:60	60:72	72:84	84:96	96:108	108:120	120:ult
7/1/05-06	1.193	1.007	1.007	0.986	1.000	1.000	1.000	1.000	1.000	1.000
7/1/06-07	1.031	1.008	0.992	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7/1/07-08	1.088	1.019	1.000	0.994	1.000	1.000	1.000	1.000	1.000	1.000
7/1/08-09	1.062	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7/1/09-10	1.029	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7/1/10-11	1.009	1.000	1.009	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7/1/11-12	0.978	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7/1/12-13	0.991	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7/1/13-14	1.024	1.012	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7/1/14-15	1.126	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7/1/15-16	1.017	0.975	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7/1/16-17	1.080	0.985	1.015	1.015	1.015	1.015	1.015	1.015	1.015	1.015
7/1/17-18	0.963	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7/1/18-19	0.943	0.943	0.943	0.943	0.943	0.943	0.943	0.943	0.943	0.943

Average	1.038	1.001	1.002	0.998	1.000	1.000	1.000	1.000	1.000	1.000
Wtd. Avg.	1.041	1.001	1.002	0.998	1.000	1.000	1.000	1.000	1.000	1.000
5 year average	1.026	0.994	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000
OK benchmark	1.268	1.014	1.005	1.002	1.001	1.000	1.000	1.000	1.000	1.000
Prior	1.042	1.003	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000
	12	24	36	48	60	72	84	96	108	120
Selected	1.034	1.003	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	1.038	1.004	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000

**Derivation of Lognormal Parameters
 Based on Reported Loss Development**

Year	Natural Logarithm of Age to Age Factors									
	12:24	24:36	36:48	48:60	60:72	72:84	84:96	96:108	108:120	120:ult
7/1/05-06	0.308	0.100	0.134	-0.005	-0.059	0.013	-0.004	0.000	0.000	
7/1/06-07	0.115	-0.048	0.056	0.181	0.017	0.043	0.000	-0.043	0.000	
7/1/07-08	0.081	0.082	-0.079	-0.063	-0.032	-0.017	0.000	0.000	0.000	
7/1/08-09	-0.194	0.121	-0.240	-0.092	0.073	0.545	-0.034	0.000	0.000	
7/1/09-10	-0.133	-0.147	0.194	-0.089	-0.025	-0.026	0.000	0.000	0.000	-0.014
7/1/10-11	0.058	0.033	-0.069	-0.022	-0.039	0.000	0.000	0.000	0.000	0.000
7/1/11-12	0.304	0.362	0.058	-0.015	-0.045	-0.016	0.000	0.000		
7/1/12-13	0.095	-0.226	0.158	-0.105	-0.039	-0.036	-0.025			
7/1/13-14	0.111	-0.236	0.038	-0.099	-0.052	0.045				
7/1/14-15	0.231	0.276	0.124	-0.002	-0.003					
7/1/15-16	0.085	0.153	-0.027	-0.085						
7/1/16-17	0.371	0.027	0.044							
7/1/17-18	0.487	0.318								
7/1/18-19	0.504									
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	
Variance	0.043	0.037	0.015	0.007	0.002	0.034	0.000	0.000	0.000	
Cum. Variance	0.137	0.094	0.057	0.043	0.036	0.034	0.000	0.000	0.000	
SD	0.371	0.307	0.240	0.206	0.189	0.185	0.022	0.017	0.006	

Section 5

Exhibits – Automobile Liability

Exhibit 1	Summary of Data Large Loss Listing Calculation of Limited Losses
Exhibit 2	Loss Development Methods Bornhuetter-Ferguson Methods
Exhibit 3	Summary and Selection of Ultimate Losses
Exhibit 4	Comparison to Previous Actuarial Report
Exhibit 5	Outstanding Losses as of 12/31/2020 Projected Outstanding Losses and IBNR as of 6/30/2021
Exhibit 6	Historical Claim Frequency, Severity and Loss Rates
Appendix A	Loss Development Factors

Summary of Loss Data as of December 31, 2020
Total Experience Net of Member Deductibles

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	
Accident Period	Evaluation Date	Maturity (months)	Total Claims	Open Claims	Net Loss and Expense Payments	Net Loss and Expense Reserves	Net Loss and Expense Incurred	Vehicles
7/1/02-03	12/31/2020	222	24	0	\$65,087	\$0	\$65,087	
7/1/03-04	12/31/2020	210	81	0	\$433,514	\$0	\$433,514	
7/1/04-05	12/31/2020	198	109	0	\$1,097,512	\$0	\$1,097,512	5,046
7/1/05-06	12/31/2020	186	134	0	\$450,928	\$0	\$450,928	6,391
7/1/06-07	12/31/2020	174	145	0	\$549,344	\$0	\$549,344	7,050
7/1/07-08	12/31/2020	162	178	0	\$759,907	\$0	\$759,907	7,782
7/1/08-09	12/31/2020	150	207	0	\$1,465,586	\$0	\$1,465,586	7,675
7/1/09-10	12/31/2020	138	182	0	\$703,413	\$0	\$703,413	8,346
7/1/10-11	12/31/2020	126	187	0	\$882,016	\$0	\$882,016	9,059
7/1/11-12	12/31/2020	114	177	0	\$948,511	\$0	\$948,511	6,650
7/1/12-13	12/31/2020	102	162	0	\$661,103	\$0	\$661,103	6,979
7/1/13-14	12/31/2020	90	186	0	\$730,549	\$0	\$730,549	7,460
7/1/14-15	12/31/2020	78	226	2	\$1,237,198	\$95,768	\$1,332,966	9,047
7/1/15-16	12/31/2020	66	227	1	\$1,101,405	\$92,596	\$1,194,001	9,517
7/1/16-17	12/31/2020	54	207	5	\$1,026,421	\$233,181	\$1,259,602	10,334
7/1/17-18	12/31/2020	42	166	5	\$621,489	\$372,673	\$994,162	10,113
7/1/18-19	12/31/2020	30	195	6	\$783,981	\$280,563	\$1,064,544	11,525
7/1/19-20	12/31/2020	18	195	15	\$919,596	\$613,875	\$1,533,471	12,963
7/1/20-21	12/31/2020	6	65	50	\$149,126	\$361,620	\$510,746	13,059
7/1/21-22								13,074
			3053	84	\$14,586,687	\$2,050,277	\$16,636,964	162,069

- Loss and policy information provided by Jennifer McKenzie, Arthur J. Gallagher Risk Management Services
- Claims are grouped by occurrence, claims with \$0 incurred are excluded
- Losses are net of member deductibles

Large Claim Listing

Occurrence #	School	Loss Date	Net Paid	Net Incurred	Policy Year	SIR	Excess Paid	Excess Incurred	Severity Factor	Ultimate Net
00203	NEWKIRK PUBLIC SCHOOLS	1/30/2004	\$176,217	\$176,217	7/1/03-04	\$100,000	\$76,217	\$76,217	1.000	\$176,227
00513	CHICKASHA PUBLIC SCHOOLS	12/20/2004	\$129,748	\$129,748	7/1/04-05	\$100,000	\$29,748	\$29,748	1.000	\$129,757
00596	RIPLEY ISD	3/29/2005	\$549,427	\$549,427	7/1/04-05	\$100,000	\$449,427	\$449,427	1.000	\$549,465
01433	VELMA-ALMA ISD #5	12/20/2006	\$114,139	\$114,139	7/1/06-07	\$100,000	\$14,139	\$14,139	1.000	\$114,152
02638	ALTUS PUBLIC SCHOOL	11/14/2008	\$104,466	\$104,466	7/1/08-09	\$100,000	\$4,466	\$4,466	1.000	\$104,486
02678	CHICKASHA PUBLIC SCHOOLS	12/15/2008	\$131,271	\$131,271	7/1/08-09	\$100,000	\$31,271	\$31,271	1.000	\$131,296
02940	CANEY VALLEY PUBLIC SCHOOL	5/7/2009	\$106,504	\$106,504	7/1/08-09	\$100,000	\$6,504	\$6,504	1.000	\$106,525
90075	PAOLI ISD	8/18/2010	\$134,999	\$134,999	7/1/10-11	\$100,000	\$34,999	\$34,999	1.000	\$135,050
90305	GUTHRIE PUBLIC SCHOOLS	12/8/2010	\$103,684	\$103,684	7/1/10-11	\$100,000	\$3,684	\$3,684	1.000	\$103,723
91477	LAWTON BOARD OF EDUCATION ISD#8	9/19/2012	\$135,786	\$135,786	7/1/12-13	\$100,000	\$35,786	\$35,786	1.001	\$135,898
92239	PUTNAM CITY ISD	1/7/2014	\$130,707	\$130,707	7/1/13-14	\$100,000	\$30,707	\$30,707	1.001	\$130,878
93008	WESTERN HEIGHTS ISD	3/23/2015	\$206,102	\$206,102	7/1/14-15	\$100,000	\$106,102	\$106,102	1.002	\$206,557
93063	MIDWEST CITY-DEL CITY ISD	4/20/2015	\$219,224	\$219,224	7/1/14-15	\$100,000	\$119,224	\$119,224	1.002	\$219,707
93397	BARTLESVILLE PUBLIC SCHOOL #30	10/10/2015	\$12,808	\$105,404	7/1/15-16	\$100,000	\$0	\$5,404	1.004	\$105,829
93477	HAYWOOD ISD	11/19/2015	\$174,557	\$174,557	7/1/15-16	\$100,000	\$74,557	\$74,557	1.004	\$175,261
94052	PUTNAM CITY ISD	9/29/2016	\$126,307	\$126,307	7/1/16-17	\$100,000	\$26,307	\$26,307	1.008	\$127,351
94363	ADAIR ISD	3/23/2017	\$37,521	\$128,040	7/1/16-17	\$100,000	\$0	\$28,040	1.008	\$129,097
94907	NORTH ROCK CREEK ISD	1/30/2018	\$9,947	\$178,250	7/1/17-18	\$100,000	\$0	\$78,250	1.020	\$181,800
95622	KONAWA ISD #4	3/8/2019	\$24,657	\$131,100	7/1/18-19	\$100,000	\$0	\$31,100	1.062	\$139,272
P625-19-96065	CLEVELAND PUBLIC SCHOOLS	10/2/2019	\$90,750	\$90,750	7/1/19-20	\$100,000	\$0	\$0	1.127	\$102,298
96137	CLEVELAND PUBLIC SCHOOLS	10/29/2019	\$2,905	\$293,000	7/1/19-20	\$100,000	\$0	\$193,000	1.127	\$330,285
96204	ARDMORE ISD #19	11/15/2019	\$120,601	\$120,601	7/1/19-20	\$100,000	\$20,601	\$20,601	1.127	\$135,948
P625-19-96206	MUSTANG PUBLIC SCHOOL	11/15/2019	\$30,379	\$110,379	7/1/19-20	\$100,000	\$0	\$10,379	1.127	\$124,424
96766	JENKS ISD	10/29/2020	\$0	\$128,000	7/1/20-21	\$100,000	\$0	\$28,000	1.127	\$144,288
			\$2,872,708	\$3,828,663			\$1,063,741	\$1,437,913		\$3,939,574

- Loss and policy information provided by Jennifer McKenzie, Arthur J. Gallagher Risk Management Services
Excess paid and incurred losses for closed claims are equal to the excess recoveries, or amounts over SIR if no recovery yet
Excess paid and incurred losses for open claims are amounts in excess of SIR regardless of recoveries.

Calculation of Limited Losses

(A) Policy Period	(B) Retention	(C) Unlimited Paid Losses	(D) Unlimited Reported Losses	(E) Paid Excess of Primary	(F) Reported Excess of Primary	(G) Paid Limited to Primary	(H) Reported Limited to Primary
7/1/02-03	\$100,000	\$65,087	\$65,087	\$0	\$0	\$65,087	\$65,087
7/1/03-04	\$100,000	\$433,514	\$433,514	\$76,217	\$76,217	\$357,297	\$357,297
7/1/04-05	\$100,000	\$1,097,512	\$1,097,512	\$479,175	\$479,175	\$618,336	\$618,336
7/1/05-06	\$100,000	\$450,928	\$450,928	\$0	\$0	\$450,928	\$450,928
7/1/06-07	\$100,000	\$549,344	\$549,344	\$14,139	\$14,139	\$535,205	\$535,205
7/1/07-08	\$100,000	\$759,907	\$759,907	\$0	\$0	\$759,907	\$759,907
7/1/08-09	\$100,000	\$1,465,586	\$1,465,586	\$42,241	\$42,241	\$1,423,346	\$1,423,346
7/1/09-10	\$100,000	\$703,413	\$703,413	\$0	\$0	\$703,413	\$703,413
7/1/10-11	\$100,000	\$882,016	\$882,016	\$38,683	\$38,683	\$843,333	\$843,333
7/1/11-12	\$100,000	\$948,511	\$948,511	\$0	\$0	\$948,511	\$948,511
7/1/12-13	\$100,000	\$661,103	\$661,103	\$35,786	\$35,786	\$625,317	\$625,317
7/1/13-14	\$100,000	\$730,549	\$730,549	\$30,707	\$30,707	\$699,842	\$699,842
7/1/14-15	\$100,000	\$1,237,198	\$1,332,966	\$225,326	\$225,326	\$1,011,872	\$1,107,640
7/1/15-16	\$100,000	\$1,101,405	\$1,194,001	\$74,557	\$79,961	\$1,026,848	\$1,114,040
7/1/16-17	\$100,000	\$1,026,421	\$1,259,602	\$26,307	\$54,347	\$1,000,113	\$1,205,255
7/1/17-18	\$100,000	\$621,489	\$994,162	\$0	\$78,250	\$621,489	\$915,912
7/1/18-19	\$100,000	\$783,981	\$1,064,544	\$0	\$31,100	\$783,981	\$1,033,444
7/1/19-20	\$100,000	\$919,596	\$1,533,471	\$20,601	\$223,979	\$898,995	\$1,309,491
7/1/20-21	\$100,000	\$149,126	\$510,746	\$0	\$28,000	\$149,126	\$482,746
Total		\$14,586,687	\$16,636,964	\$1,063,741	\$1,437,913	\$13,522,946	\$15,199,051

(C) and (D) - Exhibit 1-A

(E) and (F) - Excess amounts from claims in Exhibit 1-B

(G) = (C) - (E)

(H) = (D) - (F)

**Estimated Ultimate Losses Limited to OSIG Retentions
Using Loss Development Methods**

(A) Accident Period	(B) Reported Losses	(C) Reported on Large Losses	(D) Reported Develop. Factor	(E) Ultimate on Small Claims	(F) Provision for Large Claims	(G) Estimated Ultimate Losses
7/1/02-03	\$65,087	\$0	1.000	\$65,090	\$0	\$65,000
7/1/03-04	\$433,514	\$176,217	1.000	\$257,311	\$100,000	\$357,000
7/1/04-05	\$1,097,512	\$679,175	1.000	\$418,365	\$200,000	\$618,000
7/1/05-06	\$450,928	\$0	1.000	\$450,967	\$0	\$451,000
7/1/06-07	\$549,344	\$114,139	1.000	\$435,254	\$100,000	\$535,000
7/1/07-08	\$759,907	\$0	1.000	\$760,019	\$0	\$760,000
7/1/08-09	\$1,465,586	\$342,241	1.000	\$1,123,566	\$300,000	\$1,424,000
7/1/09-10	\$703,413	\$0	1.000	\$703,602	\$0	\$704,000
7/1/10-11	\$882,016	\$238,683	1.000	\$643,575	\$200,000	\$844,000
7/1/11-12	\$948,511	\$0	1.001	\$949,030	\$0	\$949,000
7/1/12-13	\$661,103	\$135,786	1.001	\$525,750	\$100,000	\$626,000
7/1/13-14	\$730,549	\$130,707	1.001	\$600,626	\$100,000	\$701,000
7/1/14-15	\$1,332,966	\$425,326	1.002	\$909,641	\$200,000	\$1,110,000
7/1/15-16	\$1,194,001	\$279,961	1.004	\$917,727	\$200,000	\$1,118,000
7/1/16-17	\$1,259,602	\$254,347	1.008	\$1,013,558	\$200,000	\$1,214,000
7/1/17-18	\$994,162	\$178,250	1.020	\$832,161	\$100,000	\$932,000
7/1/18-19	\$1,064,544	\$131,100	1.062	\$991,626	\$100,000	\$1,092,000
7/1/19-20	\$1,533,471	\$614,729	1.129	\$1,037,315	\$400,642	\$1,438,000
Total	\$16,126,217	\$3,700,663		\$12,635,184	\$2,300,642	\$14,938,000

(H) Accident Period	(I) Paid on Large Losses	(J) Paid Develop. Factor	(K) Ultimate on Small Claims	(L) Provision for Large Claims	(M) Estimated Ultimate Losses	
7/1/02-03	\$65,087	\$0	1.000	\$65,088	\$0	\$65,000
7/1/03-04	\$433,514	\$176,217	1.000	\$257,302	\$100,000	\$357,000
7/1/04-05	\$1,097,512	\$679,175	1.000	\$418,348	\$200,000	\$618,000
7/1/05-06	\$450,928	\$0	1.000	\$450,949	\$0	\$451,000
7/1/06-07	\$549,344	\$114,139	1.000	\$435,238	\$100,000	\$535,000
7/1/07-08	\$759,907	\$0	1.000	\$760,006	\$0	\$760,000
7/1/08-09	\$1,465,586	\$342,241	1.000	\$1,123,598	\$300,000	\$1,424,000
7/1/09-10	\$703,413	\$0	1.000	\$703,692	\$0	\$704,000
7/1/10-11	\$882,016	\$238,683	1.001	\$643,793	\$200,000	\$844,000
7/1/11-12	\$948,511	\$0	1.001	\$949,767	\$0	\$950,000
7/1/12-13	\$661,103	\$135,786	1.003	\$526,638	\$100,000	\$627,000
7/1/13-14	\$730,549	\$130,707	1.005	\$602,797	\$100,000	\$703,000
7/1/14-15	\$1,237,198	\$425,326	1.010	\$819,964	\$200,000	\$1,020,000
7/1/15-16	\$1,101,405	\$187,366	1.021	\$933,138	\$200,000	\$1,133,000
7/1/16-17	\$1,026,421	\$163,828	1.046	\$901,896	\$200,000	\$1,102,000
7/1/17-18	\$621,489	\$9,947	1.104	\$675,037	\$100,000	\$775,000
7/1/18-19	\$783,981	\$24,657	1.249	\$948,035	\$100,000	\$1,048,000
7/1/19-20	\$919,596	\$244,634	1.629	\$1,099,373	\$400,642	\$1,500,000
Total	\$14,437,561	\$2,872,708		\$12,314,658	\$2,300,642	\$14,616,000

(B) and (H)- Exhibit 1-A

(C) and (I) - Exhibit 1-B

(D) - Appendix A1

(E) = [(B) - (C)] x (D)

(F) and (L) = # large x SIR x ccdf

(G) = (E) + (F)

(J) - Appendix A2

(K) = [(H) - (I)] x (J)

(M) = (K) + (L)

**Estimated Ultimate Losses Limited to OSIG Retention
Using Bornhuetter-Ferguson Method**

(A) Accident Period	(B) Prior Ultimate or Forecast	(C) Reported Develop. Factor	(D) Expected % Unreported	(E) Expected Unreported Losses	(F) Limited Reported Losses	(G) Estimated Ultimate Losses
7/1/02-03	\$65,087	1.000	0%	\$3	\$65,087	\$65,000
7/1/03-04	\$357,297	1.000	0%	\$20	\$357,297	\$357,000
7/1/04-05	\$618,336	1.000	0%	\$43	\$618,336	\$618,000
7/1/05-06	\$450,928	1.000	0%	\$39	\$450,928	\$451,000
7/1/06-07	\$535,205	1.000	0%	\$60	\$535,205	\$535,000
7/1/07-08	\$759,907	1.000	0%	\$112	\$759,907	\$760,000
7/1/08-09	\$1,423,346	1.000	0%	\$280	\$1,423,346	\$1,424,000
7/1/09-10	\$703,413	1.000	0%	\$189	\$703,413	\$704,000
7/1/10-11	\$843,333	1.000	0%	\$318	\$843,333	\$844,000
7/1/11-12	\$948,511	1.001	0%	\$518	\$948,511	\$949,000
7/1/12-13	\$625,317	1.001	0%	\$515	\$625,317	\$626,000
7/1/13-14	\$699,842	1.001	0%	\$914	\$699,842	\$701,000
7/1/14-15	\$1,167,000	1.002	0%	\$2,567	\$1,107,640	\$1,110,000
7/1/15-16	\$1,130,000	1.004	0%	\$4,540	\$1,114,040	\$1,119,000
7/1/16-17	\$1,231,000	1.008	1%	\$10,084	\$1,205,255	\$1,215,000
7/1/17-18	\$987,000	1.020	2%	\$19,272	\$915,912	\$935,000
7/1/18-19	\$1,147,000	1.062	6%	\$67,298	\$1,033,444	\$1,101,000
7/1/19-20	\$1,551,000	1.129	11%	\$177,293	\$1,309,491	\$1,487,000
7/1/20-21	\$1,139,000	2.258	56%	\$634,599	\$482,746	\$1,117,000
Total	\$16,382,522			\$918,663	\$15,199,051	\$16,118,000

(H) Accident Period	(I) Prior Ultimate or Forecast	(J) Paid Develop. Factor	(K) Expected % Unpaid	(L) Expected Unpaid Losses	(M) Limited Paid Losses	(N) Estimated Ultimate Losses
7/1/02-03	\$65,087	1.000	0%	\$1	\$65,087	\$65,000
7/1/03-04	\$357,297	1.000	0%	\$6	\$357,297	\$357,000
7/1/04-05	\$618,336	1.000	0%	\$17	\$618,336	\$618,000
7/1/05-06	\$450,928	1.000	0%	\$21	\$450,928	\$451,000
7/1/06-07	\$535,205	1.000	0%	\$41	\$535,205	\$535,000
7/1/07-08	\$759,907	1.000	0%	\$99	\$759,907	\$760,000
7/1/08-09	\$1,423,346	1.000	0%	\$320	\$1,423,346	\$1,424,000
7/1/09-10	\$703,413	1.000	0%	\$279	\$703,413	\$704,000
7/1/10-11	\$843,333	1.001	0%	\$603	\$843,333	\$844,000
7/1/11-12	\$948,511	1.001	0%	\$1,254	\$948,511	\$950,000
7/1/12-13	\$625,317	1.003	0%	\$1,569	\$625,317	\$627,000
7/1/13-14	\$699,842	1.005	0%	\$3,431	\$699,842	\$703,000
7/1/14-15	\$1,167,000	1.010	1%	\$11,517	\$1,011,872	\$1,023,000
7/1/15-16	\$1,130,000	1.021	2%	\$23,127	\$1,026,848	\$1,050,000
7/1/16-17	\$1,231,000	1.046	4%	\$53,645	\$1,000,113	\$1,054,000
7/1/17-18	\$987,000	1.104	9%	\$92,839	\$621,489	\$714,000
7/1/18-19	\$1,147,000	1.249	20%	\$228,316	\$783,981	\$1,012,000
7/1/19-20	\$1,551,000	1.629	39%	\$598,762	\$898,995	\$1,498,000
7/1/20-21	\$1,139,000	4.628	78%	\$892,894	\$149,126	\$1,042,000
Total	\$16,382,522			\$1,908,739	\$13,522,946	\$15,431,000

(B) and (H) - Exhibit 3, revised forecast for 20-21

(C) - Appendix A1

(D) = 1 - 1/(C)

(E) = (B) * (D)

(F) and (L) - Exhibit I-C

(G) = (E) + (F)

(I) - Appendix A2

(J) = 1 - 1/(I)

(K) = (H) * (J)

(M) = (K) + (L)

Summary and Selection of Ultimate Limited Loss Estimates

(A) Accident Period	(B) Prior Ultimate or Forecast	(C) Reported Loss Development Method	(D) Paid Loss Development Method	(E) Expected Unreported Method	(F) Expected Unpaid Method	(G) Selected Ultimate Loss Estimate
7/1/02-03	\$65,087	\$65,000	\$65,000	\$65,000	\$65,000	\$65,087
7/1/03-04	\$357,297	\$357,000	\$357,000	\$357,000	\$357,000	\$357,297
7/1/04-05	\$618,336	\$618,000	\$618,000	\$618,000	\$618,000	\$618,336
7/1/05-06	\$450,928	\$451,000	\$451,000	\$451,000	\$451,000	\$450,928
7/1/06-07	\$535,205	\$535,000	\$535,000	\$535,000	\$535,000	\$535,205
7/1/07-08	\$759,907	\$760,000	\$760,000	\$760,000	\$760,000	\$759,907
7/1/08-09	\$1,423,346	\$1,424,000	\$1,424,000	\$1,424,000	\$1,424,000	\$1,423,346
7/1/09-10	\$703,413	\$704,000	\$704,000	\$704,000	\$704,000	\$703,413
7/1/10-11	\$843,333	\$844,000	\$844,000	\$844,000	\$844,000	\$843,333
7/1/11-12	\$948,511	\$949,000	\$950,000	\$949,000	\$950,000	\$948,511
7/1/12-13	\$625,317	\$626,000	\$627,000	\$626,000	\$627,000	\$625,317
7/1/13-14	\$699,842	\$701,000	\$703,000	\$701,000	\$703,000	\$699,842
7/1/14-15	\$1,167,000	\$1,110,000	\$1,020,000	\$1,110,000	\$1,023,000	\$1,110,000
7/1/15-16	\$1,130,000	\$1,118,000	\$1,133,000	\$1,119,000	\$1,050,000	\$1,119,000
7/1/16-17	\$1,231,000	\$1,214,000	\$1,102,000	\$1,215,000	\$1,054,000	\$1,215,000
7/1/17-18	\$987,000	\$932,000	\$775,000	\$935,000	\$714,000	\$961,000
7/1/18-19	\$1,147,000	\$1,092,000	\$1,048,000	\$1,101,000	\$1,012,000	\$1,124,000
7/1/19-20	\$1,551,000	\$1,438,000	\$1,500,000	\$1,487,000	\$1,498,000	\$1,519,000
7/1/20-21	\$1,583,000			\$1,117,000	\$1,042,000	\$1,117,000
Total	\$16,826,522	\$14,938,000	\$14,616,000	\$16,118,000	\$15,431,000	\$16,195,522

(B) - From Previous Report as of 6/30/2020

(C) and (D) - Exhibit 2-A

(E) and (F) - Exhibit 2-B

(G) - Selected as Noted:

Limited Reported Losses for 02-03 through 13-14

(E) for 14-15 through 16-17 and 20-21

Average of (B) and (E) for 17-18 through 19-20

Comparison of Results with Previous Estimates as of 6/30/20

(A) Accident Period	(B) Actual Reported Losses 6/30/2020	(C) Expected Reported Losses 12/31/2020	(D) Actual Reported Losses 12/31/2020	(E) Percent Difference	(F) Actual Paid Losses 6/30/2020	(G) Expected Paid Losses 12/31/2020	(H) Actual Paid Losses 12/31/2020	(I) Percent Difference	(J) Expected Ultimate Losses 6/30/2020	(K) Actual Ultimate Losses 12/31/2020	(L) Percent Difference
7/1/02-03	\$65,087	\$65,087	\$65,087	0.0%	\$65,087	\$65,087	\$65,087	0.0%	\$65,087	\$65,087	0.0%
7/1/03-04	\$357,297	\$357,297	\$357,297	0.0%	\$357,297	\$357,297	\$357,297	0.0%	\$357,297	\$357,297	0.0%
7/1/04-05	\$618,336	\$618,336	\$618,336	0.0%	\$618,336	\$618,336	\$618,336	0.0%	\$618,336	\$618,336	0.0%
7/1/05-06	\$450,928	\$450,928	\$450,928	0.0%	\$450,928	\$450,928	\$450,928	0.0%	\$450,928	\$450,928	0.0%
7/1/06-07	\$535,205	\$535,205	\$535,205	0.0%	\$535,205	\$535,205	\$535,205	0.0%	\$535,205	\$535,205	0.0%
7/1/07-08	\$759,907	\$759,907	\$759,907	0.0%	\$759,907	\$759,907	\$759,907	0.0%	\$759,907	\$759,907	0.0%
7/1/08-09	\$1,423,346	\$1,423,346	\$1,423,346	0.0%	\$1,423,346	\$1,423,346	\$1,423,346	0.0%	\$1,423,346	\$1,423,346	0.0%
7/1/09-10	\$703,413	\$703,413	\$703,413	0.0%	\$703,413	\$703,413	\$703,413	0.0%	\$703,413	\$703,413	0.0%
7/1/10-11	\$843,333	\$843,333	\$843,333	0.0%	\$843,333	\$843,333	\$843,333	0.0%	\$843,333	\$843,333	0.0%
7/1/11-12	\$948,511	\$948,511	\$948,511	0.0%	\$948,511	\$948,511	\$948,511	0.0%	\$948,511	\$948,511	0.0%
7/1/12-13	\$625,317	\$625,317	\$625,317	0.0%	\$625,317	\$625,317	\$625,317	0.0%	\$625,317	\$625,317	0.0%
7/1/13-14	\$699,842	\$699,842	\$699,842	0.0%	\$699,842	\$699,842	\$699,842	0.0%	\$699,842	\$699,842	0.0%
7/1/14-15	\$1,163,213	\$1,164,677	\$1,107,640	-4.9%	\$1,005,084	\$1,071,537	\$1,011,872	-5.6%	\$1,167,000	\$1,110,000	-4.9%
7/1/15-16	\$1,120,077	\$1,123,939	\$1,114,040	-0.9%	\$1,020,269	\$1,065,439	\$1,026,848	-3.6%	\$1,130,000	\$1,119,000	-1.0%
7/1/16-17	\$1,205,255	\$1,215,308	\$1,205,255	-0.8%	\$963,388	\$1,072,724	\$1,000,113	-6.8%	\$1,231,000	\$1,215,000	-1.3%
7/1/17-18	\$938,403	\$957,268	\$915,912	-4.3%	\$579,729	\$739,935	\$621,489	-16.0%	\$987,000	\$961,000	-2.6%
7/1/18-19	\$1,038,474	\$1,079,320	\$1,033,444	-4.3%	\$652,301	\$824,861	\$783,981	-5.0%	\$1,147,000	\$1,124,000	-2.0%
7/1/19-20	\$1,411,066	\$1,411,066	\$1,309,491	-7.2%	\$704,657	\$921,945	\$898,995	-2.5%	\$1,551,000	\$1,519,000	-2.1%
7/1/20-21		\$713,780	\$482,746	-32.4%		\$308,317	\$149,126	-51.6%	\$1,583,000	\$1,117,000	-29.4%
Total	\$14,907,010	\$15,695,881	\$15,199,051	-3.2%	\$12,955,950	\$14,035,280	\$13,522,946	-3.7%	\$16,826,522	\$16,195,522	-3.8%

(B), (F) and (I) - From Previous actuarial report as of 6/30/2020

(C) and (G) - Based on information available as of 6/30/2020

(D) and (H) - Exhibit 1-C

(E) = [(D) / (C)] - 1

(I) = [(H) / (G)] - 1

(K) - Exhibit 3

(L) = [(K) / (J)] - 1

Comparison of Results with Previous Estimates as of 1/31/20

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
Accident Period	Actual Reported Losses 1/31/2020	Expected Reported Losses 12/31/2020	Actual Reported Losses 12/31/2020	Percent Difference	Actual Paid Losses 1/31/2020	Expected Paid Losses 12/31/2020	Actual Paid Losses 12/31/2020	Percent Difference	Expected Ultimate Losses 1/31/2020	Actual Ultimate Losses 12/31/2020	Percent Difference
7/1/02-03	\$65,087	\$65,087	\$65,087	0.0%	\$65,087	\$65,087	\$65,087	0.0%	\$65,087	\$65,087	0.0%
7/1/03-04	\$357,297	\$357,297	\$357,297	0.0%	\$357,297	\$357,297	\$357,297	0.0%	\$357,297	\$357,297	0.0%
7/1/04-05	\$618,336	\$618,336	\$618,336	0.0%	\$618,336	\$618,336	\$618,336	0.0%	\$618,336	\$618,336	0.0%
7/1/05-06	\$450,928	\$450,928	\$450,928	0.0%	\$450,928	\$450,928	\$450,928	0.0%	\$450,928	\$450,928	0.0%
7/1/06-07	\$535,205	\$535,205	\$535,205	0.0%	\$535,205	\$535,205	\$535,205	0.0%	\$535,205	\$535,205	0.0%
7/1/07-08	\$759,907	\$759,907	\$759,907	0.0%	\$759,907	\$759,907	\$759,907	0.0%	\$759,907	\$759,907	0.0%
7/1/08-09	\$1,423,346	\$1,423,346	\$1,423,346	0.0%	\$1,423,346	\$1,423,346	\$1,423,346	0.0%	\$1,423,346	\$1,423,346	0.0%
7/1/09-10	\$703,413	\$703,413	\$703,413	0.0%	\$703,413	\$703,413	\$703,413	0.0%	\$703,413	\$703,413	0.0%
7/1/10-11	\$843,333	\$843,333	\$843,333	0.0%	\$843,333	\$843,333	\$843,333	0.0%	\$843,333	\$843,333	0.0%
7/1/11-12	\$948,511	\$948,511	\$948,511	0.0%	\$948,511	\$948,511	\$948,511	0.0%	\$948,511	\$948,511	0.0%
7/1/12-13	\$625,317	\$625,317	\$625,317	0.0%	\$625,317	\$625,317	\$625,317	0.0%	\$625,317	\$625,317	0.0%
7/1/13-14	\$699,842	\$699,842	\$699,842	0.0%	\$699,842	\$699,842	\$699,842	0.0%	\$699,842	\$699,842	0.0%
7/1/14-15	\$1,163,213	\$1,165,457	\$1,107,640	-5.0%	\$956,177	\$1,087,066	\$1,011,872	-6.9%	\$1,167,000	\$1,110,000	-4.9%
7/1/15-16	\$1,145,708	\$1,151,241	\$1,114,040	-3.2%	\$998,168	\$1,095,646	\$1,026,848	-6.3%	\$1,155,000	\$1,119,000	-3.1%
7/1/16-17	\$1,205,255	\$1,220,608	\$1,205,255	-1.3%	\$956,187	\$1,125,394	\$1,000,113	-11.1%	\$1,231,000	\$1,215,000	-1.3%
7/1/17-18	\$933,403	\$965,120	\$915,912	-5.1%	\$569,918	\$816,690	\$621,489	-23.9%	\$987,000	\$961,000	-2.6%
7/1/18-19	\$1,002,844	\$1,085,396	\$1,033,444	-4.8%	\$558,206	\$866,509	\$783,981	-9.5%	\$1,147,000	\$1,124,000	-2.0%
7/1/19-20	\$1,075,364	\$1,593,146	\$1,309,491	-17.8%	\$356,050	\$1,041,722	\$898,995	-13.7%	\$1,801,000	\$1,519,000	-15.7%
Total	\$14,556,309	\$15,211,489	\$14,716,304	-3.3%	\$12,425,228	\$14,063,549	\$13,373,820	-4.9%	\$15,518,522	\$15,078,522	-2.8%

(B), (F) and (J) - From Previous actuarial report as of 1/31/2020

(C) and (G) - Based on information available as of 1/31/2020

(D) and (H) - Exhibit 1-C

(E) = [(D) / (C)] - 1

(I) = [(H) / (G)] - 1

(K) - Exhibit 3

(L) = [(K) / (J)] - 1

**Estimated Outstanding Losses
As of December 31, 2020**

(A) Accident Period	(B) Estimated Ultimate Losses	(C) Limited Paid Losses	(D) Limited Reported Losses	(E) Limited Case Reserves	(F) IBNR Losses	(G) Outstanding Losses
7/1/02-03	\$65,087	\$65,087	\$65,087	\$0	\$0	\$0
7/1/03-04	\$357,297	\$357,297	\$357,297	\$0	\$0	\$0
7/1/04-05	\$618,336	\$618,336	\$618,336	\$0	\$0	\$0
7/1/05-06	\$450,928	\$450,928	\$450,928	\$0	\$0	\$0
7/1/06-07	\$535,205	\$535,205	\$535,205	\$0	\$0	\$0
7/1/07-08	\$759,907	\$759,907	\$759,907	\$0	\$0	\$0
7/1/08-09	\$1,423,346	\$1,423,346	\$1,423,346	\$0	\$0	\$0
7/1/09-10	\$703,413	\$703,413	\$703,413	\$0	\$0	\$0
7/1/10-11	\$843,333	\$843,333	\$843,333	\$0	\$0	\$0
7/1/11-12	\$948,511	\$948,511	\$948,511	\$0	\$0	\$0
7/1/12-13	\$625,317	\$625,317	\$625,317	\$0	\$0	\$0
7/1/13-14	\$699,842	\$699,842	\$699,842	\$0	\$0	\$0
7/1/14-15	\$1,110,000	\$1,011,872	\$1,107,640	\$95,768	\$2,000	\$98,000
7/1/15-16	\$1,119,000	\$1,026,848	\$1,114,040	\$87,192	\$5,000	\$92,000
7/1/16-17	\$1,215,000	\$1,000,113	\$1,205,255	\$205,142	\$10,000	\$215,000
7/1/17-18	\$961,000	\$621,489	\$915,912	\$294,423	\$45,000	\$340,000
7/1/18-19	\$1,124,000	\$783,981	\$1,033,444	\$249,463	\$91,000	\$340,000
7/1/19-20	\$1,519,000	\$898,995	\$1,309,491	\$410,496	\$210,000	\$620,000
7/1-12/31/20	\$559,000	\$149,126	\$482,746	\$333,620	\$76,000	\$410,000
Total	\$15,638,000	\$13,522,946	\$15,199,051	\$1,676,104	\$439,000	\$2,115,000
1/1-6/30/21	\$558,000					

(B) - Exhibit 3

(C) and (D) - Exhibit 1-C

(E) = (D) - (C)

(F) = (B) - (D)

(G) = (B) - (C)

**Projected Outstanding Losses
As of June 30, 2021**

(A) Accident Period	(B) Estimated Ultimate Losses	(C) Projected Paid Losses	(D) Projected Reported Losses	(E) Limited Case Reserves	(F) IBNR Losses	(G) Outstanding Losses
7/1/02-03	\$65,087	\$65,087	\$65,087	\$0	\$0	\$0
7/1/03-04	\$357,297	\$357,297	\$357,297	\$0	\$0	\$0
7/1/04-05	\$618,336	\$618,336	\$618,336	\$0	\$0	\$0
7/1/05-06	\$450,928	\$450,928	\$450,928	\$0	\$0	\$0
7/1/06-07	\$535,205	\$535,205	\$535,205	\$0	\$0	\$0
7/1/07-08	\$759,907	\$759,907	\$759,907	\$0	\$0	\$0
7/1/08-09	\$1,423,346	\$1,423,346	\$1,423,346	\$0	\$0	\$0
7/1/09-10	\$703,413	\$703,413	\$703,413	\$0	\$0	\$0
7/1/10-11	\$843,333	\$843,333	\$843,333	\$0	\$0	\$0
7/1/11-12	\$948,511	\$948,511	\$948,511	\$0	\$0	\$0
7/1/12-13	\$625,317	\$625,317	\$625,317	\$0	\$0	\$0
7/1/13-14	\$699,842	\$699,842	\$699,842	\$0	\$0	\$0
7/1/14-15	\$1,110,000	\$1,041,000	\$1,108,000	\$67,000	\$2,000	\$69,000
7/1/15-16	\$1,119,000	\$1,055,000	\$1,115,000	\$60,000	\$4,000	\$64,000
7/1/16-17	\$1,215,000	\$1,068,000	\$1,208,000	\$140,000	\$7,000	\$147,000
7/1/17-18	\$961,000	\$730,000	\$932,000	\$202,000	\$29,000	\$231,000
7/1/18-19	\$1,124,000	\$889,000	\$1,074,000	\$185,000	\$50,000	\$235,000
7/1/19-20	\$1,519,000	\$1,066,000	\$1,309,000	\$243,000	\$210,000	\$453,000
7/1/20-21	\$1,117,000	\$492,000	\$987,000	\$495,000	\$130,000	\$625,000
Total	\$16,196,000	\$14,371,522	\$15,763,522	\$1,392,000	\$432,000	\$1,824,000

(B) - Exhibit 3

(C) and (D) - Projected using loss development factors

(E) = (D) - (C)

(F) = (B) - (D)

(G) = (B) - (C)

Average Ultimate Claim Sizes

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Accident Period	Reported Claims	Reported Claim Development	Estimated Ultimate Claims	Estimated Ultimate Losses	Estimated Average Ultimate Claim	Exposure (Vehicles)	Loss Rate
7/1/02-03	24	1.000	24.0	\$65,087	\$2,700		
7/1/03-04	81	1.000	81.0	\$357,297	\$4,400		
7/1/04-05	109	1.000	109.0	\$618,336	\$5,700	5,046	\$123
7/1/05-06	134	1.000	134.0	\$450,928	\$3,400	6,391	\$71
7/1/06-07	145	1.000	145.0	\$535,205	\$3,700	7,050	\$76
7/1/07-08	178	1.000	178.0	\$759,907	\$4,300	7,782	\$98
7/1/08-09	207	1.000	207.0	\$1,423,346	\$6,900	7,675	\$185
7/1/09-10	182	1.000	182.0	\$703,413	\$3,900	8,346	\$84
7/1/10-11	187	1.000	187.0	\$843,333	\$4,500	9,059	\$93
7/1/11-12	177	1.000	177.0	\$948,511	\$5,400	6,650	\$143
7/1/12-13	162	1.000	162.0	\$625,317	\$3,900	6,979	\$90
7/1/13-14	186	1.000	186.0	\$699,842	\$3,800	7,460	\$94
7/1/14-15	226	1.000	226.0	\$1,110,000	\$4,900	9,047	\$123
7/1/15-16	227	1.000	227.0	\$1,119,000	\$4,900	9,517	\$118
7/1/16-17	207	1.000	207.0	\$1,215,000	\$5,900	10,334	\$118
7/1/17-18	166	1.000	166.0	\$961,000	\$5,800	10,113	\$95
7/1/18-19	195	1.000	195.0	\$1,124,000	\$5,800	11,525	\$98
7/1/19-20	195	1.002	195.3	\$1,519,000	\$7,800	12,963	\$117
7/1/20-21	65	2.003	177.0	\$1,117,000	\$6,300	13,059	\$86
7/1/21-22			223.9	\$1,485,000	\$6,600	13,074	\$114
Total	3053		3389.2699	\$17,680,522	\$5,200	162,069	\$109

- 7/1/21-22 from forecast

(B) - Exhibit 1-A

(C) - Appendix A3

(D) = (B) x (C), BF estimate for 20-21, forecast for 21-22

(E) = Exhibit 3, Forecast for 21-22

(F) = (E) / (D)

(G) - Exhibit 1-A, provided by OSIG

(H) = (E) / (G)

**Estimation of Cumulative Reported Loss Development Factors
Using "The Method of Least Squares"**

Curve : $Y = A(1/(X+C))^B + 1$ (Modified Inverse Power Curve)

Months of Maturity X	Cumulative Factors Y*	Transformed Values for Regression					Fitted Values		
		X'	Y'	(X')^2	(Y')^2	X' x Y'	Accident Year	X	Cumulative Factor Y
		LN(1/(X+C))	LN(Y-1)						
							7/1/02-03	222.0	1.000
24	1.127	-3.3673	-2.0658	11.339	4.2675	6.9562	7/1/03-04	210	1.000
36	1.037	-3.7136	-3.3001	13.791	10.8904	12.2550	7/1/04-05	198	1.000
48	1.011	-3.9703	-4.5067	15.763	20.3102	17.8928	7/1/05-06	186	1.000
60	1.006	-4.1744	-5.1152	17.426	26.1649	21.3527	7/1/06-07	174	1.000
							7/1/07-08	162	1.000
							7/1/08-09	150	1.000
							7/1/09-10	138	1.000
							7/1/10-11	126	1.000
							7/1/11-12	114	1.001
							7/1/12-13	102	1.001
Sum		-15.2255	-14.9877	58.3180	61.6329	58.4567	7/1/13-14	90	1.001
Average		-3.8064	-3.7469	14.5795	15.4082	14.6142	7/1/14-15	78	1.002
							7/1/15-16	66	1.004
							7/1/16-17	54	1.008
							7/1/17-18	42	1.020
							7/1/18-19	30	1.062
							7/1/19-20	18	1.129
							7/1/20-21	6	2.258

N =	4		
A =	5.900E+04		
B =	3.870	R^2 =	0.995090
C =	5		

* - Appendix A4

**Estimation of Cumulative Paid Loss Development Factors
 Using "The Method of Least Squares"**

Curve : $Y = A(1/(X+C))^B + 1$ (Modified Inverse Power Curve)

Months of Maturity X	Cumulative Factors Y*	Transformed Values for Regression					Fitted Values		
		X'	Y'	(X')^2	(Y')^2	X' x Y'	Accident Year	X	Cumulative Factor Y
12	2.027	-5.1761	0.0262	26.793	0.0007	-0.1358	7/1/02-03	222.0	1.000
24	1.394	-5.2417	-0.9306	27.476	0.8660	4.8779	7/1/03-04	210	1.000
36	1.154	-5.3033	-1.8700	28.125	3.4969	9.9172	7/1/04-05	198	1.000
48	1.071	-5.3613	-2.6393	28.743	6.9661	14.1503	7/1/05-06	186	1.000
60	1.030	-5.4161	-3.4999	29.334	12.2494	18.9559	7/1/06-07	174	1.000
							7/1/07-08	162	1.000
							7/1/08-09	150	1.000
							7/1/09-10	138	1.000
							7/1/10-11	126	1.001
							7/1/11-12	114	1.001
							7/1/12-13	102	1.003
Sum		-26.4986	-8.9136	140.4711	23.5791	47.7655	7/1/13-14	90	1.005
Average		-5.2997	-1.7827	28.0942	4.7158	9.5531	7/1/14-15	78	1.010
							7/1/15-16	66	1.021
							7/1/16-17	54	1.046
							7/1/17-18	42	1.104
							7/1/18-19	30	1.249
							7/1/19-20	18	1.629
							7/1/20-21	6	4.628

N =	5		
A =	7.323E+32		
B =	14.615	R^2 =	0.999560
C =	165		

* - Appendix A5

*Estimation of Cumulative Reported Claim Development Factors
 Using "The Method of Least Squares"*

Curve : $Y = A(1/(X+C))^B + 1$ (Modified Inverse Power Curve)

Months of Maturity X	Cumulative Factors Y*	Transformed Values for Regression					Fitted Values		
		X' LN(1/(X+C))	Y' LN(Y-1)	(X')^2	(Y')^2	X' x Y'	Accident Year	X	Cumulative Factor Y
12	1.002	-2.4849	-6.4341	6.175	41.3982	15.9883	7/1/02-03	222.0	1.000
24	1.002	-3.1781	-6.4341	10.100	41.3982	20.4481	7/1/03-04	210	1.000
							7/1/04-05	198	1.000
							7/1/05-06	186	1.000
							7/1/06-07	174	1.000
							7/1/07-08	162	1.000
							7/1/08-09	150	1.000
							7/1/09-10	138	1.000
							7/1/10-11	126	1.000
							7/1/11-12	114	1.000
							7/1/12-13	102	1.000
Sum		-5.6630	-12.8683	16.2748	82.7964	36.4363	7/1/13-14	90	1.000
Average		-2.8315	-6.4341	8.1374	41.3982	18.2182	7/1/14-15	78	1.000
							7/1/15-16	66	1.000
							7/1/16-17	54	1.000
							7/1/17-18	42	1.000
							7/1/18-19	30	1.000
							7/1/19-20	18	1.002
							7/1/20-21	6	2.003

N =	2	
A =	1.606E-03	
B =	0.000	R^2 =
C =	0	

* - Appendix A6

Analysis of Reported Loss Development
Total Loss and ALAE Net of Member Deductibles

Year	Reported Losses and ALAE as of (months):									
	12	24	36	48	60	72	84	96	108	120
7/1/04-05	\$1,047,750	\$1,095,895	\$1,133,243	\$1,145,262	\$1,145,262	\$1,145,262	\$1,097,512	\$1,097,512	\$1,097,512	\$1,097,512
7/1/05-06	\$456,117	\$547,145	\$662,524	\$632,070	\$450,928	\$450,928	\$450,928	\$450,928	\$450,928	\$450,928
7/1/06-07	\$890,604	\$608,898	\$583,493	\$524,344	\$549,344	\$549,344	\$549,344	\$549,344	\$549,344	\$549,344
7/1/07-08	\$847,622	\$783,605	\$855,237	\$856,228	\$856,441	\$759,907	\$759,907	\$759,907	\$759,907	\$759,907
7/1/08-09	\$1,417,952	\$1,726,246	\$1,741,617	\$1,664,608	\$1,594,733	\$1,576,121	\$1,465,586	\$1,465,586	\$1,465,586	\$1,465,586
7/1/09-10	\$941,486	\$765,020	\$725,671	\$725,680	\$701,085	\$706,085	\$706,085	\$706,085	\$703,413	\$703,413
7/1/10-11	\$942,102	\$880,763	\$858,871	\$882,516	\$882,516	\$882,016	\$882,016	\$882,016	\$882,016	\$882,016
7/1/11-12	\$987,456	\$965,945	\$1,000,368	\$1,002,546	\$1,003,435	\$1,003,435	\$973,586	\$973,586	\$948,511	
7/1/12-13	\$777,945	\$702,440	\$663,518	\$661,103	\$661,103	\$661,103	\$661,103	\$661,103		
7/1/13-14	\$878,884	\$737,621	\$731,921	\$731,921	\$705,549	\$705,549	\$730,549			
7/1/14-15	\$909,436	\$947,227	\$1,251,043	\$1,483,264	\$1,433,246	\$1,395,815				
7/1/15-16	\$1,112,258	\$1,173,527	\$1,234,344	\$1,260,860	\$1,200,038					
7/1/16-17	\$1,204,106	\$1,168,469	\$1,249,602	\$1,259,602						
7/1/17-18	\$940,038	\$899,537	\$1,016,653							
7/1/18-19	\$1,281,141	\$1,038,474								
7/1/19-20	\$1,600,169									

Year	Age-to-Age Factors									
	12:24	24:36	36:48	48:60	60:72	72:84	84:96	96:108	108:120	120:ult
7/1/04-05	1.046	1.034	1.011	1.000	1.000	0.958	1.000	1.000	1.000	
7/1/05-06	1.200	1.211	0.954	0.713	1.000	1.000	1.000	1.000	1.000	
7/1/06-07	0.684	0.958	0.899	1.048	1.000	1.000	1.000	1.000	1.000	
7/1/07-08	0.924	1.091	1.001	1.000	0.887	1.000	1.000	1.000	1.000	
7/1/08-09	1.217	1.009	0.956	0.958	0.988	0.930	1.000	1.000	1.000	
7/1/09-10	0.813	0.949	1.000	0.966	1.007	1.000	1.000	0.996	1.000	
7/1/10-11	0.935	0.975	1.028	1.000	0.999	1.000	1.000	1.000	1.000	
7/1/11-12	0.978	1.036	1.002	1.001	1.000	0.970	1.000	0.974		
7/1/12-13	0.903	0.945	0.996	1.000	1.000	1.000	1.000			
7/1/13-14	0.839	0.992	1.000	0.964	1.000	1.035				
7/1/14-15	1.042	1.321	1.186	0.966	0.974					
7/1/15-16	1.055	1.052	1.021	0.952						
7/1/16-17	0.970	1.069	1.008							
7/1/17-18	0.957	1.130								
7/1/18-19	0.811									
Average	0.958	1.055	1.005	0.964	0.987	0.989	1.000	0.996	1.000	
Wtd. Avg.	0.959	1.054	1.011	0.967	0.985	0.981	1.000	0.996	1.000	
5 year average	0.967	1.113	1.042	0.977	0.995	1.001	1.000	0.994	1.000	
OK Benchmark	1.347	1.092	1.023	1.010	1.000	1.000	1.000	1.000	1.000	1.000
Prior	1.000	1.060	1.026	1.010	1.005	1.000	1.000	1.000	1.000	1.000
	12	24	36	48	60	72	84	96	108	120
Selected	1.000	1.087	1.026	1.005	1.005	1.001	1.000	1.000	1.000	1.000
Cumulative	1.127	1.127	1.037	1.011	1.006	1.001	1.000	1.000	1.000	1.000

Analysis of Paid Loss Development
Total Loss and ALAE Net of Member Deductibles

Year	Paid Losses and ALAE as of (months):									
	12	24	36	48	60	72	84	96	108	120
7/1/04-05	\$373,545	\$848,811	\$1,035,459	\$1,095,262	\$1,095,262	\$1,097,512	\$1,097,512	\$1,097,512	\$1,097,512	\$1,097,512
7/1/05-06	\$245,922	\$315,713	\$386,966	\$415,031	\$450,928	\$450,928	\$450,928	\$450,928	\$450,928	\$450,928
7/1/06-07	\$306,414	\$364,626	\$488,241	\$524,344	\$549,344	\$549,344	\$549,344	\$549,344	\$549,344	\$549,344
7/1/07-08	\$382,647	\$542,781	\$699,055	\$711,020	\$726,360	\$759,907	\$759,907	\$759,907	\$759,907	\$759,907
7/1/08-09	\$527,674	\$1,042,468	\$1,233,445	\$1,312,558	\$1,427,617	\$1,439,750	\$1,465,586	\$1,465,586	\$1,465,586	\$1,465,586
7/1/09-10	\$454,322	\$567,769	\$662,046	\$677,216	\$682,330	\$686,578	\$687,068	\$687,068	\$703,413	\$703,413
7/1/10-11	\$398,166	\$711,060	\$836,794	\$882,516	\$882,516	\$882,016	\$882,016	\$882,016	\$882,016	\$882,016
7/1/11-12	\$636,923	\$793,177	\$875,075	\$935,985	\$940,184	\$948,005	\$947,823	\$948,291	\$948,511	
7/1/12-13	\$384,700	\$492,970	\$661,008	\$661,103	\$661,103	\$661,103	\$661,103	\$661,103		
7/1/13-14	\$489,337	\$688,008	\$703,536	\$704,744	\$705,549	\$705,549	\$730,549			
7/1/14-15	\$489,849	\$598,952	\$825,663	\$1,099,572	\$1,126,059	\$1,230,410				
7/1/15-16	\$612,592	\$780,728	\$999,322	\$1,029,781	\$1,094,827					
7/1/16-17	\$544,386	\$879,661	\$968,458	\$989,695						
7/1/17-18	\$390,369	\$532,337	\$579,729							
7/1/18-19	\$536,211	\$652,301								
7/1/19-20	\$704,657									

Year	Age-to-Age Factors									
	12:24	24:36	36:48	48:60	60:72	72:84	84:96	96:108	108:120	120:ult
7/1/04-05	2.272	1.220	1.058	1.000	1.002	1.000	1.000	1.000	1.000	1.000
7/1/05-06	1.284	1.226	1.073	1.086	1.000	1.000	1.000	1.000	1.000	1.000
7/1/06-07	1.190	1.339	1.074	1.048	1.000	1.000	1.000	1.000	1.000	1.000
7/1/07-08	1.418	1.288	1.017	1.022	1.046	1.000	1.000	1.000	1.000	1.000
7/1/08-09	1.976	1.183	1.064	1.088	1.008	1.018	1.000	1.000	1.000	1.000
7/1/09-10	1.250	1.166	1.023	1.008	1.006	1.001	1.000	1.024	1.000	1.000
7/1/10-11	1.786	1.177	1.055	1.000	0.999	1.000	1.000	1.000	1.000	1.000
7/1/11-12	1.245	1.103	1.070	1.004	1.008	1.000	1.000	1.000		
7/1/12-13	1.281	1.341	1.000	1.000	1.000	1.000	1.000			
7/1/13-14	1.406	1.023	1.002	1.001	1.000	1.035				
7/1/14-15	1.223	1.379	1.332	1.024	1.093					
7/1/15-16	1.274	1.280	1.030	1.063						
7/1/16-17	1.616	1.101	1.022							
7/1/17-18	1.364	1.089								
7/1/18-19	1.217									

Average	1.453	1.208	1.063	1.029	1.015	1.005	1.000	1.003	1.000	
Wtd. Avg.	1.449	1.196	1.064	1.029	1.018	1.006	1.000	1.002	1.000	
5 year average	1.339	1.174	1.077	1.019	1.020	1.007	1.000	1.005	1.000	
OK benchmark	1.622	1.372	1.054	1.040	1.018	1.004	1.000	1.000	1.000	1.000
Prior	1.426	1.225	1.087	1.033	1.013	1.004	1.000	1.000	1.000	1.000
	12	24	36	48	60	72	84	96	108	120
Selected	1.453	1.208	1.077	1.040	1.020	1.010	1.000	1.000	1.000	1.000
Cumulative	2.027	1.394	1.154	1.071	1.030	1.010	1.000	1.000	1.000	1.000

Analysis of Reported Occurrences

Year	Reported Claims as of (months):									
	12	24	36	48	60	72	84	96	108	120
7/1/04-05		108	109	109	109	109	109	109	109	109
7/1/05-06	133	134	135	134	134	134	134	134	134	134
7/1/06-07	142	143	145	145	145	145	145	145	145	145
7/1/07-08	172	178	178	178	178	178	178	178	178	178
7/1/08-09	205	207	207	207	207	207	207	207	207	207
7/1/09-10	183	182	182	182	182	182	182	182	182	182
7/1/10-11	182	187	188	188	188	187	187	187	187	187
7/1/11-12	177	178	177	177	177	177	177	177	177	
7/1/12-13	163	164	164	162	162	162	162	162		
7/1/13-14	196	185	185	185	185	185	186			
7/1/14-15	228	225	226	226	226	226				
7/1/15-16	225	227	226	226	227					
7/1/16-17	213	206	207	207						
7/1/17-18	191	167	166							
7/1/18-19	231	194								
7/1/19-20	204									

Year	Age-to-Age Factors									
	12:24	24:36	36:48	48:60	60:72	72:84	84:96	96:108	108:120	120:ult
7/1/04-05		1.009	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7/1/05-06	1.008	1.007	0.993	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7/1/06-07	1.007	1.014	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7/1/07-08	1.035	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7/1/08-09	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7/1/09-10	0.995	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7/1/10-11	1.027	1.005	1.000	1.000	0.995	1.000	1.000	1.000	1.000	
7/1/11-12	1.006	0.994	1.000	1.000	1.000	1.000	1.000	1.000		
7/1/12-13	1.006	1.000	0.988	1.000	1.000	1.000	1.000			
7/1/13-14	0.944	1.000	1.000	1.000	1.000	1.005				
7/1/14-15	0.987	1.004	1.000	1.000	1.000					
7/1/15-16	1.009	0.996	1.000	1.004						
7/1/16-17	0.967	1.005	1.000							
7/1/17-18	0.874	0.994								
7/1/18-19	0.840									
Average	0.980	1.002	0.998	1.000	1.000	1.001	1.000	1.000	1.000	
Wtd. Avg.	0.976	1.002	0.999	1.000	0.999	1.001	1.000	1.000	1.000	
5 year average	0.935	1.000	0.998	1.001	0.999	1.001	1.000	1.000	1.000	
OK benchmark	1.128	1.005	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Prior	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	1.002	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

**Derivation of Lognomoral Parameters
Based on Reported Loss Development**

Year	Natural Logarithm of Age to Age Factors									
	12:24	24:36	36:48	48:60	60:72	72:84	84:96	96:108	108:120	120:ult
7/1/04-05	0.045	0.034	0.011	0.000	0.000	-0.043	0.000	0.000	0.000	0.000
7/1/05-06	0.182	0.191	-0.047	-0.338	0.000	0.000	0.000	0.000	0.000	0.000
7/1/06-07	-0.380	-0.043	-0.107	0.047	0.000	0.000	0.000	0.000	0.000	0.000
7/1/07-08	-0.079	0.087	0.001	0.000	-0.120	0.000	0.000	0.000	0.000	0.000
7/1/08-09	0.197	0.009	-0.045	-0.043	-0.012	-0.073	0.000	0.000	0.000	0.000
7/1/09-10	-0.208	-0.053	0.000	-0.034	0.007	0.000	0.000	-0.004	0.000	0.000
7/1/10-11	-0.067	-0.025	0.027	0.000	-0.001	0.000	0.000	0.000	0.000	0.000
7/1/11-12	-0.022	0.035	0.002	0.001	0.000	-0.030	0.000	-0.026		
7/1/12-13	-0.102	-0.057	-0.004	0.000	0.000	0.000	0.000			
7/1/13-14	-0.175	-0.008	0.000	-0.037	0.000	0.035				
7/1/14-15	0.041	0.278	0.170	-0.034	-0.026					
7/1/15-16	0.054	0.051	0.021	-0.049						
7/1/16-17	-0.030	0.067	0.008							
7/1/17-18	-0.044	0.122								
7/1/18-19	-0.210									
	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	
Variance	0.023	0.009	0.004	0.009	0.001	0.001	0.000	0.000	0.000	0.000
Cum. Variance	0.048	0.025	0.016	0.012	0.002	0.001	0.000	0.000	0.000	0.000
SD	0.219	0.158	0.125	0.108	0.048	0.031	0.009	0.009	0.000	0.000

Section 6

Exhibits – Property including APD

Exhibit 1	Summary of Data Large Loss Listing Calculation of Limited Losses
Exhibit 2	Loss Development Methods Bornhuetter-Ferguson Methods
Exhibit 3	Summary and Selection of Ultimate Losses
Exhibit 4	Comparison to Previous Actuarial Report
Exhibit 5	Outstanding Losses as of 12/31/2020 Projected Outstanding Losses and IBNR as of 6/30/2021
Exhibit 6	Historical Claim Frequency, Severity and Loss Rates
Appendix A	Loss Development Factors

Summary of Loss Data as of December 31, 2020
Total Experience Net of Deductibles

(A)	(B)	(C)	(D)		(E)	(F)	(G)	(H)	(I)	(J)
Accident Period	Evaluation Date	Maturity (months)	Total Claims	Open Claims	Loss Payment	Loss Reserve	Expense and Legal Payment	Expense and Legal Reserve	Total Reported	Total Insured Value in \$100s
7/1/02-03	12/31/2020	222	24	0	\$282,938	\$0	\$29,106	\$0	\$312,045	
7/1/03-04	12/31/2020	210	104	0	\$2,447,356	\$0	\$66,143	\$0	\$2,513,499	
7/1/04-05	12/31/2020	198	122	0	\$1,235,815	\$0	\$69,782	\$0	\$1,305,598	\$37,566,889
7/1/05-06	12/31/2020	186	190	0	\$3,080,547	\$0	\$142,157	\$0	\$3,222,704	\$50,583,768
7/1/06-07	12/31/2020	174	232	0	\$7,508,252	\$0	\$164,672	\$0	\$7,672,924	\$63,964,027
7/1/07-08	12/31/2020	162	255	0	\$27,287,989	\$0	\$261,094	\$0	\$27,549,083	\$70,532,585
7/1/08-09	12/31/2020	150	211	0	\$14,557,521	\$0	\$226,138	\$0	\$14,783,659	\$74,780,448
7/1/09-10	12/31/2020	138	266	0	\$17,140,491	\$0	\$250,287	\$0	\$17,390,777	\$78,018,968
7/1/10-11	12/31/2020	126	225	0	\$26,419,286	\$0	\$52,656	\$0	\$26,471,942	\$82,140,365
7/1/11-12	12/31/2020	114	173	0	\$3,946,066	\$0	\$72,423	\$0	\$4,018,489	\$75,216,040
7/1/12-13	12/31/2020	102	163	0	\$6,097,006	\$0	\$39,448	\$0	\$6,136,455	\$67,433,533
7/1/13-14	12/31/2020	90	157	0	\$4,537,170	\$0	\$53,119	\$0	\$4,590,290	\$72,841,534
7/1/14-15	12/31/2020	78	208	1	\$7,111,878	\$342,706	\$59,081	\$255,028	\$7,768,693	\$82,912,577
7/1/15-16	12/31/2020	66	182	2	\$13,341,328	\$1,388,670	\$72,430	\$47,183	\$14,849,611	\$83,651,052
7/1/16-17	12/31/2020	54	228	6	\$9,564,517	\$1,593,755	\$87,307	\$37,754	\$11,283,333	\$95,166,463
7/1/17-18	12/31/2020	42	194	7	\$15,259,962	\$6,840,469	\$128,572	\$252,683	\$22,481,686	\$91,897,115
7/1/18-19	12/31/2020	30	217	12	\$25,973,562	\$6,754,437	\$106,856	\$55,517	\$32,890,372	\$120,498,610
7/1/19-20	12/31/2020	18	231	38	\$35,094,691	\$41,201,107	\$165,386	\$75,360	\$76,536,545	\$157,176,298
7/1/20-21	12/31/2020	6	111	74	\$2,963,041	\$2,846,328	\$61,825	\$76,993	\$5,948,187	\$164,261,745
7/1/21-22										
			3493	140	\$223,849,416	\$60,967,473	\$2,108,484	\$800,518	\$287,725,892	\$1,468,642,017

- Loss and policy information provided by Jennifer McKenzie, Arthur J. Gallagher Risk Management Services
- Claims are grouped by occurrence, and exclude claims with \$0 incurred
- Losses are net of member deductibles

Losses over SIR

CAT# or Occ#	Loss Date	Claim Status	Coverage	Paid Pure Losses	Reported Pure Losses	SIR	Deductibles	Excess Recoveries	Excess Paid	Excess Reported	Severity Factor	Net Ultimate
00120	9/26/2003	Closed	AOP	\$160,863	\$160,863	\$100,000	\$2,500	\$63,363	\$63,363	\$63,363	1.000	\$160,863
00280	4/23/2004	Closed	Wind	\$501,173	\$501,173	\$200,000	\$10,000	\$311,173	\$311,173	\$311,173	1.000	\$501,173
00312	5/29/2004	Closed	Wind	\$1,051,795	\$1,051,795	\$200,000	\$5,000	\$851,795	\$851,795	\$851,795	1.000	\$1,051,795
00622	4/19/2005	Closed	AOP	\$137,015	\$137,015	\$100,000	\$2,500	\$38,605	\$38,605	\$38,605	1.000	\$137,015
0003	7/3/2005	Closed	Wind	\$509,241	\$509,241	\$200,000	\$15,000	\$329,241	\$329,241	\$329,241	1.000	\$509,241
00974	2/4/2006	Closed	AOP	\$123,265	\$123,265	\$100,000	\$1,000	\$24,265	\$24,265	\$24,265	1.000	\$123,265
0006	3/12/2006	Closed	Wind	\$302,863	\$302,863	\$200,000	\$17,500	\$98,003	\$98,003	\$98,003	1.000	\$302,863
01070	4/1/2006	Closed	Wind	\$249,726	\$249,726	\$200,000	\$10,000	\$54,736	\$54,736	\$54,736	1.000	\$249,726
01069	4/9/2006	Closed	AOP	\$196,964	\$196,964	\$100,000	\$2,500	\$99,464	\$99,464	\$99,464	1.000	\$196,964
0010	1/13/2007	Closed	AOP	\$2,728,534	\$2,728,534	\$100,000	\$125,000	\$2,213,033	\$2,213,033	\$2,213,033	1.000	\$2,728,534
01446	1/14/2007	Closed	AOP	\$2,391,851	\$2,391,851	\$100,000	\$2,500	\$2,294,351	\$2,294,351	\$2,294,351	1.000	\$2,391,851
01603	4/1/2007	Closed	AOP	\$498,897	\$498,897	\$100,000	\$5,500	\$409,043	\$409,043	\$409,043	1.000	\$498,897
0014	5/26/2007	Closed	AOP	\$258,761	\$258,761	\$100,000	\$125,000	\$151,982	\$151,982	\$151,982	1.000	\$258,761
01932	10/20/2007	Closed	AOP	\$4,417,502	\$4,417,502	\$100,000	\$2,500	\$4,320,002	\$4,320,002	\$4,320,002	1.000	\$4,417,502
02010	12/10/2007	Closed	AOP	\$7,939,099	\$7,939,099	\$100,000	\$2,500	\$7,839,099	\$7,839,099	\$7,839,099	1.000	\$7,939,099
02077	1/27/2008	Closed	AOP	\$4,048,087	\$4,048,087	\$100,000	\$5,000	\$3,953,087	\$3,953,087	\$3,953,087	1.000	\$4,048,087
02095	2/12/2008	Closed	AOP	\$1,330,642	\$1,330,642	\$100,000	\$2,500	\$1,233,142	\$1,233,142	\$1,233,142	1.000	\$1,330,642
02123	2/24/2008	Closed	AOP	\$142,203	\$142,203	\$100,000	\$2,500	\$44,693	\$44,693	\$44,693	1.000	\$142,203
0017	4/9/2008	Closed	Wind	\$642,619	\$642,619	\$200,000	\$68,000	\$497,819	\$497,819	\$497,819	1.000	\$642,619
02205	4/10/2008	Closed	AOP	\$264,208	\$264,208	\$100,000	\$2,500	\$166,708	\$166,708	\$166,708	1.000	\$264,208
02283	5/10/2008	Closed	Wind	\$1,079,655	\$1,079,655	\$200,000	\$5,000	\$884,655	\$884,655	\$884,655	1.000	\$1,079,655
0020	5/22/2008	Closed	Wind	\$737,893	\$737,893	\$200,000	\$20,000	\$537,893	\$537,893	\$537,893	1.000	\$737,893
0022	6/1/2008	Closed	Wind	\$2,874,505	\$2,874,505	\$200,000	\$47,000	\$2,755,868	\$2,755,868	\$2,755,868	1.000	\$2,874,505
0019	6/5/2008	Closed	Wind	\$1,617,657	\$1,617,657	\$200,000	\$50,000	\$1,400,637	\$1,400,637	\$1,400,637	1.000	\$1,617,657
02412	7/15/2008	Closed	AOP	\$118,000	\$118,000	\$100,000	\$2,500	\$20,500	\$20,500	\$20,500	1.000	\$118,000
02442	8/5/2008	Closed	AOP	\$253,900	\$253,900	\$100,000	\$2,500	\$155,155	\$155,155	\$155,155	1.000	\$253,900
0024	11/5/2008	Closed	Wind	\$1,825,926	\$1,825,926	\$200,000	\$41,000	\$1,620,926	\$1,620,926	\$1,620,926	1.000	\$1,825,926
02724	1/21/2009	Closed	AOP	\$359,928	\$359,928	\$100,000	\$2,500	\$262,428	\$262,428	\$262,428	1.000	\$359,928
0026	1/26/2009	Closed	AOP	\$333,470	\$333,470	\$100,000	\$38,500	\$233,474	\$233,474	\$233,474	1.000	\$333,470
0027	2/10/2009	Closed	Wind	\$403,324	\$403,324	\$200,000	\$40,000	\$203,324	\$203,324	\$203,324	1.000	\$403,324
02786	2/27/2009	Closed	AOP	\$2,319,259	\$2,319,259	\$100,000	\$2,500	\$2,219,259	\$2,219,259	\$2,219,259	1.000	\$2,319,259
0030	3/27/2009	Closed	AOP	\$2,372,142	\$2,372,142	\$100,000	\$22,500	\$2,372,114	\$2,372,114	\$2,372,114	1.000	\$2,372,142
0031	4/9/2009	Closed	Wind	\$855,773	\$855,773	\$200,000	\$35,000	\$660,773	\$660,773	\$660,773	1.000	\$855,773
0033	4/25/2009	Closed	Wind	\$391,102	\$391,102	\$200,000	\$51,000	\$188,354	\$188,354	\$188,354	1.000	\$391,102
0037	4/29/2009	Closed	Wind	\$212,817	\$212,817	\$200,000	\$25,000	\$7,888	\$7,888	\$7,888	1.000	\$212,817
0032	5/1/2009	Closed	AOP	\$1,097,400	\$1,097,400	\$100,000	\$50,000	\$987,387	\$987,387	\$987,387	1.000	\$1,097,400
0034	5/13/2009	Closed	Wind	\$1,363,503	\$1,363,503	\$200,000	\$72,000	\$1,163,503	\$1,163,503	\$1,163,503	1.000	\$1,363,503
0036	6/12/2009	Closed	Wind	\$311,981	\$311,981	\$200,000	\$62,500	\$128,176	\$128,176	\$128,176	1.000	\$311,981
03078	7/21/2009	Closed	Wind	\$332,689	\$332,689	\$200,000	\$10,000	\$132,689	\$132,689	\$132,689	1.000	\$332,689
03081	7/27/2009	Closed	AOP	\$304,502	\$304,502	\$100,000	\$5,000	\$204,502	\$204,502	\$204,502	1.000	\$304,502
03122	8/21/2009	Closed	AOP	\$4,975,483	\$4,975,483	\$100,000	\$2,500	\$4,877,983	\$4,877,983	\$4,877,983	1.000	\$4,975,483
03138	8/29/2009	Closed	AOP	\$139,641	\$139,641	\$100,000	\$2,500	\$39,641	\$39,641	\$39,641	1.000	\$139,641
03179	9/20/2009	Closed	AOP	\$134,098	\$134,098	\$100,000	\$2,500	\$34,101	\$34,101	\$34,101	1.000	\$134,098
0038	12/27/2009	Closed	AOP	\$206,927	\$206,927	\$100,000	\$12,500	\$102,361	\$102,361	\$102,361	1.000	\$206,927
0039	1/9/2010	Closed	AOP	\$976,159	\$976,159	\$100,000	\$32,500	\$875,889	\$875,889	\$875,889	1.000	\$976,159
0040	1/30/2010	Closed	AOP	\$719,056	\$719,056	\$100,000	\$142,500	\$632,790	\$632,790	\$632,790	1.000	\$719,056
03548	4/4/2010	Closed	AOP	\$189,327	\$189,327	\$100,000	\$2,500	\$91,827	\$91,827	\$91,827	1.000	\$189,327
0041	5/10/2010	Closed	Wind	\$3,827,504	\$3,827,504	\$200,000	\$102,000	\$3,608,302	\$3,608,302	\$3,608,302	1.000	\$3,827,504
0042	5/13/2010	Closed	Wind	\$2,084,566	\$2,084,566	\$200,000	\$65,000	\$1,893,566	\$1,893,566	\$1,893,566	1.000	\$2,084,566
93604	6/12/2010	Closed	Wind	\$248,774	\$248,774	\$200,000	\$10,000	\$27,083	\$27,083	\$27,083	1.000	\$248,774
90050	8/4/2010	Closed	AOP	\$247,854	\$247,854	\$100,000	\$2,500	\$242,204	\$242,204	\$242,204	1.000	\$247,854
90125	8/6/2010	Closed	AOP	\$105,400	\$105,400	\$100,000	\$2,500	\$0	\$5,400	\$5,400	1.000	\$105,400
90229	10/23/2010	Closed	AOP	\$170,445	\$170,445	\$100,000	\$2,500	\$70,445	\$70,445	\$70,445	1.000	\$170,445
90336	12/30/2010	Closed	AOP	\$854,448	\$854,448	\$100,000	\$2,500	\$754,448	\$754,448	\$754,448	1.000	\$854,448
90334	12/31/2010	Closed	AOP	\$518,228	\$518,228	\$100,000	\$5,000	\$418,228	\$418,228	\$418,228	1.000	\$518,228
0043	2/2/2011	Closed	AOP	\$1,042,859	\$1,042,859	\$100,000	\$85,000	\$942,862	\$942,862	\$942,862	1.000	\$1,042,859
0044	2/3/2011	Closed	AOP	\$536,699	\$536,699	\$100,000	\$10,000	\$455,061	\$455,061	\$455,061	1.000	\$536,699
0045	2/10/2011	Closed	AOP	\$125,469	\$125,469	\$100,000	\$15,000	\$25,469	\$25,469	\$25,469	1.000	\$125,469
0046	2/10/2011	Closed	AOP	\$459,599	\$459,599	\$100,000	\$85,000	\$364,899	\$364,899	\$364,899	1.000	\$459,599
90532	4/8/2011	Closed	AOP	\$181,084	\$181,084	\$100,000	\$2,500	\$81,084	\$81,084	\$81,084	1.000	\$181,084
0048	4/14/2011	Closed	Wind	\$11,842,873	\$11,842,873	\$200,000	\$79,500	\$11,642,991	\$11,642,991	\$11,642,991	1.000	\$11,842,873
0050	5/22/2011	Closed	Wind	\$8,131,959	\$8,131,959	\$200,000	\$128,000	\$7,899,380	\$7,899,380	\$7,899,380	1.000	\$8,131,959
				\$84,779,185	\$84,779,185			\$76,213,724	\$76,219,124	\$76,219,124		

- Loss and policy information provided by Jennifer McKenzie, Arthur J. Gallagher Risk Management Services

Excess paid and incurred losses for closed claims are equal to the excess recoveries, or amounts over SIR if no recovery yet
Excess paid and incurred losses for open claims are amounts in excess of SIR regardless of recoveries.

\$200,000 SIR = Wind/Hail
\$100,000 SIR = other

Losses over SIR

CAT# or Occ#	Loss Date	Claim Status	Coverage	Paid Losses	Reported Losses	SIR	Excess Paid	Excess Reported	Severity Factor	Net Ultimate
91234	4/15/2012	Closed	Any	\$485,893	\$485,893	\$250,000	\$235,893	\$235,893	1.000	\$486,016
91287	5/4/2012	Closed	Any	\$483,077	\$483,077	\$250,000	\$233,077	\$233,077	1.000	\$483,200
90999	11/7/2011	Closed	Any	\$426,749	\$426,749	\$250,000	\$176,749	\$176,749	1.000	\$426,857
91351	5/29/2012	Closed	Any	\$340,228	\$340,228	\$250,000	\$90,228	\$90,228	1.000	\$340,315
Total Excess Losses for 11/12							\$735,946	\$735,946		
Applied to \$2,700,000 Corridor for 11/12							\$735,946	\$735,946		
0052	4/26/2013	Closed	Any	\$1,670,786	\$1,670,786	\$250,000	\$1,420,786	\$1,420,786	1.001	\$1,671,845
0054	5/30/2013	Closed	Any	\$1,003,799	\$1,003,799	\$250,000	\$753,799	\$753,799	1.001	\$1,004,435
91392	7/14/2012	Closed	Any	\$570,302	\$570,302	\$250,000	\$320,302	\$320,302	1.001	\$570,663
91814	4/18/2013	Closed	Any	\$454,242	\$454,242	\$250,000	\$204,242	\$204,242	1.001	\$454,530
91861	4/22/2013	Closed	Any	\$473,316	\$473,316	\$250,000	\$223,316	\$223,316	1.001	\$473,615
91393	7/16/2012	Closed	Any	\$431,334	\$431,334	\$250,000	\$181,334	\$181,334	1.001	\$431,607
Total Excess Losses for 12/13							\$3,103,780	\$3,103,780		
Applied to \$2,400,000 Corridor for 12/13							\$2,400,000	\$2,400,000		
Insured Excess of Corridor							\$703,780	\$703,780		
92546	6/28/2014	Closed	Any	\$2,284,671	\$2,284,671	\$250,000	\$2,034,671	\$2,034,671	1.002	\$2,288,304
92144	11/6/2013	Closed	Any	\$299,442	\$299,442	\$250,000	\$49,442	\$49,442	1.002	\$299,919
Total Excess Losses for 13/14							\$2,084,113	\$2,084,113		
Applied to \$1,400,000 Corridor for 13/14							\$1,400,000	\$1,400,000		
Insured excess of Corridor							\$684,113	\$684,113		
0055	3/25/2015	Open	Any	\$3,275,176	\$3,617,881	\$250,000	\$3,025,176	\$3,367,881	1.004	\$3,632,454
0061	5/19/2015	Closed	Any	\$645,937	\$645,937	\$250,000	\$395,937	\$395,937	1.004	\$648,539
0056	5/6/2015	Closed	Any	\$411,091	\$411,091	\$250,000	\$161,091	\$161,091	1.004	\$412,747
93164	4/11/2015	Closed	Any	\$351,990	\$351,990	\$250,000	\$101,990	\$101,990	1.004	\$353,408
92831	12/3/2014	Closed	Any	\$271,103	\$271,103	\$250,000	\$21,103	\$21,103	1.004	\$272,195
Total Excess Losses for 14/15							\$3,705,297	\$4,048,002		
Applied to \$1,400,000 Corridor for 14/15							\$1,400,000	\$1,400,000		
Insured excess of Corridor							\$2,305,297	\$2,648,002		
95188	5/29/2016	Open	Any	\$7,412,330	\$8,800,000	\$250,000	\$7,162,330	\$8,550,000	1.010	\$8,890,556
0059	5/9/2016	Closed	Any	\$1,227,586	\$1,227,586	\$250,000	\$977,586	\$977,586	1.010	\$1,240,219
94123	5/13/2016	Closed	Any	\$841,935	\$841,935	\$250,000	\$591,935	\$591,935	1.010	\$850,599
0063	11/17/2015	Closed	Any	\$815,145	\$815,145	\$250,000	\$565,145	\$565,145	1.010	\$823,533
0058	4/29/2016	Closed	Any	\$690,183	\$690,183	\$250,000	\$440,183	\$440,183	1.010	\$697,286
Total Excess Losses for 15/16							\$9,737,179	\$11,124,849		
Applied to \$1,400,000 Corridor for 15/16							\$1,400,000	\$1,400,000		
Insured excess of Corridor							\$8,337,179	\$9,724,849		
0060	7/14/2016	Closed	Any	\$2,619,337	\$2,619,337	\$250,000	\$2,369,337	\$2,369,337	1.027	\$2,688,818
94256	11/16/2016	Open	Any	\$1,131,804	\$2,300,000	\$250,000	\$881,804	\$2,050,000	1.027	\$2,361,010
0064	5/27/2017	Closed	Any	\$1,127,580	\$1,127,580	\$250,000	\$877,580	\$877,580	1.027	\$1,157,490
94806	3/26/2017	Open	Any	\$760,276	\$1,100,000	\$250,000	\$510,276	\$850,000	1.027	\$1,129,179
93959	8/23/2016	Closed	Any	\$458,500	\$458,500	\$250,000	\$208,500	\$208,500	1.027	\$470,662
0065	6/17/2017	Open	Any	\$339,169	\$377,722	\$250,000	\$89,169	\$127,722	1.027	\$387,741
94217	12/19/2016	Closed	Any	\$350,995	\$350,995	\$250,000	\$100,995	\$100,995	1.027	\$360,306
Total Excess Losses for 16/17							\$5,037,661	\$6,584,134		
Applied to \$1,400,000 Corridor for 16/17							\$1,400,000	\$1,400,000		
Insured excess of Corridor							\$3,637,661	\$5,184,134		
94628	8/29/2017	Open	Any	\$4,826,356	\$8,055,436	\$250,000	\$4,576,356	\$7,805,436	1.069	\$8,611,281
95267	3/19/2018	Open	Any	\$2,124,318	\$4,000,000	\$250,000	\$1,874,318	\$3,750,000	1.069	\$4,276,010
0067	5/29/2018	Open	Any	\$3,134,029	\$3,692,112	\$250,000	\$2,884,029	\$3,442,112	1.069	\$3,946,876
0068	6/12/2018	Open	Any	\$1,019,993	\$1,112,423	\$250,000	\$769,993	\$862,423	1.069	\$1,189,183
0071	6/24/2018	Open	Any	\$89,041	\$1,089,041	\$250,000	\$0	\$839,041	1.069	\$1,164,187
95052	5/4/2018	Closed	Any	\$733,333	\$733,333	\$250,000	\$483,333	\$483,333	1.069	\$783,935
94879	1/11/2018	Closed	Any	\$357,185	\$357,185	\$250,000	\$107,185	\$107,185	1.069	\$381,832
Total Excess Losses for 17/18							\$10,695,214	\$17,289,529		

Losses over SIR

CAT# or Occ#	Loss Date	Claim Status	Coverage	Paid Losses	Reported Losses	SIR	Excess Paid	Excess Reported	Severity Factor	Net Ultimate
Applied to \$1,400,000 Corridor for 17/18							\$1,400,000	\$1,400,000		
<i>Insured excess of Corridor</i>							\$9,295,214	\$15,889,529		
0070	5/22/2019	Open	Any	\$9,190,831	\$12,370,488	\$250,000	\$8,940,831	\$12,120,488	1.181	\$14,611,653
0073	6/18/2019	Open	Any	\$6,397,540	\$9,283,467	\$250,000	\$6,147,540	\$9,033,467	1.181	\$10,965,355
95689	4/15/2019	Open	Any	\$2,561,831	\$2,835,000	\$250,000	\$2,311,831	\$2,585,000	1.181	\$3,348,618
0077	4/3/2019	Open	Any	\$1,944,718	\$2,090,750	\$250,000	\$1,694,718	\$1,840,750	1.181	\$2,469,532
0076	5/1/2019	Open	Any	\$1,552,790	\$1,638,318	\$250,000	\$1,302,790	\$1,388,318	1.181	\$1,935,133
0074	6/23/2019	Open	Any	\$930,455	\$930,495	\$250,000	\$680,455	\$680,495	1.181	\$1,099,074
0069	3/24/2019	Closed	Any	\$714,844	\$714,844	\$250,000	\$464,844	\$464,844	1.181	\$844,352
95851	6/10/2019	Open	Any	\$313,533	\$465,000	\$250,000	\$63,533	\$215,000	1.181	\$549,244
<i>Total Excess Losses for 18/19</i>							\$21,606,541	\$28,328,362		
Applied to \$1,400,000 Corridor for 18/19							\$1,400,000	\$1,400,000		
<i>Insured excess of Corridor</i>							\$20,206,541	\$26,928,362		
0079	4/21/2020	Open	Wind	\$16,245,600	\$33,877,892	\$500,000	\$15,745,600	\$33,377,892	1.480	\$50,145,958
0080	4/28/2020	Open	Wind	\$7,460,356	\$21,214,155	\$500,000	\$6,960,356	\$20,714,155	1.480	\$31,401,132
0082	5/4/2020	Open	Wind	\$3,935,088	\$6,571,480	\$500,000	\$3,435,088	\$6,071,480	1.480	\$9,727,085
0075	8/26/2019	Open	Wind	\$683,249	\$3,709,283	\$500,000	\$183,249	\$3,209,283	1.480	\$5,490,470
0083	4/11/2020	Open	Wind	\$559,202	\$2,076,094	\$500,000	\$59,202	\$1,576,094	1.480	\$3,073,028
0078	10/19/2019	Open	Wind	\$1,089,108	\$1,852,299	\$500,000	\$589,108	\$1,352,299	1.480	\$2,741,768
0081	5/7/2020	Open	Wind	\$393,577	\$1,281,082	\$500,000	\$0	\$781,082	1.480	\$1,896,254
0085	6/21/2020	Open	Wind	\$662,416	\$875,000	\$500,000	\$162,416	\$375,000	1.480	\$1,295,172
95976	8/27/2019	Open	AOP	\$581,438	\$600,000	\$250,000	\$331,438	\$350,000	1.480	\$888,118
P625-20-96800	1/10/2020	Open	Wind	\$173,838	\$240,000	\$500,000	\$0	\$0	1.480	\$355,247
P625-20-96558	6/29/2020	Open	Wind	\$154,425	\$220,325	\$500,000	\$0	\$0	1.480	\$326,125
P625-20-96543	6/6/2020	Open	AOP	\$202,911	\$220,000	\$250,000	\$0	\$0	1.480	\$325,643
P625-20-96466	3/1/2020	Closed	Wind	\$211,671	\$211,671	\$500,000	\$0	\$0	1.480	\$313,315
<i>Total Excess Losses for 19/20</i>							\$27,466,457	\$67,807,285		
Applied to \$1,400,000 Corridor for 19/20							\$1,400,000	\$1,400,000		
<i>Insured excess of Corridor</i>							\$26,066,457	\$66,407,285		
0084	7/11/2020	Open	Wind	\$1,338,268	\$2,335,427	\$750,000	\$588,268	\$1,585,427	1.585	\$3,702,719
96642	8/28/2020	Open	AOP	\$426,716	\$550,000	\$250,000	\$176,716	\$300,000	1.585	\$872,001
0086	10/27/2020	Open	AOP	\$175,101	\$530,094	\$250,000	\$0	\$280,094	1.585	\$840,441
<i>Total Excess Losses for 20/21</i>							\$764,984	\$2,165,521		
Applied to \$3,000,000 Corridor for 20/21							\$764,984	\$2,165,521		
<i>Insured excess of Corridor</i>							\$0	\$0		

- Loss and policy information provided by Jennifer McKenzie, Arthur J. Gallagher Risk Management Services

Calculation of Limited Losses

(A) Policy Period	(B) Per Occurrence SIR	(C) Unlimited Paid Loss & ALAE	(D) Unlimited Reported Loss & ALAE	(E) Paid Excess of SIR	(F) Reported Excess of SIR	(G) Paid Limited to SIR	(H) Reported Limited to SIR
7/1/02-03	\$100k/\$200k	\$312,045	\$312,045	\$0	\$0	\$312,045	\$312,045
7/1/03-04	\$100k/\$200k	\$2,513,499	\$2,513,499	\$1,226,330	\$1,226,330	\$1,287,169	\$1,287,169
7/1/04-05	\$100k/\$200k	\$1,305,598	\$1,305,598	\$38,605	\$38,605	\$1,266,993	\$1,266,993
7/1/05-06	\$100k/\$200k	\$3,222,704	\$3,222,704	\$605,708	\$605,708	\$2,616,997	\$2,616,997
7/1/06-07	\$100k/\$200k	\$7,672,924	\$7,672,924	\$5,068,410	\$5,068,410	\$2,604,514	\$2,604,514
7/1/07-08	\$100k/\$200k	\$27,549,083	\$27,549,083	\$23,633,602	\$23,633,602	\$3,915,481	\$3,915,481
7/1/08-09	\$100k/\$200k	\$14,783,659	\$14,783,659	\$10,223,263	\$10,223,263	\$4,560,396	\$4,560,396
7/1/09-10	\$100k/\$200k	\$17,390,777	\$17,390,777	\$12,520,736	\$12,520,736	\$4,870,041	\$4,870,041
7/1/10-11	\$100k/\$200k	\$26,471,942	\$26,471,942	\$22,902,470	\$22,902,470	\$3,569,472	\$3,569,472
7/1/11-12	\$250,000	\$4,018,489	\$4,018,489	\$735,946	\$735,946	\$3,282,543	\$3,282,543
7/1/12-13	\$250,000	\$6,136,455	\$6,136,455	\$3,103,780	\$3,103,780	\$3,032,675	\$3,032,675
7/1/13-14	\$250,000	\$4,590,290	\$4,590,290	\$2,084,113	\$2,084,113	\$2,506,177	\$2,506,177
7/1/14-15	\$250,000	\$7,170,959	\$7,768,693	\$3,705,297	\$4,048,002	\$3,465,662	\$3,720,690
7/1/15-16	\$250,000	\$13,413,757	\$14,849,611	\$9,737,179	\$11,124,849	\$3,676,578	\$3,724,762
7/1/16-17	\$250,000	\$9,651,824	\$11,283,333	\$5,037,661	\$6,584,134	\$4,614,163	\$4,699,199
7/1/17-18	\$250,000	\$15,388,534	\$22,481,686	\$10,695,214	\$17,289,529	\$4,693,320	\$5,192,157
7/1/18-19	\$250,000	\$26,080,418	\$32,890,372	\$21,606,541	\$28,328,362	\$4,473,877	\$4,562,010
7/1/19-20	\$250k/\$500k	\$35,260,078	\$76,536,545	\$27,466,457	\$67,807,285	\$7,793,620	\$8,729,260
7/1/20-21	\$250k/\$750k	\$3,024,866	\$5,948,187	\$764,984	\$2,165,521	\$2,259,882	\$3,782,666
Total		\$225,957,901	\$287,725,892	\$161,156,296	\$219,490,645	\$64,801,605	\$68,235,247

Period	Corridor	Paid	Reported
7/1/11-12	\$2,700,000	\$735,946	\$735,946
7/1/12-13	\$2,400,000	\$2,400,000	\$2,400,000
7/1/13-14	\$1,400,000	\$1,400,000	\$1,400,000
7/1/14-15	\$1,400,000	\$1,400,000	\$1,400,000
7/1/15-16	\$1,400,000	\$1,400,000	\$1,400,000
7/1/16-17	\$1,400,000	\$1,400,000	\$1,400,000
7/1/17-18	\$1,400,000	\$1,400,000	\$1,400,000
7/1/18-19	\$1,400,000	\$1,400,000	\$1,400,000
7/1/19-20	\$1,400,000	\$1,400,000	\$1,400,000
7/1/20-21	\$3,000,000	\$764,984	\$2,165,521

(C) and (D) - Exhibit 1-A

(E) and (F) - Excess amount from claims in Exhibit 1-B

(G) = (C) - (E)

(H) = (D) - (F)

**Estimated Ultimate Losses
Using Loss Development Methods**

Limited to SIR					
(A)	(B)	(C)	(D)	(E)	(F)
Accident Period	Unlimited Reported Losses	Excess on Large Losses	Limited Reported Losses	Reported Develop. Factor	Limited Ultimate Losses
7/1/11-12	\$4,018,489	\$735,946	\$3,282,543	1.000	\$3,284,000
7/1/12-13	\$6,136,455	\$3,103,780	\$3,032,675	1.001	\$3,035,000
7/1/13-14	\$4,590,290	\$2,084,113	\$2,506,177	1.001	\$2,509,000
7/1/14-15	\$7,768,693	\$4,048,002	\$3,720,690	1.002	\$3,730,000
7/1/15-16	\$14,849,611	\$11,124,849	\$3,724,762	1.005	\$3,744,000
7/1/16-17	\$11,283,333	\$6,584,134	\$4,699,199	1.011	\$4,749,000
7/1/17-18	\$22,481,686	\$17,289,529	\$5,192,157	1.023	\$5,311,000
7/1/18-19	\$32,890,372	\$28,328,362	\$4,562,010	1.050	\$4,792,000
7/1/19-20	\$76,536,545	\$67,807,285	\$8,729,260	1.114	\$9,722,000
7/1/20-21	\$5,948,187	\$2,165,521	\$3,782,666	2.426	\$9,178,000
Total	\$186,503,660	\$143,271,521	\$43,232,139		\$50,054,000

Unlimited Losses			
Accident Period	(G) Unlimited Reported Losses	(H) Unlimited Reported Develop. Factor	(I) Unlimited Ultimate Losses
7/1/11-12	\$4,018,489	1.000	\$4,020,000
7/1/12-13	\$6,136,455	1.001	\$6,140,000
7/1/13-14	\$4,590,290	1.002	\$4,598,000
7/1/14-15	\$7,768,693	1.004	\$7,800,000
7/1/15-16	\$14,849,611	1.010	\$15,002,000
7/1/16-17	\$11,283,333	1.027	\$11,583,000
7/1/17-18	\$22,481,686	1.069	\$24,033,000
7/1/18-19	\$32,890,372	1.181	\$38,849,000
7/1/19-20	\$76,536,545	1.480	\$113,289,000
7/1/20-21	\$5,948,187	3.435	\$20,433,000
Total	\$186,503,660		\$245,747,000

(B) and (G) - Exhibit 1-A
 (C) - Exhibit 1-B
 (D) = (B) - (C)
 (E) and (H) = Appendix A
 (F) = (D) * (E)
 (I) = (G) * (H)

**Estimated Ultimate Losses
Using Bornhuetter-Ferguson Method**

Limited to SIR

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Accident Period	Prior Ultimate or Forecast	Reported Develop. Factor	Expected % Unreported	Expected Unreported Losses	Reported Losses	Estimated Ultimate Losses
7/1/11-12	\$3,282,543	1.000	0%	\$1,000	\$3,282,543	\$3,284,000
7/1/12-13	\$3,032,675	1.001	0%	\$2,000	\$3,032,675	\$3,035,000
7/1/13-14	\$2,510,352	1.001	0%	\$3,000	\$2,506,177	\$2,509,000
7/1/14-15	\$3,740,662	1.002	0%	\$9,000	\$3,720,690	\$3,730,000
7/1/15-16	\$3,744,000	1.005	1%	\$19,000	\$3,724,762	\$3,744,000
7/1/16-17	\$4,833,000	1.011	1%	\$51,000	\$4,699,199	\$4,750,000
7/1/17-18	\$5,310,000	1.023	2%	\$119,000	\$5,192,157	\$5,311,000
7/1/18-19	\$4,910,000	1.050	5%	\$235,000	\$4,562,010	\$4,797,000
7/1/19-20	\$9,350,000	1.114	10%	\$954,000	\$8,729,260	\$9,683,000
7/1/20-21	\$10,497,000	2.426	59%	\$6,171,000	\$3,782,666	\$9,954,000
Total	\$51,210,232			\$7,564,000	\$43,232,139	\$50,797,000

Unlimited Losses

(H)	(I)	(J)	(K)	(L)	(M)	
Accident Period	Prior Ultimate or Forecast	Reported Develop. Factor	Expected % Unreported	Expected Unreported Losses	Reported Losses	Estimated Ultimate Losses
7/1/11-12	\$4,018,489	1.000	0%	\$1,000	\$4,018,489	\$4,019,000
7/1/12-13	\$6,136,455	1.001	0%	\$4,000	\$6,136,455	\$6,140,000
7/1/13-14	\$4,590,290	1.002	0%	\$7,000	\$4,590,290	\$4,597,000
7/1/14-15	\$7,787,000	1.004	0%	\$31,000	\$7,768,693	\$7,800,000
7/1/15-16	\$14,941,000	1.010	1%	\$152,000	\$14,849,611	\$15,002,000
7/1/16-17	\$11,474,000	1.027	3%	\$296,000	\$11,283,333	\$11,579,000
7/1/17-18	\$22,496,000	1.069	6%	\$1,452,000	\$22,481,686	\$23,934,000
7/1/18-19	\$32,439,000	1.181	15%	\$4,976,000	\$32,890,372	\$37,866,000
7/1/19-20	\$52,528,000	1.480	32%	\$17,041,000	\$76,536,545	\$93,578,000
7/1/20-21	\$30,111,000	3.435	71%	\$21,345,000	\$5,948,187	\$27,293,000
Total	\$186,521,233			\$45,305,000	\$186,503,660	\$231,808,000

(B) and (H) - Exhibit 3
 (C) and (I) - Appendix A
 (D) = 1 - 1/(C)
 (E) = (B) * (D)
 (F) and (L) - Exhibit 1-C
 (G) = (E) + (F)
 (J) = 1 - 1/(I)
 (K) = (H) * (J)
 (M) = (K) + (L)

Summary and Selection of Ultimate Limited Loss Estimates

(A) Accident Period	(B) SIR	(C) Prior Selection or Forecast	(D) Loss Development Method	(E) Bornhuetter- Ferguson Method	(F) Selected Ultimate Losses
Limited to SIR					
7/1/11-12	\$250,000	\$3,282,543	\$3,284,000	\$3,284,000	\$3,282,543
7/1/12-13	\$250,000	\$3,032,675	\$3,035,000	\$3,035,000	\$3,032,675
7/1/13-14	\$250,000	\$2,510,352	\$2,509,000	\$2,509,000	\$2,506,177
7/1/14-15	\$250,000	\$3,740,662	\$3,730,000	\$3,730,000	\$3,730,000
7/1/15-16	\$250,000	\$3,744,000	\$3,744,000	\$3,744,000	\$3,744,000
7/1/16-17	\$250,000	\$4,833,000	\$4,749,000	\$4,750,000	\$4,749,000
7/1/17-18	\$250,000	\$5,310,000	\$5,311,000	\$5,311,000	\$5,311,000
7/1/18-19	\$250,000	\$4,910,000	\$4,792,000	\$4,797,000	\$4,792,000
7/1/19-20	\$250,000/\$500,000	\$9,350,000	\$9,722,000	\$9,683,000	\$9,722,000
7/1/20-21	\$250,000/\$750,000	\$10,497,000	\$9,178,000	\$9,954,000	\$10,497,000

Unlimited Losses					
7/1/11-12		\$4,018,489	\$4,020,000	\$4,019,000	\$4,018,489
7/1/12-13		\$6,136,455	\$6,140,000	\$6,140,000	\$6,136,455
7/1/13-14		\$4,590,290	\$4,598,000	\$4,597,000	\$4,590,290
7/1/14-15		\$7,787,000	\$7,800,000	\$7,800,000	\$7,800,000
7/1/15-16		\$14,941,000	\$15,002,000	\$15,002,000	\$15,002,000
7/1/16-17		\$11,474,000	\$11,583,000	\$11,579,000	\$11,583,000
7/1/17-18		\$22,496,000	\$24,033,000	\$23,934,000	\$24,033,000
7/1/18-19		\$32,439,000	\$38,849,000	\$37,866,000	\$38,849,000
7/1/19-20		\$52,528,000	\$113,289,000	\$93,578,000	\$103,434,000
7/1/20-21		\$30,111,000	\$20,433,000	\$27,293,000	\$30,111,000

Accident Period	Corridor	(G) Ultimate Excess of SIR	(H) Capped Excess Losses	(I) Total Ultimate Retained
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Difference in Unlimited and Limited, Capped at Corridor				
7/1/11-12	\$2,700,000	\$735,946	\$735,946	\$4,018,489
7/1/12-13	\$2,400,000	\$3,103,780	\$2,400,000	\$5,432,675
7/1/13-14	\$1,400,000	\$2,084,113	\$1,400,000	\$3,906,177
7/1/14-15	\$1,400,000	\$4,070,000	\$1,400,000	\$5,130,000
7/1/15-16	\$1,400,000	\$11,258,000	\$1,400,000	\$5,144,000
7/1/16-17	\$1,400,000	\$6,834,000	\$1,400,000	\$6,149,000
7/1/17-18	\$1,400,000	\$18,722,000	\$1,400,000	\$6,711,000
7/1/18-19	\$1,400,000	\$34,057,000	\$1,400,000	\$6,192,000
7/1/19-20	\$1,400,000	\$93,712,000	\$1,400,000	\$11,122,000
7/1/20-21	\$3,000,000	\$19,614,000	\$3,000,000	\$13,497,000

(C) - From previous report as of 6/30/2020

(D) - Exhibit 2-A

(E) - Exhibit 2-B

(F) - Selected as noted:

Limited to \$250,000:

Limited reported losses from 11-12 through 13-14

Column (D) for 14-15 through 19-20

Prior for 20-21

Unlimited Losses:

Limited reported losses from 11-12 through 13-14

Column (D) for 14-15 through 18-19

Average of (D) and (E) for 19-20

Prior for 20-21

(G) - Difference in Unlimited and Limited Losses

(H) = Minimum of (G) and Corridor Limit

(I) = (F, Limited) + (H)

Comparison of Results with Previous Estimates as of 6/30/20

(A) Accident Period	(B) Prior Reported Losses 6/30/2020	(C) Expected Reported Losses 12/31/2020	(D) Actual Reported Losses 12/31/2020	(E) Percent Difference	(F) Prior Ultimate Losses 6/30/2020	(G) Current Ultimate Losses 12/31/2020	(H) Percent Difference
Limited to SIR							
7/1/11-12	\$3,282,543	\$3,282,543	\$3,282,543	0.0%	\$3,282,543	\$3,282,543	0.0%
7/1/12-13	\$3,032,675	\$3,032,675	\$3,032,675	0.0%	\$3,032,675	\$3,032,675	0.0%
7/1/13-14	\$2,506,177	\$2,506,177	\$2,506,177	0.0%	\$2,510,352	\$2,506,177	-0.2%
7/1/14-15	\$3,720,690	\$3,720,690	\$3,720,690	0.0%	\$3,740,662	\$3,730,000	-0.3%
7/1/15-16	\$3,724,762	\$3,732,711	\$3,724,762	-0.2%	\$3,744,000	\$3,744,000	0.0%
7/1/16-17	\$4,699,189	\$4,754,826	\$4,699,199	-1.2%	\$4,833,000	\$4,749,000	-1.7%
7/1/17-18	\$5,038,789	\$5,151,762	\$5,192,157	0.8%	\$5,310,000	\$5,311,000	0.0%
7/1/18-19	\$4,660,002	\$4,762,950	\$4,562,010	-4.2%	\$4,910,000	\$4,792,000	-2.4%
7/1/19-20	\$8,100,294	\$9,242,787	\$8,729,260	-5.6%	\$9,350,000	\$9,722,000	4.0%
7/1/20-21		\$4,311,381	\$3,782,666	-12.3%	\$10,497,000	\$10,497,000	0.0%
Total	\$38,765,120	\$44,498,500	\$43,232,139	-2.8%	\$51,210,232	\$51,366,394	0.3%
Unlimited							
7/1/11-12	\$4,018,489	\$4,018,489	\$4,018,489	0.0%	\$4,018,489	\$4,018,489	0.0%
7/1/12-13	\$6,136,455	\$6,136,455	\$6,136,455	0.0%	\$6,136,455	\$6,136,455	0.0%
7/1/13-14	\$4,590,290	\$4,590,290	\$4,590,290	0.0%	\$4,590,290	\$4,590,290	0.0%
7/1/14-15	\$7,768,693	\$7,768,693	\$7,768,693	0.0%	\$7,787,000	\$7,800,000	0.2%
7/1/15-16	\$14,849,611	\$14,882,239	\$14,849,611	-0.2%	\$14,941,000	\$15,002,000	0.4%
7/1/16-17	\$11,283,323	\$11,357,082	\$11,283,333	-0.6%	\$11,474,000	\$11,583,000	0.9%
7/1/17-18	\$21,777,841	\$22,078,724	\$22,481,686	1.8%	\$22,496,000	\$24,033,000	6.8%
7/1/18-19	\$29,947,726	\$31,057,731	\$32,890,372	5.9%	\$32,439,000	\$38,849,000	19.8%
7/1/19-20	\$44,221,069	\$51,030,933	\$76,536,545	50.0%	\$52,528,000	#####	96.9%
7/1/20-21		\$8,898,941	\$5,948,187	-33.2%	\$30,111,000	\$30,111,000	0.0%
Total	#####	#####	#####	15.3%	#####	#####	31.7%
SIR + Corridor							
7/1/11-12	\$4,018,489	\$4,018,489	\$4,018,489	0.0%	\$4,018,489	\$4,018,489	0.0%
7/1/12-13	\$5,432,675	\$5,432,675	\$5,432,675	0.0%	\$5,432,675	\$5,432,675	0.0%
7/1/13-14	\$3,906,177	\$3,906,177	\$3,906,177	0.0%	\$3,910,352	\$3,906,177	-0.1%
7/1/14-15	\$5,120,690	\$5,120,690	\$5,120,690	0.0%	\$5,140,662	\$5,130,000	-0.2%
7/1/15-16	\$5,124,762	\$5,132,711	\$5,124,762	-0.2%	\$5,144,000	\$5,144,000	0.0%
7/1/16-17	\$6,099,189	\$6,154,826	\$6,099,199	-0.9%	\$6,233,000	\$6,149,000	-1.3%
7/1/17-18	\$6,438,789	\$6,551,762	\$6,592,157	0.6%	\$6,710,000	\$6,711,000	0.0%
7/1/18-19	\$6,060,002	\$6,162,950	\$5,962,010	-3.3%	\$6,310,000	\$6,192,000	-1.9%
7/1/19-20	\$9,500,294	\$10,642,787	\$10,129,260	-4.8%	\$10,750,000	\$11,122,000	3.5%
7/1/20-21		\$7,311,381	\$5,948,187	-18.6%	\$13,497,000	\$13,497,000	0.0%
Total	\$51,701,066	\$60,434,446	\$58,333,606	-3.5%	\$67,146,177	\$67,302,340	0.2%

(B) and (F) - From Previous actuarial report as of 6/30/2020
 (C) - Derived from (B) and (F) using loss development patterns
 (D) - Exhibit 1-C
 (E) = [(D) / (C)] - 1
 (G) - Exhibit 3
 (H) = [(G) / (F)] - 1

Comparison of Results with Previous Estimates as of 1/31/20

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Accident Period	Prior Reported Losses 1/31/2020	Expected Reported Losses 12/31/2020	Actual Reported Losses 12/31/2020	Percent Difference	Prior Ultimate Losses 1/31/2020	Current Ultimate Losses 12/31/2020	Percent Difference
Limited to SIR							
7/1/11-12	\$3,282,543	\$3,282,543	\$3,282,543	0.0%	\$3,282,543	\$3,282,543	0.0%
7/1/12-13	\$3,032,675	\$3,032,675	\$3,032,675	0.0%	\$3,032,675	\$3,032,675	0.0%
7/1/13-14	\$2,505,352	\$2,505,352	\$2,506,177	0.0%	\$2,505,352	\$2,506,177	0.0%
7/1/14-15	\$3,470,662	\$3,470,662	\$3,720,690	7.2%	\$3,470,662	\$3,730,000	7.5%
7/1/15-16	\$3,682,092	\$3,689,527	\$3,724,762	1.0%	\$3,694,000	\$3,744,000	1.4%
7/1/16-17	\$4,664,189	\$4,691,663	\$4,699,199	0.2%	\$4,708,000	\$4,749,000	0.9%
7/1/17-18	\$4,726,369	\$4,810,160	\$5,192,157	7.9%	\$4,860,000	\$5,311,000	9.3%
7/1/18-19	\$4,664,196	\$4,939,991	\$4,562,010	-7.7%	\$5,110,000	\$4,792,000	-6.2%
7/1/19-20	\$3,684,286	\$8,178,277	\$8,729,260	6.7%	\$8,600,000	\$9,722,000	13.0%
Total	#####	\$38,600,849	\$39,449,474	2.2%	\$39,263,232	\$40,869,394	4.1%
Unlimited							
7/1/11-12	\$4,018,489	\$4,018,489	\$4,018,489	0.0%	\$4,018,489	\$4,018,489	0.0%
7/1/12-13	\$6,136,455	\$6,136,455	\$6,136,455	0.0%	\$6,136,455	\$6,136,455	0.0%
7/1/13-14	\$4,590,290	\$4,590,290	\$4,590,290	0.0%	\$4,590,290	\$4,590,290	0.0%
7/1/14-15	\$7,618,301	\$7,618,301	\$7,768,693	2.0%	\$7,637,000	\$7,800,000	2.1%
7/1/15-16	#####	\$14,901,030	\$14,849,611	-0.3%	\$14,941,000	\$15,002,000	0.4%
7/1/16-17	#####	\$11,397,770	\$11,283,333	-1.0%	\$11,474,000	\$11,583,000	0.9%
7/1/17-18	#####	\$22,456,137	\$22,481,686	0.1%	\$22,871,000	\$24,033,000	5.1%
7/1/18-19	#####	\$24,190,545	\$32,890,372	36.0%	\$25,089,000	\$38,849,000	54.8%
7/1/19-20	\$5,454,215	\$22,402,189	\$76,536,545	241.6%	\$26,128,000	#####	295.9%
Total	#####	#####	#####	53.4%	#####	#####	75.3%
SIR + Corridor							
7/1/11-12	\$4,018,489	\$4,018,489	\$4,018,489	0.0%	\$4,018,489	\$4,018,489	0.0%
7/1/12-13	\$5,432,675	\$5,432,675	\$5,432,675	0.0%	\$5,432,675	\$5,432,675	0.0%
7/1/13-14	\$3,905,352	\$3,905,352	\$3,906,177	0.0%	\$3,905,352	\$3,906,177	0.0%
7/1/14-15	\$4,870,662	\$4,870,662	\$5,120,690	5.1%	\$4,870,662	\$5,130,000	5.3%
7/1/15-16	\$5,082,092	\$5,089,527	\$5,124,762	0.7%	\$5,094,000	\$5,144,000	1.0%
7/1/16-17	\$6,064,189	\$6,091,663	\$6,099,199	0.1%	\$6,108,000	\$6,149,000	0.7%
7/1/17-18	\$6,126,369	\$6,210,160	\$6,592,157	6.2%	\$6,260,000	\$6,711,000	7.2%
7/1/18-19	\$6,064,196	\$6,339,991	\$5,962,010	-6.0%	\$6,510,000	\$6,192,000	-4.9%
7/1/19-20	\$5,084,286	\$9,578,277	\$10,129,260	5.8%	\$10,000,000	\$11,122,000	11.2%
Total	#####	\$51,536,795	\$52,385,420	1.6%	\$52,199,177	\$53,805,340	3.1%

(B) and (F) - From Previous actuarial report as of 1/31/2020
 (C) - Derived from (B) and (F) using loss development patterns
 (D) - Exhibit 1-C
 (E) = [(D) / (C)] - 1
 (G) - Exhibit 3
 (H) = [(G) / (F)] - 1

**Estimated Outstanding Losses
As of December 31, 2020**

(A) Accident Period	(B) SIR	(C) Limited Ultimate Losses	(D) Limited Paid Losses	(E) Limited Reported Losses	(F) Limited Case Reserves	(G) IBNR Losses	(H) Outstanding Losses
7/1/02-03	\$100k/\$200k	\$312,045	\$312,045	\$312,045	\$0	\$0	\$0
7/1/03-04	\$100k/\$200k	\$1,287,169	\$1,287,169	\$1,287,169	\$0	\$0	\$0
7/1/04-05	\$100k/\$200k	\$1,266,993	\$1,266,993	\$1,266,993	\$0	\$0	\$0
7/1/05-06	\$100k/\$200k	\$2,616,997	\$2,616,997	\$2,616,997	\$0	\$0	\$0
7/1/06-07	\$100k/\$200k	\$2,604,514	\$2,604,514	\$2,604,514	\$0	\$0	\$0
7/1/07-08	\$100k/\$200k	\$3,915,481	\$3,915,481	\$3,915,481	\$0	\$0	\$0
7/1/08-09	\$100k/\$200k	\$4,560,396	\$4,560,396	\$4,560,396	\$0	\$0	\$0
7/1/09-10	\$100k/\$200k	\$4,870,041	\$4,870,041	\$4,870,041	\$0	\$0	\$0
7/1/10-11	\$100k/\$200k	\$3,569,472	\$3,569,472	\$3,569,472	\$0	\$0	\$0
7/1/11-12	\$250,000 /\$2.7M corridor	\$4,018,489	\$4,018,489	\$4,018,489	\$0	\$0	\$0
7/1/12-13	\$250,000 /\$2.4M corridor	\$5,432,675	\$5,432,675	\$5,432,675	\$0	\$0	\$0
7/1/13-14	\$250,000 /\$1.4M corridor	\$3,906,177	\$3,906,177	\$3,906,177	\$0	\$0	\$0
7/1/14-15	\$250,000 /\$1.4M corridor	\$5,130,000	\$4,865,662	\$5,120,690	\$255,028	\$9,000	\$264,000
7/1/15-16	\$250,000 /\$1.4M corridor	\$5,144,000	\$5,076,578	\$5,124,762	\$48,184	\$19,000	\$67,000
7/1/16-17	\$250,000 /\$1.4M corridor	\$6,149,000	\$6,014,163	\$6,099,199	\$85,036	\$50,000	\$135,000
7/1/17-18	\$250,000 /\$1.4M corridor	\$6,711,000	\$6,093,320	\$6,592,157	\$498,837	\$119,000	\$618,000
7/1/18-19	\$250,000 /\$1.4M corridor	\$6,192,000	\$5,873,877	\$5,962,010	\$88,134	\$230,000	\$318,000
7/1/19-20	\$250k/\$500k + \$1.4M corr.	\$11,122,000	\$9,193,620	\$10,129,260	\$935,640	\$993,000	\$1,928,000
7/1-12/31/20	\$250k/\$750k + \$3.0M corr.	\$8,249,000	\$3,024,866	\$5,948,187	\$2,923,321	\$2,301,000	\$5,224,000
Total		\$87,057,448	\$78,502,535	\$83,336,714	\$4,834,179	\$3,721,000	\$8,554,000
1/1-6/30/21		\$5,248,000					

(C) - Ultimate losses are equal to limited reported losses in (E) through 10-11

Exhibit 3 for 11-12 to present

(D) and (E) - Exhibit 1-C

(F) = (E) - (D)

(G) = (C) - (E)

(H) = (C) - (D)

**Projection of Outstanding Losses
As of June 30, 2021**

(A) Accident Period	(B) SIR	(C) Ultimate Losses	(D) Projected Paid Losses	(E) Projected Reported Losses	(F) Projected Case Reserves	(G) IBNR Losses	(H) Outstanding Losses
7/1/02-03	\$100k/\$200k	\$312,045	\$312,045	\$312,045	\$0	\$0	\$0
7/1/03-04	\$100k/\$200k	\$1,287,169	\$1,287,169	\$1,287,169	\$0	\$0	\$0
7/1/04-05	\$100k/\$200k	\$1,266,993	\$1,266,993	\$1,266,993	\$0	\$0	\$0
7/1/05-06	\$100k/\$200k	\$2,616,997	\$2,616,997	\$2,616,997	\$0	\$0	\$0
7/1/06-07	\$100k/\$200k	\$2,604,514	\$2,604,514	\$2,604,514	\$0	\$0	\$0
7/1/07-08	\$100k/\$200k	\$3,915,481	\$3,915,481	\$3,915,481	\$0	\$0	\$0
7/1/08-09	\$100k/\$200k	\$4,560,396	\$4,560,396	\$4,560,396	\$0	\$0	\$0
7/1/09-10	\$100k/\$200k	\$4,870,041	\$4,870,041	\$4,870,041	\$0	\$0	\$0
7/1/10-11	\$100k/\$200k	\$3,569,472	\$3,569,472	\$3,569,472	\$0	\$0	\$0
7/1/11-12	\$250,000 /\$2.7M corridor	\$4,018,489	\$4,018,489	\$4,018,489	\$0	\$0	\$0
7/1/12-13	\$250,000 /\$2.4M corridor	\$5,432,675	\$5,432,675	\$5,432,675	\$0	\$0	\$0
7/1/13-14	\$250,000 /\$1.4M corridor	\$3,906,177	\$3,906,177	\$3,906,177	\$0	\$0	\$0
7/1/14-15	\$250,000 /\$1.4M corridor	\$5,130,000	\$4,896,525	\$5,123,459	\$226,933	\$7,000	\$233,000
7/1/15-16	\$250,000 /\$1.4M corridor	\$5,144,000	\$5,085,735	\$5,130,609	\$44,874	\$13,000	\$58,000
7/1/16-17	\$250,000 /\$1.4M corridor	\$6,149,000	\$6,036,025	\$6,114,644	\$78,618	\$34,000	\$113,000
7/1/17-18	\$250,000 /\$1.4M corridor	\$6,711,000	\$6,217,288	\$6,629,625	\$412,337	\$81,000	\$494,000
7/1/18-19	\$250,000 /\$1.4M corridor	\$6,192,000	\$5,957,184	\$6,035,057	\$77,872	\$157,000	\$235,000
7/1/19-20	\$250k/\$500k + \$1.4M corr.	\$11,122,000	\$9,904,947	\$10,440,299	\$535,352	\$682,000	\$1,217,000
7/1/20-21	\$250k/\$750k + \$3.0M corr.	\$13,497,000	\$8,476,138	\$11,606,954	\$3,130,816	\$1,890,000	\$5,021,000
Total		\$92,305,448	\$84,934,290	\$89,441,094	\$4,506,803	\$2,864,000	\$7,371,000

(C) - Ultimate losses are equal to limited reported losses in (E) through 10-11
Exhibit 3 for 11-12 to present

(D) and (E) - Projected using loss development factors

(F) = (E) - (D)

(G) = (C) - (E)

(H) = (C) - (D)

Average Ultimate Claim Sizes

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Accident Period	Reported Occurrences	Reported Claim Development	Estimated Ultimate Occurrences	Estimated Ultimate Limited Losses	Average Ultimate Limited Occurrence	Exposure Total Value in \$100s	Loss Rate
7/1/02-03	24	1.000	24.0	\$312,045	\$13,000		
7/1/03-04	104	1.000	104.0	\$1,287,169	\$12,400		
7/1/04-05	122	1.000	122.0	\$1,266,993	\$10,400	\$37,566,889	\$0.034
7/1/05-06	190	1.000	190.0	\$2,616,997	\$13,800	\$50,583,768	\$0.052
7/1/06-07	232	1.000	232.0	\$2,604,514	\$11,200	\$63,964,027	\$0.041
7/1/07-08	255	1.000	255.0	\$3,915,481	\$15,400	\$70,532,585	\$0.056
7/1/08-09	211	1.000	211.0	\$4,560,396	\$21,600	\$74,780,448	\$0.061
7/1/09-10	266	1.000	266.0	\$4,870,041	\$18,300	\$78,018,968	\$0.062
7/1/10-11	225	1.000	225.0	\$3,569,472	\$15,900	\$82,140,365	\$0.043
7/1/11-12	173	1.000	173.0	\$4,018,489	\$23,200	\$75,216,040	\$0.053
7/1/12-13	163	1.000	163.0	\$5,432,675	\$33,300	\$67,433,533	\$0.081
7/1/13-14	157	1.000	157.0	\$3,906,177	\$24,900	\$72,841,534	\$0.054
7/1/14-15	208	1.000	208.0	\$5,130,000	\$24,700	\$82,912,577	\$0.062
7/1/15-16	182	1.000	182.0	\$5,144,000	\$28,300	\$83,651,052	\$0.061
7/1/16-17	228	1.000	228.0	\$6,149,000	\$27,000	\$95,166,463	\$0.065
7/1/17-18	194	1.000	194.0	\$6,711,000	\$34,600	\$91,897,115	\$0.073
7/1/18-19	217	1.000	217.0	\$6,192,000	\$28,500	\$120,498,610	\$0.051
7/1/19-20	231	1.000	231.0	\$11,122,000	\$48,100	\$157,176,298	\$0.071
7/1/20-21	111	2.167	240.5	\$13,497,000	\$56,100	\$164,261,745	\$0.082
Total	3493		3,622.5	\$92,305,448	\$25,500	\$1,468,642,017	\$6.285

(B) - Exhibit 1-A

(C) - Appendix A3

(D) = (B) x (C)

(E) = Exhibit 3

(F) = (E) / (D)

(G) - Exhibit 1-A, provided by OSIG

(H) = (E) / (G) * 100

**Estimation of Cumulative Reported Loss Development Factors
 Losses Limited to \$250,000 per Occurrence
 Using "The Method of Least Squares"**

Curve : $Y = A(1/(X+C))^B + 1$ (Modified Inverse Power Curve)

Months of Maturity X	Cumulative Factors Y*	Transformed Values for Regression					Fitted Values	
		X' LN(1/(X+C))	Y' LN(Y-1)	(X')^2	(Y')^2	X' x Y'	X	Cumulative Factor Y
12	1.177	-5.8916	-1.7311	34.711	2.9968	10.1992	222	1.000
24	1.069	-5.9243	-2.6675	35.097	7.1156	15.8031	210	1.000
36	1.037	-5.9558	-3.3001	35.472	10.8910	19.6551	198	1.000
48	1.015	-5.9865	-4.1964	35.838	17.6096	25.1214	186	1.000
							174	1.000
							162	1.000
							150	1.000
							138	1.000
							126	1.000
							114	1.000
							102	1.001
Sum		-23.7582	-11.8952	141.1179	38.6130	70.7788	90	1.001
Average		-5.9395	-2.9738	35.2795	9.6533	17.6947	78	1.002
							66	1.005
							54	1.011
							42	1.023
							30	1.050
							18	1.114
							6	2.426

N =	4		
A =	1.743E+64		
B =	25.405	R^2 =	0.99505
C =	350		

* - Appendix A4, Page 1

**Estimation of Cumulative Reported Loss Development Factors
 Unlimited Reported Losses
 Using "The Method of Least Squares"**

Curve : $Y = A(1/(X+C))^B + 1$ (Modified Inverse Power Curve)

Months of Maturity X	Cumulative Factors Y*	Transformed Values for Regression					Fitted Values	
		X' LN(1/(X+C))	Y' LN(Y-1)	(X')^2	(Y')^2	X' x Y'	X	Cumulative Factor Y
12	1.752	-7.1000	-0.2847	50.410	0.0810	2.0211	222	1.000
24	1.252	-7.1099	-1.3798	50.550	1.9040	9.8105	210	1.000
36	1.138	-7.1196	-1.9817	50.689	3.9271	14.1090	198	1.000
48	1.054	-7.1293	-2.9271	50.827	8.5680	20.8683	186	1.000
60	1.013	-7.1389	-4.3405	50.963	18.8399	30.9863	174	1.000
							162	1.000
							150	1.000
							138	1.000
							126	1.000
							114	1.000
							102	1.001
Sum		-35.5977	-10.9138	253.4403	33.3201	77.7951	90	1.002
Average		-7.1195	-2.1828	50.6881	6.6640	15.5590	78	1.004
							66	1.010
							54	1.027
							42	1.069
							30	1.181
							18	1.480
							6	3.435

N =	5		
A =	2.957E+306		
B =	99.425	R^2 =	0.98129
C =	1200		

* - Appendix A4, page 2

**Implied Payment Pattern for Limited Losses
 Using "The Method of Least Squares"**

Curve : $Y = A(1/(X+C))^B + 1$ (Modified Inverse Power Curve)

Months of Maturity X	Cumulative Factors Y*	Transformed Values for Regression					Fitted Values	
		X'	Y'	(X')^2	(Y')^2	X' x Y'	X	Cumulative Factor Y
		$LN(1/(X+C))$	$LN(Y-1)$					
							114	1.010
							102	1.012
							90	1.015
							78	1.019
66	1.018	-4.1431	-3.9988	17.166	15.9902	16.5674	66	1.025
54	1.029	-3.9318	-3.5328	15.459	12.4808	13.8904	54	1.035
42	1.132	-3.6636	-2.0279	13.422	4.1125	7.4294	42	1.054
30	1.071	-3.2958	-2.6436	10.863	6.9885	8.7128	30	1.100
18	1.247	-2.7081	-1.3966	7.334	1.9506	3.7821	18	1.261
6	4.645	-1.0986	1.2933	1.207	1.6727	-1.4209	6	4.669
Sum		-18.8410	-12.3064	65.4495	43.1952	48.9613		
Average		-3.1402	-2.0511	10.9083	7.1992	8.1602		

N =	6		
A =	2.227E+01		
B =	1.641	R^2 =	0.943240
C =	-3		

* - Limited Ultimate Losses / Limited Paid Losses

*Estimation of Cumulative Reported Claim Development Factors
 Using "The Method of Least Squares"*

Curve : $Y = A(1/(X+C))^B + 1$ (Modified Inverse Power Curve)

Months of Maturity X	Cumulative Factors Y*	Transformed Values for Regression					Fitted Values	
		X' LN(1/(X+C))	Y' LN(Y-1)	(X')^2	(Y')^2	X' x Y'	X	Cumulative Factor Y
12	1.000						222	1.000
24	1.000						210	1.000
							198	1.000
							186	1.000
							174	1.000
							162	1.000
							150	1.000
							138	1.000
							126	1.000
							114	1.000
							102	1.000
Sum		0.0000	0.0000	0.0000	0.0000	0.0000	90	1.000
Average		0.0000	0.0000	0.0000	0.0000	0.0000	78	1.000
							66	1.000
							54	1.000
							42	1.000
							30	1.000
							18	1.000
							6	2.167

N =	2	
A =		
B =		R^2 =
C =		

* - Appendix A6

Analysis of Reported Loss Development
Pure Loss Limited to \$250,000 ALAE unlimited

Year	Limited Reported Losses and ALAE as of (months):									
	12	24	36	48	60	72	84	96	108	120
7/1/05-06						\$2,912,297	\$2,912,297	\$2,912,297	\$2,912,297	\$2,912,297
7/1/06-07					\$2,801,109	\$2,794,881	\$2,794,881	\$2,794,881	\$2,794,881	\$2,794,881
7/1/07-08				\$5,083,453	\$5,097,217	\$5,097,217	\$5,097,217	\$5,097,217	\$5,097,217	\$5,097,217
7/1/08-09			\$5,799,194	\$5,831,587	\$5,900,011	\$5,897,574	\$5,897,276	\$5,897,026	\$5,897,026	\$5,897,026
7/1/09-10		\$5,643,910	\$5,633,310	\$5,639,110	\$5,639,110	\$5,639,110	\$5,909,210	\$5,909,210	\$5,909,210	\$5,920,817
7/1/10-11	\$5,333,937	\$4,814,020	\$4,639,787	\$4,830,071	\$4,835,277	\$4,835,277	\$4,835,277	\$4,835,277	\$4,835,277	\$4,835,277
7/1/11-12	\$3,532,085	\$3,363,887	\$3,271,113	\$3,282,543	\$3,282,543	\$3,201,043	\$3,201,043	\$3,282,543	\$3,282,543	
7/1/12-13	\$3,149,150	\$2,937,773	\$3,011,624	\$3,042,344	\$2,629,175	\$2,629,175	\$3,032,675	\$3,032,675		
7/1/13-14	\$2,524,519	\$2,329,236	\$2,545,000	\$2,496,177	\$2,496,177	\$2,506,177	\$2,506,177			
7/1/14-15	\$3,537,706	\$3,700,538	\$3,491,903	\$3,488,282	\$3,488,282	\$3,758,178	\$3,720,690			
7/1/15-16	\$3,246,383	\$3,430,061	\$3,419,370	\$3,866,204	\$3,724,762					
7/1/16-17	\$3,957,883	\$4,366,030	\$4,534,634	\$4,699,189						
7/1/17-18	\$4,064,314	\$4,864,790	\$5,038,789							
7/1/18-19	\$5,241,163	\$4,660,002								
7/1/19-20	\$8,100,294									

Year	Age-to-Age Factors									
	12:24	24:36	36:48	48:60	60:72	72:84	84:96	96:108	108:120	120:ult
7/1/05-06						1.000	1.000	1.000	1.000	
7/1/06-07					0.998	1.000	1.000	1.000	1.000	
7/1/07-08				1.003	1.000	1.000	1.000	1.000	1.000	
7/1/08-09			1.006	1.012	1.000	1.000	1.000	1.000	1.000	
7/1/09-10		0.998	1.001	1.000	1.000	1.048	1.000	1.000	1.002	
7/1/10-11	0.903	0.964	1.041	1.001	1.000	1.000	1.000	1.000	1.000	
7/1/11-12	0.952	0.972	1.003	1.000	0.975	1.000	1.025	1.000		
7/1/12-13	0.933	1.025	1.010	0.864	1.000	1.153	1.000			
7/1/13-14	0.923	1.093	0.981	1.000	1.004	1.000				
7/1/14-15	1.046	0.944	0.999	1.077	0.990					
7/1/15-16	1.057	0.997	1.131	0.963						
7/1/16-17	1.103	1.039	1.036							
7/1/17-18	1.197	1.036								
7/1/18-19	0.889									
Average	1.000	1.007	1.023	0.991	0.996	1.022	1.003	1.000	1.000	
Wtd. Average	0.997	1.004	1.023	0.995	0.997	1.019	1.002	1.000	1.000	
5 yr average	1.058	1.022	1.031	0.981	0.994	1.040	1.005	1.000	1.000	
OK Benchmark	1.083	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Prior	1.101	1.025	1.019	1.005	1.000	1.000	1.000	1.000	1.000	1.000
	12	24	36	48	60	72	84	96	108	120
Selected	1.101	1.031	1.022	1.010	1.005	1.000	1.000	1.000	1.000	1.000
Cumulative	1.177	1.069	1.037	1.015	1.005	1.000	1.000	1.000	1.000	1.000

**Analysis of Unlimited Reported Loss Development
 Total Experience Net of Member Deductibles**

Year	Unlimited Reported Losses and ALAE as of (months):									
	12	24	36	48	60	72	84	96	108	120
7/1/05-06	\$3,110,731	\$3,128,836	\$3,224,284	\$3,224,400	\$3,224,400	\$3,224,400	\$3,224,400	\$3,224,400	\$3,224,400	\$3,224,400
7/1/06-07	\$6,628,583	\$8,027,416	\$7,594,525	\$7,688,597	\$7,676,617	\$7,672,924	\$7,672,924	\$7,672,924	\$7,672,924	\$7,672,924
7/1/07-08	\$29,183,950	\$32,191,764	\$27,838,808	\$27,549,083	\$27,549,083	\$27,549,083	\$27,549,083	\$27,549,083	\$27,549,083	\$27,549,083
7/1/08-09	\$14,390,753	\$15,321,794	\$14,550,076	\$14,727,379	\$14,787,721	\$14,785,284	\$14,784,986	\$14,784,736	\$14,784,661	\$14,784,611
7/1/09-10	\$13,583,620	\$18,081,798	\$17,074,377	\$17,109,070	\$17,109,070	\$17,109,070	\$17,429,170	\$17,390,777	\$17,390,777	\$17,390,777
7/1/10-11	\$18,938,242	\$29,188,873	\$27,961,920	\$26,296,810	\$26,471,942	\$26,471,942	\$26,471,942	\$26,471,942	\$26,471,942	\$26,471,942
7/1/11-12	\$4,269,177	\$4,298,833	\$4,007,059	\$4,018,489	\$4,018,489	\$4,018,489	\$4,018,489	\$4,018,489	\$4,018,489	\$4,018,489
7/1/12-13	\$5,180,489	\$6,310,374	\$6,225,528	\$6,146,124	\$6,136,455	\$6,136,455	\$6,136,455	\$6,136,455	\$6,136,455	\$6,136,455
7/1/13-14	\$2,684,519	\$3,549,504	\$4,629,938	\$4,590,290	\$4,590,290	\$4,590,290	\$4,590,290	\$4,590,290	\$4,590,290	\$4,590,290
7/1/14-15	\$4,080,491	\$4,423,676	\$4,662,017	\$5,663,301	\$6,503,301	\$7,768,693				
7/1/15-16	\$3,782,538	\$5,700,632	\$5,459,248	\$10,487,332	\$14,849,611					
7/1/16-17	\$8,750,280	\$11,383,917	\$10,178,642	\$11,283,323						
7/1/17-18	\$10,242,898	\$16,267,082	\$21,777,841							
7/1/18-19	\$11,601,006	\$29,947,726								
7/1/19-20	\$44,221,069									

Year	Age-to-Age Factors									
	12:24	24:36	36:48	48:60	60:72	72:84	84:96	96:108	108:120	120:
7/1/05-06	1.006	1.031	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7/1/06-07	1.211	0.946	1.012	0.998	1.000	1.000	1.000	1.000	1.000	1.000
7/1/07-08	1.103	0.865	0.990	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7/1/08-09	1.065	0.950	1.012	1.004	1.000	1.000	1.000	1.000	1.000	1.000
7/1/09-10	1.331	0.944	1.002	1.000	1.000	1.019	0.998	1.000	1.000	1.000
7/1/10-11	1.541	0.958	0.940	1.007	1.000	1.000	1.000	1.000	1.000	1.000
7/1/11-12	1.007	0.932	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7/1/12-13	1.218	0.987	0.987	0.998	1.000	1.000	1.000	1.000	1.000	1.000
7/1/13-14	1.322	1.304	0.991	1.000	1.000	1.000				
7/1/14-15	1.084	1.054	1.215	1.148	1.195					
7/1/15-16	1.507	0.958	1.921	1.416						
7/1/16-17	1.301	0.894	1.109							
7/1/17-18	1.588	1.339								
7/1/18-19	2.581									
Average	1.348	1.012	1.099	1.052	1.019	1.002	1.000	1.000	1.000	1.000
Wtd. Average	1.377	0.983	1.040	1.042	1.011	1.003	1.000	1.000	1.000	1.000
5 yr average	1.612	1.110	1.245	1.113	1.039	1.004	1.000	1.000	1.000	1.000
OK Benchmark	1.300	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Prior	1.361	1.050	1.030	1.010	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.400	1.100	1.080	1.040	1.010	1.003	1.000	1.000	1.000	1.000
Cumulative	1.752	1.252	1.138	1.054	1.013	1.003	1.000	1.000	1.000	1.000

Analysis of Report Occurrences

Year	Reported Occurrences as of (months):									
	12	24	36	48	60	72	84	96	108	120
7/1/05-06		194	182	191	191	191	191	190	190	190
7/1/06-07	260	237	241	237	236	236	232	232	232	232
7/1/07-08	232	260	260	263	264	255	255	255	255	255
7/1/08-09	231	213	216	218	211	211	211	211	211	211
7/1/09-10	256	269	271	265	265	265	266	266	266	266
7/1/10-11	232	230	223	224	225	225	225	225	225	225
7/1/11-12	172	173	173	173	173	173	173	173	173	
7/1/12-13	167	161	161	162	162	163	163	163		
7/1/13-14	150	157	158	157	157	157	157			
7/1/14-15	218	207	205	206	208	208				
7/1/15-16	179	180	180	182	182					
7/1/16-17	231	230	229	228						
7/1/17-18	185	194	195							
7/1/18-19	219	216								
7/1/19-20	232									

Year	Age-to-Age Factors									
	12:24	24:36	36:48	48:60	60:72	72:84	84:96	96:108	108:120	120:ult
7/1/05-06		0.938	1.049	1.000	1.000	1.000	0.995	1.000	1.000	
7/1/06-07	0.912	1.017	0.983	0.996	1.000	0.983	1.000	1.000	1.000	
7/1/07-08	1.121	1.000	1.012	1.004	0.966	1.000	1.000	1.000	1.000	
7/1/08-09	0.922	1.014	1.009	0.968	1.000	1.000	1.000	1.000	1.000	
7/1/09-10	1.051	1.007	0.978	1.000	1.000	1.004	1.000	1.000	1.000	
7/1/10-11	0.991	0.970	1.004	1.004	1.000	1.000	1.000	1.000	1.000	
7/1/11-12	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
7/1/12-13	0.964	1.000	1.006	1.000	1.006	1.000	1.000			
7/1/13-14	1.047	1.006	0.994	1.000	1.000	1.000				
7/1/14-15	0.950	0.990	1.005	1.010	1.000					
7/1/15-16	1.006	1.000	1.011	1.000						
7/1/16-17	0.996	0.996	0.996							
7/1/17-18	1.049	1.005								
7/1/18-19	0.986									

<i>Average</i>	1.000	0.996	1.004	0.998	0.997	0.999	0.999	1.000	1.000	
<i>Wtd. Average</i>	0.998	0.996	1.003	0.998	0.996	0.998	0.999	1.000	1.000	
<i>5 yr average</i>	0.997	1.000	1.002	1.002	1.001	1.001	1.000	1.000	1.000	
<i>OK benchmark</i>	1.200	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
<i>Prior</i>	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
	12	24	36	48	60	72	84	96	108	120
<i>Selected</i>	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
<i>Cumulative</i>	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

October 5, 2021

Ms. Jennifer McKenzie
 Oklahoma Schools Insurance Group
 Arthur J. Gallagher Risk Management Services, Inc.
 1300 S. Main
 Tulsa, OK 74119

RE: OSIG Actuarial Review as of 6/30/2021

Dear Jennifer,

The purpose of this review is to provide Oklahoma Schools Insurance Group (OSIG) with an update of the ultimate and outstanding losses, including an updated estimate of IBNR, as of June 30, 2021, based on the actual loss data as of June 30, 2021, and to revise the forecast ultimate losses for 7/1/21-22 based on the exposures written on July 1, 2021. I have compared the current data to the data used in the prior actuarial report as of December 31, 2020. For those accident periods where actual losses deviated from expected losses by a significant amount, the ultimate losses for those periods were increased or decreased accordingly. Since IBNR is calculated as the difference in the ultimate losses and the limited reported losses, the level of IBNR may fluctuate although ultimate losses may be relatively stable, or vice versa. Changes in ultimate losses generally track the changes in reported and paid losses compared to expectations. The overall change in ultimate losses is summarized below.

Change in Selected Ultimate Losses for years 02/03 through 20/21 Compared to Report as of 12/31/20	
Automobile Liability	-\$190,000
General Liability with E&O	-\$685,000
Property including APD	-\$466,000
Total	-\$1,341,000

Discussion of experience by line of business follows, including a reconciliation of the reserves as of June 30, 2021, to the preliminary estimate provided in the previous actuarial report.

Mary Frances Miller, FCAS, MAAA
 Cheryl White, FCAS, MAAA
 Thomas E. Meyer, FCAS, MAAA

Laura T. Sprouse, FCAS, MAAA
 Jack Pipa, ACAS, MAAA
 Christopher Woodruff

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 Nashville, TN 37205
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Automobile Liability

The COVID-19 pandemic has led to reduced claim frequency for the 19-20 and 20/21 year and we have reduced the ultimate losses on these years by a total of \$200,000 since the preliminary report as of 12/13/2020. There was some adverse development on the 18/19 year, and we increased ultimate losses by this year by \$50,000. Smaller reductions were made to the 16-17 and 17-18 years. The net change to the ultimate losses since the 12/31/20 report is a reduction of \$190,000. The outstanding losses for automobile liability as of June 30, 2021, are estimated to be \$2,059,000 including \$1,639,000 in case reserves and \$420,000 in IBNR.

General Liability

Since the previous actuarial report as of 12/31/2020, reported losses have developed about \$756,000 less than expected. As a result, we have reduced the ultimate losses for each year from 15-16 through 20-21 by varying amounts totaling \$685,000. The outstanding losses for general liability as of June 30, 2021, are estimated to be \$6,256,000, including \$4,633,000 in case reserves and \$1,623,000 in IBNR.

The total reserve for the liability program is \$8,315,000, including \$6,272,000 in case reserves and \$2,043,000 in IBNR. There is a 25% probability that the IBNR reserves could exceed the 75th percentile estimate of \$2,819,000, and a 10% probability that they could exceed the 90th percentile estimate of \$3,711,000.

The table below shows the reconciliation of the projected reserves as of June 30, 2021, based on the prior report as of 12/31/20, compared to the actual year end reserves. Although the ultimate losses were decreased by \$875,000, the ending reserve requirement has increased from \$8,069,000 to \$8,315,000. This is because actual claim payments from 1/1-6/30/2021 were \$1,121,000 less than expected.

OSIG Liability Program Reconciliation to Prior Report	Actual as of 6/30/21	From Prior Report as of 12/31/20
Beginning Reserve as of 12/31/2020	\$8,655,000	\$8,655,000
Ultimate Losses Incurred 1/1- 6/30/2021	\$1,826,000	\$1,826,000
Payments During 1/1-6/30/2021	-\$1,291,000	-\$2,412,000
Change in Ultimate Losses	-\$875,000	\$0
Ending Reserve as of 6/30/2021	\$8,315,000	\$8,069,000

Property/Auto Physical Damage

On an unlimited basis, reported losses have increased 14.8% or about \$31.1 million since the previous actuarial study as of 12/31/2020. Within OSIG's retained layers the development was actually less than expected overall, although there was some adverse development on individual years. Policy years 13-14 and prior are all closed. We increased the ultimate losses for the SIR layer for years 16-17 and 18-19, but reduced them for years 14-15, 15-16, 17-18 and 19-20. The corridor has been exhausted for all periods. The total outstanding losses for property and auto physical damage are \$8,190,000 including \$5,714,000 in case reserves and \$2,476,000 in IBNR reserves. There is a 25% probability that the IBNR reserve need is \$4,148,000, and a 10% probability that the IBNR is \$5,916,000.

The table below shows that the actual reserve need as of June 30, 2021, is \$819,000 more than projected in the December study. Ultimate losses were decreased by \$466,000. Claim payments were \$1,285,000 less than expected.

OSIG Property/APD Program Reconciliation to Prior Report	Actual as of 6/30/21	From Prior Report as of 12/31/20
Beginning Reserve as of 12/31/2020	\$8,554,000	\$8,554,000
Ultimate Losses Incurred 1/1-6/30/2021	\$5,248,000	\$5,248,000
Payments During 1/1-6/30/2021	-\$5,146,000	-\$6,431,000
Change in Ultimate Losses	-\$466,000	\$0
Ending Reserve as of 6/30/2021	\$8,190,000	\$7,371,000

Forecast Losses for 7/1/21-22

We adjusted the forecast losses for 7/1/21-22 for the change in the amount of exposures to be written as of July 1, 2021. We applied the selected loss rates from the 12/31/20 actuarial report to the updated exposure estimates to derive the ultimate losses for the 7/1/21-22 year. Due to the ongoing pandemic the uncertainty in the forecast estimates is increased.

The liability forecast is for losses within OSIG's \$100,000 self-insured retention.

Forecast Losses for OSIG's Liability Program for 7/1/21-22 Losses Limited to \$100,000 per occurrence		
	Ultimate Losses	Loss Rate
<i>Automobile Liability</i>	\$1,571,000	\$114 per vehicle
<i>General Liability</i>	\$2,371,000	\$4.99 per student
Total Forecast	\$3.942,000	\$8.30 per student

The property program has changed for 7/1/21-22. OSIG will retain a \$25,000 maintenance deductible for each claim and then retains a \$25 million aggregate layer. Once the aggregate is exhausted, OSIG will have a trailing deductible of \$100,000 per occurrence. Certain APD claims will be retained by OSIG in their entirety. OSIG's losses will offset by the member deductibles. About five members are not participating in the property program but have purchased primary APD coverage with limits of \$100,000.

Forecast Losses for OSIG's Property Program for 7/1/21-22		
	Ultimate Losses	Loss Rate
<i>Primary APD only (5 members)</i>	\$83,000	\$90.26 per vehicle
<i>Property/APD \$25million Aggregate + \$25,000 maintenance deductible and \$100,000 trailing deductible Net of Member Deductibles</i>	\$28,510,000	\$0.144 per \$100 TIV
<i>Property/APD Estimated Member Deductibles</i>	\$1,917,000	\$0.010 per \$100 TIV

Description of attached Tables and Exhibits

Table A summarizes the ultimate and outstanding losses by policy year. The outstanding losses are broken down between case reserves and IBNR. Table B shows the percentile estimates of the IBNR reserve and total reserve. Table C shows the comparison of experience between

12/31/2020 and 6/30/2021. Table D summarizes the forecast losses and Table E displays the percentile estimates for losses with various layers of insurance.

We have also included Exhibits 4 and 5 for automobile liability and general liability to show the changes in these individual coverages and the resulting IBNR and outstanding losses.

It has been a pleasure working with you on this year-end review. If you have any questions, please do not hesitate to call me. We also can answer questions from your auditors as they arise.

Sincerely,



Digitally signed by Laura
Sprouse, FCAS, MAAA
Date: 2021-10-05 11:10:
05

Laura T. Sprouse, FCAS, MAAA

(615)620-7584

laura.sprouse@selectactuarial.com

**Ultimate and Outstanding Losses
 As of June 30, 2021**

(A) Accident Period	(B) Ultimate Losses	(C) Projected Paid Losses	(D) Projected Reported Losses	(E) Projected Case Reserves	(F) IBNR Losses	(G) Outstanding Losses
7/1/02-03	\$233,996	\$233,996	\$233,996	\$0	\$0	\$0
7/1/03-04	\$1,197,571	\$1,197,571	\$1,197,571	\$0	\$0	\$0
7/1/04-05	\$1,107,309	\$1,107,309	\$1,107,309	\$0	\$0	\$0
7/1/05-06	\$1,704,377	\$1,704,377	\$1,704,377	\$0	\$0	\$0
7/1/06-07	\$1,488,442	\$1,488,442	\$1,488,442	\$0	\$0	\$0
7/1/07-08	\$2,192,521	\$2,192,521	\$2,192,521	\$0	\$0	\$0
7/1/08-09	\$2,582,887	\$2,582,887	\$2,582,887	\$0	\$0	\$0
7/1/09-10	\$1,975,261	\$1,975,261	\$1,975,261	\$0	\$0	\$0
7/1/10-11	\$2,691,333	\$2,664,885	\$2,664,885	\$0	\$26,000	\$26,000
7/1/11-12	\$2,408,511	\$2,408,325	\$2,408,325	\$0	\$0	\$0
7/1/12-13	\$1,404,317	\$1,368,588	\$1,403,664	\$35,076	\$1,000	\$36,000
7/1/13-14	\$1,506,842	\$1,474,535	\$1,506,686	\$32,151	\$0	\$32,000
7/1/14-15	\$2,759,000	\$2,605,522	\$2,750,503	\$144,981	\$8,000	\$153,000
7/1/15-16	\$2,795,000	\$2,668,335	\$2,764,518	\$96,183	\$31,000	\$127,000
7/1/16-17	\$3,703,000	\$2,861,837	\$3,643,567	\$781,730	\$60,000	\$841,000
7/1/17-18	\$2,389,000	\$1,645,721	\$2,307,564	\$661,843	\$81,000	\$743,000
7/1/18-19	\$3,181,000	\$1,535,735	\$2,965,419	\$1,429,684	\$216,000	\$1,645,000
7/1/19-20	\$3,180,000	\$1,311,636	\$2,644,625	\$1,332,989	\$535,000	\$1,869,000
7/1/20-21	\$3,503,000	\$660,582	\$2,417,841	\$1,757,258	\$1,085,000	\$2,843,000
Total	\$42,003,000	\$33,688,066	\$39,959,961	\$6,271,895	\$2,043,000	\$8,315,000

(B) through (D) - Exhibit 5-B, sum of AL and GL losses within OSIG Retention

(E) = (D) - (C)

(F) = (B) - (D)

(G) = (B) - (C)

**Percentile Distribution of IBNR
 For Liability Coverages
 As of June 30, 2021**

<i>percentile</i>	<i>Ultimate Losses</i>	<i>IBNR Reserve</i>	<i>Total Reserve</i>
Expected	\$42,003,000	\$2,043,000	\$8,315,000
40%	\$41,502,000	\$1,542,000	\$7,814,000
50%	\$41,838,000	\$1,878,000	\$8,150,000
60%	\$42,190,000	\$2,230,000	\$8,502,000
70%	\$42,568,000	\$2,608,000	\$8,880,000
75%	\$42,779,000	\$2,819,000	\$9,091,000
80%	\$43,037,000	\$3,077,000	\$9,349,000
90%	\$43,671,000	\$3,711,000	\$9,983,000
95%	\$44,294,000	\$4,334,000	\$10,606,000

<i>Total Expected Ultimate Losses</i>	\$42,003,000
<i>Total Paid Losses as of 6/30/21</i>	\$33,688,066
<i>Total Case Reserves as of 6/30/21</i>	\$6,271,895
<i>Total IBNR Reserves as of 6/30/21</i>	\$2,043,000
<i>Total Outstanding Losses as of 6/30/21</i>	\$8,315,000

- Based on a Monte Carlo simulation of 10,000 sample outcomes
 AL and GL losses modeled by accident year using a lognormal distribution
 Losses are limited to program aggregate limits each year.

Comparison of Results with Previous Estimates as of 12/31/21

(A) Accident Period	(B) Actual Reported Losses 12/31/2021	(C) Projected Reported Losses 6/30/2021	(D) Actual Reported Losses 6/30/2021	(E) Percent Difference	(F) Actual Paid Losses 12/31/2021	(G) Projected Paid Losses 6/30/2021	(H) Actual Paid Losses 6/30/2021	(I) Percent Difference	(J) Expected Ultimate Losses 12/31/2021	(K) Actual Ultimate Losses 6/30/2021	(L) Year-end Adjustment	(M) Percent Difference
7/1/02-03	\$233,996	\$233,996	\$233,996	0.0%	\$233,996	\$233,996	\$233,996	0.0%	\$233,996	\$233,996	\$0	0.0%
7/1/03-04	\$1,197,571	\$1,197,571	\$1,197,571	0.0%	\$1,197,571	\$1,197,571	\$1,197,571	0.0%	\$1,197,571	\$1,197,571	\$0	0.0%
7/1/04-05	\$1,107,309	\$1,107,309	\$1,107,309	0.0%	\$1,107,309	\$1,107,309	\$1,107,309	0.0%	\$1,107,309	\$1,107,309	\$0	0.0%
7/1/05-06	\$1,704,377	\$1,704,377	\$1,704,377	0.0%	\$1,704,377	\$1,704,377	\$1,704,377	0.0%	\$1,704,377	\$1,704,377	\$0	0.0%
7/1/06-07	\$1,488,442	\$1,488,442	\$1,488,442	0.0%	\$1,488,442	\$1,488,442	\$1,488,442	0.0%	\$1,488,442	\$1,488,442	\$0	0.0%
7/1/07-08	\$2,192,521	\$2,192,521	\$2,192,521	0.0%	\$2,192,521	\$2,192,521	\$2,192,521	0.0%	\$2,192,521	\$2,192,521	\$0	0.0%
7/1/08-09	\$2,582,887	\$2,582,887	\$2,582,887	0.0%	\$2,582,887	\$2,582,887	\$2,582,887	0.0%	\$2,582,887	\$2,582,887	\$0	0.0%
7/1/09-10	\$1,975,261	\$1,975,261	\$1,975,261	0.0%	\$1,975,261	\$1,975,261	\$1,975,261	0.0%	\$1,975,261	\$1,975,261	\$0	0.0%
7/1/10-11	\$2,681,419	\$2,684,733	\$2,664,885	-0.7%	\$2,664,567	\$2,672,370	\$2,664,885	-0.3%	\$2,691,333	\$2,691,333	\$0	0.0%
7/1/11-12	\$2,408,325	\$2,408,388	\$2,408,325	0.0%	\$2,408,325	\$2,408,382	\$2,408,325	0.0%	\$2,408,511	\$2,408,511	\$0	0.0%
7/1/12-13	\$1,403,664	\$1,403,889	\$1,403,664	0.0%	\$1,368,315	\$1,379,933	\$1,368,588	-0.8%	\$1,404,317	\$1,404,317	\$0	0.0%
7/1/13-14	\$1,506,686	\$1,506,740	\$1,506,686	0.0%	\$1,473,650	\$1,484,947	\$1,474,535	-0.7%	\$1,506,842	\$1,506,842	\$0	0.0%
7/1/14-15	\$2,751,026	\$2,753,580	\$2,750,503	-0.1%	\$2,585,901	\$2,642,029	\$2,605,522	-1.4%	\$2,759,000	\$2,759,000	\$0	0.0%
7/1/15-16	\$2,800,334	\$2,806,967	\$2,764,518	-1.5%	\$2,662,863	\$2,715,709	\$2,668,335	-1.7%	\$2,820,000	\$2,795,000	-\$25,000	-0.9%
7/1/16-17	\$3,716,637	\$4,962,279	\$3,643,567	-26.6%	\$2,748,389	\$3,130,596	\$2,861,837	-8.6%	\$3,778,000	\$3,703,000	-\$75,000	-2.0%
7/1/17-18	\$2,415,505	\$2,496,792	\$2,307,564	-7.6%	\$1,420,619	\$1,851,677	\$1,645,721	-11.1%	\$2,639,000	\$2,389,000	-\$250,000	-9.5%
7/1/18-19	\$2,949,471	\$3,074,282	\$2,965,419	-3.5%	\$1,345,739	\$1,903,265	\$1,535,735	-19.3%	\$3,281,000	\$3,181,000	-\$100,000	-3.0%
7/1/19-20	\$2,782,097	\$3,039,017	\$2,644,625	-13.0%	\$1,030,060	\$1,457,492	\$1,311,636	-10.0%	\$3,455,000	\$3,180,000	-\$275,000	-8.0%
7/1/20-21	\$1,271,780	\$2,609,555	\$2,417,841	-7.3%	\$207,024	\$726,675	\$660,582	-9.1%	\$3,653,000	\$3,503,000	-\$150,000	-4.1%
Total	\$39,169,307	\$42,228,585	\$39,959,961	-5.4%	\$32,397,815	\$34,855,439	\$33,688,066	-3.3%	\$42,878,000	\$42,003,000	-\$875,000	-2.0%

Difference in Actual and Expected Losses -\$2,268,624

(B), (F) and (J) - From Previous actuarial report as of 12/31/2021

(C) and (G) - Based on information available as of 12/31/2021

(D) and (H) - Exhibit 1-C

(E) = [(D) / (C)] - 1

(I) = [(H) / (G)] - 1

(K) = (J) + (L)

(L) = judgmentally selected

(M) = [(K) / (J)] - 1

Comparison of Results with Previous Estimates as of 06/30/20

(A)	(B)	(C)	(D)	(E)	(I)	(J)	(K)	(L)	(F)	(F)	(H)
Accident Period	Actual Reported Losses 6/30/2020	Projected Reported Losses 6/30/2021	Actual Reported Losses 6/30/2021	Percent Difference	Actual Paid Losses 6/30/2020	Projected Paid Losses 6/30/2021	Actual Paid Losses 6/30/2021	Percent Difference	Expected Ultimate Losses 6/30/2020	Actual Ultimate Losses 6/30/2021	Percent Difference
7/1/02-03	\$233,996	\$233,996	\$233,996	0.0%	\$233,996	\$233,996	\$233,996	0.0%	\$233,996	\$233,996	0.0%
7/1/03-04	\$1,197,571	\$1,197,571	\$1,197,571	0.0%	\$1,197,571	\$1,197,571	\$1,197,571	0.0%	\$1,197,571	\$1,197,571	0.0%
7/1/04-05	\$1,107,309	\$1,107,309	\$1,107,309	0.0%	\$1,107,309	\$1,107,309	\$1,107,309	0.0%	\$1,107,309	\$1,107,309	0.0%
7/1/05-06	\$1,704,377	\$1,704,377	\$1,704,377	0.0%	\$1,704,377	\$1,704,377	\$1,704,377	0.0%	\$1,704,377	\$1,704,377	0.0%
7/1/06-07	\$1,488,442	\$1,488,442	\$1,488,442	0.0%	\$1,488,442	\$1,488,442	\$1,488,442	0.0%	\$1,488,442	\$1,488,442	0.0%
7/1/07-08	\$2,192,521	\$2,192,521	\$2,192,521	0.0%	\$2,192,521	\$2,192,521	\$2,192,521	0.0%	\$2,192,521	\$2,192,521	0.0%
7/1/08-09	\$2,582,887	\$2,582,887	\$2,582,887	0.0%	\$2,582,887	\$2,582,887	\$2,582,887	0.0%	\$2,582,887	\$2,582,887	0.0%
7/1/09-10	\$1,975,261	\$1,975,261	\$1,975,261	0.0%	\$1,975,261	\$1,975,261	\$1,975,261	0.0%	\$1,975,261	\$1,975,261	0.0%
7/1/10-11	\$2,681,419	\$2,681,927	\$2,664,885	-0.6%	\$2,663,590	\$2,672,493	\$2,664,885	-0.3%	\$2,682,333	\$2,691,333	0.3%
7/1/11-12	\$2,408,325	\$2,408,990	\$2,408,325	0.0%	\$2,408,325	\$2,408,915	\$2,408,325	0.0%	\$2,409,511	\$2,408,511	0.0%
7/1/12-13	\$1,403,664	\$1,419,828	\$1,403,664	-1.1%	\$1,368,315	\$1,401,719	\$1,368,588	-2.4%	\$1,432,317	\$1,404,317	-2.0%
7/1/13-14	\$1,506,686	\$1,508,477	\$1,506,686	-0.1%	\$1,472,888	\$1,493,136	\$1,474,535	-1.2%	\$1,509,842	\$1,506,842	-0.2%
7/1/14-15	\$2,796,598	\$2,807,870	\$2,750,503	-2.0%	\$2,573,301	\$2,725,230	\$2,605,522	-4.4%	\$2,816,000	\$2,759,000	-2.0%
7/1/15-16	\$2,883,164	\$2,919,682	\$2,764,518	-5.3%	\$2,628,083	\$2,824,438	\$2,668,335	-5.5%	\$2,946,000	\$2,795,000	-5.1%
7/1/16-17	\$3,654,251	\$3,787,000	\$3,643,567	-3.8%	\$2,653,988	\$3,356,277	\$2,861,837	-14.7%	\$3,787,000	\$3,703,000	-2.2%
7/1/17-18	\$2,554,653	\$2,670,694	\$2,307,564	-13.6%	\$1,170,471	\$2,113,116	\$1,645,721	-22.1%	\$2,755,000	\$2,389,000	-13.3%
7/1/18-19	\$2,662,205	\$2,929,322	\$2,965,419	1.2%	\$985,597	\$2,032,035	\$1,535,735	-24.4%	\$3,141,000	\$3,181,000	1.3%
7/1/19-20	\$2,495,717	\$2,811,942	\$2,644,625	-6.0%	\$764,831	\$1,565,847	\$1,311,636	-16.2%	\$3,284,000	\$3,180,000	-3.2%
7/1/20-21		\$3,016,241	\$2,417,841	-19.8%		\$926,979	\$660,582	-28.7%	\$4,017,000	\$3,503,000	-12.8%
Total	\$37,529,045	\$41,444,336	\$39,959,961	-3.6%	\$31,171,753	\$36,002,547	\$33,688,066	-6.4%	\$43,262,000	\$42,003,000	-2.9%
Difference in Actual and Expected Losses			-\$1,484,375			Change in Ultimates			-\$1,259,000		

(B), (F), (I) and (M) - From Previous actuarial report as of 6/30/2020

(C) and (J) - Based on information available as of 6/30/2020

(D) and (K) - Exhibit 1-C

(E) = [(D) / (C)] - 1

(G) and (N) - Exhibit 3

(H) = [(G) / (F)] - 1

(L) = [(K) / (J)] - 1

(O) = [(N) / (M)] - 1

Forecast Ultimate Losses for 7/1/21-22

	<i>Automobile Liability</i>	<i>General Liability</i>	<i>Total</i>
<i>Forecast Ultimate Losses</i>	\$1,571,000	\$2,371,000	\$3,942,000
<i>Exposure*</i>	13,835	475,124	475,124
<i>Cost per exposure</i>	\$114	\$4.99	\$8.30
<i>Per Occurrence Retention</i>	\$100,000	\$100,000	
<i>Forecast Claim Counts</i>	237.0	113.9	350.9
<i>Average Claim Size</i>	\$6,600	\$20,800	\$11,200
<i>Total Claims over \$100,000</i>	2.8	7.9	10.8

* Exposures are Vehicle for AL and Student Count for GL

Distribution of Forecast Losses for 7/1/21-22
 Assuming a \$100,000 SIR

<i>Percentile</i>	<i>SIR Layer \$100,000</i>	<i>Layer \$900,000 xs \$100,000</i>	<i>Losses Limited to \$1,000,000</i>	<i>Losses Excess of \$1,000,000</i>	<i>Total Incurred Losses</i>
20.0%	\$3,355,000	\$646,000	\$4,206,000	\$0	\$4,207,000
30.0%	\$3,547,000	\$764,000	\$4,463,000	\$0	\$4,464,000
40.0%	\$3,714,000	\$888,000	\$4,710,000	\$0	\$4,713,000
50.0%	\$3,885,000	\$1,003,000	\$4,952,000	\$0	\$4,960,000
60.0%	\$4,059,000	\$1,126,000	\$5,199,000	\$0	\$5,211,000
70.0%	\$4,254,000	\$1,273,000	\$5,476,000	\$0	\$5,490,000
75.0%	\$4,367,000	\$1,365,000	\$5,641,000	\$0	\$5,661,000
80.0%	\$4,507,000	\$1,466,000	\$5,804,000	\$0	\$5,825,000
85.0%	\$4,664,000	\$1,585,000	\$6,014,000	\$0	\$6,036,000
90.0%	\$4,861,000	\$1,753,000	\$6,308,000	\$0	\$6,343,000
95.0%	\$5,182,000	\$2,001,000	\$6,725,000	\$0	\$6,798,000
99.0%	\$5,878,000	\$2,562,000	\$7,623,000	\$607,000	\$7,748,000
Expected	\$3,942,000	\$1,078,000	\$5,020,000	\$15,000	\$5,035,000
<i>Vehicles</i>	13,835				
<i>Students</i>	475,124				
Cost Per Student	\$8.30	\$2.27	\$10.57	\$0.03	\$10.60

**Ultimate and Outstanding Losses
As of June 30, 2021**

(A) Accident Period	(B) SIR	(C) Ultimate Losses	(D) Projected Paid Losses	(E) Projected Reported Losses	(F) Projected Case Reserves	(G) IBNR Losses	(H) Outstanding Losses
7/1/02-03	\$100k/\$200k	\$312,045	\$312,045	\$312,045	\$0	\$0	\$0
7/1/03-04	\$100k/\$200k	\$1,287,169	\$1,287,169	\$1,287,169	\$0	\$0	\$0
7/1/04-05	\$100k/\$200k	\$1,266,993	\$1,266,993	\$1,266,993	\$0	\$0	\$0
7/1/05-06	\$100k/\$200k	\$2,616,997	\$2,616,997	\$2,616,997	\$0	\$0	\$0
7/1/06-07	\$100k/\$200k	\$2,604,514	\$2,604,514	\$2,604,514	\$0	\$0	\$0
7/1/07-08	\$100k/\$200k	\$3,915,481	\$3,915,481	\$3,915,481	\$0	\$0	\$0
7/1/08-09	\$100k/\$200k	\$4,560,146	\$4,560,146	\$4,560,146	\$0	\$0	\$0
7/1/09-10	\$100k/\$200k	\$4,870,041	\$4,870,041	\$4,870,041	\$0	\$0	\$0
7/1/10-11	\$100k/\$200k	\$3,569,472	\$3,569,472	\$3,569,472	\$0	\$0	\$0
<i>Subtotal</i>		\$25,002,857	\$25,002,857	\$25,002,857	\$0	\$0	\$0
7/1/11-12	\$250,000	\$3,282,543	\$3,282,543	\$3,282,543	\$0	\$0	\$0
7/1/12-13	\$250,000	\$3,032,675	\$3,032,675	\$3,032,675	\$0	\$0	\$0
7/1/13-14	\$250,000	\$2,506,177	\$2,506,177	\$2,506,177	\$0	\$0	\$0
7/1/14-15	\$250,000	\$3,465,662	\$3,465,662	\$3,465,662	\$0	\$0	\$0
7/1/15-16	\$250,000	\$3,691,893	\$3,691,893	\$3,691,893	\$0	\$0	\$0
7/1/16-17	\$250,000	\$4,974,000	\$4,616,829	\$4,925,751	\$308,923	\$48,000	\$357,000
7/1/17-18	\$250,000	\$5,061,000	\$4,728,738	\$4,969,779	\$241,041	\$91,000	\$332,000
7/1/18-19	\$250,000	\$4,967,000	\$4,480,262	\$4,787,477	\$307,216	\$180,000	\$487,000
7/1/19-20	\$250,000 / \$500,000	\$9,422,000	\$8,321,458	\$8,728,928	\$407,470	\$693,000	\$1,101,000
7/1/20-21	\$250,000 / \$750,000	\$10,497,000	\$4,584,026	\$9,033,465	\$4,449,439	\$1,464,000	\$5,913,000
<i>Subtotal</i>		\$50,899,950	\$42,710,262	\$48,424,351	\$5,714,089	\$2,476,000	\$8,190,000
Corridor Losses							
7/1/11-12	\$2,700,000	\$735,946	\$735,946	\$735,946	\$0	\$0	\$0
7/1/12-13	\$2,400,000	\$2,400,000	\$2,400,000	\$2,400,000	\$0	\$0	\$0
7/1/13-14	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$0	\$0	\$0
7/1/14-15	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$0	\$0	\$0
7/1/15-16	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$0	\$0	\$0
7/1/16-17	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$0	\$0	\$0
7/1/17-18	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$0	\$0	\$0
7/1/18-19	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$0	\$0	\$0
7/1/19-20	\$1,400,000	\$1,400,000	\$1,400,000	\$1,400,000	\$0	\$0	\$0
7/1/20-21	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$0	\$0	\$0
<i>Subtotal</i>		\$15,935,946	\$15,935,946	\$15,935,946	\$0	\$0	\$0
Total		\$91,839,000	\$83,649,066	\$89,363,154	\$5,714,089	\$2,476,000	\$8,190,000

(C) - Ultimate losses are equal to limited reported losses in (E) through 10-11
Exhibit 3 for 11-12 to present

(D) and (E) - Projected using loss development factors

(F) = (E) - (D)

(G) = (C) - (E)

(H) = (C) - (D)

**Percentile Distribution of IBNR
 For Property Coverages
 As of June 30, 2021**

<i>percentile</i>	<i>Ultimate Losses</i>	<i>IBNR Reserve</i>	<i>Total Reserve</i>
Expected	\$91,839,000	\$2,476,000	\$8,190,000
40%	\$91,034,000	\$1,671,000	\$7,385,000
50%	\$91,674,000	\$2,311,000	\$8,025,000
60%	\$92,337,000	\$2,974,000	\$8,688,000
70%	\$93,097,000	\$3,734,000	\$9,448,000
75%	\$93,511,000	\$4,148,000	\$9,862,000
80%	\$93,962,000	\$4,599,000	\$10,313,000
90%	\$95,279,000	\$5,916,000	\$11,630,000
95%	\$96,340,000	\$6,977,000	\$12,691,000

<i>Total Expected Ultimate Losses</i>	\$91,839,000
<i>Total Paid Losses as of 6/30/21</i>	\$83,649,066
<i>Total Case Reserves as of 6/30/21</i>	\$5,714,089
<i>Total IBNR Reserves as of 6/30/21</i>	\$2,476,000
<i>Total Outstanding Losses as of 6/30/21</i>	\$8,190,000

Comparison of Results with Previous Estimates as of 12/31/20

(A) Accident Period	(B) Prior Reported Losses 12/31/2020	(C) Expected Reported Losses 6/30/2021	(D) Actual Reported Losses 6/30/2021	(E) Percent Difference	(F) Prior Ultimate Losses 12/31/2020	(G) Current Ultimate Losses 6/30/2021	(H) Year-end Adjustment	(I) Percent Difference
Limited to SIR								
7/1/11-12	\$3,282,543	\$3,282,543	\$3,282,543	0.0%	\$3,282,543	\$3,282,543	\$0	0.0%
7/1/12-13	\$3,032,675	\$3,032,675	\$3,032,675	0.0%	\$3,032,675	\$3,032,675	\$0	0.0%
7/1/13-14	\$2,506,177	\$2,506,177	\$2,506,177	0.0%	\$2,506,177	\$2,506,177	\$0	0.0%
7/1/14-15	\$3,720,690	\$3,720,690	\$3,465,662	-6.9%	\$3,730,000	\$3,465,662	-\$264,338	-7.1%
7/1/15-16	\$3,724,762	\$3,730,609	\$3,691,893	-1.0%	\$3,744,000	\$3,691,893	-\$52,107	-1.4%
7/1/16-17	\$4,699,199	\$4,714,644	\$4,925,751	4.5%	\$4,749,000	\$4,974,000	\$225,000	4.7%
7/1/17-18	\$5,192,157	\$5,229,625	\$4,969,779	-5.0%	\$5,311,000	\$5,061,000	-\$250,000	-4.7%
7/1/18-19	\$4,562,010	\$4,635,057	\$4,787,477	3.3%	\$4,792,000	\$4,967,000	\$175,000	3.7%
7/1/19-20	\$8,729,260	\$9,652,419	\$8,728,928	-9.6%	\$9,722,000	\$9,422,000	-\$300,000	-3.1%
7/1/20-21	\$3,782,666	\$9,508,714	\$9,033,465	-5.0%	\$10,497,000	\$10,497,000	\$0	0.0%
Total	\$43,232,139	\$50,013,151	\$48,424,351	-3.2%	\$51,366,000	\$50,900,000	-\$466,000	-0.9%
Unlimited								
		\$0						
7/1/11-12	\$4,018,489	\$4,018,489	\$4,018,489	0.0%	\$4,018,489	\$4,018,489	\$0	0.0%
7/1/12-13	\$6,136,455	\$6,136,455	\$6,136,455	0.0%	\$6,136,455	\$6,136,455	\$0	0.0%
7/1/13-14	\$4,590,290	\$4,590,290	\$4,590,290	0.0%	\$4,590,290	\$4,590,290	\$0	0.0%
7/1/14-15	\$7,768,693	\$7,768,693	\$7,460,683	-4.0%	\$7,800,000	\$7,500,000	-\$300,000	-3.8%
7/1/15-16	\$14,849,611	\$14,906,400	\$13,429,072	-9.9%	\$15,002,000	\$13,552,000	-\$1,450,000	-9.7%
7/1/16-17	\$11,283,333	\$11,394,725	\$12,790,137	12.2%	\$11,583,000	\$12,983,000	\$1,400,000	12.1%
7/1/17-18	\$22,481,686	\$23,048,059	\$17,962,118	-22.1%	\$24,033,000	\$19,033,000	-\$5,000,000	-20.8%
7/1/18-19	\$32,890,372	\$34,946,348	\$39,783,044	13.8%	\$38,849,000	\$43,649,000	\$4,800,000	12.4%
7/1/19-20	\$76,536,545	\$84,566,703	\$99,071,046	17.2%	\$103,434,000	\$122,434,000	\$19,000,000	18.4%
7/1/20-21	\$5,948,187	\$19,487,754	\$36,756,523	88.6%	\$30,111,000	\$50,111,000	\$20,000,000	66.4%
Total	\$186,503,660	\$210,863,916	\$241,997,857	14.8%	\$245,557,000	\$284,007,000	\$38,450,000	15.7%
SIR + Corridor								
7/1/11-12	\$4,018,489	\$4,018,489	\$4,018,489	0.0%	\$4,018,489	\$4,018,489	\$0	0.0%
7/1/12-13	\$5,432,675	\$5,432,675	\$5,432,675	0.0%	\$5,432,675	\$5,432,675	\$0	0.0%
7/1/13-14	\$3,906,177	\$3,906,177	\$3,906,177	0.0%	\$3,906,177	\$3,906,177	\$0	0.0%
7/1/14-15	\$5,120,690	\$5,120,690	\$4,865,662	-5.0%	\$5,130,000	\$4,865,662	-\$264,338	-5.2%
7/1/15-16	\$5,124,762	\$5,130,609	\$5,091,893	-0.8%	\$5,144,000	\$5,091,893	-\$52,107	-1.0%
7/1/16-17	\$6,099,199	\$6,114,644	\$6,325,751	3.5%	\$6,149,000	\$6,374,000	\$225,000	3.7%
7/1/17-18	\$6,592,157	\$6,629,625	\$6,369,779	-3.9%	\$6,711,000	\$6,461,000	-\$250,000	-3.7%
7/1/18-19	\$5,962,010	\$6,035,057	\$6,187,477	2.5%	\$6,192,000	\$6,367,000	\$175,000	2.8%
7/1/19-20	\$10,129,260	\$11,052,419	\$10,128,928	-8.4%	\$11,122,000	\$10,822,000	-\$300,000	-2.7%
7/1/20-21	\$5,948,187	\$12,508,714	\$12,033,465	-3.8%	\$13,497,000	\$13,497,000	\$0	0.0%
Total	\$58,333,606	\$65,949,097	\$64,360,297	-2.4%	\$67,302,000	\$66,836,000	-\$466,000	-0.7%

(B) and (F) - From Previous actuarial report as of 12/31/2020

(C) - Derived from (B) and (F) using loss development patterns

(D) - Exhibit 1-C

(E) = [(D) / (C)] - 1

(G) = (F) + (H)

(H) - judgmentally selected

(I) = [(G) / (F)] - 1

Comparison of Results with Previous Estimates as of 6/30/20

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Accident Period	Prior Reported Losses 6/30/2020	Expected Reported Losses 6/30/2021	Actual Reported Losses 6/30/2021	Percent Difference	Prior Ultimate Losses 6/30/2020	Current Ultimate Losses 6/30/2021	Percent Difference
Limited to SIR							
7/1/11-12	\$3,282,543	\$3,282,543	\$3,282,543	0.0%	\$3,282,543	\$3,282,543	0.0%
7/1/12-13	\$3,032,675	\$3,032,675	\$3,032,675	0.0%	\$3,032,675	\$3,032,675	0.0%
7/1/13-14	\$2,506,177	\$2,506,177	\$2,506,177	0.0%	\$2,510,352	\$2,506,177	-0.2%
7/1/14-15	\$3,720,690	\$3,720,690	\$3,465,662	-6.9%	\$3,740,662	\$3,465,662	-7.4%
7/1/15-16	\$3,724,762	\$3,737,358	\$3,691,893	-1.2%	\$3,744,000	\$3,691,893	-1.4%
7/1/16-17	\$4,699,189	\$4,787,237	\$4,925,751	2.9%	\$4,833,000	\$4,974,000	2.9%
7/1/17-18	\$5,038,789	\$5,217,674	\$4,969,779	-4.8%	\$5,310,000	\$5,061,000	-4.7%
7/1/18-19	\$4,660,002	\$4,824,016	\$4,787,477	-0.8%	\$4,910,000	\$4,967,000	1.2%
7/1/19-20	\$8,100,294	\$9,286,169	\$8,728,928	-6.0%	\$9,350,000	\$9,422,000	0.8%
7/1/20-21		\$9,016,930	\$9,033,465	0.2%	\$10,497,000	\$10,497,000	0.0%
Total	\$38,765,120	\$49,411,468	\$48,424,351	-2.0%	\$51,210,000	\$50,900,000	-0.6%
Unlimited							
		\$0					
7/1/11-12	\$4,018,489	\$4,018,489	\$4,018,489	0.0%	\$4,018,489	\$4,018,489	0.0%
7/1/12-13	\$6,136,455	\$6,136,455	\$6,136,455	0.0%	\$6,136,455	\$6,136,455	0.0%
7/1/13-14	\$4,590,290	\$4,590,290	\$4,590,290	0.0%	\$4,590,290	\$4,590,290	0.0%
7/1/14-15	\$7,768,693	\$7,768,693	\$7,460,683	-4.0%	\$7,787,000	\$7,500,000	-3.7%
7/1/15-16	\$14,849,611	\$14,902,421	\$13,429,072	-9.9%	\$14,941,000	\$13,552,000	-9.3%
7/1/16-17	\$11,283,323	\$11,400,516	\$12,790,137	12.2%	\$11,474,000	\$12,983,000	13.2%
7/1/17-18	\$21,777,841	\$22,246,811	\$17,962,118	-19.3%	\$22,496,000	\$19,033,000	-15.4%
7/1/18-19	\$29,947,726	\$31,657,302	\$39,783,044	25.7%	\$32,439,000	\$43,649,000	34.6%
7/1/19-20	\$44,221,069	\$51,701,693	\$99,071,046	91.6%	\$52,528,000	\$122,434,000	133.1%
7/1/20-21		\$20,565,607	\$36,756,523	78.7%	\$30,111,000	\$50,111,000	66.4%
Total	\$144,593,496	\$174,988,275	\$241,997,857	38.3%	\$186,521,000	\$284,007,000	52.3%
SIR + Corridor							
7/1/11-12	\$4,018,489	\$4,018,489	\$4,018,489	0.0%	\$4,018,489	\$4,018,489	0.0%
7/1/12-13	\$5,432,675	\$5,432,675	\$5,432,675	0.0%	\$5,432,675	\$5,432,675	0.0%
7/1/13-14	\$3,906,177	\$3,906,177	\$3,906,177	0.0%	\$3,910,352	\$3,906,177	-0.1%
7/1/14-15	\$5,120,690	\$5,120,690	\$4,865,662	-5.0%	\$5,140,662	\$4,865,662	-5.3%
7/1/15-16	\$5,124,762	\$5,137,358	\$5,091,893	-0.9%	\$5,144,000	\$5,091,893	-1.0%
7/1/16-17	\$6,099,189	\$6,187,237	\$6,325,751	2.2%	\$6,233,000	\$6,374,000	2.3%
7/1/17-18	\$6,438,789	\$6,617,674	\$6,369,779	-3.7%	\$6,710,000	\$6,461,000	-3.7%
7/1/18-19	\$6,060,002	\$6,224,016	\$6,187,477	-0.6%	\$6,310,000	\$6,367,000	0.9%
7/1/19-20	\$9,500,294	\$10,686,169	\$10,128,928	-5.2%	\$10,750,000	\$10,822,000	0.7%
7/1/20-21		\$12,016,930	\$12,033,465	0.1%	\$13,497,000	\$13,497,000	0.0%
Total	\$51,701,066	\$65,347,414	\$64,360,297	-1.5%	\$67,146,000	\$66,836,000	-0.5%

(B) and (F) - From Previous actuarial report as of 6/30/2020
 (C) - Derived from (B) and (F) using loss development patterns
 (D) - Exhibit 1-C
 (E) = [(D) / (C)] - 1
 (G) - Exhibit 3
 (H) = [(G) / (F)] - 1

Forecast Ultimate Losses for 7/1/21-22

<i>Auto Physical Damage - Primary Only Retention</i>	\$100,000
<i>Property with APD - Maintenance Deductible</i>	\$25,000
<i>Property with APD - Aggregate Retention</i>	\$25,000,000
<i>Property with APD - Trailing Deductible</i>	\$100,000

	<i>Auto Physical Damage Primary Only Members</i>	<i>Property/APD Program</i>	<i>Total (PR and APD)</i>
<i>Forecast Ultimate Losses</i>	\$83,000	\$28,510,000	\$28,593,000
<i>Exposure</i>	919	\$197,547,513	
<i>Cost per exposure*</i>	\$90.32	\$0.144	\$0.145
<i>Forecast Claim Counts</i>	10.6	391.8	
<i>Average Claim Severity</i>	\$7,800	\$72,800	

* Exposures are Vehicles for APD, and \$100 TIV for Property
 - Auto Physical Damage claims due to Over the Road accidents do not erode the aggregate

Forecast Ultimate Losses for 7/1/21-22

Maintenance Deductible \$25,000
 Aggregate Deductible \$25,000,000
 Trailing Deductible \$100,000

(A) Percentile	(B) Ultimate Claims	(C) Member Deductibles	(D) Retained APD Losses	(E) Unlimited Losses	(F) Total Program Losses	(G) Total Net of Member Deductibles	(H) Insured Excess
20.0%	375	\$1,683,000	\$25,000	\$32,303,000	\$29,878,000	\$28,085,000	\$2,209,000
30.0%	381	\$1,760,000	\$25,000	\$36,003,000	\$30,263,000	\$28,422,000	\$5,500,000
40.0%	387	\$1,830,000	\$25,000	\$39,672,000	\$30,586,000	\$28,703,000	\$8,852,000
50.0%	392	\$1,898,000	\$50,000	\$43,647,000	\$30,890,000	\$28,966,000	\$12,552,000
60.0%	397	\$1,968,000	\$75,000	\$48,338,000	\$31,196,000	\$29,235,000	\$16,994,000
70.0%	402	\$2,047,000	\$75,000	\$54,267,000	\$31,533,000	\$29,529,000	\$22,676,000
75.0%	405	\$2,090,000	\$75,000	\$57,972,000	\$31,719,000	\$29,691,000	\$26,268,000
80.0%	408	\$2,142,000	\$125,000	\$62,422,000	\$31,926,000	\$29,877,000	\$30,633,000
85.0%	412	\$2,201,000	\$125,000	\$67,883,000	\$32,168,000	\$30,092,000	\$36,002,000
90.0%	417	\$2,279,000	\$155,000	\$75,123,000	\$32,473,000	\$30,361,000	\$43,163,000
95.0%	425	\$2,398,000	\$155,000	\$86,401,000	\$32,907,000	\$30,748,000	\$54,219,000
99.0%	439	\$2,634,000	\$155,000	\$109,951,000	\$33,670,000	\$31,435,000	\$77,454,000
<i>Expected</i>	392	\$1,917,000	\$60,000	\$48,209,000	\$30,426,000	\$28,510,000	\$17,783,000
<i>TIV in \$00s</i>	\$197,547,513						
<i>Rate</i>				\$0.244	\$0.154	\$0.144	\$0.090

Distribution of Forecast Losses for 7/1/21-22

<i>Percentile</i>	<i>Members at Primary Limits</i>
20.0%	\$69,000
30.0%	\$74,000
40.0%	\$78,000
50.0%	\$82,000
60.0%	\$86,000
70.0%	\$90,000
75.0%	\$93,000
80.0%	\$96,000
85.0%	\$99,000
90.0%	\$104,000
95.0%	\$111,000
99.0%	\$127,000
<i>Expected</i>	\$83,000
<i>Vehicles</i>	919
<i>Expected Rate per Vehicle</i>	\$90.26
<i>Forecast Claims</i>	10.6
<i>Severity</i>	\$7,800

Comparison of Results with Previous Estimates as of 12/31/20

(A) Accident Period	(B) Actual Reported Losses 12/31/2020	(C) Expected Reported Losses 6/30/2021	(D) Actual Reported Losses 6/30/2021	(E) Percent Difference	(F) Actual Paid Losses 12/31/2020	(G) Expected Paid Losses 6/30/2021	(H) Actual Paid Losses 6/30/2021	(I) Percent Difference	(J) Expected Ultimate Losses 12/31/2020	(K) Actual Ultimate Losses 6/30/2021	(L) Year-end Adjustment	(M) Percent Difference
7/1/02-03	\$65,087	\$65,087	\$65,087	0.0%	\$65,087	\$65,087	\$65,087	0.0%	\$65,087	\$65,087	\$0	0.0%
7/1/03-04	\$357,297	\$357,297	\$357,297	0.0%	\$357,297	\$357,297	\$357,297	0.0%	\$357,297	\$357,297	\$0	0.0%
7/1/04-05	\$618,336	\$618,336	\$618,336	0.0%	\$618,336	\$618,336	\$618,336	0.0%	\$618,336	\$618,336	\$0	0.0%
7/1/05-06	\$450,928	\$450,928	\$450,928	0.0%	\$450,928	\$450,928	\$450,928	0.0%	\$450,928	\$450,928	\$0	0.0%
7/1/06-07	\$535,205	\$535,205	\$535,205	0.0%	\$535,205	\$535,205	\$535,205	0.0%	\$535,205	\$535,205	\$0	0.0%
7/1/07-08	\$759,907	\$759,907	\$759,907	0.0%	\$759,907	\$759,907	\$759,907	0.0%	\$759,907	\$759,907	\$0	0.0%
7/1/08-09	\$1,423,346	\$1,423,346	\$1,423,346	0.0%	\$1,423,346	\$1,423,346	\$1,423,346	0.0%	\$1,423,346	\$1,423,346	\$0	0.0%
7/1/09-10	\$703,413	\$703,413	\$703,413	0.0%	\$703,413	\$703,413	\$703,413	0.0%	\$703,413	\$703,413	\$0	0.0%
7/1/10-11	\$843,333	\$843,333	\$843,333	0.0%	\$843,333	\$843,333	\$843,333	0.0%	\$843,333	\$843,333	\$0	0.0%
7/1/11-12	\$948,511	\$948,511	\$948,511	0.0%	\$948,511	\$948,511	\$948,511	0.0%	\$948,511	\$948,511	\$0	0.0%
7/1/12-13	\$625,317	\$625,317	\$625,317	0.0%	\$625,317	\$625,317	\$625,317	0.0%	\$625,317	\$625,317	\$0	0.0%
7/1/13-14	\$699,842	\$699,842	\$699,842	0.0%	\$699,842	\$699,842	\$699,842	0.0%	\$699,842	\$699,842	\$0	0.0%
7/1/14-15	\$1,107,640	\$1,108,198	\$1,107,640	-0.1%	\$1,011,872	\$1,041,093	\$1,021,868	-1.8%	\$1,110,000	\$1,110,000	\$0	0.0%
7/1/15-16	\$1,114,040	\$1,115,373	\$1,114,040	-0.1%	\$1,026,848	\$1,055,243	\$1,030,273	-2.4%	\$1,119,000	\$1,119,000	\$0	0.0%
7/1/16-17	\$1,205,255	\$1,208,284	\$1,184,279	-2.0%	\$1,000,113	\$1,068,151	\$1,014,218	-5.0%	\$1,215,000	\$1,200,000	-\$15,000	-1.2%
7/1/17-18	\$915,912	\$932,472	\$915,912	-1.8%	\$621,489	\$729,972	\$632,806	-13.3%	\$961,000	\$936,000	-\$25,000	-2.6%
7/1/18-19	\$1,033,444	\$1,073,559	\$1,122,449	4.6%	\$783,981	\$888,908	\$863,109	-2.9%	\$1,124,000	\$1,174,000	\$50,000	4.4%
7/1/19-20	\$1,309,491	\$1,419,394	\$1,199,899	-15.5%	\$898,995	\$1,066,389	\$983,332	-7.8%	\$1,519,000	\$1,394,000	-\$125,000	-8.2%
7/1/20-21	\$482,746	\$986,873	\$910,954	-7.7%	\$149,126	\$536,589	\$371,199	-30.8%	\$1,117,000	\$1,042,000	-\$75,000	-6.7%
Total	\$15,199,051	\$15,874,674	\$15,585,695	-1.8%	\$13,522,946	\$14,416,868	\$13,947,327	-3.3%	\$16,196,000	\$16,006,000	-\$190,000	-1.2%

(B), (F) and (I) - From Previous actuarial report as of 12/31/2020

(C) and (G) - Based on information available as of 12/31/2020

(D) and (H) - Exhibit 1-C

(E) = [(D) / (C)] - 1

(I) = [(H) / (G)] - 1

(K) = (J) + (L)

(L) = Judgmentally selected

(M) = [(K) / (J)] - 1

**Estimated Outstanding Losses
As of June 30, 2021**

(A) Accident Period	(B) Estimated Ultimate Losses	(C) Limited Paid Losses	(D) Limited Reported Losses	(E) Limited Case Reserves	(F) IBNR Losses	(G) Outstanding Losses
7/1/02-03	\$65,087	\$65,087	\$65,087	\$0	\$0	\$0
7/1/03-04	\$357,297	\$357,297	\$357,297	\$0	\$0	\$0
7/1/04-05	\$618,336	\$618,336	\$618,336	\$0	\$0	\$0
7/1/05-06	\$450,928	\$450,928	\$450,928	\$0	\$0	\$0
7/1/06-07	\$535,205	\$535,205	\$535,205	\$0	\$0	\$0
7/1/07-08	\$759,907	\$759,907	\$759,907	\$0	\$0	\$0
7/1/08-09	\$1,423,346	\$1,423,346	\$1,423,346	\$0	\$0	\$0
7/1/09-10	\$703,413	\$703,413	\$703,413	\$0	\$0	\$0
7/1/10-11	\$843,333	\$843,333	\$843,333	\$0	\$0	\$0
7/1/11-12	\$948,511	\$948,511	\$948,511	\$0	\$0	\$0
7/1/12-13	\$625,317	\$625,317	\$625,317	\$0	\$0	\$0
7/1/13-14	\$699,842	\$699,842	\$699,842	\$0	\$0	\$0
7/1/14-15	\$1,110,000	\$1,021,868	\$1,107,640	\$85,772	\$2,000	\$88,000
7/1/15-16	\$1,119,000	\$1,030,273	\$1,114,040	\$83,767	\$5,000	\$89,000
7/1/16-17	\$1,200,000	\$1,014,218	\$1,184,279	\$170,061	\$16,000	\$186,000
7/1/17-18	\$936,000	\$632,806	\$915,912	\$283,106	\$20,000	\$303,000
7/1/18-19	\$1,174,000	\$863,109	\$1,122,449	\$259,341	\$52,000	\$311,000
7/1/19-20	\$1,394,000	\$983,332	\$1,199,899	\$216,567	\$194,000	\$411,000
7/1/20-21	\$1,042,000	\$371,199	\$910,954	\$539,755	\$131,000	\$671,000
Total	\$16,006,000	\$13,947,327	\$15,585,695	\$1,638,368	\$420,000	\$2,059,000

(B) - Exhibit 3

(C) and (D) - Exhibit 1-C

(E) = (D) - (C)

(F) = (B) - (D)

(G) = (B) - (C)

Comparison of Results with Previous Estimates as of 12/31/20

(A) Accident Period	(B) Actual Reported Losses 12/31/2020	(C) Expected Reported Losses 6/30/2021	(D) Actual Reported Losses 6/30/2021	(E) Percent Difference	(F) Actual Paid Losses 12/31/2020	(G) Expected Paid Losses 6/30/2021	(H) Actual Paid Losses 6/30/2021	(I) Percent Difference	(J) Expected Ultimate Losses 12/31/2020	(K) Actual Ultimate Losses 6/30/2021	(L) Year-end Adjustment	(M) Percent Difference
7/1/02-03	\$168,909	\$168,909	\$168,909	0.0%	\$168,909	\$168,909	\$168,909	0.0%	\$168,909	\$168,909	\$0	0.0%
7/1/03-04	\$840,274	\$840,274	\$840,274	0.0%	\$840,274	\$840,274	\$840,274	0.0%	\$840,274	\$840,274	\$0	0.0%
7/1/04-05	\$488,972	\$488,972	\$488,972	0.0%	\$488,972	\$488,972	\$488,972	0.0%	\$488,972	\$488,972	\$0	0.0%
7/1/05-06	\$1,253,449	\$1,253,449	\$1,253,449	0.0%	\$1,253,449	\$1,253,449	\$1,253,449	0.0%	\$1,253,449	\$1,253,449	\$0	0.0%
7/1/06-07	\$953,237	\$953,237	\$953,237	0.0%	\$953,237	\$953,237	\$953,237	0.0%	\$953,237	\$953,237	\$0	0.0%
7/1/07-08	\$1,432,614	\$1,432,614	\$1,432,614	0.0%	\$1,432,614	\$1,432,614	\$1,432,614	0.0%	\$1,432,614	\$1,432,614	\$0	0.0%
7/1/08-09	\$1,159,541	\$1,159,541	\$1,159,541	0.0%	\$1,159,541	\$1,159,541	\$1,159,541	0.0%	\$1,159,541	\$1,159,541	\$0	0.0%
7/1/09-10	\$1,271,848	\$1,271,848	\$1,271,848	0.0%	\$1,271,848	\$1,271,848	\$1,271,848	0.0%	\$1,271,848	\$1,271,848	\$0	0.0%
7/1/10-11	\$1,838,086	\$1,841,400	\$1,821,552	-1.1%	\$1,821,235	\$1,829,038	\$1,821,552	-0.4%	\$1,848,000	\$1,848,000	\$0	0.0%
7/1/11-12	\$1,459,814	\$1,459,877	\$1,459,814	0.0%	\$1,459,814	\$1,459,871	\$1,459,814	0.0%	\$1,460,000	\$1,460,000	\$0	0.0%
7/1/12-13	\$778,348	\$778,573	\$778,348	0.0%	\$742,998	\$754,616	\$743,271	-1.5%	\$779,000	\$779,000	\$0	0.0%
7/1/13-14	\$806,844	\$806,899	\$806,844	0.0%	\$773,808	\$785,105	\$774,693	-1.3%	\$807,000	\$807,000	\$0	0.0%
7/1/14-15	\$1,643,386	\$1,645,382	\$1,642,863	-0.2%	\$1,574,030	\$1,600,936	\$1,583,654	-1.1%	\$1,649,000	\$1,649,000	\$0	0.0%
7/1/15-16	\$1,686,295	\$1,691,594	\$1,650,478	-2.4%	\$1,636,015	\$1,660,466	\$1,638,062	-1.3%	\$1,701,000	\$1,676,000	-\$25,000	-1.5%
7/1/16-17	\$2,511,382	\$2,530,154	\$2,459,288	-2.8%	\$1,748,276	\$2,062,445	\$1,847,619	-10.4%	\$2,563,000	\$2,503,000	-\$60,000	-2.3%
7/1/17-18	\$1,499,593	\$1,564,320	\$1,391,652	-11.0%	\$799,130	\$1,121,705	\$1,012,915	-9.7%	\$1,678,000	\$1,453,000	-\$225,000	-13.4%
7/1/18-19	\$1,916,027	\$2,000,723	\$1,842,970	-7.9%	\$561,758	\$1,014,357	\$672,626	-33.7%	\$2,157,000	\$2,007,000	-\$150,000	-7.0%
7/1/19-20	\$1,472,605	\$1,619,622	\$1,444,726	-10.8%	\$131,065	\$391,103	\$328,305	-16.1%	\$1,936,000	\$1,786,000	-\$150,000	-7.7%
7/1/20-21	\$789,033	\$1,622,682	\$1,506,887	-7.1%	\$57,898	\$190,086	\$289,383	52.2%	\$2,536,000	\$2,461,000	-\$75,000	-3.0%
Total	\$23,970,256	\$25,130,070	\$24,374,266	-3.0%	\$18,874,869	\$20,438,571	\$19,740,739	-3.4%	\$26,683,000	\$25,998,000	-\$685,000	-2.6%

(B), (F) and (I) - From Previous actuarial report as of 12/31/2020

(C) and (G) - Based on information available as of 12/31/2020

(D) and (H) - Exhibit 1-C

(E) = [(D) / (C)] - 1

(I) = [(H) / (G)] - 1

(K) = (J) + (L)

(L) = judgmentally selected

(M) = [(K) / (J)] - 1

**Estimated Outstanding Losses
 As of June 30, 2021**

(A) Accident Period	(B) Estimated Ultimate Losses	(C) Limited Paid Losses	(D) Limited Reported Losses	(E) Limited Case Reserves	(F) IBNR Losses	(G) Outstanding Losses
7/1/02-03	\$168,909	\$168,909	\$168,909	\$0	\$0	\$0
7/1/03-04	\$840,274	\$840,274	\$840,274	\$0	\$0	\$0
7/1/04-05	\$488,972	\$488,972	\$488,972	\$0	\$0	\$0
7/1/05-06	\$1,253,449	\$1,253,449	\$1,253,449	\$0	\$0	\$0
7/1/06-07	\$953,237	\$953,237	\$953,237	\$0	\$0	\$0
7/1/07-08	\$1,432,614	\$1,432,614	\$1,432,614	\$0	\$0	\$0
7/1/08-09	\$1,159,541	\$1,159,541	\$1,159,541	\$0	\$0	\$0
7/1/09-10	\$1,271,848	\$1,271,848	\$1,271,848	\$0	\$0	\$0
7/1/10-11	\$1,848,000	\$1,821,552	\$1,821,552	\$0	\$26,000	\$26,000
7/1/11-12	\$1,460,000	\$1,459,814	\$1,459,814	\$0	\$0	\$0
7/1/12-13	\$779,000	\$743,271	\$778,348	\$35,076	\$1,000	\$36,000
7/1/13-14	\$807,000	\$774,693	\$806,844	\$32,151	\$0	\$32,000
7/1/14-15	\$1,649,000	\$1,583,654	\$1,642,863	\$59,209	\$6,000	\$65,000
7/1/15-16	\$1,676,000	\$1,638,062	\$1,650,478	\$12,416	\$26,000	\$38,000
7/1/16-17	\$2,503,000	\$1,847,619	\$2,459,288	\$611,669	\$44,000	\$655,000
7/1/17-18	\$1,453,000	\$1,012,915	\$1,391,652	\$378,737	\$61,000	\$440,000
7/1/18-19	\$2,007,000	\$672,626	\$1,842,970	\$1,170,343	\$164,000	\$1,334,000
7/1/19-20	\$1,786,000	\$328,305	\$1,444,726	\$1,116,421	\$341,000	\$1,458,000
7/1/20-21	\$2,461,000	\$289,383	\$1,506,887	\$1,217,504	\$954,000	\$2,172,000
Total	\$25,998,000	\$19,740,739	\$24,374,266	\$4,633,527	\$1,623,000	\$6,256,000

(B) - Exhibit 3

(C) and (D) - Exhibit 1-C

(E) = (D) - (C)

(F) = (B) - (D)

(G) = (B) - (C)



Statement of Actuarial Opinion
Net Retained Liabilities as of June 30, 2021
Premium Adequacy for the Policy Year 7/1/21-22

Oklahoma Schools Insurance Group

I, Laura T. Sprouse, am an independent consultant to Oklahoma Schools Insurance Group (OSIG). I am a Fellow of the Casualty Actuarial Society and a Member of the American Academy of Actuaries and meet the Academy’s qualification standards for prescribed Statements of Actuarial Opinion. Although no formal appointment was made by the Board of Directors of OSIG, I have been asked to opine on the adequacy of the loss and loss adjustment expense reserves as of June 30, 2021, and the adequacy of premiums for the 7/1/21-22 policy period. This opinion is prepared in accordance with Actuarial Standards of Practice No. 36, *Statements of Actuarial Opinion Regarding Property/Casualty Loss and Loss Adjustment Expense Reserves*, No. 43, *Property/Casualty Unpaid Claim Estimates*, and No. 53, *Estimating Future Costs for Prospective Property/Casualty Risk Transfer and Risk Retention*.

Loss and ALAE Reserves as of June 30, 2021

I have examined the reserves listed below and in the financial statements of the Oklahoma Schools Insurance Group as prepared for filing with state regulatory officials as of June 30, 2021. These amounts represent the estimates by management of OSIG for all unpaid losses and the related loss adjustment expenses as of June 30, 2021.

Net Liabilities for Losses and ALAE as of June 30, 2021	
Net Unpaid Losses and Loss Adjustment Expenses	\$13,478,166
Incurred But Not Reported Reserves	\$4,519,000
Total Net Unpaid loss and ALAE reserves	\$17,997,166

In forming my opinion on the loss and loss adjustment expense reserves, I relied upon data provided by Jennifer McKenzie, Program Manager for OSIG, valued through June 30, 2021. I evaluated that data for reasonableness and consistency through comparison to previous reports. In other respects, my examination included such review of the actuarial assumptions and methods used and such tests of the calculations as I considered necessary.

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My own analysis produced a central estimate of the outstanding losses of \$16,505,000 as of June 30, 2021, including \$11,985,983 in case reserves and IBNR reserves of \$4,519,000. My estimate is about \$1,492,183 lower than OSIG's carried reserves. My understanding is that OSIG updates the case reserve values using losses valued as of September 30, 2021.

Opinion on Reserves

In my opinion, the amounts recorded in the financial statements of OSIG:

- Meet the requirements of the insurance laws of the state of Oklahoma.
- Are consistent with the reserves computed in accordance with accepted actuarial standards of practice.
- Make a reasonable provision for all unpaid loss and loss adjustment expense obligations of OSIG under the terms of its contracts and agreements.

Risk of Material Adverse Deviation

Due to the nature of third-party liability claims and OSIG's relatively large retention, it is possible that OSIG could experience a fluctuation of material size from the expected outstanding losses. Note the significant development between June 30th and September 30th as an example. To the extent that this is not captured in the loss development patterns, there is some risk that IBNR reserves are inadequate. However, such losses would be capped to \$750,000 maximum per occurrence, and the corridor deductible has already been exhausted for each of the last six years. We have selected a materiality threshold of \$2,782,000 or 20% of surplus. While it is possible that losses could develop by more than \$2,782,000, this amount of adverse deviation is not likely. Therefore, I would conclude there is not a significant risk of material adverse deviation.

Premium Adequacy for the 7/1/21-22 Policy Period

My analysis produced a forecast of the ultimate retained losses for the period 7/1/21-22 of \$32,535,000. OSIG has budgeted roughly \$43,083,000 for reinsurance premiums and other expenses for a total premium need of \$75,618,000. OSIG expects to collect about \$76,221,000 in member contributions and earn another \$205,000 in investment income. Thus, there is an expected profit of \$808,000. It is my opinion that the premiums for 7/1/21-22 are adequate.

Actuarial Reports

This opinion was based on the actuarial study for OSIG dated April 21, 2021, and the update dated October 5, 2021. The two documents together constitute the actuarial report for OSIG for the fiscal year ending June 30, 2021.

This opinion was prepared solely for the purpose of filing with regulatory agencies and is not intended for any other purpose.

Best regards,



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Sprouse, FCAS, MAAA
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December 9, 2021