

# TRINDEL INSURANCE FUND BOARD OF DIRECTORS AGENDA

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

**PRESIDENT**  
**Chester Robertson**

**VICE-PRESIDENT**  
**Nate Black**

**SECRETARY**  
**Van Maddox**

**Location:** GoToMeeting in Alpine, Colusa, Del Norte, Lassen, Modoc, Mono, Plumas, San Benito, Sierra, Sutter, and Trinity Counties.

**Date:** January 14<sup>th</sup> and 15<sup>th</sup> 2021

**Time:** 9:00 AM

**Call in Number:** 1 (872) 240-3412 **Access Code:** 943-895-973

## ORDER OF BUSINESS

As to each agenda item, the Board may take active, give direction and/or receive informational reports.

### **Call to Order and establishment of a quorum**

#### **I. Roll Call**

*Article IV, Section 3. Of the Bylaws: Quorum-A majority of the Directors holding office shall constitute a quorum for the transaction of business at any meeting. All actions of the Board shall require the affirmative vote of a majority of the members at a meeting duly held at which a quorum is present.*

#### **II. Public Comment**

*Matters under the jurisdiction of the Board, whether or not on the posted Final Agenda, may be addressed by the general public at this time. The total amount of time for public comment shall be no more than fifteen minutes. The Chair, with consensus of the Board, may establish reasonable regulations including, but not limited to, limiting the amount of time allocated for a particular issue and for each speaker. No action is to be taken or substantive discussion pursued on matters not on the posted Final Agenda.*

P.O. Box 2069 Weaverville, Calif. 96093 Phone: (530) 623-2322

**TRINDEL INSURANCE FUND**  
**BOARD OF DIRECTORS**  
**AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

**III. Consent Calendar**

- a. Approval of Minutes, September 24<sup>th</sup> & 25<sup>th</sup>, 2020  
*An action to approve the Minutes of the above meeting.*

**IV. Reports**

- a. Committee Reports
  - i. *Workers' Compensation Pool Claims Review Committee.*
- b. Staff Reports
  - i. *Loss prevention Department*
  - ii. *Liability Property Department*
  - iii. *Workers' Compensation Department*
  - iv. *Administration Department*
- c. Treasurers Report
- d. Investment report

**V. Programs**

- a. Actuarial Reports  
*An action to acknowledge and approve Actuarial Reports from Bickmore.*
- b. Excess Liability Data  
*Informational report by Executive Director.*
- c. Liability Program Options  
*Review resolution recommendation.*

**VI. General Business**

- a. Check Register & Invoices  
*An action to approve check register & invoices from 7/1/2020 through 11/30/2020 pursuant to Bylaws Article XIV, Section 2.*
- b. Budget and Financial Statements as of 11/30/2020.  
*Review Statement of Net Assets, Statement of Revenues Expenses and changes in Net Assets and Budget to Actual.*

*P.O. Box 2069 Weaverville, Calif. 96093 Phone: (530) 623-2322*

# TRINDEL INSURANCE FUND BOARD OF DIRECTORS AGENDA

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

- c. Program Premiums  
*Informational for review and comments on premiums*
- d. Budget Adjustments 2020/02021  
An action to correct the duplication of budgeted revenue.
- e. Annual Third Party Financial Audit  
An action to acknowledge and approve annual audit for year 7/1/19 to 6/30/20
- f. Future Meetings  
*Informational for review and comment, select date of May 2021 meeting and location of September 2021 meeting.*

## VII. Closed Session

- a. Conference with Labor Negotiators  
*Government Code Section 54957.6 David Nelson is designated representative for staff.  
Informational for review and comment*

## VIII. Adjournment

*Disability Access: The meeting room is wheelchair accessible and disabled parking is available at the meeting location. If you are a person with a disability and you need disability-related modification or accommodations to participate in this meeting, please contact the Executive Director at (phone) 530-623-2322, (fax) 530-623-5019 or (email) [dnelson@trindel.org](mailto:dnelson@trindel.org). Requests for such modifications or accommodations must be made at least two full business days before the start of the meeting.*

TRINDEL INSURANCE FUND  
BOARD OF DIRECTORS  
AGENDA

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

## ROLL CALL

I

### CALL MEETING TO ORDER

Alpine County	Nichole Williamson Sarah Simis	Plumas County	Roberta Allen Gabriel Hydrick
Colusa County	Kaline Moore Todd Manouse	San Benito County	Edgar Nolasco Stewart Patri
Del Norte County	Neal Lopez Cathy Hafterson	Sierra County	Van Maddox Judi Behlke
Lassen County	Richard Egan Tony Shaw	Sutter County	Nate Black Jason Claunch
Modoc County	Chester Robertson Tex Dowdy	Trinity County	Richard Kuhns Becca Cooper
Mono County	Robert Lawton Jay Sloane	Total Member Entity's present _____ (6 members are required to hold a quorum)	

Other people present:

### ESTABLISHMENT OF A QUORUM

*Article IV, Section 3. Of the Bylaws: Quorum-A majority of the Directors holding office shall constitute a quorum for the transaction of business at any meeting. All actions of the Board shall require the affirmative vote of a majority of the members at a meeting duly held at which a quorum is present.*

TRINDEL INSURANCE FUND  
**BOARD OF DIRECTORS**  
**AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

## **PUBLIC COMMENT**

### **II**

Allow public to address the Board of Directors:

Matters under the jurisdiction of the Board, whether or not on the posted Final Agenda, may be addressed by the general public at this time. The total amount of time for public comment shall be no more than fifteen minutes. The Chair, with consensus of the Board, may establish reasonable regulations including, but not limited to, limiting the amount of time allocated for a particular issue and for each speaker. No action is to be taken or substantive discussion pursued on matters not on the posted Final Agenda.

TRINDEL INSURANCE FUND  
**BOARD OF DIRECTORS**  
**AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

## **CONSENT CALENDAR**

### **III**

The consent calendar is a tool to streamline Board meetings by collection routine, non-controversial items into a group whereby all are passed with a single motion and vote.

If a member of the board would like to discuss an item from the consent calendar they would ask for it to be pulled from consent to a regular scheduled item.

This enables the item to be considered and voted upon separately if discussion is needed or if a decision-maker needs to not vote on that item because of a disqualifying conflict of interest.

TRINDEL INSURANCE FUND  
**BOARD OF DIRECTORS**  
**AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

**TRINDEL BOARD MEETING**

January 2021

**PROGRAMS**

AGENDA ITEM III.a.

**SUBJECT:** Consent Calendar

**ACTION FOR CONSIDERATION:** Approve Minutes of September 2020 meeting.

**BACKGROUND:** The Consent Calendar is a tool used to streamline Board meetings by collecting routine, non-controversial items into a group whereby all are passed with a single motion and vote.

The minutes were sent out to all Board members on October 20<sup>th</sup> for review and comment, and amended accordingly.

**FISCAL IMPACT:** None

**RECOMMENDATION:** Approve Consent Calendar

# Trindell

Insurance Fund

A Joint Powers Authority for the Rural California Counties of  
Alpine - Colusa - Del Norte - Lassen - Modoc - Mono - Plumas - San Benito - Sierra - Sutter -Trinity

**PRESIDENT**  
**Chester Robertson**

**VICE-PRESIDENT**  
**Nate Black**

**SECRETARY**  
**Van Maddox**

## Meeting of Minutes

### I. Roll Call

#### Call to order

A meeting of the Trindell Insurance Fund Board of Directors was held via teleconference 1(872)-240-3311 access code 810-313-205 on September 24<sup>th</sup> and via teleconference 1(646)-749-3122 access code 510-014-493 on September 25<sup>th</sup> 2020. The meeting began at 1:00pm September 24<sup>th</sup> and President Chester Robertson presided over it.

#### Attendees:

##### September 24<sup>th</sup>, 2020

<b>Alpine County</b>	Sarah Simis
<b>Colusa County</b>	Kaline Moore, Todd Manouse
<b>Del Norte County</b>	Cathy Hafterson
<b>Lassen County</b>	Tony Shaw
<b>Modoc County</b>	Chester Robertson
<b>Mono County</b>	Jay Sloane
<b>Plumas County</b>	Roberta Allen, Gabriel Hydrick
<b>San Benito County</b>	Absent
<b>Sierra County J</b>	Judi Behlke
<b>Sutter County</b>	Nate Black, Jason Claunch
<b>Trinity County</b>	Richard Kuhns
<b>Trindell Staff</b>	David Nelson, Melissa Robinson, Andrew Fischer, Randy Robertson

##### September 25<sup>th</sup>, 2020

<b>Alpine County</b>	Sarah Simis
<b>Colusa County</b>	Kaline Moore, Todd Manouse
<b>Del Norte County</b>	Cathy Hafterson
<b>Lassen County</b>	Tony Shaw
<b>Modoc County</b>	Chester Robertson
<b>Mono County</b>	Jay Sloane
<b>Plumas County</b>	Roberta Allen, Gabriel Hydrick
<b>San Benito County</b>	Steward Patri
<b>Sierra County</b>	Judi Behlke
<b>Sutter County</b>	Nate Black, Jason Claunch
<b>Trinity County</b>	Richard Kuhns
<b>Trindell Staff</b>	David Nelson, Melissa Robinson, Andrew Fischer
<b>Chandler</b>	Carlos Oblites

### II. Public Comment

No public comment



# Trindell

## Insurance Fund

A Joint Powers Authority for the Rural California Counties of  
Alpine - Colusa - Del Norte - Lassen - Modoc - Mono - Plumas - San Benito - Sierra - Sutter -Trinity

### III. Consent Calendar

- a. President, Chester Robertson announced the minutes from the May 2020 meeting were previously distributed to board members for review and approval. No objections were made. Roll call vote taken and minutes approved with 10 ayes in favor.

### IV. Reports

- a. Committee Reports

*Workers' compensation pool claims review committee:*

David Nelson, Executive Director reported the committee reviewed 4 claims that have reached the work comp pooling layer and reviewed their remaining reserves.

*Executive Committee:*

David Nelson, Executive Director reported the committee discussed the California Coronavirus Relief Fund and methods that counties could consider to suitably allocate it to a proper expense category. Research concluded that workers' compensation costs are permissible. Trindell can help by sending assessment to counties.

- b. *Staff Reports*

David Nelson, Executive Director presented staff reports for Administration and Loss Prevention. Randy Roberson, Director of Loss Prevention was able to join and complete report. Andrew Fischer, Director of Liability and Property Claims presented staff report for Liability and Property. David Nelson, Executive Director presented staff reports for Workers' Compensation.

- c. *Treasurers Report*

David Nelson, Executive Director reviewed highlights from Treasures Report.



# Trindell

## Insurance Fund

A Joint Powers Authority for the Rural California Counties of  
Alpine - Colusa - Del Norte - Lassen - Modoc - Mono - Plumas - San Benito - Sierra - Sutter -Trinity

### V. Programs

- a. Return of Funds Resolution  
David Nelson, Executive Director presented return of funds resolution and explained methodology. Discussion and direction given by board to add language that includes revisiting return of funds annually or in a specific year. Include a type of mechanism that allows adjustments for changes in SIR amounts, moving balances and adjustments with the joining of new members or leaving of current members. Bring back changes to future meeting.
- b. Covid-19 Workers' Compensation Assessment  
Motion to approve Covid-19 Assessment and make it mandatory by all member counties, made by Jay Sloane of Mono County, Seconded by Nate Black of Sutter County. Motion carried with 10 ayes in favor.
- c. Safety Fund Program Expenditures Resolution  
Motion to approve safety fund program expenditures resolution with language change to reflect two hundred dollars instead of one hundred dollars, made by Jay Sloane of Mono County, Seconded by Sarah Simis of Alpine County. Motion carried with 10 ayes in favor.
- d. Workers' Comp Fund Program Expenditures  
Motion to approve the purchase of labor law posters through the workers' comp fund and incorporate it to premiums, made by Cathy Hafterson of Del Norte County, Seconded by Nate Black of Sutter County. Motion carried with 9 ayes in favor.
- e. Medical Malpractice Deductible and Limit changes  
Andrew Fischer, Director of Liability and Property Claims provided the board with an informational report on deductible and coverage limit changes in the medical malpractice program.



# Trindell

## Insurance Fund

A Joint Powers Authority for the Rural California Counties of  
Alpine - Colusa - Del Norte - Lassen - Modoc - Mono - Plumas - San Benito - Sierra - Sutter -Trinity

### VI. General Business

- a. Check Register & Invoices  
Motion to approve the check registers and invoices for the fourth quarter of the 2019-2020 fiscal year, made by Nate Black of Sutter County, Seconded by Cathy Hafterson of Del Norte County. Motion carried with 10 ayes in favor.
- b. Fourth Quarter Budget and Financial Statements for Fiscal Year 2019/2020.  
David Nelson, Executive Director reviewed statement of net assets, statement of revenues expenses, changes in net assets and budget to actual as of June 30, 2020.
- c. Investment Policy Resolution  
Carlos Oblites, Portfolio Strategist with Chandler Asset Management reviewed policy with recommended changes. Motion made by Roberta Allen of Plumas County, Seconded by Kaline Moore of Colusa County. Motion carried with 10 ayes in favor.
- d. Underwriting Policy Resolution  
David Nelson, Executive Director reviewed underwriting policy.
- e. Credit Card Policy Resolution  
Motion to adopt resolution for credit card policy made by Nate Black of Sutter County, Seconded by Roberta Allen of Plumas County. Motion carried with 10 ayes in favor.
- f. Goals and Objectives  
David Nelson, Executive Director reviewed future strategies and implementation steps that may improve organization.
- g. *County Request to move Leadership funds to Safety Funds.*  
Motion to approve Colusa County's request to move leadership funds to safety funds to cover invoice for radios, made by Jay Sloane of Mono County, Seconded by Tony Shaw of Lassen County. Motion carried with 11 ayes in favor.



# Trindell

## Insurance Fund

A Joint Powers Authority for the Rural California Counties of  
Alpine - Colusa - Del Norte - Lassen - Modoc - Mono - Plumas - San Benito - Sierra - Sutter -Trinity

*h.* Future Meetings

Next meeting schedule for January 14<sup>th</sup> 2020 in Sutter County. May meeting tentatively to be held in Plumas County with dates to be determined.

### **VII. Closed Session**

- a. Chester Robertson, President announced the board will enter into closed session to discuss Executive Directors Evaluation per Government Code Section 54957.6

Chester Robertson, President announced the board has left closed session and reconvened into open session and reports no reportable action taken in closed session.

### **VIII. Adjournment**

Meeting adjourned at 11.20 am September 25<sup>th</sup>, 2020.



**TRINDEL INSURANCE FUND  
BOARD OF DIRECTORS  
AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

## **REPORTS**

### **IV**

- a. Committee Reports
- b. Staff Reports
- c. Treasurers Reports
- d. Investment Report

TRINDEL INSURANCE FUND  
**BOARD OF DIRECTORS**  
**AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

**TRINDEL BOARD MEETING**

January 2021

**REPORTS**

AGENDA ITEM IV.a.

**SUBJECT:** “Workers’ Compensation Pool” Claims committee.

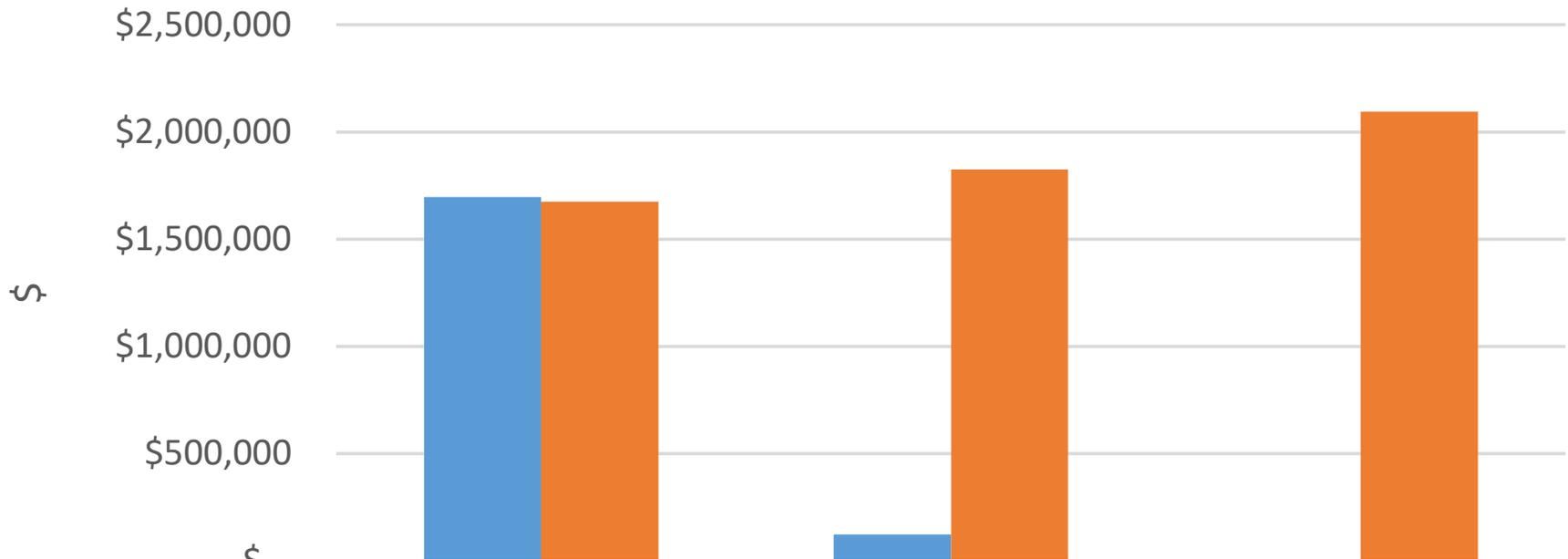
**ACTION FOR CONSIDERATION:** Informational only, report on committee meeting.

**BACKGROUND:** Update board with committee proceedings.

**FISCAL IMPACT:** N/A

**RECOMMENDATION:** N/A

## Trindel WC POOL



	2018-19	2019-20	2020-21
■ Cliams Reserves	\$1,697,616	\$123,968	\$-
■ Funding	\$1,675,195	\$1,824,491	\$2,096,000

TRINDEL INSURANCE FUND  
**BOARD OF DIRECTORS**  
**AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

**TRINDEL BOARD MEETING**

January 2021

**REPORTS**

AGENDA ITEM IV.b.

**SUBJECT:** Staff Reports

**ACTION FOR CONSIDERATION:** Informational only

**BACKGROUND:** Update on the Trindel departments since the September 2019 meeting.

Loss Prevention

Property, Liability

Workers' Compensation

Administration

**FISCAL IMPACT:** N/A

**RECOMMENDATION:** N/A

## **Loss Prevention Services Board Report September - January 2020/21**

### **General Summary**

Your Loss Prevention Team has shifted gears and adapted to our new “temporary” reality. COVID-19 and the resulting pandemic travel and gathering restrictions continued to restrict or eliminate Loss Prevention travel and we anticipate this to be the case at least through March of 2021. The team has adapted quite well to providing training and Loss Prevention/HR outreach with webinars and virtual meetings. With a few exceptions we keep the webinars to 60 minutes and virtual meetings to 90 minutes. Loss Prevention staff continues to provide guidance regarding COVID safety, Cal-OSHA and leave law updates to member safety and HR departments.

A very positive step taken is law enforcement outreach with law enforcement consultant Ed Obayashi now delivering virtual trainings to law enforcement agencies. Ed has presented sessions on “Social Media” and “Use of Force for Corrections” these have been well attended and are a positive addition to our services, more are planned.

### **New Trainings Developed or previous trainings Updated and Delivered**

*Multiple sessions of each of the following have been presented to all member counties virtually with GoToWebinar or GoToMeeting:*

- “Documenting Employee Actions”
- “Sexual Harassment Training for Non-Supervisors - SB1343”
- “Performance Management for Remote Employees”
- “Stress Management During a Pandemic”
- “How to Breathe Life Back into Working from Home”
- “Leadership Fundamentals and Issues All New Supervisors Face”
- “Introduction to Workers Compensation”
- “The Basics of Disciplinary Actions & Documentation”
- “Creating a Customer Service Culture”
- “Embracing Change”
- “Respect in the Workplace”
- “The Art of Leadership for Today’s Workforce”
- “Managing to Have Fun!”
- “Exploring Ethics and Values in the Workplace”
- “Defensive Driving”
- “CPR/First Aid Refresher”
- “Front Office Safety”
- Loss Prevention and the Role of the Supervisor – Part 1
- “COVID-19 Workplace Requirements”
- “Bloodborne Pathogens”
- “Go Bag: Personal Emergency Preparedness”
- “Defensive Driving for County Transport Drivers “
- “Workplace Violence Prevention”
- “Hazardous Communication “
- “D.O.T. Reasonable Suspicion for Supervisors”
- “Reasonable Suspicion non-DOT”
- “Flagging and Traffic Control
- “How to Document Employee Actions+ for Mono County supervisors (special request)

**Note:**

The California requirement for training of all non-supervisory workers under SB1343 Sexual Harassment is due on January 1st, 2021. Rachael's primary focus has been offering as many trainings for employees to attend to assure member counties reach 100% compliance. (12 sessions to date) with attendance of anywhere from 30 to 60 employees per webinar. Rachael will offer this required training on a monthly basis in 2021.

**Staff Development:**

Rachael:

- SHRM 2 day virtual conference; Jennifer Shaw 4 hour 2021 Labor Law update; Shaw Valenza Wake Up with Jennifer ~ Covid updates every Wednesday; Numerous Covid updates from OSHA, DFEH and PRISM; PRISM Risk Control Committee meetings via Zoom; Numerous CDC COVID-19 guidance and information; California Public Health National Safety Council; Cal-Wildland Fire Preparedness
- Rachael was re-appointed to PRISM Risk Control Committee for 2021
- Passed ARM 400 with 90% score (Scored an Excellence) (first in the series to earn an ARM designation)

Tony:

- Working on Associate Safety Professional certification
- Multiple COVID-19 webinars

**Additional Staff Work:**

- Corresponded with members regarding updates to Covid-19 and assisted as a resource to work through returning employees to work
- Covered in the office for employees who were out due to leave
- Assisted employees with ergonomic adjustment for remote work.
- Hold monthly LPS/HR check-in virtual meetings
- In-lieu of the annual Roads/Public Works Conference (*cancelled due to COVID restrictions*) the Loss Prevention staff sent a box of safety, items, employee recognition items and leadership information out to each of the Roads Departments in each county.
- The 2021 Law Enforcement Conference was also cancelled due to continuing concerns and restrictions regarding COVID. We are working to send information out to the Sheriff Departments in all member counties in February 2021. We are also working with a couple of law enforcement subject matter experts to present a virtual learning sessions to compliment the work being done by Ed Obayashi.
- Currently studying for ARM 401, testing in the next testing window.
- Cleaned up Loss Prevention S Drive, deleted, updated, re designed and organized the flow of information for the loss prevention team
- Took on the challenge of updating the company website. Not knowing anything about this task, it took research and trial and error but was very gratifying when it was completed.
- Worked closely with Ed Obayashi in regards to adding his services to the Loss Prevention page on the website.
- Redesigned three years of company health newsletters and updated to the company website to add additional resources for our LPS HR staff
- Updated policies on the company website and made sure already listed policies are current

- Uploaded Safety Spotlights to the company website for additional resources for our LPS HR and DSR's
- Cancelled all conferences members were attending, processed refunds and ensured flight credits were issues. SHRM, Calpelra, and Trindel LPS meeting.
- Facilitated county memberships to PARMA, CALPELRA & SHRM

### **Planning**

- 2021 LSP/HR Conference, April 13, 14, 15, Granzella's, Williams, Colusa County. Continue to plan on this being an in-person conference but will build in virtual/remote plans
- 2021 DSR Safety Conference, May 19 and 20, Granzella's, Williams, Colusa County. Continue to plan this as an in-person conference nut will build in virtual/remote plans.
- Randy Last Day: Friday, June 4, 2021
- Loss Prevention/Safety Audit begins Tuesday, June 8, 2021



Alpine - Colusa - Del Norte - Lassen - Modoc - Mono - Plumas - San Benito - Sierra - Sutter - Trinity  
A Joint Powers Authority Established in 1980  
[www.trindel.org](http://www.trindel.org)

**January, 2021**  
**Trindel Board of Directors Meeting**  
**Liability and Property Program Staff Report**

**Liability and Property Program Summary of Activity:**

Due to the COVID-19 restrictions we have continued to work successfully on a partial remote basis while keeping our office occupancy at less than half capacity. During this period we performed the following activities:

- We successfully resolved a large loss property claim with Lexington Insurance on behalf of a Trindel member that has been going on since 2016.
- Assisted in the development of the proposal from AON for an excess liability pool.
- Developed policy for handling auto liability property damage claims as blueprint for use with all membership.
- Successfully trained Property and Liability Claims Technician, Penny Jones, to be able to handle first party auto losses, auto liability property damage, and misdirected liability claims in accordance with claims handling guidelines. She is doing an excellent job.
- Did not perform any County visits during period due to COVID-19 restrictions.
- Continued monitoring of the PRISM General Liability, and Medical Malpractice programs developments.
- Assisted with actuarial reports for property, liability and medical malpractice.
- Multiple virtual meetings with new County staff.
- Multiple meetings with County staff and defense counsel on active litigation.
- Successfully resolved a use of force case at an extended mediation with multiple attorney's involved.

**Open Case Load of Property and Liability Claims: 148**  
**Claims in Active Litigation: 60**

**July 1, 2020 through December 31, 2020:**

**Liability**

- Legal Expense Paid to Date: \$484,514.96
- Indemnity (Settlements) Paid to Date: \$180,943.61

## **Property**

- Property Claims Paid to Date: \$44,030.06

### **Future:**

- Continue preparation for the 2021 PRISM Audit of the Liability Program in May of 2021.
- 2021 Corrections Conference Presentation with Phil Lawrence and Greg Thomas.
- Multiple Mediations and Mandatory Settlement Conferences scheduled for next quarter.
- Continue development of County Counsel meeting. Due to a significant amount of turnover in our members County Counsel's Office, this meeting will be very important.
- Continue to provide innovation, and direction for the future of the liability program.

**January 14-15, 2021  
Trindel Board of Directors Meeting  
Workers' Compensation Staff Report**

Trindel staff activities from July 1, 2020 – December 31, 2020

- Total claims opened in period: 103                      A decrease from previous years 131 claims
- Total claims closed in period: 139                     An increase from previous years 138 claims

**Total Open Claims by County – 145**

**Total Outstanding Reserves - \$16,823,460**

- Alpine – 7     \$2,983,053
- Colusa – 10    \$ 288,478
- Del Norte – 28     \$ 976,436
- Lassen – 44     \$1,617,168
- Modoc – 19     \$ 571,158
- Mono – 37    \$1,310,229
- Plumas – 48     \$2,094,476
- San Benito – 39    \$2,177,897
- Sierra – 12     \$ 1,055,071
- Sutter – 61     \$2,864,069
- Trinity – 30    \$ 1,138,156

**Total claims by adjustor:**

**Total outstanding reserves**

Anita – 135	\$5,736,927
Jordan – 78	\$5,874,196
Vicki – 122	\$5,161,380
Katie – 7	\$ 303,689

**Other Activities/Future Planning**

All staff attended multiple COVID-19 trainings

All staff becoming proficient with Zoom and GoTo meetings

Jennifer Loomis, our claims assistant, is taking classes to become a certified adjustor

Hired new claims technician, Melissa Robinson

**Received notification from the Office of Self-Insured Plans that our report submitted for 2019-2020, garnered an overall savings of \$50,000. This is due in part to a reduction in the state fees and more importantly, is due to the aggressive return to work programs that the Counties provide for their injured employees – great job!**

**COVID-19 claims**

As of this writing we have had 15 COVID-19 exposure claims

12 have been accepted

2 have been denied

1 has been delayed for further investigation

We have closed 6 of the claims with no permanent impairment

TRINDEL INSURANCE FUND  
**BOARD OF DIRECTORS**  
**AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

**TRINDEL BOARD MEETING**

January 2021

**REPORTS**

AGENDA ITEM IV.c.

**SUBJECT:** Treasurers Report

**ACTION FOR CONSIDERATION:** Informational only

**BACKGROUND:** Executive Director, David Nelson will give updates since the September 2020 meeting on the following:

Interest income, Investment earnings, pooled account balances, rate of return, and change in fair market value of investments.

**FISCAL IMPACT:** Sufficient liquidity is available to meet all anticipated obligations during the next six months; GC 53646.

**RECOMMENDATION:** N/A

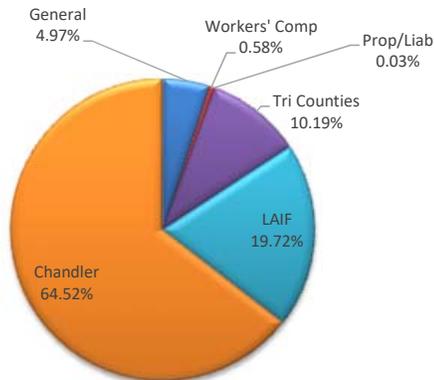
## Trindel Insurance Fund Treasurers Report

This Treasurers Report is submitted in accordance with the investment policy adopted on September 25, 2020 and all investment are in compliance.  
Per California Government Code 53646, sufficient liquidity is available to meet all anticipated obligations during the next six months.

*David Nelson*

Date	General Account Tri Counties	Workers' Comp Account Tri Counties	Prop Liab Account Tri Counties	Money Mrk Account Tri Counties	Local Agency Investment Fund	Chandler Asset Management	Total
7/31/2020				2,207.94	0.00	52,924.00	55,131.94
8/31/2020				2,208.73	0.00	51,340.00	53,548.73
9/30/2020				2,138.38	21,361.53	50,740.00	74,239.91
<b>First Qtr. Earnings</b>	0.00	0.00	0.00	6,555.05	21,361.53	155,004.00	182,920.58
<b>9/30/2020 Cash Bal</b>	<u>2,537,863.06</u>	<u>293,889.59</u>	<u>17,295.94</u>	<u>5,205,589.78</u>	<u>10,078,048.18</u>	<u>32,971,308.00</u>	<u>51,103,994.55</u>
10/31/2020				\$2,210.57		\$48,503.00	50,713.57
11/30/2020				\$2,140.17		\$47,158.00	49,298.17
12/31/2020							0.00
<b>Second Qtr. Earnings</b>	\$0.00	\$0.00	\$0.00	\$4,350.74	\$0.00	\$95,661.00	100,011.74
<b>12/31/2020 Cash Bal</b>	<u>1,458,016.49</u>	<u>263,792.35</u>	<u>54,176.33</u>	<u>5,209,940.52</u>	<u>10,078,048.18</u>	<u>32,955,653.00</u>	<u>50,019,626.87</u>
1/31/2021							0.00
2/28/2021							0.00
3/31/2021							0.00
<b>Third Qtr. Earnings</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
<b>3/31/2021 Cash Bal</b>							<u>0.00</u>
4/30/2021							0.00
5/31/2021							0.00
6/30/2021							0.00
<b>First Qtr. Earnings</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00
<b>6/30/2021 Cash Bal</b>	<u>2,537,863.06</u>	<u>293,889.59</u>	<u>17,295.94</u>	<u>5,205,589.78</u>	<u>10,078,048.18</u>	<u>32,971,308.00</u>	<u>51,103,994.55</u>
	General	Workers' Comp	Prop/Liab	Tri Counties	LAIF	Chandler	

### Pooled Account Composition



	<u>Earnings</u>	<u>FYTD Rate</u>
<b>Tri Counties</b>	\$10,905.79	0.42%
<b>LAIF</b>	\$ 21,361.53	0.42%
<b>Chandler</b>	\$250,665.00	1.52%
<b>Total FY Int.</b>	<u>\$282,932.32</u>	<u>1.11%</u>
<b>Chandler fee</b>		
First \$25 mil 0.10 of 1% = 10 basis points		
Second \$25 mil 0.08 of 1% = 8 basis points	\$ 10,487.88	0.06%
<b>NET Gain/Loss</b>	<u>\$ 272,444.44</u>	<u>1.07%</u>
<b>FYTD change in fair Market value</b>	\$ (177,970.00)	-1.08%

TRINDEL INSURANCE FUND  
**BOARD OF DIRECTORS**  
**AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

**TRINDEL BOARD MEETING**

January 2021

**REPORTS**

AGENDA ITEM IV.d.

**SUBJECT:** Investment Report-Chandler Asset Management update on market conditions and review of Trindel's portfolio.

**ACTION FOR CONSIDERATION:** Informational only

**BACKGROUND:** Chandler Asset Management manages Trindel's portfolio of 32.9 million in assets. Chandler Asset Management has been managing our portfolio since 2013.

**FISCAL IMPACT:** N/A

**RECOMMENDATION:** N/A



**PORTFOLIO CHARACTERISTICS**

Average Modified Duration	1.83
Average Coupon	1.79%
Average Purchase YTM	1.73%
Average Market YTM	0.22%
Average S&P/Moody Rating	AA+/Aa1
Average Final Maturity	1.98 yrs
Average Life	1.87 yrs

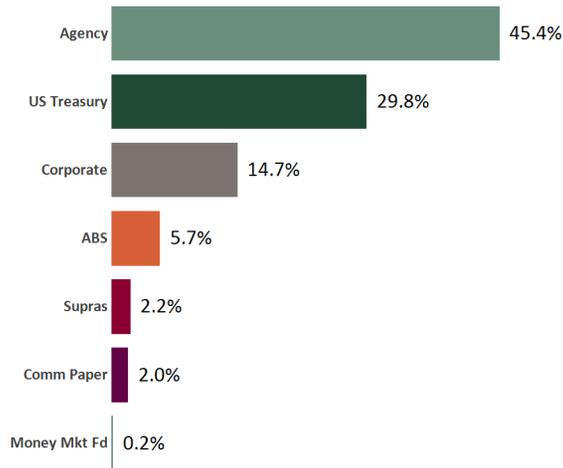
**ACCOUNT SUMMARY**

	Beg. Values as of 10/31/20	End Values as of 11/30/20
Market Value	32,933,462	32,955,653
Accrued Interest	151,991	156,065
<b>Total Market Value</b>	<b>33,085,452</b>	<b>33,111,718</b>
Income Earned	48,503	47,158
Cont/WD		-104
Par	32,060,796	32,093,843
Book Value	32,134,900	32,178,037
Cost Value	32,090,162	32,141,600

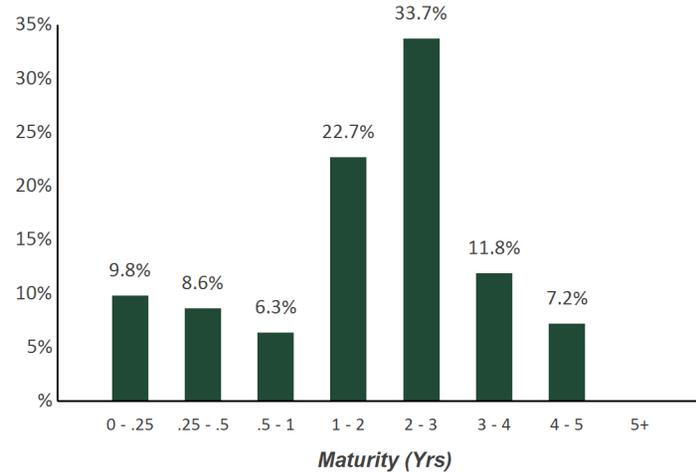
**TOP ISSUERS**

Government of United States	29.8%
Federal Home Loan Bank	16.2%
Federal National Mortgage Assoc	14.2%
Federal Home Loan Mortgage Corp	13.3%
MUFG Bank Ltd/NY	2.0%
Toyota ABS	1.9%
Honda ABS	1.9%
Federal Farm Credit Bank	1.8%
<b>Total</b>	<b>81.0%</b>

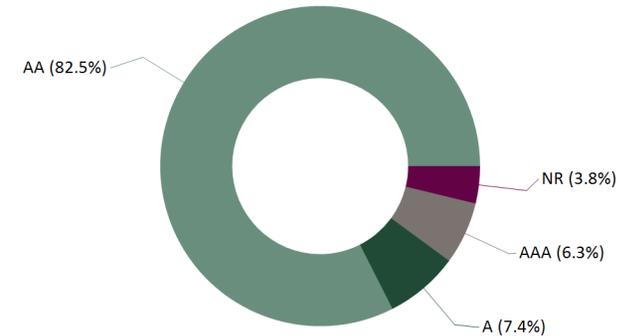
**SECTOR ALLOCATION**



**MATURITY DISTRIBUTION**



**CREDIT QUALITY (S&P)**



**PERFORMANCE REVIEW**

TOTAL RATE OF RETURN	Annualized									
	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	3/31/2014	
Trindel Insurance Fund	0.08%	0.07%	3.15%	3.34%	3.87%	2.91%	2.13%	N/A	1.81%	
ICE BAML 1-3 Yr US Treasury Index	0.05%	0.03%	3.06%	3.27%	3.71%	2.73%	1.87%	N/A	1.57%	

**TRINDEL INSURANCE FUND**  
**BOARD OF DIRECTORS**  
**AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

## **PROGRAMS**

### **V**

- a. Actuarial Reports
- b. Excess Liability Data
- c. Liability Program Options

TRINDEL INSURANCE FUND  
**BOARD OF DIRECTORS**  
**AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

**TRINDEL BOARD MEETING**

January 2021

**PROGRAMS**

AGENDA ITEM V.a.

**SUBJECT:** Actuarial Reports

**ACTION FOR CONSIDERATION:** Acknowledge and approve Actuarial Reports for Workers' Compensation, CW pool, Property, Liability and Med Mal.

**BACKGROUND:** Information is supplied to our actuary typically around September of each year. They are asked to provide estimates for the upcoming funding requirements and liabilities in each program.

This year you will find four reports the first contains the Workers' Comp banking and pooled layers. The second is the Liability, the third Property program, and the fourth is Med Mal.

**FISCAL IMPACT:** N/A

**RECOMMENDATION:** Accept the Actuarial Reports



# Bickmore Actuarial

## Actuarial Review of the Self-Insured Liability Program

*Outstanding Liabilities as of June 30, 2020 and June 30, 2021  
Forecast for Program Years 2020-21 and 2021-22*

*Presented to*

**Trindel Insurance Fund**

December 17, 2020





Thursday, December 17, 2020

Mr. David Nelson  
Executive Director  
Trindel Insurance Fund  
P.O. Box 2069  
Weaverville, CA 96093

Re: Actuarial Review of the Self-Insured Liability Program

Dear Mr. Nelson:

As you requested, we have completed our review of Trindel Insurance Fund's self-insured liability program. Assuming an SIR of \$250,000 per occurrence, we estimate the ultimate cost of claims and expenses for claims incurred during the 2020-21 and 2021-22 program years to be \$2,528,000 and \$2,674,000, respectively. These amounts include allocated loss adjustment expenses (ALAE) and unallocated loss adjustment expenses (ULAE), but have not been discounted to reflect investment income. ALAE is the direct cost associated with the defense of individual claims (e.g., legal fees, investigation fees, court charges). ULAE is the cost to administer all claims to final settlement, which may be years into the future (e.g., claims adjusters' salaries, taxes). For budgeting purposes, the expected costs of 2020-21 and 2021-22 claims translate to rates of \$0.92 and \$0.94 per \$100 of payroll, respectively.

In addition, we estimate the program's liability for outstanding claims to be \$3,565,000 and \$4,256,000 as of June 30, 2020 and June 30, 2021, respectively, again including ALAE and ULAE but not reflecting a discount for investment income. Given estimated program assets of \$12,295,000 as of June 30, 2020, the program was funded above the 90% confidence level.

The \$3,565,000 estimate is the minimum liability to be booked by the Fund at June 30, 2020 for its liability program, in accordance with Governmental Accounting Standards Board (GASB) Statement #10. GASB #10 requires the Fund to accrue a liability on its financial statements for the ultimate cost of claims and expenses associated with all reported and unreported claims, including ALAE and ULAE. GASB #10 does not prohibit the discounting of losses to recognize investment income.

Our conclusions regarding the Fund's liability for unpaid loss and loss adjustment expenses (LAE) at June 30, 2020 are summarized in the table below.

Trindel Insurance Fund  
Self-Insured Liability Program  
Estimated Liability for Unpaid Loss and LAE  
at June 30, 2020

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$3,395,000	\$3,779,000	\$3,945,000	\$4,139,000	\$4,383,000	\$4,705,000
ULAE	170,000	189,000	198,000	207,000	219,000	236,000
Investment Income Offset	0	0	0	0	0	0
Undiscounted Loss and LAE	\$3,565,000	\$3,968,000	\$4,143,000	\$4,346,000	\$4,602,000	\$4,941,000
Assets	12,295,000	12,295,000	12,295,000	12,295,000	12,295,000	12,295,000
Surplus or (Deficit)	\$8,730,000	\$8,327,000	\$8,152,000	\$7,949,000	\$7,693,000	\$7,354,000

Our conclusions regarding the Fund's liability for unpaid loss and loss adjustment expenses (LAE) at June 30, 2021 are summarized in the table below.

Trindel Insurance Fund  
Self-Insured Liability Program  
Estimated Liability for Unpaid Loss and LAE  
at June 30, 2021

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$4,009,000	\$4,462,000	\$4,658,000	\$4,887,000	\$5,176,000	\$5,556,000
ULAE	247,000	275,000	287,000	301,000	318,000	343,000
Investment Income Offset	0	0	0	0	0	0
Undiscounted Loss and LAE	\$4,256,000	\$4,737,000	\$4,945,000	\$5,188,000	\$5,494,000	\$5,899,000
Assets	12,501,000	12,501,000	12,501,000	12,501,000	12,501,000	12,501,000
Surplus or (Deficit)	\$8,245,000	\$7,764,000	\$7,556,000	\$7,313,000	\$7,007,000	\$6,602,000

GASB #10 does not address an actual asset requirement for the program, but only speaks to the liability to be recorded on the Fund's financial statements.

Because actuarial estimates of claims costs are subject to some uncertainty, we recommend that an amount in addition to the undiscounted expected loss costs be set aside as a risk margin for contingencies. Generally, the amount should be sufficient to fund assets to the 75% to 85% confidence level for primary programs. We consider funding assets to the 70% confidence level to be marginally acceptable and funding assets to the 90% confidence level to be conservative.

Furthermore, the Public Risk Innovation, Solutions, and Management standard states that based upon the actuarial recommendations, the member should maintain assets and make funding contributions equal to or exceeding the present value of expected losses and a reasonable margin for contingencies.

The table below shows our funding recommendations for Trindel Insurance Fund for the 2020-21 fiscal year.

Trindel Insurance Fund Self-Insured Liability Program Loss and LAE Funding Guidelines for 2020-21 Self-Insured Retention (SIR) of \$250,000						
	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$2,308,000	\$2,689,000	\$2,869,000	\$3,081,000	\$3,347,000	\$3,702,000
ULAE	220,000	256,000	273,000	294,000	319,000	353,000
Investment Income Offset	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Undiscounted Loss and LAE	\$2,528,000	\$2,945,000	\$3,142,000	\$3,375,000	\$3,666,000	\$4,055,000
Non-Claims Related Expenses	4,905,000	4,905,000	4,905,000	4,905,000	4,905,000	4,905,000
Indicated Funding	\$7,433,000	\$7,850,000	\$8,047,000	\$8,280,000	\$8,571,000	\$8,960,000
Rate per \$100 of 2020-21 Payroll	\$2.71	\$2.86	\$2.93	\$3.01	\$3.12	\$3.26

The funding recommendations shown in the table above do not include any recognition of the existing funding margin (surplus or deficit) at June 30, 2020.

The non-claims related expenses shown above include the following expenses:

- Excess Insurance: \$4,575,000
- General Administrative Costs: \$330,000

The table below shows our funding recommendations for Trindel Insurance Fund for the 2021-22 fiscal year.

Trindel Insurance Fund  
Self-Insured Liability Program  
Loss and LAE Funding Guidelines for 2021-22  
Self-Insured Retention (SIR) of \$250,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$2,435,000	\$2,837,000	\$3,027,000	\$3,251,000	\$3,531,000	\$3,906,000
ULAE	239,000	278,000	297,000	319,000	346,000	383,000
Investment Income Offset	0	0	0	0	0	0
Undiscounted Loss and LAE	\$2,674,000	\$3,115,000	\$3,324,000	\$3,570,000	\$3,877,000	\$4,289,000
Non-Claims Related Expenses	4,905,000	4,905,000	4,905,000	4,905,000	4,905,000	4,905,000
Indicated Funding	\$7,579,000	\$8,020,000	\$8,229,000	\$8,475,000	\$8,782,000	\$9,194,000
Rate per \$100 of 2021-22 Payroll	\$2.662	\$2.817	\$2.890	\$2.976	\$3.084	\$3.229

The funding recommendations shown in the table above do not include any recognition of the existing funding margin (surplus or deficit) at June 30, 2021.

The non-claims related expenses shown above include the following expenses:

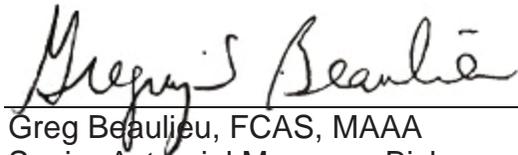
- Excess Insurance: \$4,575,000
- General Administrative Costs: \$330,000

The report that follows outlines the scope of our study, its background, and our conclusions, recommendations, and assumptions. Judgments regarding the appropriateness of our conclusions and recommendations should be made only after studying the report in its entirety, including the graphs, attachments, exhibits and appendices. Our report has been developed for the Fund's internal use. It is not intended for general circulation.

We appreciate the opportunity to be of service to Trindel Insurance Fund in preparing this report. Please feel free to call Greg Beaulieu at (916) 290-4632 or Mike Harrington at (916) 244-1162 with any questions you may have concerning this report.

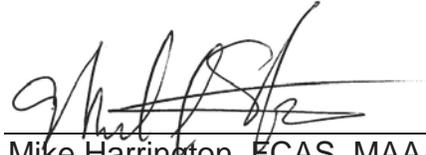
Sincerely,

Bickmore Actuarial



---

Greg Beaulieu, FCAS, MAAA  
Senior Actuarial Manager, Bickmore Actuarial  
Fellow, Casualty Actuarial Society  
Member, American Academy of Actuaries



---

Mike Harrington, FCAS, MAAA  
President and Principal, Bickmore Actuarial  
Fellow, Casualty Actuarial Society  
Member, American Academy of Actuaries



---

Mary Ann Case, PSM  
Senior Actuarial Analyst, Bickmore Actuarial

## TABLE OF CONTENTS

I. BACKGROUND	7
II. CONCLUSIONS AND RECOMMENDATIONS	8
A. LIABILITY FOR OUTSTANDING CLAIMS	8
B. PROGRAM FUNDING: GOALS AND OBJECTIVES	13
C. HISTORICAL TRENDS IN THE SELF-INSURANCE PROGRAM	15
D. COMPARISON WITH PREVIOUS RESULTS	18
E. DATA PROVIDED FOR THE ANALYSIS	23
III. ASSUMPTIONS AND LIMITATIONS	24
IV. GLOSSARY OF ACTUARIAL TERMS	26
V. EXHIBITS	30
VI. APPENDICES	39

## **I. BACKGROUND**

Trindel Insurance Fund began its self-insured liability program on July 1, 1983. There are currently 11 members of the program, including Sutter County which joined on July 1, 2014. Its current self-insured retention is \$250,000.

We have included all of Sutter County's general liability history in our analysis as it is our understanding that Trindel has assumed the liability for Sutter's tail claims.

Excess coverage is provided by the Public Risk Innovation, Solutions, and Management. Claims are administered in-house. Additional background on the program is shown in Appendix K.

The purpose of this review is to provide a guide to the Fund to determine reasonable funding levels for its self-insurance program according to the funding policy the Fund has adopted and to comply with Governmental Accounting Standards Board Statements #10 and #30. The specific objectives of the study are to estimate the Fund's liability for outstanding claims as of June 30, 2020 and June 30, 2021, project ultimate loss costs for 2020-21 and 2021-22, and provide funding guidelines to meet these liabilities and future costs.

## **II. CONCLUSIONS AND RECOMMENDATIONS**

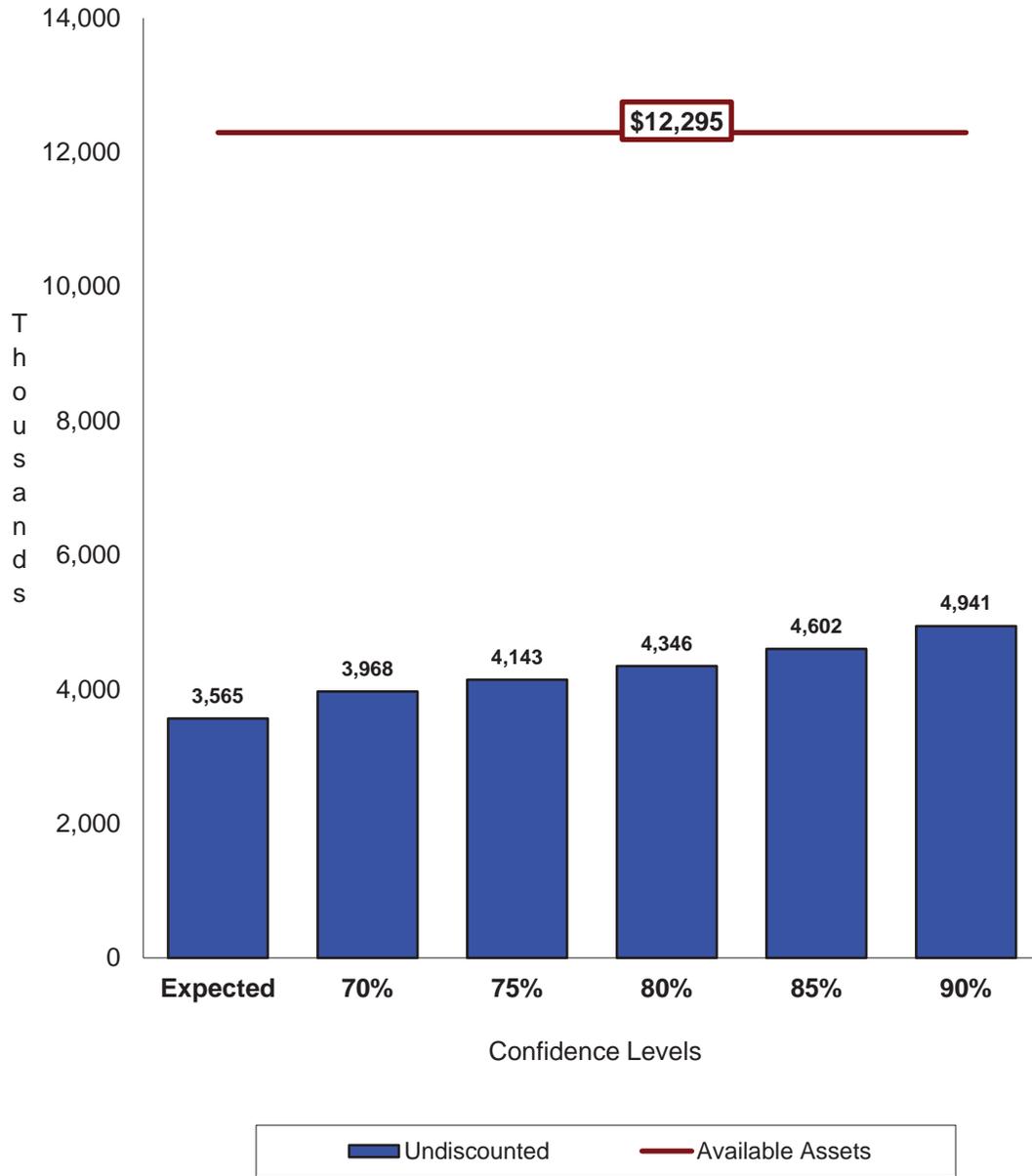
### **A. LIABILITY FOR OUTSTANDING CLAIMS**

Graphs 1a and 1b on the following pages summarize our assessment of the Fund's funding position as of June 30, 2020 and June 30, 2021. The dark-colored bars indicate our estimates of the program's liability for outstanding claims before recognition of the investment income that can be earned on the assets held before the claim payments come due. The horizontal line across each graph indicates the Fund's available assets at June 30<sup>th</sup> of each year.

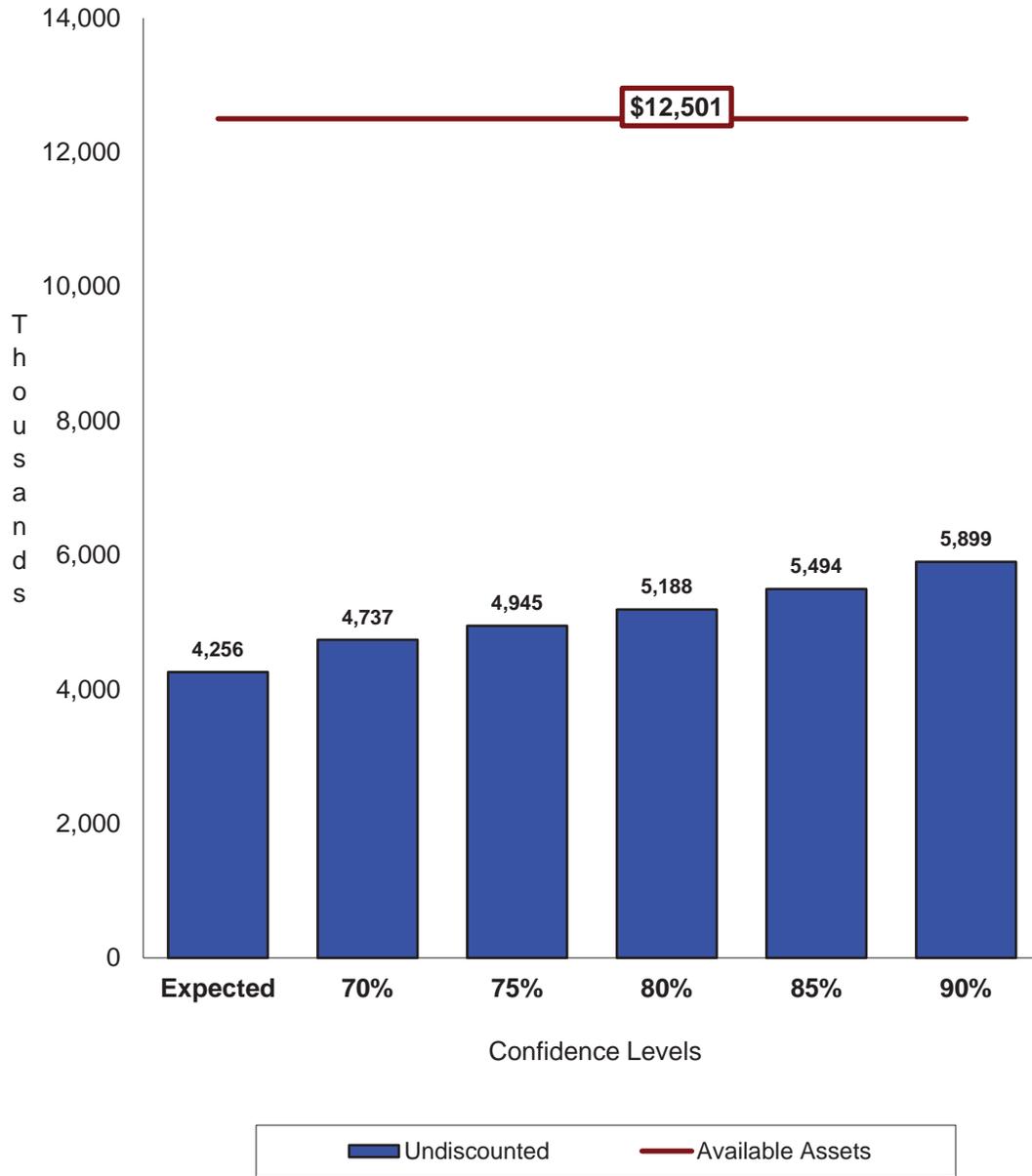
Our best estimate of the full value of the Fund's liability for outstanding claims within its self-insured retention (SIR) is \$3,565,000 as of June 30, 2020, and \$4,256,000 as of June 30, 2021. These amounts include losses, allocated loss adjustment expenses (ALAE), and unallocated loss adjustment expenses (ULAE). ALAE is the direct cost associated with the defense of individual claims (e.g., legal fees, investigation fees, court charges). ULAE is the cost to administer claims to final settlement, which may be years in the future (e.g., claims adjusters' salaries, taxes).

There is some measure of uncertainty associated with our best estimate because of the random nature of much of the process that determines ultimate claims costs. For this reason, we generally recommend that a program such as this include some funding margin for the possibility that actual loss costs will be greater than the best estimate. We generally measure the amount of this margin by thinking in terms of the probability distribution of actual possible results around our best estimate. As the margin grows, the probability that the corresponding funding amount will be sufficient to meet actual claim liabilities increases. We typically refer to this probability as the "confidence level" of funding. Graphs 1a and 1b show the liabilities for outstanding claims at several confidence levels that are typically of interest to risk managers in formulating funding policies for self-insurance programs.

Trindel Insurance Fund  
Liability  
Available Assets vs Outstanding Liability (\$000's)  
at June 30, 2020



Trindel Insurance Fund  
Liability  
Available Assets vs Outstanding Liability (\$000's)  
at June 30, 2021



The table below displays a breakdown of the program's outstanding loss and LAE liabilities into case reserves and incurred but not reported (IBNR) reserves at June 30, 2020, before recognition of investment income.

Trindel Insurance Fund  
Self-Insured Liability Program  
Estimated Liability for Unpaid Loss and LAE at June 30, 2020

Year	Case Reserves	IBNR Reserves	Total Outstanding
Prior	\$0	\$380	\$380
2014-15	73,212	6,540	79,752
2015-16	171,312	13,824	185,136
2016-17	118,418	20,711	139,130
2017-18	363,329	22,579	385,909
2018-19	481,253	227,087	708,340
2019-20	<u>603,353</u>	<u>1,293,305</u>	<u>1,896,658</u>
Loss and ALAE	\$1,810,877	\$1,584,427	\$3,395,304
ULAE		<u>170,445</u>	<u>170,445</u>
Total	\$1,810,877	\$1,754,872	\$3,565,749

The table below displays a breakdown of the program's outstanding loss and LAE liabilities into case reserves and incurred but not reported (IBNR) reserves at June 30, 2021, before recognition of investment income.

Trindel Insurance Fund  
Self-Insured Liability Program  
Estimated Liability for Unpaid Loss and LAE at June 30, 2021

Year	Case Reserves	IBNR Reserves	Total Outstanding
Prior	\$0	\$0	\$0
2014-15	21,662	3,540	25,202
2015-16	92,335	7,824	100,159
2016-17	55,018	13,711	68,730
2017-18	144,784	9,579	154,364
2018-19	243,208	79,087	322,295
2019-20	968,140	198,305	1,166,445
2020-21	<u>715,828</u>	<u>1,456,000</u>	<u>2,171,828</u>
Loss and ALAE	\$2,240,975	\$1,768,047	\$4,009,022
ULAE		<u>247,406</u>	<u>247,406</u>
Total	\$2,240,975	\$2,015,453	\$4,256,428

## **B. PROGRAM FUNDING: GOALS AND OBJECTIVES**

As self-insurance programs have proliferated among public entities, it has become apparent that there is a large measure of inconsistency in the way in which these programs recognize and account for their claims costs. This is the result of the fact that there have been several different sources of guidance available, none of which has been completely relevant to public entity self-insurance programs.

According to the Governmental Accounting Standards Board (GASB), the most relevant source of guidance on the subject is Financial Accounting Standards Board Statement #60. A liability for unpaid claim costs, including all loss adjustment expenses, should be accrued at the time the self-insured events occur. This liability should include an allowance for incurred but not reported claims. It may be discounted for investment income at an appropriate rate of return, provided the discounting is disclosed. The regulations detailing the way in which this must be done are outlined in GASB's statements #10 and #30. These regulations are required to be applied by the Fund.

GASB #10 and #30 do not address funding requirements. They do, however, allow a range of funded amounts to be recognized for accounting purposes; specifically, GASB #10 and #30 which allow recognition of a funding margin for unexpectedly adverse loss experience. Thus, for accounting purposes, it is possible to formulate a funding policy from a range of alternatives. The uncertainty in any estimate of the program's liability for outstanding claims should be taken into consideration in determining funding policy, but it may be offset by recognizing anticipated investment income earnings. This usually means developing a funding program based on discounted claims costs with some margin for unexpected adverse loss experience.

The amount of the margin should be a question of long-term funding policy. We recommend that the margin be determined by thinking in terms of the probability that a given level of funding will prove to be adequate. For example, a reasonable goal might be to maintain a fund at the 85% confidence level.

A key factor to consider in determining funding policy is the degree to which stability is required in the level of contributions to the program from year to year. If you elect to fund at a low confidence level, the chances are much greater that future events will prove that additional contributions should have been made for current claims. The additional contributions for years by that time long past may be required at the same time that costs are increasing dramatically on then-current claims. The burden of funding increases on past years as well as on current years, may well be prohibitive.

We generally recommend maintaining program funding at the 80% confidence level, after recognition of investment income, with a recommended range of the 75% to 85% confidence levels. We tend to think of the 70% confidence level as marginally acceptable and of the 90% confidence level as conservative. We recommend the 75% to 85% confidence level range because the probabilities are reasonably high that resulting funding will be sufficient to meet claim liabilities, yet the required margins are not so large that they will cause most self-insured entities to experience undue financial hardship. In addition, within this range, anticipated investment income generally offsets the required margin for the most part, which means that it is also reasonable to think of the liabilities as being stated on a discounted basis.

We also strongly believe, however, that the confidence level to which any future year is funded should be evaluated in light of the relative certainty of the assumptions underlying the actuarial analysis, the Fund's other budgetary constraints, and the relative level of risk it is believed appropriate to assume. This means formulating both short and long-term funding goals, which may be the same in some years, but different in others.

In general, we recommend that you fund each year's claims costs in that year. When surpluses or deficiencies have developed on outstanding liabilities and funding adjustments are necessary, they should be clearly identified as such so that the habit of funding each year's claims costs that year is maintained. We also recommend that you reduce surplus funding more slowly than you would accumulate funding to make up a deficiency.

It is estimated that program assets were \$12,295,000 at June 30, 2020, and will be \$12,501,000 at June 30, 2021, resulting in the program being funded above the 90% confidence level.

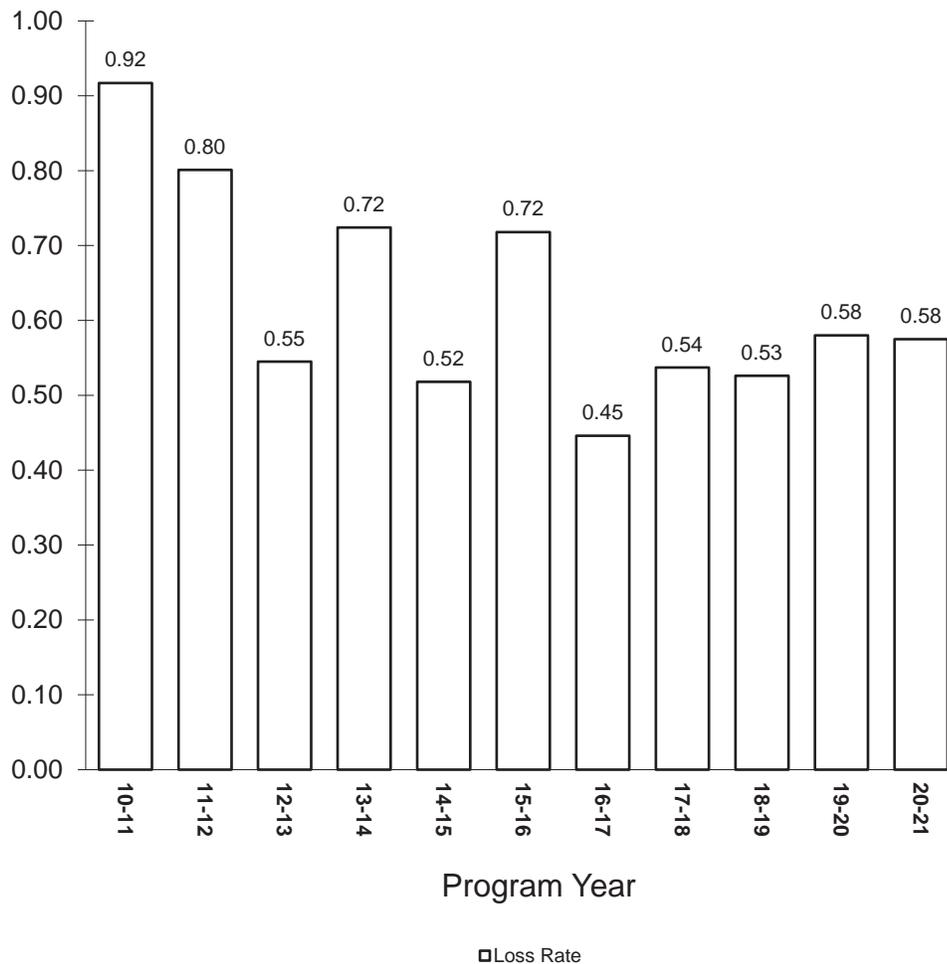
### C. HISTORICAL TRENDS IN THE SELF-INSURANCE PROGRAM

#### Loss Rate

The program's average dollars of loss (limited to \$100,000 per claim) per \$100 of payroll, or loss rate, has been generally decreasing. However, since a low of \$0.45 per \$100 of payroll for 2016-17, the loss rate has been generally increasing. Our projected loss rate for 2020-21 is \$0.58 per \$100 of payroll. See Graph 2 below.

Graph 2

Trindel Insurance Fund  
Liability  
Ultimate Dollars of Loss & ALAE  
per \$100 of Payroll  
(Loss & ALAE Limited to \$100,000 per Occurrence)

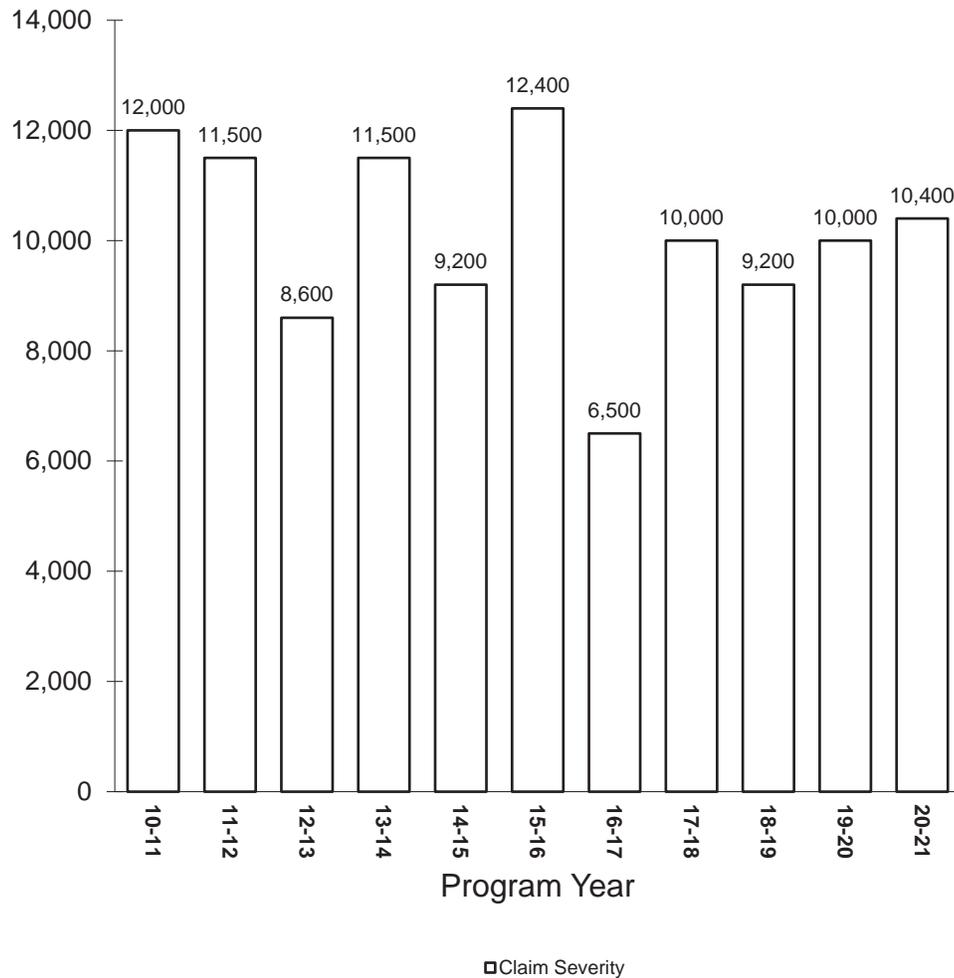


Severity

The program's average dollars of loss (limited to \$100,000) per claim, or severity, has varied over the period shown below but has remained relatively stable, showing neither a strong increase nor decrease over time. Our projection of claim severity for 2020-21 is \$10,400. See Graph 3 below.

Graph 3

Trindel Insurance Fund  
Liability  
Ultimate Dollars of Loss & ALAE  
per Claim  
(Loss & ALAE Limited to \$100,000 per Occurrence)

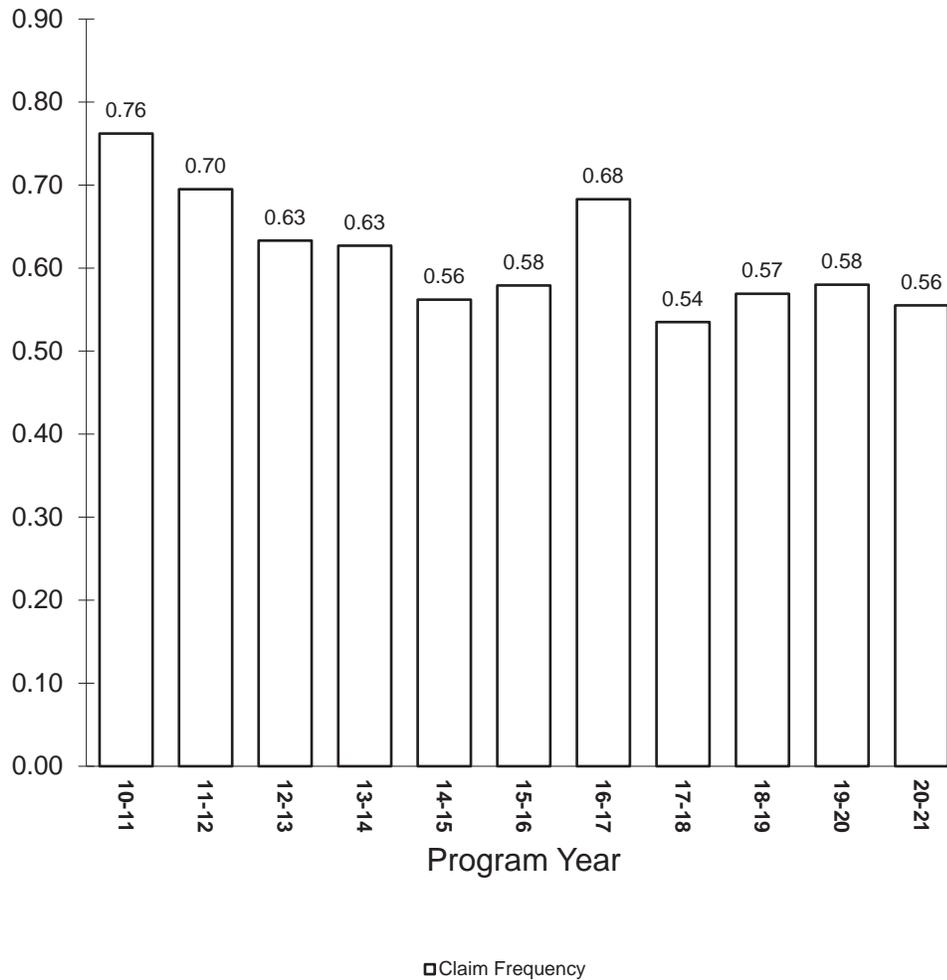


Frequency

The program's number of claims per \$1 million of payroll, or claim frequency, has generally decreased over the period shown below. The projected claim frequency for 2020-21 of 0.56 claims per \$1 million of payroll reflects this decreasing trend. See Graph 4 below.

Graph 4

Trindel Insurance Fund  
Liability  
Number of Claims per  
\$1 Million of Payroll



## D. COMPARISON WITH PREVIOUS RESULTS

The prior report for Trindel Insurance Fund was dated December 19, 2019. In the table below we display actual versus expected development of incurred losses and ALAE by accident year between the June 30, 2019 evaluation date of the prior report and the June 30, 2020 evaluation date of the current report.

### Actual Versus Expected Incurred Loss and ALAE Development

Accident Year	Expected Incurred Development	Actual Incurred Development	Actual Minus Expected
Prior	\$0	\$50,000	\$50,000
2006-07	0	0	0
2007-08	0	3,000	3,000
2008-09	0	15,000	15,000
2009-10	0	31,000	31,000
2010-11	0	0	0
2011-12	0	0	0
2012-13	0	0	0
2013-14	0	0	0
2014-15	9,000	(11,000)	(20,000)
2015-16	7,000	12,000	5,000
2016-17	25,000	(208,000)	(233,000)
2017-18	94,000	(78,000)	(172,000)
2018-19	783,000	417,000	(366,000)
2019-20	<u>1,099,000</u>	<u>778,000</u>	<u>(321,000)</u>
Total	\$2,017,000	\$1,009,000	(\$1,008,000)

As shown, actual incurred development was less than anticipated since the prior report.

Based on the assumptions from the prior report, it was expected that incurred losses through accident year 2019-20 would increase by \$2,017,000 between the two evaluation dates. However, actual development was approximately \$1,009,000; or about \$1,008,000 less than expected.

In the table below we display actual versus expected development of paid losses and ALAE by accident year between the June 30, 2019 evaluation date of the prior report and the June 30, 2020 evaluation date of the current report.

### Actual Versus Expected Paid Loss and ALAE Development

Accident Year	Expected Paid Development	Actual Paid Development	Actual Minus Expected
Prior	\$0	\$17,000	\$17,000
2006-07	0	0	0
2007-08	0	3,000	3,000
2008-09	0	15,000	15,000
2009-10	0	31,000	31,000
2010-11	0	0	0
2011-12	0	0	0
2012-13	0	0	0
2013-14	0	0	0
2014-15	66,000	36,000	(30,000)
2015-16	134,000	84,000	(50,000)
2016-17	303,000	134,000	(169,000)
2017-18	451,000	242,000	(209,000)
2018-19	487,000	307,000	(180,000)
2019-20	<u>199,000</u>	<u>174,000</u>	<u>(25,000)</u>
Total	\$1,640,000	\$1,043,000	(\$597,000)

As shown, actual paid development was less than anticipated since the prior report.

Based on the assumptions from the prior report, it was expected that paid losses through accident year 2019-20 would increase by \$1,640,000 between the two evaluation dates. However, actual development was approximately \$1,043,000; or about \$597,000 less than expected.

In the table below we display the change in our estimates of the program's ultimate losses and ALAE by accident year since our prior report.

### Change in Ultimate Loss and ALAE

Accident Year	Prior Report	Current Report	Change In Ultimate
Prior*	NA	NA	\$50,000
2006-07	1,821,000	1,821,000	0
2007-08	1,531,000	1,534,000	3,000
2008-09	1,570,000	1,585,000	15,000
2009-10	850,000	882,000	32,000
2010-11	1,746,000	1,746,000	0
2011-12	1,486,000	1,486,000	0
2012-13	1,033,000	1,033,000	0
2013-14	1,327,000	1,327,000	0
2014-15	996,000	968,000	(28,000)
2015-16	1,421,000	1,426,000	5,000
2016-17	1,205,000	973,000	(232,000)
2017-18	1,443,000	1,244,000	(199,000)
2018-19	1,558,000	1,247,000	(311,000)
2019-20	2,374,000	2,071,000	(303,000)
Total	\$20,361,000	\$19,343,000	(\$1,018,000)

As shown, overall, we have decreased our estimated ultimate losses by \$1,018,000 since our prior report. The changes in our estimates of ultimate losses are in line with the actual minus expected for both the incurred and paid development shown on the first two pages of this section.

\*Due to a change in the treatment of loss data for 2005-06 and prior, the comparison of the ultimate for the prior accident year is due to a 1991-92 claim that was reported during the 2019-20 fiscal year. Section E provides an explanation of the change in loss data for 2005-06 and prior.

At the time of the prior report, we estimated the liability for outstanding claims as of June 30, 2019 to be \$3,231,000 at the undiscounted, expected level. Our current estimate as of June 30, 2020 is \$3,565,000, an increase in our assessment of the Fund's outstanding liabilities, as shown below:

**Outstanding Claim Liabilities for Loss and LAE**

	Prior Report at June 30, 2019	Current Report at June 30, 2020	Change
(A) Case Reserves:	\$1,879,000	\$1,811,000	(\$68,000)
(B) IBNR Reserves:	1,187,000	1,584,000	397,000
(C) Claims Administration Reserves:	165,000	170,000	5,000
(D) Total Reserves:	\$3,231,000	\$3,565,000	\$334,000

As shown, our estimate of outstanding claims liabilities at the undiscounted, expected level has increased between June 30, 2019 and June 30, 2020, as reflected in our prior and current reports, respectively.

The increase in claim reserves (case and IBNR) is driven primarily by an increase in IBNR reserves. This increase, in turn, is driven by the increase in the Fund's SIR from \$100,000 to \$250,000 on July 1, 2019. Reserves for future claims administration expenses have increased slightly. The net change due to the above factors is an overall increase of \$334,000 in our estimate of outstanding claim liabilities for loss and LAE.

At the time of the prior report, our funding estimate for the 2020-21 year was \$2,642,000 at the undiscounted, expected level. That amount included allocated loss adjustment expenses (ALAE) and unallocated loss adjustment expenses (ULAE). Our current estimate for the 2021-22 year is \$2,674,000 at the undiscounted, expected level, an increase in the program's expected loss costs, as shown in the table below:

**Comparison of Funding for Loss and LAE**

	Prior Report 2020-21 SIR = \$250,000	Current Report 2021-22 SIR = \$250,000	Change
(A) Ultimate Loss and ALAE:	\$2,473,000	\$2,435,000	(\$38,000)
(B) Ultimate Claims Administration (ULAE):	169,000	239,000	70,000
(C) Total Claim Costs:	\$2,642,000	\$2,674,000	\$32,000
(D) Offset for Investment Income:	0	0	0
(E) Total Recommended Funding:	\$2,642,000	\$2,674,000	\$32,000
(F) Funding per \$100 of Payroll:	\$0.962	\$0.939	(\$0.023)

As you can see, our funding recommendations at the undiscounted, expected level have increased between 2020-21 and 2021-22, as shown in our prior and current reports, respectively. Claims administration costs are expected to be slightly higher, resulting in an increase in total claim costs of \$32,000.

The rate per \$100 of payroll, however, has actually slightly for 2021-22 compared to our prior report.

## E. DATA PROVIDED FOR THE ANALYSIS

Overall, the data utilized in preparing this report appears to be accurate.

Comments and issues regarding the data are as follows:

- We have assumed that the program's self-insured retention has increased to \$250,000 effective 7/1/2019 and will remain at \$250,000 per occurrence for 2020-21 and 2021-22 (See Appendix K).
- We estimated the June 30, 2021 asset balance by beginning with the June 30, 2020 asset balance, and adjusting for anticipated revenue and expense for 2020-21 (See Appendix L).
- We received loss data evaluated as of June 30, 2020 (See Appendix M). We also utilized the data from the Fund's most recent actuarial study for our assessment of loss development.
  - Claims were combined on an occurrence basis.
  - Sutter County claims are now included in this loss run.
  - Plumas loss runs are closed.
- We received payroll information from the Fund for each County member. We have assumed that the Fund's payroll for 2021-22 will be approximately \$284.7 million (See Appendix N).
- The loss run provided for this report differs from loss runs provided for previous reports in two respects.
  - One source of the difference relates to recoveries. For program years 2005-06 and prior, the previous loss runs did not separate subrogation recoveries from excess recoveries. Thus, losses were shown gross of recoveries in the prior report. The current loss run, however, does separate subrogation from excess recoveries. Thus, the current report shows losses net of subrogation recoveries for all years.
  - The other source of the difference is the reclassification of claims from liability to property. Both of these changes only impact closed claims from older accident years. Thus, the changes in the data have no impact on our estimate of outstanding liabilities or future funding amounts.

The data provided for the analysis appears to be reasonable for use in this actuarial valuation of liabilities and projection of loss costs.

### **III. ASSUMPTIONS AND LIMITATIONS**

Any quantitative analysis is developed within a very specific framework of assumptions about conditions in the outside world, and actuarial analysis is no exception. We believe that it is important to review the assumptions we have made in developing the estimates presented in this report. By doing so, we hope you will gain additional perspective on the nature of the uncertainties involved in maintaining a self-insurance program. Our assumptions, and some observations about them, are as follows:

- Our analysis is based on loss experience, exposure data, and other general and specific information provided to us by the Fund. We have accepted all of this information without audit.
- We have also made use of loss statistics that have been developed from the information gathered and compiled from other California counties participating in the Public Risk Innovation, Solutions, and Management's liability program.
- We have assumed that the future development of incurred and paid losses can be reasonably predicted on the basis of development of such losses in the recent past. We have also assumed that the historical development patterns for the participants of the Public Risk Innovation, Solutions, and Management's liability program in the aggregate form a reasonable basis of comparison to the patterns from Trindel Insurance Fund's data.
- We have made use of cost relationships for claims of various sizes derived from the most recent actuarial review of the Public Risk Innovation, Solutions, and Management's liability program.
- We have assumed that there is a continuing relationship between past and future loss costs.
- It is not possible to predict future claim costs precisely. Most of the cost of liability claims arises from a small number of incidents involving serious injury. A relatively small number of such claims could generate enough loss dollars to significantly reduce, or even deplete, the self-insurance fund.
- We cannot predict and have not attempted to predict the impact of future law changes and court rulings on claims costs. This is one major reason why we believe our funding recommendations are reasonable now, but should not be extrapolated into the future.
- We have assumed that the loss rate trend associated with claim costs increases at 1.0% per year. We have assumed that claim severity increases at 1.0% per year, and that the claim frequency will remain flat.
- We have assumed that payroll and other inflation-sensitive exposure measures increase 2.5% annually due to inflation.

- At the Fund's instruction, we have assumed that assets held for investment will not generate any return over the duration of payment of the loss liabilities. It should be noted that actual future investment returns may vary significantly from this assumption, depending upon the prevailing investment market conditions.
- The claims costs we have estimated include indemnity and medical payments, and all loss adjustment expenses. We have included estimates for excess insurance contributions to PRISM and other expenses associated with the program based upon information provided by the Fund.
- Our funding recommendations do not include provisions for catastrophic events not in the Fund's history, such as earthquakes, flooding, mass civil disorder, or mass occupational disease.
- Our estimates assume that all excess insurance is valid and collectible. Further, our funding recommendations do not include a provision for losses greater than the Fund's excess coverage.
- The Fund's assets available for the program are estimated to be \$12,295,000 as of June 30, 2020, and \$12,501,000 as of June 30, 2021 for use in this report. This is shown in further detail in Appendix L.

#### **IV. GLOSSARY OF ACTUARIAL TERMS**

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

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

**Benefit Level Factor** - Factor used to adjust historical losses to the current level of liability benefits.

**Case Reserve** - The amount left to be paid on a claim, as estimated by the claims administrator.

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

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

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

**Discount Factor** - A factor to adjust estimated loss costs to reflect anticipated investment income from assets held prior to actual claim payout.

**Expected Losses** - The best estimate of the full, ultimate value of loss costs.

**Incurred but not Reported (IBNR) Losses** - Losses for which the accident has occurred, but the claim has not yet been reported. This is the ultimate value of losses less any amount that has been set up as reported losses by the claims adjuster. It includes both amounts for claims incurred but not yet received by the administrator and loss development on already reported claims.

**Loss Development Factor** - A factor applied to losses for a particular accident period to reflect the fact that reported and paid losses do not reflect final values until all claims are settled (see Section IV).

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

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

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

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

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

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

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

**Severity** - Average claim cost.

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

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

Trindel Insurance Fund - Liability

Funding Guidelines Allocated by Member

Funding Guidelines for Fiscal Year 2020-2021  
(Without recognition of surplus funding or other expenses)

County	2020-2021 Estimated Payroll	Expected	Marginally Acceptable 70%	Recommended 75%	85%	Conservative 90%	% of Payroll
Alpine	\$5,740,486	\$53,000	\$62,000	\$66,000	\$77,000	\$85,000	2%
Colusa	24,935,709	229,000	267,000	285,000	333,000	368,000	9%
Del Norte	25,517,005	235,000	273,000	292,000	340,000	377,000	9%
Lassen	25,087,928	231,000	269,000	287,000	335,000	370,000	9%
Modoc	12,401,983	114,000	133,000	142,000	165,000	183,000	5%
Mono	23,247,498	214,000	249,000	266,000	310,000	343,000	8%
Plumas	23,700,000	218,000	254,000	271,000	316,000	350,000	9%
San Benito	37,409,916	344,000	401,000	428,000	499,000	552,000	14%
Sierra	8,856,333	81,000	95,000	101,000	118,000	131,000	3%
Sutter	68,967,531	635,000	739,000	789,000	920,000	1,018,000	25%
Trinity	18,913,338	174,000	203,000	216,000	252,000	279,000	7%
Total	\$274,777,727	\$2,528,000	\$2,945,000	\$3,142,000	\$3,666,000	\$4,055,000	

Note: Funding amounts are allocated to members by proportion of the total 2020-2021 estimated payroll. Provided by the Fund  
The current funding position and non claims related expenses are not considered.  
Amounts may not sum due to rounding.

Trindel Insurance Fund - Liability

Funding Guidelines Allocated by Member

Funding Guidelines for Fiscal Year 2021-2022  
(Without recognition of surplus funding or other expenses)

County	2021-2022 Estimated Payroll	Expected	Marginally	Recommended			Conservative 90%	% of Payroll
			Acceptable 70%	75%	85%	90%		
Alpine	\$5,103,143	\$48,000	\$56,000	\$60,000	\$69,000	\$77,000	2%	
Colusa	26,413,548	248,000	289,000	308,000	360,000	398,000	9%	
Del Norte	25,974,529	244,000	284,000	303,000	354,000	391,000	9%	
Lassen	25,635,593	241,000	280,000	299,000	349,000	386,000	9%	
Modoc	13,967,865	131,000	153,000	163,000	190,000	210,000	5%	
Mono	25,366,538	238,000	278,000	296,000	345,000	382,000	9%	
Plumas	24,000,000	225,000	263,000	280,000	327,000	362,000	8%	
San Benito	40,070,663	376,000	438,000	468,000	546,000	604,000	14%	
Sierra	8,966,901	84,000	98,000	105,000	122,000	135,000	3%	
Sutter	69,131,975	649,000	756,000	807,000	941,000	1,041,000	24%	
Trinity	20,111,783	189,000	220,000	235,000	274,000	303,000	7%	
Total	\$284,742,538	\$2,674,000	\$3,115,000	\$3,324,000	\$3,877,000	\$4,289,000		

Note: Funding amounts are allocated to members by proportion of the total 2021-2022 estimated payroll. Provided by the Fund.  
The current funding position and non claims related expenses are not considered.  
Amounts may not sum due to rounding.

Trindel Insurance Fund - Liability

Funding Guidelines for Outstanding Liabilities at  
June 30, 2020

(A) Estimated Ultimate Losses Incurred through 6/30/20: (From Appendix G)	\$27,385,000
(B) Estimated Paid Losses through 6/30/20: (From Appendix G)	23,990,000
(C) Estimated Liability for Claims Outstanding at 6/30/20: (From Appendix G)	<u>\$3,395,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 6/30/20: (From Appendix F)	170,000
(E) Total Outstanding Liability for Claims at 6/30/20: ((C) + (D))	<u>\$3,565,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.00%.): (Appendix I, Page 1, (G))	1.000
(G) Discounted Outstanding Liability for Claims at 6/30/20: ((E) x (F))	<u>\$3,565,000</u>

	Marginally Acceptable	75%	Recommended 80%	85%	Conservative 90%
Confidence Level of Adequacy:	70%	75%	80%	85%	90%
(H) Confidence Level Factor: (From Appendix J)	1.113	1.162	1.219	1.291	1.386
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	403,000	578,000	781,000	1,037,000	1,376,000
(J) Total Required Assets at 6/30/20: ((G) + (I))	<u>\$3,968,000</u>	<u>\$4,143,000</u>	<u>\$4,346,000</u>	<u>\$4,602,000</u>	<u>\$4,941,000</u>
(K) Estimated Total Assets at 6/30/20: (From Appendix L)	12,295,000	12,295,000	12,295,000	12,295,000	12,295,000
(L) Indicated Funding Redundancy/ (Deficiency): ((K) - (J))	<u>\$8,327,000</u>	<u>\$8,152,000</u>	<u>\$7,949,000</u>	<u>\$7,693,000</u>	<u>\$7,354,000</u>

Trindel Insurance Fund - Liability

Funding Guidelines for Outstanding Liabilities at  
June 30, 2021

(A) Estimated Ultimate Losses Incurred through 6/30/21: (From Appendix G)	\$29,693,000
(B) Estimated Paid Losses through 6/30/21: (From Appendix G)	25,684,000
(C) Estimated Liability for Claims Outstanding at 6/30/21: (From Appendix G)	<u>\$4,009,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 6/30/21: (From Appendix F)	247,000
(E) Total Outstanding Liability for Claims at 6/30/21: ((C) + (D))	<u>\$4,256,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.00%.): (Appendix I, Page 1, (H))	1.000
(G) Discounted Outstanding Liability for Claims at 6/30/21: ((E) x (F))	<u>\$4,256,000</u>

	Marginally Acceptable	75%	Recommended 80%	85%	Conservative 90%
Confidence Level of Adequacy:	70%	75%	80%	85%	90%
(H) Confidence Level Factor: (From Appendix J)	1.113	1.162	1.219	1.291	1.386
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	481,000	689,000	932,000	1,238,000	1,643,000
(J) Total Required Assets at 6/30/21: ((G) + (I))	<u>\$4,737,000</u>	<u>\$4,945,000</u>	<u>\$5,188,000</u>	<u>\$5,494,000</u>	<u>\$5,899,000</u>
(K) Estimated Total Assets at 6/30/21: (From Appendix L)	12,501,000	12,501,000	12,501,000	12,501,000	12,501,000
(L) Indicated Funding Redundancy/ (Deficiency): ((K) - (J))	<u>\$7,764,000</u>	<u>\$7,556,000</u>	<u>\$7,313,000</u>	<u>\$7,007,000</u>	<u>\$6,602,000</u>

Trindel Insurance Fund - Liability

Funding Options for Program Year 2020-2021 (SIR = \$250,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2020-2021: (From Appendix G)	\$2,308,000	\$0.840			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2020-2021: (From Exhibit 5, Page 1, (L))	220,000	0.080			
(C) Total Claims Costs Incurred in Accident Year 2020-2021: ((A) + (B))	<u>\$2,528,000</u>	<u>\$0.920</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.00%.): (Appendix I, Page 2, (G))	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2020-2021: ((C) x (D))	<u>\$2,528,000</u>	<u>\$0.920</u>			
	Marginally Acceptable	75%	Recommended 80%	85%	Conservative 90%
(F) Confidence Level Factor: (From Appendix J)	1.165	1.243	1.335	1.450	1.604
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	417,000	614,000	847,000	1,138,000	1,527,000
(H) Recommended Funding in 2020-2021 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$2,945,000</u>	<u>\$3,142,000</u>	<u>\$3,375,000</u>	<u>\$3,666,000</u>	<u>\$4,055,000</u>
(I) Budgeted Non Claims Related Expenses: (Provided by the Fund)	4,905,000	4,905,000	4,905,000	4,905,000	4,905,000
(J) Recommended Funding in 2020-2021 for Claims Costs, Other Expenses, and Non Claims Related Expenses: ((H) + (I))	<u>\$7,850,000</u>	<u>\$8,047,000</u>	<u>\$8,280,000</u>	<u>\$8,571,000</u>	<u>\$8,960,000</u>
(K) Rate per \$100 of Payroll: ((J) / \$2,747,777)	\$2.857	\$2.929	\$3.013	\$3.119	\$3.261

Payroll rates are per hundred dollars of 2020-2021 payroll of \$274,777,700.

Trindel Insurance Fund - Liability

Funding Options for Program Year 2021-2022 (SIR = \$250,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2021-2022: (From Appendix G)	\$2,435,000	\$0.855			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2021-2022: (From Exhibit 5, Page 1, (L))	239,000	0.084			
(C) Total Claims Costs Incurred in Accident Year 2021-2022: ((A) + (B))	<u>\$2,674,000</u>	<u>\$0.939</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.00%.): (Appendix I, Page 2, (G))	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2021-2022: ((C) x (D))	<u>\$2,674,000</u>	<u>\$0.939</u>			
	Marginally Acceptable	75%	Recommended	85%	Conservative 90%
(F) Confidence Level Factor: (From Appendix J)	70%	1.165	1.243	1.335	1.450
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	441,000	650,000	896,000	1,203,000	1,615,000
(H) Recommended Funding in 2021-2022 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$3,115,000</u>	<u>\$3,324,000</u>	<u>\$3,570,000</u>	<u>\$3,877,000</u>	<u>\$4,289,000</u>
(I) Budgeted Non Claims Related Expenses: (Amount budgeted for 2020-2021 increased by 0%.)	4,905,000	4,905,000	4,905,000	4,905,000	4,905,000
(J) Recommended Funding in 2021-2022 for Claims Costs, Other Expenses, and Non Claims Related Expenses: ((H) + (I))	<u>\$8,020,000</u>	<u>\$8,229,000</u>	<u>\$8,475,000</u>	<u>\$8,782,000</u>	<u>\$9,194,000</u>
(K) Rate per \$100 of Payroll: ((J) / \$2,847,425)	\$2.817	\$2.890	\$2.976	\$3.084	\$3.229

Payroll rates are per hundred dollars of 2021-2022 payroll of \$284,742,500.

## Trindel Insurance Fund - Liability

## IBNR as of 6/30/21 at Expected Claims Level

Accident Year	Estimated Ultimate (A)	Reported as of 6/30/20 (B)	Estimated IBNR as of 6/30/20 (C)	Estimated Percent of IBNR Reported Between 7/1/20 and 6/30/21 (D)	Estimated IBNR Reported (E)	Estimated IBNR as of 6/30/21 (F)
1999-2000	\$602,000	\$602,000	\$0	100.0%	\$0	\$0
2000-2001	848,000	848,000	0	100.0%	0	0
2001-2002	756,000	756,000	0	100.0%	0	0
2002-2003	1,414,000	1,414,000	0	100.0%	0	0
2003-2004	1,349,000	1,349,000	0	100.0%	0	0
2004-2005	1,299,000	1,299,000	0	100.0%	0	0
2005-2006	1,775,000	1,775,000	0	100.0%	0	0
2006-2007	1,821,000	1,821,000	0	100.0%	0	0
2007-2008	1,534,000	1,534,000	0	100.0%	0	0
2008-2009	1,585,000	1,585,000	0	100.0%	0	0
2009-2010	882,000	882,000	0	100.0%	0	0
2010-2011	1,746,000	1,746,000	0	100.0%	0	0
2011-2012	1,486,000	1,486,000	0	100.0%	0	0
2012-2013	1,033,000	1,033,000	0	100.0%	0	0
2013-2014	1,327,000	1,327,000	0	66.6%	0	0
2014-2015	968,000	961,000	7,000	49.9%	3,000	4,000
2015-2016	1,426,000	1,412,000	14,000	39.8%	6,000	8,000
2016-2017	973,000	952,000	21,000	33.0%	7,000	14,000
2017-2018	1,244,000	1,221,000	23,000	56.3%	13,000	10,000
2018-2019	1,247,000	1,020,000	227,000	65.0%	148,000	79,000
2019-2020	2,071,000	778,000	1,293,000	84.7%	1,095,000	198,000
2020-2021	2,308,000	0	0	36.9%	852,000	1,456,000
Totals	\$29,693,000	\$25,800,000	\$1,584,000		\$2,124,000	\$1,768,000

## Notes:

- (A) From Exhibit 4, Page 1.
- (B) Provided by the Fund. These losses exclude amounts incurred above the Fund's SIR for each year.
- (C) (A) - (B).
- (D) Percentage of incurred but not reported (IBNR) expected to be reported between 7/1/20 and 6/30/21. The percentage is based on the development pattern selected in Appendix A.
- (E) ((A) - (B)) x (D).
- (F) (A) - (B) - (E).

This exhibit shows the calculation of the amount of incurred but not reported losses we expect as of 6/30/21. This amount is dependent on both the strength of the case reserves and the average frequency and severity of the losses incurred.



Trindel Insurance Fund - Liability

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

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Ultimate Limited Losses (F)
1999-2000	\$602,000	\$602,000	\$602,000	\$602,000	\$602,000	\$602,000
2000-2001	848,000	848,000	848,000	848,000	848,000	848,000
2001-2002	756,000	756,000	756,000	756,000	756,000	756,000
2002-2003	1,414,000	1,414,000	1,414,000	1,414,000	1,414,000	1,414,000
2003-2004	1,349,000	1,349,000	1,349,000	1,349,000	1,349,000	1,349,000
2004-2005	1,299,000	1,299,000	1,299,000	1,299,000	1,299,000	1,299,000
2005-2006	1,775,000	1,775,000	1,775,000	1,775,000	1,775,000	1,775,000
2006-2007	1,821,000	1,821,000	1,821,000	1,821,000	1,821,000	1,821,000
2007-2008	1,534,000	1,534,000	1,534,000	1,534,000	1,534,000	1,534,000
2008-2009	1,585,000	1,585,000	1,585,000	1,585,000	1,585,000	1,585,000
2009-2010	882,000	882,000	882,000	882,000	882,000	882,000
2010-2011	1,746,000	1,746,000	1,746,000	1,746,000	1,746,000	1,746,000
2011-2012	1,486,000	1,487,000	1,486,000	1,487,000	1,486,000	1,486,000
2012-2013	1,034,000	1,037,000	1,034,000	1,037,000	1,033,000	1,033,000
2013-2014	1,331,000	1,339,000	1,331,000	1,339,000	1,327,000	1,327,000
2014-2015	967,000	914,000	967,000	915,000	968,000	968,000
2015-2016	1,426,000	1,309,000	1,424,000	1,304,000	1,176,000	1,426,000
2016-2017	967,000	932,000	972,000	973,000	1,539,000	973,000
2017-2018	1,264,000	1,165,000	1,268,000	1,220,000	1,294,000	1,244,000
2018-2019	1,129,000	1,280,000	1,154,000	1,339,000	1,424,000	1,247,000
2019-2020	1,355,000	2,072,000	1,379,000	1,456,000	1,511,000	1,418,000
Totals						\$26,732,000
			Projected Losses for the Year 2020-2021 (G)			\$1,580,000
			Projected Losses for the Year 2021-2022 (H)			\$1,654,000

Notes:

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

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

Trindel Insurance Fund - Liability

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

Accident Year	Ultimate Limited Losses (A)	Trend Factor (B)	Trended Limited Losses (C)	Trended Payroll (\$00) (D)	Trended Limited Loss Rate (E)
1999-2000	\$602,000	1.232	\$742,000	\$1,861,000	0.399
2000-2001	848,000	1.219	1,034,000	2,204,000	0.469
2001-2002	756,000	1.208	913,000	2,312,000	0.395
2002-2003	1,414,000	1.196	1,691,000	2,274,000	0.744
2003-2004	1,349,000	1.184	1,597,000	2,295,000	0.696
2004-2005	1,299,000	1.173	1,524,000	2,316,000	0.658
2005-2006	1,775,000	1.161	2,060,000	2,329,000	0.885
2006-2007	1,821,000	1.150	2,094,000	2,397,000	0.873
2007-2008	1,534,000	1.138	1,745,000	2,555,000	0.683
2008-2009	1,585,000	1.126	1,785,000	2,633,000	0.678
2009-2010	882,000	1.116	984,000	2,604,000	0.378
2010-2011	1,746,000	1.105	1,929,000	2,436,000	0.792
2011-2012	1,486,000	1.094	1,626,000	2,318,000	0.701
2012-2013	1,033,000	1.083	1,119,000	2,309,000	0.485
2013-2014	1,327,000	1.073	1,424,000	2,180,000	0.653
2014-2015	968,000	1.062	1,028,000	2,166,000	0.475
2015-2016	1,426,000	1.051	1,499,000	2,247,000	0.667
2016-2017	973,000	1.041	1,013,000	2,409,000	0.420
2017-2018	1,244,000	1.030	1,281,000	2,494,000	0.514
2018-2019	1,247,000	1.019	1,271,000	2,494,000	0.510
2019-2020	1,418,000	1.010	1,432,000	2,504,000	0.572
Totals	\$26,732,000		\$29,791,000	\$49,337,000	\$0.604
14/15-18/19	5,858,000		6,092,000	11,810,000	0.516
15/16-19/20	6,308,000		6,496,000	12,148,000	0.535
			(F) Selected Limited Rate:		\$0.575
			Prior:		\$0.620
Program Year:		2020-2021	2021-2022		
(G) Factor to SIR:		1.461	1.472		
(H) Trend Factor:		1.000	1.010		
(I) Program Rate:		\$0.840	\$0.855		
(J) Trended Payroll (\$00):		2,748,000	2,847,000		
(K) Projected Program Losses:		2,308,000	2,435,000		
(L) Projected ULAE:		220,000	239,000		
(M) Projected Loss and ULAE:		\$2,528,000	\$2,674,000		

Notes appear on the next page.

Trindel Insurance Fund - Liability

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

Notes:

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

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

Trindel Insurance Fund - Liability

Reported Loss Development

Accident Year (A)	Limited Reported Losses as of 6/30/20 (B)	Reported Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Reported Losses as of 6/30/20 (E)	Reported Loss Development Factor (F)	Ultimate Program Losses (G)
1999-2000	\$601,620	1.000	\$601,620	\$601,620	1.000	\$601,620
2000-2001	848,374	1.000	848,374	848,374	1.000	848,374
2001-2002	756,066	1.000	756,066	756,066	1.000	756,066
2002-2003	1,414,256	1.000	1,414,256	1,414,256	1.000	1,414,256
2003-2004	1,349,001	1.000	1,349,001	1,349,001	1.000	1,349,001
2004-2005	1,298,820	1.000	1,298,820	1,298,820	1.000	1,298,820
2005-2006	1,774,760	1.000	1,774,760	1,774,760	1.000	1,774,760
2006-2007	1,820,710	1.000	1,820,710	1,820,710	1.000	1,820,710
2007-2008	1,533,684	1.000	1,533,684	1,533,684	1.000	1,533,684
2008-2009	1,584,843	1.000	1,584,843	1,584,843	1.000	1,584,843
2009-2010	881,568	1.000	881,568	881,568	1.000	881,568
2010-2011	1,746,117	1.000	1,746,117	1,746,117	1.000	1,746,117
2011-2012	1,485,867	1.000	1,485,867	1,485,867	1.000	1,485,867
2012-2013	1,033,127	1.001	1,034,160	1,033,127	1.001	1,034,160
2013-2014	1,326,709	1.003	1,330,689	1,326,709	1.003	1,330,689
2014-2015	961,460	1.006	967,228	961,460	1.006	967,228
2015-2016	1,412,176	1.010	1,426,298	1,412,176	1.010	1,426,298
2016-2017	952,289	1.015	966,573	952,289	1.015	966,573
2017-2018	1,221,421	1.035	1,264,170	1,221,421	1.035	1,264,170
2018-2019	1,019,913	1.107	1,129,043	1,019,913	1.107	1,129,043
2019-2020	627,695	2.159	1,355,193	777,695	2.707	2,105,220
Totals	\$25,650,474		\$26,569,040	\$25,800,474		\$27,319,067

Notes:

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

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

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

Trindel Insurance Fund - Liability  
Reported Loss Development

Accident Year	Limited Losses Reported as of:									
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
1999-2000	356,893	716,273	888,255	898,112	898,944	899,420	899,613	899,613	886,641	910,928
2000-2001	410,116	495,960	1,002,158	942,275	881,679	921,679	921,679	907,463	907,463	907,464
2001-2002	360,946	688,488	833,125	882,214	861,309	814,886	814,886	797,274	797,274	787,915
2002-2003	755,248	1,272,597	1,564,143	1,599,529	1,700,950	1,667,089	1,663,750	1,663,687	1,653,211	1,653,211
2003-2004	948,768	1,105,171	1,434,291	1,593,669	1,673,665	1,581,353	1,614,162	1,587,066	1,588,566	1,551,390
2004-2005	689,741	1,227,206	1,210,282	1,116,316	1,319,653	1,346,026	1,444,972	1,431,047	1,431,047	1,371,718
2005-2006	886,978	1,710,838	1,288,118	1,732,034	1,830,304	1,871,495	1,839,327	1,803,232	1,609,762	1,778,297
2006-2007	846,246	1,618,609	1,654,705	1,737,879	1,836,360	1,861,891	1,949,391	1,826,906	1,828,409	1,829,780
2007-2008	940,499	1,573,257	1,774,365	1,598,173	1,659,289	1,602,391	1,557,144	1,538,493	1,538,461	1,538,861
2008-2009	872,822	1,579,235	1,718,021	1,743,444	1,761,549	1,626,825	1,574,025	1,574,606	1,570,155	1,570,155
2009-2010	983,784	1,460,223	1,044,596	1,006,540	932,322	860,558	853,496	850,141	850,141	850,141
2010-2011	1,044,062	1,463,549	1,715,582	1,670,640	1,733,447	1,751,568	1,746,117	1,746,117	1,746,117	1,746,117
2011-2012	1,629,027	1,824,100	1,633,142	1,481,803	1,402,483	1,406,707	1,486,232	1,486,232	1,485,867	
2012-2013	738,958	1,344,257	1,335,813	1,111,744	1,067,303	1,033,127	1,033,127	1,033,127		
2013-2014	1,479,394	1,894,792	1,273,605	1,350,336	1,326,709	1,326,709	1,326,709			
2014-2015	812,729	1,010,177	902,089	1,001,553	972,185	961,460				
2015-2016	409,696	1,013,663	1,423,680	1,400,507	1,412,176					
2016-2017	425,113	1,025,429	1,160,484	952,289						
2017-2018	569,963	1,299,135	1,221,421							
2018-2019	603,267	1,019,913								
2019-2020	627,695									

Reported Loss Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
1999-2000	2.007	1.240	1.011	1.001	1.001	1.000	1.000	0.986	1.027	1.000
2000-2001	1.209	2.021	0.940	0.936	1.045	1.000	0.985	1.000	1.000	0.999
2001-2002	1.907	1.210	1.059	0.976	0.946	1.000	0.978	1.000	0.988	1.000
2002-2003	1.685	1.229	1.023	1.063	0.980	0.998	1.000	0.994	1.000	1.000
2003-2004	1.165	1.298	1.111	1.050	0.945	1.021	0.983	1.001	0.977	1.002
2004-2005	1.779	0.986	0.922	1.182	1.020	1.074	0.990	1.000	0.959	1.003
2005-2006	1.929	0.753	1.345	1.057	1.023	0.983	0.980	0.893	1.105	1.016
2006-2007	1.913	1.022	1.050	1.057	1.014	1.047	0.937	1.001	1.001	1.009
2007-2008	1.673	1.128	0.901	1.038	0.966	0.972	0.988	1.000	1.000	0.995
2008-2009	1.809	1.088	1.015	1.010	0.924	0.968	1.000	0.997	1.000	1.000
2009-2010	1.484	0.715	0.964	0.926	0.923	0.992	0.996	1.000	1.000	1.037
2010-2011	1.402	1.172	0.974	1.038	1.010	0.997	1.000	1.000	1.000	
2011-2012	1.120	0.895	0.907	0.946	1.003	1.057	1.000	1.000		
2012-2013	1.819	0.994	0.832	0.960	0.968	1.000	1.000			
2013-2014	1.281	0.672	1.060	0.983	1.000	1.000				
2014-2015	1.243	0.893	1.110	0.971	0.989					
2015-2016	2.474	1.404	0.984	1.008						
2016-2017	2.412	1.132	0.821							
2017-2018	2.279	0.940								
2018-2019	1.691									

Claims along latest diagonal have been reclassified between

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
Average	1.714	1.094	1.002	1.012	0.985	1.007	0.988	0.990	1.005	1.006
Dollar-Weighted Averages										
3-yr	2.092	1.140	0.962	0.989	0.987	1.021	1.000	1.000	1.000	1.006
4-yr	2.170	1.083	0.988	0.982	0.991	1.013	0.999	0.999	1.000	1.007
PRISM Factors	1.648	1.054	0.979	0.978	0.995	1.001	1.001	1.000	1.000	1.000
Prior	1.950	1.070	1.020	1.005	1.004	1.003	1.002	1.001	1.000	1.000
Selected	1.950	1.070	1.020	1.005	1.004	1.003	1.002	1.001	1.000	1.000
Cumulated	2.159	1.107	1.035	1.015	1.010	1.006	1.003	1.001	1.000	1.000

Trindel Insurance Fund - Liability  
Reported Loss Development

Limited Losses Reported as of:

Accident Year	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months	240 Months	252 Months
1999-2000	910,928	910,928	910,928	910,928	899,565	899,565	899,565	899,565	899,565	899,565	601,620
2000-2001	906,939	906,939	906,939	906,664	906,663	906,663	906,663	906,663	906,663	848,374	
2001-2002	787,915	787,915	791,229	791,229	791,229	791,229	791,229	791,229	756,066		
2002-2003	1,653,211	1,571,730	1,511,688	1,511,688	1,511,688	1,511,688	1,511,688	1,414,256			
2003-2004	1,554,147	1,609,460	1,609,300	1,609,300	1,609,300	1,609,300	1,349,001				
2004-2005	1,376,489	1,380,154	1,380,154	1,380,154	1,380,154	1,298,820					
2005-2006	1,806,957	1,806,957	1,806,957	1,806,957	1,774,760						
2006-2007	1,845,508	1,820,710	1,820,710	1,820,710							
2007-2008	1,531,144	1,531,144	1,533,684								
2008-2009	1,570,155	1,584,843									
2009-2010	881,568										
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											

Reported Loss Development Factors:

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-240 Months	240-252 Months	252-Ult. Months
1999-2000	1.000	1.000	1.000	0.988	1.000	1.000	1.000	1.000	1.000	0.669	
2000-2001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.936		
2001-2002	1.000	1.004	1.000	1.000	1.000	1.000	1.000	0.956			
2002-2003	0.951	0.962	1.000	1.000	1.000	1.000	0.936				
2003-2004	1.036	1.000	1.000	1.000	1.000	0.838					
2004-2005	1.003	1.000	1.000	1.000	0.941						
2005-2006	1.000	1.000	1.000	0.982							
2006-2007	0.987	1.000	1.000								
2007-2008	1.000	1.002									
2008-2009	1.009										
2009-2010	Claims along latest diagonal have been reclassified between GL and PR										
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016	GL and PR										
2016-2017											
2017-2018											
2018-2019											

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-240 Months	240-252 Months	252-Ult. Months
Average Dollar-Weighted Averages	0.999	0.996	1.000	0.996	0.990	0.968	0.984	0.985	0.968	0.669	
3-yr	0.998	1.000	1.000	0.993	0.982	0.933	0.970	0.986			
4-yr	0.999	1.000	1.000	0.995	0.985	0.946	0.976				
PRISM Factors	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Prior	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

## Trindel Insurance Fund - Liability

## Paid Loss Development

Accident Year (A)	Limited Paid Losses as of 6/30/20 (B)	Paid Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Paid Losses as of 6/30/20 (E)	Paid Loss Development Factor (F)	Ultimate Program Losses (G)
1999-2000	\$601,620	1.000	\$601,620	\$601,620	1.000	\$601,620
2000-2001	848,374	1.000	848,374	848,374	1.000	848,374
2001-2002	756,066	1.000	756,066	756,066	1.000	756,066
2002-2003	1,414,256	1.000	1,414,256	1,414,256	1.000	1,414,256
2003-2004	1,349,001	1.000	1,349,001	1,349,001	1.000	1,349,001
2004-2005	1,298,820	1.000	1,298,820	1,298,820	1.000	1,298,820
2005-2006	1,774,760	1.000	1,774,760	1,774,760	1.000	1,774,760
2006-2007	1,820,710	1.000	1,820,710	1,820,710	1.000	1,820,710
2007-2008	1,533,684	1.000	1,533,684	1,533,684	1.000	1,533,684
2008-2009	1,584,843	1.000	1,584,843	1,584,843	1.000	1,584,843
2009-2010	881,568	1.000	881,568	881,568	1.000	881,568
2010-2011	1,746,117	1.000	1,746,117	1,746,117	1.000	1,746,117
2011-2012	1,485,867	1.001	1,487,352	1,485,867	1.001	1,487,352
2012-2013	1,033,127	1.004	1,037,260	1,033,127	1.004	1,037,260
2013-2014	1,326,709	1.009	1,338,649	1,326,709	1.009	1,338,649
2014-2015	888,248	1.029	914,007	888,248	1.029	914,007
2015-2016	1,240,864	1.055	1,309,112	1,240,864	1.055	1,309,112
2016-2017	833,870	1.118	932,267	833,870	1.118	932,267
2017-2018	858,091	1.358	1,165,288	858,091	1.358	1,165,288
2018-2019	538,660	2.377	1,280,394	538,660	2.377	1,280,394
2019-2020	174,342	11.885	2,072,058	174,342	17.091	2,979,683
Totals	\$23,989,597		\$27,146,206	\$23,989,597		\$28,053,831

## Notes:

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

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

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

Trindel Insurance Fund - Liability  
Paid Loss Development

Accident Year	<u>Limited Losses Paid as of:</u>									
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
1999-2000	60,091	197,662	531,825	808,535	880,564	899,261	899,454	899,454	886,641	910,928
2000-2001	40,754	236,177	513,618	744,825	851,731	900,933	902,794	907,463	907,463	907,464
2001-2002	80,531	375,412	542,958	688,251	748,518	793,495	796,680	797,274	797,274	787,915
2002-2003	107,658	475,717	924,294	1,359,079	1,509,774	1,613,415	1,663,750	1,663,687	1,653,211	1,653,211
2003-2004	120,750	615,786	1,186,141	1,407,790	1,578,010	1,514,230	1,575,946	1,533,633	1,550,208	1,551,390
2004-2005	204,929	678,763	1,440,417	1,004,461	1,120,042	1,211,196	1,430,728	1,431,047	1,431,047	1,371,718
2005-2006	110,133	508,625	1,024,484	1,405,991	1,683,611	1,757,152	1,802,919	1,803,232	1,609,724	1,778,297
2006-2007	112,430	418,935	985,183	1,370,198	1,647,421	1,703,180	1,823,697	1,826,906	1,828,409	1,829,780
2007-2008	100,166	506,620	998,228	1,337,830	1,458,571	1,602,007	1,557,064	1,538,177	1,538,461	1,538,861
2008-2009	238,245	637,410	1,208,002	1,504,211	1,627,529	1,573,338	1,574,025	1,574,606	1,570,155	1,570,155
2009-2010	153,515	446,097	730,330	858,708	880,946	817,354	850,141	850,141	850,141	850,141
2010-2011	149,166	585,734	1,172,093	1,535,079	1,704,322	1,735,487	1,746,117	1,746,117	1,746,117	1,746,117
2011-2012	258,896	784,238	1,150,713	1,276,898	1,393,788	1,395,987	1,486,232	1,486,232	1,485,867	
2012-2013	140,256	606,240	825,784	978,453	1,025,709	1,033,127	1,033,127	1,033,127		
2013-2014	177,785	704,788	1,136,152	1,337,751	1,326,709	1,326,709	1,326,709			
2014-2015	112,003	387,551	636,916	776,029	851,822	888,248				
2015-2016	74,039	512,230	934,893	1,157,054	1,240,864					
2016-2017	88,245	436,228	700,089	833,870						
2017-2018	142,274	616,254	858,091							
2018-2019	231,548	538,660								
2019-2020	174,342									

Paid Loss Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
1999-2000	3.289	2.691	1.520	1.089	1.021	1.000	1.000	0.986	1.027	1.000
2000-2001	5.795	2.175	1.450	1.144	1.058	1.002	1.005	1.000	1.000	0.999
2001-2002	4.662	1.446	1.268	1.088	1.060	1.004	1.001	1.000	0.988	1.000
2002-2003	4.419	1.943	1.470	1.111	1.069	1.031	1.000	0.994	1.000	1.000
2003-2004	5.100	1.926	1.187	1.121	0.960	1.041	0.973	1.011	1.001	1.002
2004-2005	3.312	2.122	0.697	1.115	1.081	1.181	1.000	1.000	0.959	1.003
2005-2006	4.618	2.014	1.372	1.197	1.044	1.026	1.000	0.893	1.105	1.016
2006-2007	3.726	2.352	1.391	1.202	1.034	1.071	1.002	1.001	1.001	1.009
2007-2008	5.058	1.970	1.340	1.090	1.098	0.972	0.988	1.000	1.000	0.995
2008-2009	2.675	1.895	1.245	1.082	0.967	1.000	1.000	0.997	1.000	1.000
2009-2010	2.906	1.637	1.176	1.026	0.928	1.040	1.000	1.000	1.000	1.037
2010-2011	3.927	2.001	1.310	1.110	1.018	1.006	1.000	1.000	1.000	
2011-2012	3.029	1.467	1.110	1.092	1.002	1.065	1.000	1.000		
2012-2013	4.322	1.362	1.185	1.048	1.007	1.000	1.000			
2013-2014	3.964	1.612	1.177	0.992	1.000	1.000				
2014-2015	3.460	1.643	1.218	1.098	1.043					
2015-2016	6.918	1.825	1.238	1.072						
2016-2017	4.943	1.605	1.191							
2017-2018	4.331	1.392								
2018-2019	2.326									

Claims along latest diagonal have been reclassified between

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
Average	4.139	1.846	1.253	1.099	1.024	1.029	0.998	0.991	1.007	1.006
Dollar-Weighted Averages										
3-yr	3.444	1.593	1.218	1.045	1.014	1.024	1.000	1.000	1.000	1.006
4-yr	3.923	1.603	1.204	1.046	1.010	1.018	1.000	0.999	1.000	1.007
PRISM Factors	3.223	1.798	1.247	1.068	1.039	1.020	1.012	1.009	1.009	1.007
Prior	5.000	1.750	1.215	1.060	1.025	1.020	1.005	1.003	1.001	1.000
Selected	5.000	1.750	1.215	1.060	1.025	1.020	1.005	1.003	1.001	1.000
Cumulated	11.885	2.377	1.358	1.118	1.055	1.029	1.009	1.004	1.001	1.000

Trindel Insurance Fund - Liability  
Paid Loss Development

Accident Year	<u>Limited Losses Paid as of:</u>										
	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months	240 Months	252 Months
1999-2000	910,928	910,928	910,928	910,928	899,565	899,565	899,565	899,565	899,565	899,565	601,620
2000-2001	906,939	906,939	906,939	906,664	906,663	906,663	906,663	906,663	906,663	848,374	
2001-2002	787,915	787,915	791,229	791,229	791,229	791,229	791,229	791,229	756,066		
2002-2003	1,653,211	1,571,730	1,511,688	1,511,688	1,511,688	1,511,688	1,511,688	1,414,256			
2003-2004	1,554,147	1,609,207	1,609,300	1,609,300	1,609,300	1,609,300	1,349,001				
2004-2005	1,376,489	1,380,154	1,380,154	1,380,154	1,380,154	1,298,820					
2005-2006	1,806,957	1,806,957	1,806,957	1,806,957	1,774,760						
2006-2007	1,845,508	1,820,710	1,820,710	1,820,710							
2007-2008	1,531,144	1,531,144	1,533,684								
2008-2009	1,570,155	1,584,843									
2009-2010	881,568										
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											

Paid Loss Development Factors:

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-240 Months	240-252 Months	252-Ult. Months
1999-2000	1.000	1.000	1.000	0.988	1.000	1.000	1.000	1.000	1.000	0.669	
2000-2001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.936		
2001-2002	1.000	1.004	1.000	1.000	1.000	1.000	1.000	0.956			
2002-2003	0.951	0.962	1.000	1.000	1.000	1.000	0.936				
2003-2004	1.035	1.000	1.000	1.000	1.000	0.838					
2004-2005	1.003	1.000	1.000	1.000	0.941						
2005-2006	1.000	1.000	1.000	0.982							
2006-2007	0.987	1.000	1.000								
2007-2008	1.000	1.002									
2008-2009	1.009		0.000								
2009-2010											
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016	GL and PR										
2016-2017											
2017-2018											
2018-2019											
Average Dollar-Weighted Averages	0.999	0.996	1.000	0.996	0.990	0.968	0.984	0.985	0.968	0.669	
3-yr	0.998	1.000	1.000	0.993	0.982	0.933	0.970	0.986			
4-yr	0.999	1.000	1.000	0.995	0.985	0.946	0.976				
PRISM Factors	1.006	1.006	1.004	1.003	1.003	1.001	1.001	1.001	1.001	1.001	1.001
Prior	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

## Trindel Insurance Fund - Liability

Exposure and Development Method  
Based on Reported Losses

Accident Year	Trended Payroll (\$00) (A)	Reported Losses as of 6/30/20 (B)	Reported Loss Development Factor (C)	Percentage of Losses Yet to Be Reported (D)	Program Rate (E)	Incurred but not Reported (IBNR) (F)	Ultimate Program Losses (G)
1999-2000	1,861,025	601,620	1.000	0.000	0.323	0	601,620
2000-2001	2,204,417	848,374	1.000	0.000	0.385	0	848,374
2001-2002	2,312,378	756,066	1.000	0.000	0.327	0	756,066
2002-2003	2,273,714	1,414,256	1.000	0.000	0.622	0	1,414,256
2003-2004	2,294,944	1,349,001	1.000	0.000	0.588	0	1,349,001
2004-2005	2,315,972	1,298,820	1.000	0.000	0.561	0	1,298,820
2005-2006	2,328,603	1,774,760	1.000	0.000	0.762	0	1,774,760
2006-2007	2,397,067	1,820,710	1.000	0.000	0.760	0	1,820,710
2007-2008	2,554,662	1,533,684	1.000	0.000	0.600	0	1,533,684
2008-2009	2,632,948	1,584,843	1.000	0.000	0.602	0	1,584,843
2009-2010	2,603,971	881,568	1.000	0.000	0.339	0	881,568
2010-2011	2,436,271	1,746,117	1.000	0.000	0.717	0	1,746,117
2011-2012	2,318,042	1,485,867	1.000	0.000	0.641	0	1,485,867
2012-2013	2,309,342	1,033,127	1.001	0.001	0.447	1,032	1,034,160
2013-2014	2,180,103	1,326,709	1.003	0.003	0.609	3,983	1,330,692
2014-2015	2,166,235	961,460	1.006	0.006	0.447	5,810	967,269
2015-2016	2,246,905	1,412,176	1.010	0.010	0.538	12,088	1,424,265
2016-2017	2,409,036	952,289	1.015	0.015	0.543	19,622	971,910
2017-2018	2,494,277	1,221,421	1.035	0.034	0.549	46,558	1,267,979
2018-2019	2,493,637	1,019,913	1.107	0.097	0.554	134,003	1,153,916
2019-2020	2,503,937	777,695	2.707	0.631	0.810	1,279,787	2,057,482
Totals	49,337,486	\$25,800,474				\$1,502,884	\$27,303,357

## Notes:

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

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

Trindel Insurance Fund - Liability

Exposure and Development Method  
Based on Paid Losses

Accident Year	Trended Payroll (\$00) (A)	Paid Losses as of 6/30/20 (B)	Paid Loss Development Factor (C)	Percentage of Losses Yet to Be Paid (D)	Program Rate (E)	Incurred but not Paid (F)	Ultimate Program Losses (G)
1999-2000	1,861,025	601,620	1.000	0.000	0.323	0	601,620
2000-2001	2,204,417	848,374	1.000	0.000	0.385	0	848,374
2001-2002	2,312,378	756,066	1.000	0.000	0.327	0	756,066
2002-2003	2,273,714	1,414,256	1.000	0.000	0.622	0	1,414,256
2003-2004	2,294,944	1,349,001	1.000	0.000	0.588	0	1,349,001
2004-2005	2,315,972	1,298,820	1.000	0.000	0.561	0	1,298,820
2005-2006	2,328,603	1,774,760	1.000	0.000	0.762	0	1,774,760
2006-2007	2,397,067	1,820,710	1.000	0.000	0.760	0	1,820,710
2007-2008	2,554,662	1,533,684	1.000	0.000	0.600	0	1,533,684
2008-2009	2,632,948	1,584,843	1.000	0.000	0.602	0	1,584,843
2009-2010	2,603,971	881,568	1.000	0.000	0.339	0	881,568
2010-2011	2,436,271	1,746,117	1.000	0.000	0.717	0	1,746,117
2011-2012	2,318,042	1,485,867	1.001	0.001	0.641	1,486	1,487,352
2012-2013	2,309,342	1,033,127	1.004	0.004	0.447	4,129	1,037,256
2013-2014	2,180,103	1,326,709	1.009	0.009	0.609	11,949	1,338,658
2014-2015	2,166,235	888,248	1.029	0.028	0.447	27,113	915,361
2015-2016	2,246,905	1,240,864	1.055	0.052	0.538	62,859	1,303,724
2016-2017	2,409,036	833,870	1.118	0.106	0.543	138,659	972,529
2017-2018	2,494,277	858,091	1.358	0.264	0.549	361,511	1,219,602
2018-2019	2,493,637	538,660	2.377	0.579	0.554	799,874	1,338,534
2019-2020	2,503,937	174,342	17.091	0.941	0.810	1,908,526	2,082,868
Totals	49,337,486	\$23,989,597				\$3,316,106	\$27,305,703

Notes:

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

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

Trindel Insurance Fund - Liability

Exposure and Development Method

Accident Year	Trended Payroll (\$00) (A)	Ultimate Limited Losses (B)	Trend Factor (C)	Trended Limited Losses (D)	Trended Limited Loss Rate (E)	Limited Loss Rate (F)	Factor to SIR (G)	Program Loss Rate (H)
1999-2000	1,861,025	602,000	1.232	741,664	0.399	0.323	1.000	0.323
2000-2001	2,204,417	848,374	1.219	1,034,168	0.469	0.385	1.000	0.385
2001-2002	2,312,378	756,066	1.208	913,328	0.395	0.327	1.000	0.327
2002-2003	2,273,714	1,414,256	1.196	1,691,450	0.744	0.622	1.000	0.622
2003-2004	2,294,944	1,349,001	1.184	1,597,217	0.696	0.588	1.000	0.588
2004-2005	2,315,972	1,298,820	1.173	1,523,515	0.658	0.561	1.000	0.561
2005-2006	2,328,603	1,774,760	1.161	2,060,496	0.885	0.762	1.000	0.762
2006-2007	2,397,067	1,820,710	1.150	2,093,817	0.873	0.760	1.000	0.760
2007-2008	2,554,662	1,533,684	1.138	1,745,332	0.683	0.600	1.000	0.600
2008-2009	2,632,948	1,584,843	1.126	1,784,533	0.678	0.602	1.000	0.602
2009-2010	2,603,971	881,568	1.116	983,829	0.378	0.339	1.000	0.339
2010-2011	2,436,271	1,746,117	1.105	1,929,459	0.792	0.717	1.000	0.717
2011-2012	2,318,042	1,485,867	1.094	1,625,538	0.701	0.641	1.000	0.641
2012-2013	2,309,342	1,033,127	1.083	1,118,877	0.485	0.447	1.000	0.447
2013-2014	2,180,103	1,326,709	1.073	1,423,558	0.653	0.609	1.000	0.609
2014-2015	2,166,235	968,000	1.062	1,028,016	0.475	0.447	1.000	0.447
2015-2016	2,246,905	1,427,000	1.051	1,499,777	0.667	0.538	1.000	0.538
2016-2017	2,409,036	967,000	1.041	1,006,647	0.418	0.543	1.000	0.543
2017-2018	2,494,277	1,265,000	1.030	1,302,950	0.522	0.549	1.000	0.549
2018-2019	2,493,637	1,205,000	1.019	1,227,895	0.492	0.554	1.000	0.554
2019-2020	2,503,937	1,535,000	1.010	1,550,350	0.619	0.559	1.449	0.810
Total/Avg	49,337,486	\$26,822,901		\$29,882,418	\$0.606			
14/15-18/19	11,810,090	5,832,000		6,065,285	0.514			
15/16-19/20	12,147,792	6,399,000		6,587,619	0.542			
				Selected Limited Rate:	\$0.565			
				Prior:	\$0.630			

Notes:

- (A) Appendix N, Column (C).
- (B) Selected average of results from Appendices A and B.
- (C) From Appendix E, Page 1, Column (B).
- (D) (B) x (C).
- (E) (D) / (A).
- (F) Selected Limited Rate / (C). For 2014-2015 and prior (B) / (A).
- (G) Based on a Burr distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

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

Trindel Insurance Fund - Liability

Frequency and Severity Method

Accident Year	Ultimate Program Severity (A)	Adjusted Ultimate Claims (B)	Ultimate Program Losses (C)
1999-2000	\$4,300	140	\$602,000
2000-2001	6,680	127	848,360
2001-2002	5,362	141	756,042
2002-2003	10,714	132	1,414,248
2003-2004	9,240	146	1,349,040
2004-2005	8,545	152	1,298,840
2005-2006	12,325	144	1,774,800
2006-2007	12,302	148	1,820,696
2007-2008	11,708	131	1,533,748
2008-2009	12,191	130	1,584,830
2009-2010	6,482	136	881,552
2010-2011	12,042	145	1,746,090
2011-2012	11,518	129	1,485,822
2012-2013	8,609	120	1,033,080
2013-2014	11,537	115	1,326,755
2014-2015	9,219	105	967,995
2015-2016	10,228	115	1,176,220
2016-2017	10,327	149	1,538,723
2017-2018	10,437	124	1,294,188
2018-2019	10,550	135	1,424,250
2019-2020	15,427	142	2,190,634
Total		2,806	\$28,047,913

Notes:

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

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

Trindel Insurance Fund - Liability

Frequency and Severity Method

Accident Year	Ultimate Limited Losses (A)	Adjusted Ultimate Claims (B)	Ultimate Limited Severity (C)	Trend Factor (D)	Trended Limited Severity (E)	Limited Severity (F)	Factor to SIR (G)	Program Severity (H)
1999-2000	\$602,000	140	\$4,300	1.232	\$5,298	\$4,300	1.000	\$4,300
2000-2001	848,374	127	6,680	1.219	8,143	6,680	1.000	6,680
2001-2002	756,066	141	5,362	1.208	6,477	5,362	1.000	5,362
2002-2003	1,414,256	132	10,714	1.196	12,814	10,714	1.000	10,714
2003-2004	1,349,001	146	9,240	1.184	10,940	9,240	1.000	9,240
2004-2005	1,298,820	152	8,545	1.173	10,023	8,545	1.000	8,545
2005-2006	1,774,760	144	12,325	1.161	14,309	12,325	1.000	12,325
2006-2007	1,820,710	148	12,302	1.150	14,147	12,302	1.000	12,302
2007-2008	1,533,684	131	11,708	1.138	13,324	11,708	1.000	11,708
2008-2009	1,584,843	130	12,191	1.126	13,727	12,191	1.000	12,191
2009-2010	881,568	136	6,482	1.116	7,234	6,482	1.000	6,482
2010-2011	1,746,117	145	12,042	1.105	13,306	12,042	1.000	12,042
2011-2012	1,485,867	129	11,518	1.094	12,601	11,518	1.000	11,518
2012-2013	1,033,127	120	8,609	1.083	9,324	8,609	1.000	8,609
2013-2014	1,326,709	115	11,537	1.073	12,379	11,537	1.000	11,537
2014-2015	968,000	105	9,219	1.062	9,791	9,219	1.000	9,219
2015-2016	1,426,000	115	12,400	1.051	13,032	10,228	1.000	10,228
2016-2017	973,000	149	6,530	1.041	6,798	10,327	1.000	10,327
2017-2018	1,244,000	124	10,032	1.030	10,333	10,437	1.000	10,437
2018-2019	1,247,000	135	9,237	1.019	9,413	10,550	1.000	10,550
2019-2020	1,418,000	142	9,986	1.010	10,086	10,644	1.449	15,427

Average Limited Severity: \$10,643  
Average 14/15-18/19 Limited Severity: 9,873  
Average 15/16-19/20 Limited Severity: 9,932

Selected Limited Severity: \$10,750  
Prior: \$11,600

Notes:

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

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

Trindel Insurance Fund - Liability

Frequency and Severity Method  
Projection of Ultimate Claims

Accident Year	Reported Claim Development (A)	Closed Claim Development (B)	Selected Ultimate Claims (C)	Trended Payroll (\$000,000) (D)	Claim Frequency (E)	Trend Factor (F)	Trended Claim Frequency (G)
1999-2000	140	139	140	186.1	0.752	1.000	0.752
2000-2001	127	127	127	220.4	0.576	1.000	0.576
2001-2002	141	141	141	231.2	0.610	1.000	0.610
2002-2003	132	132	132	227.4	0.581	1.000	0.581
2003-2004	146	146	146	229.5	0.636	1.000	0.636
2004-2005	152	152	152	231.6	0.656	1.000	0.656
2005-2006	144	144	144	232.9	0.618	1.000	0.618
2006-2007	148	148	148	239.7	0.617	1.000	0.617
2007-2008	131	131	131	255.5	0.513	1.000	0.513
2008-2009	130	130	130	263.3	0.494	1.000	0.494
2009-2010	136	136	136	260.4	0.522	1.000	0.522
2010-2011	145	145	145	243.6	0.595	1.000	0.595
2011-2012	129	129	129	231.8	0.557	1.000	0.557
2012-2013	120	121	120	230.9	0.520	1.000	0.520
2013-2014	115	117	115	218.0	0.527	1.000	0.527
2014-2015	105	104	105	216.6	0.485	1.000	0.485
2015-2016	115	119	115	224.7	0.512	1.000	0.512
2016-2017	149	155	149	240.9	0.619	1.000	0.619
2017-2018	124	128	124	249.4	0.497	1.000	0.497
2018-2019	135	173	135	249.4	0.541	1.000	0.541
2019-2020	117	241	142	250.4	0.566	1.000	0.566
Total	2,781	2,958	2,806	4,933.7			0.569
14/15-18/19	628	679	628	1,181.0			0.532
						(H) Selected Frequency:	0.555
						Prior:	0.570
Program Year:				2020-2021	2021-2022		
(I) Trend Factor:				1.000	1.000		
(J) Selected Frequency:				0.555	0.555		
(K) Est. Payroll (\$000,000):				274.8	284.7		
(L) Ultimate Claims:				153	158		

Notes:

- (A) Appendix D, Page 4, (C).
- (B) Appendix D, Page 5, (C).
- (C) Selected from (A) and (B).
- (D) Appendix N, Column (C) / 10,000.
- (E) (C) / (D).
- (F) Appendix E, Page 1, Column (F).
- (G) (E) x (F).
- (H) The selected frequency of 0.555 is based on (G).
- (I) Appendix E, Page 1, Column (F).
- (J) (H) x (I).
- (K) Appendix N, Column (C) / 10,000.
- (L) (J) x (K).

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

Trindel Insurance Fund - Liability

Frequency and Severity Method  
Reported Claim Count Development

Accident Year	Claims Reported as of 6/30/2020 (A)	Reported Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
1999-2000	140	1.000	140	0.752
2000-2001	127	1.000	127	0.576
2001-2002	141	1.000	141	0.610
2002-2003	132	1.000	132	0.581
2003-2004	146	1.000	146	0.636
2004-2005	152	1.000	152	0.656
2005-2006	144	1.000	144	0.618
2006-2007	148	1.000	148	0.617
2007-2008	131	1.000	131	0.513
2008-2009	130	1.000	130	0.494
2009-2010	136	1.000	136	0.522
2010-2011	145	1.000	145	0.595
2011-2012	129	1.000	129	0.557
2012-2013	120	1.000	120	0.520
2013-2014	115	1.001	115	0.527
2014-2015	105	1.003	105	0.485
2015-2016	114	1.006	115	0.512
2016-2017	147	1.014	149	0.619
2017-2018	119	1.039	124	0.497
2018-2019	124	1.086	135	0.541
2019-2020	77	1.520	117	0.467
Total	2,722		2,781	0.564

Notes:

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

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

Trindel Insurance Fund - Liability

Frequency and Severity Method  
Closed Claim Count Development

Accident Year	Claims Closed as of 6/30/2020 (A)	Closed Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
1999-2000	139	1.000	139	0.747
2000-2001	127	1.000	127	0.576
2001-2002	141	1.000	141	0.610
2002-2003	132	1.000	132	0.581
2003-2004	146	1.000	146	0.636
2004-2005	152	1.000	152	0.656
2005-2006	144	1.000	144	0.618
2006-2007	148	1.000	148	0.617
2007-2008	131	1.000	131	0.513
2008-2009	130	1.000	130	0.494
2009-2010	136	1.000	136	0.522
2010-2011	145	1.001	145	0.595
2011-2012	129	1.003	129	0.557
2012-2013	120	1.007	121	0.524
2013-2014	115	1.017	117	0.537
2014-2015	101	1.032	104	0.480
2015-2016	114	1.047	119	0.530
2016-2017	144	1.073	155	0.643
2017-2018	109	1.170	128	0.513
2018-2019	114	1.521	173	0.694
2019-2020	61	3.955	241	0.962
Total	2,678		2,958	0.600

Notes:

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

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

Trindel Insurance Fund - Liability  
Reported Claim Count Development

Accident Year	Claims Reported as of:												
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months
1999-2000	98	135	139	139	141	142	143	143	143	143	143	143	143
2000-2001	89	125	131	137	139	139	139	139	139	139	138	138	138
2001-2002	99	168	173	174	174	175	175	175	175	173	173	173	144
2002-2003	116	165	180	181	182	183	183	182	179	179	179	140	142
2003-2004	114	164	170	171	173	174	177	176	176	176	154	157	157
2004-2005	122	163	168	170	173	173	177	177	177	160	162	162	162
2005-2006	118	167	169	170	172	173	173	173	155	152	152	152	152
2006-2007	108	157	166	169	172	172	172	151	150	150	150	148	148
2007-2008	107	153	160	166	167	167	140	134	134	134	131	131	131
2008-2009	108	152	160	162	162	128	131	131	132	130	130	130	
2009-2010	113	159	162	162	137	136	136	137	136	136	136		
2010-2011	100	140	149	143	146	146	146	145	145	145			
2011-2012	95	131	125	129	129	130	129	129	129				
2012-2013	87	122	130	129	130	120	120	120					
2013-2014	85	119	120	124	115	115	115						
2014-2015	72	97	101	104	104	105							
2015-2016	67	103	111	115	114								
2016-2017	112	142	146	147									
2017-2018	83	115	119										
2018-2019	85	124											
2019-2020	77												

Reported Claim Count Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months	132-144 Months	144-156 Months	156-168 Months
1999-2000	1.378	1.030	1.000	1.014	1.007	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000-2001	1.404	1.048	1.046	1.015	1.000	1.000	1.000	1.000	1.000	0.993	1.000	1.000	0.928
2001-2002	1.697	1.030	1.006	1.000	1.006	1.000	1.000	1.000	0.989	1.000	1.000	0.832	1.000
2002-2003	1.422	1.091	1.006	1.006	1.005	1.000	0.995	0.984	1.000	1.000	0.782	1.014	1.000
2003-2004	1.439	1.037	1.006	1.012	1.006	1.017	0.994	1.000	1.000	0.875	1.019	1.000	1.000
2004-2005	1.336	1.031	1.012	1.018	1.000	1.023	1.000	1.000	0.904	1.013	1.000	1.000	1.000
2005-2006	1.415	1.012	1.006	1.012	1.006	1.000	1.000	0.896	0.981	1.000	1.000	1.000	1.000
2006-2007	1.454	1.057	1.018	1.018	1.000	1.000	0.878	0.993	1.000	1.000	0.987	1.000	1.000
2007-2008	1.430	1.046	1.038	1.006	1.000	0.838	0.957	1.000	1.000	0.978	1.000	1.000	
2008-2009	1.407	1.053	1.013	1.000	0.790	1.023	1.000	1.008	0.985	1.000	1.000		Claims al
2009-2010	1.407	1.019	1.000	0.846	0.993	1.000	1.007	0.993	1.000	1.000			
2010-2011	1.400	1.064	0.960	1.021	1.000	1.000	0.993	1.000	1.000				
2011-2012	1.379	0.954	1.032	1.000	1.008	0.992	1.000	1.000					
2012-2013	1.402	1.066	0.992	1.008	0.923	1.000	1.000						
2013-2014	1.400	1.008	1.033	0.927	1.000	1.000							
2014-2015	1.347	1.041	1.030	1.000	1.010								
2015-2016	1.537	1.078	1.036	0.991									
2016-2017	1.268	1.028	1.007										
2017-2018	1.386	1.035											
2018-2019	1.459												

Claims along latest diagonal have been reclassified

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months	132-144 Months	144-156 Months	156-168 Months
Average Claim-Weighted Averages	1.418	1.038	1.013	0.994	0.985	0.993	0.987	0.990	0.988	0.987	0.979	0.983	0.991
3-yr	1.361	1.044	1.022	0.971	0.974	0.997	0.997	0.998	0.995	0.993	0.995	1.000	1.000
4-yr	1.395	1.044	1.025	0.981	0.983	0.998	1.000	1.000	0.996	0.995	0.996	1.000	1.000
PRISM Factors	1.281	1.030	1.008	1.006	1.005	1.004	1.004	1.002	1.001	1.001	1.000	1.001	1.000
Prior	1.400	1.045	1.025	1.008	1.003	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.400	1.045	1.025	1.008	1.003	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	1.520	1.086	1.039	1.014	1.006	1.003	1.001	1.000	1.000	1.000	1.000	1.000	1.000

Trindel Insurance Fund - Liability  
Closed Claim Development

Accident Year	Claims Closed as of:												
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months
1999-2000	49	107	130	135	139	141	142	142	143	143	143	143	143
2000-2001	51	112	116	124	136	136	137	138	139	139	138	138	138
2001-2002	41	135	159	165	168	172	173	175	175	173	173	173	144
2002-2003	47	126	150	169	173	179	182	180	179	179	179	140	142
2003-2004	36	115	150	165	169	171	174	175	175	176	153	155	157
2004-2005	56	136	150	161	163	168	174	177	177	160	160	162	162
2005-2006	34	116	149	159	163	165	171	173	155	149	152	152	152
2006-2007	47	110	140	153	162	167	167	150	148	150	150	148	148
2007-2008	36	115	131	152	158	166	138	133	134	134	131	131	131
2008-2009	56	117	140	149	155	125	127	131	132	130	130	130	
2009-2010	53	124	152	156	135	133	135	137	136	136	136		
2010-2011	33	99	128	133	138	143	145	144	144	145			
2011-2012	31	99	110	114	123	126	128	128	129				
2012-2013	29	76	99	122	126	119	119	120					
2013-2014	27	64	107	118	114	114	115						
2014-2015	7	60	89	96	100	101							
2015-2016	9	73	95	105	114								
2016-2017	43	120	133	144									
2017-2018	29	80	109										
2018-2019	36	114											
2019-2020	61												

Closed Claim Count Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months	132-144 Months	144-156 Months	156-168 Months
1999-2000	2.184	1.215	1.038	1.030	1.014	1.007	1.000	1.007	1.000	1.000	1.000	1.000	1.000
2000-2001	2.196	1.036	1.069	1.097	1.000	1.007	1.007	1.007	1.000	0.993	1.000	1.000	0.928
2001-2002	3.293	1.178	1.038	1.018	1.024	1.006	1.012	1.000	0.989	1.000	1.000	0.832	1.000
2002-2003	2.681	1.190	1.127	1.024	1.035	1.017	0.989	0.994	1.000	1.000	0.782	1.014	1.000
2003-2004	3.194	1.304	1.100	1.024	1.012	1.018	1.006	1.000	1.006	0.869	1.013	1.013	1.000
2004-2005	2.429	1.103	1.073	1.012	1.031	1.036	1.017	1.000	0.904	1.000	1.013	1.000	1.000
2005-2006	3.412	1.284	1.067	1.025	1.012	1.036	1.012	0.896	0.961	1.020	1.000	1.000	1.000
2006-2007	2.340	1.273	1.093	1.059	1.031	1.000	0.898	0.987	1.014	1.000	0.987	1.000	1.000
2007-2008	3.194	1.139	1.160	1.039	1.051	0.831	0.964	1.008	1.000	0.978	1.000	1.000	
2008-2009	2.089	1.197	1.064	1.040	0.806	1.016	1.031	1.008	0.985	1.000	1.000		Claims al
2009-2010	2.340	1.226	1.026	0.865	0.985	1.015	1.015	0.993	1.000	1.000			
2010-2011	3.000	1.293	1.039	1.038	1.036	1.014	0.993	1.000	1.007				
2011-2012	3.194	1.111	1.036	1.079	1.024	1.016	1.000	1.008					
2012-2013	2.621	1.303	1.232	1.033	0.944	1.000	1.008						
2013-2014	2.370	1.672	1.103	0.966	1.000	1.009							
2014-2015	8.571	1.483	1.079	1.042	1.010								
2015-2016	8.111	1.301	1.105	1.086									
2016-2017	2.791	1.108	1.083										
2017-2018	2.759	1.363											
2018-2019	3.167												

Claims along latest diagonal have been reclassified between

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months	132-144 Months	144-156 Months	156-168 Months
Average Claim-Weighted Averages	3.297	1.252	1.085	1.028	1.001	1.002	0.997	0.993	0.989	0.987	0.980	0.984	0.991
3-yr	2.907	1.234	1.088	1.028	0.982	1.008	1.000	1.000	0.998	0.993	0.995	1.000	1.000
4-yr	3.308	1.279	1.092	1.029	0.994	1.010	1.004	1.002	0.998	0.995	0.996	1.000	1.000
PRISM Factors	2.274	1.180	1.066	1.038	1.026	1.019	1.015	1.012	1.011	1.009	1.007	1.006	1.004
Prior	3.140	1.330	1.105	1.025	1.020	1.015	1.010	1.004	1.002	1.001	1.000	1.000	1.000
Selected	2.600	1.300	1.090	1.025	1.015	1.015	1.010	1.004	1.002	1.001	1.000	1.000	1.000
Cumulated	3.955	1.521	1.170	1.073	1.047	1.032	1.017	1.007	1.003	1.001	1.000	1.000	1.000

Trindel Insurance Fund - Liability

Loss Trend Factors

Accident Year	Benefit Level Factor (A)	Factor to 2020-2021 Loss Rate Level (B)	Factor to 2021-2022 Loss Rate Level (C)	Factor to 2022-2023 Loss Rate Level (D)	Factor to 2023-2024 Loss Rate Level (E)	Factor to 2020-2021 Frequency Level (F)	Factor to 2021-2022 Frequency Level (G)	Factor to 2022-2023 Frequency Level (H)	Factor to 2023-2024 Frequency Level (I)	Factor to 2020-2021 Severity Level (J)
1999-2000	1.000	1.232	1.244	1.256	1.269	1.000	1.000	1.000	1.000	1.232
2000-2001	1.000	1.219	1.231	1.244	1.256	1.000	1.000	1.000	1.000	1.219
2001-2002	1.000	1.208	1.220	1.232	1.244	1.000	1.000	1.000	1.000	1.208
2002-2003	1.000	1.196	1.208	1.220	1.232	1.000	1.000	1.000	1.000	1.196
2003-2004	1.000	1.184	1.196	1.208	1.220	1.000	1.000	1.000	1.000	1.184
2004-2005	1.000	1.173	1.184	1.196	1.208	1.000	1.000	1.000	1.000	1.173
2005-2006	1.000	1.161	1.173	1.184	1.196	1.000	1.000	1.000	1.000	1.161
2006-2007	1.000	1.150	1.161	1.172	1.184	1.000	1.000	1.000	1.000	1.150
2007-2008	1.000	1.138	1.149	1.160	1.172	1.000	1.000	1.000	1.000	1.138
2008-2009	1.000	1.126	1.137	1.149	1.160	1.000	1.000	1.000	1.000	1.126
2009-2010	1.000	1.116	1.126	1.138	1.149	1.000	1.000	1.000	1.000	1.116
2010-2011	1.000	1.105	1.116	1.127	1.138	1.000	1.000	1.000	1.000	1.105
2011-2012	1.000	1.094	1.105	1.116	1.127	1.000	1.000	1.000	1.000	1.094
2012-2013	1.000	1.083	1.094	1.105	1.116	1.000	1.000	1.000	1.000	1.083
2013-2014	1.000	1.073	1.083	1.094	1.105	1.000	1.000	1.000	1.000	1.073
2014-2015	1.000	1.062	1.073	1.083	1.094	1.000	1.000	1.000	1.000	1.062
2015-2016	1.000	1.051	1.062	1.072	1.083	1.000	1.000	1.000	1.000	1.051
2016-2017	1.000	1.041	1.051	1.061	1.072	1.000	1.000	1.000	1.000	1.041
2017-2018	1.000	1.030	1.040	1.050	1.061	1.000	1.000	1.000	1.000	1.030
2018-2019	1.000	1.019	1.029	1.040	1.050	1.000	1.000	1.000	1.000	1.019
2019-2020	1.000	1.010	1.020	1.030	1.040	1.000	1.000	1.000	1.000	1.010
2020-2021	1.000	1.000	1.010	1.020	1.030	1.000	1.000	1.000	1.000	1.000
2021-2022	1.000	--	1.000	1.010	1.020	--	1.000	1.000	1.000	--
2022-2023	1.000	--	--	1.000	1.010	--	--	1.000	1.000	--
2023-2024	1.000	--	--	--	1.000	--	--	--	1.000	--

Notes:

- (A) No benefit level adjustment applied.
- (B) - (E) (A) adjusted for a 1.0% annual loss rate trend.
- (F) - (I) (A) adjusted for a 0.0% annual frequency trend.
- (J) (A) adjusted for a 1.0% annual severity trend.

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

Trindel Insurance Fund - Liability

Residual Trend Factors

Accident Year	Initial Estimate of Ultimate Limited Losses (A)	Ultimate Reported Claims (B)	BLF (C)	Adjusted Limited Severity (D)	Trended Payroll (\$00) (E)	Ultimate Frequency (F)
1999-2000	\$602,000	140	1.000	4,300	1,861,025	0.752
2000-2001	848,374	127	1.000	6,680	2,204,417	0.576
2001-2002	756,066	141	1.000	5,362	2,312,378	0.610
2002-2003	1,414,256	132	1.000	10,714	2,273,714	0.581
2003-2004	1,349,001	146	1.000	9,240	2,294,944	0.636
2004-2005	1,298,820	152	1.000	8,545	2,315,972	0.656
2005-2006	1,774,760	144	1.000	12,325	2,328,603	0.618
2006-2007	1,820,710	148	1.000	12,302	2,397,067	0.617
2007-2008	1,533,684	131	1.000	11,708	2,554,662	0.513
2008-2009	1,584,843	130	1.000	12,191	2,632,948	0.494
2009-2010	881,568	136	1.000	6,482	2,603,971	0.522
2010-2011	1,746,117	145	1.000	12,042	2,436,271	0.595
2011-2012	1,485,867	129	1.000	11,518	2,318,042	0.557
2012-2013	1,033,127	120	1.000	8,609	2,309,342	0.520
2013-2014	1,326,709	115	1.000	11,537	2,180,103	0.527
2014-2015	968,000	105	1.000	9,219	2,166,235	0.485
2015-2016	1,427,000	115	1.000	12,409	2,246,905	0.512
2016-2017	967,000	149	1.000	6,490	2,409,036	0.619
2017-2018	1,265,000	124	1.000	10,202	2,494,277	0.497
2018-2019	1,205,000	135	1.000	8,926	2,493,637	0.541
2019-2020	1,535,000	142	1.000	10,810	2,503,937	0.567

Severity Trend Factors

Frequency Trend Factors

Latest 10 x 2019-2020	0.998	0.997
Mvg 5-Yr Wtd Latest 10 x 2019-2020	0.983	0.996
Latest 5 x 2019-2020	0.974	1.019
Mvg 5-Yr Wtd Latest 5 x 2019-2020	0.964	0.999
Prior	1.020	1.000
Default	1.030	0.975

Selected Residual Trend 1.010 1.000

Notes:

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

Trindel Insurance Fund - Liability

Outstanding Liability for  
Unallocated Loss Adjustment Expenses  
as of 6/30/20

Fiscal Year (A)	Number of Claims Active During Fiscal Year (B)	Average ULAE Charge per Active Claim (C)	Inflation Trend Factor (D)	Trended ULAE Charge per Active Claim (E)	ULAE Paid During Year (F)
2020-2021	104.0	\$700	1.000	\$700	\$72,800
2021-2022	55.3	700	1.050	735	40,646
2022-2023	29.1	700	1.103	772	22,465
2023-2024	17.5	700	1.158	811	14,193
2024-2025	11.3	700	1.216	851	9,616
2025-2026	6.5	700	1.277	894	5,811
2026-2027	3.2	700	1.341	939	3,005
2027-2028	1.3	700	1.408	986	1,282
2028-2029	0.5	700	1.478	1,035	518
2029-2030	0.1	700	1.552	1,086	109
2030-2031	0.0	700	1.630	1,141	0
2031-2032	0.0	700	1.712	1,198	0
2032-2033	0.0	700	1.798	1,259	0
2033-2034	0.0	700	1.888	1,322	0
2034-2035	0.0	700	1.982	1,387	0
2035-2036	0.0	700	2.081	1,457	0
2036-2037	0.0	700	2.185	1,530	0
2037-2038	0.0	700	2.294	1,606	0

(G) Total ULAE Outstanding as of 6/30/20: \$170,445

Notes:

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

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

Trindel Insurance Fund - Liability

Outstanding Liability for  
Unallocated Loss Adjustment Expenses  
as of 6/30/21

Fiscal Year (A)	Number of Claims Active During Fiscal Year (B)	Average ULAE Charge per Active Claim (C)	Inflation Trend Factor (D)	Trended ULAE Charge per Active Claim (E)	ULAE Paid During Year (F)
2021-2022	157.5	\$700	1.050	\$735	\$115,763
2022-2023	75.4	700	1.103	772	58,209
2023-2024	37.8	700	1.158	811	30,656
2024-2025	20.7	700	1.216	851	17,616
2025-2026	13.4	700	1.277	894	11,980
2026-2027	7.8	700	1.341	939	7,324
2027-2028	3.7	700	1.408	986	3,648
2028-2029	1.5	700	1.478	1,035	1,553
2029-2030	0.5	700	1.552	1,086	543
2030-2031	0.1	700	1.630	1,141	114
2031-2032	0.0	700	1.712	1,198	0
2032-2033	0.0	700	1.798	1,259	0
2033-2034	0.0	700	1.888	1,322	0
2034-2035	0.0	700	1.982	1,387	0
2035-2036	0.0	700	2.081	1,457	0
2036-2037	0.0	700	2.185	1,530	0
2037-2038	0.0	700	2.294	1,606	0
2038-2039	0.0	700	2.409	1,686	0

(G) Total ULAE Outstanding as of 6/30/21: \$247,406

Notes:

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

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

Trindel Insurance Fund - Liability

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of 6/30/2020</u>	<u>Calendar Period</u>	
		<u>7/1/2020 to 6/30/2021</u>	<u>7/1/2021 to 6/30/2022</u>
Prior			
Ultimate Loss	\$4,969,697	\$4,969,697	\$4,969,697
Paid in Calendar Period	-	380	
Paid to Date	4,969,317	4,969,697	4,969,697
Outstanding Liability	380	(0)	(0)
2004-2005			
Ultimate Loss	\$1,298,820	\$1,298,820	\$1,298,820
Paid in Calendar Period	-		
Paid to Date	1,298,820	1,298,820	1,298,820
Outstanding Liability			
2005-2006			
Ultimate Loss	\$1,774,760	\$1,774,760	\$1,774,760
Paid in Calendar Period	-		
Paid to Date	1,774,760	1,774,760	1,774,760
Outstanding Liability			
2006-2007			
Ultimate Loss	\$1,820,710	\$1,820,710	\$1,820,710
Paid in Calendar Period	-		
Paid to Date	1,820,710	1,820,710	1,820,710
Outstanding Liability			
2007-2008			
Ultimate Loss	\$1,533,684	\$1,533,684	\$1,533,684
Paid in Calendar Period	-		
Paid to Date	1,533,684	1,533,684	1,533,684
Outstanding Liability			
2008-2009			
Ultimate Loss	\$1,584,843	\$1,584,843	\$1,584,843
Paid in Calendar Period	-		
Paid to Date	1,584,843	1,584,843	1,584,843
Outstanding Liability			
2009-2010			
Ultimate Loss	\$881,568	\$881,568	\$881,568
Paid in Calendar Period	-		
Paid to Date	881,568	881,568	881,568
Outstanding Liability			
2010-2011			
Ultimate Loss	\$1,746,117	\$1,746,117	\$1,746,117
Paid in Calendar Period	-		
Paid to Date	1,746,117	1,746,117	1,746,117
Outstanding Liability			

Trindel Insurance Fund - Liability

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of 6/30/2020</u>	<u>Calendar Period</u>	
		<u>7/1/2020 to 6/30/2021</u>	<u>7/1/2021 to 6/30/2022</u>
2011-2012			
Ultimate Loss	\$1,485,867	\$1,485,867	\$1,485,867
Paid in Calendar Period	-		
Paid to Date	1,485,867	1,485,867	1,485,867
Outstanding Liability			
2012-2013			
Ultimate Loss	\$1,033,127	\$1,033,127	\$1,033,127
Paid in Calendar Period	-		
Paid to Date	1,033,127	1,033,127	1,033,127
Outstanding Liability			
2013-2014			
Ultimate Loss	\$1,326,709	\$1,326,709	\$1,326,709
Paid in Calendar Period	-		
Paid to Date	1,326,709	1,326,709	1,326,709
Outstanding Liability			
2014-2015			
Ultimate Loss	\$968,000	\$968,000	\$968,000
Paid in Calendar Period	-	54,550	13,937
Paid to Date	888,248	942,798	956,735
Outstanding Liability	79,752	25,202	11,265
2015-2016			
Ultimate Loss	\$1,426,000	\$1,426,000	\$1,426,000
Paid in Calendar Period	-	84,977	68,508
Paid to Date	1,240,864	1,325,841	1,394,349
Outstanding Liability	185,136	100,159	31,651
2016-2017			
Ultimate Loss	\$973,000	\$973,000	\$973,000
Paid in Calendar Period	-	70,400	31,547
Paid to Date	833,870	904,270	935,817
Outstanding Liability	139,130	68,730	37,183
2017-2018			
Ultimate Loss	\$1,244,000	\$1,244,000	\$1,244,000
Paid in Calendar Period	-	231,545	78,108
Paid to Date	858,091	1,089,636	1,167,744
Outstanding Liability	385,909	154,364	76,256
2018-2019			
Ultimate Loss	\$1,247,000	\$1,247,000	\$1,247,000
Paid in Calendar Period	-	386,045	193,377
Paid to Date	538,660	924,705	1,118,082
Outstanding Liability	708,340	322,295	128,918

Trindel Insurance Fund - Liability

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of 6/30/2020</u>	<u>Calendar Period</u>	
		<u>7/1/2020 to 6/30/2021</u>	<u>7/1/2021 to 6/30/2022</u>
2019-2020			
Ultimate Loss	\$2,071,000	\$2,071,000	\$2,071,000
Paid in Calendar Period	-	730,213	635,712
Paid to Date	174,342	904,555	1,540,267
Outstanding Liability	1,896,658	1,166,445	530,733
2020-2021			
Ultimate Loss	-	\$2,308,000	\$2,308,000
Paid in Calendar Period	-	136,172	836,154
Paid to Date	-	136,172	972,326
Outstanding Liability	-	2,171,828	1,335,674
2021-2022			
Ultimate Loss	-	-	\$2,435,000
Paid in Calendar Period	-	-	143,665
Paid to Date	-	-	143,665
Outstanding Liability	-	-	2,291,335
Totals			
Ultimate Loss	\$27,384,901	\$29,692,901	\$32,127,901
Paid in Calendar Period	-	1,694,282	2,001,008
Paid to Date	23,989,597	25,683,879	27,684,887
Outstanding Liability	3,395,304	4,009,022	4,443,014
Total Outstanding ULAE	170,445	247,406	294,143
Outstanding Liability plus ULAE	3,565,749	4,256,428	4,737,157

Notes appear on the next page.

Trindel Insurance Fund - Liability

Payment and Reserve Forecast

Notes to previous page:

- Accident Year is associated with date of loss. Calendar Period is associated with date of transaction. For example, for the losses which occurred during 2018-2019, \$386,045 is expected to be paid between 7/1/20 and 6/30/21, \$924,705 will have been paid by 6/30/21, and the reserve for remaining payments on these claims should be \$322,295.
- Ultimate Losses for each accident year are from Exhibit 4, Page 1.
- Paid in Calendar Period is a proportion of the Outstanding Liability from the previous calendar period. These proportions are derived from the paid loss development pattern selected in Appendix B. For example,  $\$193,377 = \$322,295 \times 60.0\%$ .
- Paid to Date is Paid in Calendar Period plus Paid to Date from previous calendar period. For example,  $\$1,118,082 = \$193,377 + \$924,705$ .
- Outstanding Liability is Ultimate Loss minus Paid to Date. For example,  $\$322,295 = \$1,247,000 - \$924,705$ .

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

## Trindel Insurance Fund - Liability

## Short- and Long-Term Liabilities

<u>Liabilities as of 6/30/20:</u>		<u>Expected</u>	<u>Discounted</u>
<u>Current (Short Term)</u>	Loss and ALAE:	\$1,558,110	\$1,558,110
	ULAE:	72,800	72,800
	Short-Term Loss and LAE:	<u>\$1,630,910</u>	<u>\$1,630,910</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$1,837,194	\$1,837,195
	ULAE:	97,645	97,645
	Long-Term Loss and LAE:	<u>\$1,934,839</u>	<u>\$1,934,840</u>
<u>Total Liability</u>	Loss and ALAE:	\$3,395,304	\$3,395,305
	ULAE:	170,445	170,445
	Total Loss and LAE:	<u>\$3,565,749</u>	<u>\$3,565,750</u>
<u>Liabilities as of 6/30/21:</u>			
<u>Current (Short Term)</u>	Loss and ALAE:	\$1,857,343	\$1,857,343
	ULAE:	115,763	115,763
	Short-Term Loss and LAE:	<u>\$1,973,106</u>	<u>\$1,973,106</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$2,151,679	\$2,151,680
	ULAE:	131,643	131,643
	Long-Term Loss and LAE:	<u>\$2,283,322</u>	<u>\$2,283,323</u>
<u>Total Liability</u>	Loss and ALAE:	\$4,009,022	\$4,009,023
	ULAE:	247,406	247,406
	Total Loss and LAE:	<u>\$4,256,428</u>	<u>\$4,256,429</u>

		<u>Discounted with a Margin for Contingencies</u>				
		<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>85%</u>	<u>90%</u>
		<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>
<u>Liabilities as of 6/30/20:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$1,734,176	\$1,810,524	\$1,899,336	\$2,011,520	\$2,159,540
	ULAE:	81,026	84,594	88,743	93,985	100,901
	Short-Term Loss and LAE:	<u>\$1,815,202</u>	<u>\$1,895,118</u>	<u>\$1,988,079</u>	<u>\$2,105,505</u>	<u>\$2,260,441</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$2,044,798	\$2,134,820	\$2,239,541	\$2,371,819	\$2,546,353
	ULAE:	108,680	113,464	119,029	126,059	135,336
	Long-Term Loss and LAE:	<u>\$2,153,478</u>	<u>\$2,248,284</u>	<u>\$2,358,570</u>	<u>\$2,497,878</u>	<u>\$2,681,689</u>
<u>Total Liability</u>	Loss and ALAE:	\$3,778,974	\$3,945,344	\$4,138,877	\$4,383,339	\$4,705,893
	ULAE:	189,706	198,058	207,772	220,044	236,237
	Total Loss and LAE:	<u>\$3,968,680</u>	<u>\$4,143,402</u>	<u>\$4,346,649</u>	<u>\$4,603,383</u>	<u>\$4,942,130</u>
<u>Liabilities as of 6/30/21:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$2,067,223	\$2,158,233	\$2,264,101	\$2,397,830	\$2,574,277
	ULAE:	128,844	134,517	141,115	149,450	160,448
	Short-Term Loss and LAE:	<u>\$2,196,067</u>	<u>\$2,292,750</u>	<u>\$2,405,216</u>	<u>\$2,547,280</u>	<u>\$2,734,725</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$2,394,820	\$2,500,252	\$2,622,898	\$2,777,819	\$2,982,229
	ULAE:	146,518	152,968	160,473	169,951	182,457
	Long-Term Loss and LAE:	<u>\$2,541,338</u>	<u>\$2,653,220</u>	<u>\$2,783,371</u>	<u>\$2,947,770</u>	<u>\$3,164,686</u>
<u>Total Liability</u>	Loss and ALAE:	\$4,462,043	\$4,658,485	\$4,886,999	\$5,175,649	\$5,556,506
	ULAE:	275,362	287,485	301,588	319,401	342,905
	Total Loss and LAE:	<u>\$4,737,405</u>	<u>\$4,945,970</u>	<u>\$5,188,587</u>	<u>\$5,495,050</u>	<u>\$5,899,411</u>

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

Trindel Insurance Fund - Liability

Discount Factors to be Applied to Overall Reserves

Accident Year	Full Value of Reserve at 6/30/20 (A)	Discount Factor (B)	Discounted Reserve at 6/30/20 (C)	Full Value of Reserve at 6/30/21 (D)	Discount Factor (E)	Discounted Reserve at 6/30/21 (F)
1999-2000	\$380	1.000	\$380	(\$0)	1.000	\$0
2000-2001	0	1.000	0	0	1.000	0
2001-2002	0	1.000	0	0	1.000	0
2002-2003	0	1.000	0	0	1.000	0
2003-2004	0	1.000	0	0	1.000	0
2004-2005	0	1.000	0	0	1.000	0
2005-2006	0	1.000	0	0	1.000	0
2006-2007	0	1.000	0	0	1.000	0
2007-2008	0	1.000	0	0	1.000	0
2008-2009	0	1.000	0	0	1.000	0
2009-2010	0	1.000	0	0	1.000	0
2010-2011	0	1.000	0	0	1.000	0
2011-2012	0	1.000	0	0	1.000	0
2012-2013	0	1.000	0	0	1.000	0
2013-2014	0	1.000	0	0	1.000	0
2014-2015	79,752	1.000	79,752	25,202	1.000	25,202
2015-2016	185,136	1.000	185,136	100,159	1.000	100,159
2016-2017	139,130	1.000	139,130	68,730	1.000	68,730
2017-2018	385,909	1.000	385,909	154,364	1.000	154,364
2018-2019	708,340	1.000	708,340	322,295	1.000	322,295
2019-2020	1,896,658	1.000	1,896,658	1,166,445	1.000	1,166,445
2020-2021				2,171,828	1.000	2,171,828
Totals	\$3,395,304		\$3,395,305	\$4,009,022		\$4,009,023

(G) Discount Factor at 6/30/20 for Overall Reserve: 1.000  
(H) Discount Factor at 6/30/21 for Overall Reserve: 1.000

Notes:

- (A) From Appendix G, Outstanding Liability at 6/30/20.
- (B) Based on Appendix I, Page 2, Column (F).
- (C) (A) x (B).
- (D) From Appendix G, Outstanding Liability at 6/30/21.
- (E) Based on Appendix I, Page 2, Column (F).
- (F) (D) x (E).
- (G) Total of (C) / Total of (A).
- (H) Total of (F) / Total of (D).

This exhibit shows the expected impact of anticipated investment income on the liability for outstanding claims at the date of evaluation and the end of the current fiscal year. For example, if the discount factor in item (G) is 1.000, the discounted liability for outstanding claims is 100.0% of the full value.

Trindel Insurance Fund - Liability

Calculation of Discount Factors

Payment Year (A)	Payment Pattern (B)	Return on Investment (C)	Discounted Reserves (D)	Undiscounted Reserves (E)	Discount Factor (F)
22	0.0%	0.00%	0.000	0.000	1.000
21	0.0%	0.00%	0.000	0.000	1.000
20	0.0%	0.00%	0.000	0.000	1.000
19	0.0%	0.00%	0.000	0.000	1.000
18	0.0%	0.00%	0.000	0.000	1.000
17	0.2%	0.00%	0.002	0.002	1.000
16	0.3%	0.00%	0.005	0.005	1.000
15	0.3%	0.00%	0.008	0.008	1.000
14	0.3%	0.00%	0.011	0.011	1.000
13	0.3%	0.00%	0.014	0.014	1.000
12	0.4%	0.00%	0.018	0.018	1.000
11	0.3%	0.00%	0.021	0.021	1.000
10	0.5%	0.00%	0.025	0.025	1.000
9	0.8%	0.00%	0.034	0.034	1.000
8	2.2%	0.00%	0.056	0.056	1.000
7	3.2%	0.00%	0.088	0.088	1.000
6	3.8%	0.00%	0.125	0.125	1.000
5	8.3%	0.00%	0.208	0.208	1.000
4	19.5%	0.00%	0.403	0.403	1.000
3	28.8%	0.00%	0.691	0.691	1.000
2	25.2%	0.00%	0.942	0.942	1.000
1	5.8%	0.00%	1.000	1.000	1.000

(G) Discount Factor for Future Funding:	2020-2021	1.000
	2021-2022	1.000

Notes:

- (A) This is the year of payment relative to the accident year. For example, year 7 refers to payments made in the seventh year after the inception of the accident year. We assume that payments are made at midyear.
- (B) Percent of ultimate loss paid this year. This payment pattern is based on the paid loss development pattern selected in Appendix B, Page 2.
- (C) Assumed Investment Income Rates.
- (D) Discounted Reserves at the beginning of this year is next year's Discounted Reserves discounted one year plus this year's payments discounted six months. For example, in year 2,  $94.2\% = [69.1\% / 1.000] + [25.2\% / (1.000)]$ .
- (E) Summation of future (B) values. This is the percent of ultimate loss unpaid at the beginning of the year.
- (F) (D) / (E).
- (G) (F) at year 1, with interest accumulated for six months. We assume that the required funding is deposited at the middle of the first year.

This exhibit shows the calculation of the effect of anticipated investment income on future claims costs. Thus, if the discount factor in item (F) is 1.00, on a discounted basis, \$1.00 must be budgeted for every \$1 that will actually be paid on claims that will be incurred in the next fiscal year.

## Trindel Insurance Fund - Liability

## Confidence Level Table

Probability	Projected Losses	Outstanding Losses
95%	1.860	1.544
90%	1.604	1.386
85%	1.450	1.291
80%	1.335	1.219
75%	1.243	1.162
70%	1.165	1.113
65%	1.096	1.069
60%	1.034	1.029
55%	0.977	0.993
50%	0.923	0.958
45%	0.872	0.925
40%	0.822	0.892
35%	0.772	0.859
30%	0.723	0.826
25%	0.671	0.792

To read table: For the above retention, there is a 90% chance that final loss settlements will be less than 1.604 times the average expected amount of losses.

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

## Trindel Insurance Fund - Liability

## Program History

Policy Year Start Date	Policy Year End Date	Policy Year	Self-Insured Retention	
			Per Occurrence	Aggregate
7/1/1999	6/30/2000	1999-2000	\$100,000	(none)
7/1/2000	6/30/2001	2000-2001	100,000	(none)
7/1/2001	6/30/2002	2001-2002	100,000	(none)
7/1/2002	6/30/2003	2002-2003	100,000	(none)
7/1/2003	6/30/2004	2003-2004	100,000	(none)
7/1/2004	6/30/2005	2004-2005	100,000	(none)
7/1/2005	6/30/2006	2005-2006	100,000	(none)
7/1/2006	6/30/2007	2006-2007	100,000	(none)
7/1/2007	6/30/2008	2007-2008	100,000	(none)
7/1/2008	6/30/2009	2008-2009	100,000	(none)
7/1/2009	6/30/2010	2009-2010	100,000	(none)
7/1/2010	6/30/2011	2010-2011	100,000	(none)
7/1/2011	6/30/2012	2011-2012	100,000	(none)
7/1/2012	6/30/2013	2012-2013	100,000	(none)
7/1/2013	6/30/2014	2013-2014	100,000	(none)
7/1/2014	6/30/2015	2014-2015	100,000	(none)
7/1/2015	6/30/2016	2015-2016	100,000	(none)
7/1/2016	6/30/2017	2016-2017	100,000	(none)
7/1/2017	6/30/2018	2017-2018	100,000	(none)
7/1/2018	6/30/2019	2018-2019	100,000	(none)
7/1/2019	6/30/2020	2019-2020	250,000	(none)
7/1/2020	6/30/2021	2020-2021	250,000	(none)
7/1/2021	6/30/2022	2021-2022	250,000	(none)

Third Party Claims Administrator	Begin Date	End Date
Self-Administered *	7/1/2016	Present
George Hills Co. *	8/1/2002	6/30/2016
Rooney & Anderson	7/1/1981	7/31/2002

\* Sutter County claims are administered by Sedgwick.  
As of the June 30, 2020 evaluation, Sutter County claims are now administered by the Trindel Insurance Fund.

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

## Trindel Insurance Fund - Liability

## Estimated Total Assets as of 6/30/21

(A) <u>Total Assets as of 6/30/20:</u>	\$12,295,000
(B) <u>Total Income to Fund during 2020-2021</u>	
Contributions:	\$7,928,000
Interest:	10,000
Other:	0
Total Income:	<u>\$7,938,000</u>
(C) <u>Total Payments from Fund during 2020-2021</u>	
Loss and ALAE:	\$1,656,000
Additional Allocated Loss Adjustment Expense:	0
In-House Unallocated Loss Adjustment Expense:	171,000
Return of Funds to Members	1,000,000
Excess Insurance:	4,575,000
Other:	330,000
Total Payments:	<u>\$7,732,000</u>
(D) <u>Estimated Total Assets as of 6/30/21:</u>	\$12,501,000

## Notes:

- (A) Provided by the Fund.
- (B) Provided by the Fund.
- (C) Provided by the Fund.
- (D) (A) + (B) - (C).

Trindel Insurance Fund - Liability

Incurred Losses as of 6/30/20

Accident Year (A)	Gross Unlimited Incurred (B)	Additions to Losses (C)	Additions to Losses (D)	Additions to Losses (E)	Gross Adjusted Incurred (F)	Incurred Over SIR (G)	Net Incurred Capped at SIR (H)	Net Incurred Capped at SIR & Aggregate (I)
1999-2000	\$1,080,050	\$509,308	0	\$50,000	\$1,639,358	\$1,037,737	\$601,620	\$601,620
2000-2001	2,397,103	58,289	0		2,455,392	1,607,018	848,374	848,374
2001-2002	1,146,052	32,184	0		1,178,235	422,169	756,066	756,066
2002-2003	2,986,659	172,541	0		3,159,200	1,744,944	1,414,256	1,414,256
2003-2004	3,264,603	539,802	0		3,804,405	2,455,405	1,349,001	1,349,001
2004-2005	3,401,639	0	0		3,401,639	2,102,819	1,298,820	1,298,820
2005-2006	2,953,170	0	0		2,953,170	1,178,410	1,774,760	1,774,760
2006-2007	3,641,028	0	0		3,641,028	1,820,318	1,820,710	1,820,710
2007-2008	2,778,292	0	0		2,778,292	1,244,608	1,533,684	1,533,684
2008-2009	2,743,019	0	0		2,743,019	1,158,177	1,584,843	1,584,843
2009-2010	1,740,097	0	0		1,740,097	858,529	881,568	881,568
2010-2011	8,770,162	0	0		8,770,162	7,024,044	1,746,117	1,746,117
2011-2012	3,826,257	0	0		3,826,257	2,340,391	1,485,867	1,485,867
2012-2013	2,834,868	0	0		2,834,868	1,801,741	1,033,127	1,033,127
2013-2014	3,005,179	0	0		3,005,179	1,678,471	1,326,709	1,326,709
2014-2015	1,115,360	0	0		1,115,360	153,900	961,460	961,460
2015-2016	2,371,741	0	0		2,371,741	959,565	1,412,176	1,412,176
2016-2017	1,101,728	0	0		1,101,728	149,439	952,289	952,289
2017-2018	1,702,404	0	0		1,702,404	480,983	1,221,421	1,221,421
2018-2019	3,209,325	0	0		3,209,325	2,189,412	1,019,913	1,019,913
2019-2020	779,195	0	0		779,195	1,500	777,695	777,695
2020-2021	0	0	0		0	0	0	0
<b>Total</b>	<b>\$56,847,930</b>	<b>\$1,312,123</b>	<b>\$0</b>	<b>\$50,000</b>	<b>\$58,210,053</b>	<b>\$32,409,579</b>	<b>\$25,800,474</b>	<b>\$25,800,474</b>

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Fund.
- (C) Plumas County tail claims.
- (D) Sutter claims are included in Trindel loss run.
- (E) Pre 1999-2000 claim that was reported 09/12/2019
- (F) (B) + (C) + (D) + (E).
- (G) Sum of incurred losses in excess of SIR.
- (H) (F) - (G).
- (I) Minimum of (H) and the aggregate stop loss. See Appendix K.

Trindel Insurance Fund - Liability

Paid Losses as of 6/30/20

Accident Year (A)	Gross Unlimited Paid (B)	Additions to Losses (C)	Additions from Losses (D)	Additions from Losses (E)	Gross Adjusted Paid (F)	Paid Over SIR (G)	Net Paid Capped at SIR (H)	Net Paid Capped at SIR & Aggregate (I)
1999-2000	\$1,080,050	\$509,308	\$0	\$17,364	\$1,606,722	\$1,005,101	\$601,620	\$601,620
2000-2001	2,397,103	58,289	0	0	2,455,392	1,607,018	848,374	848,374
2001-2002	1,146,052	32,184	0	0	1,178,235	422,169	756,066	756,066
2002-2003	2,986,659	172,541	0	0	3,159,200	1,744,944	1,414,256	1,414,256
2003-2004	3,264,603	539,802	0	0	3,804,405	2,455,405	1,349,001	1,349,001
2004-2005	3,401,639	0	0	0	3,401,639	2,102,819	1,298,820	1,298,820
2005-2006	2,953,170	0	0	0	2,953,170	1,178,410	1,774,760	1,774,760
2006-2007	3,632,032	0	0	0	3,632,032	1,811,322	1,820,710	1,820,710
2007-2008	2,778,292	0	0	0	2,778,292	1,244,608	1,533,684	1,533,684
2008-2009	2,743,019	0	0	0	2,743,019	1,158,177	1,584,843	1,584,843
2009-2010	1,740,097	0	0	0	1,740,097	858,529	881,568	881,568
2010-2011	8,075,899	0	0	0	8,075,899	6,329,782	1,746,117	1,746,117
2011-2012	3,819,404	0	0	0	3,819,404	2,333,538	1,485,867	1,485,867
2012-2013	2,834,868	0	0	0	2,834,868	1,801,741	1,033,127	1,033,127
2013-2014	2,715,604	0	0	0	2,715,604	1,388,895	1,326,709	1,326,709
2014-2015	890,248	0	0	0	890,248	2,000	888,248	888,248
2015-2016	2,097,464	0	0	0	2,097,464	856,600	1,240,864	1,240,864
2016-2017	983,309	0	0	0	983,309	149,439	833,870	833,870
2017-2018	939,491	0	0	0	939,491	81,399	858,091	858,091
2018-2019	538,660	0	0	0	538,660	0	538,660	538,660
2019-2020	174,342	0	0	0	174,342	0	174,342	174,342
2020-2021	0	0	0	0	0	0	0	0
<b>Total</b>	<b>\$51,192,006</b>	<b>\$1,312,123</b>	<b>\$0</b>	<b>\$17,364</b>	<b>\$52,521,493</b>	<b>\$28,531,896</b>	<b>\$23,989,597</b>	<b>\$23,989,597</b>

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Fund.
- (C) Plumas County tail claims.
- (D) Sutter claims are included in Trindel loss run.
- (E) Pre 1999-2000 claim that was reported 09/12/2019
- (F) (B) + (C) + (D) + (E).
- (G) Sum of paid losses in excess of SIR.
- (H) (F) - (G).
- (I) Minimum of (H) and the aggregate stop loss. See Appendix K.

## Trindel Insurance Fund - Liability

## Case Reserves as of 6/30/20

Accident Year (A)	Gross Unlimited Reserves (B)	Additions to Losses (C)	Additions to Losses (D)	Additions to Losses (E)	Gross Adjusted Reserves (F)	Reserves Over SIR (G)	Net Reserves Capped at SIR (H)	Net Reserves Capped at SIR & Aggregate (I)
1999-2000	\$0	\$0	\$0	\$32,636	\$32,636	\$32,636	\$0	\$0
2000-2001	0	0	0	0	0	0	0	0
2001-2002	0	0	0	0	0	0	0	0
2002-2003	0	0	0	0	0	0	0	0
2003-2004	0	0	0	0	0	0	0	0
2004-2005	0	0	0	0	0	0	0	0
2005-2006	0	0	0	0	0	0	0	0
2006-2007	8,996	0	0	0	8,996	8,996	0	0
2007-2008	0	0	0	0	0	0	0	0
2008-2009	0	0	0	0	0	0	0	0
2009-2010	0	0	0	0	0	0	0	0
2010-2011	694,262	0	0	0	694,262	694,262	0	0
2011-2012	6,853	0	0	0	6,853	6,853	0	0
2012-2013	0	0	0	0	0	0	0	0
2013-2014	289,575	0	0	0	289,575	289,575	0	0
2014-2015	225,112	0	0	0	225,112	151,900	73,212	73,212
2015-2016	274,276	0	0	0	274,276	102,965	171,312	171,312
2016-2017	118,418	0	0	0	118,418	0	118,418	118,418
2017-2018	762,913	0	0	0	762,913	399,584	363,329	363,329
2018-2019	2,670,665	0	0	0	2,670,665	2,189,412	481,253	481,253
2019-2020	604,853	0	0	0	604,853	1,500	603,353	603,353
2020-2021	0	0	0	0	0	0	0	0
Total	\$5,655,923	\$0	\$0	\$32,636	\$5,688,560	\$3,877,683	\$1,810,877	\$1,810,877

## Notes:

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

Trindel Insurance Fund - Liability

Claim Counts as of 6/30/20

Accident Year (A)	Reported Claims (B)	Additions to Reported Claims (C)	Additions to Reported Claims (D)	Adjusted Reported Claims (E)	Closed Claims (F)	Additions to Closed Claims (G)	Additions to Closed Claims (H)	Additions to Closed Claims (I)	Adjusted Closed Claims (J)	Open Claims (K)
1999-2000	133	6	1	140	130	6	0	3	139	3
2000-2001	125	2	0	127	122	2	0	3	127	3
2001-2002	138	3	0	141	130	3	0	8	141	8
2002-2003	128	4	0	132	126	4	0	2	132	2
2003-2004	142	4	0	146	139	4	0	3	146	3
2004-2005	152	0	0	152	151	0	0	1	152	1
2005-2006	144	0	0	144	141	0	0	3	144	3
2006-2007	148	0	0	148	145	0	0	3	148	3
2007-2008	131	0	0	131	126	0	0	5	131	5
2008-2009	130	0	0	130	125	0	0	5	130	5
2009-2010	136	0	0	136	132	0	0	4	136	4
2010-2011	145	0	0	145	142	0	0	3	145	3
2011-2012	129	0	0	129	125	0	0	4	129	4
2012-2013	120	0	0	120	117	0	0	3	120	3
2013-2014	115	0	0	115	114	0	0	1	115	1
2014-2015	105	0	0	105	101	0	0	0	101	4
2015-2016	114	0	0	114	114	0	0	0	114	0
2016-2017	147	0	0	147	144	0	0	0	144	3
2017-2018	119	0	0	119	109	0	0	0	109	10
2018-2019	124	0	0	124	114	0	0	0	114	10
2019-2020	77	0	0	77	61	0	0	0	61	16
2020-2021	0	0	0	0	0	0	0	0	0	0
Total	2,702	19	1	2,722	2,608	19	0		2,678	94

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Fund.
- (C) Plumas County tail claims.
- (D) Pre 1999-2000 claim that was reported 09/12/2019
- (E) (B) + (C) + (D).
- (F) Provided by the Fund.
- (G) Plumas County tail claims.
- (H) Pre 1999-2000 claim that was reported 09/12/2019
- (I) Open Claims with Zero Reserves. Assume to be closed.
- (J) (F) + (G)+ (H)+(I).
- (K) (B) - (F).

## Trindel Insurance Fund - Liability

## Exposure Measures

Accident Year	Total Payroll (\$00) (A)	Inflation Trend Factor (B)	Trended Payroll (\$00) (C)
1999-2000	\$1,108,413	1.679	\$1,861,025
2000-2001	1,345,798	1.638	2,204,417
2001-2002	1,447,045	1.598	2,312,378
2002-2003	1,458,444	1.559	2,273,714
2003-2004	1,508,839	1.521	2,294,944
2004-2005	1,560,628	1.484	2,315,972
2005-2006	1,608,151	1.448	2,328,603
2006-2007	1,696,438	1.413	2,397,067
2007-2008	1,852,547	1.379	2,554,662
2008-2009	1,957,582	1.345	2,632,948
2009-2010	1,984,734	1.312	2,603,971
2010-2011	1,903,337	1.280	2,436,271
2011-2012	1,855,918	1.249	2,318,042
2012-2013	1,894,456	1.219	2,309,342
2013-2014	1,833,560	1.189	2,180,103
2014-2015	1,867,444	1.160	2,166,235
2015-2016	1,984,898	1.132	2,246,905
2016-2017	2,182,098	1.104	2,409,036
2017-2018	2,315,949	1.077	2,494,277
2018-2019	2,372,633	1.051	2,493,637
2019-2020	2,442,865	1.025	2,503,937
2020-2021	2,747,777	1.000	2,747,777
2021-2022	2,847,425	1.000	2,847,425

## Notes:

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

Trindel Insurance Fund - Liability

Payment and Reserve Forecast

<u>Accident Year</u>	<u>Calendar Period</u>				
	<u>As of 6/30/2020</u>	<u>7/1/2020 to 6/30/2021</u>	<u>7/1/2021 to 6/30/2022</u>	<u>7/1/2022 to 6/30/2023</u>	<u>7/1/2023 to 6/30/2024</u>
Prior					
Ultimate Loss	\$4,969,697	\$4,969,697	\$4,969,697	\$4,969,697	\$4,969,697
Paid in Calendar Period	-	380			
Paid to Date	4,969,317	4,969,697	4,969,697	4,969,697	4,969,697
Outstanding Liability	380	(0)	(0)	(0)	(0)
2004-2005					
Ultimate Loss	\$1,298,820	\$1,298,820	\$1,298,820	\$1,298,820	\$1,298,820
Paid in Calendar Period	-				
Paid to Date	1,298,820	1,298,820	1,298,820	1,298,820	1,298,820
Outstanding Liability					
2005-2006					
Ultimate Loss	\$1,774,760	\$1,774,760	\$1,774,760	\$1,774,760	\$1,774,760
Paid in Calendar Period	-				
Paid to Date	1,774,760	1,774,760	1,774,760	1,774,760	1,774,760
Outstanding Liability					
2006-2007					
Ultimate Loss	\$1,820,710	\$1,820,710	\$1,820,710	\$1,820,710	\$1,820,710
Paid in Calendar Period	-				
Paid to Date	1,820,710	1,820,710	1,820,710	1,820,710	1,820,710
Outstanding Liability					
2007-2008					
Ultimate Loss	\$1,533,684	\$1,533,684	\$1,533,684	\$1,533,684	\$1,533,684
Paid in Calendar Period	-				
Paid to Date	1,533,684	1,533,684	1,533,684	1,533,684	1,533,684
Outstanding Liability					
2008-2009					
Ultimate Loss	\$1,584,843	\$1,584,843	\$1,584,843	\$1,584,843	\$1,584,843
Paid in Calendar Period	-				
Paid to Date	1,584,843	1,584,843	1,584,843	1,584,843	1,584,843
Outstanding Liability					
2009-2010					
Ultimate Loss	\$881,568	\$881,568	\$881,568	\$881,568	\$881,568
Paid in Calendar Period	-				
Paid to Date	881,568	881,568	881,568	881,568	881,568
Outstanding Liability					
2010-2011					
Ultimate Loss	\$1,746,117	\$1,746,117	\$1,746,117	\$1,746,117	\$1,746,117
Paid in Calendar Period	-				
Paid to Date	1,746,117	1,746,117	1,746,117	1,746,117	1,746,117
Outstanding Liability					

Trindel Insurance Fund - Liability

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>6/30/2020</u>	<u>Calendar Period</u>			
		<u>7/1/2020</u> <u>to</u> <u>6/30/2021</u>	<u>7/1/2021</u> <u>to</u> <u>6/30/2022</u>	<u>7/1/2022</u> <u>to</u> <u>6/30/2023</u>	<u>7/1/2023</u> <u>to</u> <u>6/30/2024</u>
2011-2012					
Ultimate Loss	\$1,485,867	\$1,485,867	\$1,485,867	\$1,485,867	\$1,485,867
Paid in Calendar Period	-				
Paid to Date	1,485,867	1,485,867	1,485,867	1,485,867	1,485,867
Outstanding Liability					
2012-2013					
Ultimate Loss	\$1,033,127	\$1,033,127	\$1,033,127	\$1,033,127	\$1,033,127
Paid in Calendar Period	-				
Paid to Date	1,033,127	1,033,127	1,033,127	1,033,127	1,033,127
Outstanding Liability					
2013-2014					
Ultimate Loss	\$1,326,709	\$1,326,709	\$1,326,709	\$1,326,709	\$1,326,709
Paid in Calendar Period	-				
Paid to Date	1,326,709	1,326,709	1,326,709	1,326,709	1,326,709
Outstanding Liability					
2014-2015					
Ultimate Loss	\$968,000	\$968,000	\$968,000	\$968,000	\$968,000
Paid in Calendar Period	-	54,550	13,937	8,437	2,828
Paid to Date	888,248	942,798	956,735	965,172	968,000
Outstanding Liability	79,752	25,202	11,265	2,828	(0)
2015-2016					
Ultimate Loss	\$1,426,000	\$1,426,000	\$1,426,000	\$1,426,000	\$1,426,000
Paid in Calendar Period	-	84,977	68,508	17,503	10,597
Paid to Date	1,240,864	1,325,841	1,394,349	1,411,852	1,422,449
Outstanding Liability	185,136	100,159	31,651	14,148	3,551
2016-2017					
Ultimate Loss	\$973,000	\$973,000	\$973,000	\$973,000	\$973,000
Paid in Calendar Period	-	70,400	31,547	25,433	6,498
Paid to Date	833,870	904,270	935,817	961,250	967,748
Outstanding Liability	139,130	68,730	37,183	11,750	5,252
2017-2018					
Ultimate Loss	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000	\$1,244,000
Paid in Calendar Period	-	231,545	78,108	35,001	28,218
Paid to Date	858,091	1,089,636	1,167,744	1,202,745	1,230,963
Outstanding Liability	385,909	154,364	76,256	41,255	13,037
2018-2019					
Ultimate Loss	\$1,247,000	\$1,247,000	\$1,247,000	\$1,247,000	\$1,247,000
Paid in Calendar Period	-	386,045	193,377	65,233	29,232
Paid to Date	538,660	924,705	1,118,082	1,183,315	1,212,547
Outstanding Liability	708,340	322,295	128,918	63,685	34,453

Trindel Insurance Fund - Liability

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of</u> <u>6/30/2020</u>	<u>Calendar Period</u>			
		<u>7/1/2020</u> <u>to</u> <u>6/30/2021</u>	<u>7/1/2021</u> <u>to</u> <u>6/30/2022</u>	<u>7/1/2022</u> <u>to</u> <u>6/30/2023</u>	<u>7/1/2023</u> <u>to</u> <u>6/30/2024</u>
2019-2020					
Ultimate Loss	\$2,071,000	\$2,071,000	\$2,071,000	\$2,071,000	\$2,071,000
Paid in Calendar Period	-	730,213	635,712	318,440	107,420
Paid to Date	174,342	904,555	1,540,267	1,858,707	1,966,127
Outstanding Liability	1,896,658	1,166,445	530,733	212,293	104,873
2020-2021					
Ultimate Loss	-	\$2,308,000	\$2,308,000	\$2,308,000	\$2,308,000
Paid in Calendar Period	-	136,172	836,154	727,942	364,639
Paid to Date	-	136,172	972,326	1,700,268	2,064,907
Outstanding Liability	-	2,171,828	1,335,674	607,732	243,093
2021-2022					
Ultimate Loss	-	-	\$2,435,000	\$2,435,000	\$2,435,000
Paid in Calendar Period	-	-	143,665	882,164	767,998
Paid to Date	-	-	143,665	1,025,829	1,793,827
Outstanding Liability	-	-	2,291,335	1,409,171	641,173
2022-2023					
Ultimate Loss	-	-	-	\$2,540,000	\$2,540,000
Paid in Calendar Period	-	-	-	149,860	920,204
Paid to Date	-	-	-	149,860	1,070,064
Outstanding Liability	-	-	-	2,390,140	1,469,936
2023-2024					
Ultimate Loss	-	-	-	-	\$2,648,000
Paid in Calendar Period	-	-	-	-	156,232
Paid to Date	-	-	-	-	156,232
Outstanding Liability	-	-	-	-	2,491,768
Totals					
Ultimate Loss	\$27,384,901	\$29,692,901	\$32,127,901	\$34,667,901	\$37,315,901
Paid in Calendar Period	-	1,694,282	2,001,008	2,230,013	2,393,866
Paid to Date	23,989,597	25,683,879	27,684,887	29,914,900	32,308,766
Outstanding Liability	3,395,304	4,009,022	4,443,014	4,753,001	5,007,135
Total Outstanding ULAE	170,445	247,406	294,143	328,702	360,212
Outstanding Liability plus ULAE	3,565,749	4,256,428	4,737,157	5,081,703	5,367,347

Notes appear on the next page.

Trindel Insurance Fund - Liability

Payment and Reserve Forecast

Notes to previous page:

- Accident Year is associated with date of loss. Calendar Period is associated with date of transaction. For example, for the losses which occurred during 2018-2019, \$386,045 is expected to be paid between 7/1/20 and 6/30/21, \$924,705 will have been paid by 6/30/21, and the reserve for remaining payments on these claims should be \$322,295.
- Ultimate Losses for each accident year are from Exhibit 4, Page 1.
- Paid in Calendar Period is a proportion of the Outstanding Liability from the previous calendar period. These proportions are derived from the paid loss development pattern selected in Appendix B. For example,  $\$193,377 = \$322,295 \times 60.0\%$ .
- Paid to Date is Paid in Calendar Period plus Paid to Date from previous calendar period. For example,  $\$1,118,082 = \$193,377 + \$924,705$ .
- Outstanding Liability is Ultimate Loss minus Paid to Date. For example,  $\$322,295 = \$1,247,000 - \$924,705$ .

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

## Trindel Insurance Fund - Liability

## Short- and Long-Term Liabilities

<u>Liabilities as of 6/30/20:</u>		<u>Expected</u>	<u>Discounted</u>
<u>Current (Short Term)</u>	Loss and ALAE:	\$1,558,110	\$1,558,110
	ULAE:	72,800	72,800
	Short-Term Loss and LAE:	<u>\$1,630,910</u>	<u>\$1,630,910</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$1,837,194	\$1,837,195
	ULAE:	97,645	97,645
	Long-Term Loss and LAE:	<u>\$1,934,839</u>	<u>\$1,934,840</u>
<u>Total Liability</u>	Loss and ALAE:	\$3,395,304	\$3,395,305
	ULAE:	170,445	170,445
	Total Loss and LAE:	<u>\$3,565,749</u>	<u>\$3,565,750</u>
<u>Liabilities as of 6/30/21:</u>			
<u>Current (Short Term)</u>	Loss and ALAE:	\$1,857,343	\$1,857,343
	ULAE:	115,763	115,763
	Short-Term Loss and LAE:	<u>\$1,973,106</u>	<u>\$1,973,106</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$2,151,679	\$2,151,680
	ULAE:	131,643	131,643
	Long-Term Loss and LAE:	<u>\$2,283,322</u>	<u>\$2,283,323</u>
<u>Total Liability</u>	Loss and ALAE:	\$4,009,022	\$4,009,023
	ULAE:	247,406	247,406
	Total Loss and LAE:	<u>\$4,256,428</u>	<u>\$4,256,429</u>

		<u>Discounted with a Margin for Contingencies</u>				
		<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>85%</u>	<u>90%</u>
		<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>
<u>Liabilities as of 6/30/20:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$1,734,176	\$1,810,524	\$1,899,336	\$2,011,520	\$2,159,540
	ULAE:	81,026	84,594	88,743	93,985	100,901
	Short-Term Loss and LAE:	<u>\$1,815,202</u>	<u>\$1,895,118</u>	<u>\$1,988,079</u>	<u>\$2,105,505</u>	<u>\$2,260,441</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$2,044,798	\$2,134,820	\$2,239,541	\$2,371,819	\$2,546,353
	ULAE:	108,680	113,464	119,029	126,059	135,336
	Long-Term Loss and LAE:	<u>\$2,153,478</u>	<u>\$2,248,284</u>	<u>\$2,358,570</u>	<u>\$2,497,878</u>	<u>\$2,681,689</u>
<u>Total Liability</u>	Loss and ALAE:	\$3,778,974	\$3,945,344	\$4,138,877	\$4,383,339	\$4,705,893
	ULAE:	189,706	198,058	207,772	220,044	236,237
	Total Loss and LAE:	<u>\$3,968,680</u>	<u>\$4,143,402</u>	<u>\$4,346,649</u>	<u>\$4,603,383</u>	<u>\$4,942,130</u>
<u>Liabilities as of 6/30/21:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$2,067,223	\$2,158,233	\$2,264,101	\$2,397,830	\$2,574,277
	ULAE:	128,844	134,517	141,115	149,450	160,448
	Short-Term Loss and LAE:	<u>\$2,196,067</u>	<u>\$2,292,750</u>	<u>\$2,405,216</u>	<u>\$2,547,280</u>	<u>\$2,734,725</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$2,394,820	\$2,500,252	\$2,622,898	\$2,777,819	\$2,982,229
	ULAE:	146,518	152,968	160,473	169,951	182,457
	Long-Term Loss and LAE:	<u>\$2,541,338</u>	<u>\$2,653,220</u>	<u>\$2,783,371</u>	<u>\$2,947,770</u>	<u>\$3,164,686</u>
<u>Total Liability</u>	Loss and ALAE:	\$4,462,043	\$4,658,485	\$4,886,999	\$5,175,649	\$5,556,506
	ULAE:	275,362	287,485	301,588	319,401	342,905
	Total Loss and LAE:	<u>\$4,737,405</u>	<u>\$4,945,970</u>	<u>\$5,188,587</u>	<u>\$5,495,050</u>	<u>\$5,899,411</u>

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

Trindel Insurance Fund - Liability

Discount Factors to be Applied to Overall Reserves

Accident Year	Full Value of Reserve at 6/30/20 (A)	Discount Factor (B)	Discounted Reserve at 6/30/20 (C)	Full Value of Reserve at 6/30/21 (D)	Discount Factor (E)	Discounted Reserve at 6/30/21 (F)
1999-2000	\$380	1.000	\$380	(\$0)	1.000	\$0
2000-2001	0	1.000	0	0	1.000	0
2001-2002	0	1.000	0	0	1.000	0
2002-2003	0	1.000	0	0	1.000	0
2003-2004	0	1.000	0	0	1.000	0
2004-2005	0	1.000	0	0	1.000	0
2005-2006	0	1.000	0	0	1.000	0
2006-2007	0	1.000	0	0	1.000	0
2007-2008	0	1.000	0	0	1.000	0
2008-2009	0	1.000	0	0	1.000	0
2009-2010	0	1.000	0	0	1.000	0
2010-2011	0	1.000	0	0	1.000	0
2011-2012	0	1.000	0	0	1.000	0
2012-2013	0	1.000	0	0	1.000	0
2013-2014	0	1.000	0	0	1.000	0
2014-2015	79,752	1.000	79,752	25,202	1.000	25,202
2015-2016	185,136	1.000	185,136	100,159	1.000	100,159
2016-2017	139,130	1.000	139,130	68,730	1.000	68,730
2017-2018	385,909	1.000	385,909	154,364	1.000	154,364
2018-2019	708,340	1.000	708,340	322,295	1.000	322,295
2019-2020	1,896,658	1.000	1,896,658	1,166,445	1.000	1,166,445
2020-2021				2,171,828	1.000	2,171,828
Totals	\$3,395,304		\$3,395,305	\$4,009,022		\$4,009,023

(G) Discount Factor at 6/30/20 for Overall Reserve: 1.000  
(H) Discount Factor at 6/30/21 for Overall Reserve: 1.000

Notes:

- (A) From Appendix G, Outstanding Liability at 6/30/20.
- (B) Based on Appendix I, Page 2, Column (F).
- (C) (A) x (B).
- (D) From Appendix G, Outstanding Liability at 6/30/21.
- (E) Based on Appendix I, Page 2, Column (F).
- (F) (D) x (E).
- (G) Total of (C) / Total of (A).
- (H) Total of (F) / Total of (D).

This exhibit shows the expected impact of anticipated investment income on the liability for outstanding claims at the date of evaluation and the end of the current fiscal year. For example, if the discount factor in item (G) is 1.000, the discounted liability for outstanding claims is 100.0% of the full value.

Trindel Insurance Fund - Liability

Calculation of Discount Factors

Payment Year (A)	Payment Pattern (B)	Return on Investment (C)	Discounted Reserves (D)	Undiscounted Reserves (E)	Discount Factor (F)
22	0.0%	0.00%	0.000	0.000	1.000
21	0.0%	0.00%	0.000	0.000	1.000
20	0.0%	0.00%	0.000	0.000	1.000
19	0.0%	0.00%	0.000	0.000	1.000
18	0.0%	0.00%	0.000	0.000	1.000
17	0.2%	0.00%	0.002	0.002	1.000
16	0.3%	0.00%	0.005	0.005	1.000
15	0.3%	0.00%	0.008	0.008	1.000
14	0.3%	0.00%	0.011	0.011	1.000
13	0.3%	0.00%	0.014	0.014	1.000
12	0.4%	0.00%	0.018	0.018	1.000
11	0.3%	0.00%	0.021	0.021	1.000
10	0.5%	0.00%	0.025	0.025	1.000
9	0.8%	0.00%	0.034	0.034	1.000
8	2.2%	0.00%	0.056	0.056	1.000
7	3.2%	0.00%	0.088	0.088	1.000
6	3.8%	0.00%	0.125	0.125	1.000
5	8.3%	0.00%	0.208	0.208	1.000
4	19.5%	0.00%	0.403	0.403	1.000
3	28.8%	0.00%	0.691	0.691	1.000
2	25.2%	0.00%	0.942	0.942	1.000
1	5.8%	0.00%	1.000	1.000	1.000

(G) Discount Factor for Future Funding:	2020-2021	1.000
	2021-2022	1.000
	2022-2023	1.000
	2023-2024	1.000

Notes:

- (A) This is the year of payment relative to the accident year. For example, year 7 refers to payments made in the seventh year after the inception of the accident year. We assume that payments are made at midyear.
- (B) Percent of ultimate loss paid this year. This payment pattern is based on the paid loss development pattern selected in Appendix B, Page 2.
- (C) Assumed Investment Income Rates.
- (D) Discounted Reserves at the beginning of this year is next year's Discounted Reserves discounted one year plus this year's payments discounted six months. For example, in year 2,  $94.2\% = [69.1\% / 1.000] + [25.2\% / (1.000)]$ .
- (E) Summation of future (B) values. This is the percent of ultimate loss unpaid at the beginning of the year.
- (F) (D) / (E).
- (G) (F) at year 1, with interest accumulated for six months. We assume that the required funding is deposited at the middle of the first year.

This exhibit shows the calculation of the effect of anticipated investment income on future claims costs. Thus, if the discount factor in item (F) is 1.00, on a discounted basis, \$1.00 must be budgeted for every \$1 that will actually be paid on claims that will be incurred in the next fiscal year.

## Trindel Insurance Fund - Liability

## Confidence Level Table

Probability	Projected Losses	Outstanding Losses
95%	1.860	1.544
90%	1.604	1.386
85%	1.450	1.291
80%	1.335	1.219
75%	1.243	1.162
70%	1.165	1.113
65%	1.096	1.069
60%	1.034	1.029
55%	0.977	0.993
50%	0.923	0.958
45%	0.872	0.925
40%	0.822	0.892
35%	0.772	0.859
30%	0.723	0.826
25%	0.671	0.792

To read table: For the above retention, there is a 90% chance that final loss settlements will be less than 1.604 times the average expected amount of losses.

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

## Trindel Insurance Fund - Liability

## Program History

Policy Year Start Date	Policy Year End Date	Policy Year	Self-Insured Retention	
			Per Occurrence	Aggregate
7/1/1999	6/30/2000	1999-2000	\$100,000	(none)
7/1/2000	6/30/2001	2000-2001	100,000	(none)
7/1/2001	6/30/2002	2001-2002	100,000	(none)
7/1/2002	6/30/2003	2002-2003	100,000	(none)
7/1/2003	6/30/2004	2003-2004	100,000	(none)
7/1/2004	6/30/2005	2004-2005	100,000	(none)
7/1/2005	6/30/2006	2005-2006	100,000	(none)
7/1/2006	6/30/2007	2006-2007	100,000	(none)
7/1/2007	6/30/2008	2007-2008	100,000	(none)
7/1/2008	6/30/2009	2008-2009	100,000	(none)
7/1/2009	6/30/2010	2009-2010	100,000	(none)
7/1/2010	6/30/2011	2010-2011	100,000	(none)
7/1/2011	6/30/2012	2011-2012	100,000	(none)
7/1/2012	6/30/2013	2012-2013	100,000	(none)
7/1/2013	6/30/2014	2013-2014	100,000	(none)
7/1/2014	6/30/2015	2014-2015	100,000	(none)
7/1/2015	6/30/2016	2015-2016	100,000	(none)
7/1/2016	6/30/2017	2016-2017	100,000	(none)
7/1/2017	6/30/2018	2017-2018	100,000	(none)
7/1/2018	6/30/2019	2018-2019	100,000	(none)
7/1/2019	6/30/2020	2019-2020	250,000	(none)
7/1/2020	6/30/2021	2020-2021	250,000	(none)
7/1/2021	6/30/2022	2021-2022	250,000	(none)

Third Party Claims Administrator	Begin Date	End Date
Self-Administered *	7/1/2016	Present
George Hills Co. *	8/1/2002	6/30/2016
Rooney & Anderson	7/1/1981	7/31/2002

\* Sutter County claims are administered by Sedgwick.  
As of the June 30, 2020 evaluation, Sutter County claims are now administered by the Trindel Insurance Fund.

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

## Trindel Insurance Fund - Liability

## Estimated Total Assets as of 6/30/21

(A) <u>Total Assets as of 6/30/20:</u>	\$12,295,000
(B) <u>Total Income to Fund during 2020-2021</u>	
Contributions:	\$7,928,000
Interest:	10,000
Other:	0
Total Income:	<u>\$7,938,000</u>
(C) <u>Total Payments from Fund during 2020-2021</u>	
Loss and ALAE:	\$1,656,000
Additional Allocated Loss Adjustment Expense:	0
In-House Unallocated Loss Adjustment Expense:	171,000
Return of Funds to Members	1,000,000
Excess Insurance:	4,575,000
Other:	<u>330,000</u>
Total Payments:	<u>\$7,732,000</u>
(D) <u>Estimated Total Assets as of 6/30/21:</u>	\$12,501,000

## Notes:

- (A) Provided by the Fund.
- (B) Provided by the Fund.
- (C) Provided by the Fund.
- (D) (A) + (B) - (C).

Trindel Insurance Fund - Liability

Incurred Losses as of 6/30/20

Accident Year (A)	Gross Unlimited Incurred (B)	Additions to Losses (C)	Additions to Losses (D)	Additions to Losses (E)	Gross Adjusted Incurred (F)	Incurred Over SIR (G)	Net Incurred Capped at SIR (H)	Net Incurred Capped at SIR & Aggregate (I)
1999-2000	\$1,080,050	\$509,308	0	\$50,000	\$1,639,358	\$1,037,737	\$601,620	\$601,620
2000-2001	2,397,103	58,289	0		2,455,392	1,607,018	848,374	848,374
2001-2002	1,146,052	32,184	0		1,178,235	422,169	756,066	756,066
2002-2003	2,986,659	172,541	0		3,159,200	1,744,944	1,414,256	1,414,256
2003-2004	3,264,603	539,802	0		3,804,405	2,455,405	1,349,001	1,349,001
2004-2005	3,401,639	0	0		3,401,639	2,102,819	1,298,820	1,298,820
2005-2006	2,953,170	0	0		2,953,170	1,178,410	1,774,760	1,774,760
2006-2007	3,641,028	0	0		3,641,028	1,820,318	1,820,710	1,820,710
2007-2008	2,778,292	0	0		2,778,292	1,244,608	1,533,684	1,533,684
2008-2009	2,743,019	0	0		2,743,019	1,158,177	1,584,843	1,584,843
2009-2010	1,740,097	0	0		1,740,097	858,529	881,568	881,568
2010-2011	8,770,162	0	0		8,770,162	7,024,044	1,746,117	1,746,117
2011-2012	3,826,257	0	0		3,826,257	2,340,391	1,485,867	1,485,867
2012-2013	2,834,868	0	0		2,834,868	1,801,741	1,033,127	1,033,127
2013-2014	3,005,179	0	0		3,005,179	1,678,471	1,326,709	1,326,709
2014-2015	1,115,360	0	0		1,115,360	153,900	961,460	961,460
2015-2016	2,371,741	0	0		2,371,741	959,565	1,412,176	1,412,176
2016-2017	1,101,728	0	0		1,101,728	149,439	952,289	952,289
2017-2018	1,702,404	0	0		1,702,404	480,983	1,221,421	1,221,421
2018-2019	3,209,325	0	0		3,209,325	2,189,412	1,019,913	1,019,913
2019-2020	779,195	0	0		779,195	1,500	777,695	777,695
2020-2021	0	0	0		0	0	0	0
Total	\$56,847,930	\$1,312,123	\$0	\$50,000	\$58,210,053	\$32,409,579	\$25,800,474	\$25,800,474

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Fund.
- (C) Plumas County tail claims.
- (D) Sutter claims are included in Trindel loss run.
- (E) Pre 1999-2000 claim that was reported 09/12/2019
- (F) (B) + (C) + (D) + (E).
- (G) Sum of incurred losses in excess of SIR.
- (H) (F) - (G).
- (I) Minimum of (H) and the aggregate stop loss. See Appendix K.

Trindel Insurance Fund - Liability

Paid Losses as of 6/30/20

Accident Year (A)	Gross Unlimited Paid (B)	Additions to Losses (C)	Additions from Losses (D)	Additions from Losses (E)	Gross Adjusted Paid (F)	Paid Over SIR (G)	Net Paid Capped at SIR (H)	Net Paid Capped at SIR & Aggregate (I)
1999-2000	\$1,080,050	\$509,308	\$0	\$17,364	\$1,606,722	\$1,005,101	\$601,620	\$601,620
2000-2001	2,397,103	58,289	0	0	2,455,392	1,607,018	848,374	848,374
2001-2002	1,146,052	32,184	0	0	1,178,235	422,169	756,066	756,066
2002-2003	2,986,659	172,541	0	0	3,159,200	1,744,944	1,414,256	1,414,256
2003-2004	3,264,603	539,802	0	0	3,804,405	2,455,405	1,349,001	1,349,001
2004-2005	3,401,639	0	0	0	3,401,639	2,102,819	1,298,820	1,298,820
2005-2006	2,953,170	0	0	0	2,953,170	1,178,410	1,774,760	1,774,760
2006-2007	3,632,032	0	0	0	3,632,032	1,811,322	1,820,710	1,820,710
2007-2008	2,778,292	0	0	0	2,778,292	1,244,608	1,533,684	1,533,684
2008-2009	2,743,019	0	0	0	2,743,019	1,158,177	1,584,843	1,584,843
2009-2010	1,740,097	0	0	0	1,740,097	858,529	881,568	881,568
2010-2011	8,075,899	0	0	0	8,075,899	6,329,782	1,746,117	1,746,117
2011-2012	3,819,404	0	0	0	3,819,404	2,333,538	1,485,867	1,485,867
2012-2013	2,834,868	0	0	0	2,834,868	1,801,741	1,033,127	1,033,127
2013-2014	2,715,604	0	0	0	2,715,604	1,388,895	1,326,709	1,326,709
2014-2015	890,248	0	0	0	890,248	2,000	888,248	888,248
2015-2016	2,097,464	0	0	0	2,097,464	856,600	1,240,864	1,240,864
2016-2017	983,309	0	0	0	983,309	149,439	833,870	833,870
2017-2018	939,491	0	0	0	939,491	81,399	858,091	858,091
2018-2019	538,660	0	0	0	538,660	0	538,660	538,660
2019-2020	174,342	0	0	0	174,342	0	174,342	174,342
2020-2021	0	0	0	0	0	0	0	0
<b>Total</b>	<b>\$51,192,006</b>	<b>\$1,312,123</b>	<b>\$0</b>	<b>\$17,364</b>	<b>\$52,521,493</b>	<b>\$28,531,896</b>	<b>\$23,989,597</b>	<b>\$23,989,597</b>

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Fund.
- (C) Plumas County tail claims.
- (D) Sutter claims are included in Trindel loss run.
- (E) Pre 1999-2000 claim that was reported 09/12/2019
- (F) (B) + (C) + (D) + (E).
- (G) Sum of paid losses in excess of SIR.
- (H) (F) - (G).
- (I) Minimum of (H) and the aggregate stop loss. See Appendix K.

## Trindel Insurance Fund - Liability

## Case Reserves as of 6/30/20

Accident Year (A)	Gross Unlimited Reserves (B)	Additions to Losses (C)	Additions to Losses (D)	Additions to Losses (E)	Gross Adjusted Reserves (F)	Reserves Over SIR (G)	Net Reserves Capped at SIR (H)	Net Reserves Capped at SIR & Aggregate (I)
1999-2000	\$0	\$0	\$0	\$32,636	\$32,636	\$32,636	\$0	\$0
2000-2001	0	0	0	0	0	0	0	0
2001-2002	0	0	0	0	0	0	0	0
2002-2003	0	0	0	0	0	0	0	0
2003-2004	0	0	0	0	0	0	0	0
2004-2005	0	0	0	0	0	0	0	0
2005-2006	0	0	0	0	0	0	0	0
2006-2007	8,996	0	0	0	8,996	8,996	0	0
2007-2008	0	0	0	0	0	0	0	0
2008-2009	0	0	0	0	0	0	0	0
2009-2010	0	0	0	0	0	0	0	0
2010-2011	694,262	0	0	0	694,262	694,262	0	0
2011-2012	6,853	0	0	0	6,853	6,853	0	0
2012-2013	0	0	0	0	0	0	0	0
2013-2014	289,575	0	0	0	289,575	289,575	0	0
2014-2015	225,112	0	0	0	225,112	151,900	73,212	73,212
2015-2016	274,276	0	0	0	274,276	102,965	171,312	171,312
2016-2017	118,418	0	0	0	118,418	0	118,418	118,418
2017-2018	762,913	0	0	0	762,913	399,584	363,329	363,329
2018-2019	2,670,665	0	0	0	2,670,665	2,189,412	481,253	481,253
2019-2020	604,853	0	0	0	604,853	1,500	603,353	603,353
2020-2021	0	0	0	0	0	0	0	0
Total	\$5,655,923	\$0	\$0	\$32,636	\$5,688,560	\$3,877,683	\$1,810,877	\$1,810,877

## Notes:

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

Trindel Insurance Fund - Liability

Claim Counts as of 6/30/20

Accident Year (A)	Reported Claims (B)	Additions to Reported Claims (C)	Additions to Reported Claims (D)	Adjusted Reported Claims (E)	Closed Claims (F)	Additions to Closed Claims (G)	Additions to Closed Claims (H)	Additions to Closed Claims (I)	Adjusted Closed Claims (J)	Open Claims (K)
1999-2000	133	6	1	140	130	6	0	3	139	3
2000-2001	125	2	0	127	122	2	0	3	127	3
2001-2002	138	3	0	141	130	3	0	8	141	8
2002-2003	128	4	0	132	126	4	0	2	132	2
2003-2004	142	4	0	146	139	4	0	3	146	3
2004-2005	152	0	0	152	151	0	0	1	152	1
2005-2006	144	0	0	144	141	0	0	3	144	3
2006-2007	148	0	0	148	145	0	0	3	148	3
2007-2008	131	0	0	131	126	0	0	5	131	5
2008-2009	130	0	0	130	125	0	0	5	130	5
2009-2010	136	0	0	136	132	0	0	4	136	4
2010-2011	145	0	0	145	142	0	0	3	145	3
2011-2012	129	0	0	129	125	0	0	4	129	4
2012-2013	120	0	0	120	117	0	0	3	120	3
2013-2014	115	0	0	115	114	0	0	1	115	1
2014-2015	105	0	0	105	101	0	0	0	101	4
2015-2016	114	0	0	114	114	0	0	0	114	0
2016-2017	147	0	0	147	144	0	0	0	144	3
2017-2018	119	0	0	119	109	0	0	0	109	10
2018-2019	124	0	0	124	114	0	0	0	114	10
2019-2020	77	0	0	77	61	0	0	0	61	16
2020-2021	0	0	0	0	0	0	0	0	0	0
Total	2,702	19	1	2,722	2,608	19	0		2,678	94

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Fund.
- (C) Plumas County tail claims.
- (D) Pre 1999-2000 claim that was reported 09/12/2019
- (E) (B) + (C) + (D).
- (F) Provided by the Fund.
- (G) Plumas County tail claims.
- (H) Pre 1999-2000 claim that was reported 09/12/2019
- (I) Open Claims with Zero Reserves. Assume to be closed.
- (J) (F) + (G)+ (H)+(I).
- (K) (B) - (F).

## Trindel Insurance Fund - Liability

## Exposure Measures

Accident Year	Total Payroll (\$00) (A)	Inflation Trend Factor (B)	Trended Payroll (\$00) (C)
1999-2000	\$1,108,413	1.679	\$1,861,025
2000-2001	1,345,798	1.638	2,204,417
2001-2002	1,447,045	1.598	2,312,378
2002-2003	1,458,444	1.559	2,273,714
2003-2004	1,508,839	1.521	2,294,944
2004-2005	1,560,628	1.484	2,315,972
2005-2006	1,608,151	1.448	2,328,603
2006-2007	1,696,438	1.413	2,397,067
2007-2008	1,852,547	1.379	2,554,662
2008-2009	1,957,582	1.345	2,632,948
2009-2010	1,984,734	1.312	2,603,971
2010-2011	1,903,337	1.280	2,436,271
2011-2012	1,855,918	1.249	2,318,042
2012-2013	1,894,456	1.219	2,309,342
2013-2014	1,833,560	1.189	2,180,103
2014-2015	1,867,444	1.160	2,166,235
2015-2016	1,984,898	1.132	2,246,905
2016-2017	2,182,098	1.104	2,409,036
2017-2018	2,315,949	1.077	2,494,277
2018-2019	2,372,633	1.051	2,493,637
2019-2020	2,442,865	1.025	2,503,937
2020-2021	2,747,777	1.000	2,747,777
2021-2022	2,847,425	1.000	2,847,425
2022-2023	2,919,000	1.000	2,919,000
2023-2024	2,992,000	1.000	2,992,000

## Notes:

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



# Bickmore Actuarial

## Actuarial Review of the Self-Insured Medical Malpractice Program

*Outstanding Liabilities as of June 30, 2020 and June 30, 2021  
Forecast for Program Years 2020-21 and 2021-22*

*Presented to*

**Trindel Insurance Fund**

December 17, 2020





Thursday, December 17, 2020

Mr. David Nelson  
Executive Director  
Trindel Insurance Fund  
P.O. Box 2069  
Weaverville, CA 96093

Re: Actuarial Review of the Self-Insured Medical Malpractice Program

Dear Mr. Nelson:

As you requested, we have completed our review of Trindel Insurance Fund's self-insured medical malpractice program. Assuming a deductible of \$25,000 per occurrence, we estimate the ultimate cost of claims and expenses for claims incurred during the 2021-22 program year to be \$86,000. This amount includes allocated loss adjustment expenses (ALAE). It does not include a discount for anticipated investment income or unallocated loss adjustment expenses (ULAE). ALAE is the direct cost associated with the defense of individual claims (e.g. legal fees, investigation fees, court charges). ULAE is the cost to administer all claims to final settlement, which may be years into the future (e.g. claims adjusters' salaries, taxes). For budgeting purposes, the expected costs of 2021-22 claims translate to rate of \$478 per occupied bed equivalent (OBE).

In addition, we estimate the program's liability for outstanding claims to be \$33,000 and \$104,000 as of June 30, 2020 and June 30, 2021, respectively, again including ALAE but excluding ULAE and not discounted for anticipated investment income.

The \$33,000 estimate is the minimum liability to be booked by the Fund at June 30, 2020 for its medical malpractice program, in accordance with Governmental Accounting Standards Board (GASB) Statement #10. GASB #10 requires the Fund to accrue a liability on its financial statements for the ultimate cost of claims and expenses associated with all reported and unreported claims, including ALAE and ULAE. GASB #10 does not prohibit the discounting of losses to recognize investment income.

Our conclusions regarding the Fund's liability for unpaid loss and loss adjustment expenses (LAE) at June 30, 2020 are summarized in the table below.

Trindel Insurance Fund  
Self-Insured Medical Malpractice Program  
Estimated Liability for Unpaid Loss and LAE  
at June 30, 2020

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$33,000					
ULAE	0					
Investment Income Offset	0					
Undiscounted Loss and LAE	\$33,000	\$39,000	\$42,000	\$45,000	\$49,000	\$54,000

Our conclusions regarding the Fund's liability for unpaid loss and loss adjustment expenses (LAE) at June 30, 2021 are summarized in the table below.

Trindel Insurance Fund  
Self-Insured Medical Malpractice Program  
Estimated Liability for Unpaid Loss and LAE  
at June 30, 2021

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$104,000					
ULAE	0					
Investment Income Offset	0					
Undiscounted Loss and LAE	\$104,000	\$123,000	\$132,000	\$142,000	\$154,000	\$171,000

GASB #10 does not address an actual asset requirement for the program, but only speaks to the liability to be recorded on the Fund's financial statements.

Because actuarial estimates of claims costs are subject to some uncertainty, we recommend that an amount in addition to the expected loss costs be set aside as a risk margin for contingencies. Generally, the amount should be sufficient to fund assets to the 75% to 85% confidence level for primary programs. We consider funding assets to the 70% confidence level to be marginally acceptable and funding assets to the 90% confidence level to be conservative.

Furthermore, the Public Risk Innovation, Solutions and Management standard states that based upon the actuarial recommendations, the member should maintain assets and make funding contributions equal to or exceeding the present value of expected losses and a reasonable margin for contingencies.

The table below shows our funding recommendations for Trindel Insurance Fund for the 2020-21 fiscal year.

Trindel Insurance Fund  
Self-Insured Medical Malpractice Program  
Funding Guidelines for 2020-21  
Deductible of \$25,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$84,000					
ULAE	0					
Investment Income Offset	0					
Undiscounted Loss and LAE	\$84,000	\$102,000	\$111,000	\$122,000	\$135,000	\$152,000
Rate per 2020-21 OBE	\$472	\$573	\$624	\$685	\$758	\$854

The funding recommendations shown in the table above do not include any recognition of the existing funding margin (surplus or deficit) at June 30, 2020.

The table below shows our funding recommendations for Trindel Insurance Fund for the 2021-22 fiscal year.

Trindel Insurance Fund  
Self-Insured Medical Malpractice Program  
Funding Guidelines for 2021-22  
Deductible of \$25,000

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$86,000					
ULAE	0					
Investment Income Offset	0					
Undiscounted Loss and LAE	\$86,000	\$105,000	\$114,000	\$125,000	\$138,000	\$156,000
Rate per 2021-22 OBE	\$478	\$583	\$633	\$694	\$767	\$867

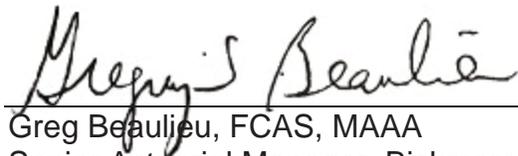
The funding recommendations shown in the table above do not include any recognition of the existing funding margin (surplus or deficit) at June 30, 2021.

The report that follows outlines the scope of our study, its background, and our conclusions, recommendations, and assumptions. Judgments regarding the appropriateness of our conclusions and recommendations should be made only after studying the report in its entirety, including the graphs, attachments, exhibits and appendices. Our report has been developed for the Fund's internal use. It is not intended for general circulation.

We appreciate the opportunity to be of service to Trindel Insurance Fund in preparing this report. Please feel free to call Greg Beaulieu at (916) 290-4632 or Mike Harrington at (916) 244-1162 with any questions you may have concerning this report.

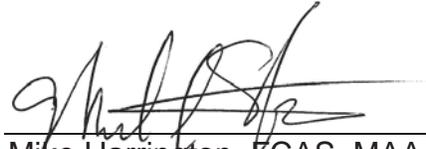
Sincerely,

Bickmore Actuarial



---

Greg Beaulieu, FCAS, MAAA  
Senior Actuarial Manager, Bickmore Actuarial  
Fellow, Casualty Actuarial Society  
Member, American Academy of Actuaries



---

Mike Harrington, FCAS, MAAA  
President and Principal, Bickmore Actuarial  
Fellow, Casualty Actuarial Society  
Member, American Academy of Actuaries



---

Mary Ann Case, PSM  
Senior Actuarial Analyst, Bickmore Actuarial

## TABLE OF CONTENTS

I. BACKGROUND	7
II. CONCLUSIONS AND RECOMMENDATIONS	8
A. LIABILITY FOR OUTSTANDING CLAIMS	8
B. PROGRAM FUNDING: GOALS AND OBJECTIVES	12
C. HISTORICAL TRENDS IN THE SELF-INSURANCE PROGRAM	14
D. DATA PROVIDED FOR THE ANALYSIS	17
III. ASSUMPTIONS AND LIMITATIONS	18
IV. GLOSSARY OF ACTUARIAL TERMS	20
V. EXHIBITS	22
VI. APPENDICES	31

## **I. BACKGROUND**

Trindel Insurance Fund has a \$25,000 deductible and pooled coverage of \$1,500,000 above the deductible for its medical malpractice program. Excess coverage is provided by the Public Risk Innovation, Solutions and Management. Claims administration services are provided by the Risk Management Services of California. Additional background on the program is given in Appendix K.

The purpose of this review is to provide a guide to the Fund to determine reasonable funding levels for its self-insurance program according to the funding policy the Fund has adopted and to comply with Governmental Accounting Standards Board Statements #10 and #30. The specific objectives of the study are to estimate the Fund's liability for outstanding claims as of June 30, 2020 and June 30, 2021, project ultimate loss costs for 2020-21 and 2021-22 and provide funding guidelines to meet these liabilities and future costs.

## **II. CONCLUSIONS AND RECOMMENDATIONS**

### **A. LIABILITY FOR OUTSTANDING CLAIMS**

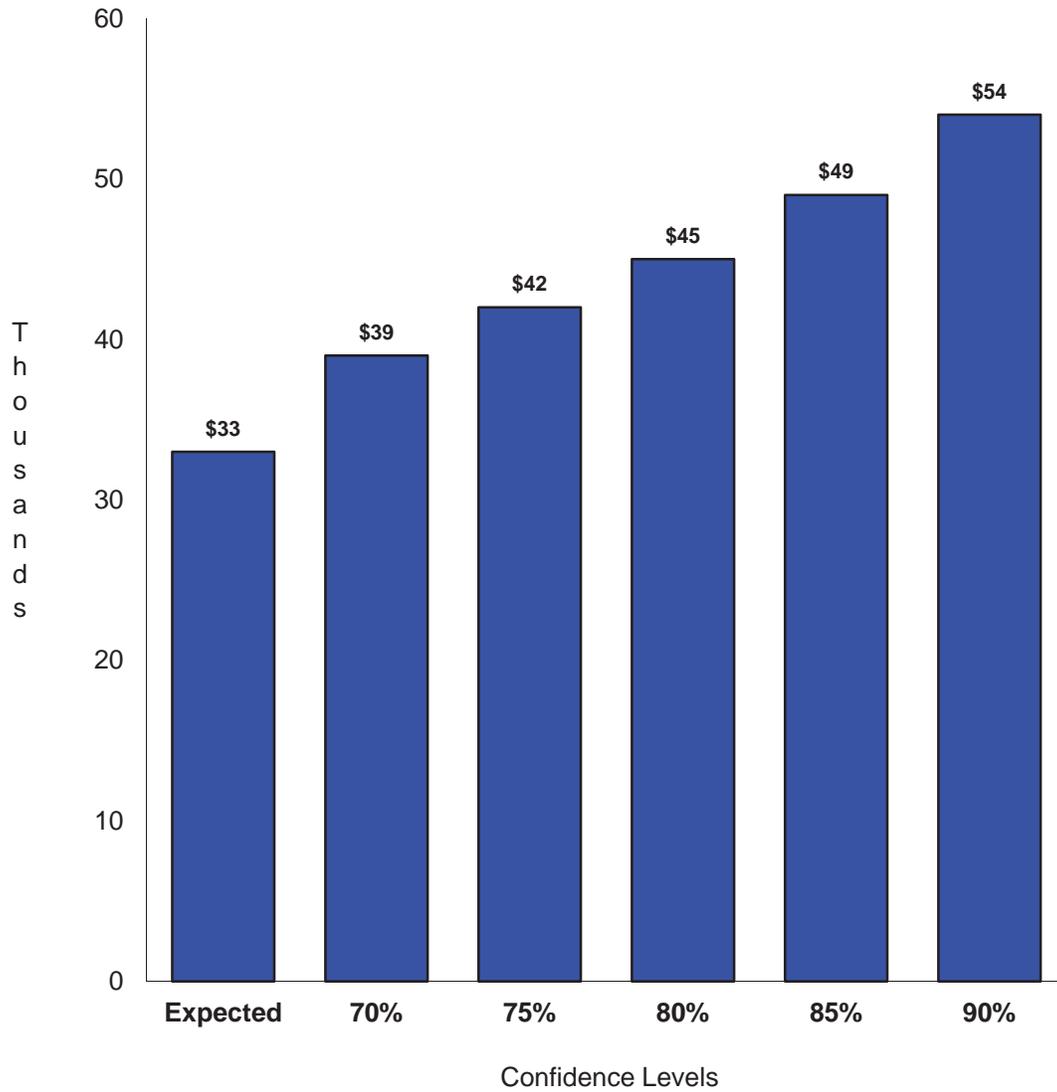
Graphs 1a and 1b on the following pages summarize our assessment of the Fund's funding position as of June 30, 2020 and June 30, 2021. The dark-colored bars indicate our estimates of the program's liability for outstanding claims before recognition of the investment income that can be earned on the assets held before the claim payments come due.

Our best estimate of the full value of the Fund's liability for outstanding claims within its deductible is \$33,000 as of June 30, 2020, and \$104,000 as of June 30, 2021. These amounts include losses and allocated loss adjustment expenses (ALAE), but not unallocated loss adjustment expenses (ULAE). ALAE is the direct cost associated with the defense of individual claims (e.g. legal fees, investigation fees, court charges). ULAE is the cost to administer claims to final settlement, which may be years in the future (e.g. claims adjusters' salaries, taxes).

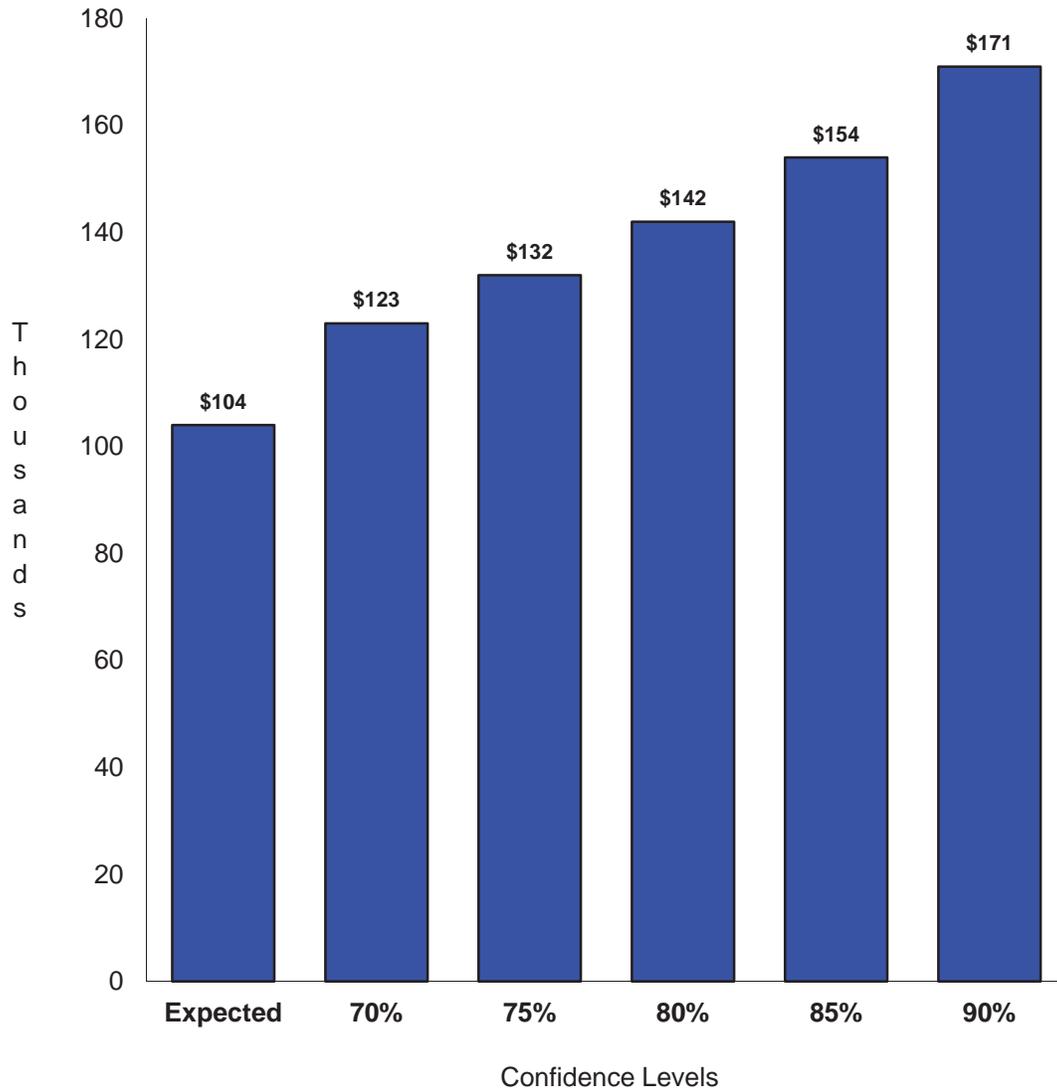
There is some measure of uncertainty associated with our best estimate because of the random nature of much of the process that determines ultimate claims costs. For this reason, we generally recommend that a program such as this include some funding margin for the possibility that actual loss costs will be greater than the best estimate. We generally measure the amount of this margin by thinking in terms of the probability distribution of actual possible results around our best estimate. As the margin grows, the probability that the corresponding funding amount will be sufficient to meet actual claim liabilities increases. We typically refer to this probability as the "confidence level" of funding. Graphs 1a and 1b show the liabilities for outstanding claims at several confidence levels that are typically of interest to risk managers in formulating funding policies for self-insurance programs.

Graph 1a

Trindel Insurance Fund  
Medical Malpractice  
Undiscounted Outstanding Liability (\$000's)  
at June 30, 2020



Trindel Insurance Fund  
Medical Malpractice  
Available Assets vs Outstanding Liability (\$000's)  
at June 30, 2021



The table below displays a breakdown of the program's outstanding loss and ALAE liabilities into case reserves and incurred but not reported (IBNR) reserves at June 30, 2020, before recognition of investment income.

Trindel Insurance Fund  
Self-Insured Medical Malpractice Program  
Estimated Liability for Unpaid Loss and ALAE at June 30, 2020

Year	Case Reserves	IBNR Reserves	Total Outstanding
2016-2017	\$0	\$2,030	\$2,030
2017-2018	0	4,000	4,000
2018-2019	0	10,000	10,000
2019-2020	4,410	13,000	17,410
Loss and ALAE	\$4,410	\$29,030	\$33,440

The table below displays a breakdown of the program's outstanding loss and LAE liabilities into case reserves and incurred but not reported (IBNR) reserves at June 30, 2021, before recognition of investment income.

Trindel Insurance Fund  
Self-Insured Medical Malpractice Program  
Estimated Liability for Unpaid Loss and ALAE at June 30, 2021

Year	Case Reserves	IBNR Reserves	Total Outstanding
2016-2017	\$103	\$1,030	\$1,133
2017-2018	92	2,000	2,092
2018-2019	590	4,000	4,590
2019-2020	7,736	6,000	13,736
2020-2021	24,656	58,000	82,656
Loss and ALAE	\$33,177	\$71,030	\$104,207

## **B. PROGRAM FUNDING: GOALS AND OBJECTIVES**

As self-insurance programs have proliferated among public entities, it has become apparent that there is a large measure of inconsistency in the way in which these programs recognize and account for their claims costs. This is the result of the fact that there have been several different sources of guidance available, none of which has been completely relevant to public entity self-insurance programs.

According to the Governmental Accounting Standards Board (GASB), the most relevant source of guidance on the subject is Financial Accounting Standards Board Statement #60. A liability for unpaid claim costs, including all loss adjustment expenses, should be accrued at the time the self-insured events occur. This liability should include an allowance for incurred but not reported claims. It may be discounted for investment income at an appropriate rate of return, provided the discounting is disclosed. The regulations detailing the way in which this must be done are outlined in GASB's statements #10 and #30. These regulations are required to be applied by the Fund.

GASB #10 and #30 do not address asset requirements. They do, however, allow a range of amounts to be recognized for accounting purposes; specifically, GASB #10 and #30 allow recognition of a risk margin for unexpectedly adverse loss experience. Thus, for accounting purposes, it is possible to formulate a funding policy from a range of alternatives. The uncertainty in any estimate of the program's liability for outstanding claims should be taken into consideration in determining funding policy, but it may be offset by recognizing anticipated investment income earnings. This usually means developing a funding program based on discounted claims costs with some risk margin for unexpected adverse loss experience.

The amount of the risk margin should be a question of long-term funding policy. We recommend that the risk margin be determined by thinking in terms of the probability that a given level of assets will prove to be adequate. For example, a reasonable goal might be to maintain assets at the 85% confidence level.

A key factor to consider in determining funding policy is the degree to which stability is required in the level of contributions to the program from year to year. If you elect to maintain assets at a low confidence level, the chances are much greater that future events will prove that additional contributions should have been made for old claims. The additional contributions for old claims may be required at the same time that costs are increasing dramatically on new claims. The burden of funding for increases on past years as well as on current years, may well be prohibitive.

We generally recommend maintaining program assets at the 80% confidence level, after recognition of investment income, with a recommended range of the 75% to 85% confidence levels. We tend to think of the 70% confidence level as marginally acceptable and of the 90% confidence level as conservative. We recommend the 75% to 85% confidence level range because the probabilities are reasonably high that resulting assets will be sufficient to meet claim liabilities, yet the required risk margins are not so large that they will cause most self-insured entities to experience undue financial hardship. In addition, within this range, anticipated investment income generally offsets the required risk margin for the most part, which means that assets are likely sufficient on an undiscounted basis.

We also strongly believe, however, that the confidence level to which any future year is funded should be evaluated in light of the relative certainty of the assumptions underlying the actuarial analysis, the Fund's other budgetary constraints, and the relative level of risk it is believed appropriate to assume. This means formulating both short and long-term funding goals, which may be the same in some years, but different in others.

In general, we recommend funding each year's claims costs in that year. When surpluses or deficits have developed on outstanding liabilities and funding adjustments are necessary, they should be clearly identified as such so that the habit of funding each year's claims costs that year is maintained. We also recommend that you reduce a surplus more slowly than you would accumulate funding to reduce a deficit.

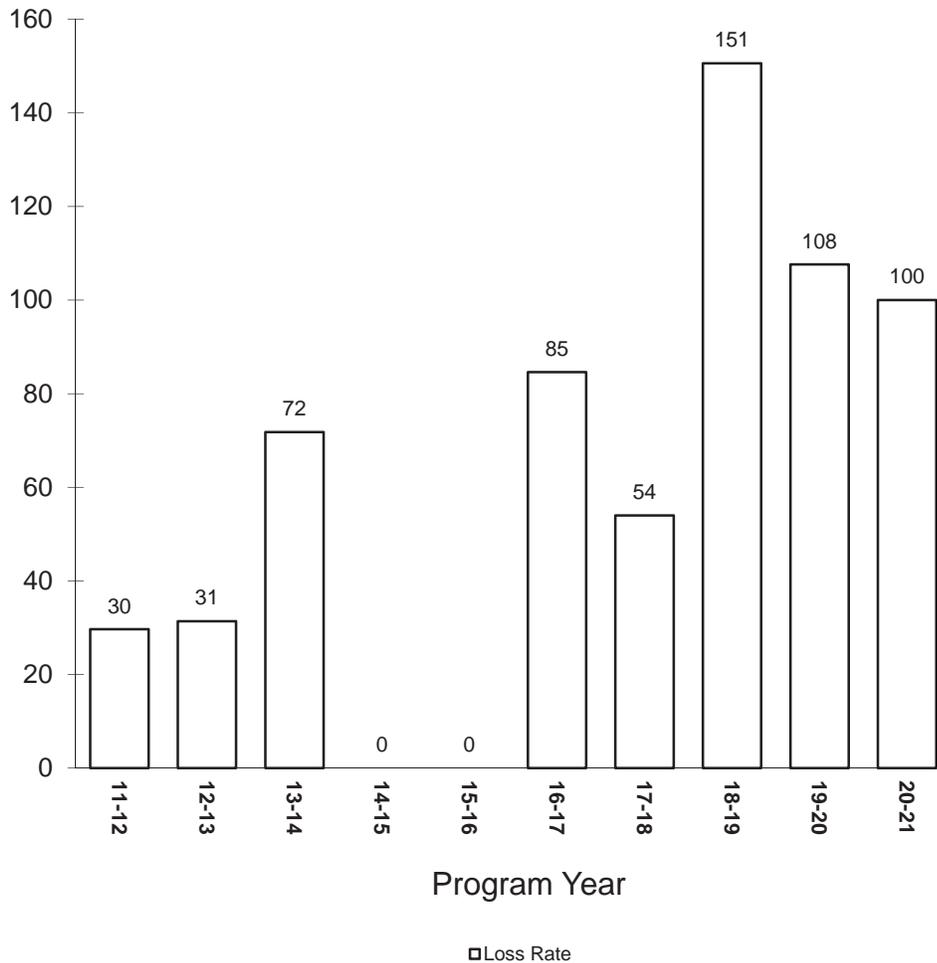
### C. HISTORICAL TRENDS IN THE SELF-INSURANCE PROGRAM

#### Loss Rate

The program's dollars of loss per occupied bed equivalent (OBE) (limited to \$5,000 per occurrence), or loss rate, shows a high degree of variability from year to year. The projected 2020-21 loss rate is \$100 per OBE. See Graph 2 below.

Graph 2

Trindel Insurance Fund  
Medical Malpractice  
Ultimate Dollars of Loss and ALAE  
per OBE  
(Loss & ALAE Limited to \$5,000 per Occurrence)

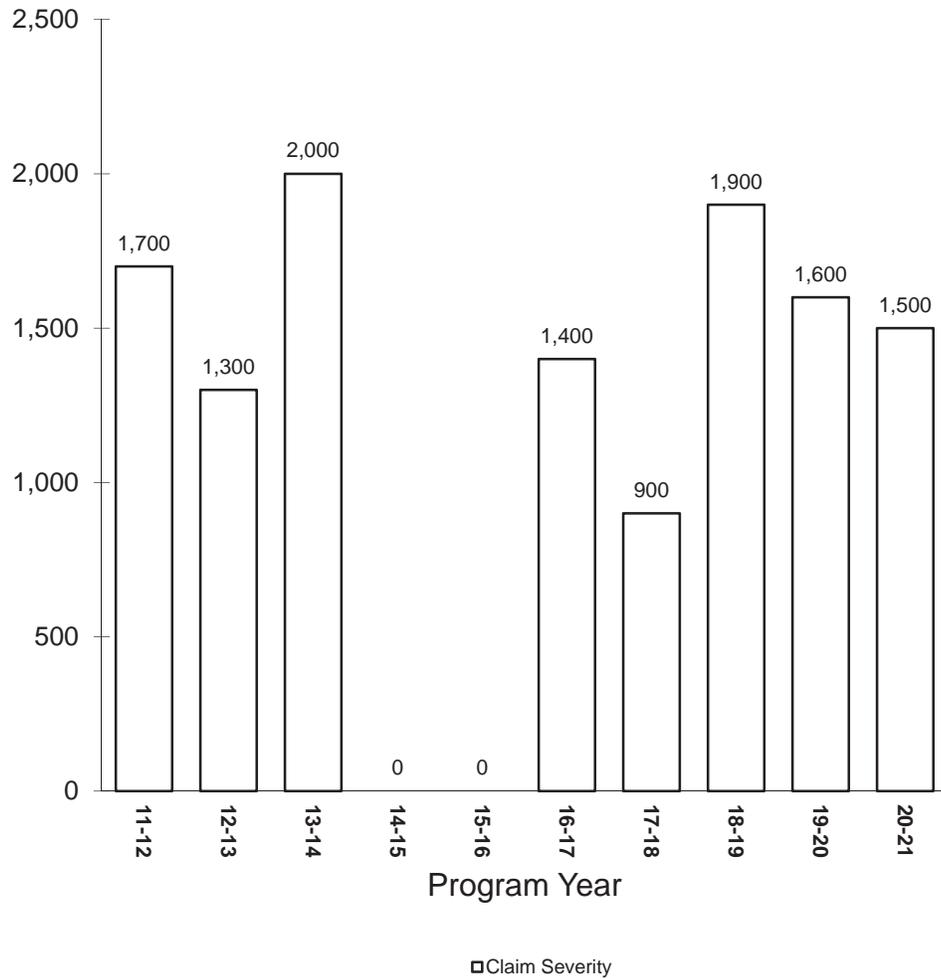


Severity

The program's average dollars of loss per claim (based on losses limited to \$5,000 per occurrence), or severity, has fluctuated over the last ten years. The projected 2020-21 severity is \$1,500. See Graph 3 below.

Graph 3

Trindel Insurance Fund  
Medical Malpractice  
Ultimate Dollars of Loss per Claim  
(Loss & ALAE Limited to \$5,000 per Occurrence)

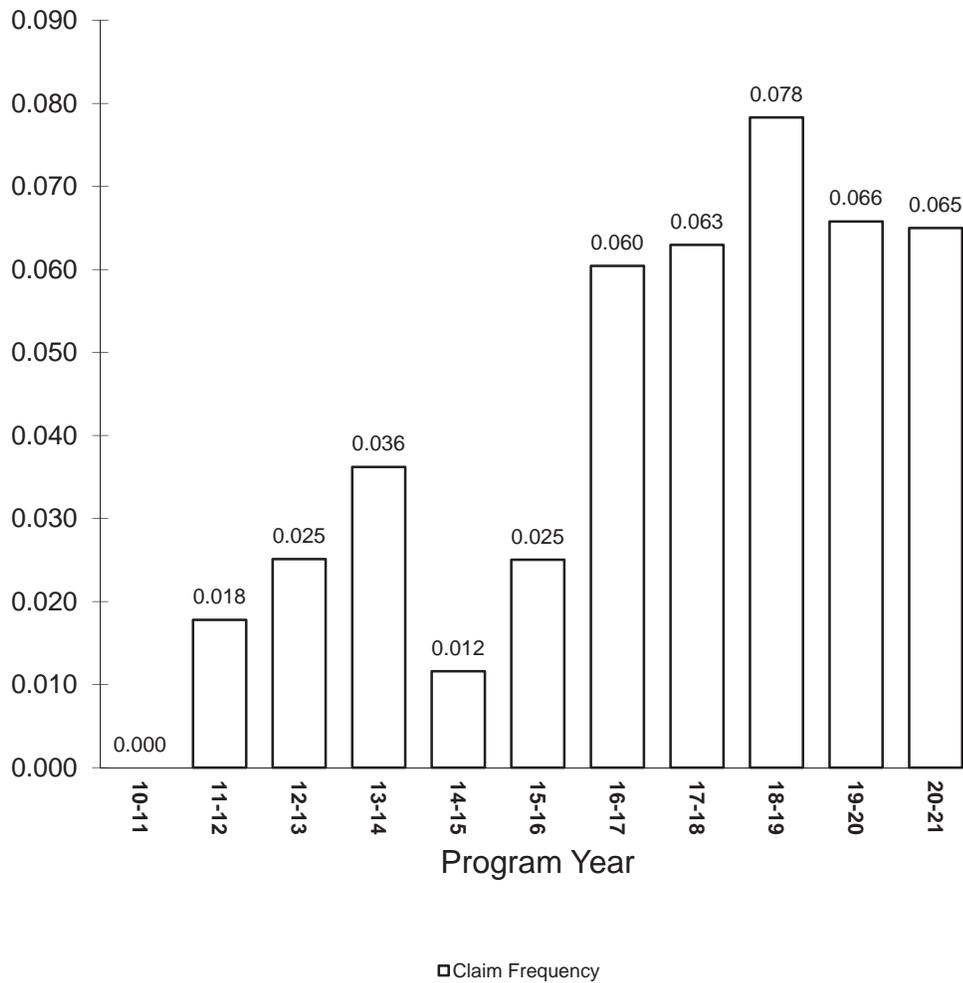


Frequency

The program's number of claims per OBE, or frequency, has been generally stable over the four most recent years. The projected 2020-21 frequency is 0.065 claims per OBE. See Graph 4 below.

Graph 4

Trindel Insurance Fund  
Medical Malpractice  
Number of Claims per OBE



#### **D. DATA PROVIDED FOR THE ANALYSIS**

Overall, the data utilized in preparing this report appears to be accurate.

Comments and issues regarding the data are as follows:

- We have assumed that the program's deductible will increase to \$25,000 per occurrence for 2020-21 and 2021-22. (See Appendix K).
- We received loss data evaluated as June 30, 2020 (See Appendix M).
- Occupied Bed Equivalentents (OBEs) were calculated for 2011-12 to 2021-22 based on a weighted average of various classes of employees, bed counts and various types of visits, utilizing the same methodology as used by PRISM. OBEs for 2021-2022 were estimated assuming a 1% increase from 2020-21

The data provided for the analysis appears to be reasonable for use in this actuarial valuation of liabilities and projection of loss costs.

### **III. ASSUMPTIONS AND LIMITATIONS**

Any quantitative analysis is developed within a very specific framework of assumptions about conditions in the outside world, and actuarial analysis is no exception. We believe that it is important to review the assumptions we have made in developing the estimates presented in this report. By doing so, we hope you will gain additional perspective on the nature of the uncertainties involved in maintaining a self-insurance program. Our assumptions, and some observations about them, are as follows:

- Our analysis is based on loss experience, exposure data, and other general and specific information provided to us by the Fund. While we have not independently audited or verified this information, we have reviewed it for reasonableness and internal consistency.
- We have also made use of loss statistics that have been developed from the information gathered and compiled from other California counties participating in the Public Risk Innovation, Solutions and Management's medical malpractice program.
- We have assumed that the future development of incurred and paid losses can be reasonably predicted on the basis of development of such losses in the recent past. We have also assumed that the historical development patterns for the participants of the Public Risk Innovation, Solutions and Management's medical malpractice program in the aggregate form a reasonable basis of comparison to the patterns from Trindel Insurance Fund's data.
- We have made use of cost relationships for claims of various sizes derived from the most recent actuarial review of the Public Risk Innovation, Solutions and Management's medical malpractice program.
- We have assumed that there is a continuing relationship between past and future loss costs.
- It is not possible to predict future claim costs precisely. Most of the costs of medical malpractice claims arise from a small number of incidents involving serious injury. A relatively small number of such claims could generate enough loss dollars to significantly reduce, or even deplete, the self-insurance fund.
- We cannot predict and have not attempted to predict the impact of future law changes and court rulings on claims costs. This is one major reason why we believe our funding recommendations are reasonable now, but should not be extrapolated into the future.
- We have assumed that the loss rate trend associated with claim costs increases at 0.4% per year. We have assumed that claim severity increases at 3.0% per year, and that claim frequency decreases at 2.5% per year.
- At the Fund's instruction, we have assumed that assets held for investment will not generate an average annual return over the duration of payment of the loss liabilities.

It should be noted that actual future investment returns may vary significantly from this assumption, depending upon the prevailing investment market conditions.

- The claims costs we have estimated include indemnity and medical payments, and allocated loss adjustment expenses. We have not included estimates for excess insurance contributions to the PRISM and other expenses associated with the program based upon information provided by the Fund.
- Our funding recommendations do not include provisions for catastrophic events not in the Fund's history, such as earthquakes, flooding, mass civil disorder, or mass occupational disease.
- Our estimates assume that all excess insurance is valid and collectible. Further, our funding recommendations do not include a provision for losses greater than the Fund's excess coverage.

#### **IV. GLOSSARY OF ACTUARIAL TERMS**

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

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

**Benefit Level Factor** - Factor used to adjust historical losses to the current level of liability benefits.

**Case Reserve** - The amount left to be paid on a claim, as estimated by the claims administrator.

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

**Claim Frequency** - Number of claims per OBE.

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

**Deductible**- The level at which an excess insurance policy is triggered to begin payments on a claim.

**Discount Factor** - A factor to adjust estimated loss costs to reflect anticipated investment income from assets held prior to actual claim payout.

**Expected Losses** - The best estimate of the full, ultimate value of loss costs.

**Incurred but not Reported (IBNR) Losses** - Losses for which the accident has occurred but the claim has not yet been reported. This is the ultimate value of losses, less any amount that has been set up as reported losses by the claims adjuster. It includes both amounts for claims incurred but not yet received by the administrator and loss development on already reported claims.

**Loss Development Factor** - A factor applied to losses for a particular accident period to reflect the fact that reported and paid losses do not reflect final values until all claims are settled (see Section IV).

**Loss Rate** - Ultimate losses per OBE.

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

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

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

**Program Losses** - Losses, including ALAE, limited to the deductible for each occurrence.

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

**Severity** - Average claim cost.

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

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

Trindel Insurance Fund - Medical Malpractice

Funding Guidelines Allocated by Member

Funding Guidelines for Fiscal Year 2020-2021  
(Without recognition of surplus funding or other expenses)

County	2020-2021 Estimated OBE	Expected	Marginally Acceptable 70%	Recommended 75%	85%	Conservative 90%	% of Payroll
Alpine	0.900	\$0	\$1,000	\$1,000	\$1,000	\$1,000	1%
Colusa	13.714	6,000	8,000	9,000	10,000	12,000	8%
Del Norte	23.242	11,000	13,000	14,000	18,000	20,000	13%
Lassen	17.520	8,000	10,000	11,000	13,000	15,000	10%
Modoc	5.947	3,000	3,000	4,000	5,000	5,000	3%
Mono	4.536	2,000	3,000	3,000	3,000	4,000	3%
Plumas	15.655	7,000	9,000	10,000	12,000	13,000	9%
San Benito	5.778	3,000	3,000	4,000	4,000	5,000	3%
Sierra	0.721	0	0	0	1,000	1,000	0%
Sutter	76.738	36,000	44,000	48,000	58,000	66,000	43%
Trinity	13.265	6,000	8,000	8,000	10,000	11,000	7%
Total	178.013	\$84,000	\$102,000	\$111,000	\$135,000	\$152,000	

Note: Funding amounts are allocated to members by proportion of the total 2020-2021 estimated occupied bed equivalent. Provided by the Fund  
The current funding position and non claims related expenses are not considered.  
Amounts may not sum due to rounding.

Trindel Insurance Fund - Medical Malpractice

Funding Guidelines Allocated by Member

Funding Guidelines for Fiscal Year 2021-2022  
(Without recognition of surplus funding or other expenses)

County	2021-2022 Estimated OBE	Expected	Marginally Acceptable 70%	Recommended 75%	85%	Conservative 90%	% of Payroll
Alpine	0.909	\$0	\$1,000	\$1,000	\$1,000	\$1,000	1%
Colusa	13.851	7,000	8,000	9,000	11,000	12,000	8%
Del Norte	23.475	11,000	14,000	15,000	18,000	20,000	13%
Lassen	17.696	8,000	10,000	11,000	14,000	15,000	10%
Modoc	6.006	3,000	4,000	4,000	5,000	5,000	3%
Mono	4.581	2,000	3,000	3,000	4,000	4,000	3%
Plumas	15.811	8,000	9,000	10,000	12,000	14,000	9%
San Benito	5.835	3,000	3,000	4,000	4,000	5,000	3%
Sierra	0.728	0	0	0	1,000	1,000	0%
Sutter	77.505	37,000	45,000	49,000	59,000	67,000	43%
Trinity	13.397	6,000	8,000	8,000	10,000	12,000	7%
Total	179.793	\$86,000	\$105,000	\$114,000	\$138,000	\$156,000	

Note: Funding amounts are allocated to members by proportion of the total 2021-2022 estimated occupied bed equivalent. Provided by the Fund. The current funding position and non claims related expenses are not considered. Amounts may not sum due to rounding.

Trindel Insurance Fund - Medical Malpractice  
Funding Options for Program Year 2020-2021 (SIR = \$25,000)

	Dollar Amount	OBE Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2020-2021: (From MM - Appendix G)	\$84,000	\$472			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2020-2021: (From MM - Exhibit 5, Page 1, (L))	0	0			
(C) Total Claims Costs Incurred in Accident Year 2020-2021: ((A) + (B))	\$84,000	\$472			
(D) Loss Discount Factor (Based on a Discount Rate of 0.0%.): (MM - Appendix I, Page 2, (G))	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2020-2021: ((C) x (D))	\$84,000	\$472			
	Marginally Acceptable	Recommended	Conservative		
	70%	75%	80%	85%	90%
(F) Confidence Level Factor: (From MM - Appendix J)	1.217	1.323	1.448	1.604	1.813
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	18,000	27,000	38,000	51,000	68,000
(H) Recommended Funding in 2020-2021 for Claims Costs and Other Expenses: ((E) + (G))	\$102,000	\$111,000	\$122,000	\$135,000	\$152,000
(I) Rate per OBE: ((H) / \$178)	\$573.034	\$623.596	\$685.393	\$758.427	\$853.933

OBE rates are per 2020-2021 OBE of 178.

Trindel Insurance Fund - Medical Malpractice  
Funding Options for Program Year 2021-2022 (SIR = \$25,000)

	Dollar Amount	OBE Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2021-2022: (From MM - Appendix G)	\$86,000	\$478			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2021-2022: (From MM - Exhibit 5, Page 1, (L))	0	0			
(C) Total Claims Costs Incurred in Accident Year 2021-2022: ((A) + (B))	\$86,000	\$478			
(D) Loss Discount Factor (Based on a Discount Rate of 0.0%.): (MM - Appendix I, Page 2, (G))	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2021-2022: ((C) x (D))	\$86,000	\$478			
	Marginally Acceptable	Recommended	Conservative		
	70%	75%	80%	85%	90%
(F) Confidence Level Factor: (From MM - Appendix J)	1.217	1.323	1.448	1.604	1.813
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	19,000	28,000	39,000	52,000	70,000
(H) Recommended Funding in 2021-2022 for Claims Costs and Other Expenses: ((E) + (G))	\$105,000	\$114,000	\$125,000	\$138,000	\$156,000
(I) Rate per OBE: ((H) / 180)	\$583.000	\$633.000	\$694.000	\$767.000	\$867.000

OBE rates are per 2021-2022 OBE of 180.

## Trindel Insurance Fund - Medical Malpractice

## IBNR as of 6/30/21 at Expected Claims Level

Accident Year	Estimated Ultimate (A)	Reported as of 6/30/20 (B)	Estimated IBNR as of 6/30/20 (C)	Estimated Percent of IBNR Reported Between 7/1/20 and 6/30/21 (D)	Estimated IBNR Reported (E)	Estimated IBNR as of 6/30/21 (F)
Prior	\$32,165	\$32,165	\$0	100.0%	\$0	\$0
2000-2001	5,000	5,000	0	100.0%	0	0
2001-2002	15,000	15,000	0	100.0%	0	0
2002-2003	10,000	10,000	0	100.0%	0	0
2003-2004	6,873	6,873	0	100.0%	0	0
2004-2005			0	100.0%	0	0
2005-2006	10,000	10,000	0	100.0%	0	0
2006-2007	5,000	5,000	0	100.0%	0	0
2007-2008			0	100.0%	0	0
2008-2009	5,000	5,000	0	100.0%	0	0
2009-2010	5,000	5,000	0	100.0%	0	0
2010-2011	15,000	15,000	0	100.0%	0	0
2011-2012	5,000	5,000	0	100.0%	0	0
2012-2013	5,000	5,000	0	100.0%	0	0
2013-2014	11,898	11,898	0	50.0%	0	0
2014-2015			0	81.7%	0	0
2015-2016			0	49.5%	0	0
2016-2017	14,000	11,970	2,030	54.8%	1,000	1,030
2017-2018	9,000	5,000	4,000	60.5%	2,000	2,000
2018-2019	25,000	15,000	10,000	60.3%	6,000	4,000
2019-2020	18,000	5,000	13,000	56.4%	7,000	6,000
2020-2021	84,000			30.4%	26,000	58,000
Totals	\$280,936	\$167,906	\$29,030		\$42,000	\$71,030

## Notes:

- (A) From MM - Exhibit 4, Page 1.  
(B) Provided by the Fund. These losses exclude amounts incurred above the Fund's SIR for each year.  
(C) (A) - (B).  
(D) Percentage of incurred but not reported (IBNR) expected to be reported between 7/1/20 and 6/30/21. The percentage is based on the development pattern selected in MM - Appendix A.  
(E) ((A) - (B)) x (D).  
(F) (A) - (B) - (E).

This exhibit shows the calculation of the amount of incurred but not reported losses we expect as of 6/30/21. This amount is dependent on both the strength of the case reserves and the average frequency and severity of the losses incurred.

Trindel Insurance Fund - Medical Malpractice

Estimated Ultimate Program Losses

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Estimate of Ultimate Losses (F)
Prior	\$32,165	\$32,165			\$32,136	\$32,165
2000-2001	5,000	5,000			4,995	5,000
2001-2002	15,000	15,015			14,994	15,000
2002-2003	10,000	10,010			9,996	10,000
2003-2004	6,873	6,880			6,874	6,873
2004-2005					12,331	
2005-2006	10,000	10,030			9,996	10,000
2006-2007	5,000	5,015			5,001	5,000
2007-2008					2,450	
2008-2009	5,000	5,030			5,000	5,000
2009-2010	5,000	5,035			5,000	5,000
2010-2011	15,000	15,135			15,000	15,000
2011-2012	5,000	5,065	5,000	5,066	5,001	5,000
2012-2013	5,005	5,110	5,005	5,108	5,000	5,000
2013-2014	11,922	12,338	11,922	12,328	11,898	11,898
2014-2015			201	1,149	3,012	
2015-2016			377	1,780	6,208	
2016-2017	12,569	14,711	12,817	15,254	15,990	14,000
2017-2018	5,685	7,765	7,164	11,421	18,117	9,000
2018-2019	21,525	67,140	20,432	28,930	22,061	25,000
2019-2020	16,450	36,193	17,669	18,502	19,228	18,000
Totals						\$196,936
			Projected Losses for the Year 2020-2021 (G)			\$84,000
			Projected Losses for the Year 2021-2022 (H)			\$86,000

Notes:

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

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

Trindel Insurance Fund - Medical Malpractice

Estimated Ultimate Limited Losses Capped at \$5,000 per Claim

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Ultimate Limited Losses (F)
Prior	\$32,165	\$32,165			\$32,136	\$32,165
2000-2001	5,000	5,000			4,995	5,000
2001-2002	15,000	15,015			14,994	15,000
2002-2003	10,000	10,010			9,996	10,000
2003-2004	6,873	6,880			6,874	6,873
2004-2005					12,331	
2005-2006	10,000	10,030			9,996	10,000
2006-2007	5,000	5,015			5,001	5,000
2007-2008					2,450	
2008-2009	5,000	5,030			5,000	5,000
2009-2010	5,000	5,035			5,000	5,000
2010-2011	15,000	15,135			15,000	15,000
2011-2012	5,000	5,065	5,000	5,066	5,001	5,000
2012-2013	5,005	5,110	5,005	5,108	5,000	5,000
2013-2014	11,922	12,338	11,922	12,328	11,898	11,898
2014-2015			201	1,149	3,012	
2015-2016			377	1,780	6,208	
2016-2017	12,569	14,711	12,817	15,254	15,990	14,000
2017-2018	5,685	7,765	7,164	11,421	18,117	9,000
2018-2019	21,525	67,140	20,432	28,930	22,061	25,000
2019-2020	16,450	36,193	17,669	18,502	19,228	18,000
Totals						\$196,936
						Projected Losses for the Year 2020-2021 (G)
						\$18,000
						Projected Losses for the Year 2021-2022 (H)
						\$18,000

Notes:

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

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

Trindel Insurance Fund - Medical Malpractice

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

Accident Year	Ultimate Limited Losses (A)	Trend Factor (B)	Trended Limited Losses (C)	OBE (D)	Trended Limited Loss Rate (E)
Prior	0	1.083	0	0	0
2000-2001	0	1.079	0	0	0
2001-2002	0	1.075	0	0	0
2002-2003	0	1.071	0	0	0
2003-2004	0	1.067	0	0	0
2004-2005	0	1.063	0	0	0
2005-2006	0	1.059	0	0	0
2006-2007	0	1.055	0	0	0
2007-2008	0	1.051	0	0	0
2008-2009	0	1.047	0	0	0
2009-2010	0	1.043	0	0	0
2010-2011	0	1.040	0	0	0
2011-2012	5,000	1.036	5,180	169	30.65
2012-2013	5,000	1.032	5,160	159	32.45
2013-2014	11,898	1.028	12,231	166	73.68
2014-2015	0	1.024	0	172	0.00
2015-2016	0	1.020	0	160	0.00
2016-2017	14,000	1.016	14,224	165	86.21
2017-2018	9,000	1.012	9,108	167	54.54
2018-2019	25,000	1.008	25,200	166	151.81
2019-2020	18,000	1.004	18,072	167	108.22
Totals	\$87,898		\$89,175	1,491	\$59.81
15/16-19/20	66,000		66,604	825	\$80.73
16/17-19/20	66,000		66,604	665	\$100.16
			(F) Selected Limited Rate:		\$100.00

Program Year:	2020-2021	2021-2022
(G) Factor to SIR:	4.710	4.729
(H) Trend Factor:	1.000	1.004
(I) Program Rate:	\$471.00	\$475.00
(J) OBE:	178	180
(K) Projected Program Losses:	84,000	86,000
(L) Projected ULAE:	0	0
(M) Projected Loss and ULAE:	\$84,000	\$86,000

Notes appear on the next page.

Prior: \$0

Trindel Insurance Fund - Medical Malpractice

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

Notes:

- (A) From MM - Exhibit 4, Page 2, Column (F).  
For purposes of projecting future losses, losses are capped at \$5,000 per occurrence.
- (B) From MM - Appendix E, Page 1, Column (B).
- (C)  $(A) \times (B)$ .
- (D) From MM - Appendix M, Column (C).
- (E)  $(C) / (D)$ .
- (F) Selected based on (E).
- (G) Based on a Burr distribution, a mathematical model of claim sizes.
- (H) From MM - Appendix E.
- (I)  $(F) \times (G) \times (H)$ .
- (J) From MM - Appendix M, Column (C).
- (K)  $(I) \times (J)$ .
- (L) Based on an estimated claim closing pattern and the Fund's historical claims administration expenses.
- (M)  $(K) + (L)$ .

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

Trindel Insurance Fund - Medical Malpractice

Reported Loss Development

Accident Year (A)	Limited Reported Losses as of 6/30/20 (B)	Reported Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Reported Losses of 6/30/20 (E)	Reported Loss Development Factor (F)	Ultimate Program Losses (G)
Prior	\$32,165	1.000	\$32,165	\$32,165	1.000	\$32,165
2000-2001	5,000	1.000	5,000	5,000	1.000	5,000
2001-2002	15,000	1.000	15,000	15,000	1.000	15,000
2002-2003	10,000	1.000	10,000	10,000	1.000	10,000
2003-2004	6,873	1.000	6,873	6,873	1.000	6,873
2004-2005	0	1.000	0	0	1.000	0
2005-2006	10,000	1.000	10,000	10,000	1.000	10,000
2006-2007	5,000	1.000	5,000	5,000	1.000	5,000
2007-2008	0	1.000	0	0	1.000	0
2008-2009	5,000	1.000	5,000	5,000	1.000	5,000
2009-2010	5,000	1.000	5,000	5,000	1.000	5,000
2010-2011	15,000	1.000	15,000	15,000	1.000	15,000
2011-2012	5,000	1.000	5,000	5,000	1.000	5,000
2012-2013	5,000	1.001	5,005	5,000	1.001	5,005
2013-2014	11,898	1.002	11,922	11,898	1.002	11,922
2014-2015	0	1.011	0	0	1.011	0
2015-2016	0	1.022	0	0	1.022	0
2016-2017	11,970	1.050	12,569	11,970	1.050	12,569
2017-2018	5,000	1.137	5,685	5,000	1.137	5,685
2018-2019	15,000	1.435	21,525	15,000	1.435	21,525
2019-2020	5,000	3.290	16,450	5,000	3.290	16,450
Totals	\$167,906		\$187,194	\$167,906		\$187,194

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Fund. These losses exclude amounts over \$5,000 per occurrence.
- (C) From MM - Appendix A, Page 2.
- (D) (B) x (C). These estimated losses exclude amounts over \$5,000 per occurrence.
- (E) Losses capped at the Fund's SIR. Amounts are provided by the Fund.
- (F) Derived from factors on MM - Appendix A, Page 4.
- (G) (E) x (F).

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

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

Trindel Insurance Fund - Medical Malpractice  
Reported Loss Development

Accident Year	<u>Limited Losses Reported as of:</u>									
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
1999-2000										
2000-2001										
2001-2002										
2002-2003										
2003-2004										
2004-2005										
2005-2006										
2006-2007										5,000
2007-2008										
2008-2009								5,000	5,000	5,000
2009-2010							5,000	5,000	5,000	5,000
2010-2011						15,000	15,000	15,000	15,000	15,000
2011-2012					5,000	5,000	5,000	5,000	5,000	
2012-2013				5,000	5,000	5,000	5,000	5,000		
2013-2014			11,898	11,898	11,898	11,898	11,898			
2014-2015										
2015-2016										
2016-2017	5,000	10,000	11,970	11,970						
2017-2018			5,000							
2018-2019		15,000								
2019-2020	5,000									

Reported Loss Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
1999-2000										
2000-2001										
2001-2002										
2002-2003										
2003-2004										
2004-2005										
2005-2006										
2006-2007										1.000
2007-2008										
2008-2009								1.000	1.000	1.000
2009-2010							1.000	1.000	1.000	1.000
2010-2011						1.000	1.000	1.000	1.000	
2011-2012					1.000	1.000	1.000	1.000		
2012-2013				1.000	1.000	1.000	1.000			
2013-2014			1.000	1.000	1.000	1.000				
2014-2015										
2015-2016										
2016-2017	2.000	1.197	1.000							
2017-2018										
2018-2019										

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
Average	2.000	1.197	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Dollar-Weighted Averages										
3-yr						1.000	1.000	1.000	1.000	
4-yr						1.000	1.000	1.000		
Comparative Factors	2.293	1.262	1.083	1.027	1.011	1.009	1.001	1.001	1.000	1.000
Prior	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Selected	2.293	1.262	1.083	1.027	1.011	1.009	1.001	1.001	1.000	1.000
Cumulated	3.290	1.435	1.137	1.050	1.022	1.011	1.002	1.001	1.000	1.000

Trindel Insurance Fund - Medical Malpractice  
Reported Loss Development

Accident Year	<u>Limited Losses Reported as of:</u>										
	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months	240 Months	252 Months
1999-2000							20,000	20,000	20,000	20,000	2,052,855
2000-2001						5,000	5,000	5,000	5,000	5,000	
2001-2002					15,000	15,000	15,000	15,000	15,000		
2002-2003				10,000	10,000	10,000	10,000	10,000			
2003-2004			6,873	6,873	6,873	6,873	6,873				
2004-2005											
2005-2006	10,000	10,000	10,000	10,000	10,000						
2006-2007	5,000	5,000	5,000	5,000							
2007-2008											
2008-2009	5,000	5,000									
2009-2010	5,000										
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											

	<u>Reported Loss Development Factors:</u>										
	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-240 Months	240-252 Months	252-Ult. Months
1999-2000							1.000	1.000	1.000	102.643	
2000-2001						1.000	1.000	1.000	1.000		
2001-2002					1.000	1.000	1.000	1.000			
2002-2003				1.000	1.000	1.000	1.000				
2003-2004			1.000	1.000	1.000	1.000					
2004-2005											
2005-2006	1.000	1.000	1.000	1.000							
2006-2007	1.000	1.000	1.000								
2007-2008											
2008-2009	1.000										
2009-2010											
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-240 Months	240-252 Months	252-Ult. Months
Average Dollar-Weighted Averages	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	102.643	
3-yr						1.000	1.000	1.000			
4-yr						1.000	1.000				
Comparative Factors	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Prior	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Selected	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Trindel Insurance Fund - Medical Malpractice  
Reported between \$5,000 and \$50,000 Loss Development

Accident Year	<u>Losses Reported as of:</u>									
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
1999-2000										
2000-2001										
2001-2002										
2002-2003										
2003-2004										
2004-2005										
2005-2006										
2006-2007										4,680
2007-2008										
2008-2009								45,000	45,000	45,000
2009-2010								45,000	45,000	45,000
2010-2011						100,063	100,063	100,063	100,063	100,063
2011-2012					37,500	45,000	45,000	45,000	45,000	
2012-2013				45,000	30,839	30,839	30,839	30,839		
2013-2014			90,000	63,040	63,040	63,040	63,040			
2014-2015										
2015-2016										
2016-2017	45,000	90,000	90,000	90,000						
2017-2018			45,000							
2018-2019		135,000								
2019-2020	45,000									

Reported Loss Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
1999-2000										
2000-2001										
2001-2002										
2002-2003										
2003-2004										
2004-2005										
2005-2006										
2006-2007										1.000
2007-2008										
2008-2009								1.000	1.000	1.000
2009-2010							1.000	1.000	1.000	1.000
2010-2011						1.000	1.000	1.000	1.000	
2011-2012					1.200	1.000	1.000	1.000		
2012-2013				0.685	1.000	1.000	1.000			
2013-2014			0.700	1.000	1.000	1.000				
2014-2015										
2015-2016										
2016-2017	2.000	1.000	1.000							
2017-2018										
2018-2019										

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
Average	2.000	1.000	0.850	0.843	1.067	1.000	1.000	1.000	1.000	1.000
Dollar-Weighted Averages										
3-yr						1.000	1.000	1.000	1.000	
4-yr						1.000	1.000	1.000		
Comparative Factors	2.664	1.498	1.145	1.044	1.018	1.006	1.002	1.000	1.000	1.000
Prior	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Selected	2.664	1.498	1.145	1.044	1.018	1.006	1.002	1.000	1.000	1.000
Cumulated	4.894	1.837	1.226	1.071	1.026	1.008	1.002	1.000	1.000	1.000

Trindel Insurance Fund - Medical Malpractice  
Reported between \$5,000 and \$50,000 Loss Development

Accident Year	<u>Losses Reported as of:</u>										
	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months	240 Months	252 Months
1999-2000											
2000-2001						7,748	7,748	7,748	7,748	7,748	131,213
2001-2002					78,036	78,036	78,036	78,036	78,036		
2002-2003				68,126	68,126	68,126	68,126	68,126			
2003-2004			45,000	45,000	45,000	45,000	45,000				
2004-2005											
2005-2006	67,808	67,808	67,808	67,808	67,808						
2006-2007	4,680	4,680	4,680	4,680							
2007-2008											
2008-2009	45,000	45,000									
2009-2010	45,000										
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											

Reported Loss Development Factors:

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-240 Months	240-252 Months	252-Ult. Months
1999-2000											
2000-2001						1.000	1.000	1.000	1.000	0.745	
2001-2002					1.000	1.000	1.000	1.000			
2002-2003				1.000	1.000	1.000	1.000				
2003-2004			1.000	1.000	1.000	1.000					
2004-2005											
2005-2006	1.000	1.000	1.000	1.000							
2006-2007	1.000	1.000	1.000								
2007-2008											
2008-2009	1.000										
2009-2010											
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-240 Months	240-252 Months	252-Ult. Months
Average Dollar-Weighted Averages	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.745	
3-yr						1.000	1.000	1.000			
4-yr						1.000	1.000				
Comparative Factors	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Prior	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Selected	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Trindel Insurance Fund - Medical Malpractice

Paid Loss Development

Accident Year (A)	Limited Paid Losses as of 6/30/20 (B)	Paid Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Paid Losses of 6/30/20 (E)	Paid Loss Development Factor (F)	Ultimate Program Losses (G)
Prior	\$32,165	1.000	\$32,165	\$32,165	1.000	\$32,165
2000-2001	5,000	1.000	5,000	5,000	1.000	5,000
2001-2002	15,000	1.001	15,015	15,000	1.001	15,015
2002-2003	10,000	1.001	10,010	10,000	1.001	10,010
2003-2004	6,873	1.001	6,880	6,873	1.001	6,880
2004-2005	0	1.002	0	0	1.002	0
2005-2006	10,000	1.003	10,030	10,000	1.003	10,030
2006-2007	5,000	1.003	5,015	5,000	1.003	5,015
2007-2008	0	1.004	0	0	1.004	0
2008-2009	5,000	1.006	5,030	5,000	1.006	5,030
2009-2010	5,000	1.007	5,035	5,000	1.007	5,035
2010-2011	15,000	1.009	15,135	15,000	1.009	15,135
2011-2012	5,000	1.013	5,065	5,000	1.013	5,065
2012-2013	5,000	1.022	5,110	5,000	1.022	5,110
2013-2014	11,898	1.037	12,338	11,898	1.037	12,338
2014-2015	0	1.067	0	0	1.067	0
2015-2016	0	1.116	0	0	1.116	0
2016-2017	11,970	1.229	14,711	11,970	1.229	14,711
2017-2018	5,000	1.553	7,765	5,000	1.553	7,765
2018-2019	15,000	4.476	67,140	15,000	4.476	67,140
2019-2020	590	61.344	36,193	590	61.344	36,193
Totals	\$163,496		\$257,637	\$163,496		\$257,637

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Fund. These losses exclude amounts over \$5,000 per occurrence.
- (C) From MM - Appendix B, Page 2.
- (D) (B) x (C). These estimated losses exclude amounts over \$5,000 per occurrence.
- (E) Losses capped at the Fund's SIR. Amounts are provided by the Fund.
- (F) Derived from factors on MM - Appendix B, Page 4.
- (G) (E) x (F).

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

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

Trindel Insurance Fund - Medical Malpractice  
Paid Loss Development

Accident Year	<u>Limited Losses Paid as of:</u>									
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
1999-2000										
2000-2001										
2001-2002										
2002-2003										
2003-2004										
2004-2005										
2005-2006										
2006-2007										5,000
2007-2008										
2008-2009								5,000	5,000	5,000
2009-2010							5,000	5,000	5,000	5,000
2010-2011						15,000	15,000	15,000	15,000	15,000
2011-2012					5,000	5,000	5,000	5,000	5,000	
2012-2013				5,000	5,000	5,000	5,000	5,000		
2013-2014			9,366	11,898	11,898	11,898	11,898			
2014-2015										
2015-2016										
2016-2017	120	6,970	11,970	11,970						
2017-2018			5,000							
2018-2019		15,000								
2019-2020	590									

Paid Loss Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
1999-2000										
2000-2001										
2001-2002										
2002-2003										
2003-2004										
2004-2005										
2005-2006										
2006-2007										1.000
2007-2008										
2008-2009								1.000	1.000	1.000
2009-2010							1.000	1.000	1.000	1.000
2010-2011						1.000	1.000	1.000	1.000	
2011-2012					1.000	1.000	1.000	1.000		
2012-2013				1.000	1.000	1.000	1.000			
2013-2014			1.270	1.000	1.000	1.000				
2014-2015										
2015-2016										
2016-2017	58.083	1.717	1.000							
2017-2018										
2018-2019										

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
Average	58.083	1.717	1.135	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Dollar-Weighted Averages										
3-yr						1.000	1.000	1.000	1.000	
4-yr						1.000	1.000	1.000		
Comparative Factors	13.705	2.882	1.264	1.101	1.046	1.029	1.015	1.009	1.004	1.002
Prior	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Selected	13.705	2.882	1.264	1.101	1.046	1.029	1.015	1.009	1.004	1.002
Cumulated	61.344	4.476	1.553	1.229	1.116	1.067	1.037	1.022	1.013	1.009

Trindel Insurance Fund - Medical Malpractice  
Paid Loss Development

Accident Year	<u>Limited Losses Paid as of:</u>										
	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months	240 Months	252 Months
1999-2000							20,000	20,000	20,000	20,000	2,052,855
2000-2001						5,000	5,000	5,000	5,000	5,000	
2001-2002					15,000	15,000	15,000	15,000	15,000		
2002-2003				10,000	10,000	10,000	10,000	10,000			
2003-2004			6,873	6,873	6,873	6,873	6,873				
2004-2005											
2005-2006	10,000	10,000	10,000	10,000	10,000						
2006-2007	5,000	5,000	5,000	5,000							
2007-2008											
2008-2009	5,000	5,000									
2009-2010	5,000										
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											

	<u>Paid Loss Development Factors:</u>										
	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-240 Months	240-252 Months	252-Ult. Months
1999-2000							1.000	1.000	1.000	102.643	
2000-2001						1.000	1.000	1.000	1.000		
2001-2002					1.000	1.000	1.000	1.000			
2002-2003				1.000	1.000	1.000	1.000				
2003-2004			1.000	1.000	1.000	1.000					
2004-2005											
2005-2006	1.000	1.000	1.000	1.000							
2006-2007	1.000	1.000	1.000								
2007-2008											
2008-2009	1.000										
2009-2010											
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-240 Months	240-252 Months	252-Ult. Months
Average Dollar-Weighted Averages	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	102.643	
3-yr						1.000	1.000	1.000			
4-yr						1.000	1.000				
Comparative Factors	1.001	1.002	1.001	1.000	1.001	1.001	1.000	1.000	1.001	1.000	1.000
Prior	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Selected	1.001	1.002	1.001	1.000	1.001	1.001	1.000	1.000	1.001	1.000	1.000
Cumulated	1.007	1.006	1.004	1.003	1.003	1.002	1.001	1.001	1.001	1.000	1.000

Trindel Insurance Fund - Medical Malpractice  
Paid between \$5,000 and \$50,000 Loss Development

Accident Year	<u>Losses Paid as of:</u>									
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
1999-2000										
2000-2001										
2001-2002										
2002-2003										
2003-2004										
2004-2005										
2005-2006										
2006-2007										4,680
2007-2008										
2008-2009								45,000	45,000	45,000
2009-2010								45,000	45,000	45,000
2010-2011						100,063	100,063	100,063	100,063	100,063
2011-2012					21,319	45,000	45,000	45,000	45,000	
2012-2013				13,666	30,839	30,839	30,839	30,839		
2013-2014			16,527	56,488	63,040	63,040	63,040			
2014-2015										
2015-2016										
2016-2017		45,000	83,654	90,000						
2017-2018			12,488							
2018-2019		76,299								
2019-2020										

Paid Loss Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
1999-2000										
2000-2001										
2001-2002										
2002-2003										
2003-2004										
2004-2005										
2005-2006										
2006-2007										1.000
2007-2008										
2008-2009								1.000	1.000	1.000
2009-2010							1.000	1.000	1.000	1.000
2010-2011						1.000	1.000	1.000	1.000	
2011-2012					2.111	1.000	1.000	1.000		
2012-2013				2.257	1.000	1.000	1.000			
2013-2014			3.418	1.116	1.000	1.000				
2014-2015										
2015-2016										
2016-2017		1.859	1.076							
2017-2018										
2018-2019										

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
Average Dollar-Weighted Averages		1.859	2.247	1.687	1.370	1.000	1.000	1.000	1.000	1.000
3-yr						1.000	1.000	1.000	1.000	
4-yr						1.000	1.000	1.000		
Comparative Factors	4.260	2.774	1.771	1.273	1.085	1.064	1.024	1.005	1.003	1.003
Prior	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Selected	4.260	2.774	1.771	1.273	1.085	1.064	1.024	1.005	1.003	1.003
Cumulated	31.869	7.481	2.697	1.523	1.196	1.102	1.036	1.012	1.007	1.004

Trindel Insurance Fund - Medical Malpractice  
Paid between \$5,000 and \$50,000 Loss Development

Accident Year	<u>Losses Paid as of:</u>										
	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months	240 Months	252 Months
1999-2000							176,213	176,213	176,213	176,213	131,213
2000-2001						7,748	7,748	7,748	7,748	7,748	
2001-2002					78,036	78,036	78,036	78,036	78,036		
2002-2003				68,126	68,126	68,126	68,126	68,126			
2003-2004			45,000	45,000	45,000	45,000	45,000				
2004-2005											
2005-2006	67,808	67,808	67,808	67,808	67,808						
2006-2007	4,680	4,680	4,680	4,680							
2007-2008											
2008-2009	45,000	45,000									
2009-2010	45,000										
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											

Paid Loss Development Factors:

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-240 Months	240-252 Months	252-Ult. Months
1999-2000							1.000	1.000	1.000	0.745	
2000-2001						1.000	1.000	1.000	1.000		
2001-2002					1.000	1.000	1.000	1.000			
2002-2003				1.000	1.000	1.000	1.000				
2003-2004			1.000	1.000	1.000	1.000					
2004-2005											
2005-2006	1.000	1.000	1.000	1.000							
2006-2007	1.000	1.000	1.000								
2007-2008											
2008-2009	1.000										
2009-2010											
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-240 Months	240-252 Months	252-Ult. Months
Average Dollar-Weighted Averages	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.745	
3-yr						1.000	1.000	1.000			
4-yr						1.000	1.000				
Comparative Factors	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Prior	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Selected	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

## Trindel Insurance Fund - Medical Malpractice

Exposure and Development Method  
Based on Reported Losses

Accident Year	OBE (A)	Reported Losses as of 6/30/20 (B)	Loss Development Factor (C)	Percentage of Losses Yet to Be Reported (D)	Program Rate (E)	Incurred but not Reported (IBNR) (F)	Ultimate Program Losses (G)
Prior	0		1.000	0.000	101	0	
2000-2001	0		1.000	0.000	101	0	
2001-2002	0		1.000	0.000	101	0	
2002-2003	0		1.000	0.000	102	0	
2003-2004	0		1.000	0.000	102	0	
2004-2005	0		1.000	0.000	103	0	
2005-2006	0		1.000	0.000	103	0	
2006-2007	0		1.000	0.000	103	0	
2007-2008	0		1.000	0.000	104	0	
2008-2009	0		1.000	0.000	104	0	
2009-2010	0		1.000	0.000	105	0	
2010-2011	0		1.000	0.000	105	0	
2011-2012	169	5,000	1.000	0.000	30	0	5,000
2012-2013	159	5,000	1.001	0.001	31	5	5,005
2013-2014	166	11,898	1.002	0.002	72	24	11,922
2014-2015	172		1.011	0.011	106	201	201
2015-2016	160		1.022	0.022	107	377	377
2016-2017	165	11,970	1.050	0.048	107	847	12,817
2017-2018	167	5,000	1.137	0.120	108	2,164	7,164
2018-2019	166	15,000	1.435	0.303	108	5,432	20,432
2019-2020	167	5,000	3.290	0.696	109	12,669	17,669
Totals	1,491	\$58,868				\$21,719	\$80,587

## Notes:

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

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

## Trindel Insurance Fund - Medical Malpractice

Exposure and Development Method  
Based on Paid Losses

Accident Year	OBE (A)	Paid Losses as of 6/30/20 (B)	Loss Development Factor (C)	Percentage of Losses Yet to Be Paid (D)	Program Rate (E)	Incurred but not Paid (F)	Ultimate Program Losses (G)
Prior	0		1.000	0.000	101	0	
2000-2001	0		1.000	0.000	101	0	
2001-2002	0		1.001	0.001	101	0	
2002-2003	0		1.001	0.001	102	0	
2003-2004	0		1.001	0.001	102	0	
2004-2005	0		1.002	0.002	103	0	
2005-2006	0		1.003	0.003	103	0	
2006-2007	0		1.003	0.003	103	0	
2007-2008	0		1.004	0.004	104	0	
2008-2009	0		1.006	0.006	104	0	
2009-2010	0		1.007	0.007	105	0	
2010-2011	0		1.009	0.009	105	0	
2011-2012	169	5,000	1.013	0.013	30	66	5,066
2012-2013	159	5,000	1.022	0.022	31	108	5,108
2013-2014	166	11,898	1.037	0.036	72	430	12,328
2014-2015	172		1.067	0.063	106	1,149	1,149
2015-2016	160		1.116	0.104	107	1,780	1,780
2016-2017	165	11,970	1.229	0.186	107	3,284	15,254
2017-2018	167	5,000	1.553	0.356	108	6,421	11,421
2018-2019	166	15,000	4.476	0.777	108	13,930	28,930
2019-2020	167	590	61.344	0.984	109	17,912	18,502
Totals	1,491	\$54,458				\$45,080	\$99,538

## Notes:

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

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

## Trindel Insurance Fund - Medical Malpractice

## Exposure and Development Method

Accident Year	OBE (A)	Ultimate Limited Losses (B)	Trend Factor (C)	Trended Limited Losses (D)	Trended Limited Loss Rate (E)	Limited Loss Rate (F)	Factor to SIR (G)	Program Loss Rate (H)
Prior	0		1.083			101	1.000	101
2000-2001	0		1.079			101	1.000	101
2001-2002	0		1.075			101	1.000	101
2002-2003	0		1.071			102	1.000	102
2003-2004	0		1.067			102	1.000	102
2004-2005	0		1.063			103	1.000	103
2005-2006	0		1.059			103	1.000	103
2006-2007	0		1.055			103	1.000	103
2007-2008	0		1.051			104	1.000	104
2008-2009	0		1.047			104	1.000	104
2009-2010	0		1.043			105	1.000	105
2010-2011	0		1.040			105	1.000	105
2011-2012	169	5,000	1.036	5,180	31	30	1.000	30
2012-2013	159	5,000	1.032	5,160	32	31	1.000	31
2013-2014	166	11,898	1.028	12,231	74	72	1.000	72
2014-2015	172		1.024			106	1.000	106
2015-2016	160		1.020			107	1.000	107
2016-2017	165	13,000	1.016	13,208	80	107	1.000	107
2017-2018	167	6,000	1.012	6,072	36	108	1.000	108
2018-2019	166	33,000	1.008	33,264	200	108	1.000	108
2019-2020	167	21,000	1.004	21,084	126	109	1.000	109
Total/Avg	1,491	\$94,898		\$96,199	\$83			
14/15-18/19	498	52,000		52,544	106			
15/16-19/20	825	73,000		73,628	111			
				Selected Limited Rate:	\$109			

## Notes:

- (A) From MM - Appendix M, Column (C).
- (B) Selected average of results from Appendices A and B.
- (C) From MM - Appendix E, Page 1, Column (B).
- (D) (B) x (C).
- (E) (D) / (A).
- (F) Selected Limited Rate / (C). For 2014-2015 and prior (B) / (A).
- (G) Based on a Burr distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

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

Trindel Insurance Fund - Medical Malpractice

Frequency and Severity Method

Accident Year	Ultimate Program Severity (A)	Adjusted Ultimate Claims (B)	Ultimate Program Losses (C)
Prior	\$156	206	\$32,136
2000-2001	185	27	4,995
2001-2002	441	34	14,994
2002-2003	833	12	9,996
2003-2004	491	14	6,874
2004-2005	1,121	11	12,331
2005-2006	833	12	9,996
2006-2007	1,667	3	5,001
2007-2008	1,225	2	2,450
2008-2009	5,000	1	5,000
2009-2010	2,500	2	5,000
2010-2011	3,000	5	15,000
2011-2012	1,667	3	5,001
2012-2013	1,250	4	5,000
2013-2014	1,983	6	11,898
2014-2015	1,506	2	3,012
2015-2016	1,552	4	6,208
2016-2017	1,599	10	15,990
2017-2018	1,647	11	18,117
2018-2019	1,697	13	22,061
2019-2020	1,748	11	19,228
Total		393	\$230,288

Notes:

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

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

Trindel Insurance Fund - Medical Malpractice

Frequency and Severity Method

Accident Year	Ultimate Limited Losses (A)	Adjusted Ultimate Claims (B)	Ultimate Limited Severity (C)	Trend Factor (D)	Trended Limited Severity (E)	Limited Severity (F)	Factor to SIR (G)	Program Severity (H)
Prior	\$32,165	206	\$156	1.862	\$290	\$156	1.000	\$156
2000-2001	5,000	27	185	1.808	334	185	1.000	185
2001-2002	15,000	34	441	1.755	774	441	1.000	441
2002-2003	10,000	12	833	1.704	1,419	833	1.000	833
2003-2004	6,873	14	491	1.654	812	491	1.000	491
2004-2005		11		1.606		1,121	1.000	1,121
2005-2006	10,000	12	833	1.559	1,299	833	1.000	833
2006-2007	5,000	3	1,667	1.513	2,522	1,667	1.000	1,667
2007-2008		2		1.469		1,225	1.000	1,225
2008-2009	5,000	1	5,000	1.426	7,130	5,000	1.000	5,000
2009-2010	5,000	2	2,500	1.385	3,463	2,500	1.000	2,500
2010-2011	15,000	5	3,000	1.345	4,035	3,000	1.000	3,000
2011-2012	5,000	3	1,667	1.306	2,177	1,667	1.000	1,667
2012-2013	5,000	4	1,250	1.267	1,584	1,250	1.000	1,250
2013-2014	11,898	6	1,983	1.231	2,441	1,983	1.000	1,983
2014-2015		2		1.195		1,506	1.000	1,506
2015-2016		4		1.160		1,552	1.000	1,552
2016-2017	14,000	10	1,400	1.126	1,576	1,599	1.000	1,599
2017-2018	9,000	11	818	1.093	894	1,647	1.000	1,647
2018-2019	25,000	13	1,923	1.061	2,040	1,697	1.000	1,697
2019-2020	18,000	11	1,636	1.030	1,685	1,748	1.000	1,748

Average Limited Severity: \$2,028  
Average 14/15-18/19 Limited Severity: 1,503  
Average 15/16-19/20 Limited Severity: 1,549

Selected Limited Severity: \$1,800

Notes:

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

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

Trindel Insurance Fund - Medical Malpractice

Frequency and Severity Method  
Projection of Ultimate Claims

Accident Year	Reported Claim Development (A)	Closed Claim Development (B)	Selected Ultimate Claims (C)	OBE (D)	Claim Frequency (E)	Trend Factor (F)	Trended Claim Frequency (G)
Prior	206	206	206	0		0.589	
2000-2001	27	27	27	0		0.604	
2001-2002	34	34	34	0		0.619	
2002-2003	12	12	12	0		0.635	
2003-2004	14	14	14	0		0.652	
2004-2005	11	11	11	0		0.668	
2005-2006	12	12	12	0		0.685	
2006-2007	3	3	3	0		0.702	
2007-2008	2	2	2	0		0.721	
2008-2009	1	1	1	0		0.739	
2009-2010	2	2	2	0		0.758	
2010-2011	5	5	5	0		0.778	
2011-2012	3	2	3	169	0.018	0.797	0.014
2012-2013	4	4	4	159	0.025	0.818	0.020
2013-2014	6	7	6	166	0.036	0.838	0.030
2014-2015	2	3	2	172	0.012	0.860	0.010
2015-2016	4	6	4	160	0.025	0.881	0.022
2016-2017	10	15	10	165	0.061	0.904	0.055
2017-2018	5	16	11	167	0.063	0.927	0.058
2018-2019	13	19	13	166	0.078	0.950	0.074
2019-2020	11	0	11	167	0.066	0.975	0.064
Total	387	401	393	1,491			0.039
16/17-18/19	28	50	34	498			0.062
17/18-19/20	29	35	35	500			0.066
						(H) Selected Frequency:	0.065

Program Year:	2020-2021	2021-2022
(I) Trend Factor:	1.000	0.975
(J) Selected Frequency:	0.065	0.063
(K) Est. OBE:	178	180
(L) Ultimate Claims:	12	11

Notes:

- (A) From MM - Appendix D, Page 4, (C).
- (B) From MM - Appendix D, Page 5, (C).
- (C) Selected from (A) and (B).
- (D) From MM - Appendix M, Column (C).
- (E) (C) / (D).
- (F) From MM - Appendix E, Page 1, Column (H).
- (G) (E) x (F).
- (H) The selected frequency of 0.065 is based on (G).
- (I) From MM - Appendix E, Page 1, Column (H).
- (J) (H) x (I).
- (K) From MM - Appendix M, Column (C).
- (L) (J) x (K).

This exhibit summarizes the estimated numbers of claims and shows the estimated frequencies per OBE.

Trindel Insurance Fund - Medical Malpractice

Frequency and Severity Method  
Reported Claim Count Development

Accident Year	Claims Reported as of 6/30/2020 (A)	Reported Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
Prior	206	1.000	206	
2000-2001	27	1.000	27	
2001-2002	34	1.000	34	
2002-2003	12	1.000	12	
2003-2004	14	1.000	14	
2004-2005	11	1.000	11	
2005-2006	12	1.001	12	
2006-2007	3	1.002	3	
2007-2008	2	1.003	2	
2008-2009	1	1.004	1	
2009-2010	2	1.005	2	
2010-2011	5	1.006	5	
2011-2012	3	1.007	3	0.014
2012-2013	4	1.010	4	0.021
2013-2014	6	1.020	6	0.030
2014-2015	2	1.041	2	0.010
2015-2016	4	1.072	4	0.022
2016-2017	9	1.152	10	0.055
2017-2018	4	1.267	5	0.028
2018-2019	7	1.901	13	0.074
2019-2020	3	3.802	11	0.064
Total	371		387	0.035

Notes:

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

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

Trindel Insurance Fund - Medical Malpractice

Frequency and Severity Method  
Closed Claim Count Development

Accident Year	Claims Closed as of 6/30/2020 (A)	Closed Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
Prior	206	1.002	206	
2000-2001	27	1.003	27	
2001-2002	34	1.004	34	
2002-2003	12	1.005	12	
2003-2004	14	1.006	14	
2004-2005	11	1.007	11	
2005-2006	12	1.009	12	
2006-2007	3	1.012	3	
2007-2008	2	1.017	2	
2008-2009	1	1.022	1	
2009-2010	2	1.027	2	
2010-2011	5	1.038	5	
2011-2012	2	1.053	2	0.009
2012-2013	4	1.106	4	0.021
2013-2014	6	1.172	7	0.035
2014-2015	2	1.266	3	0.015
2015-2016	4	1.481	6	0.033
2016-2017	7	2.073	15	0.082
2017-2018	3	5.183	16	0.089
2018-2019	1	19.436	19	0.109
2019-2020	0	194.360	0	
Total	358		401	0.044

Notes:

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

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

Trindel Insurance Fund - Medical Malpractice  
Reported Claim Count Development

Claims Reported as of:

Accident Year	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months
1999-2000													
2000-2001													
2001-2002													
2002-2003													
2003-2004													14
2004-2005												11	11
2005-2006											12	12	12
2006-2007										3	3	3	3
2007-2008									2	2	2	2	2
2008-2009								1	1	1	1	1	
2009-2010								2	2	2	2	2	
2010-2011						5	5	5	5	5			
2011-2012					3	3	3	3	3				
2012-2013				4	4	4	4	4					
2013-2014			6	6	6	6	6						
2014-2015		2	2	2	2	2							
2015-2016	2	4	4	4	4								
2016-2017	3	7	8	9									
2017-2018		4	4										
2018-2019	3	7											
2019-2020	3												

Reported Claim Count Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months	132-144 Months	144-156 Months	156-168 Months
1999-2000													
2000-2001													
2001-2002													
2002-2003													
2003-2004													1.000
2004-2005												1.000	1.000
2005-2006											1.000	1.000	1.000
2006-2007										1.000	1.000	1.000	1.000
2007-2008									1.000	1.000	1.000	1.000	
2008-2009								1.000	1.000	1.000	1.000		
2009-2010							1.000	1.000	1.000	1.000			
2010-2011						1.000	1.000	1.000	1.000				
2011-2012					1.000	1.000	1.000	1.000					
2012-2013				1.000	1.000	1.000	1.000						
2013-2014			1.000	1.000	1.000	1.000							
2014-2015		1.000	1.000	1.000	1.000								
2015-2016	2.000	1.000	1.000	1.000									
2016-2017	2.333	1.143	1.125										
2017-2018		1.000											
2018-2019	2.333												
Average Claim-Weighted Averages	2.222	1.036	1.031	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3-yr		1.067	1.071	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
4-yr		1.059	1.050	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
PRISM Factors	3.899	2.251	1.100	1.075	1.030	1.021	1.010	1.003	1.001	1.001	1.001	1.001	1.001
Prior	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Selected	2.000	1.500	1.100	1.075	1.030	1.021	1.010	1.003	1.001	1.001	1.001	1.001	1.001
Cumulated	3.802	1.901	1.267	1.152	1.072	1.041	1.020	1.010	1.007	1.006	1.005	1.004	1.003

Trindel Insurance Fund - Medical Malpractice  
Closed Claim Development

Accident Year	Claims Closed as of:												
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months
1999-2000													
2000-2001													
2001-2002													
2002-2003													
2003-2004													14
2004-2005												11	11
2005-2006											12	12	12
2006-2007										3	3	3	3
2007-2008									2	2	2	2	2
2008-2009								1	1	1	1	1	
2009-2010								2	2	2	2	2	
2010-2011							5	5	5	5	5		
2011-2012						2	2	2	2	2			
2012-2013				3	4	4	4	4	4				
2013-2014			4	5	6	6	6						
2014-2015		1	1	2	2	2							
2015-2016		1	3	4	4								
2016-2017		3	6	7									
2017-2018		1	3										
2018-2019		1											
2019-2020													

Closed Claim Count Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months	132-144 Months	144-156 Months	156-168 Months
1999-2000													
2000-2001													
2001-2002													
2002-2003													
2003-2004													1.000
2004-2005												1.000	1.000
2005-2006											1.000	1.000	1.000
2006-2007										1.000	1.000	1.000	1.000
2007-2008									1.000	1.000	1.000	1.000	
2008-2009								1.000	1.000	1.000	1.000		
2009-2010							1.000	1.000	1.000	1.000			
2010-2011						1.000	1.000	1.000	1.000				
2011-2012					1.000	1.000	1.000	1.000					
2012-2013				1.333	1.000	1.000	1.000						
2013-2014			1.250	1.200	1.000	1.000							
2014-2015		1.000	2.000	1.000	1.000								
2015-2016		3.000	1.333	1.000									
2016-2017		2.000	1.167										
2017-2018		3.000											
2018-2019													

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months	132-144 Months	144-156 Months	156-168 Months
Average Claim-Weighted Averages		2.250	1.438	1.133	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3-yr		2.400	1.300	1.091	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
4-yr		2.167	1.286	1.143	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
PRISM Factors	10.000	3.750	2.500	1.400	1.170	1.080	1.060	1.050	1.014	1.011	1.005	1.005	1.005
Prior	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Selected	10.000	3.750	2.500	1.400	1.170	1.080	1.060	1.050	1.014	1.011	1.005	1.005	1.005
Cumulated	194.360	19.436	5.183	2.073	1.481	1.266	1.172	1.106	1.053	1.038	1.027	1.022	1.017

Trindel Insurance Fund - Medical Malpractice

Loss Trend Factors

Accident Year	Benefit Level Factor (A)	Factor to 2020-2021 Loss Rate Level (B)	Factor to 2021-2022 Loss Rate Level (C)	Factor to 2022-2023 Loss Rate Level (D)	Factor to 2023-2024 Loss Rate Level (E)	Factor to 2020-2021 Frequency Level (F)	Factor to 2021-2022 Frequency Level (G)	Factor to 2022-2023 Frequency Level (H)	Factor to 2023-2024 Frequency Level (I)	Factor to 2020-2021 Severity Level (J)
Prior	1.000	1.083	1.087	1.092	1.096	0.589	0.574	0.560	0.546	1.862
2000-2001	1.000	1.079	1.083	1.088	1.092	0.604	0.589	0.574	0.560	1.808
2001-2002	1.000	1.075	1.079	1.084	1.088	0.619	0.604	0.589	0.574	1.755
2002-2003	1.000	1.071	1.075	1.080	1.084	0.635	0.619	0.604	0.589	1.704
2003-2004	1.000	1.067	1.071	1.076	1.080	0.652	0.635	0.619	0.604	1.654
2004-2005	1.000	1.063	1.067	1.072	1.076	0.668	0.651	0.635	0.619	1.606
2005-2006	1.000	1.059	1.063	1.068	1.072	0.685	0.668	0.651	0.635	1.559
2006-2007	1.000	1.055	1.060	1.064	1.068	0.702	0.685	0.668	0.651	1.513
2007-2008	1.000	1.051	1.056	1.060	1.064	0.721	0.702	0.685	0.668	1.469
2008-2009	1.000	1.047	1.052	1.056	1.060	0.739	0.720	0.703	0.685	1.426
2009-2010	1.000	1.043	1.048	1.052	1.056	0.758	0.739	0.721	0.703	1.385
2010-2011	1.000	1.040	1.044	1.048	1.052	0.778	0.758	0.739	0.721	1.345
2011-2012	1.000	1.036	1.040	1.044	1.048	0.797	0.777	0.758	0.739	1.306
2012-2013	1.000	1.032	1.036	1.040	1.044	0.818	0.797	0.777	0.758	1.267
2013-2014	1.000	1.028	1.032	1.036	1.040	0.838	0.817	0.797	0.777	1.231
2014-2015	1.000	1.024	1.028	1.032	1.036	0.860	0.838	0.817	0.797	1.195
2015-2016	1.000	1.020	1.024	1.028	1.032	0.881	0.859	0.838	0.817	1.160
2016-2017	1.000	1.016	1.020	1.024	1.028	0.904	0.881	0.859	0.838	1.126
2017-2018	1.000	1.012	1.016	1.020	1.024	0.927	0.903	0.881	0.859	1.093
2018-2019	1.000	1.008	1.012	1.016	1.020	0.950	0.926	0.904	0.881	1.061
2019-2020	1.000	1.004	1.008	1.012	1.016	0.975	0.951	0.927	0.904	1.030
2020-2021	1.000	1.000	1.004	1.008	1.012	1.000	0.975	0.951	0.927	1.000
2021-2022	1.000	--	1.000	1.004	1.008	--	1.000	0.975	0.951	--
2022-2023	1.000	--	--	1.000	1.004	--	--	1.000	0.975	--
2023-2024	1.000	--	--	--	1.000	--	--	--	1.000	--

Notes:

- (A) No benefit level adjustment applied.
- (B) - (E) (A) adjusted for a 0.4% annual loss rate trend.
- (F) - (I) (A) adjusted for a -2.5% annual frequency trend.
- (J) (A) adjusted for a 3.0% annual severity trend.

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

Trindel Insurance Fund - Medical Malpractice

Residual Trend Factors

Accident Year	Initial Estimate of Ultimate Limited Losses (A)	Ultimate Reported Claims (B)	BLF (C)	Adjusted Limited Severity (D)	OBE (E)	Ultimate Frequency (F)
Prior	\$32,165	206	1.000	156		
2000-2001	5,000	27	1.000	185		
2001-2002	15,000	34	1.000	441		
2002-2003	10,000	12	1.000	833		
2003-2004	6,873	14	1.000	491		
2004-2005		11	1.000			
2005-2006	10,000	12	1.000	833		
2006-2007	5,000	3	1.000	1,667		
2007-2008		2	1.000			
2008-2009	5,000	1	1.000	5,000		
2009-2010	5,000	2	1.000	2,500		
2010-2011	15,000	5	1.000	3,000		
2011-2012	5,000	3	1.000	1,667	169	178
2012-2013	5,000	4	1.000	1,250	159	252
2013-2014	11,898	6	1.000	1,983	166	361
2014-2015		2	1.000		172	116
2015-2016		4	1.000		160	250
2016-2017	13,000	10	1.000	1,300	165	606
2017-2018	6,000	11	1.000	545	167	659
2018-2019	33,000	13	1.000	2,538	166	783
2019-2020	21,000	11	1.000	1,909	167	659

	Severity Trend Factors	Frequency Trend Factors
Latest 10 x 2019-2020	#NUM!	#VALUE!
Latest 5 x 2019-2020	#NUM!	1.613
Prior	0.000	0.000
Default	1.030	0.975
Selected Residual Trend	1.030	0.975

Notes:

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

Trindel Insurance Fund - Medical Malpractice

Outstanding Liability for  
Unallocated Loss Adjustment Expenses  
as of 6/30/20

Fiscal Year (A)	Number of Claims Active During Fiscal Year (B)	Average ULAE Charge per Active Claim (C)	Inflation Trend Factor (D)	Trended ULAE Charge per Active Claim (E)	ULAE Paid During Year (F)
2020-2021	22.0	\$0	1.000	\$0	\$0
2021-2022	22.9	0	1.050	0	0
2022-2023	18.3	0	1.103	0	0
2023-2024	11.8	0	1.158	0	0
2024-2025	8.2	0	1.216	0	0
2025-2026	6.0	0	1.277	0	0
2026-2027	4.6	0	1.341	0	0
2027-2028	2.8	0	1.408	0	0
2028-2029	1.7	0	1.478	0	0
2029-2030	1.1	0	1.552	0	0
2030-2031	0.7	0	1.630	0	0
2031-2032	0.5	0	1.712	0	0
2032-2033	0.4	0	1.798	0	0
2033-2034	0.4	0	1.888	0	0
2034-2035	0.4	0	1.982	0	0
2035-2036	0.3	0	2.081	0	0
2036-2037	0.2	0	2.185	0	0
2037-2038	0.1	0	2.294	0	0

(G) Total ULAE Outstanding as of 6/30/20: \$0

Notes:

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

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

Trindel Insurance Fund - Medical Malpractice

Outstanding Liability for  
Unallocated Loss Adjustment Expenses  
as of 6/30/21

Fiscal Year (A)	Number of Claims Active During Fiscal Year (B)	Average ULAE Charge per Active Claim (C)	Inflation Trend Factor (D)	Trended ULAE Charge per Active Claim (E)	ULAE Paid During Year (F)
2021-2022	28.8	\$0	1.050	\$0	\$0
2022-2023	26.7	0	1.103	0	0
2023-2024	19.6	0	1.158	0	0
2024-2025	13.7	0	1.216	0	0
2025-2026	9.1	0	1.277	0	0
2026-2027	6.5	0	1.341	0	0
2027-2028	5.1	0	1.408	0	0
2028-2029	3.1	0	1.478	0	0
2029-2030	1.8	0	1.552	0	0
2030-2031	1.2	0	1.630	0	0
2031-2032	0.8	0	1.712	0	0
2032-2033	0.6	0	1.798	0	0
2033-2034	0.5	0	1.888	0	0
2034-2035	0.5	0	1.982	0	0
2035-2036	0.4	0	2.081	0	0
2036-2037	0.3	0	2.185	0	0
2037-2038	0.2	0	2.294	0	0
2038-2039	0.1	0	2.409	0	0

(G) Total ULAE Outstanding as of 6/30/21: \$0

Notes:

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

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

Trindel Insurance Fund - Medical Malpractice

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of 6/30/2020</u>	<u>Calendar Period</u>	
		<u>7/1/2020 to 6/30/2021</u>	<u>7/1/2021 to 6/30/2022</u>
Prior			
Ultimate Loss	\$69,038	\$69,038	\$69,038
Paid in Calendar Period	-		
Paid to Date	69,038	69,038	69,038
Outstanding Liability			
2004-2005			
Ultimate Loss			
Paid in Calendar Period	-		
Paid to Date			
Outstanding Liability			
2005-2006			
Ultimate Loss	\$10,000	\$10,000	\$10,000
Paid in Calendar Period	-		
Paid to Date	10,000	10,000	10,000
Outstanding Liability			
2006-2007			
Ultimate Loss	\$5,000	\$5,000	\$5,000
Paid in Calendar Period	-		
Paid to Date	5,000	5,000	5,000
Outstanding Liability			
2007-2008			
Ultimate Loss			
Paid in Calendar Period	-		
Paid to Date			
Outstanding Liability			
2008-2009			
Ultimate Loss	\$5,000	\$5,000	\$5,000
Paid in Calendar Period	-		
Paid to Date	5,000	5,000	5,000
Outstanding Liability			
2009-2010			
Ultimate Loss	\$5,000	\$5,000	\$5,000
Paid in Calendar Period	-		
Paid to Date	5,000	5,000	5,000
Outstanding Liability			
2010-2011			
Ultimate Loss	\$15,000	\$15,000	\$15,000
Paid in Calendar Period	-		
Paid to Date	15,000	15,000	15,000
Outstanding Liability			

Trindel Insurance Fund - Medical Malpractice

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of 6/30/2020</u>	<u>Calendar Period</u>	
		<u>7/1/2020 to 6/30/2021</u>	<u>7/1/2021 to 6/30/2022</u>
2011-2012			
Ultimate Loss	\$5,000	\$5,000	\$5,000
Paid in Calendar Period	-		
Paid to Date	5,000	5,000	5,000
Outstanding Liability			
2012-2013			
Ultimate Loss	\$5,000	\$5,000	\$5,000
Paid in Calendar Period	-		
Paid to Date	5,000	5,000	5,000
Outstanding Liability			
2013-2014			
Ultimate Loss	\$11,898	\$11,898	\$11,898
Paid in Calendar Period	-		
Paid to Date	11,898	11,898	11,898
Outstanding Liability			
2014-2015			
Ultimate Loss			
Paid in Calendar Period	-		
Paid to Date			
Outstanding Liability			
2015-2016			
Ultimate Loss			
Paid in Calendar Period	-		
Paid to Date			
Outstanding Liability			
2016-2017			
Ultimate Loss	\$14,000	\$14,000	\$14,000
Paid in Calendar Period	-	897	449
Paid to Date	11,970	12,867	13,316
Outstanding Liability	2,030	1,133	684
2017-2018			
Ultimate Loss	\$9,000	\$9,000	\$9,000
Paid in Calendar Period	-	1,908	925
Paid to Date	5,000	6,908	7,833
Outstanding Liability	4,000	2,092	1,167
2018-2019			
Ultimate Loss	\$25,000	\$25,000	\$25,000
Paid in Calendar Period	-	5,410	2,189
Paid to Date	15,000	20,410	22,599
Outstanding Liability	10,000	4,590	2,401

Trindel Insurance Fund - Medical Malpractice

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of 6/30/2020</u>	<u>Calendar Period</u>	
		<u>7/1/2020 to 6/30/2021</u>	<u>7/1/2021 to 6/30/2022</u>
2019-2020			
Ultimate Loss	\$18,000	\$18,000	\$18,000
Paid in Calendar Period	-	3,674	7,431
Paid to Date	590	4,264	11,695
Outstanding Liability	17,410	13,736	6,305
2020-2021			
Ultimate Loss	-	\$84,000	\$84,000
Paid in Calendar Period	-	1,344	17,440
Paid to Date	-	1,344	18,784
Outstanding Liability	-	82,656	65,216
2021-2022			
Ultimate Loss	-	-	\$86,000
Paid in Calendar Period	-	-	1,376
Paid to Date	-	-	1,376
Outstanding Liability	-	-	84,624
Totals			
Ultimate Loss	\$196,936	\$280,936	\$366,936
Paid in Calendar Period	-	13,233	29,810
Paid to Date	163,496	176,729	206,539
Outstanding Liability	33,440	104,207	160,397
Total Outstanding ULAE	0	0	0
Outstanding Liability plus ULAE	33,440	104,207	160,397

Notes appear on the next page.

Trindel Insurance Fund - Medical Malpractice

Payment and Reserve Forecast

Notes to previous page:

- Accident Year is associated with date of loss. Calendar Period is associated with date of transaction. For example, for the losses which occurred during 2018-2019, \$5,410 is expected to be paid between 7/1/20 and 6/30/21, \$20,410 will have been paid by 6/30/21, and the reserve for remaining payments on these claims should be \$4,590.
- Ultimate Losses for each accident year are from MM - Exhibit 4, Page 1.
- Paid in Calendar Period is a proportion of the Outstanding Liability from the previous calendar period. These proportions are derived from the paid loss development pattern selected in Appendix B. For example,  $\$2,189 = \$4,590 \times 47.7\%$ .
- Paid to Date is Paid in Calendar Period plus Paid to Date from previous calendar period. For example,  $\$22,599 = \$2,189 + \$20,410$ .
- Outstanding Liability is Ultimate Loss minus Paid to Date. For example,  $\$4,590 = \$25,000 - \$20,410$ .

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

## Trindel Insurance Fund - Medical Malpractice

## Short- and Long-Term Liabilities

		<u>Expected</u>	<u>Discounted</u>
<u>Liabilities as of 6/30/20:</u>			
<u>Current (Short Term)</u>	Loss and ALAE:	\$12,000	\$12,000
	ULAE:	0	0
	Short-Term Loss and LAE:	<u>\$12,000</u>	<u>\$12,000</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$21,000	\$21,000
	ULAE:	0	0
	Long-Term Loss and LAE:	<u>\$21,000</u>	<u>\$21,000</u>
<u>Total Liability</u>	Loss and ALAE:	\$33,000	\$33,000
	ULAE:	0	0
	Total Loss and LAE:	<u>\$33,000</u>	<u>\$33,000</u>
<u>Liabilities as of 6/30/21:</u>			
<u>Current (Short Term)</u>	Loss and ALAE:	\$28,000	\$28,000
	ULAE:	0	0
	Short-Term Loss and LAE:	<u>\$28,000</u>	<u>\$28,000</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$76,000	\$76,000
	ULAE:	0	0
	Long-Term Loss and LAE:	<u>\$76,000</u>	<u>\$76,000</u>
<u>Total Liability</u>	Loss and ALAE:	\$104,000	\$104,000
	ULAE:	0	0
	Total Loss and LAE:	<u>\$104,000</u>	<u>\$104,000</u>

## Discounted with a Margin for Contingencies

		70%	75%	80%	85%	90%
		<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>
<u>Liabilities as of 6/30/20:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$14,000	\$15,000	\$16,000	\$18,000	\$20,000
	ULAE:	0	0	0	0	0
	Short-Term Loss and LAE:	<u>\$14,000</u>	<u>\$15,000</u>	<u>\$16,000</u>	<u>\$18,000</u>	<u>\$20,000</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$25,000	\$27,000	\$29,000	\$31,000	\$34,000
	ULAE:	0	0	0	0	0
	Long-Term Loss and LAE:	<u>\$25,000</u>	<u>\$27,000</u>	<u>\$29,000</u>	<u>\$31,000</u>	<u>\$34,000</u>
<u>Total Liability</u>	Loss and ALAE:	\$39,000	\$42,000	\$45,000	\$49,000	\$54,000
	ULAE:	0	0	0	0	0
	Total Loss and LAE:	<u>\$39,000</u>	<u>\$42,000</u>	<u>\$45,000</u>	<u>\$49,000</u>	<u>\$54,000</u>
<u>Liabilities as of 6/30/21:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$33,000	\$35,000	\$38,000	\$41,000	\$46,000
	ULAE:	0	0	0	0	0
	Short-Term Loss and LAE:	<u>\$33,000</u>	<u>\$35,000</u>	<u>\$38,000</u>	<u>\$41,000</u>	<u>\$46,000</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$90,000	\$97,000	\$104,000	\$113,000	\$125,000
	ULAE:	0	0	0	0	0
	Long-Term Loss and LAE:	<u>\$90,000</u>	<u>\$97,000</u>	<u>\$104,000</u>	<u>\$113,000</u>	<u>\$125,000</u>
<u>Total Liability</u>	Loss and ALAE:	\$123,000	\$132,000	\$142,000	\$154,000	\$171,000
	ULAE:	0	0	0	0	0
	Total Loss and LAE:	<u>\$123,000</u>	<u>\$132,000</u>	<u>\$142,000</u>	<u>\$154,000</u>	<u>\$171,000</u>

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

Trindel Insurance Fund - Medical Malpractice  
Discount Factors to be Applied to Overall Reserves

Accident Year	Full Value of Reserve at 6/30/20 (A)	Discount Factor (B)	Discounted Reserve at 6/30/20 (C)	Full Value of Reserve at 6/30/21 (D)	Discount Factor (E)	Discounted Reserve at 6/30/21 (F)
Prior	\$0	1.000	\$0	\$0	1.000	\$0
2000-2001	0	1.000	0	0	1.000	0
2001-2002	0	1.000	0	0	1.000	0
2002-2003	0	1.000	0	0	1.000	0
2003-2004	0	1.000	0	0	1.000	0
2004-2005	0	1.000	0	0	1.000	0
2005-2006	0	1.000	0	0	1.000	0
2006-2007	0	1.000	0	0	1.000	0
2007-2008	0	1.000	0	0	1.000	0
2008-2009	0	1.000	0	0	1.000	0
2009-2010	0	1.000	0	0	1.000	0
2010-2011	0	1.000	0	0	1.000	0
2011-2012	0	1.000	0	0	1.000	0
2012-2013	0	1.000	0	0	1.000	0
2013-2014	0	1.000	0	0	1.000	0
2014-2015	0	1.000	0	0	1.000	0
2015-2016	0	1.000	0	0	1.000	0
2016-2017	2,030	1.000	2,030	1,133	1.000	1,133
2017-2018	4,000	1.000	4,000	2,092	1.000	2,092
2018-2019	10,000	1.000	10,000	4,590	1.000	4,590
2019-2020	17,410	1.000	17,410	13,736	1.000	13,736
2020-2021				82,656	1.000	82,656
Totals	\$33,440		\$33,440	\$104,207		\$104,207

(G) Discount Factor at 6/30/20 for Overall Reserve: 1.000  
(H) Discount Factor at 6/30/21 for Overall Reserve: 1.000

Notes:

- (A) From MM - Appendix G, Outstanding Liability at 6/30/20.
- (B) Based on MM - Appendix I, Page 2, Column (E).
- (C) (A) x (B).
- (D) From MM - Appendix G, Outstanding Liability at 6/30/21.
- (E) Based on MM - Appendix I, Page 2, Column (E).
- (F) (D) x (E).
- (G) Total of (C) / Total of (A).
- (H) Total of (F) / Total of (D).

This exhibit shows the expected impact of anticipated investment income on the liability for outstanding claims at the date of evaluation and the end of the current fiscal year. For example, if the discount factor in item (G) is 1.000, the discounted liability for outstanding claims is 100.0% of the full value.

Trindel Insurance Fund - Medical Malpractice

Calculation of Discount Factors

Payment Year (A)	Payment Pattern (B)	Return on Investment (C)	Discounted Reserves (D)	Undiscounted Reserves (E)	Discount Factor (F)
22	0.0%	0.0%	0.000	0.000	1.000
21	0.0%	0.0%	0.000	0.000	1.000
20	0.0%	0.0%	0.000	0.000	1.000
19	0.0%	0.0%	0.000	0.000	1.000
18	0.0%	0.0%	0.000	0.000	1.000
17	0.0%	0.0%	0.000	0.000	1.000
16	0.1%	0.0%	0.001	0.001	1.000
15	0.0%	0.0%	0.001	0.001	1.000
14	0.0%	0.0%	0.001	0.001	1.000
13	0.0%	0.0%	0.001	0.001	1.000
12	0.1%	0.0%	0.002	0.002	1.000
11	0.3%	0.0%	0.005	0.005	1.000
10	0.3%	0.0%	0.008	0.008	1.000
9	0.6%	0.0%	0.014	0.014	1.000
8	2.1%	0.0%	0.035	0.035	1.000
7	5.1%	0.0%	0.086	0.086	1.000
6	6.5%	0.0%	0.151	0.151	1.000
5	15.9%	0.0%	0.310	0.310	1.000
4	26.1%	0.0%	0.572	0.572	1.000
3	27.6%	0.0%	0.847	0.847	1.000
2	12.4%	0.0%	0.972	0.972	1.000
1	2.8%	0.0%	1.000	1.000	1.000
(G) Discount Factor for Future Funding:				2020-2021	1.000
				2021-2022	1.000

Notes:

- (A) This is the year of payment relative to the accident year. For example, year 7 refers to payments made in the seventh year after the inception of the accident year. We assume that payments are made at midyear.
- (B) Percent of ultimate loss paid this year. This payment pattern is based on the paid loss development pattern selected in MM - Appendix B, Page 2.
- (C) Assumed Investment Income Rates.
- (D) Discounted Reserves at the beginning of this year is next year's Discounted Reserves discounted one year plus this year's payments discounted six months. For example, in year 2,  $97.2\% = [84.7\% / 1.000] + [12.4\% / (1.000)]$ .
- (E) Summation of future (B) values. This is the percent of ultimate loss unpaid at the beginning of the year.
- (F) (D) / (E).
- (G) (F) at year 1, with interest accumulated for six months. We assume that the required funding is deposited at the middle of the first year.

This exhibit shows the calculation of the effect of anticipated investment income on future claims costs. Thus, if the discount factor in item (F) is 1.00, on a discounted basis, \$1.00 must be budgeted for every \$1 that will actually be paid on claims that will be incurred in the next fiscal year.

## Trindel Insurance Fund - Medical Malpractice

## Confidence Level Table

Probability	Projected Losses	Outstanding Losses
95%	2.162	1.902
90%	1.813	1.640
85%	1.604	1.482
80%	1.448	1.362
75%	1.323	1.266
70%	1.217	1.184
65%	1.124	1.112
60%	1.040	1.045
55%	0.963	0.985
50%	0.890	0.927
45%	0.822	0.872
40%	0.755	0.817
35%	0.689	0.763
30%	0.623	0.709
25%	0.555	0.651

To read table: For the above retention, there is a 90% chance that final loss settlements will be less than 1.813 times the average expected amount of losses.

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

## Trindel Insurance Fund - Medical Malpractice

## Program History

Policy Year Start Date	Policy Year End Date	Policy Year	Self-Insured Retention	
			Per Occurrence	Aggregate
10/1/1981	9/30/2000	Prior	\$5,000	(none)
10/1/2000	9/30/2001	2000-2001	5,000	(none)
10/1/2001	9/30/2002	2001-2002	5,000	(none)
10/1/2002	9/30/2003	2002-2003	5,000	(none)
10/1/2003	9/30/2004	2003-2004	5,000	(none)
10/1/2004	9/30/2005	2004-2005	5,000	(none)
10/1/2005	9/30/2006	2005-2006	5,000	(none)
10/1/2006	9/30/2007	2006-2007	5,000	(none)
10/1/2007	9/30/2008	2007-2008	5,000	(none)
10/1/2008	9/30/2009	2008-2009	5,000	(none)
10/1/2009	9/30/2010	2009-2010	5,000	(none)
10/1/2010	9/30/2011	2010-2011	5,000	(none)
10/1/2011	9/30/2012	2011-2012	5,000	(none)
10/1/2012	9/30/2013	2012-2013	5,000	(none)
10/1/2013	9/30/2014	2013-2014	5,000	(none)
10/1/2014	9/30/2015	2014-2015	5,000	(none)
10/1/2015	9/30/2016	2015-2016	5,000	(none)
10/1/2016	9/30/2017	2016-2017	5,000	(none)
10/1/2017	9/30/2018	2017-2018	5,000	(none)
10/1/2018	9/30/2019	2018-2019	5,000	(none)
10/1/2019	9/30/2020	2019-2020	5,000	(none)
10/1/2020	9/30/2021	2020-2021	25,000	(none)
10/1/2021	9/30/2022	2021-2022	25,000	(none)

Third Party Claims Administrator	Begin Date	End Date
Risk Management Services of California		Current

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

Trindel Insurance Fund - Medical Malpractice

Incurred Losses as of 6/30/20

Accident Year (A)	Unlimited Incurred (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Incurred (E)	Incurred Over SIR (F)	Incurred Over \$5,000 (G)	Incurred Capped at \$5,000 (H)	Incurred \$5,000 to SIR Layer (I)	Incurred Capped at SIR (J)	Incurred Capped at SIR & Aggregate (K)
Prior	\$891,956	\$0	\$0	\$891,956	\$859,791	\$859,791	\$32,165	\$0	\$32,165	\$32,165
2000-2001	12,748	0	0	12,748	7,748	7,748	5,000	0	5,000	5,000
2001-2002	93,036	0	0	93,036	78,036	78,036	15,000	0	15,000	15,000
2002-2003	90,282	0	0	90,282	80,282	80,282	10,000	0	10,000	10,000
2003-2004	525,399	0	0	525,399	518,526	518,526	6,873	0	6,873	6,873
2004-2005	0	0	0	0	0	0	0	0	0	0
2005-2006	102,875	0	0	102,875	92,875	92,875	10,000	0	10,000	10,000
2006-2007	9,680	0	0	9,680	4,680	4,680	5,000	0	5,000	5,000
2007-2008	0	0	0	0	0	0	0	0	0	0
2008-2009	85,361	0	0	85,361	80,361	80,361	5,000	0	5,000	5,000
2009-2010	977,271	0	0	977,271	972,271	972,271	5,000	0	5,000	5,000
2010-2011	1,686,431	0	0	1,686,431	1,671,431	1,671,431	15,000	0	15,000	15,000
2011-2012	210,000	0	0	210,000	205,000	205,000	5,000	0	5,000	5,000
2012-2013	35,839	0	0	35,839	30,839	30,839	5,000	0	5,000	5,000
2013-2014	145,046	0	0	145,046	133,148	133,148	11,898	0	11,898	11,898
2014-2015	0	0	0	0	0	0	0	0	0	0
2015-2016	0	0	0	0	0	0	0	0	0	0
2016-2017	942,280	0	0	942,280	930,310	930,310	11,970	0	11,970	11,970
2017-2018	575,000	0	0	575,000	570,000	570,000	5,000	0	5,000	5,000
2018-2019	475,000	0	0	475,000	460,000	460,000	15,000	0	15,000	15,000
2019-2020	105,000	0	0	105,000	100,000	100,000	5,000	0	5,000	5,000
2020-2021	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>\$6,963,203</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,963,203</b>	<b>\$6,795,298</b>	<b>\$6,795,298</b>	<b>\$167,906</b>	<b>\$0</b>	<b>\$167,906</b>	<b>\$167,906</b>

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Fund.
- (C)
- (D)
- (E) (B) + (C) - (D).
- (F) Sum of incurred losses in excess of SIR.
- (G) Sum of incurred losses in excess of \$5,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss. See MM - Appendix K.

Trindel Insurance Fund - Medical Malpractice

Paid Losses as of 6/30/20

Accident Year (A)	Unlimited Paid (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Paid (E)	Paid Over SIR (F)	Paid Over \$5,000 (G)	Paid Capped at \$5,000 (H)	Paid \$5,000 to SIR Layer (I)	Paid Capped at SIR (J)	Paid Capped at SIR & Aggregate (K)
Prior	\$891,956	\$0	\$0	\$891,956	\$859,791	\$859,791	\$32,165	\$0	\$32,165	\$32,165
2000-2001	12,748	0	0	12,748	7,748	7,748	5,000	0	5,000	5,000
2001-2002	93,036	0	0	93,036	78,036	78,036	15,000	0	15,000	15,000
2002-2003	90,282	0	0	90,282	80,282	80,282	10,000	0	10,000	10,000
2003-2004	525,399	0	0	525,399	518,526	518,526	6,873	0	6,873	6,873
2004-2005	0	0	0	0	0	0	0	0	0	0
2005-2006	102,875	0	0	102,875	92,875	92,875	10,000	0	10,000	10,000
2006-2007	9,680	0	0	9,680	4,680	4,680	5,000	0	5,000	5,000
2007-2008	0	0	0	0	0	0	0	0	0	0
2008-2009	85,361	0	0	85,361	80,361	80,361	5,000	0	5,000	5,000
2009-2010	977,271	0	0	977,271	972,271	972,271	5,000	0	5,000	5,000
2010-2011	1,686,431	0	0	1,686,431	1,671,431	1,671,431	15,000	0	15,000	15,000
2011-2012	161,156	0	0	161,156	156,156	156,156	5,000	0	5,000	5,000
2012-2013	35,839	0	0	35,839	30,839	30,839	5,000	0	5,000	5,000
2013-2014	145,046	0	0	145,046	133,148	133,148	11,898	0	11,898	11,898
2014-2015	0	0	0	0	0	0	0	0	0	0
2015-2016	0	0	0	0	0	0	0	0	0	0
2016-2017	773,203	0	0	773,203	761,233	761,233	11,970	0	11,970	11,970
2017-2018	17,488	0	0	17,488	12,488	12,488	5,000	0	5,000	5,000
2018-2019	110,117	0	0	110,117	95,117	95,117	15,000	0	15,000	15,000
2019-2020	590	0	0	590	0	0	590	0	590	590
2020-2021	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>\$5,718,476</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,718,476</b>	<b>\$5,554,980</b>	<b>\$5,554,980</b>	<b>\$163,496</b>	<b>\$0</b>	<b>\$163,496</b>	<b>\$163,496</b>

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Fund.
- (C)
- (D)
- (E) (B) + (C) - (D).
- (F) Sum of paid losses in excess of SIR.
- (G) Sum of paid losses in excess of \$5,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss. See MM - Appendix K.

## Trindel Insurance Fund - Medical Malpractice

## Case Reserves as of 6/30/20

Accident Year (A)	Unlimited Reserves (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Reserves (E)	Reserves Over SIR (F)	Reserves Over \$5,000 (G)	Reserves Capped at \$5,000 (H)	Reserves \$5,000 to SIR Layer (I)	Reserves Capped at SIR (J)	Reserves Capped at SIR & Aggregate (K)
Prior	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2000-2001	0	0	0	0	0	0	0	0	0	0
2001-2002	0	0	0	0	0	0	0	0	0	0
2002-2003	0	0	0	0	0	0	0	0	0	0
2003-2004	0	0	0	0	0	0	0	0	0	0
2004-2005	0	0	0	0	0	0	0	0	0	0
2005-2006	0	0	0	0	0	0	0	0	0	0
2006-2007	0	0	0	0	0	0	0	0	0	0
2007-2008	0	0	0	0	0	0	0	0	0	0
2008-2009	0	0	0	0	0	0	0	0	0	0
2009-2010	0	0	0	0	0	0	0	0	0	0
2010-2011	0	0	0	0	0	0	0	0	0	0
2011-2012	48,844	0	0	48,844	48,844	48,844	0	0	0	0
2012-2013	0	0	0	0	0	0	0	0	0	0
2013-2014	0	0	0	0	0	0	0	0	0	0
2014-2015	0	0	0	0	0	0	0	0	0	0
2015-2016	0	0	0	0	0	0	0	0	0	0
2016-2017	169,077	0	0	169,077	169,077	169,077	0	0	0	0
2017-2018	557,513	0	0	557,513	557,513	557,513	0	0	0	0
2018-2019	364,883	0	0	364,883	364,883	364,883	0	0	0	0
2019-2020	104,410	0	0	104,410	100,000	100,000	4,410	0	4,410	4,410
2020-2021	0	0	0	0	0	0	0	0	0	0
Total	\$1,244,727	\$0	\$0	\$1,244,727	\$1,240,317	\$1,240,317	\$4,410	\$0	\$4,410	\$4,410

## Notes:

- (A) Years are 7/1 to 6/30.  
(B) MM - Appendix L, Page 1, Column (B) - MM - Appendix L, Page 2, Column (B).  
(C) MM - Appendix L, Page 1, Column (C) - MM - Appendix L, Page 2, Column (C).  
(D) MM - Appendix L, Page 1, Column (D) - MM - Appendix L, Page 2, Column (D).  
(E) (B) + (C) - (D).  
(F) Sum of case reserves in excess of SIR.  
(G) Sum of case reserves in excess of \$5,000.  
(H) (E) - (G).  
(I) (G) - (F).  
(J) (E) - (F).  
(K) Minimum of (J) and the aggregate stop loss. See MM - Appendix K.

Trindel Insurance Fund - Medical Malpractice

Claim Counts as of 6/30/20

Accident Year (A)	Reported Claims (B)	Additions to Reported Claims (C)	Subtractions from Reported Claims (D)	Adjusted Reported Claims (E)	Closed Claims (F)	Additions to Closed Claims (G)	Subtractions from Closed Claims (H)	Adjusted Closed Claims (I)	Open Claims (J)	Adjusted Open Claims (K)
Prior	206	0	0	206	206	0	0	206	0	0
2000-2001	27	0	0	27	27	0	0	27	0	0
2001-2002	34	0	0	34	34	0	0	34	0	0
2002-2003	12	0	0	12	12	0	0	12	0	0
2003-2004	14	0	0	14	14	0	0	14	0	0
2004-2005	11	0	0	11	11	0	0	11	0	0
2005-2006	12	0	0	12	12	0	0	12	0	0
2006-2007	3	0	0	3	3	0	0	3	0	0
2007-2008	2	0	0	2	2	0	0	2	0	0
2008-2009	1	0	0	1	1	0	0	1	0	0
2009-2010	2	0	0	2	2	0	0	2	0	0
2010-2011	5	0	0	5	5	0	0	5	0	0
2011-2012	3	0	0	3	2	0	0	2	1	1
2012-2013	4	0	0	4	4	0	0	4	0	0
2013-2014	6	0	0	6	6	0	0	6	0	0
2014-2015	2	0	0	2	2	0	0	2	0	0
2015-2016	4	0	0	4	4	0	0	4	0	0
2016-2017	9	0	0	9	7	0	0	7	2	2
2017-2018	4	0	0	4	3	0	0	3	1	1
2018-2019	7	0	0	7	1	0	0	1	6	6
2019-2020	3	0	0	3	0	0	0	0	3	3
2020-2021	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>371</b>	<b>0</b>	<b>0</b>	<b>371</b>	<b>358</b>	<b>0</b>	<b>0</b>	<b>358</b>	<b>13</b>	<b>13</b>

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Fund.
- (C)
- (D) Closed No Pay
- (E) (B) + (C) - (D).
- (F) Provided by the Fund.
- (G)
- (H) Closed No Pay
- (I) (F) + (G) - (H).
- (J) (B) - (F).
- (K) (E) - (I).

## Trindel Insurance Fund - Medical Malpractice

## Exposure Measures

Accident Year	OBE (A)	Inflation Trend Factor (B)	OBE (C)
2011-2012	169	1.000	169
2012-2013	159	1.000	159
2013-2014	166	1.000	166
2014-2015	172	1.000	172
2015-2016	160	1.000	160
2016-2017	165	1.000	165
2017-2018	167	1.000	167
2018-2019	166	1.000	166
2019-2020	167	1.000	167
2020-2021	178	1.000	178
2021-2022	180	1.000	180

## Notes:

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



# Bickmore Actuarial

## Actuarial Review of the Self-Insured Property Program

*Outstanding Liabilities as of June 30, 2020 and June 30, 2021  
Forecast for Program Years 2020-21 and 2021-22*

*Presented to*

**Trindel Insurance Fund**

December 17, 2020





Thursday, December 17, 2020

Mr. David Nelson  
Executive Director  
Trindel Insurance Fund  
P.O. Box 2069  
Weaverville, CA 96093

Re: Actuarial Review of the Self-Insured Property Program

Dear Mr. Nelson:

As you requested, we have completed our review of Trindel Insurance Fund's self-insured property program. Assuming an SIR of \$25,000 for property claims (with the exception of Sutter which has a \$5,000 SIR), \$10,000 for auto property claims and \$100,000 for bus property claims, we estimate the ultimate cost of claims and expenses for claims incurred during the 2020-21 and 2021-22 program years to be \$415,000 and \$438,000, respectively. These amounts include allocated loss adjustment expenses (ALAE) and unallocated loss adjustment expenses (ULAE), but have not been discounted to reflect investment income. ALAE is the direct cost associated with the defense of individual claims (e.g., legal fees, investigation fees, court charges). ULAE is the cost to administer all claims to final settlement, which may be years into the future (e.g., claims adjusters' salaries, taxes). For budgeting purposes, the expected costs of 2020-21 and 2021-22 claims translate to a rate of \$0.04 per \$100 of total insured value (TIV) per year.

In addition, we estimate the program's liability for outstanding claims to be \$147,000 and \$183,000 as of June 30, 2020 and June 30, 2021, respectively, again including ALAE and ULAE, but excluding investment income. Given estimated program assets of \$719,000 as of June 30, 2020, the program was funded above the 90% confidence level.

The \$147,000 estimate is the minimum liability to be booked by the Fund at June 30, 2020 for its property program, in accordance with Governmental Accounting Standards Board (GASB) Statement #10. GASB #10 requires the Fund to accrue a liability on its financial statements for the ultimate cost of claims and expenses associated with all reported and unreported claims, including ALAE and ULAE. GASB #10 does not prohibit the discounting of losses to recognize investment income.

Our conclusions regarding the Fund's liability for unpaid loss and loss adjustment expenses (LAE) at June 30, 2020 are summarized in the table below.

Trindel Insurance Fund  
Self-Insured Property program  
Estimated Liability for Unpaid Loss and LAE  
at June 30, 2020

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$137,000	\$158,000	\$168,000	\$179,000	\$192,000	\$211,000
ULAE	10,000	12,000	12,000	13,000	15,000	15,000
Investment Income Offset	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Undiscounted Loss and LAE	\$147,000	\$170,000	\$180,000	\$192,000	\$207,000	\$226,000
Assets	<u>719,000</u>	<u>719,000</u>	<u>719,000</u>	<u>719,000</u>	<u>719,000</u>	<u>719,000</u>
Surplus or (Deficit)	\$572,000	\$549,000	\$539,000	\$527,000	\$512,000	\$493,000

Our conclusions regarding the Fund's liability for unpaid loss and loss adjustment expenses (LAE) at June 30, 2021 are summarized in the table below.

Trindel Insurance Fund  
Self-Insured Property program  
Estimated Liability for Unpaid Loss and LAE  
at June 30, 2021

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$168,000	\$194,000	\$206,000	\$219,000	\$236,000	\$258,000
ULAE	15,000	18,000	18,000	20,000	21,000	23,000
Investment Income Offset	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Undiscounted Loss and LAE	\$183,000	\$212,000	\$224,000	\$239,000	\$257,000	\$281,000
Assets	<u>681,000</u>	<u>681,000</u>	<u>681,000</u>	<u>681,000</u>	<u>681,000</u>	<u>681,000</u>
Surplus or (Deficit)	\$498,000	\$469,000	\$457,000	\$442,000	\$424,000	\$400,000

GASB #10 does not address an actual asset requirement for the program, but only speaks to the liability to be recorded on the Fund's financial statements.

Because actuarial estimates of claims costs are subject to some uncertainty, we recommend that an amount in addition to the undiscounted expected loss costs be set

aside as a risk margin for contingencies. Generally, the amount should be sufficient to fund assets to the 75% to 85% confidence level for primary programs. We consider funding assets to the 70% confidence level to be marginally acceptable and funding assets to the 90% confidence level to be conservative.

Furthermore, the Public Risk Innovation, Solutions, and Management standard states that based upon the actuarial recommendations, the member should maintain assets and make funding contributions equal to or exceeding the present value of expected losses and a reasonable margin for contingencies.

The table below shows our funding recommendations for Trindel Insurance Fund for the 2020-21 fiscal year.

Trindel Insurance Fund  
Self-Insured Property program  
Loss and LAE Funding Guidelines for 2020-21  
Self-Insured Retention (SIR) of  
\$25,000 for Property and \$10,000 for Auto Claims  
(\$5,000 for Sutter)

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$386,000	\$449,000	\$479,000	\$514,000	\$558,000	\$616,000
ULAE	29,000	34,000	36,000	39,000	42,000	47,000
Investment Income Offset	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Undiscounted Loss and LAE	\$415,000	\$483,000	\$515,000	\$553,000	\$600,000	\$663,000
Non-Claims Related Expenses	<u>1,030,000</u>	<u>1,030,000</u>	<u>1,030,000</u>	<u>1,030,000</u>	<u>1,030,000</u>	<u>1,030,000</u>
Indicated Funding	\$1,445,000	\$1,513,000	\$1,545,000	\$1,583,000	\$1,630,000	\$1,693,000
Rate per \$100 of 2020-21 Payroll	\$0.15	\$0.15	\$0.16	\$0.16	\$0.16	\$0.17

The funding recommendations shown in the table above do not include any recognition of the existing funding margin (surplus or deficit) at June 30, 2020.

The non-claims related expenses shown above include the following expenses:

- Excess Insurance: \$1,000,000
- General Administrative Costs: \$30,000

The table below shows our funding recommendations for Trindel Insurance Fund for the 2021-22 fiscal year.

Trindel Insurance Fund  
 Self-Insured Property program  
 Loss and LAE Funding Guidelines for 2021-22  
 Self-Insured Retention (SIR) of  
 \$25,000 for Property and \$10,000 for Auto Claims  
 (\$5,000 for Sutter)

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$406,000	\$473,000	\$504,000	\$541,000	\$587,000	\$648,000
ULAE	32,000	37,000	40,000	42,000	46,000	51,000
Investment Income Offset	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Undiscounted Loss and LAE	\$438,000	\$510,000	\$544,000	\$583,000	\$633,000	\$699,000
Non-Claims Related Expenses	<u>1,030,000</u>	<u>1,030,000</u>	<u>1,030,000</u>	<u>1,030,000</u>	<u>1,030,000</u>	<u>1,030,000</u>
Indicated Funding	\$1,468,000	\$1,540,000	\$1,574,000	\$1,613,000	\$1,663,000	\$1,729,000
Rate per \$100 of 2021-22 Payroll	\$0.14	\$0.15	\$0.16	\$0.16	\$0.16	\$0.17

The funding recommendations shown in the table above do not include any recognition of the existing funding margin (surplus or deficit) at June 30, 2021.

The non-claims related expenses shown above include the following expenses:

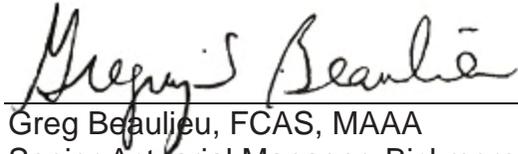
- Excess Insurance: \$1,000,000
- General Administrative Costs: \$30,000

The report that follows outlines the scope of our study, its background, and our conclusions, recommendations, and assumptions. Judgments regarding the appropriateness of our conclusions and recommendations should be made only after studying the report in its entirety, including the graphs, attachments, exhibits and appendices. Our report has been developed for the Fund's internal use. It is not intended for general circulation.

We appreciate the opportunity to be of service to Trindel Insurance Fund in preparing this report. Please feel free to call Greg Beaulieu at (916) 290-4632 or Mike Harrington at (916) 244-1162 with any questions you may have concerning this report.

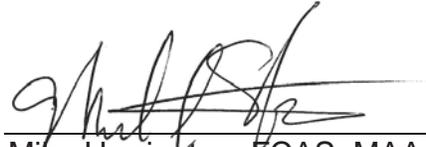
Sincerely,

Bickmore Actuarial



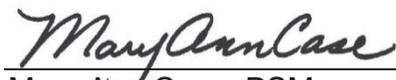
---

Greg Beaulieu, FCAS, MAAA  
Senior Actuarial Manager, Bickmore Actuarial  
Fellow, Casualty Actuarial Society  
Member, American Academy of Actuaries



---

Mike Harrington, FCAS, MAAA  
President and Principal, Bickmore Actuarial  
Fellow, Casualty Actuarial Society  
Member, American Academy of Actuaries



---

Mary Ann Case, PSM  
Senior Actuarial Analyst, Bickmore Actuarial

## TABLE OF CONTENTS

I. BACKGROUND	7
II. CONCLUSIONS AND RECOMMENDATIONS	8
A. LIABILITY FOR OUTSTANDING CLAIMS	8
B. PROGRAM FUNDING: GOALS AND OBJECTIVES	13
C. HISTORICAL TRENDS IN THE SELF-INSURANCE PROGRAM	15
D. COMPARISON WITH PREVIOUS RESULTS	18
E. DATA PROVIDED FOR THE ANALYSIS	23
III. ASSUMPTIONS AND LIMITATIONS	24
IV. GLOSSARY OF ACTUARIAL TERMS	26
V. EXHIBITS	30
VI. APPENDICES	38

## **I. BACKGROUND**

Trindel Insurance Fund began its self-insured property program on July 1, 1983. There are currently 11 members of the program, including Sutter County which joined on July 1, 2014. Its current self-insured retention is \$25,000 for property claims (with the exception of Sutter which is \$5,000), \$10,000 for auto property claims, and \$100,000 for bus property claims. Member counties had historically paid a deductible of \$500 per property claim. We understand that this deductible was increased to \$1,000 per property claim on June 30, 2004.

We have included all of Sutter County's property history in our analysis as it is our understanding that Trindel has assumed the liability for Sutter's tail claims.

Excess coverage is provided by the Public Risk Innovation, Solutions, and Management. Claims administration services are provided internally by the Risk Management Department. Additional background on the program is shown in Appendix K.

The purpose of this review is to provide a guide to the Fund to determine reasonable funding levels for its self-insurance program according to the funding policy the Fund has adopted and to comply with Governmental Accounting Standards Board Statements #10 and #30. The specific objectives of the study are to estimate the Fund's liability for outstanding claims as of June 30, 2020 and June 30, 2020, project ultimate loss costs for 2020-21 and 2021-22, and provide funding guidelines to meet these liabilities and future costs.

## **II. CONCLUSIONS AND RECOMMENDATIONS**

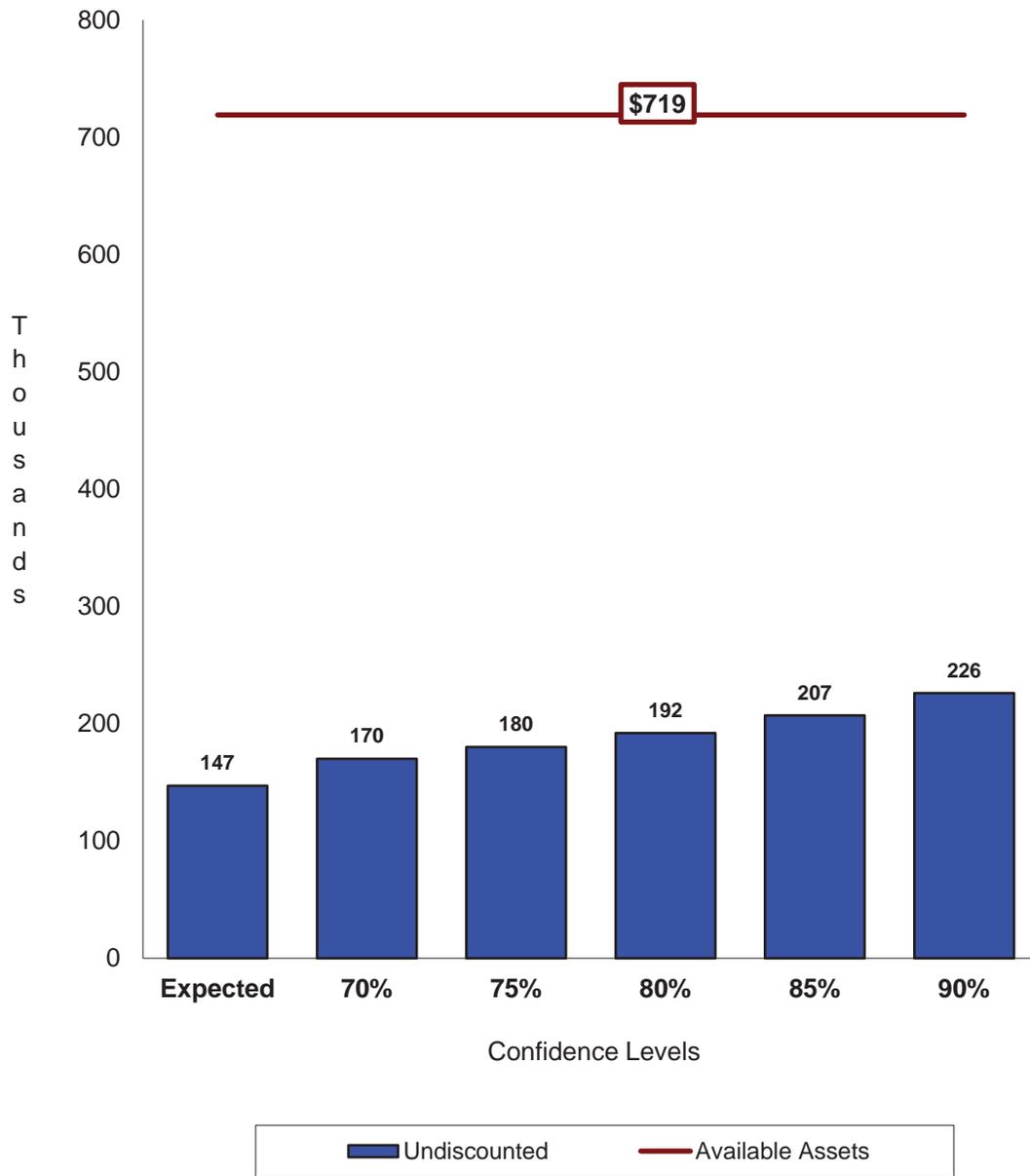
### **A. LIABILITY FOR OUTSTANDING CLAIMS**

Graphs 1a and 1b on the following pages summarize our assessment of the Fund's funding position as of June 30, 2020 and June 30, 2021. The dark-colored bars indicate our estimates of the program's liability for outstanding claims before recognition of the investment income that can be earned on the assets held before the claim payments come due. The horizontal line across each graph indicates the Fund's available assets at June 30<sup>th</sup> of each year.

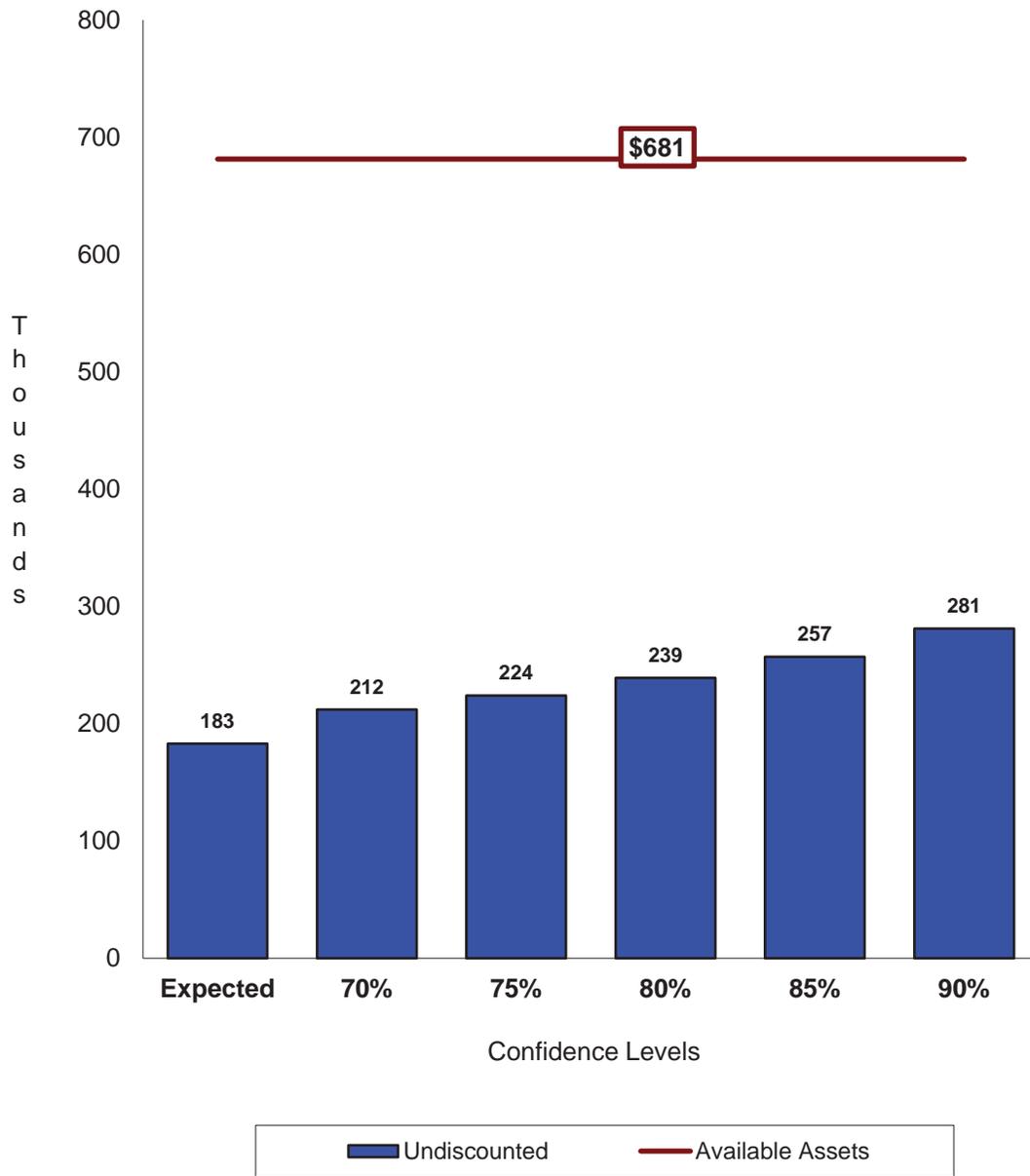
Our best estimate of the full value of the Fund's liability for outstanding claims within its self-insured retention (SIR) is \$147,000 as of June 30, 2020, and \$183,000 as of June 30, 2021. These amounts include losses, allocated loss adjustment expenses (ALAE), and unallocated loss adjustment expenses (ULAE). ALAE is the direct cost associated with the defense of individual claims (e.g., legal fees, investigation fees, court charges). ULAE is the cost to administer claims to final settlement, which may be years in the future (e.g., claims adjusters' salaries, taxes).

There is some measure of uncertainty associated with our best estimate because of the random nature of much of the process that determines ultimate claims costs. For this reason, we generally recommend that a program such as this include some funding margin for the possibility that actual loss costs will be greater than the best estimate. We generally measure the amount of this margin by thinking in terms of the probability distribution of actual possible results around our best estimate. As the margin grows, the probability that the corresponding funding amount will be sufficient to meet actual claim liabilities increases. We typically refer to this probability as the "confidence level" of funding. Graphs 1a and 1b show the liabilities for outstanding claims at several confidence levels that are typically of interest to risk managers in formulating funding policies for self-insurance programs.

Trindel Insurance Fund  
Property  
Available Assets vs Outstanding Liability (\$000's)  
at June 30, 2020



Trindel Insurance Fund  
Property  
Available Assets vs Outstanding Liability (\$000's)  
at June 30, 2021



The table below displays a breakdown of the program's outstanding loss and LAE liabilities into case reserves and incurred but not reported (IBNR) reserves at June 30, 2020, before recognition of investment income.

Trindel Insurance Fund  
 Self-Insured Property program  
 Estimated Liability for Unpaid Loss and LAE at June 30, 2020

Year	Case Reserves	IBNR Reserves	Total Outstanding
Prior	\$0	\$0	\$0
2013-14	0	0	0
2014-15	0	0	0
2015-16	0	0	0
2016-17	0	0	0
2017-18	0	2,998	2,998
2018-19	12,274	3,862	16,135
2019-20	<u>82,828</u>	<u>35,685</u>	<u>118,513</u>
Loss and ALAE	\$95,102	\$42,545	\$137,647
ULAE		<u>9,603</u>	<u>9,603</u>
Total	\$95,102	\$52,148	\$147,250

The table below displays a breakdown of the program's outstanding loss and LAE liabilities into case reserves and incurred but not reported (IBNR) reserves at June 30, 2021, before recognition of investment income.

Trindel Insurance Fund  
Self-Insured Property program  
Estimated Liability for Unpaid Loss and LAE at June 30, 2021

Year	Case Reserves	IBNR Reserves	Total Outstanding
Prior	\$0	\$0	\$0
2014-15	0	0	0
2015-16	0	0	0
2016-17	0	0	0
2017-18	1,136	0	1,136
2018-19	5,148	0	5,147
2019-20	7,721	7,685	15,406
2020-21	<u>128,066</u>	<u>19,000</u>	<u>147,066</u>
Loss and ALAE	\$142,071	\$26,685	\$168,756
ULAE		<u>15,322</u>	<u>15,322</u>
Total	\$142,071	\$42,007	\$184,078

## **B. PROGRAM FUNDING: GOALS AND OBJECTIVES**

As self-insurance programs have proliferated among public entities, it has become apparent that there is a large measure of inconsistency in the way in which these programs recognize and account for their claims costs. This is the result of the fact that there have been several different sources of guidance available, none of which has been completely relevant to public entity self-insurance programs.

According to the Governmental Accounting Standards Board (GASB), the most relevant source of guidance on the subject is Financial Accounting Standards Board Statement #60. A liability for unpaid claim costs, including all loss adjustment expenses, should be accrued at the time the self-insured events occur. This liability should include an allowance for incurred but not reported claims. It may be discounted for investment income at an appropriate rate of return, provided the discounting is disclosed. The regulations detailing the way in which this must be done are outlined in GASB's statements #10 and #30. These regulations are required to be applied by the Fund.

GASB #10 and #30 do not address funding requirements. They do, however, allow a range of funded amounts to be recognized for accounting purposes; specifically, GASB #10 and #30 which allow recognition of a funding margin for unexpectedly adverse loss experience. Thus, for accounting purposes, it is possible to formulate a funding policy from a range of alternatives. The uncertainty in any estimate of the program's liability for outstanding claims should be taken into consideration in determining funding policy, but it may be offset by recognizing anticipated investment income earnings. This usually means developing a funding program based on discounted claims costs with some margin for unexpected adverse loss experience.

The amount of the margin should be a question of long-term funding policy. We recommend that the margin be determined by thinking in terms of the probability that a given level of funding will prove to be adequate. For example, a reasonable goal might be to maintain a fund at the 85% confidence level.

A key factor to consider in determining funding policy is the degree to which stability is required in the level of contributions to the program from year to year. If you elect to fund at a low confidence level, the chances are much greater that future events will prove that additional contributions should have been made for current claims. The additional contributions for years by that time long past may be required at the same time that costs are increasing dramatically on then-current claims. The burden of funding increases on past years as well as on current years, may well be prohibitive.

We generally recommend maintaining program funding at the 80% confidence level, after recognition of investment income, with a recommended range of the 75% to 85% confidence levels. We tend to think of the 70% confidence level as marginally acceptable and of the 90% confidence level as conservative. We recommend the 75% to 85% confidence level range because the probabilities are reasonably high that resulting funding will be sufficient to meet claim liabilities, yet the required margins are not so large that they will cause most self-insured entities to experience undue financial hardship. In addition, within this range, anticipated investment income generally offsets the required margin for the most part, which means that it is also reasonable to think of the liabilities as being stated on a discounted basis.

We also strongly believe, however, that the confidence level to which any future year is funded should be evaluated in light of the relative certainty of the assumptions underlying the actuarial analysis, the Fund's other budgetary constraints, and the relative level of risk it is believed appropriate to assume. This means formulating both short and long-term funding goals, which may be the same in some years, but different in others.

In general, we recommend that you fund each year's claims costs in that year. When surpluses or deficiencies have developed on outstanding liabilities and funding adjustments are necessary, they should be clearly identified as such so that the habit of funding each year's claims costs that year is maintained. We also recommend that you reduce surplus funding more slowly than you would accumulate funding to make up a deficiency.

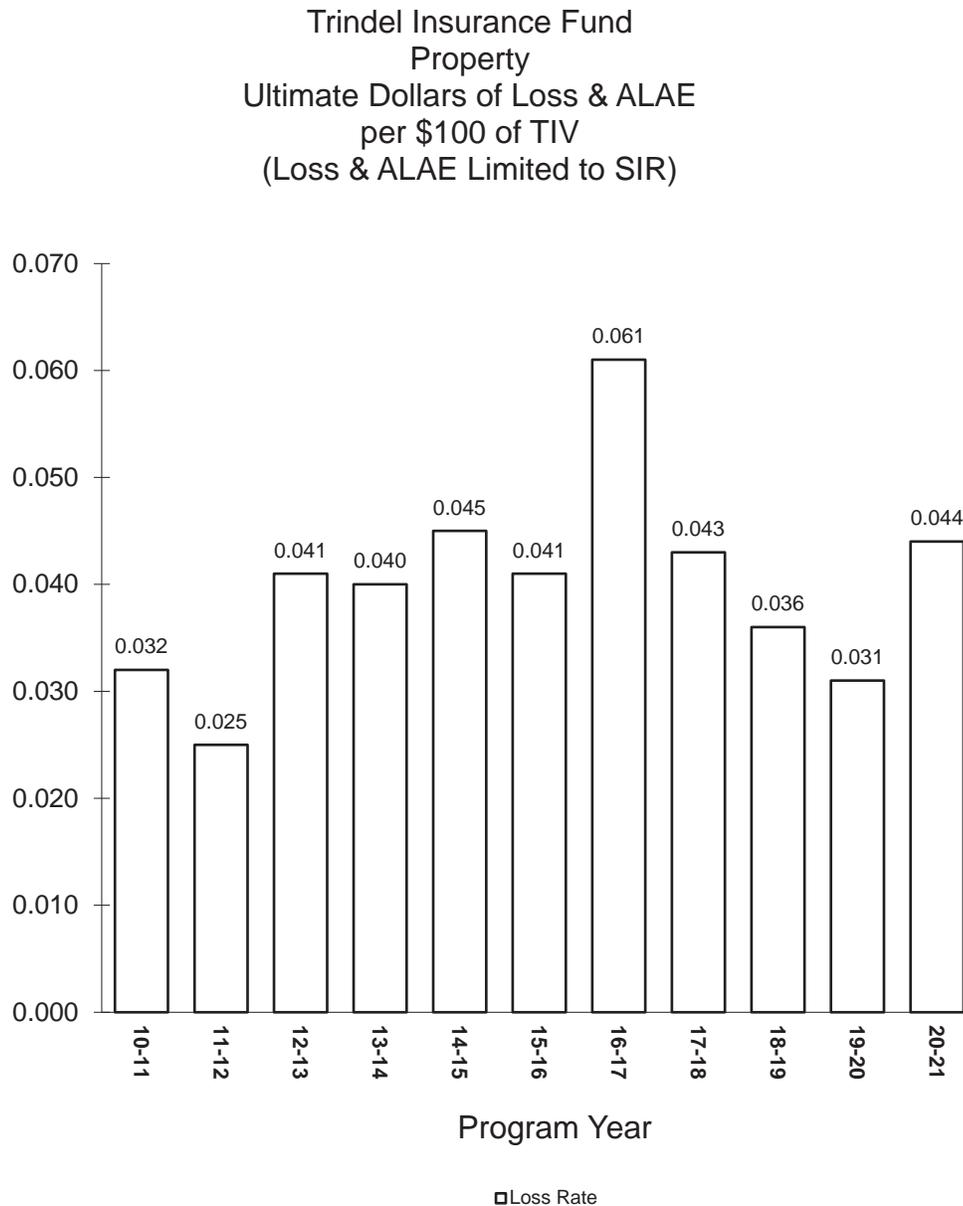
It is estimated that program assets were \$719,000 at June 30, 2020, and will be \$681,000 at June 30, 2021, resulting in the program being funded above the 90% confidence level.

### C. HISTORICAL TRENDS IN THE SELF-INSURANCE PROGRAM

#### Loss Rate

The program's average dollars of loss per \$100 of total insured value, or loss rate, appeared to be increasing until reaching a high of \$0.061 per \$100 of total insured value (TIV) in 2016-17. The rate then dropped for the next three program years. Our projected loss rate for 2020-21 is \$0.044 per \$100 of TIV is slightly higher than the average of the four most recent years. See Graph 2 below.

Graph 2

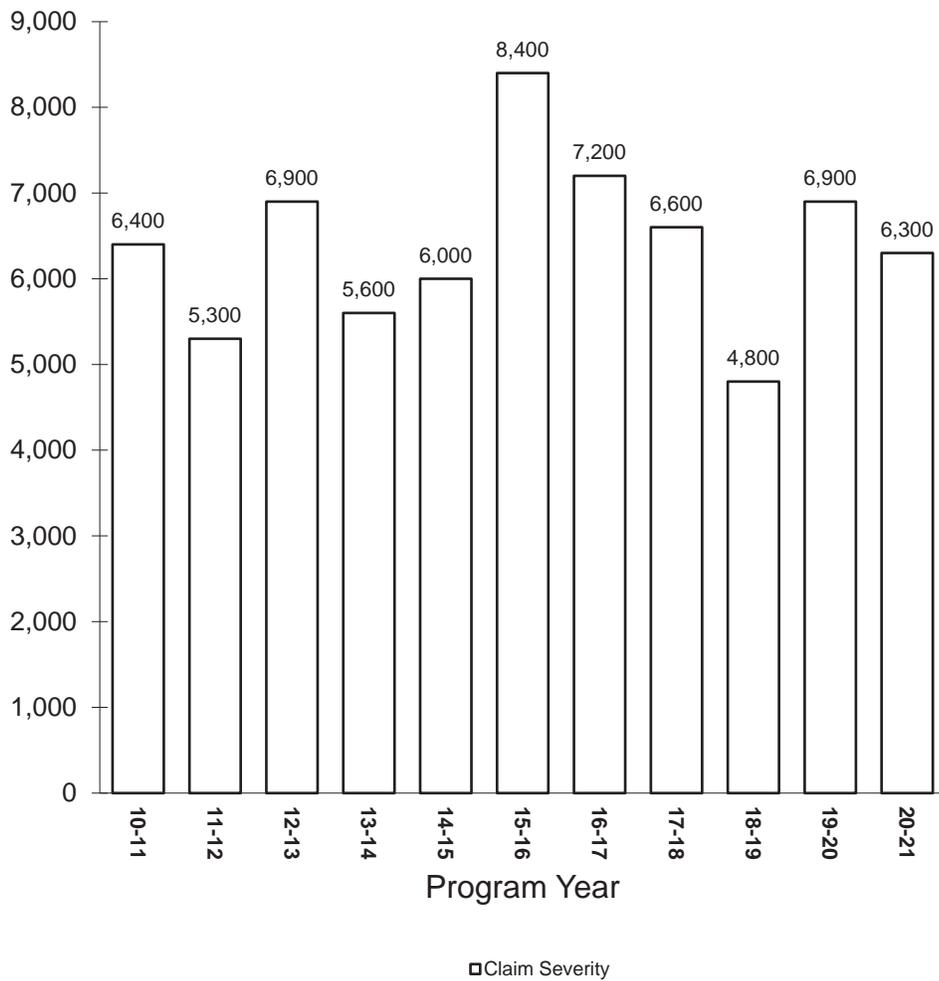


Severity

The program's average dollars of loss per claim, or severity, has varied during the period shown below. But over time, it has remained relatively flat, trending neither up nor down. Our projected severity for 2020-21 is \$6,300. See Graph 3 below.

Graph 3

Trindel Insurance Fund  
Property  
Ultimate Dollars of Loss & ALAE  
per Claim  
(Loss & ALAE Limited to SIR)

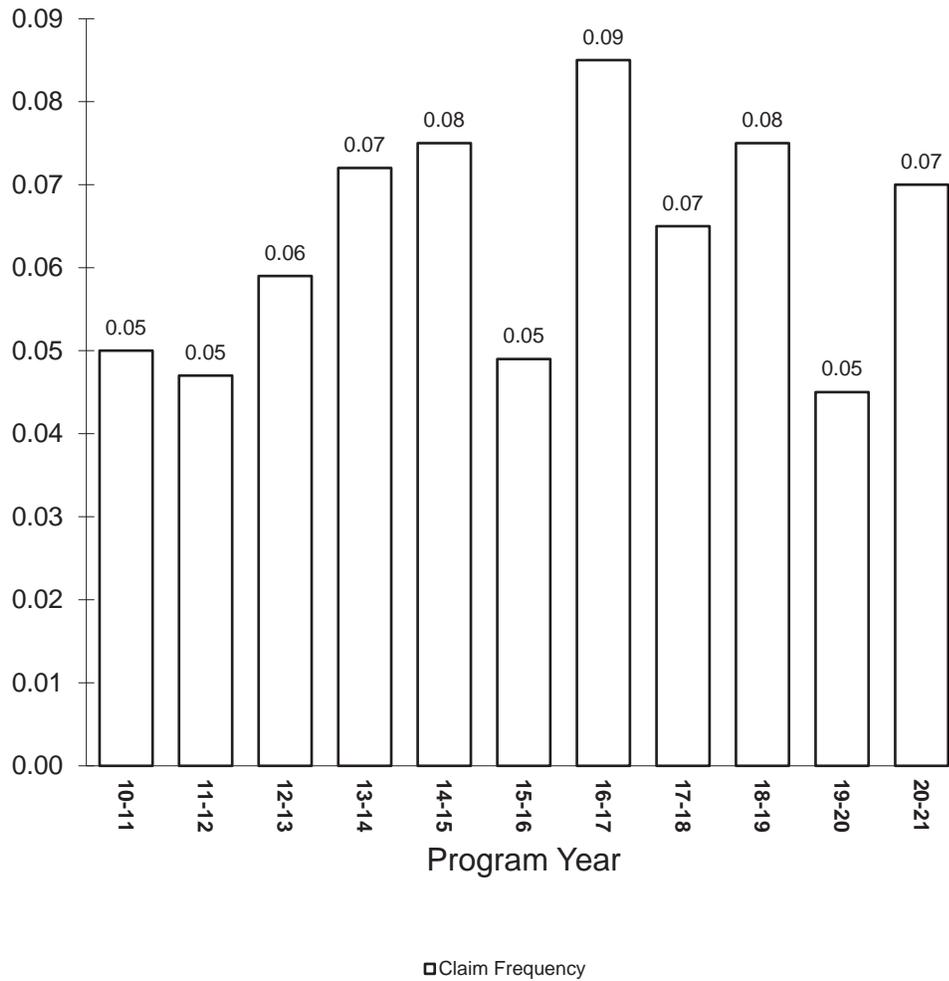


Frequency

The program's number of claims per \$1 million of total insured value, or claim frequency, has generally been increasing since 2011-12. However, 2019-20 shows a decrease from the previous year. Our projected frequency for 2020-21 is 0.070 claims per \$1 million of total insured value based on the average of the four most recent years. See Graph 4 below.

Graph 4

Trindel Insurance Fund  
Property  
Number of Claims per  
\$1 Million of TIV



#### D. COMPARISON WITH PREVIOUS RESULTS

The prior report for Trindel Insurance Fund was dated December 16, 2019. In the table below we display actual versus expected development of incurred losses and ALAE by accident year between the June 30, 2019 evaluation date of the prior report and the June 30, 2020 evaluation date of the current report.

##### Actual Versus Expected Incurred Loss and ALAE Development

Accident Year	Expected Incurred Development	Actual Incurred Development	Actual Minus Expected
Prior	\$0,000	\$0,000	\$0,000
2011-12	0	0	0
2012-13	0	0	0
2013-14	0	0	0
2014-15	0	0	0
2015-16	0	(72,000)	(72,000)
2016-17	3,000	28,000	25,000
2017-18	4,000	26,000	22,000
2018-19	4,000	(13,000)	(17,000)
2019-20	<u>361,000</u>	<u>261,000</u>	<u>(100,000)</u>
Total	\$372,000	\$230,000	(\$142,000)

As shown, actual incurred development was less than anticipated since the prior report.

Based on the assumptions from the prior report, it was expected that incurred losses through accident year 2019-20 would increase by \$372,000 between the two evaluation dates. However, actual development was approximately \$230,000; or about \$142,000 less than expected.

In the table below we display actual versus expected development of paid losses and ALAE by accident year between the June 30, 2019 evaluation date of the prior report and the June 30, 2020 evaluation date of the current report.

### Actual Versus Expected Paid Loss and ALAE Development

Accident Year	Expected Paid Development	Actual Paid Development	Actual Minus Expected
Prior	\$0,000	\$0,000	\$0,000
2011-12	0	0	0
2012-13	0	0	0
2013-14	0	0	0
2014-15	0	0	0
2015-16	42,000	(22,000)	(64,000)
2016-17	2,000	28,000	26,000
2017-18	8,000	35,000	27,000
2018-19	123,000	110,000	(13,000)
2019-20	<u>236,000</u>	<u>178,000</u>	<u>(58,000)</u>
Total	\$411,000	\$329,000	(\$82,000)

As shown, actual paid development was less than anticipated since the prior report.

Based on the assumptions from the prior report, it was expected that paid losses through accident year 2019-20 would increase by \$411,000 between the two evaluation dates. However, actual payments were approximately \$329,000; or about \$82,000 less than expected.

In the table below we display the change in our estimates of the program's ultimate losses and ALAE by accident year since our prior report.

### Change in Ultimate Loss and ALAE

Accident Year	Prior Report	Current Report	Change In Ultimate
Prior	NA	NA	0
2015-16	398,000	326,000	(72,000)
2016-17	479,000	504,000	25,000
2017-18	333,000	358,000	25,000
2018-19	311,000	297,000	(14,000)
2019-20	<u>363,000</u>	<u>297,000</u>	<u>(66,000)</u>
Total	\$1,884,000	\$1,782,000	(\$102,000)

As shown, we have decreased our estimated ultimate losses by \$102,000 since our prior report. The changes in our estimates of ultimate losses are in line with both the incurred and paid development listed on the previous two pages.

At the time of the prior report, we estimated the liability for outstanding claims as of June 30, 2019 to be \$218,000 at the undiscounted, expected level. Our current estimate as of June 30, 2020 is \$147,000, a decrease in our assessment of the Fund's outstanding liabilities, as shown below:

**Outstanding Claim Liabilities for Loss and LAE**

	Prior Report at June 30, 2019	Current Report at June 30, 2020	Change
(A) Case Reserves:	\$196,000	\$94,000	(\$102,000)
(B) IBNR Reserves:	11,000	43,000	32,000
(C) Claims Administration Reserves:	11,000	10,000	(1,000)
(D) Total Reserves:	\$218,000	\$147,000	(\$71,000)

As shown, our estimate of outstanding claims liabilities at the undiscounted, expected level has decreased between June 30, 2019 and June 30, 2020, as reflected in our prior and current reports, respectively.

The decrease in claim reserves (case and IBNR) is driven primarily by a decrease in the case reserves. Reserves for future claims administration expenses have decreased, resulting in a \$71,000 decrease in total claim reserves.

At the time of the prior report, our funding estimate for the 2020-21 year was \$416,000 at the undiscounted, expected level. That amount included allocated loss adjustment expenses (ALAE) and unallocated loss adjustment expenses (ULAE). Our current estimate for the 2021-22 year is \$438,000 at the undiscounted, expected level, a decrease in the program's expected loss costs, as shown in the table below:

### Comparison of Funding for Loss and LAE

	Prior Report 2020-21 SIR = \$25,000	Current Report 2021-22 SIR = \$25,000	Change
(A) Ultimate Loss and ALAE:	\$381,000	\$406,000	\$25,000
(B) Ultimate Claims Administration (ULAE):	35,000	32,000	(3,000)
(C) Total Claim Costs:	\$416,000	\$438,000	\$22,000
(D) Offset for Investment Income:	0	0	0
(E) Total Recommended Funding:	\$416,000	\$438,000	\$22,000
(F) Funding per \$100 of TIV:	\$0.050	\$0.043	(\$0.007)

As you can see, our funding recommendations at the undiscounted, expected level have increased between 2020-21 and 2021-22, as shown in our prior and current reports, respectively.

Our estimates of ultimate loss and ALAE have increased by \$25,000, driven primarily by an increase in total insured value in for 2021-22. Claims administration costs are expected to be slightly lower, resulting in an overall increase in total claim costs of \$22,000. Even though total projected claim costs have increased, the rate per \$100 of total insured value (TIV) has decreased.

## E. DATA PROVIDED FOR THE ANALYSIS

Overall, the data utilized in preparing this report appears to be accurate.

Comments and issues regarding the data are as follows:

- We have assumed that the property and auto property programs will have SIRs of \$25,000 and \$10,000 respectively and continue to have a deductible of \$1,000 per property claim. We understand that the SIR for buses is \$100,000 (See Appendix K).
- We estimated the June 30, 2021 asset balance by beginning with the June 30, 2020 asset balance, and adjusting for anticipated revenue and expense for 2020-21 (See Appendix L).
- We received loss data evaluated as of June 30, 2020 (See Appendix M). We also utilized the data from the Fund's most recent actuarial study for our assessment of loss development.
  - Claims were combined on an occurrence basis.
  - Plumas loss runs are closed.
  - Sutter County claims are now included in the loss run. Further details are provided in Appendix K.
- We received total insured value (TIV) information from the Fund for each County member. We have based property exposures on TIV. (See Appendix N).
- We understand that deductible amounts are not included in the property program's loss run. We also understand that the allocated expense amounts for auto and property claims are not counted toward the SIR.
- The loss run provided for this report differs from loss runs provided for previous reports in two respects.
  - One source of the difference relates to reclassification of claims from liability to property. This change only impacts closed claims from older accident years. Thus, the change in the data has no impact on our estimate of outstanding liabilities or future funding amounts.
  - The other source of the difference is further clarification of the SIR applicable to each claim based on its loss type.

The data provided for the analysis appears to be reasonable for use in this actuarial valuation of liabilities and projection of loss costs.

### **III. ASSUMPTIONS AND LIMITATIONS**

Any quantitative analysis is developed within a very specific framework of assumptions about conditions in the outside world, and actuarial analysis is no exception. We believe that it is important to review the assumptions we have made in developing the estimates presented in this report. By doing so, we hope you will gain additional perspective on the nature of the uncertainties involved in maintaining a self-insurance program. Our assumptions, and some observations about them, are as follows:

- Our analysis is based on loss experience, exposure data, and other general and specific information provided to us by the Fund. We have accepted all of this information without audit.
- We have assumed that the future development of incurred and paid losses can be reasonably predicted on the basis of development of such losses in the recent past.
- We have assumed that there is a continuing relationship between past and future loss costs.
- It is not possible to predict future claim costs precisely. Most of the cost of liability claims arises from a small number of incidents involving serious injury. A relatively small number of such claims could generate enough loss dollars to significantly reduce, or even deplete, the self-insurance fund.
- We cannot predict and have not attempted to predict the impact of future law changes and court rulings on claims costs. This is one major reason why we believe our funding recommendations are reasonable now, but should not be extrapolated into the future.
- We have assumed that the loss rate trend associated with claim costs increases at 2.0% per year. We have assumed that claim severity will remain constant, and that claim frequency increases at 2.0% per year.
- We have assumed that payroll and other inflation-sensitive exposure measures increase 2.5% annually due to inflation.
- At the Fund's instruction, we have assumed that assets held for investment will not generate an average annual return over the duration of payment of the loss liabilities. It should be noted that actual future investment returns may vary significantly from this assumption, depending upon the prevailing investment market conditions.
- Our funding recommendations do not include provisions for catastrophic events not in the Fund's history, such as earthquakes, flooding, mass civil disorder, or mass occupational disease.

- Our estimates assume that all excess insurance is valid and collectible. Further, our funding recommendations do not include a provision for losses greater than the Fund's excess coverage.
- The Fund's assets available for the program are estimated to be \$719,000 as of June 30, 2020, and \$681,000 as of June 30, 2021 for use in this report. This is shown in further detail in Appendix L.

#### **IV. GLOSSARY OF ACTUARIAL TERMS**

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

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

**Benefit Level Factor** - Factor used to adjust historical losses to the current level of liability benefits.

**Case Reserve** - The amount left to be paid on a claim, as estimated by the claims administrator.

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

**Claim Frequency** - Number of claims per \$1 million of total insured value.

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

**Discount Factor** - A factor to adjust estimated loss costs to reflect anticipated investment income from assets held prior to actual claim payout.

**Expected Losses** - The best estimate of the full, ultimate value of loss costs.

**Incurred but not Reported (IBNR) Losses** - Losses for which the accident has occurred, but the claim has not yet been reported. This is the ultimate value of losses, less any amount that has been set up as reported losses by the claims adjuster. It includes both amounts for claims incurred but not yet received by the administrator and loss development on already reported claims.

**Loss Development Factor** - A factor applied to losses for a particular accident period to reflect the fact that reported and paid losses do not reflect final values until all claims are settled (see Section IV).

**Loss Rate** - Ultimate losses per \$100 of total insured value.

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

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

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

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

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

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

**Severity** - Average claim cost.

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

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

## Trindel Insurance Fund - Property

## Funding Guidelines Allocated by Member

Funding Guidelines for Fiscal Year 2020-2021  
 (Without recognition of surplus funding or other expenses)

County	2020-2021 Estimated Payroll	Expected	Marginally			Conservative 90%	% of TIV excl Sutter
			Acceptable 70%	Recommended 75%	85%		
Alpine	44,084,726	\$21,000	\$24,000	\$26,000	\$29,000	\$30,000	5%
Colusa	75,609,901	\$36,000	\$42,000	\$44,000	\$50,000	\$52,000	9%
Del Norte	92,560,949	\$44,000	\$51,000	\$54,000	\$61,000	\$64,000	11%
Lassen	112,632,115	\$53,000	\$62,000	\$65,000	\$74,000	\$78,000	14%
Modoc	65,268,662	\$31,000	\$36,000	\$38,000	\$43,000	\$45,000	8%
Mono	91,449,694	\$43,000	\$50,000	\$53,000	\$60,000	\$63,000	11%
Plumas	145,662,714	\$69,000	\$80,000	\$84,000	\$96,000	\$100,000	18%
San Benito	69,167,149	\$33,000	\$38,000	\$40,000	\$46,000	\$48,000	9%
Sierra	34,966,730	\$17,000	\$19,000	\$20,000	\$23,000	\$24,000	4%
Sutter	177,308,776	\$31,000	\$36,000	\$45,000	\$65,000	\$104,000	NA
Trinity	80,918,890	\$38,000	\$44,000	\$47,000	\$53,000	\$56,000	10%
Total	\$989,630,306	\$415,000	\$483,000	\$515,000	\$600,000	\$663,000	100%

Notes: Funding for Sutter is based on Exhibit 5. All other amounts are allocated to members by proportion of the total 2020-2021 estimated total insured value (TIV). Provided by the Fund

The current funding position and non claims related expenses are not considered.

Amounts may not sum due to rounding.

## Trindel Insurance Fund - Property

## Funding Guidelines Allocated by Member

Funding Guidelines for Fiscal Year 2021-2022  
 (Without recognition of surplus funding or other expenses)

County	2021-2022 Estimated Payroll	Expected	Marginally			Conservative 90%	% of TIV excl Sutter
			Acceptable 70%	Recommended 75%	85%		
Alpine	45,186,844	\$22,000	\$26,000	\$27,000	\$31,000	\$32,000	5%
Colusa	77,500,149	\$38,000	\$44,000	\$46,000	\$52,000	\$55,000	9%
Del Norte	94,874,973	\$46,000	\$54,000	\$56,000	\$64,000	\$67,000	11%
Lassen	115,447,918	\$56,000	\$65,000	\$69,000	\$78,000	\$81,000	14%
Modoc	66,900,379	\$33,000	\$38,000	\$40,000	\$45,000	\$47,000	8%
Mono	93,735,936	\$46,000	\$53,000	\$56,000	\$63,000	\$66,000	11%
Plumas	149,304,282	\$73,000	\$84,000	\$89,000	\$101,000	\$105,000	18%
San Benito	70,896,328	\$34,000	\$40,000	\$42,000	\$48,000	\$50,000	9%
Sierra	35,840,898	\$17,000	\$20,000	\$21,000	\$24,000	\$25,000	4%
Sutter	181,741,495	\$33,000	\$39,000	\$48,000	\$70,000	\$111,000	NA
Trinity	82,941,862	\$40,000	\$47,000	\$49,000	\$56,000	\$59,000	10%
Total	\$1,014,371,064	\$438,000	\$510,000	\$544,000	\$633,000	\$699,000	100%

Notes: Funding for Sutter is based on Exhibit 5. All other amounts are allocated to members by proportion of the total 2021-2022 estimated total insured value (TIV). Provided by the Fund.

The current funding position and non claims related expenses are not considered.

Amounts may not sum due to rounding.

Trindel Insurance Fund - Property

Funding Guidelines for Outstanding Liabilities at  
June 30, 2020

(A) Estimated Ultimate Losses Incurred through 6/30/20: (From Appendix G- PR)	\$6,300,000
(B) Estimated Paid Losses through 6/30/20: (From Appendix G- PR)	6,163,000
(C) Estimated Liability for Claims Outstanding at 6/30/20: (From Appendix G- PR)	<u>\$137,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 6/30/20: (From Appendix F- PR)	10,000
(E) Total Outstanding Liability for Claims at 6/30/20: ((C) + (D))	<u>\$147,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.00%.): (Appendix I- PR, Page 1, (G))	1.000
(G) Discounted Outstanding Liability for Claims at 6/30/20: ((E) x (F))	<u>\$147,000</u>

	Marginally Acceptable	75%	Recommended 80%	85%	Conservative 90%
Confidence Level of Adequacy:	70%	75%	80%	85%	90%
(H) Confidence Level Factor: (From Appendix J- PR)	1.156	1.225	1.305	1.405	1.537
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	23,000	33,000	45,000	60,000	79,000
(J) Total Required Assets at 6/30/20: ((G) + (I))	<u>\$170,000</u>	<u>\$180,000</u>	<u>\$192,000</u>	<u>\$207,000</u>	<u>\$226,000</u>
(K) Estimated Total Assets at 6/30/20: (From Appendix L- PR)	719,000	719,000	719,000	719,000	719,000
(L) Indicated Funding Redundancy/ (Deficiency): ((K) - (J))	<u>\$549,000</u>	<u>\$539,000</u>	<u>\$527,000</u>	<u>\$512,000</u>	<u>\$493,000</u>

Trindel Insurance Fund - Property

Funding Guidelines for Outstanding Liabilities at  
June 30, 2021

(A) Estimated Ultimate Losses Incurred through 6/30/21: (From Appendix G- PR)	\$6,686,000
(B) Estimated Paid Losses through 6/30/21: (From Appendix G- PR)	6,518,000
(C) Estimated Liability for Claims Outstanding at 6/30/21: (From Appendix G- PR)	<u>\$168,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 6/30/21: (From Appendix F- PR)	15,000
(E) Total Outstanding Liability for Claims at 6/30/21: ((C) + (D))	<u>\$183,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.00%.): (Appendix I- PR, Page 1, (H))	1.000
(G) Discounted Outstanding Liability for Claims at 6/30/21: ((E) x (F))	<u>\$183,000</u>

	Marginally Acceptable	75%	Recommended 80%	85%	Conservative 90%
Confidence Level of Adequacy:	70%	75%	80%	85%	90%
(H) Confidence Level Factor: (From Appendix J- PR)	1.156	1.225	1.305	1.405	1.537
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	29,000	41,000	56,000	74,000	98,000
(J) Total Required Assets at 6/30/21: ((G) + (I))	<u>\$212,000</u>	<u>\$224,000</u>	<u>\$239,000</u>	<u>\$257,000</u>	<u>\$281,000</u>
(K) Estimated Total Assets at 6/30/21: (From Appendix L- PR)	681,000	681,000	681,000	681,000	681,000
(L) Indicated Funding Redundancy/ (Deficiency): ((K) - (J))	<u>\$469,000</u>	<u>\$457,000</u>	<u>\$442,000</u>	<u>\$424,000</u>	<u>\$400,000</u>

Trindel Insurance Fund - Property

Funding Options for Program Year 2020-2021 (Property SIR = \$25,000 (Sutter Property SIR = \$5,000), Auto SIR = \$10,000)

	Dollar Amount	TIV Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2020-2021: (From Appendix G- PR)	\$386,000	\$0.039			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2020-2021: (From Exhibit 5- PR, Page 1, (L))	29,000	0.003			
(C) Total Claims Costs Incurred in Accident Year 2020-2021: ((A) + (B))	<u>\$415,000</u>	<u>\$0.042</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.00%.): (Appendix I- PR, Page 2, (G))	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2020-2021: ((C) x (D))	<u>\$415,000</u>	<u>\$0.042</u>			
	<u>Marginally Acceptable</u>		<u>Recommended</u>		<u>Conservative</u>
	70%	75%	80%	85%	90%
(F) Confidence Level Factor: (From Appendix J- PR)	1.164	1.241	1.332	1.445	1.597
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	68,000	100,000	138,000	185,000	248,000
(H) Recommended Funding in 2020-2021 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$483,000</u>	<u>\$515,000</u>	<u>\$553,000</u>	<u>\$600,000</u>	<u>\$663,000</u>
(I) Budgeted Non Claims Related Expenses: (Provided by the Fund)	1,030,000	1,030,000	1,030,000	1,030,000	1,030,000
(J) Recommended Funding in 2020-2021 for Claims Costs, Other Expenses, and Non Claims Related Expenses: ((H) + (I))	<u>\$1,513,000</u>	<u>\$1,545,000</u>	<u>\$1,583,000</u>	<u>\$1,630,000</u>	<u>\$1,693,000</u>
(K) Rate per \$100 of Total Insured Value: ((J) / \$9,896,303)	\$0.153	\$0.156	\$0.160	\$0.165	\$0.171

Rates are per hundred dollars of 2020-2021 TIV of \$989,630,300.

Trindel Insurance Fund - Property

Funding Options for Program Year 2021-2022 (Property SIR = \$25,000 (Sutter Property SIR = \$5,000), Auto SIR = \$10,000)

	Dollar Amount	TIV Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2021-2022: (From Appendix G- PR)	\$406,000	\$0.040			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2021-2022: (From Exhibit 5- PR, Page 1, (L))	32,000	0.003			
(C) Total Claims Costs Incurred in Accident Year 2021-2022: ((A) + (B))	<u>\$438,000</u>	<u>\$0.043</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.00%.): (Appendix I- PR, Page 2, (G))	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2021-2022: ((C) x (D))	<u>\$438,000</u>	<u>\$0.043</u>			
	<u>Marginally Acceptable</u>		<u>Recommended</u>		<u>Conservative</u>
	70%	75%	80%	85%	90%
(F) Confidence Level Factor: (From Appendix J- PR)	1.164	1.241	1.332	1.445	1.597
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	72,000	106,000	145,000	195,000	261,000
(H) Recommended Funding in 2021-2022 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$510,000</u>	<u>\$544,000</u>	<u>\$583,000</u>	<u>\$633,000</u>	<u>\$699,000</u>
(I) Budgeted Non Claims Related Expenses: (Amount budgeted for 2020-2021 increased by 0%.)	1,030,000	1,030,000	1,030,000	1,030,000	1,030,000
(J) Recommended Funding in 2021-2022 for Claims Costs, Other Expenses, and Non Claims Related Expenses: ((H) + (I))	<u>\$1,540,000</u>	<u>\$1,574,000</u>	<u>\$1,613,000</u>	<u>\$1,663,000</u>	<u>\$1,729,000</u>
(K) Rate per \$100 of Total Insured Value: ((J) / \$10,144,000)	\$0.152	\$0.155	\$0.159	\$0.164	\$0.170

Rates are per hundred dollars of 2021-2022 TIV of \$1,014,400,000.

## Trindel Insurance Fund - Property

## IBNR as of 6/30/21 at Expected Claims Level

Accident Year	Estimated Ultimate (A)	Reported as of 6/30/20 (B)	Estimated IBNR as of 6/30/20 (C)	Estimated Percent of IBNR Reported Between 7/1/20 and 6/30/21 (D)	Estimated IBNR Reported (E)	Estimated IBNR as of 6/30/21 (F)
1999-2000	\$125,000	\$125,000	\$0	100.0%	\$0	\$0
2000-2001	105,000	105,000	0	100.0%	0	0
2001-2002	220,000	220,000	0	100.0%	0	0
2002-2003	308,000	308,000	0	100.0%	0	0
2003-2004	241,000	241,000	0	100.0%	0	0
2004-2005	404,000	404,000	0	100.0%	0	0
2005-2006	381,000	381,000	0	100.0%	0	0
2006-2007	382,000	382,000	0	100.0%	0	0
2007-2008	361,000	361,000	0	100.0%	0	0
2008-2009	347,000	347,000	0	100.0%	0	0
2009-2010	305,000	305,000	0	100.0%	0	0
2010-2011	215,000	215,000	0	100.0%	0	0
2011-2012	181,000	181,000	0	100.0%	0	0
2012-2013	301,000	301,000	0	100.0%	0	0
2013-2014	301,000	301,000	0	100.0%	0	0
2014-2015	342,000	342,000	0	100.0%	0	0
2015-2016	326,000	326,000	0	100.0%	0	0
2016-2017	504,000	504,000	0	100.0%	0	0
2017-2018	358,000	355,000	3,000	100.0%	3,000	0
2018-2019	297,000	293,000	4,000	100.0%	4,000	0
2019-2020	297,000	261,000	36,000	79.2%	28,000	8,000
2020-2021	386,000	0	0	95.2%	367,000	19,000
Totals	\$6,686,000	\$6,258,000	\$43,000		\$402,000	\$27,000

## Notes:

- (A) From Exhibit 4- PR, Page 1.
- (B) Provided by the Fund. These losses exclude amounts incurred above the Fund's SIR for each year.
- (C) (A) - (B).
- (D) Percentage of incurred but not reported (IBNR) expected to be reported between 7/1/20 and 6/30/21. The percentage is based on the development pattern selected in Appendix A- PR.
- (E) ((A) - (B)) x (D).
- (F) (A) - (B) - (E).

This exhibit shows the calculation of the amount of incurred but not reported losses we expect as of 6/30/21. This amount is dependent on both the strength of the case reserves and the average frequency and severity of the losses incurred.



Trindel Insurance Fund - Property

Estimated Ultimate Limited Losses Capped at \$25,000 per Claim (Sutter Property at \$5,000, Auto at \$10,000)

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Ultimate Limited Losses (F)
1999-2000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
2000-2001	105,000	105,000	105,000	105,000	105,000	105,000
2001-2002	220,000	220,000	220,000	220,000	220,000	220,000
2002-2003	308,000	308,000	308,000	308,000	308,000	308,000
2003-2004	241,000	241,000	241,000	241,000	241,000	241,000
2004-2005	404,000	404,000	404,000	404,000	404,000	404,000
2005-2006	381,000	381,000	381,000	381,000	381,000	381,000
2006-2007	382,000	382,000	382,000	382,000	382,000	382,000
2007-2008	361,000	361,000	361,000	361,000	361,000	361,000
2008-2009	347,000	347,000	347,000	347,000	347,000	347,000
2009-2010	305,000	305,000	305,000	305,000	305,000	305,000
2010-2011	215,000	215,000	215,000	215,000	215,000	215,000
2011-2012	181,000	181,000	181,000	181,000	181,000	181,000
2012-2013	301,000	301,000	301,000	301,000	301,000	301,000
2013-2014	301,000	301,000	301,000	301,000	301,000	301,000
2014-2015	342,000	342,000	342,000	342,000	342,000	342,000
2015-2016	326,000	326,000	326,000	326,000	265,000	326,000
2016-2017	504,000	507,000	504,000	507,000	476,000	504,000
2017-2018	355,000	361,000	355,000	361,000	367,000	358,000
2018-2019	296,000	295,000	297,000	299,000	422,000	297,000
2019-2020	274,000	288,000	282,000	341,000	292,000	297,000
Totals						\$6,300,000
						Projected Losses for the Year 2020-2021 (G) \$386,000
						Projected Losses for the Year 2021-2022 (H) \$406,000

Notes:

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

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

Trindel Insurance Fund - Property

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

Accident Year	Ultimate Limited Losses (A)	Trend Factor (B)	Trended Limited Losses (C)	Trended Value - TIV (\$00) (D)	Trended Limited Loss Rate (E)
1999-2000	\$125,000	1.516	\$190,000	\$4,040,000	0.047
2000-2001	105,000	1.485	156,000	4,541,000	0.034
2001-2002	220,000	1.456	320,000	5,381,000	0.060
2002-2003	308,000	1.428	440,000	5,334,000	0.082
2003-2004	241,000	1.400	338,000	5,442,000	0.062
2004-2005	404,000	1.372	554,000	5,414,000	0.102
2005-2006	381,000	1.345	512,000	6,966,000	0.074
2006-2007	382,000	1.319	503,000	7,159,000	0.070
2007-2008	361,000	1.293	466,000	7,371,000	0.063
2008-2009	347,000	1.268	440,000	7,460,000	0.059
2009-2010	305,000	1.243	379,000	7,581,000	0.050
2010-2011	215,000	1.219	262,000	8,625,000	0.030
2011-2012	181,000	1.195	216,000	8,963,000	0.024
2012-2013	301,000	1.172	353,000	8,937,000	0.039
2013-2014	301,000	1.149	345,000	8,905,000	0.039
2014-2015	342,000	1.126	385,000	8,872,000	0.043
2015-2016	326,000	1.105	360,000	8,955,000	0.040
2016-2017	504,000	1.083	546,000	9,124,000	0.060
2017-2018	358,000	1.061	380,000	8,906,000	0.043
2018-2019	297,000	1.041	309,000	8,696,000	0.036
2019-2020	297,000	1.020	303,000	9,904,000	0.031
Totals	\$6,300,000		\$7,759,000	\$156,575,000	\$0.050
14/15-18/19	1,827,000		1,980,000	44,552,000	0.044
15/16-19/20	1,782,000		1,898,000	45,585,000	0.042
			(F) Selected Limited Rate:		\$0.044
			Prior:		\$0.048
Program Year:		2020-2021	2021-2022		
(G) Factor to SIR:		1.000	1.000		
(H) Trend Factor:		1.000	1.020		
(I) Program (\$25K) Rate:		\$0.044	\$0.045		
(J) Trended Value - TIV (\$00):		8,123,000	8,327,000		
(K) Projected Program Losses:		357,000	375,000		
(L) Projected ULAE:		29,000	32,000		
(M) Projected Loss and ULAE:		\$386,000	\$407,000		
(N) Sutter County TIV (00s):		\$1,773,088	\$1,817,000		
(O) \$5K Rate:		0.017	0.017		
(P) Provision for Sutter County		\$29,000	\$31,000		
(Q) Total Program Losses:		\$415,000	\$438,000		

Notes appear on the next page.

Trindel Insurance Fund - Property

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

Notes:

- (A) From Exhibit 4- PR, Page 2, Column (F).  
For purposes of projecting future losses, losses are capped at \$25,000 per occurrence.
- (B) From Appendix E- PR, Page 1, Column (B).
- (C)  $(A) \times (B)$ .
- (D) Appendix N- PR, Column (C).
- (E)  $(C) / (D)$ .
- (F) Selected based on (E).
- (G) Based on a Burr distribution, a mathematical model of claims sizes.
- (H) From Appendix E- PR.
- (I)  $(F) \times (G) \times (H)$ .
- (J) Appendix N- PR, Column (C).
- (K)  $(I) \times (J)$ .
- (L) Based on an estimated claim closing pattern and the Fund's historical claims administration expenses.
- (M)  $(K) + (L)$ .
- (N) Trended Sutter County TIV.
- (O)  $(F) \times (H) \times \text{factor to } \$5K \text{ SIR}$ .
- (P)  $(N) \times (O)$ .
- (Q)  $(M) + (P)$ .

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

Trindel Insurance Fund - Property

Reported Loss Development

Accident Year (A)	Limited Reported Losses as of 6/30/20 (B)	Reported Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Reported Losses as of 6/30/20 (E)	Reported Loss Development Factor (F)	Ultimate Program Losses (G)
1999-2000	\$125,396	1.000	\$125,396	\$125,396	1.000	\$125,396
2000-2001	104,959	1.000	104,959	104,959	1.000	104,959
2001-2002	220,108	1.000	220,108	220,108	1.000	220,108
2002-2003	308,039	1.000	308,039	308,039	1.000	308,039
2003-2004	241,404	1.000	241,404	241,404	1.000	241,404
2004-2005	404,010	1.000	404,010	404,010	1.000	404,010
2005-2006	380,813	1.000	380,813	380,813	1.000	380,813
2006-2007	381,722	1.000	381,722	381,722	1.000	381,722
2007-2008	360,519	1.000	360,519	360,519	1.000	360,519
2008-2009	347,318	1.000	347,318	347,318	1.000	347,318
2009-2010	304,584	1.000	304,584	304,584	1.000	304,584
2010-2011	215,256	1.000	215,256	215,256	1.000	215,256
2011-2012	180,908	1.000	180,908	180,908	1.000	180,908
2012-2013	300,997	1.000	300,997	300,997	1.000	300,997
2013-2014	300,598	1.000	300,598	300,598	1.000	300,598
2014-2015	341,708	1.000	341,708	341,708	1.000	341,708
2015-2016	325,748	1.000	325,748	325,748	1.000	325,748
2016-2017	504,273	1.000	504,273	504,273	1.000	504,273
2017-2018	355,002	1.000	355,002	355,002	1.000	355,002
2018-2019	293,138	1.010	296,070	293,138	1.010	296,070
2019-2020	261,315	1.050	274,381	261,315	1.050	274,381
Totals	\$6,257,815		\$6,273,812	\$6,257,815		\$6,273,812

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Fund. These losses exclude amounts over \$25,000 per occurrence.
- (C) From Appendix A- PR, Page 2.
- (D) (B) x (C). These estimated losses exclude amounts over \$25,000 per occurrence.
- (E) Losses capped at the Fund's SIR. Amounts are provided by the Fund.
- (F) Derived from factors on Appendix A- PR, Page 4.
- (G) (E) x (F).

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

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

Trindel Insurance Fund - Property  
Reported Loss Development

Limited Losses Reported as of:

Accident Year	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
1999-2000	136,441	142,116	115,848	115,848	115,848	115,848	115,848	115,848	115,848	115,848
2000-2001	42,453	83,693	83,940	83,940	83,940	83,940	83,940	83,940	83,940	83,940
2001-2002	140,807	169,405	169,405	169,405	169,405	169,405	169,405	169,405	169,405	178,764
2002-2003	262,525	240,104	229,841	231,848	231,848	231,848	231,848	231,848	242,386	233,685
2003-2004	192,766	199,193	201,350	203,402	203,402	203,403	203,403	203,403	203,403	203,891
2004-2005	296,220	308,618	281,543	283,464	305,967	305,967	269,166	269,166	268,170	211,182
2005-2006	283,808	239,325	239,325	239,325	239,325	229,229	253,115	251,448	280,431	248,740
2006-2007	335,614	307,722	307,913	307,913	277,949	277,949	275,807	294,290	292,166	292,166
2007-2008	442,644	327,756	327,756	304,638	279,656	278,463	322,610	296,220	296,220	296,220
2008-2009	218,622	214,516	228,824	253,784	251,890	291,166	265,157	263,786	263,786	263,786
2009-2010	225,226	213,774	213,774	223,670	253,835	248,096	247,962	247,962	247,962	247,962
2010-2011	174,907	163,336	175,640	187,222	164,857	164,631	164,631	164,631	164,469	215,256
2011-2012	203,036	160,307	179,749	158,830	158,830	158,830	158,830	158,830	180,908	
2012-2013	273,940	271,918	263,972	256,796	256,553	288,317	289,029	300,997		
2013-2014	324,620	338,471	302,115	302,115	307,642	311,071	300,598			
2014-2015	363,876	335,839	331,434	331,434	321,446	341,708				
2015-2016	431,843	362,652	396,652	397,707	325,748					
2016-2017	382,701	491,418	476,353	504,273						
2017-2018	501,773	329,162	355,002							
2018-2019	306,593	293,138								
2019-2020	261,315									

Reported Loss Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
1999-2000	1.042	0.815	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000-2001	1.971	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.006
2001-2002	1.203	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.055	1.000
2002-2003	0.915	0.957	1.009	1.000	1.000	1.000	1.000	1.045	0.964	1.019
2003-2004	1.033	1.011	1.010	1.000	1.000	1.000	1.000	1.000	1.002	0.878
2004-2005	1.042	0.912	1.007	1.079	1.000	0.880	1.000	0.996	0.787	0.977
2005-2006	0.843	1.000	1.000	1.000	0.958	1.104	0.993	1.115	0.887	1.000
2006-2007	0.917	1.001	1.000	0.903	1.000	0.992	1.067	0.993	1.000	1.000
2007-2008	0.740	1.000	0.929	0.918	0.996	1.159	0.918	1.000	1.000	1.026
2008-2009	0.981	1.067	1.109	0.993	1.156	0.911	0.995	1.000	1.000	1.000
2009-2010	0.949	1.000	1.046	1.135	0.977	0.999	1.000	1.000	1.000	1.228
2010-2011	0.934	1.075	1.066	0.881	0.999	1.000	1.000	0.999	1.309	
2011-2012	0.790	1.121	0.884	1.000	1.000	1.000	1.000	1.139		
2012-2013	0.993	0.971	0.973	0.999	1.124	1.002	1.041			
2013-2014	1.043	0.893	1.000	1.018	1.011	0.966				
2014-2015	0.923	0.987	1.000	0.970	1.063					
2015-2016	0.840	1.094	1.003	0.819						
2016-2017	1.284	0.969	1.059							
2017-2018	0.656	1.079								
2018-2019	0.956									
Average	1.003	0.998	1.005	0.983	1.018	1.001	1.001	1.022	1.000	1.012
Dollar-Weighted Averages										
3-yr	0.935	1.038	1.024	0.926	1.063	0.987	1.020	1.038		
4-yr	0.910	1.027	1.019	0.940	1.053	0.989	1.014	1.026		
PRISM Factors	1.078	1.019	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Prior	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.040	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	1.050	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Trindel Insurance Fund - Property  
Reported Loss Development

Limited Losses Reported as of:

Accident Year	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months	240 Months	252 Months
1999-2000	115,848	116,631	116,631	116,131	117,221	117,221	117,221	117,221	117,221	117,221	125,396
2000-2001	84,465	84,465	85,952	86,227	85,952	85,952	85,952	85,952	85,952	104,959	
2001-2002	178,764	178,110	177,627	177,627	177,627	177,627	180,607	180,607	220,108		
2002-2003	238,107	221,434	238,364	238,364	238,364	272,605	272,605	308,039			
2003-2004	179,038	178,542	178,542	178,542	284,091	284,091	241,404				
2004-2005	206,279	206,279	206,279	317,839	317,839	404,010					
2005-2006	248,810	248,810	290,345	290,345	380,813						
2006-2007	292,166	317,208	317,208	381,722							
2007-2008	303,937	303,937	360,519								
2008-2009	263,786	347,318									
2009-2010	304,584										
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											

Reported Loss Development Factors:

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-240 Months	240-252 Months	252-Ult. Months
1999-2000	1.007	1.000	0.996	1.009	1.000	1.000	1.000	1.000	1.000	1.070	
2000-2001	1.000	1.018	1.003	0.997	1.000	1.000	1.000	1.000	1.221		
2001-2002	0.996	0.997	1.000	1.000	1.000	1.017	1.000	1.219			
2002-2003	0.930	1.076	1.000	1.000	1.144	1.000	1.130				
2003-2004	0.997	1.000	1.000	1.591	1.000	0.850					
2004-2005	1.000	1.000	1.541	1.000	1.271						
2005-2006	1.000	1.167	1.000	1.312							
2006-2007	1.086	1.000	1.203								
2007-2008	1.000	1.186									
2008-2009	1.317										
2009-2010											
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-240 Months	240-252 Months	252-Ult. Months
Average Dollar-Weighted Averages	1.033	1.049	1.093	1.130	1.069	0.973	1.033	1.073	1.111	1.070	
3-yr											
4-yr											
PRISM Factors	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Prior	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Trindel Insurance Fund - Property

Paid Loss Development

Accident Year (A)	Limited Paid Losses as of 6/30/20 (B)	Paid Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Paid Losses as of 6/30/20 (E)	Paid Loss Development Factor (F)	Ultimate Program Losses (G)
1999-2000	\$125,396	1.000	\$125,396	\$125,396	1.000	\$125,396
2000-2001	104,959	1.000	104,959	104,959	1.000	104,959
2001-2002	220,108	1.000	220,108	220,108	1.000	220,108
2002-2003	308,039	1.000	308,039	308,039	1.000	308,039
2003-2004	241,404	1.000	241,404	241,404	1.000	241,404
2004-2005	404,010	1.000	404,010	404,010	1.000	404,010
2005-2006	380,813	1.000	380,813	380,813	1.000	380,813
2006-2007	381,722	1.000	381,722	381,722	1.000	381,722
2007-2008	360,519	1.000	360,519	360,519	1.000	360,519
2008-2009	347,318	1.000	347,318	347,318	1.000	347,318
2009-2010	304,584	1.000	304,584	304,584	1.000	304,584
2010-2011	215,256	1.000	215,256	215,256	1.000	215,256
2011-2012	180,908	1.000	180,908	180,908	1.000	180,908
2012-2013	300,997	1.000	300,997	300,997	1.000	300,997
2013-2014	300,598	1.000	300,598	300,598	1.000	300,598
2014-2015	341,708	1.000	341,708	341,708	1.000	341,708
2015-2016	325,748	1.001	326,073	325,748	1.001	326,073
2016-2017	504,273	1.006	507,299	504,273	1.006	507,299
2017-2018	355,002	1.016	360,682	355,002	1.016	360,682
2018-2019	280,865	1.052	295,470	280,865	1.052	295,470
2019-2020	178,487	1.615	288,256	178,487	1.615	288,256
Totals	\$6,162,713		\$6,296,119	\$6,162,713		\$6,296,119

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Fund. These losses exclude amounts over \$25,000 per occurrence.
- (C) From Appendix B- PR, Page 2.
- (D) (B) x (C). These estimated losses exclude amounts over \$25,000 per occurrence.
- (E) Losses capped at the Fund's SIR. Amounts are provided by the Fund.
- (F) Derived from factors on Appendix B- PR, Page 4.
- (G) (E) x (F).

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

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

Trindel Insurance Fund - Property  
Paid Loss Development

Accident Year	<u>Limited Losses Paid as of:</u>								
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months
1999-2000									
2000-2001									
2001-2002									
2002-2003									
2003-2004									
2004-2005									
2005-2006									
2006-2007									
2007-2008									
2008-2009									
2009-2010									
2010-2011									
2011-2012	154,926	158,608	169,868	158,830	158,830	158,830	158,830	158,830	180,908
2012-2013	180,810	234,613	255,201	255,277	255,277	286,797	289,029	300,997	
2013-2014	163,041	300,834	302,115	302,115	307,642	311,071	300,598		
2014-2015	155,708	331,434	331,434	331,434	321,446	341,708			
2015-2016	229,457	342,652	346,652	347,707	325,748				
2016-2017	245,483	436,634	476,353	504,273					
2017-2018	353,852	320,039	355,002						
2018-2019	170,382	280,865							
2019-2020	178,487								

Paid Loss Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-Ult. Months
1999-2000									
2000-2001									
2001-2002									
2002-2003									
2003-2004									
2004-2005									
2005-2006									
2006-2007									
2007-2008									
2008-2009									
2009-2010									
2010-2011									
2011-2012	1.024	1.071	0.935	1.000	1.000	1.000	1.000	1.139	
2012-2013	1.298	1.088	1.000	1.000	1.123	1.008	1.041		
2013-2014	1.845	1.004	1.000	1.018	1.011	0.966			
2014-2015	2.129	1.000	1.000	0.970	1.063				
2015-2016	1.493	1.012	1.003	0.937					
2016-2017	1.779	1.091	1.059						
2017-2018	0.904	1.109							
2018-2019	1.648								
Average Dollar-Weighted Averages	1.515	1.054	1.000	0.985	1.049	0.991	1.021	1.139	
3-yr	1.348	1.072	1.025	0.973	1.062	0.989	1.027	1.139	1.000
4-yr	1.381	1.055	1.020	0.979	1.053	0.989	1.027	1.139	1.000
PRISM Factors	1.827	1.030	1.005	1.004	1.001	1.000	1.000	1.000	1.000
Prior	1.470	1.030	1.010	1.005	1.001	1.000	1.000	1.000	1.000
Selected	1.535	1.035	1.010	1.005	1.001	1.000	1.000	1.000	1.000
Cumulated	1.615	1.052	1.016	1.006	1.001	1.000	1.000	1.000	1.000

Trindel Insurance Fund - Property

Exposure and Development Method  
Based on Reported Losses

Accident Year	Trended Value - TIV (\$00) (A)	Reported Losses as of 6/30/20 (B)	Reported Loss Development Factor (C)	Percentage of Losses Yet to Be Reported (D)	Program Rate (E)	Incurred but not Reported (IBNR) (F)	Ultimate Program Losses (G)
1999-2000	4,040,378	125,396	1.000	0.000	0.031	0	125,396
2000-2001	4,541,047	104,959	1.000	0.000	0.023	0	104,959
2001-2002	5,380,506	220,108	1.000	0.000	0.041	0	220,108
2002-2003	5,333,588	308,039	1.000	0.000	0.058	0	308,039
2003-2004	5,441,665	241,404	1.000	0.000	0.044	0	241,404
2004-2005	5,413,776	404,010	1.000	0.000	0.075	0	404,010
2005-2006	6,965,798	380,813	1.000	0.000	0.055	0	380,813
2006-2007	7,159,339	381,722	1.000	0.000	0.053	0	381,722
2007-2008	7,371,152	360,519	1.000	0.000	0.049	0	360,519
2008-2009	7,459,631	347,318	1.000	0.000	0.047	0	347,318
2009-2010	7,581,355	304,584	1.000	0.000	0.040	0	304,584
2010-2011	8,625,281	215,256	1.000	0.000	0.025	0	215,256
2011-2012	8,963,322	180,908	1.000	0.000	0.020	0	180,908
2012-2013	8,936,597	300,997	1.000	0.000	0.034	0	300,997
2013-2014	8,904,557	300,598	1.000	0.000	0.034	0	300,598
2014-2015	8,872,196	341,708	1.000	0.000	0.039	0	341,708
2015-2016	8,954,688	325,748	1.000	0.000	0.040	0	325,748
2016-2017	9,123,545	504,273	1.000	0.000	0.041	0	504,273
2017-2018	8,905,864	355,002	1.000	0.000	0.041	0	355,002
2018-2019	8,696,176	293,138	1.010	0.010	0.042	3,652	296,791
2019-2020	9,904,477	261,315	1.050	0.048	0.043	20,443	281,758
Totals	156,574,938	\$6,257,815				\$24,095	\$6,281,910

Notes:

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

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

Trindel Insurance Fund - Property

Exposure and Development Method  
Based on Paid Losses

Accident Year	Trended Value - TIV (\$00) (A)	Paid Losses as of 6/30/20 (B)	Paid Loss Development Factor (C)	Percentage of Losses Yet to Be Paid (D)	Program Rate (E)	Incurred but not Paid (F)	Ultimate Program Losses (G)
1999-2000	4,040,378	125,396	1.000	0.000	0.031	0	125,396
2000-2001	4,541,047	104,959	1.000	0.000	0.023	0	104,959
2001-2002	5,380,506	220,108	1.000	0.000	0.041	0	220,108
2002-2003	5,333,588	308,039	1.000	0.000	0.058	0	308,039
2003-2004	5,441,665	241,404	1.000	0.000	0.044	0	241,404
2004-2005	5,413,776	404,010	1.000	0.000	0.075	0	404,010
2005-2006	6,965,798	380,813	1.000	0.000	0.055	0	380,813
2006-2007	7,159,339	381,722	1.000	0.000	0.053	0	381,722
2007-2008	7,371,152	360,519	1.000	0.000	0.049	0	360,519
2008-2009	7,459,631	347,318	1.000	0.000	0.047	0	347,318
2009-2010	7,581,355	304,584	1.000	0.000	0.040	0	304,584
2010-2011	8,625,281	215,256	1.000	0.000	0.025	0	215,256
2011-2012	8,963,322	180,908	1.000	0.000	0.020	0	180,908
2012-2013	8,936,597	300,997	1.000	0.000	0.034	0	300,997
2013-2014	8,904,557	300,598	1.000	0.000	0.034	0	300,598
2014-2015	8,872,196	341,708	1.000	0.000	0.039	0	341,708
2015-2016	8,954,688	325,748	1.001	0.001	0.040	358	326,106
2016-2017	9,123,545	504,273	1.006	0.006	0.041	2,244	506,517
2017-2018	8,905,864	355,002	1.016	0.016	0.041	5,842	360,844
2018-2019	8,696,176	280,865	1.052	0.049	0.042	17,897	298,761
2019-2020	9,904,477	178,487	1.615	0.381	0.043	162,265	340,752
Totals	156,574,938	\$6,162,713				\$188,607	\$6,351,320

Notes:

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

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

Trindel Insurance Fund - Property

Exposure and Development Method

Accident Year	Trended Value - TIV (\$00) (A)	Ultimate Limited Losses (B)	Trend Factor (C)	Trended Limited Losses (D)	Trended Limited Loss Rate (E)	Limited Loss Rate (F)	Factor to SIR (G)	Program Loss Rate (H)
1999-2000	4,040,378	125,396	1.516	190,101	0.047	0.031	1.000	0.031
2000-2001	4,541,047	104,959	1.485	155,864	0.034	0.023	1.000	0.023
2001-2002	5,380,506	220,108	1.456	320,478	0.060	0.041	1.000	0.041
2002-2003	5,333,588	308,039	1.428	439,880	0.082	0.058	1.000	0.058
2003-2004	5,441,665	241,404	1.400	337,966	0.062	0.044	1.000	0.044
2004-2005	5,413,776	404,010	1.372	554,301	0.102	0.075	1.000	0.075
2005-2006	6,965,798	380,813	1.345	512,194	0.074	0.055	1.000	0.055
2006-2007	7,159,339	381,722	1.319	503,491	0.070	0.053	1.000	0.053
2007-2008	7,371,152	360,519	1.293	466,151	0.063	0.049	1.000	0.049
2008-2009	7,459,631	347,318	1.268	440,399	0.059	0.047	1.000	0.047
2009-2010	7,581,355	304,584	1.243	378,598	0.050	0.040	1.000	0.040
2010-2011	8,625,281	215,256	1.219	262,397	0.030	0.025	1.000	0.025
2011-2012	8,963,322	180,908	1.195	216,185	0.024	0.020	1.000	0.020
2012-2013	8,936,597	300,997	1.172	352,769	0.039	0.034	1.000	0.034
2013-2014	8,904,557	300,598	1.149	345,387	0.039	0.034	1.000	0.034
2014-2015	8,872,196	341,708	1.126	384,764	0.043	0.039	1.000	0.039
2015-2016	8,954,688	325,748	1.105	359,951	0.040	0.040	1.000	0.040
2016-2017	9,123,545	504,273	1.083	546,128	0.060	0.041	1.000	0.041
2017-2018	8,905,864	358,000	1.061	379,838	0.043	0.041	1.000	0.041
2018-2019	8,696,176	297,000	1.041	309,177	0.036	0.042	1.000	0.042
2019-2020	9,904,477	275,000	1.020	280,500	0.028	0.043	1.000	0.043
Total/Avg	156,574,938	\$6,278,360		\$7,736,516	\$0.049			
14/15-18/19	44,552,469	1,826,729		1,979,857	0.044			
15/16-19/20	45,584,750	1,760,021		1,875,594	0.041			
				Selected Limited Rate:	\$0.044			
				Prior:	\$0.050			

Notes:

- (A) Appendix N- PR, Column (C).
- (B) Selected average of results from Appendices A and B.
- (C) From Appendix E- PR, Page 1, Column (B).
- (D) (B) x (C).
- (E) (D) / (A).
- (F) Selected Limited Rate / (C). For 2014-2015 and prior (B) / (A).
- (G) Based on a Burr distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

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

Trindel Insurance Fund - Property

Frequency and Severity Method

Accident Year	Ultimate Program Severity (A)	Adjusted Ultimate Claims (B)	Ultimate Program Losses (C)
1999-2000	\$2,411	52	\$125,372
2000-2001	2,187	48	104,976
2001-2002	4,402	50	220,100
2002-2003	5,311	58	308,038
2003-2004	4,235	57	241,395
2004-2005	7,482	54	404,028
2005-2006	8,102	47	380,794
2006-2007	8,877	43	381,711
2007-2008	8,384	43	360,512
2008-2009	9,387	37	347,319
2009-2010	9,230	33	304,590
2010-2011	6,331	34	215,254
2011-2012	5,321	34	180,914
2012-2013	7,000	43	301,000
2013-2014	5,567	54	300,618
2014-2015	5,995	57	341,715
2015-2016	6,800	39	265,200
2016-2017	6,800	70	476,000
2017-2018	6,800	54	367,200
2018-2019	6,800	62	421,600
2019-2020	6,800	43	292,400
Total		1,012	\$6,340,736

Notes:

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

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

Trindel Insurance Fund - Property

Frequency and Severity Method

Accident Year	Ultimate Limited Losses (A)	Adjusted Ultimate Claims (B)	Ultimate Limited Severity (C)	Trend Factor (D)	Trended Limited Severity (E)	Limited Severity (F)	Factor to SIR (G)	Program Severity (H)
1999-2000	\$125,396	52	\$2,411	1.000	\$2,411	\$2,411	1.000	\$2,411
2000-2001	104,959	48	2,187	1.000	2,187	2,187	1.000	2,187
2001-2002	220,108	50	4,402	1.000	4,402	4,402	1.000	4,402
2002-2003	308,039	58	5,311	1.000	5,311	5,311	1.000	5,311
2003-2004	241,404	57	4,235	1.000	4,235	4,235	1.000	4,235
2004-2005	404,010	54	7,482	1.000	7,482	7,482	1.000	7,482
2005-2006	380,813	47	8,102	1.000	8,102	8,102	1.000	8,102
2006-2007	381,722	43	8,877	1.000	8,877	8,877	1.000	8,877
2007-2008	360,519	43	8,384	1.000	8,384	8,384	1.000	8,384
2008-2009	347,318	37	9,387	1.000	9,387	9,387	1.000	9,387
2009-2010	304,584	33	9,230	1.000	9,230	9,230	1.000	9,230
2010-2011	215,256	34	6,331	1.000	6,331	6,331	1.000	6,331
2011-2012	180,908	34	5,321	1.000	5,321	5,321	1.000	5,321
2012-2013	300,997	43	7,000	1.000	7,000	7,000	1.000	7,000
2013-2014	300,598	54	5,567	1.000	5,567	5,567	1.000	5,567
2014-2015	341,708	57	5,995	1.000	5,995	5,995	1.000	5,995
2015-2016	325,748	39	8,353	1.000	8,353	6,800	1.000	6,800
2016-2017	504,273	70	7,204	1.000	7,204	6,800	1.000	6,800
2017-2018	358,000	54	6,630	1.000	6,630	6,800	1.000	6,800
2018-2019	297,000	62	4,790	1.000	4,790	6,800	1.000	6,800
2019-2020	297,000	43	6,907	1.000	6,907	6,800	1.000	6,800

Average Limited Severity: \$6,386  
Average 14/15-18/19 Limited Severity: 6,594  
Average 15/16-19/20 Limited Severity: 6,777

Selected Limited Severity: \$6,800  
Prior: \$7,100

Notes:

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

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

Trindel Insurance Fund - Property

Frequency and Severity Method  
Projection of Ultimate Claims

Accident Year	Reported Claim Development (A)	Closed Claim Development (B)	Selected Ultimate Claims (C)	Trended Value - TIV (\$000,000) (D)	Claim Frequency (E)	Trend Factor (F)	Trended Claim Frequency (G)
1999-2000	52	52	52	404.0	0.129	1.516	0.196
2000-2001	48	48	48	454.1	0.106	1.485	0.157
2001-2002	50	50	50	538.1	0.093	1.456	0.135
2002-2003	58	58	58	533.4	0.109	1.428	0.156
2003-2004	57	57	57	544.2	0.105	1.400	0.147
2004-2005	54	54	54	541.4	0.100	1.372	0.137
2005-2006	47	47	47	696.6	0.067	1.345	0.090
2006-2007	43	43	43	715.9	0.060	1.319	0.079
2007-2008	43	43	43	737.1	0.058	1.293	0.075
2008-2009	37	37	37	746.0	0.050	1.268	0.063
2009-2010	33	33	33	758.1	0.044	1.243	0.055
2010-2011	34	34	34	862.5	0.039	1.219	0.048
2011-2012	34	34	34	896.3	0.038	1.195	0.045
2012-2013	43	43	43	893.7	0.048	1.172	0.056
2013-2014	54	54	54	890.5	0.061	1.149	0.070
2014-2015	57	57	57	887.2	0.064	1.126	0.072
2015-2016	40	39	39	895.5	0.044	1.105	0.049
2016-2017	70	70	70	912.4	0.077	1.083	0.083
2017-2018	54	55	54	890.6	0.061	1.061	0.065
2018-2019	62	67	62	869.6	0.071	1.041	0.074
2019-2020	45	41	43	990.4	0.043	1.020	0.044
Total	1,015	1,016	1,012	15,657.5			0.081
14/15-18/19	283	288	282	4,455.2			0.068
						(H) Selected Frequency:	0.070
						Prior:	0.100

Program Year:	2020-2021	2021-2022
(I) Trend Factor:	1.000	1.020
(J) Selected Frequency:	0.070	0.071
(K) Est. Value - TIV (\$000,000):	989.6	1,014.4
(L) Ultimate Claims:	69	72

Notes:

- (A) Appendix D- PR, Page 4, (C).
- (B) Appendix D- PR, Page 5, (C).
- (C) Selected from (A) and (B).
- (D) Appendix N- PR, Column (C) / 10,000.
- (E) (C) / (D).
- (F) Appendix E- PR, Page 1, Column (F).
- (G) (E) x (F).
- (H) The selected frequency of 0.070 is based on (G).
- (I) Appendix E- PR, Page 1, Column (F).
- (J) (H) x (I).
- (K) Appendix N- PR, Column (C) / 10,000.
- (L) (J) x (K).

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

Trindel Insurance Fund - Property

Frequency and Severity Method  
Reported Claim Count Development

Accident Year	Claims Reported as of 6/30/2020 (A)	Reported Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
1999-2000	52	1.000	52	0.195
2000-2001	48	1.000	48	0.157
2001-2002	50	1.000	50	0.135
2002-2003	58	1.000	58	0.155
2003-2004	57	1.000	57	0.147
2004-2005	54	1.000	54	0.137
2005-2006	47	1.000	47	0.091
2006-2007	43	1.000	43	0.079
2007-2008	43	1.000	43	0.075
2008-2009	37	1.000	37	0.063
2009-2010	33	1.000	33	0.054
2010-2011	34	1.000	34	0.048
2011-2012	34	1.000	34	0.045
2012-2013	43	1.000	43	0.056
2013-2014	54	1.000	54	0.070
2014-2015	57	1.000	57	0.072
2015-2016	40	1.000	40	0.049
2016-2017	70	1.005	70	0.083
2017-2018	53	1.015	54	0.064
2018-2019	60	1.030	62	0.074
2019-2020	39	1.159	45	0.046
Total	1,006		1,015	0.081

Notes:

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

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

Trindel Insurance Fund - Property

Frequency and Severity Method  
Closed Claim Count Development

Accident Year	Claims Closed as of 6/30/2020 (A)	Closed Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
1999-2000	52	1.000	52	0.195
2000-2001	48	1.000	48	0.157
2001-2002	50	1.000	50	0.135
2002-2003	58	1.000	58	0.155
2003-2004	57	1.000	57	0.147
2004-2005	54	1.000	54	0.137
2005-2006	47	1.000	47	0.091
2006-2007	43	1.000	43	0.079
2007-2008	43	1.000	43	0.075
2008-2009	37	1.000	37	0.063
2009-2010	33	1.000	33	0.054
2010-2011	34	1.000	34	0.048
2011-2012	34	1.000	34	0.045
2012-2013	43	1.000	43	0.056
2013-2014	54	1.000	54	0.070
2014-2015	57	1.000	57	0.072
2015-2016	39	1.000	39	0.048
2016-2017	70	1.005	70	0.083
2017-2018	53	1.030	55	0.066
2018-2019	58	1.159	67	0.080
2019-2020	18	2.266	41	0.042
Total	982		1,016	0.081

Notes:

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

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

Trindel Insurance Fund - Property  
Reported Claim Count Development

Accident Year	Claims Reported as of:													
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	
1999-2000	40	52	52	52	52	52	52	52	52	52	52	52	52	
2000-2001	41	47	48	48	48	48	48	48	48	48	48	49	49	
2001-2002	36	50	50	50	50	50	50	50	50	52	52	52	48	
2002-2003	57	59	59	59	59	59	59	59	63	63	63	50	50	
2003-2004	53	55	55	56	56	57	56	56	56	56	48	48	48	
2004-2005	46	55	55	55	55	55	51	51	51	46	46	46	47	
2005-2006	44	47	47	47	47	47	48	48	39	39	39	39	47	
2006-2007	42	45	44	44	42	42	42	42	42	42	42	42	43	
2007-2008	43	45	45	42	42	42	44	43	43	46	45	45	43	
2008-2009	36	36	38	39	39	37	37	37	37	37	37	37		
2009-2010	27	31	31	31	34	33	33	35	33	33	33			
2010-2011	35	37	37	34	34	34	34	34	34	34				
2011-2012	31	34	34	34	34	34	34	34	34					
2012-2013	43	34	34	35	36	43	43	43						
2013-2014	41	49	50	54	54	54	54							
2014-2015	53	59	61	59	59	57								
2015-2016	37	40	40	40	40									
2016-2017	73	88	90	70										
2017-2018	68	73	53											
2018-2019	74	60												
2019-2020	39													

Reported Claim Count Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months	132-144 Months	144-156 Months	156-168 Months
1999-2000	1.300	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000-2001	1.146	1.021	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.021	1.000	1.000	1.000
2001-2002	1.389	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.040	1.000	1.000	0.923	1.000
2002-2003	1.035	1.000	1.000	1.000	1.000	1.000	1.000	1.068	1.000	1.000	0.794	1.000	1.000
2003-2004	1.038	1.000	1.018	1.000	1.018	0.982	1.000	1.000	1.000	0.857	1.000	1.000	1.000
2004-2005	1.196	1.000	1.000	1.000	1.000	0.927	1.000	1.000	0.902	1.000	1.000	1.022	1.191
2005-2006	1.068	1.000	1.000	1.000	1.000	1.021	1.000	0.813	1.000	1.000	1.000	1.205	1.000
2006-2007	1.071	0.978	1.000	0.955	1.000	1.000	1.000	1.000	1.000	1.000	1.024	1.000	1.000
2007-2008	1.047	1.000	0.933	1.000	1.000	1.048	0.977	1.000	1.070	0.978	1.000	0.956	
2008-2009	1.000	1.056	1.026	1.000	0.949	1.000	1.000	1.000	1.000	1.000	1.000		
2009-2010	1.148	1.000	1.000	1.097	0.971	1.000	1.061	0.943	1.000	1.000			
2010-2011	1.057	1.000	0.919	1.000	1.000	1.000	1.000	1.000	1.000				
2011-2012	1.097	1.000	1.000	1.000	1.000	1.000	1.000	1.000					
2012-2013	0.791	1.000	1.029	1.029	1.194	1.000	1.000						
2013-2014	1.195	1.020	1.080	1.000	1.000	1.000							
2014-2015	1.113	1.034	0.967	1.000	0.966								
2015-2016	1.081	1.000	1.000	1.000									
2016-2017	1.205	1.023	0.778										
2017-2018	1.074	0.726											
2018-2019	0.811												
Average	1.093	0.993	0.986	1.005	1.006	0.999	1.003	0.986	1.001	0.987	0.982	1.012	1.024
Claim-Weighted													
Averages													
3-yr	1.028	0.910	0.885	1.000	1.034	1.000	1.000	0.981	1.000	0.991	1.008	1.047	1.066
4-yr	1.036	0.938	0.925	1.005	1.027	1.000	1.014	0.986	1.020	0.994	1.006	1.040	1.049
CSAC													
Factors	1.281	1.030	1.008	1.006	1.005	1.004	1.004	1.002	1.001	1.001	1.000	1.001	1.000
Prior	1.125	1.015	1.010	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.125	1.015	1.010	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	1.159	1.030	1.015	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Trindel Insurance Fund - Property  
Closed Claim Development

Accident Year	Claims Closed as of:												
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months
1999-2000	34	50	52	52	52	52	52	52	52	52	52	52	52
2000-2001	34	47	48	48	48	48	48	48	48	48	48	49	49
2001-2002	28	50	50	50	50	50	50	50	50	52	52	52	48
2002-2003	42	58	59	59	59	59	59	59	63	63	63	50	50
2003-2004	41	53	55	56	56	57	56	56	56	56	48	48	48
2004-2005	24	51	54	55	55	55	51	51	51	46	46	46	47
2005-2006	28	46	46	47	47	47	47	47	38	38	39	39	47
2006-2007	30	45	44	44	42	42	42	42	42	42	42	42	43
2007-2008	34	45	45	42	42	42	44	43	43	46	45	45	43
2008-2009	29	34	38	38	38	36	36	37	37	37	37	37	
2009-2010	19	29	30	30	32	31	33	35	33	33	33		
2010-2011	26	35	36	33	33	34	34	34	34	34			
2011-2012	22	33	33	33	34	34	34	34	34				
2012-2013	29	30	33	35	36	43	43	43					
2013-2014	11	31	48	54	54	54	54						
2014-2015	22	54	61	59	59	57							
2015-2016	13	38	39	39	39								
2016-2017	41	84	89	70									
2017-2018	56	72	53										
2018-2019	74	58											
2019-2020	18												

Closed Claim Count Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months	132-144 Months	144-156 Months	156-168 Months
1999-2000	1.471	1.040	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000-2001	1.382	1.021	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.021	1.000	1.000	1.000
2001-2002	1.786	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.040	1.000	1.000	0.923	1.000
2002-2003	1.381	1.017	1.000	1.000	1.000	1.000	1.000	1.068	1.000	1.000	0.794	1.000	1.000
2003-2004	1.293	1.038	1.018	1.000	1.018	0.982	1.000	1.000	1.000	0.857	1.000	1.000	1.000
2004-2005	2.125	1.059	1.019	1.000	1.000	0.927	1.000	1.000	0.902	1.000	1.000	1.022	1.191
2005-2006	1.643	1.000	1.022	1.000	1.000	1.000	1.000	0.809	1.000	1.026	1.000	1.205	1.000
2006-2007	1.500	0.978	1.000	0.955	1.000	1.000	1.000	1.000	1.000	1.000	1.024	1.000	1.000
2007-2008	1.324	1.000	0.933	1.000	1.000	1.048	0.977	1.000	1.070	0.978	1.000	0.956	
2008-2009	1.172	1.118	1.000	1.000	0.947	1.000	1.028	1.000	1.000	1.000	1.000		
2009-2010	1.526	1.034	1.000	1.067	0.969	1.065	1.061	0.943	1.000	1.000			
2010-2011	1.346	1.029	0.917	1.000	1.030	1.000	1.000	1.000	1.000				
2011-2012	1.500	1.000	1.000	1.030	1.000	1.000	1.000	1.000					
2012-2013	1.034	1.100	1.061	1.029	1.194	1.000	1.000						
2013-2014	2.818	1.548	1.125	1.000	1.000	1.000							
2014-2015	2.455	1.130	0.967	1.000	0.966								
2015-2016	2.923	1.026	1.000	1.000									
2016-2017	2.049	1.060	0.787										
2017-2018	1.286	0.736											
2018-2019	0.784												
Average	1.640	1.049	0.992	1.005	1.008	1.001	1.005	0.986	1.001	0.989	0.982	1.012	1.024
Claim-Weighted													
Averages													
3-yr	1.251	0.933	0.889	1.000	1.034	1.000	1.000	0.981	1.000	0.991	1.008	1.047	1.066
4-yr	1.370	0.976	0.937	1.005	1.027	1.000	1.014	0.986	1.020	0.994	1.006	1.040	1.049
CSAC													
Factors	2.274	1.180	1.066	1.038	1.026	1.019	1.015	1.012	1.011	1.009	1.007	1.006	1.004
Prior	1.955	1.125	1.025	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.955	1.125	1.025	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	2.266	1.159	1.030	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Trindel Insurance Fund - Property

Loss Trend Factors

Accident Year	Benefit Level Factor (A)	Factor to 2020-2021 Loss Rate Level (B)	Factor to 2021-2022 Loss Rate Level (C)	Factor to 2022-2023 Loss Rate Level (D)	Factor to 2023-2024 Loss Rate Level (E)	Factor to 2020-2021 Frequency Level (F)	Factor to 2021-2022 Frequency Level (G)	Factor to 2022-2023 Frequency Level (H)	Factor to 2023-2024 Frequency Level (I)	Factor to 2020-2021 Severity Level (J)
1999-2000	1.000	1.516	1.546	1.576	1.608	1.516	1.546	1.576	1.608	1.000
2000-2001	1.000	1.485	1.515	1.545	1.576	1.485	1.515	1.545	1.576	1.000
2001-2002	1.000	1.456	1.486	1.515	1.545	1.456	1.486	1.515	1.545	1.000
2002-2003	1.000	1.428	1.457	1.485	1.515	1.428	1.457	1.485	1.515	1.000
2003-2004	1.000	1.400	1.428	1.456	1.485	1.400	1.428	1.456	1.485	1.000
2004-2005	1.000	1.372	1.400	1.427	1.456	1.372	1.400	1.427	1.456	1.000
2005-2006	1.000	1.345	1.372	1.399	1.427	1.345	1.372	1.399	1.427	1.000
2006-2007	1.000	1.319	1.345	1.372	1.399	1.319	1.345	1.372	1.399	1.000
2007-2008	1.000	1.293	1.319	1.345	1.372	1.293	1.319	1.345	1.372	1.000
2008-2009	1.000	1.268	1.293	1.319	1.345	1.268	1.293	1.319	1.345	1.000
2009-2010	1.000	1.243	1.268	1.293	1.319	1.243	1.268	1.293	1.319	1.000
2010-2011	1.000	1.219	1.243	1.268	1.293	1.219	1.243	1.268	1.293	1.000
2011-2012	1.000	1.195	1.219	1.243	1.268	1.195	1.219	1.243	1.268	1.000
2012-2013	1.000	1.172	1.195	1.219	1.243	1.172	1.195	1.219	1.243	1.000
2013-2014	1.000	1.149	1.172	1.195	1.219	1.149	1.172	1.195	1.219	1.000
2014-2015	1.000	1.126	1.149	1.172	1.195	1.126	1.149	1.172	1.195	1.000
2015-2016	1.000	1.105	1.127	1.149	1.172	1.105	1.127	1.149	1.172	1.000
2016-2017	1.000	1.083	1.105	1.126	1.149	1.083	1.105	1.126	1.149	1.000
2017-2018	1.000	1.061	1.083	1.104	1.126	1.061	1.083	1.104	1.126	1.000
2018-2019	1.000	1.041	1.062	1.082	1.104	1.041	1.062	1.082	1.104	1.000
2019-2020	1.000	1.020	1.040	1.061	1.082	1.020	1.040	1.061	1.082	1.000
2020-2021	1.000	1.000	1.020	1.040	1.061	1.000	1.020	1.040	1.061	1.000
2021-2022	1.000	--	1.000	1.020	1.040	--	1.000	1.020	1.040	--
2022-2023	1.000	--	--	1.000	1.020	--	--	1.000	1.020	--
2023-2024	1.000	--	--	--	1.000	--	--	--	1.000	--

Notes:

- (A) No benefit level adjustment applied.
- (B) - (E) (A) adjusted for a 2.0% annual loss rate trend.
- (F) - (I) (A) adjusted for a 2.0% annual frequency trend.
- (J) (A) adjusted for a 0.0% annual severity trend.

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

Trindel Insurance Fund - Property

Residual Trend Factors

Accident Year	Initial Estimate of Ultimate Limited Losses (A)	Ultimate Reported Claims (B)	BLF (C)	Adjusted Limited Severity (D)	Trended Value - TIV (\$00) (E)	Ultimate Frequency (F)
1999-2000	\$125,396	52	1.000	2,411	4,040,378	0.129
2000-2001	104,959	48	1.000	2,187	4,541,047	0.106
2001-2002	220,108	50	1.000	4,402	5,380,506	0.093
2002-2003	308,039	58	1.000	5,311	5,333,588	0.109
2003-2004	241,404	57	1.000	4,235	5,441,665	0.105
2004-2005	404,010	54	1.000	7,482	5,413,776	0.100
2005-2006	380,813	47	1.000	8,102	6,965,798	0.067
2006-2007	381,722	43	1.000	8,877	7,159,339	0.060
2007-2008	360,519	43	1.000	8,384	7,371,152	0.058
2008-2009	347,318	37	1.000	9,387	7,459,631	0.050
2009-2010	304,584	33	1.000	9,230	7,581,355	0.044
2010-2011	215,256	34	1.000	6,331	8,625,281	0.039
2011-2012	180,908	34	1.000	5,321	8,963,322	0.038
2012-2013	300,997	43	1.000	7,000	8,936,597	0.048
2013-2014	300,598	54	1.000	5,567	8,904,557	0.061
2014-2015	341,708	57	1.000	5,995	8,872,196	0.064
2015-2016	325,748	39	1.000	8,353	8,954,688	0.044
2016-2017	504,273	70	1.000	7,204	9,123,545	0.077
2017-2018	358,000	54	1.000	6,630	8,905,864	0.061
2018-2019	297,000	62	1.000	4,790	8,696,176	0.071
2019-2020	275,000	43	1.000	6,395	9,904,477	0.043

Severity Trend Factors

Frequency Trend Factors

Latest 10 x 2019-2020	0.979	1.067
Mvg 5-Yr Wtd Latest 10 x 2019-2020	0.966	1.028
Latest 5 x 2019-2020	0.934	1.055
Mvg 5-Yr Wtd Latest 5 x 2019-2020	1.019	1.067
Prior	1.030	1.010
Default	1.030	0.975
Selected Residual Trend	1.000	1.020

Notes:

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

Trindel Insurance Fund - Property

Outstanding Liability for  
Unallocated Loss Adjustment Expenses  
as of 6/30/20

Fiscal Year (A)	Number of Claims Active During Fiscal Year (B)	Average ULAE Charge per Active Claim (C)	Inflation Trend Factor (D)	Trended ULAE Charge per Active Claim (E)	ULAE Paid During Year (F)
2020-2021	28.0	\$264	1.000	\$264	\$7,392
2021-2022	6.3	264	1.050	277	1,745
2022-2023	1.6	264	1.103	291	466
2023-2024	0.0	264	1.158	306	0
2024-2025	0.0	264	1.216	321	0
2025-2026	0.0	264	1.277	337	0
2026-2027	0.0	264	1.341	354	0
2027-2028	0.0	264	1.408	372	0
2028-2029	0.0	264	1.478	390	0
2029-2030	0.0	264	1.552	410	0
2030-2031	0.0	264	1.630	430	0
2031-2032	0.0	264	1.712	452	0
2032-2033	0.0	264	1.798	475	0
2033-2034	0.0	264	1.888	498	0
2034-2035	0.0	264	1.982	523	0
2035-2036	0.0	264	2.081	549	0
2036-2037	0.0	264	2.185	577	0
2037-2038	0.0	264	2.294	606	0

(G) Total ULAE Outstanding as of 6/30/20: \$9,603

Notes:

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

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

Trindel Insurance Fund - Property

Outstanding Liability for  
Unallocated Loss Adjustment Expenses  
as of 6/30/21

Fiscal Year (A)	Number of Claims Active During Fiscal Year (B)	Average ULAE Charge per Active Claim (C)	Inflation Trend Factor (D)	Trended ULAE Charge per Active Claim (E)	ULAE Paid During Year (F)
2021-2022	42.6	\$264	1.050	\$277	\$11,800
2022-2023	10.0	264	1.103	291	2,910
2023-2024	2.0	264	1.158	306	612
2024-2025	0.0	264	1.216	321	0
2025-2026	0.0	264	1.277	337	0
2026-2027	0.0	264	1.341	354	0
2027-2028	0.0	264	1.408	372	0
2028-2029	0.0	264	1.478	390	0
2029-2030	0.0	264	1.552	410	0
2030-2031	0.0	264	1.630	430	0
2031-2032	0.0	264	1.712	452	0
2032-2033	0.0	264	1.798	475	0
2033-2034	0.0	264	1.888	498	0
2034-2035	0.0	264	1.982	523	0
2035-2036	0.0	264	2.081	549	0
2036-2037	0.0	264	2.185	577	0
2037-2038	0.0	264	2.294	606	0
2038-2039	0.0	264	2.409	636	0

(G) Total ULAE Outstanding as of 6/30/21: \$15,322

Notes:

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

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

Trindel Insurance Fund - Property

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of 6/30/2020</u>	<u>Calendar Period</u>	
		<u>7/1/2020 to 6/30/2021</u>	<u>7/1/2021 to 6/30/2022</u>
Prior			
Ultimate Loss	\$999,906	\$999,906	\$999,906
Paid in Calendar Period	-		
Paid to Date	999,906	999,906	999,906
Outstanding Liability			
2004-2005			
Ultimate Loss	\$404,010	\$404,010	\$404,010
Paid in Calendar Period	-		
Paid to Date	404,010	404,010	404,010
Outstanding Liability			
2005-2006			
Ultimate Loss	\$380,813	\$380,813	\$380,813
Paid in Calendar Period	-		
Paid to Date	380,813	380,813	380,813
Outstanding Liability			
2006-2007			
Ultimate Loss	\$381,722	\$381,722	\$381,722
Paid in Calendar Period	-		
Paid to Date	381,722	381,722	381,722
Outstanding Liability			
2007-2008			
Ultimate Loss	\$360,519	\$360,519	\$360,519
Paid in Calendar Period	-		
Paid to Date	360,519	360,519	360,519
Outstanding Liability			
2008-2009			
Ultimate Loss	\$347,318	\$347,318	\$347,318
Paid in Calendar Period	-		
Paid to Date	347,318	347,318	347,318
Outstanding Liability			
2009-2010			
Ultimate Loss	\$304,584	\$304,584	\$304,584
Paid in Calendar Period	-		
Paid to Date	304,584	304,584	304,584
Outstanding Liability			
2010-2011			
Ultimate Loss	\$215,256	\$215,256	\$215,256
Paid in Calendar Period	-		
Paid to Date	215,256	215,256	215,256
Outstanding Liability			

Trindel Insurance Fund - Property

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of 6/30/2020</u>	<u>Calendar Period</u>	
		<u>7/1/2020 to 6/30/2021</u>	<u>7/1/2021 to 6/30/2022</u>
2011-2012			
Ultimate Loss	\$180,908	\$180,908	\$180,908
Paid in Calendar Period	-		
Paid to Date	180,908	180,908	180,908
Outstanding Liability			
2012-2013			
Ultimate Loss	\$300,997	\$300,997	\$300,997
Paid in Calendar Period	-		
Paid to Date	300,997	300,997	300,997
Outstanding Liability			
2013-2014			
Ultimate Loss	\$300,598	\$300,598	\$300,598
Paid in Calendar Period	-		
Paid to Date	300,598	300,598	300,598
Outstanding Liability			
2014-2015			
Ultimate Loss	\$341,708	\$341,708	\$341,708
Paid in Calendar Period	-		
Paid to Date	341,708	341,708	341,708
Outstanding Liability			
2015-2016			
Ultimate Loss	\$325,748	\$325,748	\$325,748
Paid in Calendar Period	-		
Paid to Date	325,748	325,748	325,748
Outstanding Liability			
2016-2017			
Ultimate Loss	\$504,273	\$504,273	\$504,273
Paid in Calendar Period	-		
Paid to Date	504,273	504,273	504,273
Outstanding Liability			
2017-2018			
Ultimate Loss	\$358,000	\$358,000	\$358,000
Paid in Calendar Period	-	1,862	946
Paid to Date	355,002	356,864	357,810
Outstanding Liability	2,998	1,136	190
2018-2019			
Ultimate Loss	\$297,000	\$297,000	\$297,000
Paid in Calendar Period	-	10,988	3,197
Paid to Date	280,865	291,853	295,050
Outstanding Liability	16,135	5,147	1,950

Trindel Insurance Fund - Property

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of 6/30/2020</u>	<u>Calendar Period</u>	
		<u>7/1/2020 to 6/30/2021</u>	<u>7/1/2021 to 6/30/2022</u>
2019-2020			
Ultimate Loss	\$297,000	\$297,000	\$297,000
Paid in Calendar Period	-	103,107	10,492
Paid to Date	178,487	281,594	292,086
Outstanding Liability	118,513	15,406	4,914
2020-2021			
Ultimate Loss	-	\$386,000	\$386,000
Paid in Calendar Period	-	238,934	127,947
Paid to Date	-	238,934	366,881
Outstanding Liability	-	147,066	19,119
2021-2022			
Ultimate Loss	-	-	\$406,000
Paid in Calendar Period	-	-	251,314
Paid to Date	-	-	251,314
Outstanding Liability	-	-	154,686
Totals			
Ultimate Loss	\$6,300,360	\$6,686,360	\$7,092,360
Paid in Calendar Period	-	354,891	393,896
Paid to Date	6,162,713	6,517,604	6,911,500
Outstanding Liability	137,647	168,756	180,860
Total Outstanding ULAE	9,603	15,322	18,002
Outstanding Liability plus ULAE	147,250	184,078	198,862

Notes appear on the next page.

Trindel Insurance Fund - Property

Payment and Reserve Forecast

Notes to previous page:

- Accident Year is associated with date of loss. Calendar Period is associated with date of transaction. For example, for the losses which occurred during 2018-2019, \$10,988 is expected to be paid between 7/1/20 and 6/30/21, \$291,853 will have been paid by 6/30/21, and the reserve for remaining payments on these claims should be \$5,147.
- Ultimate Losses for each accident year are from Exhibit 4- PR, Page 1.
- Paid in Calendar Period is a proportion of the Outstanding Liability from the previous calendar period. These proportions are derived from the paid loss development pattern selected in Appendix B. For example,  $\$3,197 = \$5,147 \times 62.1\%$ .
- Paid to Date is Paid in Calendar Period plus Paid to Date from previous calendar period. For example,  $\$295,050 = \$3,197 + \$291,853$ .
- Outstanding Liability is Ultimate Loss minus Paid to Date. For example,  $\$5,147 = \$297,000 - \$291,853$ .

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

## Trindel Insurance Fund - Property

## Short- and Long-Term Liabilities

<u>Liabilities as of 6/30/20:</u>		<u>Expected</u>	<u>Discounted</u>
<u>Current (Short Term)</u>	Loss and ALAE:	\$115,957	\$115,957
	ULAE:	7,392	7,392
	Short-Term Loss and LAE:	<u>\$123,349</u>	<u>\$123,349</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$21,690	\$21,689
	ULAE:	2,211	2,211
	Long-Term Loss and LAE:	<u>\$23,901</u>	<u>\$23,900</u>
<u>Total Liability</u>	Loss and ALAE:	\$137,647	\$137,646
	ULAE:	9,603	9,603
	Total Loss and LAE:	<u>\$147,250</u>	<u>\$147,249</u>
<u>Liabilities as of 6/30/21:</u>			
<u>Current (Short Term)</u>	Loss and ALAE:	\$142,582	\$142,582
	ULAE:	11,800	11,800
	Short-Term Loss and LAE:	<u>\$154,382</u>	<u>\$154,382</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$26,174	\$26,173
	ULAE:	3,522	3,522
	Long-Term Loss and LAE:	<u>\$29,696</u>	<u>\$29,695</u>
<u>Total Liability</u>	Loss and ALAE:	\$168,756	\$168,755
	ULAE:	15,322	15,322
	Total Loss and LAE:	<u>\$184,078</u>	<u>\$184,077</u>

		<u>Discounted with a Margin for Contingencies</u>				
		70%	75%	80%	85%	90%
		<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>
<u>Liabilities as of 6/30/20:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$134,046	\$142,047	\$151,324	\$162,920	\$178,226
	ULAE:	8,545	9,055	9,647	10,386	11,362
	Short-Term Loss and LAE:	<u>\$142,591</u>	<u>\$151,102</u>	<u>\$160,971</u>	<u>\$173,306</u>	<u>\$189,588</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$25,073	\$26,569	\$28,304	\$30,473	\$33,336
	ULAE:	2,556	2,709	2,885	3,106	3,398
	Long-Term Loss and LAE:	<u>\$27,629</u>	<u>\$29,278</u>	<u>\$31,189</u>	<u>\$33,579</u>	<u>\$36,734</u>
<u>Total Liability</u>	Loss and ALAE:	\$159,119	\$168,616	\$179,628	\$193,393	\$211,562
	ULAE:	11,101	11,764	12,532	13,492	14,760
	Total Loss and LAE:	<u>\$170,220</u>	<u>\$180,380</u>	<u>\$192,160</u>	<u>\$206,885</u>	<u>\$226,322</u>
<u>Liabilities as of 6/30/21:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$164,825	\$174,663	\$186,070	\$200,328	\$219,149
	ULAE:	13,641	14,455	15,399	16,579	18,137
	Short-Term Loss and LAE:	<u>\$178,466</u>	<u>\$189,118</u>	<u>\$201,469</u>	<u>\$216,907</u>	<u>\$237,286</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$30,256	\$32,062	\$34,155	\$36,773	\$40,227
	ULAE:	4,071	4,314	4,596	4,948	5,413
	Long-Term Loss and LAE:	<u>\$34,327</u>	<u>\$36,376</u>	<u>\$38,751</u>	<u>\$41,721</u>	<u>\$45,640</u>
<u>Total Liability</u>	Loss and ALAE:	\$195,081	\$206,725	\$220,225	\$237,101	\$259,376
	ULAE:	17,712	18,769	19,995	21,527	23,550
	Total Loss and LAE:	<u>\$212,793</u>	<u>\$225,494</u>	<u>\$240,220</u>	<u>\$258,628</u>	<u>\$282,926</u>

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

Trindel Insurance Fund - Property

Discount Factors to be Applied to Overall Reserves

Accident Year	Full Value of Reserve at 6/30/20 (A)	Discount Factor (B)	Discounted Reserve at 6/30/20 (C)	Full Value of Reserve at 6/30/21 (D)	Discount Factor (E)	Discounted Reserve at 6/30/21 (F)
1999-2000	\$0	1.000	\$0	\$0	1.000	\$0
2000-2001	0	1.000	0	0	1.000	0
2001-2002	0	1.000	0	0	1.000	0
2002-2003	0	1.000	0	0	1.000	0
2003-2004	0	1.000	0	0	1.000	0
2004-2005	0	1.000	0	0	1.000	0
2005-2006	0	1.000	0	0	1.000	0
2006-2007	0	1.000	0	0	1.000	0
2007-2008	0	1.000	0	0	1.000	0
2008-2009	0	1.000	0	0	1.000	0
2009-2010	0	1.000	0	0	1.000	0
2010-2011	0	1.000	0	0	1.000	0
2011-2012	0	1.000	0	0	1.000	0
2012-2013	0	1.000	0	0	1.000	0
2013-2014	0	1.000	0	0	1.000	0
2014-2015	0	1.000	0	0	1.000	0
2015-2016	0	1.000	0	0	1.000	0
2016-2017	0	1.000	0	0	1.000	0
2017-2018	2,998	1.000	2,998	1,136	1.000	1,136
2018-2019	16,135	1.000	16,135	5,147	1.000	5,147
2019-2020	118,513	1.000	118,513	15,406	1.000	15,406
2020-2021				147,066	1.000	147,066
Totals	\$137,647		\$137,646	\$168,756		\$168,755

(G) Discount Factor at 6/30/20 for Overall Reserve: 1.000  
(H) Discount Factor at 6/30/21 for Overall Reserve: 1.000

Notes:

- (A) From Appendix G- PR, Outstanding Liability at 6/30/20.
- (B) Based on Appendix I- PR, Page 2, Column (F).
- (C) (A) x (B).
- (D) From Appendix G- PR, Outstanding Liability at 6/30/21.
- (E) Based on Appendix I- PR, Page 2, Column (F).
- (F) (D) x (E).
- (G) Total of (C) / Total of (A).
- (H) Total of (F) / Total of (D).

This exhibit shows the expected impact of anticipated investment income on the liability for outstanding claims at the date of evaluation and the end of the current fiscal year. For example, if the discount factor in item (G) is 1.000, the discounted liability for outstanding claims is 100.0% of the full value.

Trindel Insurance Fund - Property

Calculation of Discount Factors

Payment Year (A)	Payment Pattern (B)	Return on Investment (C)	Discounted Reserves (D)	Undiscounted Reserves (E)	Discount Factor (F)
22	0.0%	0.00%	0.000	0.000	1.000
21	0.0%	0.00%	0.000	0.000	1.000
20	0.0%	0.00%	0.000	0.000	1.000
19	0.0%	0.00%	0.000	0.000	1.000
18	0.0%	0.00%	0.000	0.000	1.000
17	0.0%	0.00%	0.000	0.000	1.000
16	0.0%	0.00%	0.000	0.000	1.000
15	0.0%	0.00%	0.000	0.000	1.000
14	0.0%	0.00%	0.000	0.000	1.000
13	0.0%	0.00%	0.000	0.000	1.000
12	0.0%	0.00%	0.000	0.000	1.000
11	0.0%	0.00%	0.000	0.000	1.000
10	0.0%	0.00%	0.000	0.000	1.000
9	0.0%	0.00%	0.000	0.000	1.000
8	0.0%	0.00%	0.000	0.000	1.000
7	0.0%	0.00%	0.000	0.000	1.000
6	0.1%	0.00%	0.001	0.001	1.000
5	0.5%	0.00%	0.006	0.006	1.000
4	1.0%	0.00%	0.016	0.016	1.000
3	3.4%	0.00%	0.049	0.049	1.000
2	33.1%	0.00%	0.381	0.381	1.000
1	61.9%	0.00%	1.000	1.000	1.000
(G) Discount Factor for Future Funding:				2020-2021	1.000
				2021-2022	1.000

Notes:

- (A) This is the year of payment relative to the accident year. For example, year 7 refers to payments made in the seventh year after the inception of the accident year. We assume that payments are made at midyear.
- (B) Percent of ultimate loss paid this year. This payment pattern is based on the paid loss development pattern selected in Appendix B- PR, Page 2.
- (C) Assumed Investment Income Rates.
- (D) Discounted Reserves at the beginning of this year is next year's Discounted Reserves discounted one year plus this year's payments discounted six months. For example, in year 2,  $38.1\% = [4.9\% / 1.000] + [33.1\% / (1.000)]$ .
- (E) Summation of future (B) values. This is the percent of ultimate loss unpaid at the beginning of the year.
- (F) (D) / (E).
- (G) (F) at year 1, with interest accumulated for six months. We assume that the required funding is deposited at the middle of the first year.

This exhibit shows the calculation of the effect of anticipated investment income on future claims costs. Thus, if the discount factor in item (F) is 1.00, on a discounted basis, \$1.00 must be budgeted for every \$1 that will actually be paid on claims that will be incurred in the next fiscal year.

## Trindel Insurance Fund - Property

## Confidence Level Table

Probability	Projected Losses	Outstanding Losses
95%	1.849	1.756
90%	1.597	1.537
85%	1.445	1.405
80%	1.332	1.305
75%	1.241	1.225
70%	1.164	1.156
65%	1.096	1.096
60%	1.035	1.040
55%	0.979	0.989
50%	0.925	0.941
45%	0.875	0.894
40%	0.825	0.849
35%	0.776	0.803
30%	0.727	0.757
25%	0.675	0.708

To read table: For the above retention, there is a 90% chance that final loss settlements will be less than 1.597 times the average expected amount of losses.

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

Trindel Insurance Fund - Property

Program History

Policy Year Start Date	Policy Year End Date	Policy Year	Self-Insured Retention	
			Per Occurrence	Aggregate
7/1/1999	6/30/2000	1999-2000	\$25,000	(none)
7/1/2000	6/30/2001	2000-2001	25,000	(none)
7/1/2001	6/30/2002	2001-2002	25,000	(none)
7/1/2002	6/30/2003	2002-2003	25,000	(none)
7/1/2003	6/30/2004	2003-2004	25,000	(none)
7/1/2004	6/30/2005	2004-2005	25,000	(none)
7/1/2005	6/30/2006	2005-2006	25,000	(none)
7/1/2006	6/30/2007	2006-2007	25,000	(none)
7/1/2007	6/30/2008	2007-2008	25,000	(none)
7/1/2008	6/30/2009	2008-2009	25,000	(none)
7/1/2009	6/30/2010	2009-2010	25,000	(none)
7/1/2010	6/30/2011	2010-2011	25,000	(none)
7/1/2011	6/30/2012	2011-2012	25,000	(none)
7/1/2012	6/30/2013	2012-2013	25,000	(none)
7/1/2013	6/30/2014	2013-2014	25,000	(none)
7/1/2014	6/30/2015	2014-2015	25,000	(none)
7/1/2015	6/30/2016	2015-2016	25,000	(none)
7/1/2016	6/30/2017	2016-2017	25,000	(none)
7/1/2017	6/30/2018	2017-2018	25,000	(none)
7/1/2018	6/30/2019	2018-2019	25,000	(none)
7/1/2019	6/30/2020	2019-2020	25,000	(none)
7/1/2020	6/30/2021	2020-2021	25,000	(none)
7/1/2021	6/30/2022	2021-2022	25,000	(none)

Third Party Claims Administrator	Begin Date	End Date
Self-Administered	7/1/2016	Present
George Hills Co.	8/1/2002	6/30/2016
Rooney & Anderson	7/1/1981	7/31/2002

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

## Trindel Insurance Fund - Property

## Estimated Total Assets as of 6/30/21

(A) <u>Total Assets as of 6/30/20:</u>	\$719,000
(B) <u>Total Income to Fund during 2020-2021</u>	
Contributions:	\$1,416,000
Interest:	400
Other:	0
Total Income:	<u>\$1,416,400</u>
(C) <u>Total Payments from Fund during 2020-2021</u>	
Loss and ALAE:	\$367,000
Additional Allocated Loss Adjustment Expense:	0
In-House Unallocated Loss Adjustment Expense:	57,000
Fees to Outside Administrator (TPA):	0
Excess Insurance:	1,000,000
Other:	30,000
Total Payments:	<u>\$1,454,000</u>
(D) <u>Estimated Total Assets as of 6/30/21:</u>	\$681,400

## Notes:

- (A) Provided by the Fund.
- (B) Provided by the Fund.
- (C) Provided by the Fund.
- (D) (A) + (B) - (C).

Trindel Insurance Fund - Property

Incurred Losses as of 6/30/20

Accident Year (A)	Unlimited Incurred (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Incurred (E)	Incurred Over SIR (F)	Incurred Capped at SIR (G)	Incurred Capped at SIR & Aggregate (H)
1999-2000	\$117,410	\$0	\$0	\$117,410	-\$7,986	\$125,396	\$125,396
2000-2001	116,116	0	0	116,116	11,157	104,959	104,959
2001-2002	222,593	0	0	222,593	2,485	220,108	220,108
2002-2003	579,354	0	0	579,354	271,315	308,039	308,039
2003-2004	616,765	0	0	616,765	375,361	241,404	241,404
2004-2005	693,615	0	0	693,615	289,605	404,010	404,010
2005-2006	1,321,664	0	0	1,321,664	940,851	380,813	380,813
2006-2007	793,481	0	0	793,481	411,759	381,722	381,722
2007-2008	587,053	0	0	587,053	226,534	360,519	360,519
2008-2009	543,923	0	0	543,923	196,606	347,318	347,318
2009-2010	556,348	0	0	556,348	251,763	304,584	304,584
2010-2011	412,261	0	0	412,261	197,005	215,256	215,256
2011-2012	246,236	0	0	246,236	65,328	180,908	180,908
2012-2013	484,950	0	0	484,950	183,953	300,997	300,997
2013-2014	777,378	0	0	777,378	476,781	300,598	300,598
2014-2015	845,741	0	0	845,741	504,032	341,708	341,708
2015-2016	3,027,717	0	1,740	3,025,977	2,700,230	325,748	325,748
2016-2017	1,846,883	0	24,004	1,822,878	1,318,605	504,273	504,273
2017-2018	1,369,706	0	39,161	1,330,546	975,543	355,002	355,002
2018-2019	836,272	0	32,567	803,706	510,567	293,138	293,138
2019-2020	953,688	0	4,993	948,695	687,380	261,315	261,315
2020-2021	0	0	0	0	0	0	0
Total	\$16,949,154	\$0	\$102,465	\$16,846,689	\$10,588,874	\$6,257,815	\$6,257,815

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Fund.
- (C)
- (D) Subrogation recoveries.
- (E) (B) + (C) - (D).
- (F) Sum of incurred losses in excess of SIR.
- (G) Sum of incurred losses in excess of \$25,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (G) and the aggregate stop loss. See Appendix K- PR.

Trindel Insurance Fund - Property

Paid Losses as of 6/30/20

Accident Year (A)	Unlimited Paid (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Paid (E)	Paid Over SIR (F)	Paid Capped at SIR (G)	Paid Capped at SIR & Aggregate (H)
1999-2000	\$117,410	\$0	\$0	\$117,410	-\$7,986	\$125,396	\$125,396
2000-2001	116,116	0	0	116,116	11,157	104,959	104,959
2001-2002	222,593	0	0	222,593	2,485	220,108	220,108
2002-2003	579,354	0	0	579,354	271,315	308,039	308,039
2003-2004	616,765	0	0	616,765	375,361	241,404	241,404
2004-2005	693,615	0	0	693,615	289,605	404,010	404,010
2005-2006	1,321,664	0	0	1,321,664	940,851	380,813	380,813
2006-2007	793,481	0	0	793,481	411,759	381,722	381,722
2007-2008	587,053	0	0	587,053	226,534	360,519	360,519
2008-2009	543,923	0	0	543,923	196,606	347,318	347,318
2009-2010	556,348	0	0	556,348	251,763	304,584	304,584
2010-2011	412,261	0	0	412,261	197,005	215,256	215,256
2011-2012	246,236	0	0	246,236	65,328	180,908	180,908
2012-2013	484,950	0	0	484,950	183,953	300,997	300,997
2013-2014	777,378	0	0	777,378	476,781	300,598	300,598
2014-2015	845,741	0	0	845,741	504,032	341,708	341,708
2015-2016	2,249,463	0	1,740	2,247,723	1,921,975	325,748	325,748
2016-2017	1,846,883	0	24,004	1,822,878	1,318,605	504,273	504,273
2017-2018	1,369,706	0	39,161	1,330,546	975,543	355,002	355,002
2018-2019	801,999	0	32,567	769,432	488,567	280,865	280,865
2019-2020	423,695	0	4,993	418,702	240,215	178,487	178,487
2020-2021	0	0	0	0	0	0	0
Total	\$15,606,633	\$0	\$102,465	\$15,504,168	\$9,341,455	\$6,162,713	\$6,162,713

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Fund.
- (C)
- (D) Subrogation recoveries.
- (E) (B) + (C) - (D).
- (F) Sum of paid losses in excess of SIR.
- (G) Sum of paid losses in excess of \$25,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (G) and the aggregate stop loss. See Appendix K- PR.

Trindel Insurance Fund - Property

Case Reserves as of 6/30/20

Accident Year (A)	Unlimited Reserves (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Reserves (E)	Reserves Over SIR (F)	Reserves Capped at SIR (G)	Reserves Capped at SIR & Aggregate (H)
1999-2000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2000-2001	0	0	0	0	0	0	0
2001-2002	0	0	0	0	0	0	0
2002-2003	0	0	0	0	0	0	0
2003-2004	0	0	0	0	0	0	0
2004-2005	0	0	0	0	0	0	0
2005-2006	0	0	0	0	0	0	0
2006-2007	0	0	0	0	0	0	0
2007-2008	0	0	0	0	0	0	0
2008-2009	0	0	0	0	0	0	0
2009-2010	0	0	0	0	0	0	0
2010-2011	0	0	0	0	0	0	0
2011-2012	0	0	0	0	0	0	0
2012-2013	0	0	0	0	0	0	0
2013-2014	0	0	0	0	0	0	0
2014-2015	0	0	0	0	0	0	0
2015-2016	778,255	0	0	778,255	778,255	0	0
2016-2017	0	0	0	0	0	0	0
2017-2018	0	0	0	0	0	0	0
2018-2019	34,274	0	0	34,274	22,000	12,274	12,274
2019-2020	529,993	0	0	529,993	447,165	82,828	82,828
2020-2021	0	0	0	0	0	0	0
Total	\$1,342,521	\$0	\$0	\$1,342,521	\$1,247,419	\$95,102	\$95,102

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Appendix M- PR, Page 1, Column (B) - Appendix M- PR, Page 2, Column (B).
- (C) Appendix M- PR, Page 1, Column (C) - Appendix M- PR, Page 2, Column (C).
- (D) Appendix M- PR, Page 1, Column (D) - Appendix M- PR, Page 2, Column (D).
- (E) (B) + (C) - (D).
- (F) Sum of case reserves in excess of SIR.
- (G) Sum of case reserves in excess of \$25,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (G) and the aggregate stop loss. See Appendix K- PR.

Trindel Insurance Fund - Property

Claim Counts as of 6/30/20

Accident Year (A)	Reported Claims (B)	Additions to Reported Claims (C)	Subtractions from Reported Claims (D)	Adjusted Reported Claims (E)	Closed Claims (F)	Additions to Closed Claims (G)	Subtractions from Closed Claims (H)	Adjusted Closed Claims (I)	Open Claims (J)	Adjusted Open Claims (K)
1999-2000	52	0	0	52	52	0	0	52	0	0
2000-2001	48	0	0	48	48	0	0	48	0	0
2001-2002	50	0	0	50	50	0	0	50	0	0
2002-2003	58	0	0	58	58	0	0	58	0	0
2003-2004	57	0	0	57	57	0	0	57	0	0
2004-2005	55	0	1	54	55	0	1	54	0	0
2005-2006	47	0	0	47	47	0	0	47	0	0
2006-2007	43	0	0	43	43	0	0	43	0	0
2007-2008	44	0	1	43	44	0	1	43	0	0
2008-2009	37	0	0	37	37	0	0	37	0	0
2009-2010	33	0	0	33	33	0	0	33	0	0
2010-2011	34	0	0	34	34	0	0	34	0	0
2011-2012	34	0	0	34	34	0	0	34	0	0
2012-2013	43	0	0	43	43	0	0	43	0	0
2013-2014	54	0	0	54	54	0	0	54	0	0
2014-2015	58	0	1	57	58	0	1	57	0	0
2015-2016	40	0	0	40	39	0	0	39	1	1
2016-2017	80	0	10	70	80	0	10	70	0	0
2017-2018	63	0	10	53	63	0	10	53	0	0
2018-2019	68	0	8	60	66	0	8	58	2	2
2019-2020	42	0	3	39	21	0	3	18	21	21
2020-2021	0	0	0	0	0	0	0	0	0	0
Total	1,040	0	34	1,006	1,016	0	34	982	24	24

Notes:

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

## Trindel Insurance Fund - Property

## Exposure Measures

Accident Year	Total Insured Value - TIV (\$00) (A)	Inflation Trend Factor (B)	Trended TIV (\$00) (C)
1999-2000	\$2,406,419	1.679	\$4,040,378
2000-2001	2,772,312	1.638	4,541,047
2001-2002	3,367,025	1.598	5,380,506
2002-2003	3,421,160	1.559	5,333,588
2003-2004	3,577,689	1.521	5,441,665
2004-2005	3,648,097	1.484	5,413,776
2005-2006	4,810,634	1.448	6,965,798
2006-2007	5,066,765	1.413	7,159,339
2007-2008	5,345,288	1.379	7,371,152
2008-2009	5,546,194	1.345	7,459,631
2009-2010	5,778,472	1.312	7,581,355
2010-2011	6,738,501	1.280	8,625,281
2011-2012	7,176,399	1.249	8,963,322
2012-2013	7,331,089	1.219	8,936,597
2013-2014	7,489,114	1.189	8,904,557
2014-2015	7,648,445	1.160	8,872,196
2015-2016	7,910,502	1.132	8,954,688
2016-2017	8,264,081	1.104	9,123,545
2017-2018	8,269,140	1.077	8,905,864
2018-2019	8,274,192	1.051	8,696,176
2019-2020	9,662,904	1.025	9,904,477
2020-2021	9,896,303	1.000	9,896,303
2021-2022	10,144,000	1.000	10,144,000

## Notes:

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



# **Bickmore**

---

# **Actuarial**

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

*Outstanding Liabilities as of June 30, 2020 and June 30, 2021  
Forecast for Program Years 2020-21 and 2021-22*

*Presented to*

**Trindel Insurance Fund**

December 11, 2020





Friday, December 11, 2020

Mr. David Nelson  
Executive Director  
Trindel Insurance Fund  
P.O. Box 2069  
Weaverville, CA 96093

Re: Actuarial Review of the Self-Insured Workers' Compensation Program

Dear Mr. Nelson:

As you requested, we have completed our review of Trindel Insurance Fund's self-insured workers' compensation program. Assuming a banking layer from \$0 to \$300,000 per occurrence, we estimate the ultimate cost of claims and expenses for claims incurred during the 2021-22 program year to be \$8,715,000. This amount includes allocated loss adjustment expenses (ALAE) and unallocated loss adjustment expenses (ULAE). ALAE is the direct cost associated with the defense of individual claims (e.g. legal fees, investigation fees, court charges). ULAE is the cost to administer all claims to final settlement, which may be years into the future (e.g. claims adjusters' salaries, taxes). For budgeting purposes, the expected costs of 2021-22 claims translate to a rate of \$3.061 per \$100 of payroll.

In addition, we estimate the program's liability in the banking layer for outstanding claims to be \$26,516,000 and \$28,577,000 as of June 30, 2020 and June 30, 2021, respectively, again including ALAE and ULAE. Given estimated program assets of \$44,880,000 as of June 30, 2020, the program is currently funded above the 90% confidence level.

These estimates are the minimum liabilities to be booked by the Fund at June 30, 2020 and June 30, 2021 for its banking layer workers' compensation program, in accordance with Governmental Accounting Standards Board (GASB) Statement #10. GASB #10 requires the Fund to accrue a liability on its financial statements for the ultimate cost of claims and expenses associated with all reported and unreported claims, including ALAE and ULAE. GASB #10 does not prohibit the discounting of losses to recognize investment income.

Effective July 1, 2018, Trindel incorporated a pooling layer from \$300,000 to \$1,000,000. Within this layer, we estimate the ultimate cost of claims incurred during the 2021-22 program year to be \$1,470,000. For budgeting purposes, the expected costs of 2021-22 claims for the pooling layer translates to a rate of \$0.516 per \$100 of payroll.

In addition, we estimate the program's liability in the pooling layer for outstanding claims to be \$3,251,000 and \$3,780,000 as of June 30, 2020 and June 30, 2021, respectively, again including ALAE and ULAE. Given estimated program assets of \$3,500,000 as of June 30, 2020, the program is currently funded between the expected and the 70% confidence level.

These estimates are the minimum liabilities to be booked by the Fund at June 30, 2020 and June 30, 2021 for its pooling layer workers' compensation program, in accordance with Governmental Accounting Standards Board (GASB) Statement #10. GASB #10 requires the Fund to accrue a liability on its financial statements for the ultimate cost of claims and expenses associated with all reported and unreported claims, including ALAE and ULAE. GASB #10 does not prohibit the discounting of losses to recognize investment income.

Our conclusions regarding the Fund's liability for unpaid loss and loss adjustment expenses (LAE) at June 30, 2020 are summarized in the table below.

Trindel Insurance Fund  
Self-Insured Workers' Compensation Program  
Estimated Liability for Unpaid Loss and LAE  
Banking Layer (\$0-\$300,000 per occurrence)  
at June 30, 2020

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$24,704,000					
ULAE	1,812,000					
Investment Income Offset	0					
Discounted Loss and LAE	\$26,516,000	\$28,637,000	\$29,433,000	\$30,387,000	\$31,528,000	\$33,012,000
Assets as of 6/30/20	44,880,000					
Surplus or (Deficit)	\$18,364,000	\$16,243,000	\$15,447,000	\$14,493,000	\$13,352,000	\$11,868,000

Trindel Insurance Fund  
Self-Insured Workers' Compensation Program  
Estimated Liability for Unpaid Loss and LAE  
Pooling Layer (\$300,000-\$1,000,000 per occurrence)  
at June 30, 2020

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$3,251,000					
ULAE	0					
Investment Income Offset	0					
Discounted Loss and LAE	\$3,251,000	\$3,630,000	\$3,847,000	\$4,024,000	\$4,282,000	\$4,643,000
Assets as of 6/30/20	3,500,000					
Surplus or (Deficit)	\$249,000	(\$130,000)	(\$347,000)	(\$524,000)	(\$782,000)	(\$1,143,000)

Trindel Insurance Fund  
 Self-Insured Workers' Compensation Program  
 Estimated Liability for Unpaid Loss and LAE  
 Combined Banking and Pooling Layers  
 at June 30, 2020

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$27,955,000					
ULAE	1,812,000					
Investment Income Offset	0					
Discounted Loss and LAE	\$29,767,000	\$32,267,000	\$33,280,000	\$34,411,000	\$35,810,000	\$37,655,000
Assets as of 6/30/20	48,380,000					
Surplus or (Deficit)	\$18,613,000	\$16,113,000	\$15,100,000	\$13,969,000	\$12,570,000	\$10,725,000

Our conclusions regarding the Fund's liability for unpaid loss and loss adjustment expenses (LAE) at June 30, 2021 are summarized in the table below.

Trindel Insurance Fund  
Self-Insured Workers' Compensation Program  
Estimated Liability for Unpaid Loss and LAE  
Banking Layer (\$0-\$300,000 per occurrence)  
at June 30, 2021

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$26,590,000					
ULAE	1,987,000					
Investment Income Offset	0					
Discounted Loss and LAE	\$28,577,000	\$30,863,000	\$31,720,000	\$32,749,000	\$33,978,000	\$35,578,000
Assets as of 6/30/21	49,539,000					
Surplus or (Deficit)	\$20,962,000	\$18,676,000	\$17,819,000	\$16,790,000	\$15,561,000	\$13,961,000

Trindel Insurance Fund  
Self-Insured Workers' Compensation Program  
Estimated Liability for Unpaid Loss and LAE  
Pooling Layer (\$300,000-\$1,000,000 per occurrence)  
at June 30, 2021

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$3,780,000					
ULAE	0					
Investment Income Offset	0					
Discounted Loss and LAE	\$3,780,000	\$4,212,000	\$4,455,000	\$4,656,000	\$4,947,000	\$5,354,000
Assets as of 6/30/21	4,535,000					
Surplus or (Deficit)	\$755,000	\$323,000	\$80,000	(\$121,000)	(\$412,000)	(\$819,000)

Trindel Insurance Fund  
 Self-Insured Workers' Compensation Program  
 Estimated Liability for Unpaid Loss and LAE  
 Combined Banking and Pooling Layers  
 at June 30, 2021

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$30,370,000					
ULAE	1,987,000					
Investment Income Offset	0					
Discounted Loss and LAE	\$32,357,000	\$35,075,000	\$36,175,000	\$37,405,000	\$38,925,000	\$40,932,000
Assets as of 6/30/21	55,524,000					
Surplus or (Deficit)	\$23,167,000	\$20,449,000	\$19,349,000	\$18,119,000	\$16,599,000	\$14,592,000

GASB #10 does not address an actual funding requirement for the program, but only speaks to the liability to be recorded on the Fund's financial statements.

Because actuarial estimates of claims costs are subject to some uncertainty, we recommend that an amount in addition to the discounted expected loss costs be set aside as a margin for contingencies. Generally, the amount should be sufficient to bring funding to the 75% to 85% confidence level for primary programs. We consider funding to the 70% confidence level to be marginally acceptable and funding to the 90% confidence level to be conservative.

Furthermore, the Public Risk Innovation, Solutions and Management (PRISM) standard states that based upon the actuarial recommendations, the member should maintain reserves and make funding contributions equal to or exceeding the present value of expected losses and a reasonable margin for contingencies.

The table below shows our funding recommendations for Trindel Insurance Fund for the 2021-22 fiscal year.

Trindel Insurance Fund  
Self-Insured Workers' Compensation Program  
Funding Guidelines for 2021-22  
Banking Layer (\$0-\$300,000 per occurrence)

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$7,796,000					
ULAE	919,000					
Investment Income Offset	0					
Discounted Loss and LAE	\$8,715,000	\$9,578,000	\$9,909,000	\$10,292,000	\$10,754,000	\$11,373,000
Non-claims Related Expenses	1,950,000	1,950,000	1,950,000	1,950,000	1,950,000	1,950,000
Indicated Funding	\$10,665,000	\$11,528,000	\$11,859,000	\$12,242,000	\$12,704,000	\$13,323,000
Rate per \$100 of 2021-22 Payroll	\$3.745	\$4.049	\$4.165	\$4.299	\$4.462	\$4.679

Trindel Insurance Fund  
Self-Insured Workers' Compensation Program  
Funding Guidelines for 2021-22  
Pooling Layer (\$300,000-\$1,000,000 per occurrence)

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$1,470,000					
ULAE	0					
Investment Income Offset	0					
Discounted Loss and LAE	\$1,470,000	\$1,748,000	\$1,875,000	\$2,022,000	\$2,201,000	\$2,448,000
Non-claims Related Expenses	0	0	0	0	0	0
Indicated Funding	\$1,470,000	\$1,748,000	\$1,875,000	\$2,022,000	\$2,201,000	\$2,448,000
Rate per \$100 of 2021-22 Payroll	\$0.516	\$0.614	\$0.658	\$0.710	\$0.773	\$0.860

Trindel Insurance Fund  
 Self-Insured Workers' Compensation Program  
 Funding Guidelines for 2021-22  
 Combined Banking and Pooling Layer

	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
Loss and ALAE	\$9,266,000					
ULAE	919,000					
Investment Income Offset	0					
Discounted Loss and LAE	\$10,185,000	\$11,326,000	\$11,784,000	\$12,314,000	\$12,955,000	\$13,821,000
Non-claims Related Expenses	<u>1,950,000</u>	<u>1,950,000</u>	<u>1,950,000</u>	<u>1,950,000</u>	<u>1,950,000</u>	<u>1,950,000</u>
Indicated Funding	\$12,135,000	\$13,276,000	\$13,734,000	\$14,264,000	\$14,905,000	\$15,771,000
Rate per \$100 of 2021-22 Payroll	\$4.26	\$4.66	\$4.82	\$5.01	\$5.23	\$5.54

The funding recommendations shown in the table above do not include any recognition of the funding margin that is projected to exist at June 30, 2021.

The loss projections in this report reflect the estimated impact of benefit legislation contained in AB749, AB227, SB228, SB899, SB863, and recent WCAB court decisions based upon information provided by the WCIRB.

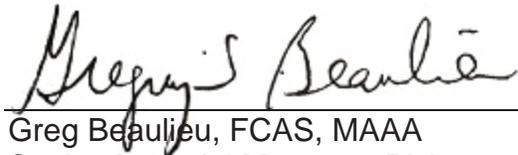
The ultimate impact on loss costs of legislated benefit adjustments are generally difficult to forecast in advance because the changes typically take place over a period of several years following enactment. Furthermore, actuarially derived benefit level evaluations often underestimate actual future cost levels. The shortfalls result from a variety of circumstances, including: increases in utilization levels, unanticipated changes in administrative procedures, and cost shifting among benefit categories. Thus, actual cost increases could differ, perhaps substantially, from the WCIRB's estimates.

The report that follows outlines the scope of our study, its background, and our conclusions, recommendations, and assumptions. Judgments regarding the appropriateness of our conclusions and recommendations should be made only after studying the report in its entirety, including the graphs, attachments, exhibits and appendices. Our report has been developed for the Fund's internal use. It is not intended for general circulation.

We appreciate the opportunity to be of service to Trindel Insurance Fund in preparing this report. Please feel free to call Greg Beaulieu at (916) 290-4632 or Mike Harrington at (916) 244-1162 with any questions you may have concerning this report.

Sincerely,

Bickmore Actuarial



---

Greg Beaulieu, FCAS, MAAA  
Senior Actuarial Manager, Bickmore Actuarial  
Fellow, Casualty Actuarial Society  
Member, American Academy of Actuaries



---

Mike Harrington, FCAS, MAAA  
President and Principal, Bickmore Actuarial  
Fellow, Casualty Actuarial Society  
Member, American Academy of Actuaries



---

Mary Ann Case, PSM  
Senior Actuarial Analyst, Bickmore Actuarial

## TABLE OF CONTENTS

I. BACKGROUND	11
II. CONCLUSIONS AND RECOMMENDATIONS	12
A. LIABILITY FOR OUTSTANDING CLAIMS	12
B. PROGRAM FUNDING: GOALS AND OBJECTIVES	19
D. COMPARISON WITH PREVIOUS RESULTS	24
E. DATA PROVIDED FOR THE ANALYSIS	33
III. ASSUMPTIONS AND LIMITATIONS	34
IV. GLOSSARY OF ACTUARIAL TERMS	36
V. ALLOCATION TABLES	38
VI. EXHIBITS	40
VII. APPENDICES	58

## **I. BACKGROUND**

Trindel Insurance Fund began its self-insured workers' compensation program with two member counties, Trinity and Del Norte, on July 1, 1980. Nine additional members have joined the Fund since that date, with the most recent being Sutter County effective July 1, 2015. The table below shows the date that each member Fund joined:

<b>Member County</b>	<b>Date Joined</b>
Alpine	July 1, 1986
Colusa	July 1, 1986
Del Norte	July 1, 1980
Lassen	July 1, 1986
Modoc	July 1, 1986
Mono	July 1, 2000
Plumas	January 1, 2010
San Benito	March 18, 1993
Sierra	July 1, 1986
Sutter	July 1, 2015
Trinity	July 1, 1980

With the exception of Mono and Plumas Counties, the Trindel Insurance Fund was a member of the Public Risk Innovation, Solutions and Management (PRISM)'s Primary Worker's Compensation (PWC) program until July 1, 2008 when it became self-insured. Effective July 1, 2018, Trindel incorporated a pooling layer from \$300,000 to \$ 1,000,000 in addition to its current self-insured retention of \$300,000 for the banking layer. Excess coverage is provided by PRISM. Claims administration services are provided by the Trindel Insurance Fund. Additional background on the program is given in Appendix K.

The purpose of this review is to provide a guide to the Fund to determine reasonable funding levels for its self-insurance program according to the funding policy the Fund has adopted and to comply with Governmental Accounting Standards Board Statements #10 and #30. The specific objectives of the study are to estimate the Fund's liability for outstanding claims as of June 30, 2020 and June 30, 2021, project ultimate loss costs for 2020-21 and 2021-22, and provide funding guidelines to meet these liabilities and future costs.

## **II. CONCLUSIONS AND RECOMMENDATIONS**

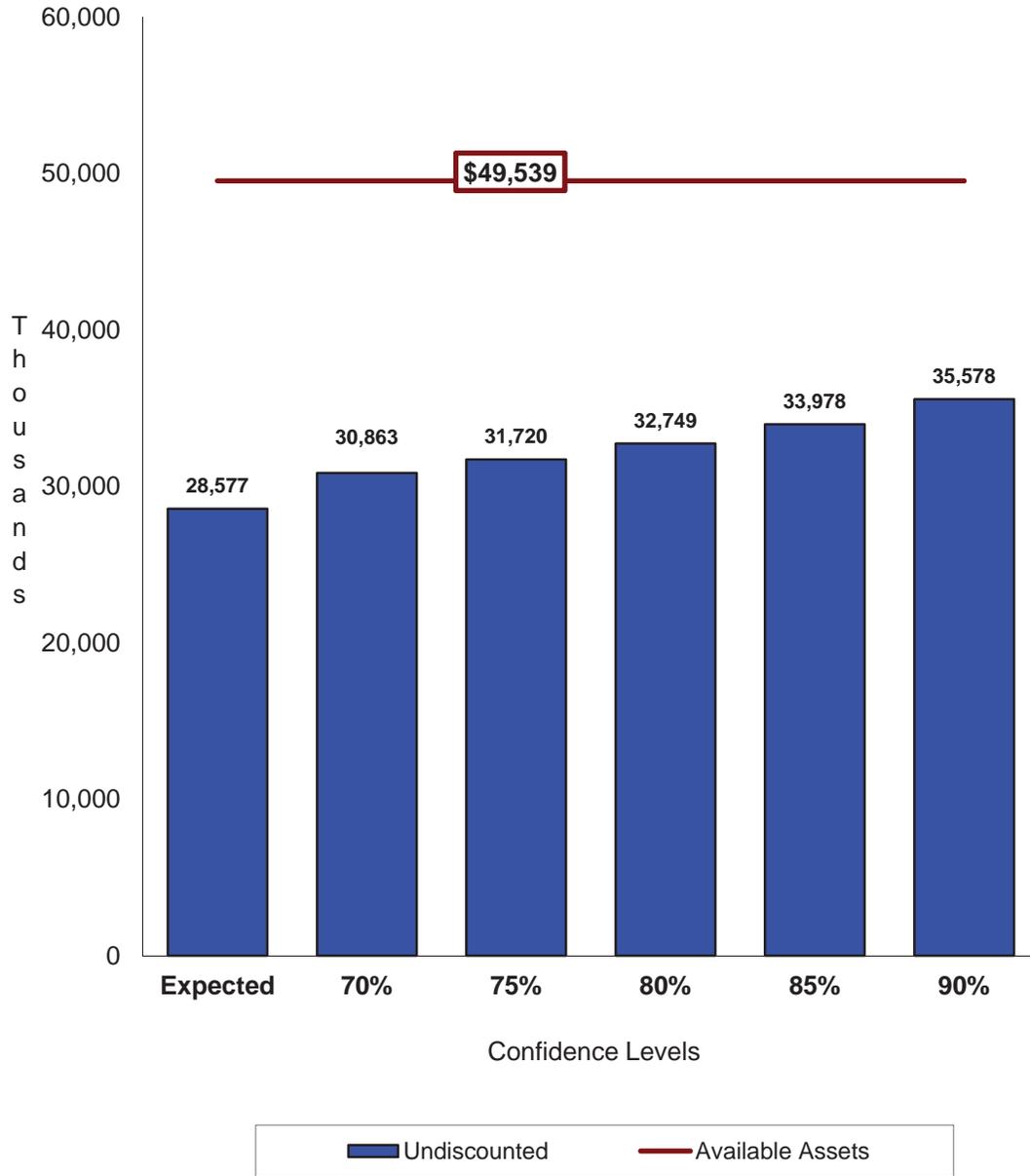
### **A. LIABILITY FOR OUTSTANDING CLAIMS**

Graphs 1 on the following pages summarize our assessment of the Fund's funding position as of June 30, 2021. The dark-colored bars indicate our estimates of the program's liability for outstanding claims before recognition of the investment income that can be earned on the assets held before the claim payments come due. The horizontal line across each graph indicates the Fund's anticipated available assets at June 30, 2021.

Our best estimate of the full value of the Fund's liability for outstanding claims as of June 30, 2021 is \$28,577,000 for the banking layer and \$3,780,000 for the pooling layer, or \$32,357,000 in total. These amounts include losses, allocated loss adjustment expenses (ALAE), and unallocated loss adjustment expenses (ULAE). ALAE is the direct cost associated with the defense of individual claims (e.g. legal fees, investigation fees, court charges). ULAE is the cost to administer claims to final settlement, which may be years in the future (e.g. claims adjusters' salaries, taxes).

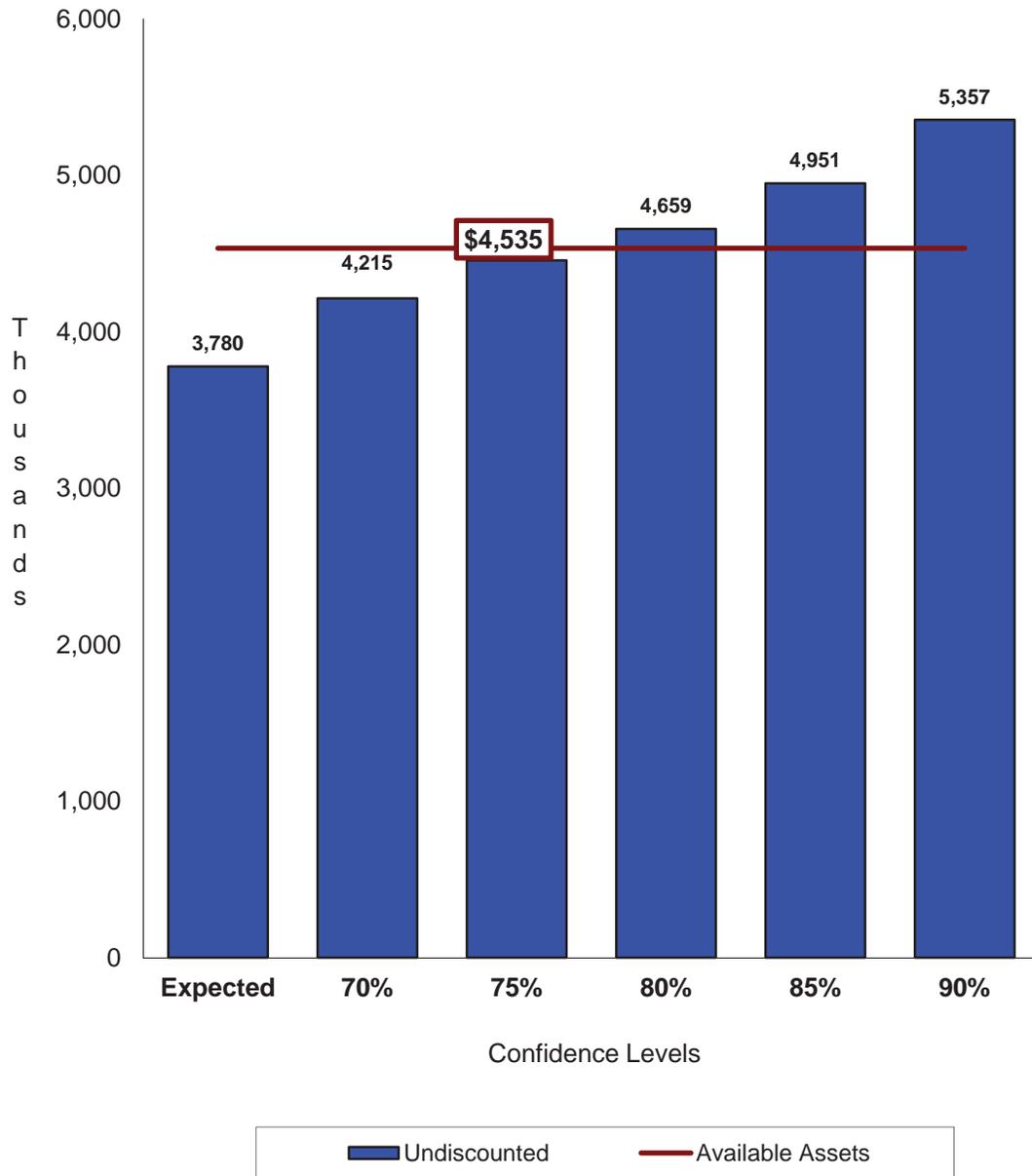
There is some measure of uncertainty associated with our best estimate because of the random nature of much of the process that determines ultimate claims costs. For this reason, we generally recommend that a program such as this include some funding margin for the possibility that actual loss costs will be greater than the best estimate. We generally measure the amount of this margin by thinking in terms of the probability distribution of actual possible results around our best estimate. As the margin grows, the probability that the corresponding funding amount will be sufficient to meet actual claim liabilities increases. We typically refer to this probability as the "confidence level" of funding. Graphs 1a and 1b show the liabilities for outstanding claims at several confidence levels that are typically of interest to risk managers in formulating funding policies for self-insurance programs.

Trindel Insurance Fund -  
Workers' Compensation  
Banking Layer  
Available Assets vs Outstanding Liability (\$000's)  
at June 30, 2021

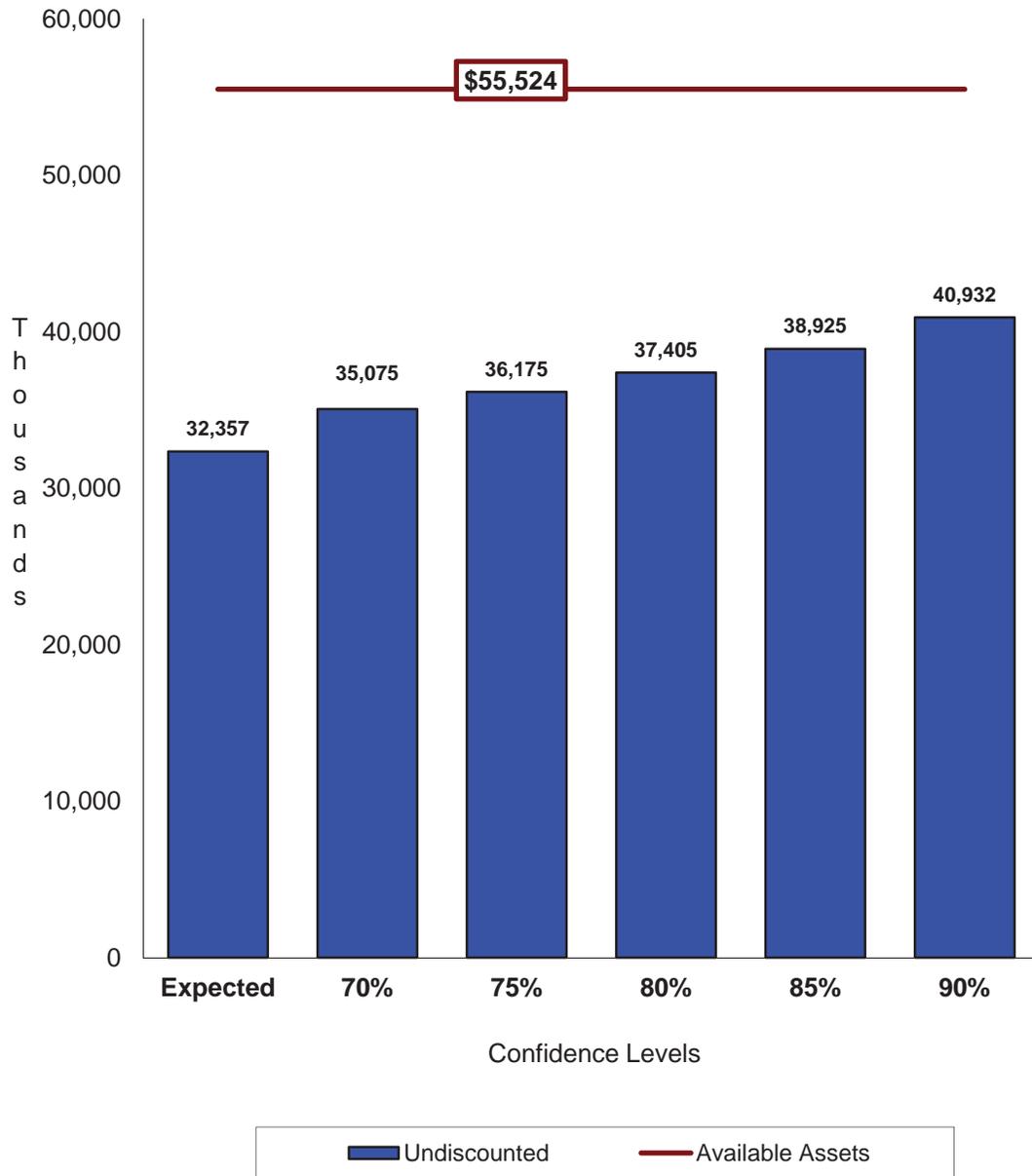


Graph 1b

Trindel Insurance Fund -  
Workers' Compensation  
Pooling Layer  
Available Assets vs Outstanding Liability (\$000's)  
at June 30, 2021



Trindel Insurance Fund -  
Workers' Compensation  
Combined Banking and Pooling Layers  
Available Assets vs Outstanding Liability (\$000's)  
at June 30, 2021



The tables below display a breakdown of the program's outstanding loss and LAE liabilities into case reserves and incurred but not reported (IBNR) reserves at June 30, 2021, before recognition of investment income.

Trindel Insurance Fund  
 Self-Insured Workers' Compensation Program  
 Banking Layer (\$0-\$300,000 per occurrence)  
 Estimated Liability for Unpaid Loss and LAE at June 30, 2021

Year	Case Reserves	IBNR Reserves	Total Outstanding
Prior	\$31,950	\$141,199	\$173,149
2000-01	35,663	5,069	40,732
2001-02	11,714	16,306	28,020
2002-03	16,471	32,540	49,011
2003-04	13,917	37,777	51,694
2004-05	19,543	7,902	27,445
2005-06	2,137	25,455	27,592
2006-07	23,749	11,939	35,688
2007-08	0	0	0
2008-09	81,008	130,825	211,833
2009-10	73,762	162,593	236,355
2010-11	246,815	188,133	434,948
2011-12	99,699	335,608	435,307
2012-13	120,834	425,974	546,808
2013-14	251,918	616,850	868,768
2014-15	284,394	814,649	1,099,043
2015-16	1,164,730	935,469	2,100,199
2016-17	1,370,353	1,149,181	2,519,534
2017-18	1,477,428	1,507,584	2,985,012
2018-19	1,812,259	1,947,344	3,759,603
2019-20	1,489,757	2,937,813	4,427,570
2020-21	<u>1,984,116</u>	<u>4,548,000</u>	<u>6,532,116</u>
Loss and ALAE	\$10,612,217	\$15,978,210	\$26,590,427
ULAE		<u>1,987,217</u>	<u>1,987,217</u>
Total	\$10,612,217	\$17,965,427	\$28,577,644

Trindel Insurance Fund  
 Self-Insured Workers' Compensation Program  
 Pooling Layer (\$300,000-\$1,000,000 per occurrence)  
 Estimated Liability for Unpaid Loss and LAE at June 30, 2021

Year	Case Reserves	IBNR Reserves	Total Outstanding
2018-19	\$1,025,672	\$319,256	\$1,344,928
2019-20	148,809	966,783	1,115,592
2020-21	<u>497,360</u>	<u>822,000</u>	<u>1,319,360</u>
Loss and ALAE	\$1,671,841	\$2,108,039	\$3,779,880
ULAE		0	0
Total	\$1,671,841	\$2,108,039	\$3,779,880

Trindel Insurance Fund  
Self-Insured Workers' Compensation Program  
Combined Banking and Pooling Layers  
Estimated Liability for Unpaid Loss and LAE at June 30, 2021

Year	Case Reserves	IBNR Reserves	Total Outstanding
Prior	\$31,950	\$141,199	\$173,149
2000-01	35,663	5,069	\$40,732
2001-02	11,714	16,306	\$28,020
2002-03	16,471	32,540	\$49,011
2003-04	13,917	37,777	\$51,694
2004-05	19,543	7,902	\$27,445
2005-06	2,137	25,455	\$27,592
2006-07	23,749	11,939	\$35,688
2007-08	-	-	\$0
2008-09	81,008	130,825	\$211,833
2009-10	73,762	162,593	\$236,355
2010-11	246,815	188,133	\$434,948
2011-12	99,699	335,608	\$435,307
2012-13	120,834	425,974	\$546,808
2013-14	251,918	616,850	\$868,768
2014-15	284,394	814,649	\$1,099,043
2015-16	1,164,730	935,469	\$2,100,199
2016-17	1,370,353	1,149,181	\$2,519,534
2017-18	1,477,428	1,507,584	\$2,985,012
2018-19	2,837,931	2,266,600	\$5,104,531
2019-20	1,638,566	3,904,596	\$5,543,162
2020-21	<u>2,481,476</u>	<u>5,370,000</u>	<u>7,851,476</u>
Loss and ALAE	\$12,284,058	\$18,086,249	\$30,370,307
ULAE		<u>1,987,217</u>	<u>1,987,217</u>
Total	\$12,284,058	\$20,073,466	\$32,357,524

## **B. PROGRAM FUNDING: GOALS AND OBJECTIVES**

As self-insurance programs have proliferated among public entities, it has become apparent that there is a large measure of inconsistency in the way in which these programs recognize and account for their claims costs. This is the result of the fact that there have been several different sources of guidance available, none of which has been completely relevant to public entity self-insurance programs.

According to the Governmental Accounting Standards Board (GASB), the most relevant source of guidance on the subject is Financial Accounting Standards Board Statement #60. A liability for unpaid claim costs, including all loss adjustment expenses, should be accrued at the time the self-insured events occur. This liability should include an allowance for incurred but not reported claims. It may be discounted for investment income at an appropriate rate of return, provided the discounting is disclosed. The regulations detailing the way in which this must be done are outlined in GASB's statements #10 and #30. These regulations are required to be applied by the Fund.

GASB #10 and #30 do not address funding requirements. They do, however, allow a range of funded amounts to be recognized for accounting purposes; specifically, GASB #10 and #30 which allow recognition of a funding margin for unexpectedly adverse loss experience. Thus, for accounting purposes, it is possible to formulate a funding policy from a range of alternatives. The uncertainty in any estimate of the program's liability for outstanding claims should be taken into consideration in determining funding policy, but it may be offset by recognizing anticipated investment income earnings. This usually means developing a funding program based on discounted claims costs with some margin for unexpected adverse loss experience.

The amount of the margin should be a question of long-term funding policy. We recommend that the margin be determined by thinking in terms of the probability that a given level of funding will prove to be adequate. For example, a reasonable goal might be to maintain a fund at the 85% confidence level.

A key factor to consider in determining funding policy is the degree to which stability is required in the level of contributions to the program from year to year. If you elect to fund at a low confidence level, the chances are much greater that future events will prove that additional contributions should have been made for current claims. The additional contributions for years by that time long past may be required at the same time that costs are increasing dramatically on then-current claims. The burden of funding increases on past years as well as on current years, may well be prohibitive.

We generally recommend maintaining program funding at the 80% confidence level, after recognition of investment income, with a recommended range of the 75% to 85% confidence levels. We tend to think of the 70% confidence level as marginally acceptable and of the 90% confidence level as conservative. We recommend the 75% to 85% confidence level range because the probabilities are reasonably high that resulting funding will be sufficient to meet claim liabilities, yet the required margins are not so large that they will cause most self-insured entities to experience undue financial hardship. In addition, within this range, anticipated investment income generally offsets the required margin for the most part, which means that it is also reasonable to think of the liabilities as being stated on an undiscounted basis.

We also strongly believe, however, that the confidence level to which any future year is funded should be evaluated in light of the relative certainty of the assumptions underlying the actuarial analysis, the Fund's other budgetary constraints, and the relative level of risk it is believed appropriate to assume. This means formulating both short and long-term funding goals, which may be the same in some years, but different in others.

In general, we recommend that you fund each year's claims costs in that year. When surpluses or deficiencies have developed on outstanding liabilities and funding adjustments are necessary, they should be clearly identified as such so that the habit of funding each year's claims costs that year is maintained. We also recommend that you reduce surplus funding more slowly than you would accumulate funding to make up a deficiency.

It is estimated that program assets were \$44,880,000 for the banking layer at June 30, 2020, resulting in the banking layer being funded above the 90% confidence level, and will be \$49,539,000 at June 30, 2021, remaining above the 90% confidence level.

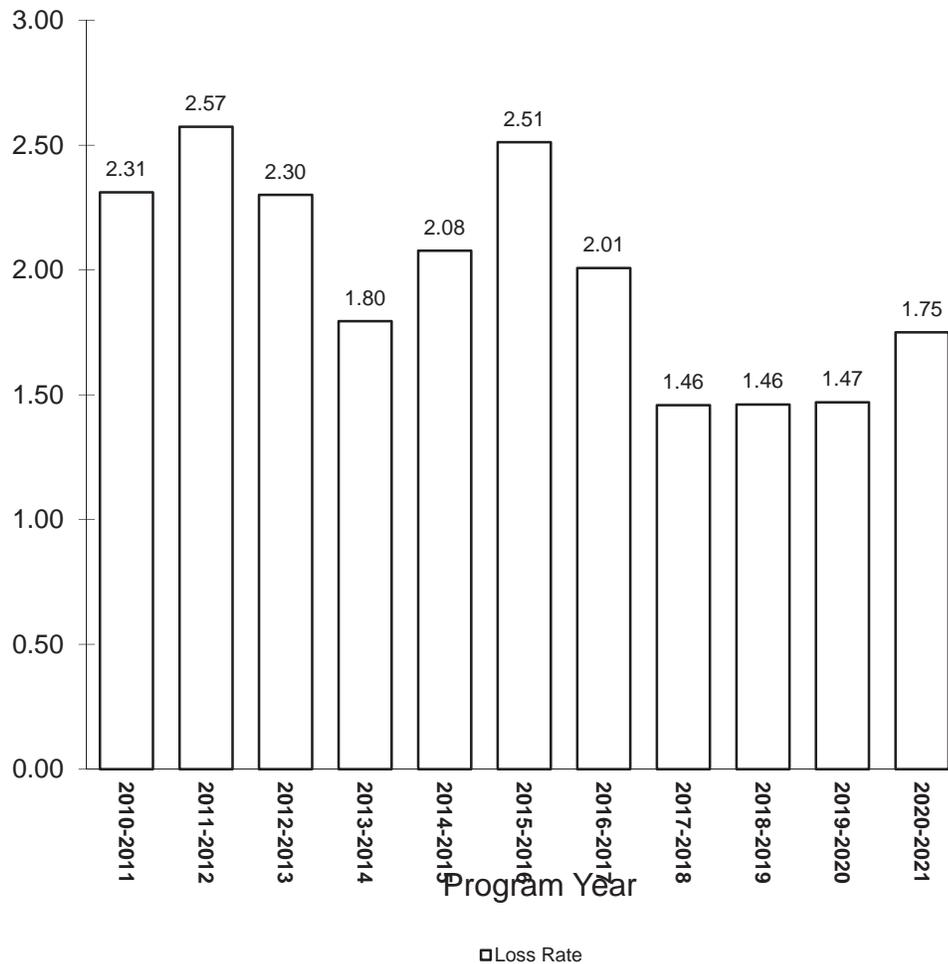
In addition, it is estimated that programs assets were \$3,500,000 for the pooling layer at June 30, 2020, resulting in the pooling layer being funded between the expected and 70% confidence level, and will be \$4,535,000 at June 30, 2021, increasing to be between the 75% and 80% confidence level.

### C. HISTORICAL TRENDS IN THE SELF-INSURANCE PROGRAM

The Fund's average dollars of loss per \$100 of payroll, or loss rate, has fluctuated over the period shown below. Our projected loss rate is \$1.75 per \$100 of payroll for the 2020-21 program year, reflecting the good experience of the most recent three years. See Graph 2 below.

Graph 2

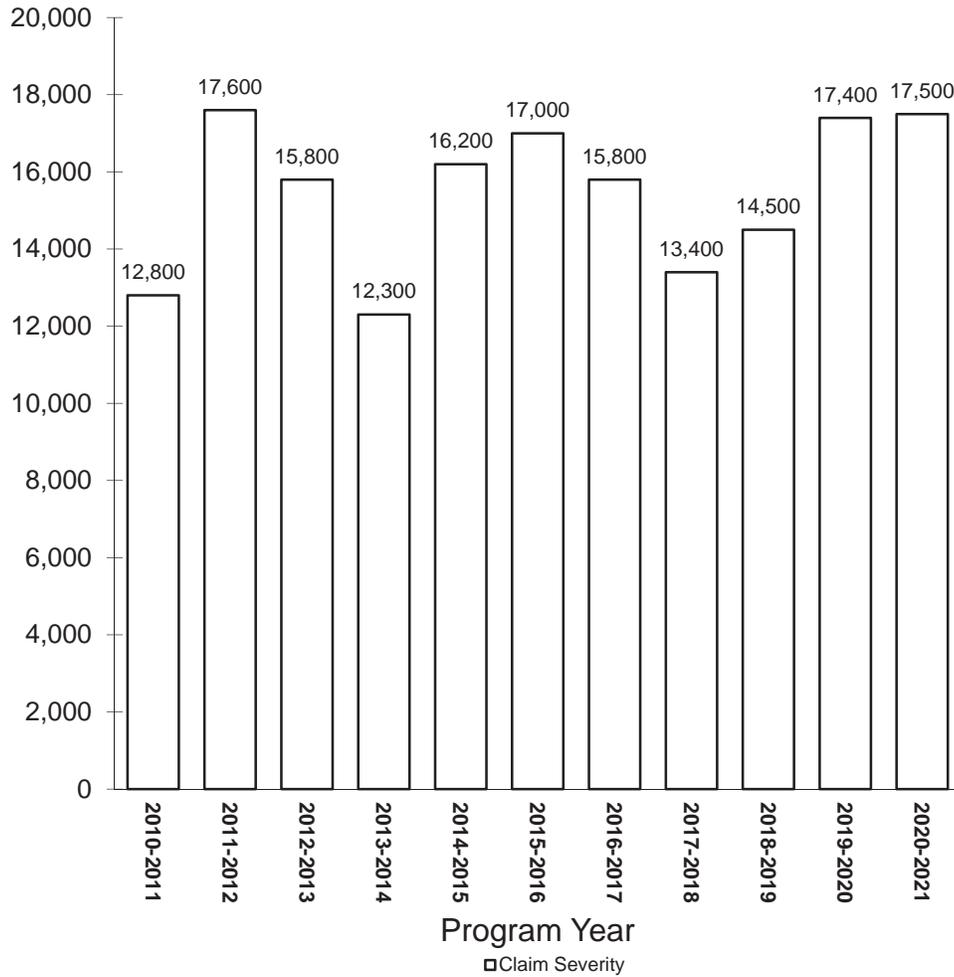
Trindel Insurance Fund -  
Workers' Compensation  
Ultimate Dollars of Loss & ALAE  
per \$100 of Payroll  
(Loss & ALAE Limited to \$100,000 per Occurrence)



The Fund's average dollars of loss per claim, or claim severity, has been generally increasing over the period shown below. Our projected claim severity of \$17,500 for 2020-21 reflects this increasing trend. See Graph 3 below.

Graph 3

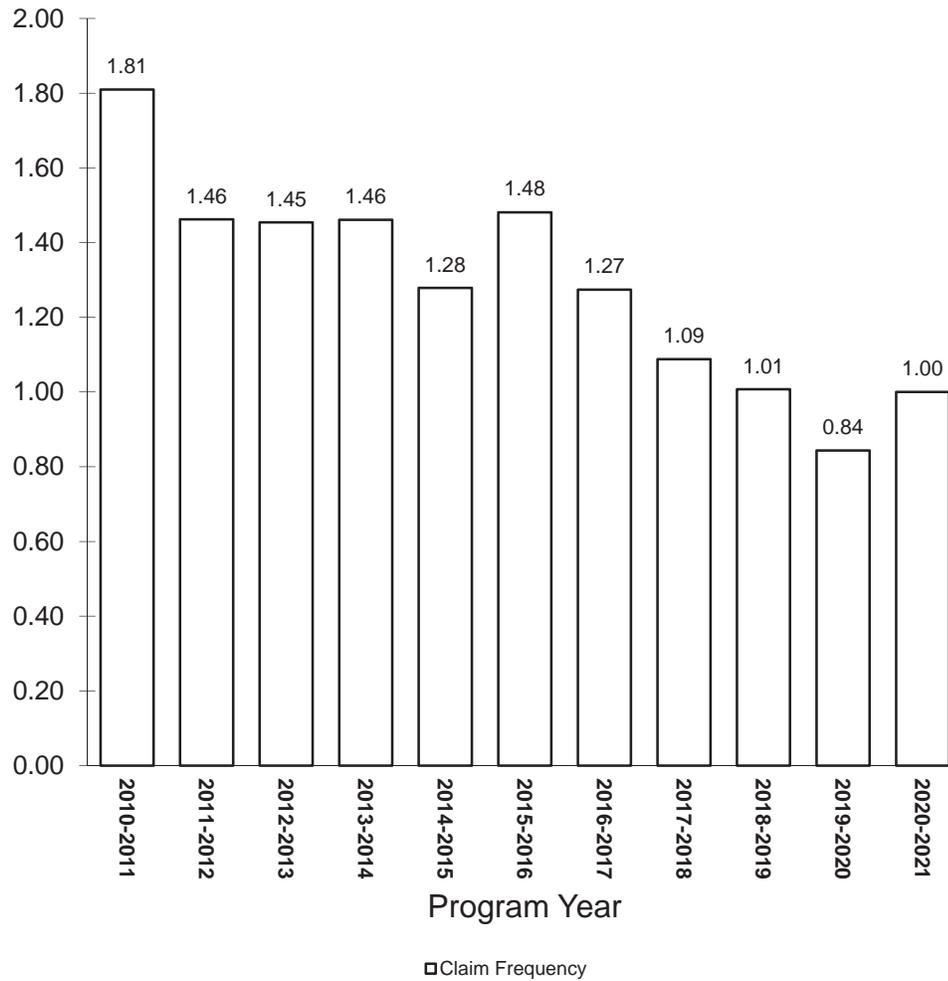
Trindel Insurance Fund -  
Workers' Compensation  
Ultimate Dollars of Loss & ALAE  
per Claim  
(Loss & ALAE Limited to \$100,000 per Occurrence)



The Fund's number of claims per \$1 million of payroll, or claim frequency, appears to be decreasing since a high of 1.81 claims per \$1 million of payroll in 2010-11. Our projected 2020-21 claim frequency is 1.00 claim per \$1 million of payroll. See Graph 4 below.

Graph 4

Trindel Insurance Fund -  
Workers' Compensation  
Ultimate Number of Claims per  
\$1 Million of Payroll



## D. COMPARISON WITH PREVIOUS RESULTS

The prior report for Trindel Insurance Fund was dated December 18, 2019. In the table below we display actual versus expected development of incurred losses and ALAE by accident year between the 6/30/19 evaluation date of the prior report and the 6/30/20

### Actual Versus Expected Incurred Loss and ALAE Development Banking Layer (\$0-\$300,000 per Occurrence)

Accident Year	Expected Incurred Development	Actual Incurred Development	Actual Minus Expected
Prior	\$13,000	(\$32,000)	(\$45,000)
2000-01	3,000	0	(3,000)
2001-02	3,000	0	(3,000)
2002-03	4,000	14,000	10,000
2003-04	6,000	8,000	2,000
2004-05	2,000	0	(2,000)
2005-06	2,000	0	(2,000)
2006-07	3,000	10,000	7,000
2007-08	0	0	0
2008-09	18,000	14,000	(4,000)
2009-10	28,000	0	(28,000)
2010-11	26,000	64,000	38,000
2011-12	55,000	18,000	(37,000)
2012-13	414,000	(84,000)	(498,000)
2013-14	108,000	(57,000)	(165,000)
2014-15	123,000	(259,000)	(382,000)
2015-16	362,000	(225,000)	(587,000)
2016-17	434,000	309,000	(125,000)
2017-18	1,076,000	727,000	(349,000)
2018-19	1,871,000	1,524,000	(347,000)
2019-20	3,142,000	1,877,000	(1,265,000)
Total	\$7,693,000	\$3,908,000	(\$3,785,000)

As shown, actual incurred development was less than anticipated since the prior report. Based on the assumptions from the prior report, it was expected that incurred losses would increase overall by \$7,693,000. Actual incurred losses increased by approximately \$3,908,000, or about \$3,785,000 less than expected. Nearly all accident years have had favorable development.

In the table below we display actual versus expected development of paid losses and ALAE by accident year between the 6/30/19 evaluation date of the prior report and the 6/30/20 evaluation date of the current report.

**Actual Versus Expected Paid Loss and ALAE Development  
Banking Layer (\$0-\$300,000 per Occurrence)**

Accident Year	Expected Paid Development	Actual Paid Development	Actual Minus Expected
Prior	\$24,000	\$19,000	(\$5,000)
2000-01	10,000	5,000	(5,000)
2001-02	3,000	0	(3,000)
2002-03	3,000	0	(3,000)
2003-04	5,000	13,000	8,000
2004-05	3,000	0	(3,000)
2005-06	2,000	0	(2,000)
2006-07	5,000	13,000	8,000
2007-08	0	0	0
2008-09	24,000	5,000	(19,000)
2009-10	29,000	(13,000)	(42,000)
2010-11	59,000	78,000	19,000
2011-12	63,000	38,000	(25,000)
2012-13	621,000	51,000	(570,000)
2013-14	148,000	73,000	(75,000)
2014-15	243,000	245,000	2,000
2015-16	624,000	284,000	(340,000)
2016-17	673,000	738,000	65,000
2017-18	1,167,000	850,000	(317,000)
2018-19	1,574,000	817,000	(757,000)
2019-20	942,000	590,000	(352,000)
Total	\$6,222,000	\$3,806,000	(\$2,416,000)

As shown, actual paid development was less than anticipated since the prior report. Based on the assumptions from the prior report, it was expected that paid losses would increase overall by \$6,222,000. Actual paid losses increased by approximately \$3,806,000, or about \$2,416,000 less than expected.

In the table below we display the change in our estimates of the program's ultimate losses and ALAE by accident year since our prior report.

**Change in Ultimate Loss and ALAE  
Banking Layer (\$0-\$300,000 per Occurrence)**

Accident Year	Prior Report	Current Report	Change In Ultimate
Prior	\$10,369,000	\$10,429,000	\$60,000
2000-01	1,302,000	1,294,000	(8,000)
2001-02	950,000	958,000	8,000
2002-03	1,456,000	1,483,000	27,000
2003-04	1,455,000	1,481,000	26,000
2004-05	486,000	484,000	(2,000)
2005-06	643,000	655,000	12,000
2006-07	503,000	510,000	7,000
2007-08	348,000	348,000	0
2008-09	2,830,000	2,872,000	42,000
2009-10	2,959,000	2,944,000	(15,000)
2010-11	4,002,000	4,066,000	64,000
2011-12	4,409,000	4,420,000	11,000
2012-13	4,951,000	4,832,000	(119,000)
2013-14	3,945,000	3,859,000	(86,000)
2014-15	4,444,000	4,295,000	(149,000)
2015-16	8,615,000	7,703,000	(912,000)
2016-17	7,156,000	6,788,000	(368,000)
2017-18	6,828,000	5,884,000	(944,000)
2018-19	7,573,000	6,198,000	(1,375,000)
2019-20	8,562,000	6,281,000	(2,281,000)
Total	\$83,786,000	\$77,784,000	(\$6,002,000)

As shown, overall we have decreased our estimated ultimates by \$6,002,000 since our prior report. These changes are, in general, in line with the actual versus expected incurred and paid development shown in this section.

In the tables below we display actual versus expected loss development, and the change in our estimates of the pooling layer's ultimate losses and ALAE by accident year since our prior report.

### Actual Versus Expected Incurred Loss and ALAE Development

#### Pooling Layer (\$300,000 - \$1,000,000 per Occurrence)

Accident Year	Expected Incurred Development	Actual Incurred Development	Actual Minus Expected
2018-19	\$57,000	\$722,000	\$665,000
2019-20	<u>89,000</u>	<u>104,000</u>	<u>15,000</u>
Total	\$146,000	\$826,000	\$680,000

As shown, actual incurred development was greater than anticipated since the prior report. Based on the assumptions from the prior report, it was expected that incurred losses would increase overall by \$146,000. Actual incurred losses increased by approximately \$826,000, or about \$680,000 more than expected.

### Actual Versus Expected Paid Loss and ALAE Development

#### Pooling Layer (\$300,000 - \$1,000,000 per Occurrence)

Accident Year	Expected Paid Development	Actual Paid Development	Actual Minus Expected
2018-19	\$109,000	\$0	(\$109,000)
2019-20	<u>8,000</u>	<u>-</u>	<u>(8,000)</u>
Total	\$117,000	\$0	(\$117,000)

As shown, actual paid development was less than anticipated since the prior report. Based on the assumptions from the prior report, it was expected that paid losses would increase overall by \$117,000. However, there was no change in the paid since June 30, 2019.

### Change in Ultimate Loss and ALAE

#### Pooling Layer (\$300,000 - \$1,000,000 per Occurrence)

Accident Year	Prior Report	Current Report	Change In Ultimate
2018-19	\$138,000	\$1,696,000	\$1,558,000
2019-20	<u>1,228,000</u>	<u>1,555,000</u>	<u>327,000</u>
Total	\$1,366,000	\$3,251,000	\$1,885,000

As shown, overall we have increased our estimated ultimates by \$1,885,000 since our prior report. These changes were driven by the 2018-19 year as a result of a large increase in case reserves for that year.

**Actual Versus Expected Incurred Loss and ALAE Development  
Combined Banking and Pooling Layers (\$0 - \$1,000,000 per Occurrence)**

Accident Year	Expected Incurred Development	Actual Incurred Development	Actual Minus Expected
Prior	\$16,000	(\$32,000)	(\$48,000)
2000-01	3,000	0	(3,000)
2001-02	3,000	0	(3,000)
2002-03	4,000	14,000	10,000
2003-04	6,000	8,000	2,000
2004-05	2,000	0	(2,000)
2005-06	2,000	0	(2,000)
2006-07	3,000	10,000	7,000
2007-08	0	0	0
2008-09	18,000	14,000	(4,000)
2009-10	28,000	0	(28,000)
2010-11	26,000	64,000	38,000
2011-12	55,000	18,000	(37,000)
2012-13	414,000	(84,000)	(498,000)
2013-14	108,000	(57,000)	(165,000)
2014-15	123,000	(259,000)	(382,000)
2015-16	362,000	(225,000)	(587,000)
2016-17	434,000	309,000	(125,000)
2017-18	1,076,000	727,000	(349,000)
2018-19	1,928,000	2,246,000	318,000
2019-20	3,231,000	1,981,000	(1,250,000)
Total	\$7,842,000	\$4,734,000	(\$3,108,000)

As shown, actual incurred development was less than anticipated since the prior report. Based on the assumptions from the prior report, it was expected that incurred losses would increase overall by \$7,842,000. Actual incurred losses increased by approximately \$4,734,000, or about \$3,108,000 less than expected.

**Actual Versus Expected Paid Loss and ALAE Development  
Combined Banking and Pooling Layers (\$0 - \$1,000,000 per Occurrence)**

Accident Year	Expected Paid Development	Actual Paid Development	Actual Minus Expected
Prior	\$34,000	\$19,000	(\$15,000)
2000-01	10,000	5,000	(5,000)
2001-02	3,000	0	(3,000)
2002-03	3,000	0	(3,000)
2003-04	5,000	13,000	8,000
2004-05	3,000	0	(3,000)
2005-06	2,000	0	(2,000)
2006-07	5,000	13,000	8,000
2007-08	0	0	0
2008-09	24,000	5,000	(19,000)
2009-10	29,000	(13,000)	(42,000)
2010-11	59,000	78,000	19,000
2011-12	63,000	38,000	(25,000)
2012-13	621,000	51,000	(570,000)
2013-14	148,000	73,000	(75,000)
2014-15	243,000	245,000	2,000
2015-16	624,000	284,000	(340,000)
2016-17	673,000	738,000	65,000
2017-18	1,167,000	850,000	(317,000)
2018-19	1,683,000	817,000	(866,000)
2019-20	950,000	590,000	(360,000)
Total	\$6,349,000	\$3,806,000	(\$2,543,000)

As shown, actual paid development was less than anticipated since the prior report. Based on the assumptions from the prior report, it was expected that paid losses would increase overall by \$6,349,000. Actual paid losses increased by approximately \$3,806,000, or about \$2,543,000 less than expected.

In the table below we display the change in our estimates of the program's ultimate losses and ALAE by accident year since our prior report.

**Change in Ultimate Loss and ALAE**  
**Combined Banking and Pooling Layers (\$0 - \$1,000,000 per Occurrence)**

Accident Year	Prior Report	Current Report	Change In Ultimate
Prior	\$10,369,000	\$10,429,000	\$60,000
2000-01	1,302,000	1,294,000	(8,000)
2001-02	950,000	958,000	8,000
2002-03	1,456,000	1,483,000	27,000
2003-04	1,455,000	1,481,000	26,000
2004-05	486,000	484,000	(2,000)
2005-06	643,000	655,000	12,000
2006-07	503,000	510,000	7,000
2007-08	348,000	348,000	0
2008-09	2,830,000	2,872,000	42,000
2009-10	2,959,000	2,944,000	(15,000)
2010-11	4,002,000	4,066,000	64,000
2011-12	4,409,000	4,420,000	11,000
2012-13	4,951,000	4,832,000	(119,000)
2013-14	3,945,000	3,859,000	(86,000)
2014-15	4,444,000	4,295,000	(149,000)
2015-16	8,615,000	7,703,000	(912,000)
2016-17	7,156,000	6,788,000	(368,000)
2017-18	6,828,000	5,884,000	(944,000)
2018-19	7,711,000	7,894,000	183,000
2019-20	9,790,000	7,836,000	(1,954,000)
Total	\$85,152,000	\$81,035,000	(\$4,117,000)

As shown, overall we have decreased our estimated ultimates by \$4,117,000 since our prior report. These changes are, in general, in line with the actual versus expected incurred and paid development shown in this section.

The tables below compare our prior June 30, 2019 and current June 30, 2020 estimates of the outstanding claims liability and assets for each layer.

**Outstanding Claim Liabilities for Loss and LAE  
Banking Layer (\$0-\$300,000 per Occurrence)**

	Prior Report at June 30, 2019	Current Report at June 30, 2020	Change
Case Reserves:	\$9,354,000	\$9,455,000	\$101,000
IBNR Reserves:	16,596,000	15,249,000	(1,347,000)
Claims Administration Reserves:	1,687,000	1,812,000	125,000
Total Reserves:	\$27,637,000	\$26,516,000	(\$1,121,000)
Estimated Assets at June 30:	38,404,000	44,880,000	6,476,000
Surplus/(Deficit):	\$10,767,000	\$18,364,000	\$7,597,000

**Outstanding Claim Liabilities for Loss and LAE  
Pooling Layer (\$300,000 - \$1,000,000 per Occurrence)**

	Prior Report at June 30, 2019	Current Report at June 30, 2020	Change
Case Reserves:	\$530,000	\$1,356,000	\$826,000
IBNR Reserves:	677,000	1,895,000	1,218,000
Claims Administration Reserves:	0	0	0
Total Reserves:	\$1,207,000	\$3,251,000	\$2,044,000
Estimated Assets at June 30:	1,675,000	3,500,000	1,825,000
Surplus/(Deficit):	\$468,000	\$249,000	(\$219,000)

**Outstanding Claim Liabilities for Loss and LAE  
Combined Banking and Pooling Layers (\$0 - \$1,000,000 per Occurrence)**

	Prior Report at June 30, 2019	Current Report at June 30, 2020	Change
Case Reserves:	\$9,884,000	\$10,811,000	\$927,000
IBNR Reserves:	17,273,000	17,144,000	(129,000)
Claims Administration Reserves:	1,687,000	1,812,000	125,000
Total Reserves:	\$28,844,000	\$29,767,000	\$923,000
Estimated Assets at June 30:	\$40,079,000	\$48,380,000	8,301,000
Surplus/(Deficit):	\$11,235,000	\$18,613,000	\$7,378,000

The tables below compare our prior 2020-21 and current 2021-22 estimates of funding for loss and LAE for each layer.

**Comparison of Funding for Loss and LAE**  
**Banking Layer (\$0-\$300,000 per Occurrence)**

	Prior Report 2020-21 Banking Layer (\$0-\$300K)	Current Report 2021-22 Banking Layer (\$0-\$300K)	Change
Ultimate Loss and ALAE:	\$8,911,000	\$7,796,000	(\$1,115,000)
Ultimate Claims Administration (ULAE):	724,000	919,000	195,000
Total Claim Costs:	\$9,635,000	\$8,715,000	(\$920,000)
Funding per \$100 of Payroll:	\$3.506	\$3.061	(\$0.446)

**Pooling Layer (\$300,000 - \$1,000,000 per Occurrence)**

	Prior Report 2020-21 Pooling Layer (\$300K to \$1M)	Current Report 2021-22 Pooling Layer (\$300K to \$1M)	Change
Ultimate Loss and ALAE:	\$1,346,000	\$1,470,000	\$124,000
Ultimate Claims Administration (ULAE):	0	0	0
Total Claim Costs:	\$1,346,000	\$1,470,000	\$124,000
Funding per \$100 of Payroll:	0.490	0.516	0.026

**Combined Banking and Pooling Layers (\$0 - \$1,000,000 per Occurrence)**

	Prior Report 2020-21 Both Layers (\$0 to \$1M)	Current Report 2021-22 Both Layers (\$0 to \$1M)	Change
Ultimate Loss and ALAE:	\$10,257,000	\$9,266,000	(\$991,000)
Ultimate Claims Administration (ULAE):	724,000	919,000	195,000
Total Claim Costs:	\$10,981,000	\$10,185,000	(\$796,000)
Funding per \$100 of Payroll:	3.996	3.577	(0.419)

## **E. DATA PROVIDED FOR THE ANALYSIS**

Overall, the data utilized in preparing this report appears to be accurate.

Comments and issues regarding the data are as follows:

- We have assumed that the banking layer's self-insured retention will remain at \$300,000 per occurrence for 2020-21 and 2021-22 (See Appendix K) and that the pooling layer will be continue to be \$300,000 to \$1,000,000.
- We estimated the 06/30/21 asset balance by beginning with the 06/30/20 asset balance, and adjusting for anticipated revenue and expense for 2020-21 (see Appendix L).
- We received loss data evaluated as of 06/30/20 (See Appendix M). This data did not include "Closed No Pay" Claims. For consistency, "Closed No Pay" claims have been subtracted from the count triangles. We also utilized the data from the Fund's most recent actuarial study for our assessment of loss development.
- We have assumed that the Fund's payroll for 2020-21 and 2021-22 will be approximately \$274.8 and \$284.7 million, respectively, based upon information provided by the Fund (See Appendix N).

The data provided for the analysis appears to be reasonable for use in this actuarial valuation of liabilities and projection of loss costs.

### **III. ASSUMPTIONS AND LIMITATIONS**

Any quantitative analysis is developed within a very specific framework of assumptions about conditions in the outside world, and actuarial analysis is no exception. We believe that it is important to review the assumptions we have made in developing the estimates presented in this report. By doing so, we hope you will gain additional perspective on the nature of the uncertainties involved in maintaining a self-insurance program. Our assumptions, and some observations about them, are as follows:

- Our analysis is based on loss experience, exposure data, and other general and specific information provided to us by the Fund. We have accepted all of this information without audit.
- We have also made use of loss statistics that have been developed from the information gathered and compiled from other California counties participating in the Public Risk Innovation, Solutions and Management (PRISM)'s workers' compensation program.
- We have assumed that the future development of incurred and paid losses can be reasonably predicted on the basis of development of such losses in the recent past. We have also assumed that the historical development patterns for the participants of the PRISM's workers' compensation program in the aggregate form a reasonable basis of comparison to the patterns from Trindel Insurance Fund's data.
- We have made use of cost relationships for claims of various sizes derived from the most recent actuarial review of the PRISM's workers' compensation program.
- We have assumed that there is a continuing relationship between past and future loss costs.
- It is not possible to predict future claim costs precisely. Most of the cost of workers' compensation claims arise from a small number of incidents involving serious injury. A relatively small number of such claims could generate enough loss dollars to significantly reduce, or even deplete, the self-insurance fund.
- We cannot predict and have not attempted to predict the impact of future law changes and court rulings on claims costs. This is one major reason why we believe our funding recommendations are reasonable now, but should not be extrapolated into the future.
- The changes in cost levels associated with benefit increases and administrative changes typically take place over a period of several years following their enactment, and these changes are very difficult to forecast in advance. We have based our benefit level factors on those produced by the Workers' Compensation Insurance Rating Bureau of California (WCIRB). See Appendix E for a display of the benefit level cost indices by fiscal year.

- We have assumed that the loss rate trend associated with claim costs increases at 2.0% per year. We have assumed that claim severity increases at 3.0% per year, and that claim frequency decreases at 1.0% per year.
- We have assumed that payroll and other inflation-sensitive exposure measures increase 2.5% annually due to inflation.
- At the Fund's instruction, we have not discounted our estimates for anticipated investment income.
- The claims costs we have estimated include indemnity and medical payments, and all loss adjustment expenses. We have included estimates for excess insurance contributions to PRISM and other expenses associated with the program based upon information provided by the Fund.
- Our funding recommendations do not include provisions for catastrophic events not in the Fund's history, such as earthquakes, flooding, mass civil disorder, or mass occupational disease.
- Our estimates assume that all excess insurance is valid and collectible. Further, our funding recommendations do not include a provision for losses greater than the Fund's excess coverage.
- The Fund's assets available for the program, within the banking layer, is estimated to be \$45,912,000 as of June 30, 2020. Within the pooling layer, it is estimated to be \$3,500,000. This is shown in further detail in Appendix L.

#### **IV. GLOSSARY OF ACTUARIAL TERMS**

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

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

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

**Case Reserve** - The amount left to be paid on a claim, as estimated by the claims administrator.

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

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

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

**Discount Factor** - A factor to adjust estimated loss costs to reflect anticipated investment income from assets held prior to actual claim payout.

**Expected Losses** - The best estimate of the full, ultimate value of loss costs.

**Incurred but not Reported (IBNR) Losses** - Losses for which the accident has occurred but the claim has not yet been reported. This is the ultimate value of losses, less any amount that has been set up as reported losses by the claims adjuster. It includes both amounts for claims incurred but not yet received by the administrator and loss development on already reported claims.

**Loss Development Factor** - A factor applied to losses for a particular accident period to reflect the fact that reported and paid losses do not reflect final values until all claims are settled (see Section IV).

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

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

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

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

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

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

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

**Severity** - Average claim cost.

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

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

## Trindel Insurance Fund - Workers' Compensation

Funding Guidelines Allocated by Member  
 Banking Layer (\$0 - \$300,000)  
 Losses and LAE  
 Discounted Funding Guidelines for Fiscal Year 2020-2021  
 (Without recognition of surplus funding or other expenses)

County	2020-2021 Estimated Payroll	Expected	Marginally			Conservative 90%	% of Payroll
			Acceptable 70%	75%	Recommended 85%		
Alpine	\$5,740,486	\$171,000	\$188,000	\$194,000	\$211,000	\$223,000	2%
Colusa	24,935,709	742,000	816,000	844,000	916,000	968,000	9%
Del Norte	25,517,005	759,000	835,000	863,000	937,000	991,000	9%
Lassen	25,087,928	747,000	821,000	849,000	921,000	974,000	9%
Modoc	12,401,983	369,000	406,000	420,000	455,000	482,000	5%
Mono	23,247,498	692,000	760,000	787,000	854,000	903,000	8%
Plumas	23,700,000	705,000	775,000	802,000	870,000	920,000	9%
San Benito	37,409,916	1,113,000	1,224,000	1,266,000	1,374,000	1,453,000	14%
Sierra	8,856,333	264,000	290,000	300,000	325,000	344,000	3%
Sutter	68,967,531	2,053,000	2,256,000	2,334,000	2,533,000	2,679,000	25%
Trinity	18,913,338	563,000	619,000	640,000	695,000	735,000	7%
Total	\$274,777,727	\$8,178,000	\$8,988,000	\$9,298,000	\$10,092,000	\$10,672,000	

Note: Funding amounts are allocated to members by proportion of the total 2018-2019 estimated payroll. Provided by the Fund.

The current funding position and non claims related expenses are not considered.

Amounts may not sum due to rounding.

## Trindel Insurance Fund - Workers' Compensation

Funding Guidelines Allocated by Member  
Banking Layer (\$0 - \$300,000)  
Losses and LAE  
Discounted Funding Guidelines for Fiscal Year 2021-2022  
(Without recognition of surplus funding or other expenses)

County	2021-2022 Estimated Payroll	Expected	Marginally			Conservative 90%	% of Payroll
			Acceptable 70%	Recommended 75%	85%		
Alpine	\$5,103,143	\$182,000	\$200,000	\$207,000	\$225,000	\$238,000	2%
Colusa	26,413,548	791,000	869,000	899,000	976,000	1,032,000	9%
Del Norte	25,974,529	809,000	889,000	920,000	999,000	1,056,000	9%
Lassen	25,635,593	796,000	874,000	905,000	982,000	1,038,000	9%
Modoc	13,967,865	393,000	432,000	447,000	485,000	513,000	5%
Mono	25,366,538	737,000	810,000	838,000	910,000	962,000	9%
Plumas	24,000,000	752,000	826,000	855,000	928,000	981,000	8%
San Benito	40,070,663	1,187,000	1,304,000	1,349,000	1,464,000	1,548,000	14%
Sierra	8,966,901	281,000	309,000	319,000	347,000	367,000	3%
Sutter	69,131,975	2,187,000	2,404,000	2,487,000	2,699,000	2,855,000	24%
Trinity	20,111,783	600,000	659,000	682,000	740,000	783,000	7%
<b>Total</b>	<b>\$284,742,538</b>	<b>\$8,715,000</b>	<b>\$9,578,000</b>	<b>\$9,909,000</b>	<b>\$10,754,000</b>	<b>\$11,373,000</b>	

Note: Funding amounts are allocated to members by proportion of the total 2019-2020 estimated payroll. Provided by the Fund.

The current funding position and non claims related expenses are not considered.

Amounts may not sum due to rounding.

Trindel Insurance Fund - Workers' Compensation  
Banking Layer (\$0 - \$300,000)

Funding Guidelines for Outstanding Liabilities at  
June 30, 2020

(A) Estimated Ultimate Losses Incurred through 6/30/20: (From Appendix G - Banking Layer)	\$77,784,000
(B) Estimated Paid Losses through 6/30/20: (From Appendix G - Banking Layer)	53,080,000
(C) Estimated Liability for Claims Outstanding at 6/30/20: (From Appendix G - Banking Layer)	<u>\$24,704,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 6/30/20: (From Appendix F - Banking Layer)	1,812,000
(E) Total Outstanding Liability for Claims at 6/30/20: ((C) + (D))	<u>\$26,516,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.00%.): (Appendix I - Banking Layer, Page 1, (G))	1.000
(G) Discounted Outstanding Liability for Claims at 6/30/20: ((E) x (F))	<u>\$26,516,000</u>

	Marginally Acceptable	75%	Recommended	85%	Conservative
Confidence Level of Adequacy:	70%		80%		90%
(H) Confidence Level Factor: (From Appendix J - Banking Layer)	1.080	1.110	1.146	1.189	1.245
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	2,121,000	2,917,000	3,871,000	5,012,000	6,496,000
(J) Total Required Assets at 6/30/20: ((G) + (I))	<u>\$28,637,000</u>	<u>\$29,433,000</u>	<u>\$30,387,000</u>	<u>\$31,528,000</u>	<u>\$33,012,000</u>
(K) Estimated Total Assets at 6/30/20: (From Appendix L - Banking Layer)	45,912,000	45,912,000	45,912,000	45,912,000	45,912,000
(L) Indicated Funding Redundancy/ (Deficiency): ((K) - (J))	<u>\$17,275,000</u>	<u>\$16,479,000</u>	<u>\$15,525,000</u>	<u>\$14,384,000</u>	<u>\$12,900,000</u>

Trindel Insurance Fund - Workers' Compensation  
Banking Layer (\$0 - \$300,000)

Funding Guidelines for Outstanding Liabilities at  
June 30, 2021

(A) Estimated Ultimate Losses Incurred through 6/30/21: (From Appendix G - Banking Layer)	\$85,107,000
(B) Estimated Paid Losses through 6/30/21: (From Appendix G - Banking Layer)	58,517,000
(C) Estimated Liability for Claims Outstanding at 6/30/21: (From Appendix G - Banking Layer)	<u>\$26,590,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 6/30/21: (From Appendix F - Banking Layer)	1,987,000
(E) Total Outstanding Liability for Claims at 6/30/21: ((C) + (D))	<u>\$28,577,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.00%.): (Appendix I - Banking Layer, Page 1, (H))	1.000
(G) Discounted Outstanding Liability for Claims at 6/30/21: ((E) x (F))	<u>\$28,577,000</u>

	Marginally Acceptable	75%	Recommended	85%	Conservative
Confidence Level of Adequacy:	70%		80%		90%
(H) Confidence Level Factor: (From Appendix J - Banking Layer)	1.080	1.110	1.146	1.189	1.245
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	2,286,000	3,143,000	4,172,000	5,401,000	7,001,000
(J) Total Required Assets at 6/30/21: ((G) + (I))	<u>\$30,863,000</u>	<u>\$31,720,000</u>	<u>\$32,749,000</u>	<u>\$33,978,000</u>	<u>\$35,578,000</u>
(K) Estimated Total Assets at 6/30/21: (From Appendix L - Banking Layer)	50,571,000	50,571,000	50,571,000	50,571,000	50,571,000
(L) Indicated Funding Redundancy/ (Deficiency): ((K) - (J))	<u>\$19,708,000</u>	<u>\$18,851,000</u>	<u>\$17,822,000</u>	<u>\$16,593,000</u>	<u>\$14,993,000</u>





Trindel Insurance Fund - Workers' Compensation  
Banking and Pooled Layer  
Funding Guidelines for Outstanding Liabilities at  
June 30, 2020

(A) Estimated Ultimate Losses Incurred through 6/30/20: (From Not Included)	\$81,035,000
(B) Estimated Paid Losses through 6/30/20: (From Not Included)	53,080,000
(C) Estimated Liability for Claims Outstanding at 6/30/20: (From Not Included)	<u>\$27,955,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 6/30/20: (Not Applicable)	1,812,000
(E) Total Outstanding Liability for Claims at 6/30/20: ((C) + (D))	<u>\$29,767,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.0%): (Not Applicable)	1.000
(G) Discounted Outstanding Liability for Claims at 6/30/20: ((E) x (F))	<u>\$29,767,000</u>

Confidence Level of Adequacy:	Marginally Acceptable	Recommended			Conservative
	70%	75%	80%	85%	90%
(H) Confidence Level Factor: (From Not Included)	1.084	1.118	1.156	1.203	1.265
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	2,500,000	3,513,000	4,644,000	6,043,000	7,888,000
(J) Total Required Assets at 6/30/20: ((G) + (I))	<u>\$32,267,000</u>	<u>\$33,280,000</u>	<u>\$34,411,000</u>	<u>\$35,810,000</u>	<u>\$37,655,000</u>
(K) Estimated Total Assets at 6/30/20: (From Appendix L)	\$49,411,000	\$49,411,000	\$49,411,000	\$49,411,000	\$49,411,000
(L) Indicated Funding Redundancy/ (Deficiency): ((K) - (J))	<u>\$17,144,000</u>	<u>\$16,131,000</u>	<u>\$15,000,000</u>	<u>\$13,601,000</u>	<u>\$11,756,000</u>

Trindel Insurance Fund - Workers' Compensation  
Banking and Pooled Layer  
Funding Guidelines for Outstanding Liabilities at  
June 30, 2021

(A) Estimated Ultimate Losses Incurred through 6/30/21: (From Not Included)	\$89,682,000
(B) Estimated Paid Losses through 6/30/21: (From Not Included)	59,309,000
(C) Estimated Liability for Claims Outstanding at 6/30/21: (From Not Included)	<u>\$30,373,000</u>
(D) Estimated Liability for Outstanding Claims Administration Fees at 6/30/21: (Not Applicable)	1,987,000
(E) Total Outstanding Liability for Claims at 6/30/21: ((C) + (D))	<u>\$32,360,000</u>
(F) Reserve Discount Factor (Based on a Discount Rate of 0.0%.): (Not Applicable)	1.000
(G) Discounted Outstanding Liability for Claims at 6/30/21: ((E) x (F))	<u>\$32,360,000</u>

Confidence Level of Adequacy:	Marginally Acceptable	Recommended			Conservative
	70%	75%	80%	85%	90%
(H) Confidence Level Factor: (From Not Included)	1.084	1.118	1.156	1.203	1.265
(I) Margin for Adverse Experience: ((G) x [(H) - 1])	2,718,000	3,818,000	5,048,000	6,569,000	8,575,000
(J) Total Required Assets at 6/30/21: ((G) + (I))	<u>\$35,078,000</u>	<u>\$36,178,000</u>	<u>\$37,408,000</u>	<u>\$38,929,000</u>	<u>\$40,935,000</u>
(K) Estimated Total Assets at 6/30/21: (From Appendix L)	\$56,558,000	\$56,558,000	\$56,558,000	\$56,558,000	\$56,558,000
(L) Indicated Funding Redundancy/ (Deficiency): ((K) - (J))	<u>\$21,480,000</u>	<u>\$20,380,000</u>	<u>\$19,150,000</u>	<u>\$17,629,000</u>	<u>\$15,623,000</u>

Trindel Insurance Fund - Workers' Compensation  
Banking Layer (\$0 -\$300,000)

Funding Options for Program Year 2021-2022 (SIR = \$300,000)

	Dollar Amount					Payroll Rate
(A) Estimated Ultimate Losses Incurred in Accident Year 2021-2022: (From Appendix G - Banking Layer)	\$7,796,000					\$2.738
(B) Estimated Claims Administration Fees Incurred in Accident Year 2021-2022: (From Exhibit 5 - Banking Layer, Page 1, (L))	919,000					0.323
(C) Total Claims Costs Incurred in Accident Year 2021-2022: ((A) + (B))	<u>\$8,715,000</u>					<u>\$3.061</u>
(D) Loss Discount Factor (Based on a Discount Rate of 0.00%.): (Appendix I - Banking Layer, Page 2, (G))	1.000					
(E) Discounted Total Claims Costs Incurred in Accident Year 2021-2022: ((C) x (D))	<u>\$8,715,000</u>					<u>\$3.061</u>
	Marginally Acceptable	Recommended			Conservative	
	70%	75%	80%	85%	90%	
(F) Confidence Level Factor: (From Appendix J - Banking Layer)	1.099	1.137	1.181	1.234	1.305	
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	863,000	1,194,000	1,577,000	2,039,000	2,658,000	
(H) Recommended Funding in 2021-2022 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$9,578,000</u>	<u>\$9,909,000</u>	<u>\$10,292,000</u>	<u>\$10,754,000</u>	<u>\$11,373,000</u>	
(I) Budgeted Non Claims Related Expenses: ( 2020-2021 Budgeted Non-Claims Related Expenses	1,950,000	1,950,000	1,950,000	1,950,000	1,950,000	
(J) Recommended Funding in 2021-2022 for Claims Costs, Other Expenses, and Non-Claims Related Expenses: ((H) + (I))	<u>\$9,578,000</u>	<u>\$9,909,000</u>	<u>\$10,292,000</u>	<u>\$10,754,000</u>	<u>\$11,373,000</u>	
(K) Rate per \$100 of Payroll: ((J) / \$2,847,425)	\$3.364	\$3.480	\$3.614	\$3.777	\$3.994	

Payroll rates are per hundred dollars of 2021-2022 payroll of \$284,742,500.

Trindel Insurance Fund - Workers' Compensation  
Pooled Layer (\$300,000 - \$1,000,000)  
Funding Options for Program Year 2021-2022  
One-Year Funding Plan

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2021-2022: (From Not Included)	\$1,470,000	\$0.516			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2021-2022: (From Not Included, Page 1, item (L))	0	0.000			
(C) Total Claims Costs Incurred in Accident Year 2021-2022: ((A) + (B))	<u>\$1,470,000</u>	<u>\$0.516</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.0%.): (Not Applicable)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2021-2022: ((C) x (D))	<u>\$1,470,000</u>	<u>\$0.516</u>			
	<u>Marginally Acceptable</u>		<u>Recommended</u>		<u>Conservative</u>
	70%	75%	80%	85%	90%
(F) Confidence Level Factor: (From Not Included)	1.189	1.276	1.376	1.497	1.665
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	278,000	405,000	552,000	731,000	978,000
(H) Recommended Funding in 2021-2022 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$1,748,000</u>	<u>\$1,875,000</u>	<u>\$2,022,000</u>	<u>\$2,201,000</u>	<u>\$2,448,000</u>
(I) Rate per \$100 of Payroll: ((H) / \$2,847,425)	\$0.614	\$0.658	\$0.710	\$0.773	\$0.860

Payroll rates are per hundred dollars of 2021-2022 payroll of \$284,742,500.

Trindel Insurance Fund - Workers' Compensation  
 Funding Options for Program Year 2021-2022 (SIR = \$1,000,000)  
 One-Year Funding Plan

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2021-2022: (From Not Included)	\$9,266,000	\$3.254			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2021-2022: (From Not Included, Page 1, item (L))	919,103	0.323			
(C) Total Claims Costs Incurred in Accident Year 2021-2022: ((A) + (B))	<u>\$10,185,103</u>	<u>\$3.577</u>			
(D) Loss Discount Factor (Based on a Discount Rate of 0.0%): (Not Applicable)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2021-2022: ((C) x (D))	<u>\$10,185,000</u>	<u>\$3.577</u>			
	Marginally Acceptable		Recommended		Conservative
	70%	75%	80%	85%	90%
(F) Confidence Level Factor: (From Not Included)	1.112	1.157	1.209	1.272	1.357
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	1,141,000	1,599,000	2,129,000	2,770,000	3,636,000
(H) Recommended Funding in 2021-2022 for Claims Costs and Other Expenses: ((E) + (G))	<u>\$11,326,000</u>	<u>\$11,784,000</u>	<u>\$12,314,000</u>	<u>\$12,955,000</u>	<u>\$13,821,000</u>
(I) Budgeted Non-Claims Related Expenses: (Provided by the Fund)	1,950,000	1,950,000	1,950,000	1,950,000	1,950,000
(J) Recommended Funding in 2021-2022 for Claims Costs, Other Expenses, and Non-Claims Related Expenses: ((H) + (I))	<u>\$13,276,000</u>	<u>\$13,734,000</u>	<u>\$14,264,000</u>	<u>\$14,905,000</u>	<u>\$15,771,000</u>
(K) Rate per \$100 of Payroll: ((J) / \$2,847,425)	\$4.662	\$4.823	\$5.009	\$5.235	\$5.539

Payroll rates are per hundred dollars of 2021-2022 payroll of \$284,742,500.

## Trindel Insurance Fund - Workers' Compensation

## IBNR as of 6/30/21 at Expected Claims Level

Accident Year	Estimated Ultimate (A)	Reported as of 6/30/20 (B)	Estimated IBNR as of 6/30/20 (C)	Estimated Percent of IBNR Reported Between 7/1/20 and 6/30/21 (D)	Estimated IBNR Reported (E)	Estimated IBNR as of 6/30/21 (F)
Prior	\$10,429,000	\$10,263,000	\$166,000	15.0%	\$25,000	\$141,000
2000-2001	1,294,000	1,288,000	6,000	22.1%	1,000	5,000
2001-2002	958,000	937,000	21,000	24.8%	5,000	16,000
2002-2003	1,483,000	1,445,000	38,000	14.1%	5,000	33,000
2003-2004	1,481,000	1,432,000	49,000	21.9%	11,000	38,000
2004-2005	484,000	474,000	10,000	17.9%	2,000	8,000
2005-2006	655,000	625,000	30,000	15.1%	5,000	25,000
2006-2007	510,000	496,000	14,000	15.7%	2,000	12,000
2007-2008	348,000	348,000	0	15.7%	0	0
2008-2009	2,872,000	2,717,000	155,000	15.3%	24,000	131,000
2009-2010	2,944,000	2,757,000	187,000	13.1%	24,000	163,000
2010-2011	4,066,000	3,850,000	216,000	12.9%	28,000	188,000
2011-2012	4,420,000	4,031,000	389,000	13.7%	53,000	336,000
2012-2013	4,832,000	4,026,000	806,000	47.1%	380,000	426,000
2013-2014	3,859,000	3,136,000	723,000	14.7%	106,000	617,000
2014-2015	4,295,000	3,354,000	941,000	13.4%	126,000	815,000
2015-2016	7,703,000	6,600,000	1,103,000	15.2%	168,000	935,000
2016-2017	6,788,000	5,369,000	1,419,000	19.0%	270,000	1,149,000
2017-2018	5,884,000	4,015,000	1,869,000	19.3%	361,000	1,508,000
2018-2019	6,198,000	3,494,000	2,704,000	28.0%	757,000	1,947,000
2019-2020	6,281,000	1,877,000	4,404,000	33.3%	1,466,000	2,938,000
2020-2021	7,323,000	0	0	37.9%	2,775,000	4,548,000
Totals	\$85,107,000	\$62,535,000	\$15,249,000		\$6,594,000	\$15,978,000

## Notes:

- (A) From Exhibit 4 - Banking Layer, .
- (B) Provided by the Fund. These losses exclude amounts incurred above the Fund's SIR for each year.
- (C) (A) - (B).
- (D) Percentage of incurred but not reported (IBNR) expected to be reported between 7/1/20 and 6/30/21. The percentage is based on the development pattern selected in Appendix A - Banking Layer.
- (E) ((A) - (B)) x (D).
- (F) (A) - (B) - (E).

This exhibit shows the calculation of the amount of incurred but not reported losses we expect as of 6/30/21. This amount is dependent on both the strength of the case reserves and the average frequency and severity of the losses incurred.

## Trindel Insurance Fund - Workers' Compensation

## IBNR as of 6/30/21 at Expected Claims Level

Accident Year	Estimated Ultimate (A)	Reported as of 6/30/20 (B)	Estimated IBNR as of 6/30/20 (C)	Estimated Percent of IBNR Reported Between 7/1/20 and 6/30/21 (D)	Estimated IBNR Reported (E)	Estimated IBNR as of 6/30/21 (F)
2019-2020	1,555,000	104,217	1,450,783	33.4%	484,000	966,783
2020-2021	1,324,000			37.9%	502,000	822,000
Totals	\$4,575,000	\$1,355,961	\$1,895,039		\$1,111,000	\$2,108,039

## Notes:

- (A) From Exhibit 4 - Pooled Layer, .
- (B) Provided by the Fund. These losses exclude amounts incurred above the Fund's SIR for each year.
- (C) (A) - (B).
- (D) Percentage of incurred but not reported (IBNR) expected to be reported between 7/1/20 and 6/30/21. The percentage is based on the development pattern selected in Not Included.
- (E) ((A) - (B)) x (D).
- (F) (A) - (B) - (E).

This exhibit shows the calculation of the amount of incurred but not reported losses we expect as of 6/30/21. This amount is dependent on both the strength of the case reserves and the average frequency and severity of the losses incurred.

## Trindel Insurance Fund - Workers' Compensation

## IBNR as of 6/30/21 at Expected Claims Level

Accident Year	Estimated Ultimate (A)	Reported as of 6/30/20 (B)	Estimated IBNR as of 6/30/20 (C)	Estimated Percent of IBNR Reported Between 7/1/20 and 6/30/21 (D)	Estimated IBNR Reported (E)	Estimated IBNR as of 6/30/21 (F)
Prior	\$10,429,000	\$10,262,801	\$166,199	14.2%	\$24,000	\$142,199
2000-2001	1,294,000	1,287,931	6,069	22.1%	1,000	5,069
2001-2002	958,000	936,694	21,306	24.8%	5,000	16,306
2002-2003	1,483,000	1,445,460	37,540	14.1%	5,000	32,540
2003-2004	1,481,000	1,432,223	48,777	21.9%	11,000	37,777
2004-2005	484,000	474,098	9,902	17.9%	2,000	7,902
2005-2006	655,000	624,545	30,455	15.1%	5,000	25,455
2006-2007	510,000	496,061	13,939	15.7%	2,000	11,939
2007-2008	348,143	348,143	0	15.7%	0	0
2008-2009	2,872,000	2,717,175	154,825	15.3%	24,000	130,825
2009-2010	2,944,000	2,757,407	186,593	13.1%	24,000	162,593
2010-2011	4,066,000	3,849,867	216,133	12.9%	28,000	188,133
2011-2012	4,420,000	4,031,392	388,608	13.7%	53,000	335,608
2012-2013	4,832,000	4,026,026	805,974	47.1%	380,000	425,974
2013-2014	3,859,000	3,136,150	722,850	14.7%	106,000	616,850
2014-2015	4,295,000	3,354,351	940,649	13.4%	126,000	814,649
2015-2016	7,703,000	6,599,531	1,103,469	15.2%	168,000	935,469
2016-2017	6,788,000	5,368,819	1,419,181	19.0%	270,000	1,149,181
2017-2018	5,884,000	4,015,416	1,868,584	19.3%	361,000	1,507,584
2018-2019	7,894,000	4,745,400	3,148,600	28.0%	882,000	2,266,600
2019-2020	7,836,000	1,981,404	5,854,596	33.3%	1,950,000	3,904,596
2020-2021	8,647,000			37.9%	3,277,000	5,370,000
Totals	\$89,682,143	\$63,890,894	\$17,144,249		\$7,704,000	\$18,087,249

## Notes:

- (A) From Exhibit 4 - Banking and Pooled Layer, .  
 (B) Provided by the Fund. These losses exclude amounts incurred above the Fund's SIR for each year.  
 (C) (A) - (B).  
 (D) Percentage of incurred but not reported (IBNR) expected to be reported between 7/1/20 and 6/30/21. The percentage is based on the development pattern selected in Not Included.  
 (E) ((A) - (B)) x (D).  
 (F) (A) - (B) - (E).

This exhibit shows the calculation of the amount of incurred but not reported losses we expect as of 6/30/21. This amount is dependent on both the strength of the case reserves and the average frequency and severity of the losses incurred.



## Trindel Insurance Fund - Workers' Compensation

## Estimated Ultimate Program Losses

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Estimate of Ultimate Losses (F)
2019-2020	1,006,375	911,605	1,253,744	1,222,963	949,042	1,555,000
Totals						\$3,251,000
						Projected Losses for the Year 2020-2021 (G) \$1,324,254
						Projected Losses for the Year 2021-2022 (H) \$1,470,000

## Notes:

- (A) From Not Included, Page 1, Column (G).
- (B) From Not Included, Page 1, Column (G).
- (C) From Not Included, Page 1, Column (G).
- (D) From Not Included, Page 2, Column (G).
- (E) From Not Included, Page 1, Column (C).
- (F) Selected averages of (A), (B), (C), (D), and (E).
- (G) From Not Included, Page 1, Line (K).
- (H) From Not Included, Page 1, Line (K).

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

## Trindel Insurance Fund - Workers' Compensation

## Estimated Ultimate Program Losses

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Estimate of Ultimate Losses (F)
Prior	\$10,334,641	\$10,522,321			\$10,249,725	10,429,000
2000-2001	1,299,522	1,288,263	\$1,299,247	\$1,287,623	1,257,135	1,294,000
2001-2002	947,934	966,489	947,506	963,599	900,965	958,000
2002-2003	1,465,696	1,499,001	1,465,187	1,495,256	1,409,044	1,483,000
2003-2004	1,458,003	1,503,146	1,456,190	1,494,004	1,331,407	1,481,000
2004-2005	484,528	481,895	484,782	481,987	485,967	484,000
2005-2006	640,783	668,263	639,579	663,634	601,011	655,000
2006-2007	511,439	507,216	510,227	504,551	471,968	510,000
2007-2008	361,024	379,824	361,451	378,826	369,710	348,000
2008-2009	2,836,731	2,905,854	2,833,353	2,894,142	2,765,010	2,872,000
2009-2010	2,898,035	2,989,796	2,893,944	2,969,209	2,786,640	2,944,000
2010-2011	4,077,009	4,054,316	4,063,135	4,023,967	3,808,560	4,066,000
2011-2012	4,309,558	4,529,132	4,299,966	4,477,671	4,130,940	4,420,000
2012-2013	4,585,644	5,077,508	4,601,419	4,984,393	4,715,112	4,832,000
2013-2014	3,659,887	4,057,167	3,635,147	3,889,676	3,489,096	3,859,000
2014-2015	4,018,512	4,571,459	4,039,875	4,433,490	4,154,598	4,295,000
2015-2016	8,196,618	8,629,626	7,622,603	7,303,750	6,245,736	7,703,000
2016-2017	7,070,735	7,091,266	6,683,247	6,328,258	5,776,006	6,788,000
2017-2018	5,721,968	5,234,308	5,744,319	5,548,171	5,433,120	5,884,000
2018-2019	8,100,398	4,773,175	7,894,115	6,742,900	6,832,293	7,894,000
2019-2020	5,964,026	6,398,940	7,534,535	8,138,304	6,463,662	7,836,000
Totals						\$81,035,143
			Projected Losses for the Year 2020-2021 (G)			\$8,647,254
			Projected Losses for the Year 2021-2022 (H)			\$9,266,000

## Notes:

- (A) From Not Included, Page 1, Column (G).
- (B) From Not Included, Page 1, Column (G).
- (C) From Not Included, Page 1, Column (G).
- (D) From Not Included, Page 2, Column (G).
- (E) From Not Included, Page 1, Column (C).
- (F) Selected averages of (A), (B), (C), (D), and (E).
- (G) From Not Included, Page 1, Line (K).
- (H) From Not Included, Page 1, Line (K).

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

## Trindel Insurance Fund - Workers' Compensation

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

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Ultimate Limited Losses (F)
Prior	\$9,808,000	\$9,868,000	\$0	\$0	\$9,839,000	\$9,839,000
2000-2001	1,197,000	1,188,000	1,197,000	1,189,000	1,193,000	1,193,000
2001-2002	849,000	860,000	849,000	859,000	855,000	855,000
2002-2003	1,324,000	1,344,000	1,325,000	1,343,000	1,335,000	1,335,000
2003-2004	1,253,000	1,264,000	1,254,000	1,264,000	1,259,000	1,259,000
2004-2005	457,000	461,000	457,000	461,000	460,000	460,000
2005-2006	561,000	572,000	561,000	572,000	567,000	567,000
2006-2007	451,000	440,000	450,000	441,000	446,000	446,000
2007-2008	358,000	368,000	358,000	367,000	348,000	348,000
2008-2009	2,595,000	2,607,000	2,595,000	2,606,000	2,602,000	2,602,000
2009-2010	2,599,000	2,638,000	2,601,000	2,637,000	2,619,000	2,619,000
2010-2011	3,630,000	3,518,000	3,627,000	3,521,000	3,575,000	3,575,000
2011-2012	3,837,000	3,906,000	3,840,000	3,903,000	3,872,000	3,872,000
2012-2013	3,480,000	3,575,000	3,482,000	3,569,000	3,528,000	3,528,000
2013-2014	2,523,000	2,662,000	2,527,000	2,653,000	2,593,000	2,593,000
2014-2015	3,021,000	3,117,000	3,024,000	3,109,000	3,070,000	3,070,000
2015-2016	5,163,000	5,162,000	5,060,000	4,914,000	4,584,000	4,987,000
2016-2017	4,532,000	4,388,000	4,482,000	4,281,000	4,214,000	4,382,000
2017-2018	3,334,000	3,192,000	3,431,000	3,549,000	3,939,000	3,377,000
2018-2019	3,385,000	3,106,000	3,585,000	3,789,000	3,908,000	3,467,000
2019-2020	2,722,000	3,513,000	3,624,000	4,500,000	3,647,000	3,590,000
Totals						\$57,964,000
			Projected Losses for the Year 2020-2021 (G)			\$4,809,000
			Projected Losses for the Year 2021-2022 (H)			\$5,082,000

## Notes:

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

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

Trindel Insurance Fund - Workers' Compensation

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

Accident Year	Ultimate Limited Losses (A)	Trend Factor (B)	Trended Limited Losses (C)	Trended Payroll (\$00) (D)	Trended Limited Loss Rate (E)
Prior	\$0	1.446	\$0	\$0	0.000
2000-2001	1,193,000	1.100	1,312,000	582,000	2.253
2001-2002	855,000	1.079	923,000	596,000	1.549
2002-2003	1,335,000	1.111	1,483,000	490,000	3.025
2003-2004	1,259,000	1.349	1,698,000	524,000	3.241
2004-2005	460,000	1.713	788,000	517,000	1.525
2005-2006	567,000	1.826	1,035,000	533,000	1.942
2006-2007	446,000	1.699	758,000	553,000	1.370
2007-2008	348,000	1.556	542,000	558,000	0.970
2008-2009	2,602,000	1.429	3,718,000	2,163,000	1.719
2009-2010	2,619,000	1.289	3,376,000	2,134,000	1.582
2010-2011	3,575,000	1.196	4,276,000	1,980,000	2.159
2011-2012	3,872,000	1.162	4,499,000	1,879,000	2.395
2012-2013	3,528,000	1.169	4,124,000	1,869,000	2.206
2013-2014	2,593,000	1.168	3,029,000	1,717,000	1.764
2014-2015	3,070,000	1.140	3,500,000	1,715,000	2.041
2015-2016	4,987,000	1.167	5,820,000	2,247,000	2.590
2016-2017	4,382,000	1.211	5,307,000	2,409,000	2.203
2017-2018	3,377,000	1.186	4,005,000	2,494,000	1.606
2018-2019	3,467,000	1.146	3,973,000	2,494,000	1.593
2019-2020	3,590,000	1.068	3,834,000	2,504,000	1.531
Totals	\$48,125,000		\$58,000,000	\$29,958,000	\$1.936
15/16-19/20	19,803,000		22,939,000	12,148,000	1.888
17/18-19/20	10,434,000		11,812,000	7,492,000	1.577

(F) Selected Limited Rate: \$1.750  
Prior: \$2.150

Program Year:	\$300,000 SIR	
	2020-2021	2021-2022
(G) Factor to SIR:	1.523	1.534
(H) Trend Factor:	1.000	1.020
(I) Program Rate:	\$2.665	\$2.738
(J) Trended Payroll (\$00):	2,748,000	2,847,000
(K) Projected Program Losses:	7,323,000	7,796,000
(L) Projected ULAE:	855,000	919,000
(M) Projected Loss and ULAE:	\$8,178,000	\$8,715,000

Program Year:	\$1,000,000 SIR	
	2020-2021	2021-2022
(G) Factor to SIR:	1.798	1.823
(H) Trend Factor:	1.000	1.020
(I) Program Rate:	\$3.147	\$3.254
(J) Trended Payroll (\$00):	2,748,000	2,847,000
(K) Projected Program Losses:	8,647,000	9,266,000
(L) Projected ULAE:	855,000	919,000
(M) Projected Loss and ULAE:	\$9,502,000	\$10,185,000

Trindel Insurance Fund - Workers' Compensation

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

Notes:

- (A) From Exhibit 4 - \$100,000, , Column (F).  
For purposes of projecting future losses, losses are capped at \$100,000 per occurrence.
- (B) From Appendix E - Banking Layer, Page 1, Column (B).
- (C) (A) x (B).
- (D) From Appendix N - Banking Layer, Column (C).
- (E) (C) / (D).
- (F) Selected based on (E).
- (G) Based on a Weibull distribution, a mathematical model of claim sizes.
- (H) From Appendix E - Banking Layer.
- (I) (F) x (G) x (H).
- (J) From Appendix N - Banking Layer, Column (C).
- (K) (I) x (J).
- (L) WJ Method  
historical claims administration expenses.
- (M) (K) + (L).

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

Trindel Insurance Fund - Workers' Compensation

Reported Loss Development

Accident Year (A)	Limited Reported Losses as of 6/30/20 (B)	Reported Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Reported Losses as of 6/30/20 (E)	Reported Loss Development Factor (F)	Ultimate Program Losses (G)
Prior	\$9,749,574	1.006	\$9,808,071	\$10,262,801	1.007	\$10,334,641
2000-2001	1,187,931	1.008	1,197,434	1,287,931	1.009	1,299,522
2001-2002	840,551	1.010	848,957	936,694	1.012	947,934
2002-2003	1,308,722	1.012	1,324,427	1,445,460	1.014	1,465,696
2003-2004	1,234,658	1.015	1,253,178	1,432,223	1.018	1,458,003
2004-2005	449,098	1.018	457,182	474,098	1.022	484,528
2005-2006	549,545	1.021	561,085	624,545	1.026	640,783
2006-2007	439,969	1.024	450,528	496,061	1.031	511,439
2007-2008	348,143	1.028	357,891	348,143	1.037	361,024
2008-2009	2,512,221	1.033	2,595,124	2,717,175	1.044	2,836,731
2009-2010	2,503,640	1.038	2,598,778	2,757,407	1.051	2,898,035
2010-2011	3,480,324	1.043	3,629,978	3,849,867	1.059	4,077,009
2011-2012	3,657,786	1.049	3,837,018	4,031,392	1.069	4,309,558
2012-2013	3,295,296	1.056	3,479,833	4,026,026	1.139	4,585,644
2013-2014	2,371,616	1.064	2,523,399	3,136,150	1.167	3,659,887
2014-2015	2,815,785	1.073	3,021,337	3,354,351	1.198	4,018,513
2015-2016	4,763,008	1.084	5,163,101	6,599,531	1.242	8,196,618
2016-2017	4,119,830	1.100	4,531,813	5,368,819	1.317	7,070,735
2017-2018	2,955,334	1.128	3,333,617	4,015,416	1.425	5,721,968
2018-2019	2,680,319	1.263	3,385,243	3,493,656	1.707	5,963,671
2019-2020	1,471,267	1.850	2,721,844	1,877,187	2.641	4,957,651
Totals	\$52,734,617		\$57,079,838	\$62,534,933		\$75,799,589

Notes:

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

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

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

Trindel Insurance Fund - Workers' Compensation  
Reported Loss Development

Accident Year	<u>Limited Losses Reported as of:</u>									
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
1999-2000										3,964,549
2000-2001									3,686,887	3,730,627
2001-2002								2,736,450	2,749,488	2,769,344
2002-2003							4,064,830	4,086,026	4,111,016	
2003-2004						5,283,838	5,297,382	5,271,895		
2004-2005					2,136,585	2,196,828	2,365,277			
2005-2006				2,126,272	2,294,688	2,295,930				
2006-2007			2,815,929	2,981,828	2,917,626					
2007-2008		2,127,318	2,654,684	2,822,551						
2008-2009	1,702,206	2,394,938	2,681,607	2,880,390	2,801,712	2,620,516	2,508,575	2,484,811	2,511,721	2,780,575
2009-2010	1,690,024	2,163,514	2,585,236	2,483,014	2,722,152	2,697,828	2,684,469	2,682,974	2,641,243	2,503,366
2010-2011	1,522,454	2,677,355	3,232,612	3,327,527	3,478,076	3,542,732	3,512,914	3,398,652	3,441,626	3,480,324
2011-2012	1,688,257	3,002,294	3,714,182	3,559,434	3,732,931	3,615,349	3,600,714	3,614,008	3,657,786	
2012-2013	1,474,731	2,735,630	3,031,178	3,329,320	3,537,437	3,402,762	3,335,232	3,295,296		
2013-2014	1,859,875	2,166,596	2,431,312	2,733,807	2,635,709	2,426,799	2,371,616			
2014-2015	1,726,979	2,925,460	3,044,410	2,960,109	2,933,043	2,815,785				
2015-2016	2,776,192	4,016,122	4,875,103	4,904,058	4,763,008					
2016-2017	2,628,890	3,795,066	3,869,755	4,119,830						
2017-2018	2,122,082	2,748,529	2,955,334							
2018-2019	1,746,246	2,680,319								
2019-2020	1,471,267									

Reported Loss Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
1999-2000										0.995
2000-2001									1.012	1.002
2001-2002								1.005	1.007	
2002-2003							1.005	1.006		
2003-2004						1.003	0.995			
2004-2005					1.028	1.077				
2005-2006				1.079	1.001					
2006-2007			1.059	0.978						
2007-2008		1.248	1.063							
2008-2009	1.407	1.120	1.074	0.973	0.935	0.957	0.991	1.011	1.107	0.899
2009-2010	1.280	1.195	0.960	1.096	0.991	0.995	0.999	0.984	0.948	1.000
2010-2011	1.759	1.207	1.029	1.045	1.019	0.992	0.967	1.013	1.011	
2011-2012	1.778	1.237	0.958	1.049	0.969	0.996	1.004	1.012		
2012-2013	1.855	1.108	1.098	1.063	0.962	0.980	0.988			
2013-2014	1.165	1.122	1.124	0.964	0.921	0.977				
2014-2015	1.694	1.041	0.972	0.991	0.960					
2015-2016	1.447	1.214	1.006	0.971						
2016-2017	1.444	1.020	1.065							
2017-2018	1.295	1.075								
2018-2019	1.535									

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
Average	1.514	1.144	1.037	1.021	0.976	0.997	0.993	1.005	1.017	0.974
Dollar-Weighted Averages										
3-yr	1.420	1.108	1.017	0.975	0.949	0.985	0.987	1.005	1.020	
4-yr	1.428	1.093	1.035	0.996	0.955	0.987	0.989	1.006		
Comparative Factors	1.464	1.110	1.022	1.013	1.008	1.008	1.007	1.007	1.006	1.005
Prior	1.500	1.150	1.035	1.020	1.009	1.009	1.008	1.007	1.006	1.005
Selected	1.465	1.120	1.025	1.015	1.010	1.009	1.008	1.007	1.006	1.005
Cumulated	1.850	1.263	1.128	1.100	1.084	1.073	1.064	1.056	1.049	1.043

Trindel Insurance Fund - Workers' Compensation  
Reported Loss Development

Accident Year	<u>Limited Losses Reported as of:</u>										
	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months	240 Months	252 Months
1999-2000	3,945,269	6,587,471									
2000-2001	3,736,791										
2001-2002											
2002-2003											
2003-2004											
2004-2005											
2005-2006											
2006-2007											
2007-2008											
2008-2009	2,498,447	2,512,221									
2009-2010	2,503,640										
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											

	<u>Reported Loss Development Factors:</u>										
	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-240 Months	240-252 Months	252-Ult. Months
1999-2000	1.670										
2000-2001											
2001-2002											
2002-2003											
2003-2004											
2004-2005											
2005-2006											
2006-2007											
2007-2008											
2008-2009	1.006										
2009-2010											
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-240 Months	240-252 Months	252-Ult. Months
Average Dollar-Weighted Averages	1.338										
3-yr											
4-yr											
Comparative Factors	1.005	1.005	1.004	1.003	1.004	1.003	1.004	1.002	1.003	1.003	1.015
Prior	1.005	1.004	1.004	1.003	1.003	1.003	1.003	1.002	1.002	1.002	1.006
Selected	1.005	1.005	1.004	1.003	1.003	1.003	1.003	1.002	1.002	1.002	1.006
Cumulated	1.038	1.033	1.028	1.024	1.021	1.018	1.015	1.012	1.010	1.008	1.006

Trindel Insurance Fund - Workers' Compensation  
Reported between \$100,000 and \$500,000 Loss Development

Accident Year	<u>Losses Reported as of:</u>									
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
1999-2000										1,940,318
2000-2001									2,246,586	2,283,853
2001-2002								477,269	493,110	466,515
2002-2003							1,472,882	1,469,793	1,668,583	
2003-2004						2,198,822	2,678,819	2,981,936		
2004-2005					175,962	261,782	286,539			
2005-2006				501,449	825,191	841,526				
2006-2007			887,251	772,437	1,025,387					
2007-2008		183,348	260,384	556,300						
2008-2009	118,926	267,532	440,492	632,985	1,271,939	1,597,858	1,837,922	1,905,882	1,753,852	1,393,194
2009-2010	36,489	781,056	983,414	1,348,331	2,103,688	1,899,750	1,683,109	1,688,952	1,711,888	1,589,431
2010-2011		560,715	572,083	1,261,936	1,677,272	2,377,139	2,260,016	2,178,560	2,076,347	2,181,249
2011-2012		469,135	1,501,018	1,610,479	1,995,323	1,719,649	1,811,900	1,674,414	1,623,609	
2012-2013	133,856	523,910	671,928	1,347,194	1,127,479	945,719	833,668	789,455		
2013-2014	24,447	276,590	636,435	759,830	786,870	766,229	764,534			
2014-2015	112,262	558,866	689,597	651,117	680,586	538,566				
2015-2016	15,692	179,695	1,235,279	2,118,450	2,337,672					
2016-2017	279,223	810,583	1,189,982	1,248,989						
2017-2018	81,378	693,750	1,264,242							
2018-2019	423,500	1,213,337								
2019-2020	510,137									

Reported Loss Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
1999-2000										1.021
2000-2001									1.017	0.916
2001-2002								1.033	0.946	
2002-2003							0.998	1.135		
2003-2004						1.218	1.113			
2004-2005					1.488	1.095				
2005-2006				1.646	1.020					
2006-2007			0.871	1.327						
2007-2008		1.420	2.136							
2008-2009	2.250	1.647	1.437	2.009	1.256	1.150	1.037	0.920	0.794	
2009-2010	21.405	1.259	1.371	1.560	0.903	0.886	1.003	1.014	0.928	1.045
2010-2011		1.020	2.206	1.329	1.417	0.951	0.964	0.953	1.051	
2011-2012		3.200	1.073	1.239	0.862	1.054	0.924	0.970		
2012-2013	3.914	1.283	2.005	0.837	0.839	0.882	0.947			
2013-2014	11.314	2.301	1.194	1.036	0.974	0.998				
2014-2015	4.978	1.234	0.944	1.045	0.791					
2015-2016	11.451	6.874	1.715	1.103						
2016-2017	2.903	1.468	1.050							
2017-2018	8.525	1.822								
2018-2019	2.865									

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
Average	7.734	2.139	1.455	1.313	1.061	1.029	0.998	1.004	0.947	0.994
Dollar-Weighted Averages										
3-yr	3.466	2.191	1.290	1.078	0.867	0.994	0.946	0.977	0.932	
4-yr	3.623	1.952	1.274	1.011	0.865	0.976	0.961	0.962		
Comparative Factors										
Prior	2.796	1.821	1.351	1.229	1.109	1.085	1.071	1.063	1.048	1.045
Selected	2.797	1.863	1.372	1.240	1.122	1.080	1.070	1.060	1.047	1.041
Cumulated	2.797	1.863	1.372	1.240	1.122	1.080	1.070	1.060	1.047	1.041
Cumulated	16.005	5.723	3.072	2.238	1.804	1.608	1.489	1.392	1.313	1.254

Trindel Insurance Fund - Workers' Compensation  
Reported between \$100,000 and \$500,000 Loss Development

Accident Year	<u>Losses Reported as of:</u>										
	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months	240 Months	252 Months
1999-2000	1,981,766										
2000-2001	2,091,692										
2001-2002											
2002-2003											
2003-2004											
2004-2005											
2005-2006											
2006-2007											
2007-2008											
2008-2009		1,300,115									
2009-2010	1,661,640										
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											

Reported Loss Development Factors:

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-240 Months	240-252 Months	252-Ult. Months
1999-2000											
2000-2001											
2001-2002											
2002-2003											
2003-2004											
2004-2005											
2005-2006											
2006-2007											
2007-2008											
2008-2009											
2009-2010											
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
Average Dollar-Weighted Averages											
3-yr											
4-yr											
Comparative Factors											
Prior	1.036	1.030	1.026	1.024	1.023	1.020	1.015	1.012	1.010	1.009	1.032
Selected	1.032	1.025	1.024	1.020	1.019	1.015	1.012	1.008	1.006	1.005	1.020
Cumulated	1.032	1.025	1.024	1.020	1.019	1.015	1.012	1.008	1.006	1.005	1.020
	1.205	1.167	1.138	1.112	1.090	1.069	1.053	1.041	1.032	1.025	1.020

Trindel Insurance Fund - Workers' Compensation

Paid Loss Development

Accident Year (A)	Limited Paid Losses as of 6/30/20 (B)	Paid Loss Development Factor (C)	Ultimate Limited Losses (D)	Program Paid Losses as of 6/30/20 (E)	Paid Loss Development Factor (F)	Ultimate Program Losses (G)
Prior	\$9,712,546	1.016	\$9,867,947	\$10,225,774	1.029	\$10,522,321
2000-2001	1,166,101	1.019	1,188,257	1,241,101	1.038	1,288,263
2001-2002	840,551	1.023	859,884	925,756	1.044	966,489
2002-2003	1,308,722	1.027	1,344,057	1,427,620	1.050	1,499,001
2003-2004	1,225,869	1.031	1,263,871	1,423,434	1.056	1,503,146
2004-2005	444,952	1.036	460,970	453,335	1.063	481,895
2005-2006	549,545	1.041	572,076	624,545	1.070	668,263
2006-2007	420,080	1.048	440,244	470,080	1.079	507,216
2007-2008	348,143	1.056	367,639	348,143	1.091	379,824
2008-2009	2,450,184	1.064	2,606,996	2,636,891	1.102	2,905,854
2009-2010	2,456,409	1.074	2,638,183	2,676,630	1.117	2,989,796
2010-2011	3,242,572	1.085	3,518,191	3,578,390	1.133	4,054,316
2011-2012	3,554,522	1.099	3,906,420	3,928,128	1.153	4,529,132
2012-2013	3,205,907	1.115	3,574,586	3,772,294	1.346	5,077,508
2013-2014	2,339,512	1.138	2,662,365	2,867,256	1.415	4,057,167
2014-2015	2,655,230	1.174	3,117,240	3,037,514	1.505	4,571,459
2015-2016	4,186,518	1.233	5,161,977	5,252,359	1.643	8,629,626
2016-2017	3,250,271	1.350	4,387,866	3,792,121	1.870	7,091,266
2017-2018	2,064,998	1.546	3,192,487	2,351,441	2.226	5,234,308
2018-2019	1,399,838	2.219	3,106,241	1,457,013	3.276	4,773,175
2019-2020	565,349	6.213	3,512,513	590,036	9.300	5,487,335
Totals	\$47,387,819		\$57,750,009	\$53,079,861		\$77,217,359

Notes:

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

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

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

Trindel Insurance Fund - Workers' Compensation  
Paid Loss Development

Accident Year	<u>Limited Losses Paid as of:</u>									
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
1999-2000										3,825,846
2000-2001									3,470,387	3,486,620
2001-2002								2,606,441	2,616,607	2,663,654
2002-2003							3,712,093	3,826,367	3,863,934	
2003-2004						4,754,852	4,845,299	4,954,496		
2004-2005					1,903,091	1,987,471	2,206,897			
2005-2006				1,676,766	1,909,554	1,978,990				
2006-2007			2,112,824	2,329,587	2,440,040					
2007-2008		1,131,777	1,690,014	2,014,697						
2008-2009	436,908	1,288,925	1,852,766	2,073,373	2,259,705	2,358,047	2,419,085	2,424,222	2,446,850	2,698,159
2009-2010	631,165	1,438,622	1,903,057	2,056,848	2,270,943	2,436,580	2,459,878	2,463,397	2,466,250	2,456,235
2010-2011	393,760	1,365,723	2,113,789	2,466,321	2,867,641	3,058,342	3,097,568	3,145,954	3,198,914	3,242,572
2011-2012	498,240	1,664,691	2,525,222	3,103,126	3,328,247	3,399,056	3,447,040	3,516,106	3,554,522	
2012-2013	407,781	1,303,509	2,103,373	2,508,241	2,901,841	3,142,285	3,179,156	3,205,907		
2013-2014	568,754	1,343,163	1,803,789	2,048,455	2,217,367	2,298,035	2,339,512			
2014-2015	575,072	1,539,213	2,130,906	2,337,726	2,527,987	2,655,230				
2015-2016	756,791	2,207,106	3,461,942	4,088,889	4,186,518					
2016-2017	707,039	2,190,607	2,887,301	3,250,271						
2017-2018	653,189	1,501,330	2,064,998							
2018-2019	636,400	1,399,838								
2019-2020	565,349									

Paid Loss Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
1999-2000										1.007
2000-2001									1.005	1.004
2001-2002								1.004	1.018	
2002-2003							1.031	1.010		
2003-2004						1.019	1.023			
2004-2005					1.044	1.110				
2005-2006				1.139	1.036					
2006-2007			1.103	1.047						
2007-2008		1.493	1.192							
2008-2009	2.950	1.437	1.119	1.090	1.044	1.026	1.002	1.009	1.103	
2009-2010	2.279	1.323	1.081	1.104	1.073	1.010	1.001	1.001	0.996	1.000
2010-2011	3.468	1.548	1.167	1.163	1.067	1.013	1.016	1.017	1.014	
2011-2012	3.341	1.517	1.229	1.073	1.021	1.014	1.020	1.011		
2012-2013	3.197	1.614	1.192	1.157	1.083	1.012	1.008			
2013-2014	2.362	1.343	1.136	1.082	1.036	1.018				
2014-2015	2.677	1.384	1.097	1.081	1.050					
2015-2016	2.916	1.569	1.181	1.024						
2016-2017	3.098	1.318	1.126							
2017-2018	2.298	1.375								
2018-2019	2.200									

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
Average	2.799	1.447	1.148	1.096	1.050	1.028	1.014	1.009	1.027	1.004
Dollar-Weighted Averages										
3-yr	2.550	1.426	1.141	1.054	1.059	1.014	1.015	1.010	1.035	
4-yr	2.651	1.418	1.140	1.077	1.047	1.014	1.012	1.010		
Comparative Factors										
Prior	2.458	1.382	1.166	1.088	1.051	1.034	1.021	1.015	1.014	1.011
Selected	2.800	1.450	1.150	1.100	1.050	1.030	1.020	1.015	1.012	1.010
Cumulated	2.800	1.435	1.145	1.095	1.050	1.032	1.021	1.015	1.013	1.011
Cumulated	6.213	2.219	1.546	1.350	1.233	1.174	1.138	1.115	1.099	1.085

Trindel Insurance Fund - Workers' Compensation  
Paid Loss Development

Accident Year	<u>Limited Losses Paid as of:</u>										
	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months	240 Months	252 Months
1999-2000	3,851,366	5,357,893									
2000-2001	3,499,624										
2001-2002											
2002-2003											
2003-2004											
2004-2005											
2005-2006											
2006-2007											
2007-2008											
2008-2009		2,450,184									
2009-2010	2,456,409										
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											

	<u>Paid Loss Development Factors:</u>										
	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-240 Months	240-252 Months	252-Ult. Months
1999-2000	1.391										
2000-2001											
2001-2002											
2002-2003											
2003-2004											
2004-2005											
2005-2006											
2006-2007											
2007-2008											
2008-2009											
2009-2010											
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-240 Months	240-252 Months	252-Ult. Months
Average	1.391										
Dollar-Weighted Averages											
3-yr											
4-yr											
Comparative Factors	1.010	1.008	1.008	1.007	1.007	1.005	1.006	1.005	1.005	1.005	1.026
Prior	1.009	1.008	1.007	1.006	1.005	1.005	1.004	1.004	1.004	1.004	1.016
Selected	1.010	1.008	1.008	1.007	1.005	1.005	1.004	1.004	1.004	1.004	1.016
Cumulated	1.074	1.064	1.056	1.048	1.041	1.036	1.031	1.027	1.023	1.019	1.016

Trindel Insurance Fund - Workers' Compensation  
Paid between \$100,000 and \$500,000 Loss Development

Accident Year	<u>Losses Paid as of:</u>									
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months
1999-2000										
2000-2001									1,608,580	1,630,487
2001-2002								150,465	169,980	182,512
2002-2003							796,481	862,805	932,469	
2003-2004						1,447,197	1,614,695	1,875,575		
2004-2005					35,193	93,263	129,406			
2005-2006				96,889	151,411	226,901				
2006-2007			225,182	310,651	345,319					
2007-2008		3,219	62,544	180,621						
2008-2009		62,853	209,651	257,320	435,515	530,808	679,362	916,092	1,048,760	867,802
2009-2010		106,615	276,662	388,771	538,325	848,282	1,037,291	1,060,397	1,107,033	1,122,199
2010-2011		5,913	117,644	338,928	801,845	1,135,479	1,472,715	1,527,728	1,642,414	1,846,003
2011-2012			502,629	757,569	1,100,634	1,311,576	1,404,374	1,459,563	1,462,551	
2012-2013		41,579	203,873	422,856	378,641	548,233	601,141	625,113		
2013-2014			89,403	225,100	432,350	495,847	527,744			
2014-2015		6,502	153,420	226,902	264,422	382,283				
2015-2016		8,150	511,005	879,889	1,065,841					
2016-2017		89,465	166,559	541,849						
2017-2018			286,443							
2018-2019	3,541	57,174								
2019-2020	24,686									

Paid Loss Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
1999-2000										1.052
2000-2001									1.014	1.012
2001-2002								1.130	1.074	
2002-2003							1.083	1.081		
2003-2004						1.116	1.162			
2004-2005					2.650	1.388				
2005-2006				1.563	1.499					
2006-2007			1.380	1.112						
2007-2008		19.430	2.888							
2008-2009		3.336	1.227	1.693	1.219	1.280	1.348	1.145	0.827	
2009-2010		2.595	1.405	1.385	1.576	1.223	1.022	1.044	1.014	1.020
2010-2011		19.896	2.881	2.366	1.416	1.297	1.037	1.075	1.124	
2011-2012			1.507	1.453	1.192	1.071	1.039	1.002		
2012-2013		4.903	2.074	0.895	1.448	1.097	1.040			
2013-2014			2.518	1.921	1.147	1.064				
2014-2015		23.596	1.479	1.165	1.446					
2015-2016		62.700	1.722	1.211						
2016-2017		1.862	3.253							
2017-2018										
2018-2019	16.146									

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months
Average	16.146	17.290	2.030	1.476	1.510	1.192	1.104	1.080	1.011	1.028
Dollar-Weighted Averages										
3-yr			1.984	1.323	1.326	1.075	1.039	1.041	1.010	
4-yr			2.036	1.220	1.258	1.147	1.035	1.060		
Comparative Factors	4.171	3.051	2.263	1.660	1.430	1.260	1.209	1.149	1.093	1.078
Prior	4.662	3.083	2.271	1.676	1.445	1.265	1.210	1.154	1.098	1.078
Selected	4.662	3.083	2.271	1.676	1.445	1.265	1.210	1.154	1.098	1.078
Cumulated	310.153	66.528	21.579	9.501	5.670	3.924	3.103	2.564	2.223	2.024

Trindel Insurance Fund - Workers' Compensation  
Paid between \$100,000 and \$500,000 Loss Development

Accident Year	<u>Losses Paid as of:</u>										
	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	204 Months	216 Months	228 Months	240 Months	252 Months
1999-2000	1,187,165										
2000-2001	1,650,067										
2001-2002											
2002-2003											
2003-2004											
2004-2005											
2005-2006											
2006-2007											
2007-2008											
2008-2009		1,202,214									
2009-2010	1,144,134										
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
2019-2020											

Paid Loss Development Factors:

	132-144 Months	144-156 Months	156-168 Months	168-180 Months	180-192 Months	192-204 Months	204-216 Months	216-228 Months	228-240 Months	240-252 Months	252-Ult. Months
1999-2000											
2000-2001											
2001-2002											
2002-2003											
2003-2004											
2004-2005											
2005-2006											
2006-2007											
2007-2008											
2008-2009											
2009-2010											
2010-2011											
2011-2012											
2012-2013											
2013-2014											
2014-2015											
2015-2016											
2016-2017											
2017-2018											
2018-2019											
Average Dollar-Weighted Averages											
3-yr											
4-yr											
Comparative Factors											
Prior	1.070	1.055	1.047	1.038	1.035	1.032	1.032	1.032	1.032	1.032	1.298
Selected	1.068	1.055	1.045	1.035	1.033	1.028	1.028	1.028	1.028	1.028	1.294
Cumulated	1.068	1.055	1.045	1.035	1.033	1.028	1.028	1.028	1.028	1.028	1.294
	1.877	1.757	1.665	1.593	1.539	1.489	1.448	1.408	1.369	1.331	1.294

Trindel Insurance Fund - Workers' Compensation

Exposure and Development Method  
Based on Reported Losses

Accident Year	Trended Payroll (\$00) (A)	Reported Losses as of 6/30/20 (B)	Reported Loss Development Factor (C)	Percentage of Losses Yet to Be Reported (D)	Program Rate (E)	Incurred but not Reported (IBNR) (F)	Ultimate Program Losses (G)
Prior	0		1.007	0.007	1.471	0	
2000-2001	582,375	1,287,931	1.009	0.009	2.218	11,625	1,299,556
2001-2002	595,519	936,694	1.012	0.012	1.557	11,127	947,821
2002-2003	490,290	1,445,460	1.014	0.014	2.958	20,304	1,465,764
2003-2004	524,009	1,432,223	1.018	0.018	2.615	24,665	1,456,888
2004-2005	516,618	474,098	1.022	0.022	0.970	11,025	485,123
2005-2006	533,129	624,545	1.026	0.025	1.162	15,487	640,032
2006-2007	552,927	496,061	1.031	0.030	0.882	14,630	510,691
2007-2008	558,412	348,143	1.037	0.036	0.682	13,710	361,853
2008-2009	2,162,738	2,717,175	1.044	0.042	1.320	119,902	2,837,077
2009-2010	2,133,591	2,757,407	1.051	0.049	1.349	141,033	2,898,440
2010-2011	1,980,422	3,849,867	1.059	0.056	1.987	220,366	4,070,233
2011-2012	1,878,992	4,031,392	1.069	0.065	2.273	277,612	4,309,004
2012-2013	1,869,337	4,026,026	1.139	0.122	2.709	617,812	4,643,838
2013-2014	1,717,268	3,136,150	1.167	0.143	2.185	536,569	3,672,719
2014-2015	1,714,689	3,354,351	1.198	0.165	2.609	738,148	4,092,499
2015-2016	2,246,905	6,599,531	1.242	0.195	2.517	1,102,815	7,702,346
2016-2017	2,409,036	5,368,819	1.317	0.241	2.444	1,418,932	6,787,751
2017-2018	2,494,277	4,015,416	1.425	0.298	2.513	1,867,899	5,883,315
2018-2019	2,493,637	3,493,656	1.707	0.414	2.619	2,703,766	6,197,422
2019-2020	2,503,937	1,877,187	2.641	0.621	2.832	4,403,604	6,280,791
Totals	29,958,108	\$52,272,132				\$14,271,030	\$66,543,162

Notes:

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

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

Trindel Insurance Fund - Workers' Compensation

Exposure and Development Method  
Based on Paid Losses

Accident Year	Trended Payroll (\$00) (A)	Paid Losses as of 6/30/20 (B)	Paid Loss Development Factor (C)	Percentage of Losses Yet to Be Paid (D)	Program Rate (E)	Incurred but not Paid (F)	Ultimate Program Losses (G)
Prior	0		1.029	0.028	1.471	0	
2000-2001	582,375	1,241,101	1.038	0.037	2.218	47,793	1,288,894
2001-2002	595,519	925,756	1.044	0.042	1.557	38,943	964,699
2002-2003	490,290	1,427,620	1.050	0.048	2.958	69,613	1,497,233
2003-2004	524,009	1,423,434	1.056	0.053	2.615	72,625	1,496,059
2004-2005	516,618	453,335	1.063	0.059	0.970	29,566	482,901
2005-2006	533,129	624,545	1.070	0.065	1.162	40,267	664,812
2006-2007	552,927	470,080	1.079	0.073	0.882	35,601	505,681
2007-2008	558,412	348,143	1.091	0.083	0.682	31,609	379,752
2008-2009	2,162,738	2,636,891	1.102	0.093	1.320	265,498	2,902,389
2009-2010	2,133,591	2,676,630	1.117	0.105	1.349	302,213	2,978,843
2010-2011	1,980,422	3,578,390	1.133	0.117	1.987	460,407	4,038,797
2011-2012	1,878,992	3,928,128	1.153	0.133	2.273	568,036	4,496,164
2012-2013	1,869,337	3,772,294	1.346	0.257	2.709	1,301,457	5,073,751
2013-2014	1,717,268	2,867,256	1.415	0.293	2.185	1,099,404	3,966,660
2014-2015	1,714,689	3,037,514	1.505	0.336	2.609	1,503,138	4,540,652
2015-2016	2,246,905	5,252,359	1.643	0.391	2.517	2,211,285	7,463,644
2016-2017	2,409,036	3,792,121	1.870	0.465	2.444	2,737,773	6,529,894
2017-2018	2,494,277	2,351,441	2.226	0.551	2.513	3,453,733	5,805,174
2018-2019	2,493,637	1,457,013	3.276	0.695	2.619	4,538,931	5,995,944
2019-2020	2,503,937	590,036	9.300	0.892	2.832	6,325,305	6,915,341
Totals	29,958,108	\$42,854,087				\$25,133,196	\$67,987,283

Notes:

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

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

Trindel Insurance Fund - Workers' Compensation

Exposure and Development Method

Accident Year	Trended Payroll (\$00) (A)	Ultimate Limited Losses (B)	Trend Factor (C)	Trended Limited Losses (D)	Trended Limited Loss Rate (E)	Limited Loss Rate (F)	Factor to SIR (G)	Program Loss Rate (H)
Prior	0		1.446			1.383	1.063	1.471
2000-2001	582,375	1,193,000	1.100	1,312,300	2.253	2.049	1.083	2.218
2001-2002	595,519	855,000	1.079	922,545	1.549	1.436	1.084	1.557
2002-2003	490,290	1,335,000	1.111	1,483,185	3.025	2.723	1.086	2.958
2003-2004	524,009	1,259,000	1.349	1,698,391	3.241	2.403	1.088	2.615
2004-2005	516,618	460,000	1.713	787,980	1.525	0.890	1.090	0.970
2005-2006	533,129	567,000	1.826	1,035,342	1.942	1.064	1.092	1.162
2006-2007	552,927	446,000	1.699	757,754	1.370	0.807	1.093	0.882
2007-2008	558,412	348,143	1.556	541,711	0.970	0.623	1.095	0.682
2008-2009	2,162,738	2,602,000	1.429	3,718,258	1.719	1.203	1.097	1.320
2009-2010	2,133,591	2,619,000	1.289	3,375,891	1.582	1.228	1.099	1.349
2010-2011	1,980,422	3,575,000	1.196	4,275,700	2.159	1.805	1.101	1.987
2011-2012	1,878,992	3,872,000	1.162	4,499,264	2.395	2.061	1.103	2.273
2012-2013	1,869,337	3,528,000	1.169	4,124,232	2.206	1.887	1.436	2.709
2013-2014	1,717,268	2,593,000	1.168	3,028,624	1.764	1.510	1.447	2.185
2014-2015	1,714,689	3,070,000	1.140	3,499,800	2.041	1.790	1.457	2.609
2015-2016	2,246,905	5,163,000	1.167	6,025,221	2.682	1.714	1.469	2.517
2016-2017	2,409,036	4,460,000	1.211	5,401,060	2.242	1.652	1.479	2.444
2017-2018	2,494,277	3,264,000	1.186	3,871,104	1.552	1.686	1.490	2.513
2018-2019	2,493,637	3,246,000	1.146	3,719,916	1.492	1.745	1.501	2.619
2019-2020	2,503,937	3,118,000	1.068	3,330,024	1.330	1.873	1.512	2.832
Total/Avg 14/15-18/19	29,958,108 11,358,544	\$47,573,143 19,203,000		\$57,408,302 22,517,101	\$1.916 1.982			
				Selected Limited Rate:	\$2.000			
				Prior:	\$2.300			

Notes:

- (A) Appendix N - Banking Layer, Column (C).
- (B) Selected average of results from Appendices A and B.
- (C) From Appendix E - Banking Layer, Page 1, Column (B).
- (D) (B) x (C).
- (E) (D) / (A).
- (F) Selected Limited Rate / (C). For 2014-2015 and prior (B) / (A).
- (G) Based on a Weibull distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

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

Trindel Insurance Fund - Workers' Compensation

Frequency and Severity Method

Accident Year	Ultimate Program Severity (A)	Adjusted Ultimate Claims (B)	Ultimate Program Losses (C)
Prior	\$8,206	1,275	\$10,462,650
2000-2001	13,595	95	1,291,525
2001-2002	11,171	83	927,193
2002-2003	14,799	98	1,450,302
2003-2004	17,795	77	1,370,215
2004-2005	7,269	69	501,561
2005-2006	14,401	43	619,243
2006-2007	11,338	43	487,534
2007-2008	6,932	55	381,260
2008-2009	10,122	282	2,854,404
2009-2010	10,581	272	2,878,032
2010-2011	14,055	280	3,935,400
2011-2012	19,408	220	4,269,760
2012-2013	22,711	223	5,064,553
2013-2014	17,780	211	3,751,580
2014-2015	23,671	189	4,473,819
2015-2016	22,899	294	6,732,306
2016-2017	22,422	278	6,233,316
2017-2018	23,296	252	5,870,592
2018-2019	24,545	239	5,866,255
2019-2020	26,770	206	5,514,620
Total		4,784	\$74,936,120

Notes:

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

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

Trindel Insurance Fund - Workers' Compensation

Frequency and Severity Method

Accident Year	Ultimate Limited Losses (A)	Adjusted Ultimate Claims (B)	Ultimate Limited Severity (C)	Trend Factor (D)	Trended Limited Severity (E)	Limited Severity (F)	Factor to SIR (G)	Program Severity (H)
Prior	\$9,839,000	1,275	\$7,717	1.777	\$13,713	\$7,717	1.063	\$8,206
2000-2001	1,193,000	95	12,558	1.339	16,815	12,558	1.083	13,595
2001-2002	855,000	83	10,301	1.301	13,402	10,301	1.084	11,171
2002-2003	1,335,000	98	13,622	1.326	18,063	13,622	1.086	14,799
2003-2004	1,259,000	77	16,351	1.594	26,063	16,351	1.088	17,795
2004-2005	460,000	69	6,667	2.004	13,361	6,667	1.090	7,269
2005-2006	567,000	43	13,186	2.116	27,902	13,186	1.092	14,401
2006-2007	446,000	43	10,372	1.949	20,215	10,372	1.093	11,338
2007-2008	348,143	55	6,330	1.768	11,191	6,330	1.095	6,932
2008-2009	2,602,000	282	9,227	1.608	14,837	9,227	1.097	10,122
2009-2010	2,619,000	272	9,629	1.436	13,827	9,629	1.099	10,581
2010-2011	3,575,000	280	12,768	1.320	16,854	12,768	1.101	14,055
2011-2012	3,872,000	220	17,600	1.269	22,334	17,600	1.103	19,408
2012-2013	3,528,000	223	15,821	1.264	19,998	15,821	1.436	22,711
2013-2014	2,593,000	211	12,289	1.251	15,374	12,289	1.447	17,780
2014-2015	3,070,000	189	16,243	1.210	19,654	16,243	1.457	23,671
2015-2016	4,987,000	294	16,963	1.225	20,780	15,592	1.469	22,899
2016-2017	4,382,000	278	15,763	1.260	19,861	15,159	1.479	22,422
2017-2018	3,377,000	252	13,401	1.222	16,376	15,630	1.490	23,296
2018-2019	3,467,000	239	14,506	1.168	16,943	16,353	1.501	24,545
2019-2020	3,590,000	206	17,427	1.079	18,804	17,702	1.512	26,770

Average Limited Severity: \$17,922  
Average 14/15-18/19 Limited Severity: 18,723  
Average 15/16-19/20 Limited Severity: 18,553

Selected Limited Severity: \$19,100  
Prior: \$19,000

Notes:

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

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

Trindel Insurance Fund - Workers' Compensation

Frequency and Severity Method  
Projection of Ultimate Claims

Accident Year	Reported Claim Development (A)	Closed Claim Development (B)	Selected Ultimate Claims (C)	Trended Payroll (\$000,000) (D)	Claim Frequency (E)	Trend Factor (F)	Trended Claim Frequency (G)
Prior	1,275	1,274	1,275	0.0		0.810	
2000-2001	95	94	95	58.2	1.631	0.819	1.336
2001-2002	83	82	83	59.6	1.394	0.827	1.153
2002-2003	98	97	98	49.0	1.999	0.835	1.669
2003-2004	77	76	77	52.4	1.469	0.843	1.238
2004-2005	69	68	69	51.7	1.336	0.852	1.138
2005-2006	43	40	43	53.3	0.807	0.860	0.694
2006-2007	43	41	43	55.3	0.778	0.868	0.675
2007-2008	55	56	55	55.8	0.985	0.877	0.864
2008-2009	282	282	282	216.3	1.304	0.887	1.157
2009-2010	272	269	272	213.4	1.275	0.896	1.142
2010-2011	280	273	280	198.0	1.414	0.905	1.280
2011-2012	220	219	220	187.9	1.171	0.914	1.070
2012-2013	223	222	223	186.9	1.193	0.924	1.102
2013-2014	211	217	211	171.7	1.229	0.933	1.147
2014-2015	189	189	189	171.5	1.102	0.942	1.038
2015-2016	294	281	294	224.7	1.308	0.952	1.245
2016-2017	278	263	278	240.9	1.154	0.961	1.109
2017-2018	252	253	252	249.4	1.010	0.970	0.980
2018-2019	239	252	239	249.4	0.958	0.979	0.938
2019-2020	211	201	206	250.4	0.823	0.990	0.815
Total	4,789	4,749	4,784	2,995.8			1.079
14/15-18/19	1,252	1,238	1,252	1,135.9			1.060
						(H) Selected Frequency:	1.065
						Prior:	1.100
Program Year:				2020-2021		2021-2022	
(I) Trend Factor:				1.000		0.990	
(J) Selected Frequency:				1.065		1.054	
(K) Est. Payroll (\$000,000):				274.8		284.7	
(L) Ultimate Claims:				293		300	

Notes:

- (A) Appendix D - Banking Layer, Page 4, (C).
- (B) Appendix D - Banking Layer, Page 5, (C).
- (C) Selected from (A) and (B).
- (D) Appendix N - Banking Layer, Column (C) / 10,000.
- (E) (C) / (D).
- (F) Appendix E - Banking Layer, Page 1, Column (F).
- (G) (E) x (F).
- (H) The selected frequency of 1.065 is based on (G).
- (I) Appendix E - Banking Layer, Page 1, Column (F).
- (J) (H) x (I).
- (K) Appendix N - Banking Layer, Column (C) / 10,000.
- (L) (J) x (K).

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

Trindel Insurance Fund - Workers' Compensation

Frequency and Severity Method  
Reported Claim Count Development

Accident Year	Claims Reported as of 6/30/2020 (A)	Reported Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
Prior	1,275	1.000	1,275	
2000-2001	95	1.000	95	1.336
2001-2002	83	1.000	83	1.153
2002-2003	98	1.000	98	1.669
2003-2004	77	1.000	77	1.239
2004-2005	69	1.000	69	1.138
2005-2006	43	1.000	43	0.694
2006-2007	43	1.000	43	0.675
2007-2008	55	1.000	55	0.864
2008-2009	282	1.000	282	1.157
2009-2010	272	1.000	272	1.142
2010-2011	280	1.000	280	1.280
2011-2012	220	1.000	220	1.070
2012-2013	223	1.000	223	1.102
2013-2014	211	1.001	211	1.146
2014-2015	188	1.003	189	1.038
2015-2016	293	1.005	294	1.246
2016-2017	276	1.008	278	1.109
2017-2018	249	1.013	252	0.980
2018-2019	235	1.019	239	0.938
2019-2020	191	1.106	211	0.834
Total	4,758		4,789	1.081

Notes:

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

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

Trindel Insurance Fund - Workers' Compensation

Frequency and Severity Method  
Closed Claim Count Development

Accident Year	Claims Closed as of 6/30/2020 (A)	Closed Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
Prior	1,268	1.005	1,274	
2000-2001	93	1.006	94	1.322
2001-2002	81	1.007	82	1.139
2002-2003	96	1.008	97	1.652
2003-2004	75	1.009	76	1.223
2004-2005	67	1.011	68	1.121
2005-2006	40	1.012	40	0.645
2006-2007	40	1.014	41	0.644
2007-2008	55	1.015	56	0.879
2008-2009	277	1.018	282	1.157
2009-2010	263	1.022	269	1.130
2010-2011	266	1.026	273	1.248
2011-2012	212	1.032	219	1.065
2012-2013	213	1.041	222	1.097
2013-2014	205	1.057	217	1.179
2014-2015	175	1.078	189	1.038
2015-2016	254	1.105	281	1.191
2016-2017	231	1.138	263	1.049
2017-2018	213	1.189	253	0.984
2018-2019	195	1.290	252	0.989
2019-2020	89	2.258	201	0.795
Total	4,408		4,749	1.069

Notes:

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

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

Trindel Insurance Fund - Workers' Compensation  
Reported Claim Count Development

Accident Year	Claims Reported as of:												
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months
1999-2000										430	430		
2000-2001									452	452	452		
2001-2002								413	413	413			
2002-2003							447	447	448				
2003-2004						424	424	439					
2004-2005					366	366	374						69
2005-2006				291	292	293							43
2006-2007			346	349	349							43	43
2007-2008		333	336	340						55	55	55	55
2008-2009	310	316	325	327	327	327	328	327	282	281	280	282	
2009-2010	312	345	350	352	353	353	353	273	273	272	272		
2010-2011	287	310	320	324	324	322	279	280	280	280			
2011-2012	208	232	232	233	233	218	218	220	220				
2012-2013	229	251	252	251	223	223	223	223					
2013-2014	206	227	228	211	211	210	211						
2014-2015	175	194	187	188	188	188							
2015-2016	295	290	293	294	293								
2016-2017	254	278	277	276									
2017-2018	238	248	249										
2018-2019	228	235											
2019-2020	191												

Reported Claim Count Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months	132-144 Months	144-156 Months	156-168 Months
1999-2000										1.000			
2000-2001									1.000	1.000			
2001-2002								1.000	1.000				
2002-2003							1.000	1.002					
2003-2004						1.000	1.035						
2004-2005					1.000	1.022							1.000
2005-2006				1.003	1.003							1.000	1.000
2006-2007			1.009	1.000							1.000	1.000	1.000
2007-2008		1.009	1.012							1.000	1.000	1.000	
2008-2009	1.019	1.028	1.006	1.000	1.000	1.003	0.997	0.862	0.996	0.996	1.007		
2009-2010	1.106	1.014	1.006	1.003	1.000	1.000	0.773	1.000	0.996	1.000			
2010-2011	1.080	1.032	1.013	1.000	0.994	0.866	1.004	1.000	1.000				
2011-2012	1.115	1.000	1.004	1.000	0.936	1.000	1.009	1.000					
2012-2013	1.096	1.004	0.996	0.888	1.000	1.000	1.000						
2013-2014	1.102	1.004	0.925	1.000	0.995	1.005							
2014-2015	1.109	0.964	1.005	1.000	1.000								
2015-2016	0.983	1.010	1.003	0.997									
2016-2017	1.094	0.996	0.996										
2017-2018	1.042	1.004											
2018-2019	1.031												
Average Claim-Weighted Averages	1.071	1.006	0.998	0.989	0.992	0.987	0.974	0.977	0.998	0.999	1.002	1.000	1.000
3-yr	1.057	1.004	1.001	0.999	0.998	1.002	1.004	1.000	0.998	0.998	1.005	1.000	1.000
4-yr	1.035	0.996	0.984	0.969	0.981	0.957	0.928	0.959					
Comparative Factors	1.090	1.009	1.005	1.004	1.004	1.002	1.002	1.001	1.001	1.001	1.001	1.001	1.000
Prior	1.085	1.006	1.005	1.003	1.002	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.085	1.006	1.005	1.003	1.002	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Cumulated	1.106	1.019	1.013	1.008	1.005	1.003	1.001	1.000	1.000	1.000	1.000	1.000	1.000

Trindel Insurance Fund - Workers' Compensation  
Closed Claim Development

Accident Year	Claims Closed as of:												
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months
1999-2000										416	416		
2000-2001									432	432	433		
2001-2002								401	400	402			
2002-2003							431	430	431				
2003-2004						395	394	411					
2004-2005					351	354	365						66
2005-2006				267	271	275						40	40
2006-2007			304	312	324						40	40	40
2007-2008		270	286	300						55	55	55	55
2008-2009	179	266	284	295	297	308	314	316	274	273	274	277	
2009-2010	194	293	303	314	322	336	339	260	263	264	263		
2010-2011	153	235	257	274	288	296	258	262	264	266			
2011-2012	79	159	178	200	204	196	202	209	212				
2012-2013	86	184	210	214	195	206	209	213					
2013-2014	110	183	195	184	194	201	205						
2014-2015	75	144	150	161	165	175							
2015-2016	135	205	229	250	254								
2016-2017	113	201	222	231									
2017-2018	108	202	213										
2018-2019	79	195											
2019-2020	89												

Closed Claim Count Development Factors:

	12-24 Months	24-36 Months	36-48 Months	48-60 Months	60-72 Months	72-84 Months	84-96 Months	96-108 Months	108-120 Months	120-132 Months	132-144 Months	144-156 Months	156-168 Months
1999-2000										1.000			
2000-2001									1.000	1.002			
2001-2002								0.998	1.005				
2002-2003							0.998	1.002					
2003-2004						0.997	1.043						
2004-2005					1.009	1.031							1.015
2005-2006				1.015	1.015							1.000	1.000
2006-2007			1.026	1.038							1.000	1.000	1.000
2007-2008		1.059	1.049							1.000	1.000	1.000	
2008-2009	1.486	1.068	1.039	1.007	1.037	1.019	1.006	0.867	0.996	1.004	1.011		
2009-2010	1.510	1.034	1.036	1.025	1.043	1.009	0.767	1.012	1.004	0.996			
2010-2011	1.536	1.094	1.066	1.051	1.028	0.872	1.016	1.008	1.008				
2011-2012	2.013	1.119	1.124	1.020	0.961	1.031	1.035	1.014					
2012-2013	2.140	1.141	1.019	0.911	1.056	1.015	1.019						
2013-2014	1.664	1.066	0.944	1.054	1.036	1.020							
2014-2015	1.920	1.042	1.073	1.025	1.061								
2015-2016	1.519	1.117	1.092	1.016									
2016-2017	1.779	1.104	1.041										
2017-2018	1.870	1.054											
2018-2019	2.468												
Average	1.810	1.082	1.046	1.016	1.027	0.999	0.983	0.984	1.003	1.000	1.004	1.000	1.005
Claim-Weighted													
Averages													
3-yr	1.993	1.092	1.068	1.030	1.051	1.022	1.022	1.011	1.002	1.000	1.008	1.000	1.007
4-yr	1.846	1.082	1.038	0.999	1.026	0.972	0.937	0.968					
Comparative													
Factors	1.570	1.081	1.058	1.037	1.029	1.019	1.012	1.009	1.006	1.006	1.004	1.003	1.002
Prior	1.750	1.085	1.045	1.030	1.020	1.017	1.011	1.007	1.005	1.004	1.004	1.003	1.001
Selected	1.750	1.085	1.045	1.030	1.025	1.020	1.015	1.009	1.006	1.004	1.004	1.003	1.001
Cumulated	2.258	1.290	1.189	1.138	1.105	1.078	1.057	1.041	1.032	1.026	1.022	1.018	1.015

Trindel Insurance Fund - Workers' Compensation

Loss Trend Factors

Accident Year	Benefit Level Factor (A)	Factor to 2020-2021 Loss Rate Level (B)	Factor to 2021-2022 Loss Rate Level (C)	Factor to 2022-2023 Loss Rate Level (D)	Factor to 2023-2024 Loss Rate Level (E)	Factor to 2020-2021 Frequency Level (F)	Factor to 2021-2022 Frequency Level (G)	Factor to 2022-2023 Frequency Level (H)	Factor to 2023-2024 Frequency Level (I)	Factor to 2020-2021 Severity Level (J)
Prior	0.954	1.446	1.476	1.505	1.535	0.810	0.802	0.794	0.786	1.777
2000-2001	0.741	1.100	1.122	1.144	1.167	0.819	0.810	0.802	0.794	1.339
2001-2002	0.741	1.079	1.101	1.123	1.145	0.827	0.818	0.810	0.802	1.301
2002-2003	0.778	1.111	1.134	1.156	1.179	0.835	0.827	0.818	0.810	1.326
2003-2004	0.964	1.349	1.376	1.403	1.431	0.843	0.835	0.826	0.818	1.594
2004-2005	1.248	1.713	1.747	1.781	1.817	0.852	0.843	0.834	0.826	2.004
2005-2006	1.357	1.826	1.862	1.899	1.937	0.860	0.851	0.842	0.834	2.116
2006-2007	1.288	1.699	1.733	1.767	1.802	0.868	0.859	0.851	0.842	1.949
2007-2008	1.203	1.556	1.587	1.618	1.651	0.877	0.868	0.860	0.851	1.768
2008-2009	1.127	1.429	1.458	1.486	1.516	0.887	0.878	0.869	0.860	1.608
2009-2010	1.037	1.289	1.315	1.341	1.367	0.896	0.887	0.878	0.869	1.436
2010-2011	0.981	1.196	1.220	1.244	1.269	0.905	0.896	0.887	0.878	1.320
2011-2012	0.972	1.162	1.185	1.209	1.233	0.914	0.905	0.896	0.887	1.269
2012-2013	0.998	1.169	1.193	1.216	1.240	0.924	0.914	0.905	0.896	1.264
2013-2014	1.017	1.168	1.192	1.215	1.240	0.933	0.923	0.914	0.905	1.251
2014-2015	1.012	1.140	1.163	1.186	1.210	0.942	0.933	0.923	0.914	1.210
2015-2016	1.056	1.167	1.190	1.213	1.238	0.952	0.942	0.932	0.923	1.225
2016-2017	1.118	1.211	1.236	1.260	1.285	0.961	0.951	0.941	0.932	1.260
2017-2018	1.118	1.186	1.210	1.234	1.259	0.970	0.960	0.951	0.941	1.222
2018-2019	1.101	1.146	1.169	1.192	1.215	0.979	0.969	0.960	0.950	1.168
2019-2020	1.047	1.068	1.089	1.111	1.133	0.990	0.980	0.970	0.960	1.079
2020-2021	1.000	1.000	1.020	1.040	1.061	1.000	0.990	0.980	0.970	1.000
2021-2022	1.000	--	1.000	1.020	1.040	--	1.000	0.990	0.980	--
2022-2023	1.000	--	--	1.000	1.020	--	--	1.000	0.990	--
2023-2024	1.000	--	--	--	1.000	--	--	--	1.000	--

Notes:

- (A) Based on WCIRB.
- (B) - (E) (A) adjusted for a 2.0% annual loss rate trend.
- (F) - (I) (A) adjusted for a -1.0% annual frequency trend.
- (J) (A) adjusted for a 3.0% annual severity trend.

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

Trindel Insurance Fund - Workers' Compensation

Residual Trend Factors

Accident Year	Initial Estimate of Ultimate Limited Losses (A)	Ultimate Reported Claims (B)	BLF (C)	Adjusted Limited Severity (D)	Trended Payroll (\$00) (E)	Ultimate Frequency (F)
Prior	\$9,839,000	1,275	0.954	7,365		
2000-2001	1,193,000	95	0.741	9,301	582,375	1.631
2001-2002	855,000	83	0.741	7,636	595,519	1.394
2002-2003	1,335,000	98	0.778	10,602	490,290	1.999
2003-2004	1,259,000	77	0.964	15,754	524,009	1.469
2004-2005	460,000	69	1.248	8,320	516,618	1.336
2005-2006	567,000	43	1.357	17,898	533,129	0.807
2006-2007	446,000	43	1.288	13,361	552,927	0.778
2007-2008	348,143	55	1.203	7,616	558,412	0.985
2008-2009	2,602,000	282	1.127	10,401	2,162,738	1.304
2009-2010	2,619,000	272	1.037	9,982	2,133,591	1.275
2010-2011	3,575,000	280	0.981	12,530	1,980,422	1.414
2011-2012	3,872,000	220	0.972	17,112	1,878,992	1.171
2012-2013	3,528,000	223	0.998	15,787	1,869,337	1.193
2013-2014	2,593,000	211	1.017	12,497	1,717,268	1.229
2014-2015	3,070,000	189	1.012	16,445	1,714,689	1.102
2015-2016	5,163,000	294	1.056	18,546	2,246,905	1.308
2016-2017	4,460,000	278	1.118	17,942	2,409,036	1.154
2017-2018	3,264,000	252	1.118	14,480	2,494,277	1.010
2018-2019	3,246,000	239	1.101	14,952	2,493,637	0.958
2019-2020	3,118,000	206	1.047	15,848	2,503,937	0.823

Severity Trend Factors

Frequency Trend Factors

Latest 10 x 2019-2020	1.035	0.971
Mvg 5-Yr Wtd Latest 10 x 2019-2020	1.057	0.990
Latest 5 x 2019-2020	0.957	0.948
Mvg 5-Yr Wtd Latest 5 x 2019-2020	1.024	0.975
Prior	1.025	0.995
Default	1.025	0.980
Selected Residual Trend	1.030	0.990

Notes:

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

Trindel Insurance Fund - Workers' Compensation

Outstanding Liability for  
Unallocated Loss Adjustment Expenses  
as of 6/30/20

Fiscal Year (A)	Number of Claims Active During Fiscal Year (B)	Average ULAE Charge per Active Claim (C)	Inflation Trend Factor (D)	Trended ULAE Charge per Active Claim (E)	ULAE Paid During Year (F)
2020-2021	357.0	\$1,093	1.000	\$1,093	\$390,201
2021-2022	230.2	1,093	1.050	1,148	264,270
2022-2023	176.5	1,093	1.103	1,206	212,859
2023-2024	136.8	1,093	1.158	1,266	173,189
2024-2025	107.3	1,093	1.216	1,329	142,602
2025-2026	84.8	1,093	1.277	1,396	118,381
2026-2027	68.8	1,093	1.341	1,466	100,861
2027-2028	54.7	1,093	1.408	1,539	84,183
2028-2029	43.3	1,093	1.478	1,615	69,930
2029-2030	33.1	1,093	1.552	1,696	56,138
2030-2031	26.8	1,093	1.630	1,782	47,758
2031-2032	21.6	1,093	1.712	1,871	40,414
2032-2033	17.9	1,093	1.798	1,965	35,174
2033-2034	14.6	1,093	1.888	2,064	30,134
2034-2035	9.7	1,093	1.982	2,166	21,010
2035-2036	5.8	1,093	2.081	2,275	13,195
2036-2037	3.2	1,093	2.185	2,388	7,642
2037-2038	1.6	1,093	2.294	2,507	4,011

(G) Total ULAE Outstanding as of 6/30/20: \$1,811,952

Notes:

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

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

Trindel Insurance Fund - Workers' Compensation

Outstanding Liability for  
Unallocated Loss Adjustment Expenses  
as of 6/30/21

Fiscal Year (A)	Number of Claims Active During Fiscal Year (B)	Average ULAE Charge per Active Claim (C)	Inflation Trend Factor (D)	Trended ULAE Charge per Active Claim (E)	ULAE Paid During Year (F)
2021-2022	387.4	\$1,093	1.050	\$1,148	\$444,735
2022-2023	238.7	1,093	1.103	1,206	287,872
2023-2024	181.7	1,093	1.158	1,266	230,032
2024-2025	142.0	1,093	1.216	1,329	188,718
2025-2026	111.7	1,093	1.277	1,396	155,933
2026-2027	90.1	1,093	1.341	1,466	132,087
2027-2028	70.5	1,093	1.408	1,539	108,500
2028-2029	54.8	1,093	1.478	1,615	88,502
2029-2030	42.2	1,093	1.552	1,696	71,571
2030-2031	34.2	1,093	1.630	1,782	60,944
2031-2032	27.9	1,093	1.712	1,871	52,201
2032-2033	23.1	1,093	1.798	1,965	45,392
2033-2034	18.9	1,093	1.888	2,064	39,010
2034-2035	13.7	1,093	1.982	2,166	29,674
2035-2036	9.2	1,093	2.081	2,275	20,930
2036-2037	6.3	1,093	2.185	2,388	15,044
2037-2038	4.1	1,093	2.294	2,507	10,279
2038-2039	2.2	1,093	2.409	2,633	5,793

(G) Total ULAE Outstanding as of 6/30/21: \$1,987,217

Notes:

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

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

Trindel Insurance Fund - Workers' Compensation

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of 6/30/2020</u>	<u>Calendar Period</u>	
		<u>7/1/2020 to 6/30/2021</u>	<u>7/1/2021 to 6/30/2022</u>
Prior			
Ultimate Loss	\$15,645,000	\$15,645,000	\$15,645,000
Paid in Calendar Period	-	58,709	50,464
Paid to Date	15,243,685	15,302,394	15,352,858
Outstanding Liability	401,315	342,606	292,142
2004-2005			
Ultimate Loss	\$484,000	\$484,000	\$484,000
Paid in Calendar Period	-	3,220	2,799
Paid to Date	453,335	456,555	459,354
Outstanding Liability	30,665	27,445	24,646
2005-2006			
Ultimate Loss	\$655,000	\$655,000	\$655,000
Paid in Calendar Period	-	2,863	2,897
Paid to Date	624,545	627,408	630,305
Outstanding Liability	30,455	27,592	24,695
2006-2007			
Ultimate Loss	\$510,000	\$510,000	\$510,000
Paid in Calendar Period	-	4,232	3,355
Paid to Date	470,080	474,312	477,667
Outstanding Liability	39,920	35,688	32,333
2007-2008			
Ultimate Loss	\$348,000	\$348,000	\$348,000
Paid in Calendar Period	-		
Paid to Date	348,143	348,143	348,143
Outstanding Liability			
2008-2009			
Ultimate Loss	\$2,872,000	\$2,872,000	\$2,872,000
Paid in Calendar Period	-	23,276	25,844
Paid to Date	2,636,891	2,660,167	2,686,011
Outstanding Liability	235,109	211,833	185,989
2009-2010			
Ultimate Loss	\$2,944,000	\$2,944,000	\$2,944,000
Paid in Calendar Period	-	31,015	23,399
Paid to Date	2,676,630	2,707,645	2,731,044
Outstanding Liability	267,370	236,355	212,956
2010-2011			
Ultimate Loss	\$4,066,000	\$4,066,000	\$4,066,000
Paid in Calendar Period	-	52,662	50,454
Paid to Date	3,578,390	3,631,052	3,681,506
Outstanding Liability	487,610	434,948	384,494

Trindel Insurance Fund - Workers' Compensation

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of 6/30/2020</u>	<u>Calendar Period</u>	
		<u>7/1/2020 to 6/30/2021</u>	<u>7/1/2021 to 6/30/2022</u>
2011-2012			
Ultimate Loss	\$4,420,000	\$4,420,000	\$4,420,000
Paid in Calendar Period	-	56,565	47,013
Paid to Date	3,928,128	3,984,693	4,031,706
Outstanding Liability	491,872	435,307	388,294
2012-2013			
Ultimate Loss	\$4,832,000	\$4,832,000	\$4,832,000
Paid in Calendar Period	-	512,898	62,883
Paid to Date	3,772,294	4,285,192	4,348,075
Outstanding Liability	1,059,706	546,808	483,925
2013-2014			
Ultimate Loss	\$3,859,000	\$3,859,000	\$3,859,000
Paid in Calendar Period	-	122,976	420,484
Paid to Date	2,867,256	2,990,232	3,410,716
Outstanding Liability	991,744	868,768	448,284
2014-2015			
Ultimate Loss	\$4,295,000	\$4,295,000	\$4,295,000
Paid in Calendar Period	-	158,443	136,281
Paid to Date	3,037,514	3,195,957	3,332,238
Outstanding Liability	1,257,486	1,099,043	962,762
2015-2016			
Ultimate Loss	\$7,703,000	\$7,703,000	\$7,703,000
Paid in Calendar Period	-	350,442	264,625
Paid to Date	5,252,359	5,602,801	5,867,426
Outstanding Liability	2,450,641	2,100,199	1,835,574
2016-2017			
Ultimate Loss	\$6,788,000	\$6,788,000	\$6,788,000
Paid in Calendar Period	-	476,345	360,293
Paid to Date	3,792,121	4,268,466	4,628,759
Outstanding Liability	2,995,879	2,519,534	2,159,241
2017-2018			
Ultimate Loss	\$5,884,000	\$5,884,000	\$5,884,000
Paid in Calendar Period	-	547,547	474,617
Paid to Date	2,351,441	2,898,988	3,373,605
Outstanding Liability	3,532,559	2,985,012	2,510,395
2018-2019			
Ultimate Loss	\$6,198,000	\$6,198,000	\$6,198,000
Paid in Calendar Period	-	981,384	582,738
Paid to Date	1,457,013	2,438,397	3,021,135
Outstanding Liability	4,740,987	3,759,603	3,176,865

Trindel Insurance Fund - Workers' Compensation

Payment and Reserve Forecast

<u>Accident Year</u>	<u>As of 6/30/2020</u>	<u>Calendar Period</u>	
		<u>7/1/2020 to 6/30/2021</u>	<u>7/1/2021 to 6/30/2022</u>
2019-2020			
Ultimate Loss	\$6,281,000	\$6,281,000	\$6,281,000
Paid in Calendar Period	-	1,263,394	916,507
Paid to Date	590,036	1,853,430	2,769,937
Outstanding Liability	5,690,964	4,427,570	3,511,063
2020-2021			
Ultimate Loss	-	\$7,323,000	\$7,323,000
Paid in Calendar Period	-	790,884	1,450,130
Paid to Date	-	790,884	2,241,014
Outstanding Liability	-	6,532,116	5,081,986
2021-2022			
Ultimate Loss	-	-	\$7,796,000
Paid in Calendar Period	-	-	841,968
Paid to Date	-	-	841,968
Outstanding Liability	-	-	6,954,032
Totals			
Ultimate Loss	\$77,784,143	\$85,107,143	\$92,903,143
Paid in Calendar Period	-	5,436,855	5,716,751
Paid to Date	53,079,861	58,516,716	64,233,467
Outstanding Liability	24,704,282	26,590,427	28,669,676
Total Outstanding ULAE	1,811,952	1,987,217	2,150,477
Outstanding Liability plus ULAE	26,516,234	28,577,644	30,820,153

Notes appear on the next page.

Trindel Insurance Fund - Workers' Compensation

Payment and Reserve Forecast

Notes to previous page:

- Accident Year is associated with date of loss. Calendar Period is associated with date of transaction. For example, for the losses which occurred during 2018-2019, \$981,384 is expected to be paid between 7/1/20 and 6/30/21, \$2,438,397 will have been paid by 6/30/21, and the reserve for remaining payments on these claims should be \$3,759,603.
- Ultimate Losses for each accident year are from Exhibit 4 - Banking Layer, .
- Paid in Calendar Period is a proportion of the Outstanding Liability from the previous calendar period. These proportions are derived from the paid loss development pattern selected in Appendix B. For example,  $\$582,738 = \$3,759,603 \times 15.5\%$ .
- Paid to Date is Paid in Calendar Period plus Paid to Date from previous calendar period. For example,  $\$3,021,135 = \$582,738 + \$2,438,397$ .
- Outstanding Liability is Ultimate Loss minus Paid to Date. For example,  $\$3,759,603 = \$6,198,000 - \$2,438,397$ .

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

## Trindel Insurance Fund - Workers' Compensation

## Short- and Long-Term Liabilities

<u>Liabilities as of 6/30/20:</u>		<u>Expected</u>	<u>Discounted</u>
<u>Current (Short Term)</u>	Loss and ALAE:	\$4,645,971	\$4,645,971
	ULAE:	390,201	390,201
	Short-Term Loss and LAE:	<u>\$5,036,172</u>	<u>\$5,036,172</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$20,058,311	\$20,058,311
	ULAE:	1,421,751	1,421,751
	Long-Term Loss and LAE:	<u>\$21,480,062</u>	<u>\$21,480,062</u>
<u>Total Liability</u>	Loss and ALAE:	\$24,704,282	\$24,704,282
	ULAE:	1,811,952	1,811,952
	Total Loss and LAE:	<u>\$26,516,234</u>	<u>\$26,516,234</u>
<u>Liabilities as of 6/30/21:</u>			
<u>Current (Short Term)</u>	Loss and ALAE:	\$4,874,783	\$4,874,783
	ULAE:	444,735	444,735
	Short-Term Loss and LAE:	<u>\$5,319,518</u>	<u>\$5,319,518</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$21,715,644	\$21,715,644
	ULAE:	1,542,482	1,542,482
	Long-Term Loss and LAE:	<u>\$23,258,126</u>	<u>\$23,258,126</u>
<u>Total Liability</u>	Loss and ALAE:	\$26,590,427	\$26,590,427
	ULAE:	1,987,217	1,987,217
	Total Loss and LAE:	<u>\$28,577,644</u>	<u>\$28,577,644</u>

		<u>Discounted with a Margin for Contingencies</u>				
		<u>70%</u>	<u>75%</u>	<u>80%</u>	<u>85%</u>	<u>90%</u>
		<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>	<u>Confidence</u>
<u>Liabilities as of 6/30/20:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$5,017,649	\$5,157,028	\$5,324,283	\$5,524,060	\$5,784,234
	ULAE:	421,417	433,123	447,170	463,949	485,800
	Short-Term Loss and LAE:	<u>\$5,439,066</u>	<u>\$5,590,151</u>	<u>\$5,771,453</u>	<u>\$5,988,009</u>	<u>\$6,270,034</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$21,662,976	\$22,264,725	\$22,986,824	\$23,849,331	\$24,972,597
	ULAE:	1,535,491	1,578,144	1,629,327	1,690,462	1,770,080
	Long-Term Loss and LAE:	<u>\$23,198,467</u>	<u>\$23,842,869</u>	<u>\$24,616,151</u>	<u>\$25,539,793</u>	<u>\$26,742,677</u>
<u>Total Liability</u>	Loss and ALAE:	\$26,680,625	\$27,421,753	\$28,311,107	\$29,373,391	\$30,756,831
	ULAE:	1,956,908	2,011,267	2,076,497	2,154,411	2,255,880
	Total Loss and LAE:	<u>\$28,637,533</u>	<u>\$29,433,020</u>	<u>\$30,387,604</u>	<u>\$31,527,802</u>	<u>\$33,012,711</u>
<u>Liabilities as of 6/30/21:</u>						
<u>Current (Short Term)</u>	Loss and ALAE:	\$5,264,766	\$5,411,009	\$5,586,501	\$5,796,117	\$6,069,105
	ULAE:	480,314	493,656	509,666	528,790	553,695
	Short-Term Loss and LAE:	<u>\$5,745,080</u>	<u>\$5,904,665</u>	<u>\$6,096,167</u>	<u>\$6,324,907</u>	<u>\$6,622,800</u>
<u>Non-Current (Long Term)</u>	Loss and ALAE:	\$23,452,895	\$24,104,365	\$24,886,128	\$25,819,901	\$27,035,977
	ULAE:	1,665,881	1,712,155	1,767,685	1,834,011	1,920,390
	Long-Term Loss and LAE:	<u>\$25,118,776</u>	<u>\$25,816,520</u>	<u>\$26,653,813</u>	<u>\$27,653,912</u>	<u>\$28,956,367</u>
<u>Total Liability</u>	Loss and ALAE:	\$28,717,661	\$29,515,374	\$30,472,629	\$31,616,018	\$33,105,082
	ULAE:	2,146,195	2,205,811	2,277,351	2,362,801	2,474,085
	Total Loss and LAE:	<u>\$30,863,856</u>	<u>\$31,721,185</u>	<u>\$32,749,980</u>	<u>\$33,978,819</u>	<u>\$35,579,167</u>

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

Trindel Insurance Fund - Workers' Compensation

Discount Factors to be Applied to Overall Reserves

Accident Year	Full Value of Reserve at 6/30/20 (A)	Discount Factor (B)	Discounted Reserve at 6/30/20 (C)	Full Value of Reserve at 6/30/21 (D)	Discount Factor (E)	Discounted Reserve at 6/30/21 (F)
Prior	\$203,226	1.000	\$203,226	\$173,149	1.000	\$173,149
2000-2001	52,899	1.000	52,899	40,732	1.000	40,732
2001-2002	32,244	1.000	32,244	28,020	1.000	28,020
2002-2003	55,380	1.000	55,380	49,011	1.000	49,011
2003-2004	57,566	1.000	57,566	51,694	1.000	51,694
2004-2005	30,665	1.000	30,665	27,445	1.000	27,445
2005-2006	30,455	1.000	30,455	27,592	1.000	27,592
2006-2007	39,920	1.000	39,920	35,688	1.000	35,688
2007-2008	0	1.000	0	0	1.000	0
2008-2009	235,109	1.000	235,109	211,833	1.000	211,833
2009-2010	267,370	1.000	267,370	236,355	1.000	236,355
2010-2011	487,610	1.000	487,610	434,948	1.000	434,948
2011-2012	491,872	1.000	491,872	435,307	1.000	435,307
2012-2013	1,059,706	1.000	1,059,706	546,808	1.000	546,808
2013-2014	991,744	1.000	991,744	868,768	1.000	868,768
2014-2015	1,257,486	1.000	1,257,486	1,099,043	1.000	1,099,043
2015-2016	2,450,641	1.000	2,450,641	2,100,199	1.000	2,100,199
2016-2017	2,995,879	1.000	2,995,879	2,519,534	1.000	2,519,534
2017-2018	3,532,559	1.000	3,532,559	2,985,012	1.000	2,985,012
2018-2019	4,740,987	1.000	4,740,987	3,759,603	1.000	3,759,603
2019-2020	5,690,964	1.000	5,690,964	4,427,570	1.000	4,427,570
2020-2021				6,532,116	1.000	6,532,116
Totals	\$24,704,282		\$24,704,282	\$26,590,427		\$26,590,427

(G) Discount Factor at 6/30/20 for Overall Reserve: 1.000  
(H) Discount Factor at 6/30/21 for Overall Reserve: 1.000

Notes:

- (A) From Appendix G - Banking Layer, Outstanding Liability at 6/30/20.
- (B) Based on Appendix I - Banking Layer, Page 2, Column (F).
- (C) (A) x (B).
- (D) From Appendix G - Banking Layer, Outstanding Liability at 6/30/21.
- (E) Based on Appendix I - Banking Layer, Page 2, Column (F).
- (F) (D) x (E).
- (G) Total of (C) / Total of (A).
- (H) Total of (F) / Total of (D).

This exhibit shows the expected impact of anticipated investment income on the liability for outstanding claims at the date of evaluation and the end of the current fiscal year. For example, if the discount factor in item (G) is 1.000, the discounted liability for outstanding claims is 100.0% of the full value.

Trindel Insurance Fund - Workers' Compensation

Calculation of Discount Factors

Payment Year (A)	Payment Pattern (B)	Return on Investment (C)	Discounted Reserves (D)	Undiscounted Reserves (E)	Discount Factor (F)
22	8.9%	0.00%	0.089	0.089	1.000
21	1.0%	0.00%	0.099	0.099	1.000
20	1.0%	0.00%	0.109	0.109	1.000
19	0.9%	0.00%	0.118	0.118	1.000
18	0.9%	0.00%	0.127	0.127	1.000
17	1.0%	0.00%	0.137	0.137	1.000
16	1.0%	0.00%	0.147	0.147	1.000
15	1.2%	0.00%	0.160	0.160	1.000
14	1.4%	0.00%	0.174	0.174	1.000
13	1.5%	0.00%	0.189	0.189	1.000
12	1.9%	0.00%	0.208	0.208	1.000
11	2.0%	0.00%	0.227	0.227	1.000
10	2.3%	0.00%	0.250	0.250	1.000
9	2.9%	0.00%	0.280	0.280	1.000
8	3.6%	0.00%	0.315	0.315	1.000
7	4.1%	0.00%	0.356	0.356	1.000
6	5.4%	0.00%	0.410	0.410	1.000
5	7.0%	0.00%	0.481	0.481	1.000
4	8.2%	0.00%	0.562	0.562	1.000
3	13.9%	0.00%	0.701	0.701	1.000
2	19.3%	0.00%	0.894	0.894	1.000
1	10.6%	0.00%	1.000	1.000	1.000
(G) Discount Factor for Future Funding:			2020-2021	1.000	
			2021-2022	1.000	

Notes:

- (A) This is the year of payment relative to the accident year. For example, year 7 refers to payments made in the seventh year after the inception of the accident year. We assume that payments are made at midyear.
- (B) Percent of ultimate loss paid this year. This payment pattern is based on the paid loss development pattern selected in Appendix B - Banking Layer, Page 2.
- (C) Assumed Investment Income Rates.
- (D) Discounted Reserves at the beginning of this year is next year's Discounted Reserves discounted one year plus this year's payments discounted six months. For example, in year 2,  $89.4\% = [70.1\% / 1.000] + [19.3\% / (1.000)]$ .
- (E) Summation of future (B) values. This is the percent of ultimate loss unpaid at the beginning of the year.
- (F) (D) / (E).
- (G) (F) at year 1, with interest accumulated for six months. We assume that the required funding is deposited at the middle of the first year.

This exhibit shows the calculation of the effect of anticipated investment income on future claims costs. Thus, if the discount factor in item (F) is 1.00, on a discounted basis, \$1.00 must be budgeted for every \$1 that will actually be paid on claims that will be incurred in the next fiscal year.

## Trindel Insurance Fund - Workers' Compensation

## Confidence Level Table

Probability	Projected Losses	Outstanding Losses
95%	1.417	1.334
90%	1.305	1.245
85%	1.234	1.189
80%	1.181	1.146
75%	1.137	1.110
70%	1.099	1.080
65%	1.065	1.052
60%	1.033	1.027
55%	1.004	1.003
50%	0.976	0.981
45%	0.948	0.959
40%	0.921	0.937
35%	0.893	0.915
30%	0.865	0.892
25%	0.836	0.868

To read table: For the above retention, there is a 90% chance that final loss settlements will be less than 1.305 times the average expected amount of losses.

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

## Trindel Insurance Fund - Workers' Compensation

## Program History

Policy Year Start Date	Policy Year End Date	Policy Year	Self-Insured Retention	
			Per Occurrence	Aggregate
7/1/1975	6/30/2000	Prior	\$125,000	(none)
7/1/2000	6/30/2001	2000-2001	125,000	(none)
7/1/2001	6/30/2002	2001-2002	125,000	(none)
7/1/2002	6/30/2003	2002-2003	125,000	(none)
7/1/2003	6/30/2004	2003-2004	125,000	(none)
7/1/2004	6/30/2005	2004-2005	125,000	(none)
7/1/2005	6/30/2006	2005-2006	125,000	(none)
7/1/2006	6/30/2007	2006-2007	125,000	(none)
7/1/2007	6/30/2008	2007-2008	125,000	(none)
7/1/2008	6/30/2009	2008-2009	125,000	(none)
7/1/2009	6/30/2010	2009-2010	125,000	(none)
7/1/2010	6/30/2011	2010-2011	125,000	(none)
7/1/2011	6/30/2012	2011-2012	125,000	(none)
7/1/2012	6/30/2013	2012-2013	300,000	(none)
7/1/2013	6/30/2014	2013-2014	300,000	(none)
7/1/2014	6/30/2015	2014-2015	300,000	(none)
7/1/2015	6/30/2016	2015-2016	300,000	(none)
7/1/2016	6/30/2017	2016-2017	300,000	(none)
7/1/2017	6/30/2018	2017-2018	300,000	(none)
7/1/2018	6/30/2019	2018-2019	300,000	(none)
7/1/2019	6/30/2020	2019-2020	300,000	(none)
7/1/2020	6/30/2021	2020-2021	300,000	(none)
7/1/2021	6/30/2022	2021-2022	300,000	(none)

Third Party Claims Administrator	Begin Date	End Date
Trindel	4/1/2012	Current
York	8/1/2004	3/31/2012
ICS	1/1/1997	7/31/2004
RMS	7/1/1983	12/31/1996

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

## Trindel Insurance Fund - Workers' Compensation

## Estimated Total Assets as of 6/30/21

(A) <u>Total Assets as of 6/30/20:</u>	\$45,912,000
(B) <u>Total Income to Fund during 2020-2021</u>	
Contributions:	\$12,551,000
Interest:	25,000
Other:	250,000
Total Income:	<u>\$12,826,000</u>
(C) <u>Total Payments from Fund during 2020-2021</u>	
Loss and ALAE:	\$5,437,000
Additional Allocated Loss Adjustment Expense:	0
In-House Unallocated Loss Adjustment Expense:	680,000
Return of Funds to Members:	100,000
Excess Insurance:	500,000
Other:	1,450,000
Total Payments:	<u>\$8,167,000</u>
(D) <u>Estimated Total Assets as of 6/30/21:</u>	\$50,571,000

## Notes:

- (A) Provided by the Fund.
- (B) Provided by the Fund.
- (C) Provided by the Fund. Loss and ALAE paid is estimated in Appendix G - B.
- (D) (A) + (B) - (C).

## Trindel Insurance Fund - Workers' Compensation

Estimated Total Assets as of 6/30/21

(A) <u>Total Assets as of 6/30/20:</u>	\$3,500,000
(B) <u>Total Income to Fund during 2020-2021</u>	
Contributions:	\$1,800,000
Interest:	5,000
Other:	25,000
Total Income:	<u>\$1,830,000</u>
(C) <u>Total Payments from Fund during 2020-2021</u>	
Loss and ALAE:	\$795,000
Additional Allocated Loss Adjustment Expense:	0
In-House Unallocated Loss Adjustment Expense:	0
Fees to Outside Administrator (TPA):	0
Excess Insurance:	0
Other:	0
Total Payments:	<u>\$795,000</u>
(D) <u>Estimated Total Assets as of 6/30/21:</u>	\$4,535,000

## Notes:

- (A) Provided by the Fund.
- (B) Provided by the Fund.
- (C) Provided by the Fund. Loss and ALAE paid is estimated in Not Included.
- (D) (A) + (B) - (C).

## Trindel Insurance Fund - Workers' Compensation

Estimated Total Assets as of 6/30/21

(A) <u>Total Assets as of 6/30/20:</u>	\$49,411,000
(B) <u>Total Income to Fund during 2020-2021</u>	
Contributions:	\$14,351,000
Interest:	30,000
Other:	275,000
Total Income:	<u>\$14,656,000</u>
(C) <u>Total Payments from Fund during 2020-2021</u>	
Loss and ALAE:	\$6,229,000
Additional Allocated Loss Adjustment Expense:	0
In-House Unallocated Loss Adjustment Expense:	680,000
Fees to Outside Administrator (TPA):	0
Excess Insurance:	100,000
Other:	500,000
Total Payments:	<u>\$7,509,000</u>
(D) <u>Estimated Total Assets as of 6/30/21:</u>	\$56,558,000

## Notes:

- (A) Provided by the Fund.
- (B) Provided by the Fund.
- (C) Provided by the Fund. Loss and ALAE paid is estimated in Not Included.
- (D) (A) + (B) - (C).

Trindel Insurance Fund - Workers' Compensation

Incurred Losses as of 6/30/20

Accident Year (A)	Unlimited Incurred (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Incurred (E)	Incurred Over SIR (F)	Incurred Over \$100,000 (G)	Incurred Capped at \$100,000 (H)	Incurred \$100,000 to SIR Layer (I)	Incurred Capped at SIR (J)	Incurred Capped at SIR & Aggregate (K)
Prior	\$11,956,940	\$0	\$547,806	\$11,409,134	\$1,146,333	\$1,659,560	\$9,749,574	\$513,227	\$10,262,801	\$10,262,801
2000-2001	1,686,915	0	45,289	1,641,626	353,695	453,695	1,187,931	100,000	1,287,931	1,287,931
2001-2002	1,161,269	0	22,902	1,138,367	201,673	297,816	840,551	96,143	936,694	936,694
2002-2003	2,192,450	0	29,066	2,163,384	717,924	854,662	1,308,722	136,737	1,445,460	1,445,460
2003-2004	2,343,659	0	19,574	2,324,085	891,862	1,089,427	1,234,658	197,565	1,432,223	1,432,223
2004-2005	489,183	0	4,086	485,097	10,999	35,999	449,098	25,000	474,098	474,098
2005-2006	1,444,834	0	12,960	1,431,874	807,329	882,329	549,545	75,000	624,545	624,545
2006-2007	688,345	0	13,797	674,547	178,487	234,579	439,969	56,092	496,061	496,061
2007-2008	355,824	0	7,681	348,143	0	0	348,143	0	348,143	348,143
2008-2009	4,266,284	0	190,907	4,075,377	1,358,201	1,563,156	2,512,221	204,955	2,717,175	2,717,175
2009-2010	4,305,899	0	140,619	4,165,280	1,407,872	1,661,640	2,503,640	253,767	2,757,407	2,757,407
2010-2011	6,410,454	0	137,359	6,273,095	2,423,228	2,792,771	3,480,324	369,543	3,849,867	3,849,867
2011-2012	5,460,716	0	179,320	5,281,395	1,250,003	1,623,609	3,657,786	373,606	4,031,392	4,031,392
2012-2013	4,207,403	0	122,652	4,084,752	58,726	789,455	3,295,296	730,729	4,026,026	4,026,026
2013-2014	3,269,304	0	133,154	3,136,150	0	764,534	2,371,616	764,534	3,136,150	3,136,150
2014-2015	3,513,675	0	159,324	3,354,351	0	538,566	2,815,785	538,566	3,354,351	3,354,351
2015-2016	7,330,761	0	227,352	7,103,409	503,878	2,340,402	4,763,008	1,836,523	6,599,531	6,599,531
2016-2017	5,547,902	0	179,084	5,368,819	0	1,248,989	4,119,830	1,248,989	5,368,819	5,368,819
2017-2018	4,409,683	0	190,108	4,219,575	204,159	1,264,242	2,955,334	1,060,082	4,015,416	4,015,416
2018-2019	6,502,384	0	143,874	6,358,510	2,864,853	3,678,191	2,680,319	813,337	3,493,656	3,493,656
2019-2020	2,043,130	0	61,725	1,981,404	104,218	510,137	1,471,267	405,919	1,877,187	1,877,187
2020-2021	0	0	0	0	0	0	0	0	0	0
Total	\$79,587,012	\$0	\$2,568,639	\$77,018,373	\$14,483,442	\$24,283,757	\$52,734,616	\$9,800,315	\$62,534,931	\$62,534,931

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Fund.
- (C)
- (D) 4850s
- (E) (B) + (C) - (D).
- (F) Sum of incurred losses in excess of SIR.
- (G) Sum of incurred losses in excess of \$100,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss. See Appendix K - Banking Layer.

Trindel Insurance Fund - Workers' Compensation

Paid Losses as of 6/30/20

Accident Year (A)	Unlimited Paid (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Paid (E)	Paid Over SIR (F)	Paid Over \$100,000 (G)	Paid Capped at \$100,000 (H)	Paid \$100,000 to SIR Layer (I)	Paid Capped at SIR (J)	Paid Capped at SIR & Aggregate (K)
Prior	\$11,768,966	\$0	\$547,806	\$11,221,160	\$995,386	\$1,508,613	\$9,712,546	\$513,227	\$10,225,774	\$10,225,774
2000-2001	1,616,082	0	45,289	1,570,793	329,692	404,692	1,166,101	75,000	1,241,101	1,241,101
2001-2002	1,026,646	0	22,902	1,003,744	77,987	163,193	840,551	85,205	925,756	925,756
2002-2003	1,998,754	0	29,066	1,969,688	542,067	660,965	1,308,722	118,898	1,427,620	1,427,620
2003-2004	2,334,870	0	19,574	2,315,296	891,862	1,089,427	1,225,869	197,565	1,423,434	1,423,434
2004-2005	457,421	0	4,086	453,335	0	8,383	444,952	8,383	453,335	453,335
2005-2006	1,116,072	0	12,960	1,103,112	478,568	553,568	549,545	75,000	624,545	624,545
2006-2007	632,359	0	13,797	618,562	148,482	198,482	420,080	50,000	470,080	470,080
2007-2008	355,824	0	7,681	348,143	0	0	348,143	0	348,143	348,143
2008-2009	3,843,305	0	190,907	3,652,398	1,015,508	1,202,214	2,450,184	186,706	2,636,891	2,636,891
2009-2010	3,741,162	0	140,619	3,600,543	923,913	1,144,134	2,456,409	220,221	2,676,630	2,676,630
2010-2011	5,225,935	0	137,359	5,088,576	1,510,186	1,846,003	3,242,572	335,817	3,578,390	3,578,390
2011-2012	5,196,393	0	179,320	5,017,073	1,088,945	1,462,551	3,554,522	373,606	3,928,128	3,928,128
2012-2013	3,953,672	0	122,652	3,831,020	58,726	625,113	3,205,907	566,387	3,772,294	3,772,294
2013-2014	2,999,498	0	132,242	2,867,256	0	527,744	2,339,512	527,744	2,867,256	2,867,256
2014-2015	3,196,838	0	159,324	3,037,514	0	382,283	2,655,230	382,283	3,037,514	3,037,514
2015-2016	5,433,332	0	180,973	5,252,359	0	1,065,841	4,186,518	1,065,841	5,252,359	5,252,359
2016-2017	3,941,314	0	149,193	3,792,121	0	541,849	3,250,271	541,849	3,792,121	3,792,121
2017-2018	2,427,525	0	76,084	2,351,441	0	286,443	2,064,998	286,443	2,351,441	2,351,441
2018-2019	1,463,996	0	6,984	1,457,013	0	57,174	1,399,838	57,174	1,457,013	1,457,013
2019-2020	592,994	0	2,958	590,036	0	24,686	565,349	24,686	590,036	590,036
2020-2021	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>\$63,322,958</b>	<b>\$0</b>	<b>\$2,181,776</b>	<b>\$61,141,182</b>	<b>\$8,061,323</b>	<b>\$13,753,361</b>	<b>\$47,387,821</b>	<b>\$5,692,038</b>	<b>\$53,079,859</b>	<b>\$53,079,859</b>

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Fund.
- (C)
- (D) 4850s
- (E) (B) + (C) - (D).
- (F) Sum of paid losses in excess of SIR.
- (G) Sum of paid losses in excess of \$100,000.
- (H) (E) - (G).
- (I) (G) - (F).
- (J) (E) - (F).
- (K) Minimum of (J) and the aggregate stop loss. See Appendix K - Banking Layer.

## Trindel Insurance Fund - Workers' Compensation

## Case Reserves as of 6/30/20

Accident Year (A)	Unlimited Reserves (B)	Additions to Losses (C)	Subtractions from Losses (D)	Adjusted Reserves (E)	Reserves Over SIR (F)	Reserves Over \$100,000 (G)	Reserves Capped at \$100,000 (H)	Reserves \$100,000 to SIR Layer (I)	Reserves Capped at SIR (J)	Reserves Capped at SIR & Aggregate (K)
Prior	\$187,974	\$0	\$0	\$187,974	\$150,947	\$150,947	\$37,027	\$0	\$37,027	\$37,027
2000-2001	70,833	0	0	70,833	24,002	49,002	21,830	25,000	46,830	46,830
2001-2002	134,623	0	0	134,623	123,686	134,623	0	10,938	10,938	10,938
2002-2003	193,696	0	0	193,696	175,857	193,696	0	17,839	17,839	17,839
2003-2004	8,789	0	0	8,789	0	0	8,789	0	8,789	8,789
2004-2005	31,762	0	0	31,762	10,999	27,616	4,146	16,617	20,763	20,763
2005-2006	328,762	0	0	328,762	328,762	328,762	0	0	0	0
2006-2007	55,985	0	0	55,985	30,004	36,096	19,889	6,092	25,981	25,981
2007-2008	0	0	0	0	0	0	0	0	0	0
2008-2009	422,979	0	0	422,979	342,694	360,942	62,036	18,249	80,285	80,285
2009-2010	564,737	0	0	564,737	483,959	517,506	47,231	33,546	80,777	80,777
2010-2011	1,184,519	0	0	1,184,519	913,042	946,767	237,752	33,725	271,477	271,477
2011-2012	264,322	0	0	264,322	161,058	161,058	103,264	0	103,264	103,264
2012-2013	253,732	0	0	253,732	0	164,343	89,389	164,343	253,732	253,732
2013-2014	269,806	0	913	268,894	0	236,790	32,104	236,790	268,894	268,894
2014-2015	316,837	0	0	316,837	0	156,282	160,554	156,282	316,837	316,837
2015-2016	1,897,429	0	46,379	1,851,050	503,878	1,274,560	576,490	770,682	1,347,172	1,347,172
2016-2017	1,606,588	0	29,890	1,576,698	0	707,140	869,559	707,140	1,576,698	1,576,698
2017-2018	1,982,158	0	114,024	1,868,134	204,159	977,799	890,336	773,639	1,663,975	1,663,975
2018-2019	5,038,387	0	136,891	4,901,497	2,864,853	3,621,016	1,280,481	756,163	2,036,643	2,036,643
2019-2020	1,450,136	0	58,767	1,391,369	104,218	485,451	905,918	381,233	1,287,151	1,287,151
2020-2021	0	0	0	0	0	0	0	0	0	0
Total	\$16,264,054	\$0	\$386,863	\$15,877,191	\$6,422,119	\$10,530,396	\$5,346,795	\$4,108,277	\$9,455,072	\$9,455,072

## Notes:

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

Trindel Insurance Fund - Workers' Compensation

Claim Counts as of 6/30/20

Accident Year (A)	Reported Claims (B)	Additions to Reported Claims (C)	Subtractions from Reported Claims (D)	Adjusted Reported Claims (E)	Closed Claims (F)	Additions to Closed Claims (G)	Subtractions from Closed Claims (H)	Adjusted Closed Claims (I)	Open Claims (J)	Adjusted Open Claims (K)
Prior	1,407	0	132	1,275	1,400	0	132	1,268	7	7
2000-2001	109	0	14	95	107	0	14	93	2	2
2001-2002	99	0	16	83	97	0	16	81	2	2
2002-2003	116	0	18	98	114	0	18	96	2	2
2003-2004	101	0	24	77	99	0	24	75	2	2
2004-2005	83	0	14	69	81	0	14	67	2	2
2005-2006	64	0	21	43	61	0	21	40	3	3
2006-2007	57	0	14	43	54	0	14	40	3	3
2007-2008	64	0	9	55	64	0	9	55	0	0
2008-2009	300	0	18	282	295	0	18	277	5	5
2009-2010	296	0	24	272	287	0	24	263	9	9
2010-2011	301	0	21	280	287	0	21	266	14	14
2011-2012	235	0	15	220	227	0	15	212	8	8
2012-2013	251	0	28	223	241	0	28	213	10	10
2013-2014	229	0	18	211	223	0	18	205	6	6
2014-2015	199	0	11	188	186	0	11	175	13	13
2015-2016	307	0	14	293	268	0	14	254	39	39
2016-2017	294	0	18	276	249	0	18	231	45	45
2017-2018	271	0	22	249	235	0	22	213	36	36
2018-2019	248	0	13	235	208	0	13	195	40	40
2019-2020	197	0	6	191	95	0	6	89	102	102
2020-2021	0	0	0	0	0	0	0	0	0	0
Total	5,228	0	470	4,758	4,878	0	470	4,408	350	350

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Fund.
- (C)
- (D) Closed No Pay Claims
- (E) (B) + (C) - (D).
- (F) Provided by the Fund.
- (G)
- (H) Closed No Pay Claims
- (I) (F) + (G) - (H).
- (J) (B) - (F).
- (K) (E) - (I).

## Trindel Insurance Fund - Workers' Compensation

## Exposure Measures

Accident Year	Total Payroll (\$00) (A)	Inflation Trend Factor (B)	Trended Payroll (\$00) (C)
Prior	\$0		\$0
2000-2001	355,540	1.638	582,375
2001-2002	372,665	1.598	595,519
2002-2003	314,490	1.559	490,290
2003-2004	344,516	1.521	524,009
2004-2005	348,125	1.484	516,618
2005-2006	368,183	1.448	533,129
2006-2007	391,314	1.413	552,927
2007-2008	404,940	1.379	558,412
2008-2009	1,607,984	1.345	2,162,738
2009-2010	1,626,213	1.312	2,133,591
2010-2011	1,547,205	1.280	1,980,422
2011-2012	1,504,397	1.249	1,878,992
2012-2013	1,533,500	1.219	1,869,337
2013-2014	1,444,296	1.189	1,717,268
2014-2015	1,478,180	1.160	1,714,689
2015-2016	1,984,898	1.132	2,246,905
2016-2017	2,182,098	1.104	2,409,036
2017-2018	2,315,949	1.077	2,494,277
2018-2019	2,372,633	1.051	2,493,637
2019-2020	2,442,865	1.025	2,503,937
2020-2021	2,747,777	1.000	2,747,777
2021-2022	2,847,425	1.000	2,847,425

## Notes:

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

TRINDEL INSURANCE FUND  
**BOARD OF DIRECTORS**  
**AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

**TRINDEL BOARD MEETING**

January 2021

**PROGRAMS**

AGENDA ITEM V.b.

**SUBJECT:** Liability Loss Data

**ACTION FOR CONSIDERATION:** Informational only

**BACKGROUND:** A look at loss history to see trends and review risk financing mechanisms given the 40% increase in premium in five years despite increasing our SIR by 150,000 per claim.

**FISCAL IMPACT:** N/A

**RECOMMENDATION:** N/A



TRINDEL INSURANCE FUND  
**BOARD OF DIRECTORS**  
**AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

**TRINDEL BOARD MEETING**

January 2021

**PROGRAMS**

AGENDA ITEM V.c.

**SUBJECT:** Risk Treatment for Liability Program

**ACTION FOR CONSIDERATION:** Review Aon's proposal for the Liability program.

**BACKGROUND:** Our premium has increase 1.2 million in five years and our loss history does not support the increases. Add to that increase the fact that we retained 150% more risk starting July 2019 raising our Self-insured level from 100,000 to 250,000.

**FISCAL IMPACT:** will provide estimates

**RECOMMENDATION:** Authorize Executive Director to provide PRISM with notification of increasing Self-insured retention or possible program withdraw.



Self-Insured Retention (SIR) Estimate

**General Liability 1 Program**

**Trindel Insurance Fund**

The SIR options below have been provided at your request and are based on final premiums for the 2020/21 year. These numbers reflect your entity's 2020/21 payroll and losses evaluated as of 6/30/2019. These SIR Options are preliminary and based on current rates. Please contact staff if you wish to have an updated estimate provided at a later date for the upcoming 2021/22 Renewal. It is advised to request and review updated SIR Options further along in the renewal cycle when actuarial rates are available and updated loss and exposure data has been analyzed.

**Current GL1 Participation**

Member	Current SIR	Estimated 20/21 Payroll	Current Premium
Alpine County	\$250,000	\$5,740,486	\$119,785
Colusa County	\$250,000	\$24,935,709	\$349,534
Del Norte County	\$250,000	\$25,517,005	\$359,059
Lassen County	\$250,000	\$25,087,928	\$354,986
Modoc County	\$250,000	\$12,401,983	\$220,419
Mono County	\$250,000	\$23,247,498	\$402,177
Plumas County	\$250,000	\$23,700,000	\$349,207
San Benito County	\$250,000	\$37,409,916	\$557,263
Sierra County	\$250,000	\$8,856,333	\$145,413
Sutter County	\$250,000	\$68,967,531	\$992,703
Trinity County	\$250,000	\$18,913,338	\$281,677

**Requested SIR Options for 2021/22**

**SIR Option: \$500,000**

Member	Estimated 2020/21 Payroll	Estimated 2020/21 Premium
Alpine County	\$5,740,486	\$88,000
Colusa County	\$24,935,709	\$267,000
Del Norte County	\$25,517,005	\$274,000
Lassen County	\$25,087,928	\$273,000
Modoc County	\$12,401,983	\$163,000
Mono County	\$23,247,498	\$301,000
Plumas County	\$23,700,000	\$263,000
San Benito County	\$37,409,916	\$417,000
Sierra County	\$8,856,333	\$115,000
Sutter County	\$68,967,531	\$750,000
Trinity County	\$18,913,338	\$219,000

**SIR Option: \$750,000**

<b>Member</b>	<b>Estimated 2020/21 Payroll</b>	<b>Estimated 2020/21 Premium</b>
Alpine County	\$5,740,486	\$70,000
Colusa County	\$24,935,709	\$221,000
Del Norte County	\$25,517,005	\$252,000
Lassen County	\$25,087,928	\$227,000
Modoc County	\$12,401,983	\$130,000
Mono County	\$23,247,498	\$244,000
Plumas County	\$23,700,000	\$213,000
San Benito County	\$37,409,916	\$337,000
Sierra County	\$8,856,333	\$97,000
Sutter County	\$68,967,531	\$612,000
Trinity County	\$18,913,338	\$183,000

**SIR Option: \$1,000,000**

<b>Member</b>	<b>Estimated 2020/21 Payroll</b>	<b>Estimated 2020/21 Premium</b>
Alpine County	\$5,740,486	\$57,000
Colusa County	\$24,935,709	\$187,000
Del Norte County	\$25,517,005	\$218,000
Lassen County	\$25,087,928	\$194,000
Modoc County	\$12,401,983	\$107,000
Mono County	\$23,247,498	\$203,000
Plumas County	\$23,700,000	\$178,000
San Benito County	\$37,409,916	\$280,000
Sierra County	\$8,856,333	\$84,000
Sutter County	\$68,967,531	\$514,000
Trinity County	\$18,913,338	\$158,000

**SIR Option: \$2,000,000**

<b>Member</b>	<b>Estimated 2020/21 Payroll</b>	<b>Estimated 2020/21 Premium</b>
Alpine County	\$5,740,486	\$41,000
Colusa County	\$24,935,709	\$134,000
Del Norte County	\$25,517,005	\$163,000
Lassen County	\$25,087,928	\$140,000
Modoc County	\$12,401,983	\$80,000
Mono County	\$23,247,498	\$162,000
Plumas County	\$23,700,000	\$128,000
San Benito County	\$37,409,916	\$200,000
Sierra County	\$8,856,333	\$64,000
Sutter County	\$68,967,531	\$367,000
Trinity County	\$18,913,338	\$118,000

Approval of SIR changes resulting in a lower SIR or an SIR more than double the previous year's SIR are not within staff authority and require approval from the Underwriting Committee. If you are interesting in a SIR change that is outside of staff's authority for the upcoming renewal, please let staff know so we may add it to the next upcoming Underwriting Committee agenda for approval. Please consult with your actuary and their self-funding recommendations to evaluate the best SIR fit for your entity. If you have any questions these estimates please reach out to PRISM Underwriting Staff at 916-850-7300 or [underwriting@prismrisk.gov](mailto:underwriting@prismrisk.gov).



# Bickmore

---

# Actuarial

## Actuarial Review of the Self-Insured Liability Program

*Alternative Pooled Layer Projections  
Forecast for Program Year 2021-22*

*Presented to*

**Trindel Insurance Fund**

January 6, 2021 - DRAFT





Wednesday, January 6, 2021

Mr. David Nelson  
 Executive Director  
 Trindel Insurance Fund  
 P.O. Box 2069  
 Weaverville, CA 96093

RE: Alternative Pooled Layer Projections for the Self-Insured Liability Program

Dear Mr. Nelson:

Per your request, we have completed our analysis of alternative pooled layer projections for Trindel Insurance Fund's self-insured liability program. We estimated the ultimate cost of claims and expenses for claims incurred during the 2021-22 program year at various pooled layers. These amounts include allocated loss adjustment expenses (ALAE) but EXCLUDE unallocated loss adjustment expenses (ULAE) and a discount for anticipated investment income.

ALAE is the direct cost associated with the defense of individual claims (e.g. legal fees, investigation fees, court charges). ULAE is the cost to administer all claims to final settlement, which may be years into the future (e.g. claims adjusters' salaries, taxes). Note however that we have assumed that no additional ULAE will be incurred for the additional layer beyond the \$0 to \$250,000 layer.

As part of this study, we have estimated 2021-22 costs for various pooled layers of \$250,000 to \$500,000, \$250,000 to \$750,000, \$250,000 to \$1,000,000 and \$250,000 to \$2,000,000. These projections are summarized in the table below as well as in the exhibits which follow:

Trindel Insurance Fund  
 Self-Insured Liability Program  
 Undiscounted Loss and ALAE Funding Amounts for 2021-22

Layer	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
\$250K to \$500K	\$575,000	\$686,000	\$740,000	\$806,000	\$889,000	\$997,000
\$250K to \$750K	\$916,000	\$1,096,000	\$1,185,000	\$1,294,000	\$1,433,000	\$1,609,000
\$250K to \$1M	\$1,167,000	\$1,394,000	\$1,512,000	\$1,654,000	\$1,831,000	\$2,064,000
\$250K to \$2M	\$1,483,000	\$1,774,000	\$1,939,000	\$2,133,000	\$2,383,000	\$2,716,000

Trindel Insurance Fund  
Self-Insured Liability Program  
Undiscounted Loss and ALAE Funding Rates per \$100 Payroll for 2021-22

Layer	Expected	Marginally Acceptable 70% CL	Recommended Range			Conservative 90% CL
			Low 75% CL	Target 80% CL	High 85% CL	
\$250K to \$500K	\$0.202	\$0.241	\$0.260	\$0.283	\$0.312	\$0.350
\$250K to \$750K	\$0.322	\$0.385	\$0.416	\$0.454	\$0.503	\$0.565
\$250K to \$1M	\$0.410	\$0.490	\$0.531	\$0.581	\$0.643	\$0.725
\$250K to \$2M	\$0.521	\$0.623	\$0.681	\$0.749	\$0.837	\$0.954

As shown, funding amounts and rates increase for higher pool limits. This reflects the presence of additional claim activity within these higher excess layers. We note that to date, Trindel has incurred 52 claims in excess of \$250,000, 7 of which were also in excess of \$1,000,000.

We appreciate the opportunity to be of service to Trindel Insurance Fund in preparing this report. Please feel free to call Greg Beaulieu at (916) 290-4632 or Mike Harrington at (916) 244-1162 with any questions you may have concerning this report.

Sincerely,

Bickmore Actuarial

---

Greg Beaulieu, FCAS, MAAA  
Senior Actuarial Manager, Bickmore Actuarial  
Fellow, Casualty Actuarial Society  
Member, American Academy of Actuaries

---

Mike Harrington, FCAS, MAAA  
President and Principal, Bickmore Actuarial  
Fellow, Casualty Actuarial Society  
Member, American Academy of Actuaries

---

Mary Ann Case, PSM  
Senior Actuarial Analyst, Bickmore Actuarial

## Trindel Insurance Fund - Liability

Funding Options for Program Year 2021-2022 (Pooled Layer = \$250,000 to \$500,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2021-2022: (Based on Not Included, Page 1, (K))	\$575,000	\$0.202			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2021-2022: (From Not Included, Page 1, (L))	0	0.000			
(C) Total Claims Costs Incurred in Accident Year 2021-2022: ((A) + (B))	\$575,000	\$0.202			
(D) Loss Discount Factor (Based on a Discount Rate of 0.0%): (Not Applicable)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2021-2022: ((C) x (D))	\$575,000	\$0.202			
	Marginally Acceptable		Recommended		Conservative
	70%		75%	80%	85%
	90%				
(F) Confidence Level Factor: (Based on Not Included)	1.193		1.287	1.402	1.546
					1.734
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	111,000		165,000	231,000	314,000
					422,000
(H) Recommended Funding in 2021-2022 for Claims Costs and Other Expenses: ((E) + (G))	\$686,000		\$740,000	\$806,000	\$889,000
					\$997,000
(I) Rate per \$100 of Payroll: ((H) / \$2,847,425)	\$0.241		\$0.260	\$0.283	\$0.312
					\$0.350

Payroll rates are per hundred dollars of 2021-2022 payroll of \$284,742,500.

## Trindel Insurance Fund - Liability

Funding Options for Program Year 2021-2022 (Pooled Layer = \$250,000 to \$750,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2021-2022: (Based on Not Included, Page 1, (K))	\$916,000	\$0.322			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2021-2022: (From Not Included, Page 1, (L))	0	0.000			
(C) Total Claims Costs Incurred in Accident Year 2021-2022: ((A) + (B))	\$916,000	\$0.322			
(D) Loss Discount Factor (Based on a Discount Rate of 0.0%): (Not Applicable)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2021-2022: ((C) x (D))	\$916,000	\$0.322			
	Marginally Acceptable		Recommended		Conservative
	70%		75%	80%	85%
(F) Confidence Level Factor: (Based on Not Included)	1.197		1.294	1.413	1.564
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	180,000		269,000	378,000	517,000
(H) Recommended Funding in 2021-2022 for Claims Costs and Other Expenses: ((E) + (G))	\$1,096,000		\$1,185,000	\$1,294,000	\$1,433,000
(I) Rate per \$100 of Payroll: ((H) / \$2,847,425)	\$0.385		\$0.416	\$0.454	\$0.503
					\$0.565

Payroll rates are per hundred dollars of 2021-2022 payroll of \$284,742,500.

Trindel Insurance Fund - Liability

Funding Options for Program Year 2021-2022 (Pooled Layer = \$250,000 to \$1,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2021-2022: (Based on Not Included, Page 1, (K))	\$1,167,000	\$0.410			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2021-2022: (From Not Included, Page 1, (L))	0	0.000			
(C) Total Claims Costs Incurred in Accident Year 2021-2022: ((A) + (B))	\$1,167,000	\$0.410			
(D) Loss Discount Factor (Based on a Discount Rate of 0.0%): (Not Applicable)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2021-2022: ((C) x (D))	\$1,167,000	\$0.410			
	Marginally Acceptable		Recommended		Conservative
	70%		75%	80%	85%
	90%				
(F) Confidence Level Factor: (Based on Not Included)	1.195		1.296	1.417	1.569
					1.769
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	227,000		345,000	487,000	664,000
					897,000
(H) Recommended Funding in 2021-2022 for Claims Costs and Other Expenses: ((E) + (G))	\$1,394,000		\$1,512,000	\$1,654,000	\$1,831,000
					\$2,064,000
(I) Rate per \$100 of Payroll: ((H) / \$2,847,425)	\$0.490		\$0.531	\$0.581	\$0.643
					\$0.725

Payroll rates are per hundred dollars of 2021-2022 payroll of \$284,742,500.

Trindel Insurance Fund - Liability

Funding Options for Program Year 2021-2022 (Pooled Layer = \$250,000 to \$2,000,000)

	Dollar Amount	Payroll Rate			
(A) Estimated Ultimate Losses Incurred in Accident Year 2021-2022: (Based on Not Included, Page 1, (K))	\$1,483,000	\$0.521			
(B) Estimated Claims Administration Fees Incurred in Accident Year 2021-2022: (From Not Included, Page 1, (L))	0	0.000			
(C) Total Claims Costs Incurred in Accident Year 2021-2022: ((A) + (B))	\$1,483,000	\$0.521			
(D) Loss Discount Factor (Based on a Discount Rate of 0.0%): (Not Applicable)	1.000				
(E) Discounted Total Claims Costs Incurred in Accident Year 2021-2022: ((C) x (D))	\$1,483,000	\$0.521			
	Marginally Acceptable		Recommended		Conservative
	70%		75%	80%	85%
(F) Confidence Level Factor: (Based on Not Included)	1.196		1.307	1.438	1.607
(G) Margin for Adverse Experience: ((E) x [(F) - 1])	291,000		456,000	650,000	900,000
(H) Recommended Funding in 2021-2022 for Claims Costs and Other Expenses: ((E) + (G))	\$1,774,000		\$1,939,000	\$2,133,000	\$2,383,000
(I) Rate per \$100 of Payroll: ((H) / \$2,847,425)	\$0.623		\$0.681	\$0.749	\$0.837
				\$0.954	

Payroll rates are per hundred dollars of 2021-2022 payroll of \$284,742,500.

**PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT (PRISM)  
GENERAL LIABILITY 1 PROGRAM  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

	<u>June 30, 2020</u>	<u>June 30, 2019</u>
<b>OPERATING REVENUES:</b>		
Premiums for Transferred Risk	\$ 80,516,241	\$ 11,468,632
Broker Fees	2,348,595	1,301,743
Contributions for Retained Risk	-	46,370,512
Administration Fees	4,590,121	4,495,580
Schools Loss Control Fee	18,075	10,953
<b>TOTAL OPERATING REVENUES</b>	<b>87,473,032</b>	<b>63,647,420</b>
<b>OPERATING EXPENSES:</b>		
Insurance Expense	20,097,390	10,944,952
GL1 LPT Premium Expense	87,662,525	122,411,000
Broker Fees	1,703,373	1,301,743
GL1 LPT Broker Fees	642,573	1,500,000
Provision for Claims		
Current Year Claims	-	39,670,721
Prior Years' Claims	21,015,078	44,544,120
GL1 LPT Claims Transferred	-	(167,221,942)
Provision for Unallocated Loss Adjustment Expenses	331,000	233,000
Program Services		
Actuarial and Consulting Services	136,823	146,276
Legal Expenses & Labor Law Services	82,592	107,309
Claims Audits	114,575	41,843
Bank Services and Fees	2,965	3,026
Crisis Incident Management	7,554	450
<b>TOTAL OPERATING EXPENSES</b>	<b>131,796,448</b>	<b>53,682,498</b>
<b>TRANSFERS IN OR (OUT):</b>		
Transfer Out for General Administration	(3,427,566)	(3,455,899)
<b>TOTAL TRANSFERS</b>	<b>(3,427,566)</b>	<b>(3,455,899)</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(47,750,982)</b>	<b>6,509,023</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>		
Investment Income	(53,894)	6,422,186
Member Finance Fees	2,398	1,559
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>(51,496)</b>	<b>6,423,745</b>
<b>CHANGES IN NET POSITION</b>	<b>(47,802,478)</b>	<b>12,932,768</b>
Net Position, Beginning of Year	22,049,996	9,117,228
<b>NET POSITION, END OF YEAR</b>	<b>\$ (25,752,482)</b>	<b>\$ 22,049,996</b>

# General Liability Structure

6/30/2019 & Prior

25 MIL Reinsurance
20 MIL Reinsurance
15 MIL Reinsurance
10 MIL Reinsurance
5 MIL EIA Pool
100 K Trindel SIR

July 1, 2019

25 MIL Reinsurance
20 MIL Reinsurance
15 MIL Reinsurance
10 MIL Reinsurance
5 MIL EIA Pool
250 K Trindel SIR

Proposed July 1, 2021

25 MIL Reinsurance
20 MIL Reinsurance
15 MIL Reinsurance
10 MIL Reinsurance
5 MIL Excess Insur.
1 MIL Trindel Pool
250 K Trindel SIR

**Excess Liability Program Schematic (not to scale) – 07/01/2021 to 07/01/2022**  
**Total Program Cost: \$3,847,000 (All premiums listed below are estimates which will change)**

---

**\$25M**



**BANKING**

1-250,000  
75%  
3,324,000

last Year		
SIR	plus Excess	equals Total
3,284,000	4,152,963	7,436,963

this Year plus Execess		
SIR	Est.	equals Total
3,324,000	4,872,963	8,196,963

**POOL**

From 250,000 sir to	<u>500,000</u>	<u>750,000</u>	<u>1,000,000</u>	<u>2,000,000</u>
80%	806,000	1,294,000	1,654,000	2,133,000
85%	889,000	1,433,000	1,831,000	2,383,000

**EXCESS**

	PRISM WITH LAST YEARS payroll and losses and this year premium estimates				PRISM WITH CURRENT YEAR MARKUP 1.22				Aon proposal	
	500,000	750,000	1,000,000	2,000,000	500,000	750,000	1,000,000	2,000,000	1M	
Alpine	88,000	70,000	57,000	41,000	107,360	85,400	69,540	50,020	500,000	25M
Colusa	267,000	221,000	187,000	134,000	325,740	269,620	228,140	163,480	500,000	20M
DelNorte	274,000	252,000	218,000	163,000	334,280	307,440	265,960	198,860	637,000	15M
Lassen	273,000	227,000	194,000	140,000	333,060	276,940	236,680	170,800	910,000	10M
Modoc	163,000	130,000	107,000	80,000	198,860	158,600	130,540	97,600	<u>1,300,000</u>	5M
Mono	301,000	244,000	203,000	162,000	367,220	297,680	247,660	197,640	<u>3,847,000</u>	
Plumas	263,000	213,000	178,000	128,000	320,860	259,860	217,160	156,160		
SanBenito	417,000	337,000	280,000	200,000	508,740	411,140	341,600	244,000		
Sierra	115,000	97,000	84,000	64,000	140,300	118,340	102,480	78,080		
Sutter	750,000	612,000	514,000	367,000	915,000	746,640	627,080	447,740		
Trinity	219,000	183,000	158,000	118,000	267,180	223,260	192,760	143,960		
	<u>3,130,000</u>	<u>2,586,000</u>	<u>2,180,000</u>	<u>1,597,000</u>	<u>3,818,600</u>	<u>3,154,920</u>	<u>2,659,600</u>	<u>1,948,340</u>		

Last yaer quote PRISM	<u>2,410,000</u>	<u>1,971,000</u>	<u>1,634,000</u>
Difference	720,000	615,000	546,000

**Total premium options**

80% Conf. pool	7,260,000	7,204,000	7,158,000	7,054,000	7,948,600	7,772,920	7,637,600	7,405,340	8,465,000
85% conf. pool	7,343,000	7,343,000	7,335,000	7,304,000	8,031,600	7,911,920	7,814,600	7,655,340	

**TRINDEL INSURANCE FUND  
BOARD OF DIRECTORS  
AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

## **GENERAL BUSINESS**

### **VI**

- a. Check Register & Invoices.
- b. Budget and Financial Statements as of 11/30/2020.
- c. Program Premiums 2021-2022
- d. Budget adjustments 2020-2021
- e. Annual Third party Financial Audit
- f. Future Meetings

TRINDEL INSURANCE FUND  
**BOARD OF DIRECTORS**  
**AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

**TRINDEL BOARD MEETING**

January 2021

**GENERAL BUSINESS**

AGENDA ITEM VI.a.

**SUBJECT:** Checks registers & invoices

**ACTION FOR CONSIDERATION:** An action to approve check register & invoices from 7/1/2020 through 11/30/2020 pursuant to Bylaws Article XIV, Section 2.

**BACKGROUND:** The check registers are organized by checking account; General, Work Comp, and Liability/Property respectfully. For the WC and L/P accounts a claim number is used as a description. In front of the registers is an index of your counties claim numbers for reference.

**FISCAL IMPACT:** None

**RECOMMENDATION:** Move to approve check registers and invoices November 30, 2020.

**Trindel Insurance Fund**  
 Check/Voucher Register - Check register  
 1010 - General Account - Tri Counties Bank  
 110 - Trindel  
 From 7/1/2020 Through 11/30/2020

Check ...	Vendor Name	Check Amount	Effective Date	Transaction Description	Cleared Status
20643	WEAVERVILLE GLASS AND ...	325.00	7/9/2020	REMOVE/REPLACE DOUBLE PAYNE TEMPERED OFFICE WINDOW	CL
20644	GREAT AMERICA NETWORK...	38.71	7/9/2020	CUST#3122758 STAT#44859 CONF CALL JUNE 17TH 2020	CL
20645	PREFERRED BENEFIT	758.80	7/9/2020	EIA33037 DELTA DENTAL BILLING JUNE 2020	CL
20648	JAMES MARTA & COMPANY	5,000.00	7/9/2020	INV#1205 JULY PROGRESS BILLING FOR TRINDEL 20-21	CL
20649	EXTIMA	150.00	7/9/2020	1ST QUARTER BILL FOR TRINDEL WEB HOSTING JULY-SEPT 2020	CL
20650	VELOCITY COMMUNICATIO...	656.00	7/9/2020	INV#300796 ACCT#1096 MONTHLY SERVICE FEE JULY-AUG 2020	CL
20651	ADVANCED CONCEPTS	3,199.00	7/9/2020	609520 MAINTENANCE CONTRACT BILLING JULY 2020	CL
20652	JDI DATA CORPORATION	4,533.34	7/9/2020	INV#TIF20007 MONTHLY MAINTENANCE/USER FEES JULY 2020	CL
20653	PREFERRED BENEFIT	758.80	7/9/2020	EIA33420 DELTA DENTAL BILLING JULY 2020	CL
20654	IAIABC	250.00	7/9/2020	INV11422 IAIABC EDI LICENSING CA STATE 7/1/20-6/30/21	CL
20656	CSAC/EIA	20,740.00	7/9/2020	GENERAL LIABILITY PROGRAM POLICY 7/1/20-6/30/21	CL
20657	ALLIANT INSURANCE SERVI...	8,289.85	7/9/2020	INV#10113468 CUST#TRININS-02 PROP COVERAGE	CL
20658	WEAVERVILLE C.S.D.	31.00	7/9/2020	ACCT#11688 MONTHLY SERVICE FOR JUNE-JULY 2020	CL
20659	MITCHELL INTERNATIONAL...	85.50	7/9/2020	REGULATORY REPORTING FROI/SROI JUNE 2020 INV200023693613	CL
20660	CALIFORNIA SAFETY COMP...	35.00	7/9/2020	INV449748 MONTHLY ALARM SYSTEM LEASE FOR JULY 2020	CL
20676	CHANDLER ASSET MANAGE...	2,617.30	7/10/2020	INV#2006TRINDEL INVESTMENT SERVICES FOR JUNE 2020	CL
20679	KNOW BE 4	551.25	7/15/2020	CUST#C-014309 SECURITY AWARENESS TRAINING 8/28/20-8/27/21	CL
20680	TRINITY COUNTY SOLID W...	40.48	7/15/2020	ACCT 21108 TRINDEL MONTHLY SOLID WASTE JULY 2020	CL
20681	WEAVERVILLE SANITARY D...	28.00	7/15/2020	ACCT#2852 SEWER SERVICE FOR MONTH OF JUNE-JULY 2020	CL

**Trindel Insurance Fund**  
 Check/Voucher Register - Check register  
 1010 - General Account - Tri Counties Bank  
 110 - Trindel  
 From 7/1/2020 Through 11/30/2020

Check ...	Vendor Name	Check Amount	Effective Date	Transaction Description	Cleared Status
20682	MELISSA ROBINSON	52.79	7/15/2020	OFFICE MATERIALS/FIRSTAID SUPPLY FOR STAFF CALCARD DECLINED	CL
20695	ALPHACOPY	135.00	7/20/2020	MAINTENANCE FOR KONICA 423 PRINTER/COPIER	CL
20696	J AND K ONLINE	30.00	7/20/2020	0000919 HOSTING FOR JULY 2020 FOR TRINDEL	CL
20697	GOLDEN STATE RISK MANA...	5,913.00	7/20/2020	INV#EB07152046 HEALTH INSURANCE JULY-AUG 2020	CL
20698	REGENTS OF THE UNIVERS...	266.70	7/20/2020	ACCT#936014 CA GOV TORT LIABILITY 4TH UPP 20	CL
20699	CALPELRA	3,560.00	7/20/2020	CONFERENCE REGISTRATION 20-21 CATHY,REGINA, SHELLY,ELVIA	CL
20700	FRONTIER COMMUNICATIO...	380.12	7/20/2020	JULY 2020 ACCT#530-623-2322-120909-5 MONTHLY PHONE FEES	CL
20701	ANTHEM BLUE CROSS	192.07	7/20/2020	0202007707735 LIFE INSURANCE GROUP#343600 AUG-SEPT 2020	CL
20724	CSAC/EIA	2,550.00	7/20/2020	INV 21400291 CYPER LIABILITY PREMIUM 7/1/20-6/30/21 TRINDEL	CL
20736	CSAC/EIA	2,456.00	7/20/2020	INV 21400650 MASTER CRIME PREMIUM 6/30/20-6/30/21 TRINDEL	CL
20757	J AND K ONLINE	30.00	7/23/2020	0000910 HOSTING FOR JUNE 2020 FOR TRINDEL	CL
20758	DAVID NELSON	243.05	7/23/2020	REIMBURSEMENT MILEAGE TO SISKIYOU-BUILDING GROUNDS LAWN CARE	CL
20759	ANGELA'S CUSTODIAL SERV...	350.00	7/23/2020	258761 TRINDEL MONTHLY CLEANING SERVICE JULY 2020	CL
20760	ADVANCED CONCEPTS	3,199.00	7/23/2020	610048 MAINTENANCE CONTRACT BILLING AUGUST 2020	CL
20762	MATTHEW BENDER & CO., I...	241.42	7/23/2020	ACCT#0099670094 CA WORKERS COMP HANDBOOK 39TH ADDITION SUPPL	CL
20769	ALPHACOPY	20.00	7/23/2020	CLEANED WASTE CONTAINER BOX FOR KONICA C25	CL
20771	US BANK CORPORATE PAY...	6,747.40	7/28/2020	4866914555521217 TRINDEL STATEMENT PAYMENT JULY 2020	CL
20785	VERIZON WIRELESS	390.14	7/29/2020	INV 9858681926 CELL PHONE MONTHLY FEES JUN-JULY 2020	CL
20787	SHRED AWARE	132.00	7/29/2020	INV#30077 TRINDEL P/U JULY 27TH DESTROY JULY 27TH 2 GALLONS	CL

**Trindel Insurance Fund**  
 Check/Voucher Register - Check register  
 1010 - General Account - Tri Counties Bank  
 110 - Trindel  
 From 7/1/2020 Through 11/30/2020

Check ...	Vendor Name	Check Amount	Effective Date	Transaction Description	Cleared Status
20788	TRINITY P.U.D	249.34	7/29/2020	ACCOUNT #26462 MONTHLY FEES JUNE-JULY 2020	CL
20789	ANDREW FISCHER	165.60	8/17/2020	CLAIMS SITE VISIT/MEETING WITH SHERIFF & CAO	CL
20792	PREFERRED BENEFIT	758.80	8/17/2020	EIA33709 DELTA DENTAL BILLING AUGUST 2020	CL
20793	ANTHEM BLUE CROSS	192.07	8/17/2020	0202008707732 LIFE INSURANCE GROUP#343600 SEPT-OCT 2020	CL
20794	GOLDEN STATE RISK MANA...	5,913.00	8/17/2020	INV#EB08152047 HEALTH INSURANCE AUGUST FOR SEPTEMBER 2020	CL
20795	VELOCITY COMMUNICATIO...	656.00	8/17/2020	INV#302276 ACCT#1096 MONTHLY SERVICE FEE AUG-SEPT 2020	CL
20796	FRONTIER COMMUNICATIO...	380.06	8/17/2020	AUG 2020 ACCT#530-623-2322-120909-5 MONTHLY PHONE FEES	CL
20797	WEAVERVILLE SANITARY D...	28.00	8/17/2020	ACCT#2852 SEWER SERVICE FOR MONTH OF JULY 2020	CL
20798	WEAVERVILLE C.S.D.	31.00	8/17/2020	ACCT#11688 MONTHLY SERVICE FOR JULY-AUG 2020	CL
20799	CALIFORNIA SAFETY COMP...	35.00	8/17/2020	INV 452135 MONTHLY ALARM SYSTEM LEASE FOR AUGUST 2020	CL
20800	MITCHELL INTERNATIONAL...	131.10	8/17/2020	REGULATORY REPORTING FROI/SROI JULY 2020 INV200023725163	CL
20801	JDI DATA CORPORATION	4,533.34	8/17/2020	INV#TIF20008 MONTHLY MAINTENANCE/USER FEES AUGUST 2020	CL
20802	CHANDLER ASSET MANAGE...	2,620.42	8/17/2020	INV#2007TRINDEL INVESTMENT SERVICES FOR JULY 2020	CL
20803	OAKLEYS PEST CONTROL	60.00	8/17/2020	TRINDEL- PEST CONTROL SERVICE 07/22/2020	CL
20804	GREAT AMERICA NETWORK...	106.26	8/17/2020	CUST#3122758 STAT#45221 CONF CALL JULY 1,8,16,17,29TH 2020	CL
20806	LANDS END BUSINESS OUT...	182.19	8/17/2020	SIN8556304 TRINDEL LOSS PREVENTION 7/29/20 BRIEFCASES	CL
20807	ADVANCED CONCEPTS	3,199.00	8/17/2020	610640 MAINTENANCE CONTRACT BILLING SEPTEMBER 2020	CL
20808	ANGELA'S CUSTODIAL SERV...	350.00	8/20/2020	258774 TRINDEL MONTHLY CLEANING SERVICE AUGUST 2020	CL
20811	J AND K ONLINE	30.00	8/20/2020	0000929 HOSTING FOR AUGUST 2020 FOR TRINDEL	CL

**Trindel Insurance Fund**  
 Check/Voucher Register - Check register  
 1010 - General Account - Tri Counties Bank  
 110 - Trindel  
 From 7/1/2020 Through 11/30/2020

Check ...	Vendor Name	Check Amount	Effective Date	Transaction Description	Cleared Status
20812	TRINITY COUNTY SOLID W...	40.48	8/20/2020	ACCT 21108 TRINDEL MONTHLY SOLID WASTE AUGUST 2020	CL
20813	VERIZON WIRELESS	381.54	8/27/2020	INV 9860736518 CELL PHONE MONTHLY FEES JULY-AUG 2020	CL
20814	JAMES PUBLISHING	194.00	8/27/2020	INV 162019 CA WC LAW&PRACTIVE SUBSCRIPTION JAMES PUBLISHING	CL
20817	CALPELRA	370.00	8/27/2020	MEBERSHIP REGISTRATION CALPELRA 20-21 SARAH SIMIS	CL
20820	SHRED AWARE	132.00	8/27/2020	INV#30595 TRINDEL P/U AUG 24TH DESTR AUG 24TH 2 GALLONS	CL
20821	TRINITY P.U.D	294.66	8/27/2020	ACCOUNT #26462 MONTHLY FEES JULY-AUG 2020	CL
20823	COPART, INC.	0.00	8/27/2020	4866914555521217 TRINDEL STATEMENT PAYMENT AUGUST 2020	CL
20824	US BANK CORPORATE PAY...	7,215.30	8/27/2020	4866914555521217 TRINDEL STATEMENT PAYMENT AUGUST 2020	CL
20827	OPTUM BANK	67.50	9/4/2020	INV#9510060642 OPTUM FEES ACCT741770 6 ACCOUNTS 3 MONTHS AMJ	CL
20829	J AND K ONLINE	30.00	9/4/2020	0000937 HOSTING FOR SEPTEMBER 2020 FOR TRINDEL	OS
20831	JAMES MARTA & COMPANY	3,000.00	9/4/2020	INV#1356 PROGRESS BILLING-YEAR END FOR TRINDEL 20-21	CL
20832	FP MAILING SOLUTIONS	90.09	9/4/2020	ACCT#600039908 FP MAILING POSTAGE METER RENTAL R01134060	CL
	FP MAILING SOLUTIONS	146.40	9/4/2020	ACCT#600039908 INK CARTRIDGE FOR POSTAGE METER 2617965W01	CL
20834	GREAT AMERICA NETWORK...	60.11	9/4/2020	CUST#3122758 STAT#45503 CONF CALL AUG 3,5,7,19,26 2020	CL
20835	VELOCITY COMMUNICATIO...	656.00	9/4/2020	INV#302276 ACCT#1096 MONTHLY SERVICE FEE SEPT-OCT 2020	CL
20836	PREFERRED BENEFIT	758.80	9/4/2020	EIA34186 DELTA DENTAL BILLING SEPTEMBER 2020	CL
20837	PRIME ACTUARIAL CONSUL...	2,850.00	9/4/2020	ACTUARIAL REVIEW OF SELF-INSURED WC PROGRAM COVID ANALYSIS	CL
20840	BUSINESS CARD	150.00	9/11/2020	ANNUAL MEMBERSHIP FEES FOR 2476,6888,6835,9754,8965	CL

**Trindel Insurance Fund**  
 Check/Voucher Register - Check register  
 1010 - General Account - Tri Counties Bank  
 110 - Trindel  
 From 7/1/2020 Through 11/30/2020

Check ...	Vendor Name	Check Amount	Effective Date	Transaction Description	Cleared Status
20843	MITCHELL INTERNATIONAL...	76.95	9/17/2020	REGULATORY REPORTING FROI/SROI AUG 2020 INV200023757481	CL
20844	CHANDLER ASSET MANAGE...	2,622.26	9/17/2020	INV#2008TRINDEL INVESTMENT SERVICES FOR AUGUST 2020	CL
20846	PROGRESSIVE BUSINESS P...	504.24	9/17/2020	ACCT#A372548001 PROG.BUSINSS.PUBLICATION RENEWAL TRINDEL	CL
20847	WEAVERVILLE C.S.D.	31.71	9/17/2020	ACCT#11688 MONTHLY SERVICE FOR AUG-SEPT 2020	CL
20848	WEAVERVILLE SANITARY D...	28.00	9/17/2020	ACCT#2852 SEWER SERVICE FOR MONTH OF AUG 2020	CL
20849	CALIFORNIA SAFETY COMP...	35.00	9/17/2020	INV 455094 MONTHLY ALARM SYSTEM LEASE FOR SEPT 2020	CL
20850	FRONTIER COMMUNICATIO...	355.70	9/17/2020	SEPT 2020 ACCT#530-623-2322-120909-5 MONTHLY PHONE FEES	CL
20851	TRINITY COUNTY SOLID W...	40.48	9/17/2020	ACCT 21108 TRINDEL MONTHLY SOLID WASTE SEPT 2020	CL
20852	ANTHEM BLUE CROSS	192.07	9/17/2020	0202009707702 LIFE INSURANCE GROUP#343600 OCT-NOV 2020	CL
20853	ADVANCED CONCEPTS	1,637.23	9/17/2020	NOTEBOOK, DOCKING STATION, DEPOYMENT OF SOFTWARE FOR GAIL	CL
20859	JDI DATA CORPORATION	19,533.34	9/17/2020	MONTHLY MAINTENANCE/USER FEES SEPT2020/IMPORT SUTTER CLAIMS	CL
20860	GOLDEN STATE RISK MANA...	5,913.00	9/17/2020	INV#EB09152047 HEALTH INSURANCE SEPT-OCT. 2020	CL
20861	HARVEST PRINTING	799.01	9/17/2020	#10 WINDOW ENVELOPES FOLD TO SEAL	CL
	HARVEST PRINTING	252.04	9/17/2020	#9 REGULAR ENVELOPES BLACK INK #128542	CL
	HARVEST PRINTING	1,228.01	9/17/2020	6X9 SPECIAL WINDOW BOOKLET ENVELOPES THREE COLOR INV#128485	CL
20862	GAIL CROWLEY	2,300.00	9/17/2020	CONSULTING MANAGEMENT ANALYST SERVICE MAY,JUNE,AUG,SEPT 2020	CL
20863	VERIZON WIRELESS	381.54	9/24/2020	INV 9862809660 CELL PHONE MONTHLY FEES AUG-SEP 2020	CL
20866	SHRED AWARE	66.00	9/24/2020	INV#31096 TRINDEL P/U SEPT 21ST DEST SEPT 21ST 1 64GALLON	CL
20867	CANYON CITY PRINTING	942.19	9/24/2020	INV#7338 DWC-1 FORM IMPRINTS FOR TRINDEL	CL
20869	ANGELA'S CUSTODIAL SERV...	350.00	9/24/2020	258787 TRINDEL MONTHLY CLEANING SERVICE SEPT 2020	CL

**Trindel Insurance Fund**  
 Check/Voucher Register - Check register  
 1010 - General Account - Tri Counties Bank  
 110 - Trindel  
 From 7/1/2020 Through 11/30/2020

Check ...	Vendor Name	Check Amount	Effective Date	Transaction Description	Cleared Status
20872	US BANK CORPORATE PAY...	4,457.80	9/28/2020	486691455521217 TRINDEL STATEMENT PAYMENT SEPTEMBER 2020	CL
20876	TRINITY P.U.D	294.84	10/2/2020	ACCOUNT #26462 MONTHLY FEES AUG-SEPT 2020	CL
20893	VELOCITY COMMUNICATIO...	656.00	10/2/2020	INV#305181 ACCT#1096 MONTHLY SERVICE FEE OCT-NOV 2020	CL
20894	OAKLEYS PEST CONTROL	60.00	10/2/2020	TRINDEL- PEST CONTROL SERVICE 09/18/20	CL
20895	EXTIMA	150.00	10/2/2020	2ND QUARTER BILL FOR TRINDEL WEB HOSTING OCT-DEC 2020	CL
20896	ABILA	4,117.31	10/2/2020	INV#Q154615 MIP-RENEWAL NOV 2020-2021	CL
20897	J AND K ONLINE	30.00	10/2/2020	0000949 HOSTING FOR OCTOBER 2020 FOR TRINDEL	CL
20899	GREAT AMERICA NETWORK...	108.44	10/2/2020	CUST#3122758 STAT#45806 CONF CALL SEPT 2,25,29 2020	CL
20900	CALIFORNIA SAFETY COMP...	35.00	10/20/2020	INV 457604 MONTHLY ALARM SYSTEM LEASE FOR OCT 2020	CL
20901	CHANDLER ASSET MANAGE...	2,622.65	10/20/2020	INV#2009TRINDEL INVESTMENT SERVICES FOR SEPTEMBER 2020	CL
20902	WEAVERVILLE C.S.D.	33.32	10/20/2020	ACCT#11688 MONTHLY SERVICE FOR SEP-OCT 2020	CL
20903	WEAVERVILLE SANITARY D...	28.00	10/20/2020	ACCT#2852 SEWER SERVICE FOR MONTH OF SEPTEMBER 2020	CL
20904	JDI DATA CORPORATION	4,533.34	10/20/2020	INV#TIF20010 MONTHLY MAINTENANCE/USER FEES OCTOBER 2020	CL
20905	MITCHELL INTERNATIONAL...	71.25	10/20/2020	REGULATORY REPORTING FROI/SROI SEP 2020 INV200023789069	CL
20906	GOLDEN STATE RISK MANA...	5,913.00	10/20/2020	INV#EB101520-48 HEALTH INSURANCE OCTOBER FOR NOVEMBER 2020	CL
20907	ADVANCED CONCEPTS	716.31	10/20/2020	611544 ADOBE ACROBAT INSTALL	CL
20916	ADVANCED CONCEPTS	3,199.00	10/29/2020	MAINTENANCE CONTRACT BILLING FOR NOVEMBER 2020	CL
20920	TRINITY COUNTY SOLID W...	40.48	10/29/2020	ACCT 21108 TRINDEL MONTHLY SOLID WASTE OCTOBER 2020	CL
20922	FRONTIER COMMUNICATIO...	561.38	10/29/2020	OCTOBER 2020 MONTHLY PHONE FEES	CL
20923	OPTUM BANK	67.50	10/29/2020	OPTUM FEES JULY-SEPTEMBER 2020	CL
20924	LANDS END BUSINESS OUT...	85.87	10/29/2020	SIN8673391 TRINDEL SHIRTS	CL
20927	SHRED AWARE	66.00	10/29/2020	INV#31603 SHRED PICKUP 10/19/20	CL

**Trindel Insurance Fund**  
 Check/Voucher Register - Check register  
 1010 - General Account - Tri Counties Bank  
 110 - Trindel  
 From 7/1/2020 Through 11/30/2020

Check ...	Vendor Name	Check Amount	Effective Date	Transaction Description	Cleared Status
20930	CALIBER	185.88	10/29/2020	OFFICE CHAIR ARM PADS	CL
20931	ANGELA'S CUSTODIAL SERV...	350.00	10/29/2020	022352 TRINDEL MONTHLY CLEANING SERVICE OCTOBER 2020	CL
20932	TRINITY P.U.D	238.12	10/29/2020	ACCOUNT #26462 MONTHLY FEES SEP-OCT 2020	CL
20933	VERIZON WIRELESS	383.66	10/29/2020	INV 9864898210 CELL PHONE MONTHLY FEES SEP-OCT 2020	CL
20934	JAMES MARTA & COMPANY	5,000.00	10/29/2020	PROGRESS BILLING FOR AUDIT	CL
20935	BUSINESS CARD	37.37	10/29/2020	FINAL CHARGES ON BOA BUSINESS CARD	CL
20936	ADVANCED CONCEPTS	164.00	10/29/2020	ADDING AC24791 TO MAINTENANCE CONTRACT BILLING	CL
20938	US BANK CORPORATE PAY...	10,202.93	11/3/2020	486691455521217 TRINDEL STATEMENT OCTOBER 2020	CL
20939	PREFERRED BENEFIT	758.80	11/3/2020	EIA 34888 DELTA DENTAL NOVEMBER 2020	CL
20941	JDI DATA CORPORATION	4,933.34	11/3/2020	INV#TIF20011 MONTHLY MAINTENANCE/USER FEES NOVEMBER 2020	CL
20942	WEAVERVILLE SANITARY D...	28.00	11/18/2020	ACCT 2852 SEWER SERVICE FOR OCTOBER 2020	CL
20943	U.S. POSTAL SERVICE	120.00	11/18/2020	ANNUAL POST OFFICE BOX FEE 2069	CL
20944	CALIFORNIA SAFETY COMP...	35.00	11/18/2020	INV 460033 MONTHLY ALARM SYSTEM LEASE FOR NOV 2020	CL
20945	CHANDLER ASSET MANAGE...	2,622.55	11/18/2020	INV#2010 TRINDEL INVESTMENT SERVICES FOR OCTOBER 2020	CL
20946	FRONTIER COMMUNICATIO...	570.43	11/18/2020	NOV 2020 MONTHLY PHONE FEES	CL
20947	GREAT AMERICA NETWORK...	48.20	11/18/2020	CONFERENCE CALL FEES FOR OCTOBER 2020	CL
20948	GOLDEN STATE RISK MANA...	7,101.00	11/18/2020	INV#EB111520-48 HEALTH INSURANCE NOVEMBER FOR DECEMBER 2020	CL
20949	J AND K ONLINE	30.00	11/18/2020	0000955 HOSTING FOR NOVEMBER 2020	OS
20950	MITCHELL INTERNATIONAL...	168.15	11/18/2020	REGULATORY REPORTING FROI/SROI NOV 2020 INV CI2619628	CL
20951	SHRED AWARE	66.00	11/18/2020	INV#32121 SHRED PICKUP NOV 16 2020	CL
20952	TRINITY COUNTY SOLID W...	40.48	11/18/2020	ACCT 21108 TRINDEL MONTHLY SOLID WASTE NOV 2020	CL
20953	VELOCITY COMMUNICATIO...	656.00	11/18/2020	INV#306683 ACCT#1096 MONTHLY SERVICE FEE NOV 2020	CL
20954	WEAVERVILLE C.S.D.	33.70	11/18/2020	ACCT#11688 MONTHLY SERVICE FOR OCT 2020	CL
20955	ADVANCED CONCEPTS	561.94	11/18/2020	3 MONITORS FOR MELISSA	CL
	ADVANCED CONCEPTS	3,199.00	11/18/2020	611192 MAINTENANCE CONTRACT BILLING OCTOBER 2020	CL

**Trindel Insurance Fund**  
 Check/Voucher Register - Check register  
 1010 - General Account - Tri Counties Bank  
 110 - Trindel  
 From 7/1/2020 Through 11/30/2020

Check ...	Vendor Name	Check Amount	Effective Date	Transaction Description	Cleared Status
	ADVANCED CONCEPTS	3,281.00	11/18/2020	612539 MAINTENANCE CONTRACT BILLING DECEMBER 2020	CL
	ADVANCED CONCEPTS	3,759.65	11/18/2020	ADOBE ACROBAT 2020 STANDARD PERPETUAL LICENSE	CL
	ADVANCED CONCEPTS	378.55	11/18/2020	DOCKING STATION AND MONITOR FOR RACHAEL	CL
	ADVANCED CONCEPTS	378.55	11/18/2020	DOCKING STATION AND MONITOR FOR TONY	CL
	ADVANCED CONCEPTS	523.31	11/18/2020	DOCKING STATIONS AND MONITOR INSTALL FOR RANDY	CL
	ADVANCED CONCEPTS	1,807.58	11/18/2020	LAPTOP AND SETUP FOR RANDY	CL
	ADVANCED CONCEPTS	<u>286.86</u>	11/18/2020	MONITOR STAND FOR MELISSA	CL
Report Total		<u>224,121.09</u>			

TRINDEL INSURANCE FUND  
**BOARD OF DIRECTORS**  
**AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

**TRINDEL BOARD MEETING**

January 2021

**GENERAL BUSINESS**

AGENDA ITEM VI.b.

**SUBJECT:** Budget and Financial Statements ending 11/30/2020

**ACTION FOR CONSIDERATION:** Review the Statement of Net Assets, Statement of Revenues Expenses and changes in Net Assets, and Budget to Actual as of 11/30/2020.

**BACKGROUND:** Informational item reviewing Financial Reports and budget progress.

**FISCAL IMPACT:** N/A

**RECOMMENDATION:** N/A

**Trindel Insurance Fund  
Revenue and Expense Budget 2020-21  
Administration Funds Summary**

Fund	20/21 Budget	20/21 Actual	Variance	Percent of Budget
<b><u>Revenues</u></b>				
Administration	508,619	508,869	250	100%
Loss Prevention	570,016	570,020	4	100%
Claims Administration Liability & Property	227,618	227,619	1	100%
Claims Administration Workers Compensation	658,999	659,002	3	100%
Workers Compensation Pool	2,123,500	2,102,588	(20,912)	99%
<b>Total Revenues</b>	4,088,752	4,068,097	(20,655)	99%
<b><u>Expenditures</u></b>				
Administration	508,619	199,814	308,805	39%
Loss Prevention	570,016	154,982	415,034	27%
Claims Administration Liability & Property	227,618	95,922	131,696	42%
Claims Administration Workers Compensation	658,999	223,692	435,307	34%
Workers Compensation Pool	1,100,000	0	1,100,000	0%
<b>Total Expenditures</b>	3,065,252	674,410	2,390,842	22%

**Trindel Insurance Fund  
Revenue and Expense Budget 2020-21  
Administration**

	20/21 Budget	20/21 Actual	Variance	Percent of Budget
<b><u>Revenues</u></b>				
Member Contributions	508,619	508,606	(13)	100%
Administrative Fee Income	-	263	263	
<b>Total Revenues</b>	508,619	508,869	250	100%
<b><u>Expenditures</u></b>				
Insurance Expense	28,000	34,036	(6,036)	122%
Training	4,500	806	3,694	18%
Professional Fees	2,500	1,058	1,442	42%
Audit Expenses	25,000	13,000	12,000	52%
Investment Advisors	32,000	10,488	21,512	33%
Salaries	222,754	82,648	140,106	37%
Employee Benefits	93,246	40,135	53,111	43%
Pension Expense	5,000	0	5,000	0%
Bank Service Charges	300	195	105	65%
Dues & Subscriptions	6,500	4,694	1,806	72%
Conferences	25,000	3,930	21,070	16%
CAJPA	12,000	0	12,000	0%
PARMA	1,000	0	1,000	0%
Printing & Reproduction	3,000	660	2,340	22%
Utilities & Housekeeping	3,000	791	2,209	26%
Travel Expenses	4,000	0	4,000	0%
Board Meeting Expenses	20,000	0	20,000	0%
Office Materials & Supplies	2,500	472	2,028	19%
Communications/IT	11,000	6,901	4,099	63%
Depreciation Expense	5,319	0	5,319	0%
Miscellaneous Expense	2,000	0	2,000	0%
<b>Total Expenditures</b>	508,619	199,814	308,805	39%

**Trindel Insurance Fund  
Revenue and Expense Budget 2020-21  
Loss Prevention**

	20/21 Budget	20/21 Actual	Variance	Percent of Budget
<b><u>Revenues</u></b>				
Member Contributions	570,016	570,020	4	100%
<b>Total Revenues</b>	570,016	570,020	4	100%
<b><u>Expenditures</u></b>				
Safety Funds	20,000	5,537	14,463	28%
Training	17,500	2,628	14,872	15%
Law Enforcement Meeting	30,000	0	30,000	0%
Loss Prevention Specialist	28,000	588	27,412	2%
Road Commissioners Meeting	10,000	1,706	8,294	17%
DSR Meeting	30,000	0	30,000	0%
Professional Fees	25,000	0	25,000	0%
Salaries	245,000	98,858	146,142	40%
Employee Benefits	60,000	25,923	34,077	43%
Bank Service Charges	200	127	73	64%
Dues & Subscriptions	4,600	1,328	3,272	29%
Printing & Reproduction	2,500	217	2,283	9%
Utilities & Housekeeping	3,500	616	2,884	18%
Travel Expenses	44,000	1,396	42,604	3%
Office Materials & Supplies	8,500	649	7,851	8%
Communications/IT	25,000	15,470	9,530	62%
Depreciation Expense	16,216	0	16,216	0%
Miscellaneous Expense	0	(61)	61	
<b>Total Expenditures</b>	570,016	154,982	415,034	27%

**Trindel Insurance Fund  
Revenue and Expense Budget 2020-21  
Claims Administration Liability & Property**

	20/21 Budget	20/21 Actual	Variance	Percent of Budget
<b><u>Revenues</u></b>				
Member Contributions	227,618	227,619	1	100%
<b>Total Revenues</b>	<b>227,618</b>	<b>227,619</b>	<b>1</b>	<b>100%</b>
<b><u>Expenditures</u></b>				
Training	3,500	267	3,233	8%
Professional Fees	35,000	20,767	14,233	59%
Salaries	125,000	50,229	74,771	40%
Employee Benefits	45,000	18,806	26,194	42%
Bank Service Charges	250	0	250	0%
Dues & Subscriptions	1,200	17	1,183	1%
Printing & Reproduction	1,500	514	986	34%
Utilities & Housekeeping	1,200	411	789	34%
Travel Expenses	7,000	356	6,644	5%
Office Materials & Supplies	1,200	285	915	24%
Communications/IT	5,000	4,271	729	85%
Depreciation Expense	1,768	0	1,768	0%
<b>Total Expenditures</b>	<b>227,618</b>	<b>95,922</b>	<b>131,696</b>	<b>42%</b>

**Trindel Insurance Fund  
Revenue and Expense Budget 2020-21  
Claims Administration Workers Compensation**

	<b>20/21 Budget</b>	<b>20/21 Actual</b>	<b>Variance</b>	<b>Percent of Budget</b>
<b><u>Revenues</u></b>				
Member Contributions	658,999	659,002	3	100%
<b>Total Revenues</b>	<b>658,999</b>	<b>659,002</b>	<b>3</b>	<b>100%</b>
<b><u>Expenditures</u></b>				
Training	10,000	1,788	8,212	18%
Professional Fees	95,000	23,445	71,555	25%
Salaries	340,000	126,205	213,795	37%
Employee Benefits	125,000	48,177	76,823	39%
Bank Service Charges	300	0	300	0%
Dues & Subscriptions	3,500	737	2,763	21%
Printing & Reproduction	10,000	2,782	7,218	28%
Utilities & Housekeeping	5,800	1,458	4,342	25%
Travel Expenses	5,500	0	5,500	0%
Office Materials & Supplies	15,000	3,019	11,981	20%
Communications/IT	34,500	16,082	18,418	47%
Depreciation Expense	14,399	0	14,399	0%
<b>Total Expenditures</b>	<b>658,999</b>	<b>223,692</b>	<b>435,307</b>	<b>34%</b>

**Trindel Insurance Fund  
Revenue and Expense Budget 2020-21  
Workers Compensation Pool**

	<b>20/21 Budget</b>	<b>20/21 Actual</b>	<b>Variance</b>	<b>Percent of Budget</b>
<b><u>Revenues</u></b>				
Member Contributions	2,096,000	2,096,000	0	100%
Interest Income	2,500	2,135	(365)	85%
Investment Income	25,000	16,487	(8,513)	66%
Increase (Decrease) in FMV	0	(12,035)	(12,035)	
<b>Total Revenues</b>	<b>2,123,500</b>	<b>2,102,588</b>	<b>(20,912)</b>	<b>99%</b>
<b><u>Expenditures</u></b>				
Claims Paid	100,000	0	100,000	0%
Change in Unpaid Claims Liability	1,000,000	0	1,000,000	0%
<b>Total Expenditures</b>	<b>1,100,000</b>	<b>-</b>	<b>1,100,000</b>	<b>0%</b>

**Trindel Insurance Fund  
Revenue and Expense Budget 2020-21  
Program Funds Summary**

Fund	20/21 Budget	20/21 Actual	Variance	Percent of Budget
<b><u>Revenues</u></b>				
Workers Compensation	13,470,368	11,988,903	(1,481,465)	89%
General Liability	7,724,016	7,277,820	(446,196)	94%
Property	1,431,620	1,249,361	(182,259)	87%
Pollution	88,784	86,304	(2,480)	97%
Med-Mal	449,002	448,936	(66)	100%
Leadership Training Fund	103,000	79,092	(23,908)	77%
<b>Total Revenues</b>	<b>23,266,790</b>	<b>21,130,417</b>	<b>(2,136,373)</b>	<b>91%</b>
<b><u>Expenditures</u></b>				
Workers Compensation	6,334,300	3,873,212	2,461,088	61%
General Liability	4,482,654	5,778,166	(1,295,512)	129%
Property	467,180	894,404	(477,224)	191%
Pollution	88,000	32,217	55,783	37%
Med-Mal	440,000	638,431	(198,431)	145%
Leadership Training Fund	92,000	(725)	92,725	-1%
<b>Total Expenditures</b>	<b>11,904,134</b>	<b>11,215,705</b>	<b>638,429</b>	<b>94%</b>

**Trindel Insurance Fund  
Revenue and Expense Budget 2020-21  
Workers Compensation**

	<b>20/21 Budget</b>	<b>20/21 Actual</b>	<b>Variance</b>	<b>Percent of Budget</b>
<b><u>Revenues</u></b>				
Member Contributions	12,740,368	11,907,714	(832,654)	93%
Interest Income	30,000	25,474	(4,526)	85%
Investment Income	500,000	198,081	(301,919)	40%
Increase (Decrease) in FMV	200,000	(142,366)	(342,366)	-71%
<b>Total Revenues</b>	<b>13,470,368</b>	<b>11,988,903</b>	<b>(1,481,465)</b>	<b>89.0%</b>
<b><u>Expenditures</u></b>				
Claims Paid	5,000,000	1,162,406	3,837,594	23%
Change in Unpaid Claims Liability	100,000	0	100,000	0%
Claims Subrogation	(10,000)	(25,947)	15,947	259%
Claims Excess Recovery	(150,000)	(15,957)	(134,043)	11%
Excess Insurance	572,000	537,610	34,390	94%
State Fees	250,000	0	250,000	0%
Safety Funds	27,500	3,727	23,773	14%
Hearing Tests	21,200	8,000	13,200	38%
Risk Management Subsidy	55,000	55,000	0	100%
Loss Prevention Subsidy	468,600	442,200	26,400	94%
Employee Assistance Program	0	6,455	(6,455)	
Miscellaneous Expense	0	3,455	(3,455)	
Transfers In/Out	0	235,031	(235,031)	
Return of Funds	0	1,461,232	(1,461,232)	
<b>Total Expenditures</b>	<b>6,334,300</b>	<b>3,873,212</b>	<b>2,461,088</b>	<b>61.1%</b>

**Trindel Insurance Fund  
Revenue and Expense Budget 2020-21  
General Liability**

	<b>20/21 Budget</b>	<b>20/21 Actual</b>	<b>Variance</b>	<b>Percent of Budget</b>
<b><u>Revenues</u></b>				
Member Contributions	7,714,016	7,262,656	(451,360)	94%
Interest Income	10,000	4,180	(5,820)	42%
Investment Income	100,000	32,804	(67,196)	33%
Increase (Decrease) in FMV	(100,000)	(21,820)	78,180	22%
<b>Total Revenues</b>	<b>7,724,016</b>	<b>7,277,820</b>	<b>(446,196)</b>	<b>94.2%</b>
<b><u>Expenditures</u></b>				
Claims Paid	1,000,000	574,026	425,974	57%
Claims Subrogation	1,000	(17,168)	18,168	-1717%
Claims Excess Recovery	(500,000)	(91,385)	(408,615)	18%
Insurance Expense	340,000	293,072	46,928	86%
Excess Insurance	3,376,554	4,281,990	(905,436)	127%
Risk Management Subsidy	27,500	27,500	0	100%
Loss Prevention Subsidy	237,600	217,800	19,800	92%
Transfers In/Out	0	(95,031)	95,031	
Return of Funds	0	587,362	(587,362)	
<b>Total Expenditures</b>	<b>4,482,654</b>	<b>5,778,166</b>	<b>(1,295,512)</b>	<b>128.9%</b>

**Trindel Insurance Fund  
Revenue and Expense Budget 2020-21  
Property**

	<b>20/21 Budget</b>	<b>20/21 Actual</b>	<b>Variance</b>	<b>Percent of Budget</b>
<b><u>Revenues</u></b>				
Member Contributions	1,416,220	1,249,736	(166,484)	88%
Interest Income	400	(206)	(606)	-51%
Investment Income	10,000	(1,295)	(11,295)	-13%
Increase (Decrease) in FMV	5,000	1,126	(3,874)	23%
<b>Total Revenues</b>	<b>1,431,620</b>	<b>1,249,361</b>	<b>(182,259)</b>	<b>87.3%</b>
<b><u>Expenditures</u></b>				
Claims Paid	800,000	136,823	663,177	17%
Change in Unpaid Claims Liability	100,000	0	100,000	0%
Claims Subrogation	(20,000)	(4,201)	(15,799)	21%
Claims Excess Recovery	(1,200,000)	(212,243)	(987,757)	18%
Excess Insurance	726,680	996,525	(269,845)	137%
Risk Management Subsidy	27,500	27,500	0	100%
Loss Prevention Subsidy	33,000	0	33,000	0%
Transfers In/Out	0	(50,000)	50,000	
<b>Total Expenditures</b>	<b>467,180</b>	<b>894,404</b>	<b>(477,224)</b>	<b>191.4%</b>

**Trindel Insurance Fund**  
**Revenue and Expense Budget 2020-21**  
**Pollution, Med-Mal, Leadership Training Funds**

<b>Pollution</b>	<b>20/21 Budget</b>	<b>20/21 Actual</b>	<b>Variance</b>	<b>Percent of Budget</b>
<b><u>Revenues</u></b>				
Member Contributions	86,184	86,184	0	100%
Interest Income	100	32	(68)	32%
Investment Income	2,000	247	(1,753)	12%
Increase (Decrease) in FMV	500	(159)	(659)	-32%
<b>Total Revenues</b>	<b>88,784</b>	<b>86,304</b>	<b>(2,480)</b>	<b>97.2%</b>
<b><u>Expenditures</u></b>				
Insurance Expense	20,000	19,201	799	96%
Excess Insurance	68,000	13,016	54,984	19%
<b>Total Expenditures</b>	<b>88,000</b>	<b>32,217</b>	<b>55,783</b>	<b>36.6%</b>

<b>Med-Mal</b>	<b>20/21 Budget</b>	<b>20/21 Actual</b>	<b>Variance</b>	<b>Percent of Budget</b>
<b><u>Revenues</u></b>				
Member Contributions	448,752	448,752	0	100%
Interest Income	50	(16)	(66)	-31%
Investment Income	100	(822)	(922)	-822%
Increase (Decrease) in FMV	100	1,022	922	1022%
<b>Total Revenues</b>	<b>449,002</b>	<b>448,936</b>	<b>(66)</b>	<b>100.0%</b>
<b><u>Expenditures</u></b>				
Claims Paid	10,000	8,878	1,123	
Excess Insurance	430,000	629,553	(199,553)	146%
<b>Total Expenditures</b>	<b>440,000</b>	<b>638,431</b>	<b>(198,431)</b>	<b>145.1%</b>

<b>Leadership Training Funds</b>	<b>20/21 Budget</b>	<b>20/21 Actual</b>	<b>Variance</b>	<b>Percent of Budget</b>
<b><u>Revenues</u></b>				
Member Contributions	77,000	77,000	0	100%
Interest Income	1,000	667	(333)	67%
Investment Income	15,000	5,163	(9,837)	34%
Increase (Decrease) in FMV	10,000	(3,737)	(13,737)	-37%
<b>Total Revenues</b>	<b>103,000</b>	<b>79,092</b>	<b>(23,908)</b>	<b>76.8%</b>
<b><u>Expenditures</u></b>				
Subsidy	(33,000)	(43,000)	10,000	130%
Safety Funds	0	188	(188)	
Training	100,000	41,637	58,363	42%
Dues & Subscriptions	25,000	450	24,550	2%
<b>Total Expenditures</b>	<b>92,000</b>	<b>(725)</b>	<b>92,725</b>	<b>-0.8%</b>

Trindel Insurance Fund  
Statement of Net Position by Fund  
As of 11/30/2020

	Administration	Loss Prevention	Claims Administration Liability/Property	Claims Administration Workers' Compensation	Workers' Compensation Pool	Workers Compensation	Liability	Property	Pollution	Medical Malpractice	Leadership Training Fund	Total
<b>Assets</b>												
Cash	(381,341.97)	(270,193.63)	(137,274.72)	(437,957.25)	2,414,167.31	7,250,872.75	(1,662,318.17)	(367,325.08)	39,675.49	(517,008.52)	1,054,629.48	6,985,925.69
LAIF	0.00	0.00	0.00	0.00	4,357.38	10,059,394.41	12,594.02	149.32	64.86	(74.09)	1,562.28	10,078,048.18
Accounts Receivable	508,606.00	570,020.00	227,619.00	659,002.00	2,096,000.00	11,616,150.92	7,583,147.55	1,344,886.79	86,184.00	448,752.00	77,000.00	25,217,368.26
Prepaid Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	107,916.93	0.00	0.00	107,916.93
Investments	0.00	0.00	0.00	0.00	1,087,749.63	23,853,168.33	7,859,978.18	95,844.84	3,440.14	(1,958.15)	57,430.03	32,955,653.00
Fixed Assets	199,454.77	167,531.53	45,482.98	356,005.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	768,475.18
Total Assets	326,718.80	467,357.90	135,827.26	577,050.65	5,602,274.32	52,779,586.41	13,793,401.58	1,073,555.87	237,281.42	(70,288.76)	1,190,621.79	76,113,387.24
Deferred Outflow of Resources	42,640.72	69,518.47	(1,692.67)	125,106.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00	235,573.00
<b>Liabilities</b>												
Accounts Payable	0.00	0.00	0.00	0.00	0.00	215.00	0.00	0.00	0.00	0.00	0.00	215.00
Payroll Liabilities	38,175.81	13,121.49	11,584.41	14,867.71	0.00	0.00	0.00	0.00	0.00	0.00	0.00	77,749.42
Net Pension Liability	(8,353.33)	1,719.78	(7,637.99)	8,648.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(5,623.00)
Claims Liabilities	0.00	0.00	0.00	0.00	2,064,000.00	31,080,935.59	4,732,585.05	287,871.72	0.00	0.00	0.00	38,165,392.36
Total Liabilities	29,822.48	14,841.27	3,946.42	23,516.25	2,064,000.00	31,081,150.59	4,732,585.05	287,871.72	0.00	0.00	0.00	38,237,733.78
Deferred Inflow of Resources	6,019.57	14,827.31	(3,242.00)	27,060.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	44,665.00
Net Position (Due to Members)	333,517.47	507,207.79	133,430.17	651,580.76	3,538,274.32	21,698,435.82	9,060,816.53	785,684.15	237,281.42	(70,288.76)	1,190,621.79	38,066,561.46

Trindel Insurance Fund  
Statement of revenues and expeitures by program  
From 7/1/2020 Through 11/30/2020

	Administration	Loss Prevention	Claims Administration Liability/Property	Claims Administration Workers' Compensation	Workers' Compensation Pool	Workers Compensation	Liability	Property	Pollution	Medical Malpractice	Leadership Training Fund	Total
<b>Revenues</b>												
Member Contributions	508,606.00	570,020.00	227,619.00	659,002.00	2,096,000.00	11,907,714.00	7,262,656.00	1,249,736.00	86,184.00	448,752.00	77,000.00	25,093,289.00
Interest Income	0.00	0.00	0.00	0.00	2,135.47	25,473.87	4,180.28	(205.71)	32.17	(15.69)	666.93	32,267.32
Investment Income	0.00	0.00	0.00	0.00	4,452.18	55,715.06	10,983.24	(169.21)	88.24	200.05	1,425.44	72,695.00
Administrative Fee Income	262.64	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	262.64
<b>Total Revenues</b>	<b>508,868.64</b>	<b>570,020.00</b>	<b>227,619.00</b>	<b>659,002.00</b>	<b>2,102,587.65</b>	<b>11,988,902.93</b>	<b>7,277,819.52</b>	<b>1,249,361.08</b>	<b>86,304.41</b>	<b>448,936.36</b>	<b>79,092.37</b>	<b>25,198,513.96</b>
<b>Expense</b>												
Claims Expense	0.00	0.00	0.00	0.00	0.00	1,162,405.90	574,025.89	136,822.67	0.00	8,877.50	0.00	1,882,131.96
Claims Recovery	0.00	0.00	0.00	0.00	0.00	(41,904.08)	(108,553.11)	(216,443.96)	0.00	0.00	0.00	(366,901.15)
Insurance Expense	34,035.85	0.00	0.00	0.00	0.00	537,610.00	4,575,062.48	996,525.00	32,217.35	629,553.00	(43,000.00)	6,762,003.68
Risk Management	806.00	10,458.65	266.70	1,788.00	0.00	515,381.82	245,300.00	27,500.00	0.00	0.00	41,825.23	843,326.40
Professional Fees	24,546.03	0.00	20,766.70	23,444.95	0.00	0.00	0.00	0.00	0.00	0.00	0.00	68,757.68
General & Administrative	140,425.87	144,523.71	74,888.46	198,459.31	0.00	3,455.34	0.00	0.00	0.00	0.00	450.00	562,202.69
Tranfers In/Out	0.00	0.00	0.00	0.00	0.00	235,031.14	(95,031.14)	(50,000.00)	0.00	(90,000.00)	0.00	0.00
<b>Total Expense</b>	<b>199,813.75</b>	<b>154,982.36</b>	<b>95,921.86</b>	<b>223,692.26</b>	<b>0.00</b>	<b>2,411,980.12</b>	<b>5,190,804.12</b>	<b>894,403.71</b>	<b>32,217.35</b>	<b>548,430.50</b>	<b>(724.77)</b>	<b>9,751,521.26</b>
<b>Net Income (Loss)</b>	<b>309,054.89</b>	<b>415,037.64</b>	<b>131,697.14</b>	<b>435,309.74</b>	<b>2,102,587.65</b>	<b>9,576,922.81</b>	<b>2,087,015.40</b>	<b>354,957.37</b>	<b>54,087.06</b>	<b>(99,494.14)</b>	<b>79,817.14</b>	<b>15,446,992.70</b>
Return of Funds to Members	0.00	0.00	0.00	0.00	0.00	1,461,232.00	587,362.12	0.00	0.00	0.00	0.00	2,048,594.12
Change in Due to Members	309,054.89	415,037.64	131,697.14	435,309.74	2,102,587.65	8,115,690.81	1,499,653.28	354,957.37	54,087.06	(99,494.14)	79,817.14	13,398,398.58
Beginning Due to Members	24,462.58	92,170.15	1,733.03	216,271.02	1,435,686.67	13,582,745.01	7,561,163.25	430,726.78	183,194.36	29,205.38	1,110,804.65	24,668,162.88
Ending Due to Members	333,517.47	507,207.79	133,430.17	651,580.76	3,538,274.32	21,698,435.82	9,060,816.53	785,684.15	237,281.42	(70,288.76)	1,190,621.79	38,066,561.46

TRINDEL INSURANCE FUND  
**BOARD OF DIRECTORS**  
**AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

**TRINDEL BOARD MEETING**

January 2021

**GENERAL BUSINESS**

AGENDA ITEM VI.c.

**SUBJECT:** 2021-2022 Premiums

**ACTION FOR CONSIDERATION:** Discussion/Direction on proposed premiums for the 2021-2022 fiscal year.

**BACKGROUND:** The attached premiums have been prepared using current year excess premiums, budget projections and actuarial estimations. This is the first look at the premiums for 2021-2022 fiscal year. They are scheduled to be approved at our May 2021 Board meeting.

**FISCAL IMPACT:** An overall 0.83 % increase over last year.

**RECOMMENDATION:** Review and give staff direction on premiums.

**TRINDEL FUND  
SUMMARY OF PREMIUM CALCULATIONS  
2021-22 PREMIUM**

	ALPINE	COLUSA	DEL NORTE	LASSEN	MODOC	MONO	PLUMAS	SAN BENITO	SIERRA	SUTTER	TRINITY	TOTAL	Last year	% Change
WORKERS COMP LIABILITY	\$532,240	\$601,490	\$1,298,852	\$1,744,920	\$767,666	\$1,249,410	\$1,226,431	\$1,748,968	\$806,124	\$2,791,657	\$955,921	\$13,723,679	\$14,836,368	-7.50%
PROPERTY	\$342,233	\$526,939	\$730,752	\$863,948	\$599,228	\$551,579	\$714,358	\$1,076,042	\$194,586	\$2,017,398	\$396,583	\$8,013,646	\$7,335,429	9.25%
AIRPORT/CRAFT	\$105,786	\$101,460	\$274,674	\$180,216	\$140,965	\$110,553	\$261,080	\$218,441	\$49,647	\$160,396	\$99,543	\$1,702,760	\$1,421,332	19.80%
CRIME/BOND	\$1,980	\$2,819	\$3,738	\$5,578	\$9,652	\$3,435	\$4,764	\$0	\$1,630	\$0	\$7,507	\$41,103	\$35,741	15.00%
WATERCRAFT	\$4,062	\$7,041	\$7,892	\$6,631	\$5,157	\$5,403	\$7,860	\$6,631	\$4,184	\$11,895	\$3,070	\$69,826	\$58,759	18.83%
CYBER	\$130	\$1,392	\$1,338	\$1,586	\$160	\$604	\$2,204	\$0	\$506	\$1,337	\$1,297	\$10,554	\$10,184	3.63%
MED MAL	\$2,550	\$2,550	\$2,550	\$2,550	\$2,550	\$2,550	\$2,550	\$2,550	\$2,550	\$2,784	\$2,550	\$28,284	\$17,647	60.28%
POLLUTION	\$6,637	\$47,565	\$65,370	\$24,474	\$56,622	\$20,853	\$65,756	\$41,031	\$11,205	\$421,173	\$17,929	\$778,614	\$448,752	73.51%
CIMI	\$1,239	\$11,724	\$1,858	\$1,858	\$19,104	\$23,161	\$1,858	\$8,913	\$9,890	\$2,478	\$5,009	\$87,092	\$86,184	1.05%
	\$12,907	\$83,480	\$0	\$35,196	\$22,805	\$0	\$0	\$49,833	\$12,907	\$0	\$75,948	\$293,076	\$293,867	-0.27%
<b>TOTAL</b>	<b>\$1,009,764</b>	<b>\$1,386,459</b>	<b>\$2,387,023</b>	<b>\$2,866,957</b>	<b>\$1,623,908</b>	<b>\$1,967,549</b>	<b>\$2,286,861</b>	<b>\$3,152,409</b>	<b>\$1,093,229</b>	<b>\$5,409,119</b>	<b>\$1,565,357</b>	<b>\$24,748,635</b>	<b>\$24,544,263</b>	<b>0.83%</b>
<b>Totals from FY20/21</b>	<b>\$916,418</b>	<b>\$1,438,045</b>	<b>\$2,517,461</b>	<b>\$2,845,826</b>	<b>\$1,546,341</b>	<b>\$2,019,079</b>	<b>\$2,381,965</b>	<b>\$3,045,288</b>	<b>\$1,079,711</b>	<b>\$5,225,696</b>	<b>\$1,528,434</b>	<b>\$24,544,263</b>		
\$ Change from prior year	\$93,346	(\$51,586)	(\$130,438)	\$21,131	\$77,567	(\$51,530)	(\$95,104)	\$107,121	\$13,518	\$183,423	\$36,923	\$204,372		
% Change from prior year	10.19%	-3.59%	-5.18%	0.74%	5.02%	-2.55%	-3.99%	3.52%	1.25%	3.51%	2.42%	0.83%		

TRINDEL INSURANCE FUND  
**BOARD OF DIRECTORS**  
**AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

**TRINDEL BOARD MEETING**

January 2021

**GENERAL BUSINESS**

AGENDA ITEM VI.d.

**SUBJECT:** Budget Adjustment for Allocation of Premiums and EAP

**ACTION FOR CONSIDERATION:** An action to approve budget adjustment to account for the allocation of premiums to administration funds.

**BACKGROUND:** Our 2020/2021 budget did not account for the allocation of premiums from the workers' compensation, general liability, and property funds to the administration funds. As a result, the total member contributions budgeted were more than the 20/21 premiums. Reducing budgeted member contributions in the program funds will bring the budget in line with the 20/21 premiums. The workers compensation budget also did not include budgeted funds for the employee assistance program. Last year, the EAP program had actual expenses of \$16,200 and we think \$21,000 would be a reasonable amount to budget for the program this year given a new campaign to get law enforcement more involved.

**FISCAL IMPACT:** Reduction of budgeted revenue of \$1,999,528

Increase of \$21,000 of budgeted expense.

**RECOMMENDATION:** Approve budget adjustment

### Premium Allocation and EAP Budget Adjustment

Fund	Account Code	Account Title	Current Budget	Adjustment	Revised Budget
40	4100	Member Contributions	12,740,368	(1,381,684)	11,358,684
50	4100	Member Contributions	7,714,016	(451,360)	7,262,656
55	4100	Member Contributions	1,416,220	(166,484)	1,249,736
40	5820	Employee Assistance Program	0	21,000	21,000

(1,978,528)

TRINDEL INSURANCE FUND  
**BOARD OF DIRECTORS**  
**AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

**TRINDEL BOARD MEETING**

January 2021

**GENERAL BUSINESS**

AGENDA ITEM VI.e.

**SUBJECT:** Annual Third Party Financial Audit

**ACTION FOR CONSIDERATION:** Discussion/Acceptance of Annual third party financial audit for the 2019-20 fiscal year.

**BACKGROUND:** This is the second year of a three-year contract with James Marta & Company LLP. We have made a significant change in the presentation of the financials this year. This year we have started to present the financials in Comprehensive Annual Financial report "CAFR".

**FISCAL IMPACT:** N/A

**RECOMMENDATION:** Acceptance of Annual third party financial audit for the 2020 fiscal year.

# Trindell

Insurance Fund

A Joint Powers Authority for the Rural California Counties of  
Alpine - Colusa - Del Norte - Lassen - Modoc - Mono - Plumas - San Benito - Sierra - Sutter -Trinity

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

JUNE 30, 2020



# TABLE OF CONTENTS

Coverage page and Table of Contents

INTRODUCTION SECTION	I
Introduction letter	i
Certificate of Accreditation with Excellence, CAJPA	iii
Organizational Chart	iv
Board of Directors	v
FINANCIAL SECTION	II
Independent Auditors Report	1
Management Discussion & Analysis	4
Basic Financial statements	12
Supplementary Information	38
Combining Statements	38
Member Statements	40
STATISTICAL SECTION	III
Ten-Year Ratio Comparison	54
Demographic Information	54
Ten-Year Return of Funds Comparison	54

# I. INTRODUCTORY SECTION

## **Trindel Insurance Fund**

Trindel Insurance Fund (Trindel) is a Joint Powers Authority established pursuant to California Government Code Section 6500 et. seq. Membership is limited to California counties. Trindel is dedicated to assisting the insurance needs of its members by providing the most stable, cost-effective, risk-financing mechanisms; insurance program monitoring; claims handling; and loss prevention services available. Trindel was originally formed by Del Norte and Trinity counties in 1980. Trindel has since then expanded with the addition of five (5) counties (Alpine, Colusa, Lassen, Modoc and Sierra) during the insurance crisis of the mid- 80s. Trindel added San Benito county in 1991, Mono county in 2000, Plumas county in 2010 and Sutter County as of July 1, 2014. At Trindel's February 2019, board meeting the Board of Directors prepared for growth in services through a strategic planning session. As of January 1, 2020 Trindel members employed 4,312 staff to serve a population of 298,222.

An Executive Director under the general direction of the Board of Directors, consisting of one voting member from each county member and generally meets three times a year, manages Trindel's daily operations. There is also an Executive and Claims review Committee that includes the Board President, Board Vice-President and two at large members, which meets as needed. Due to the small number of members, all policy decisions are made by the board with implementation and initial enforcement of the policies handled by the Executive Director. Trindel was originally formed to gain size and advantage in the market for insurance, reinsurance, resources, and risk sharing in hard market times. Trindel continues with this purpose today.

In concept and practice Trindel is a banking arrangement with its members wherein, over time, each member is fiscally responsible for its own losses and costs. All members share the Administration and Loss Prevention costs equally. Trindel acts as the cash flow mechanism for the members. Should a member be responsible for several large losses in any given year the pooled cash will pay the bills and the member will repay Trindel over time. Trindel uses its ability to combine the size of the members in order to obtain better insurance and pricing for selected insurance, self-funded, and pooled programs and the purchase of services to benefit all members.

The Trindel Board also employs fourteen positions. Six for Workers' Compensation claims handling, three full time Loss Prevention positions, two full time Liability/Property position, one Financial Analyst, and one Administrative Assistant, under the supervision of the Executive Director. The workers' compensation and liability/property employees provide claims handling for the members. The Loss Prevention program provides training, safety programs, inspections, etc. to each of the members on a regular basis (see section titled Services below for additional information on Loss Prevention). The Financial Analyst provides financial analysis for the members and Executive Director. The Administrative Assistant provides clerical support for the

Executive Director; the Executive Director provides risk management services for its members and directs the JPA.

Four different outside agencies audit Trindel. First, an outside audit firm performs a financial audit annually. Secondly, PRISM performs a claims audit for both major programs every two years. Third, an accreditation audit is performed every three years by CAJPA and we have accreditation with excellence with every audit consecutively since 1994. Lastly, an audit is performed by the Department of Industrial Relations Division of Workers' Compensation. Excess insurance coverage's are purchased through either the PRISM or Alliant Insurance Services.



Trusted Leadership  
for California's Public  
Risk Sharing Pools

*It is the purpose of this organization to give professional recognition  
to properly qualified self-insurance pools.*

*THEREFORE, the Board of Directors of the  
California Association of Joint Powers Authorities,  
has conferred upon*

## **Trindel Insurance Fund**

*this*

### **CERTIFICATE OF ACCREDITATION WITH EXCELLENCE**

*having fulfilled the conditions of eligibility as prescribed by the Association for Accreditation.*



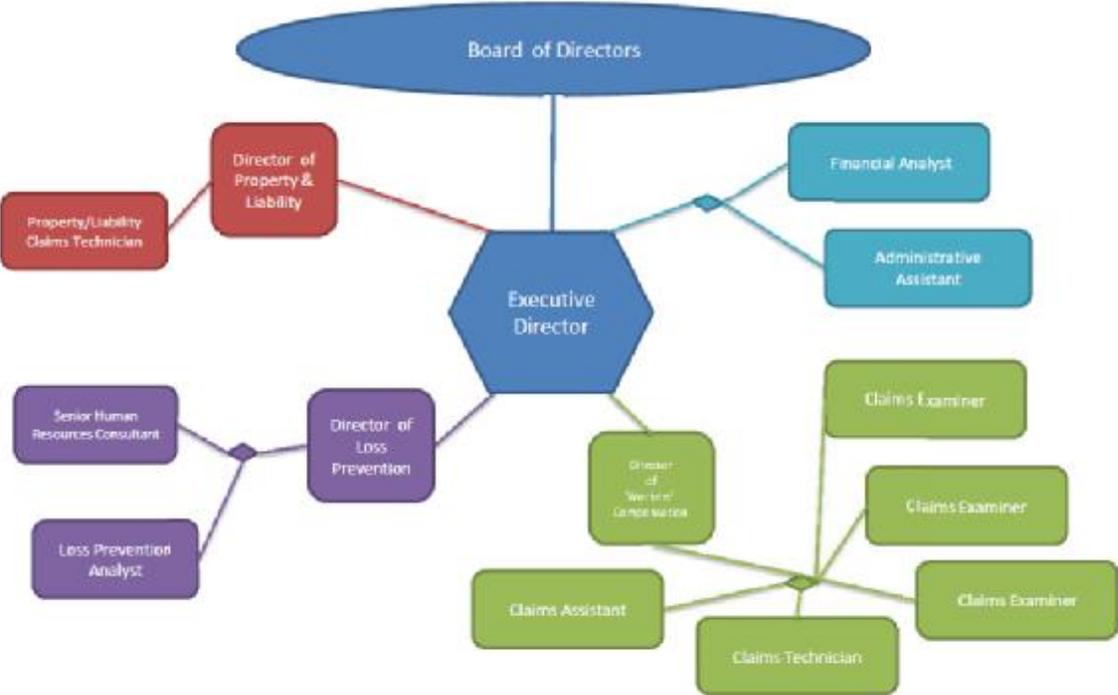
*Accreditation Period: October 31, 2018 – October 31, 2021*

*Karla Rhay, Ed, D  
President*

*Kimberly Dennis  
Chairman, Accreditation Committee*

*James P. Marta  
Accreditation Program Manager*

# Trindel Organization Chart



**Trindel Insurance Fund  
List of Appointed Officials  
June 30,2020**

**Board of Directors**

**Alternate board member**

Alpine	Nichole Williamson, CAO	Sarah Simis
Colusa	Kaline Moore, Budget Analyst	Todd Manouse
Del Norte	Neal Lopez, Assistant CAO	Cathy Hafterson
Lassen	Richard Egan, CAO	Tony Shaw
Modoc	Chester Robertson, CAO	Tex Dowdy
Mono	Robert Lawton, CAO	Jay Sloane
Plumas	Roberta Allen, Auditor/ Controller	Gabriel Hydrick
San Benito	Edgar Nolasco, Deputy CAO	Stewart Patri
Sierra	Van Maddox, Auditor/ Controller	Judi Belhke
Sutter	Nathan Black, Auditor/ Controller	Jason Claunch
Trinity	Richard Kuhns, CAO	Becca Cooper

## **II. FINANCIAL SECTION**



**TRINDEL INSURANCE FUND**

**FINANCIAL STATEMENTS**  
**WITH**  
**INDEPENDENT AUDITOR'S REPORT**

**FOR THE FISCAL YEARS ENDED**  
**JUNE 30, 2020 AND 2019**

**JAMES MARTA & Co. LLP**

**701 HOWE AVENUE, E3**  
**SACRAMENTO, CA**

**(916) 993-9494**  
**(916) 993-9489 FAX**

# TRINDEL INSURANCE FUND

## TABLE OF CONTENTS

---

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1
MANAGEMENT'S DISCUSSION & ANALYSIS	4
BASIC FINANCIAL STATEMENTS	
Combined Statement of Net Position	12
Combined Statement of Revenues, Expenses, and Changes in Net Position	13
Statement of Cash Flows	14
Notes to the Financial Statements	15
REQUIRED SUPPLEMENTARY INFORMATION	
Reconciliation of Claims Liabilities by Program	33
Claims Development Information	34
Schedule of the Fund's Proportionate Share of the Net Pension Liability	35
Schedule of Contributions	36
Notes to Required Supplementary Information	37
SUPPLEMENTARY INFORMATION	
Combining Statement of Net Position	38
Combining Statement of Revenues, Expenses, and Changes in Net Position	39
Statement of Net Position by Member – Workers' Compensation	40
Statement of Revenues, Expenses, and Changes in Net Position by Member – Workers' Compensation	41
Statement of Net Position by Member –Liability	42
Statement of Revenues, Expenses, and Changes in Net Position by Member –Liability	43
Statement of Net Position by Member – Property	44

# TRINDEL INSURANCE FUND

## TABLE OF CONTENTS

---

Statement of Revenues, Expenses, and Changes in Net Position by Member – Property	45
Statement of Net Position by Member – Pollution	46
Statement of Revenues, Expenses, and Changes in Net Position by Member – Pollution	47
Statement of Net Position by Member – Medical Malpractice	48
Statement of Revenues, Expenses, and Changes in Net Position by Member – Medical Malpractice	49
Statement of Net Position by Member – Leadership Training	50
Statement of Revenues, Expenses, and Changes in Net Position by Member – Leadership Training	51
Graphical Summary of Claims	52



# James Marta & Company LLP

*Certified Public Accountants*

*Accounting, Auditing, Consulting, and Tax*

---

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Trindel Insurance Fund  
Weaverville, CA

### **Report on the Financial Statements**

We have audited the accompanying Statement of Net Position of Trindel Insurance Fund (Trindel) as of June 30, 2020 and 2019, and the related Statement of Revenues, Expenses and Changes in Net Position, and Statement of 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the State Controller's *Minimum Audit Requirements for California Special Districts*. 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 Trindel Insurance Fund as of June 30, 2020 and 2019 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, Reconciliation of Claims Liabilities by Program, Claims Development Information, Schedule of the Fund's Proportionate Share of the Net Pension Liability and the Schedule of Contributions 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 (GASB) 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 audit 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.

### *Other Information*

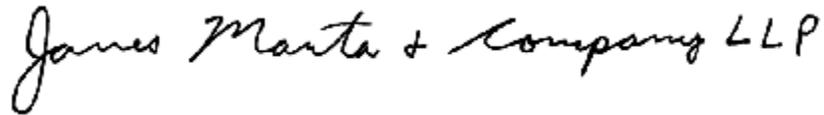
Our audit was conducted for the purpose of forming opinions on the basic financial statements of Trindel Insurance Fund. The Supplementary Information, as shown on the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Supplementary Information, as shown in the table of contents, is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information, as shown in the table of contents, are fairly stated, in all material respects, in relation to the financial statements as a whole.

The Introductory Section and the Statistical Section, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. They have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion or any other assurance on them.

## Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2020 on our consideration of Trindel Insurance Fund's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Trindel Insurance Fund's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Marta & Company LLP". The signature is written in a cursive, flowing style.

James Marta & Company LLP  
Certified Public Accountants  
Sacramento, California  
December 9, 2020

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# TRINDEL INSURANCE FUND

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

---

Created by Executive Director, David Nelson, the following report provides general information on Trindel Insurance Fund and on its financial condition for the fiscal year ended June 30, 2020. This report is provided to give an overview of significant events and transactions that affect the fund accounting and entity wide financials statements.

### **Overview of the Financial Statements**

Trindel's audited financial statements are prepared in conformity with generally accepted accounting principles. James Marta & Co. LLP, Certified Public Accountants, have performed an independent audit of Trindel's financial statements in accordance with generally accepted auditing standards. Their opinion is included in the Financial Section of this report. Bickmore Risk Services provides the independent actuarial reviews of the Workers' Compensation Program, the Liability Program and the Property Program, which confirms the adequacy and reasonableness of the funding and claims liabilities recorded.

A Statement of Net Position; Statement of Revenues, Expenses & Changes in Net Position; and Statement of Cash flows are prepared along with Notes to Financial Statements to clarify unique accounting policies. Trindel's accounting system is organized so that each program for each member can be accounted for and evaluated independently. Six separate funds are maintained for members: Workers' Compensation, Liability, Property, Medical Malpractice, Pollution, and Leadership Training Fund. Four funds are accounted for the fund: Administration, WC Claims Admin, Liability Claims Admin, and Loss Prevention are under detailed budgetary control for Trindel administrative activities. Lastly, the Workers' Compensation Pool fund is managed for the benefit of the collective membership.

### **Financial Highlights**

The assets of Trindel Insurance Fund exceeded its liabilities at the close of the most recent fiscal year by \$1,770,322 net position.

Member assets recorded in "due to members" increased by \$6,427,661 over the previous year for a total of \$22,897,835.

Trindel Insurance Fund's pension obligations recorded as an asset of \$5,622.

Total net position and due to members increased by 7.7 million from the previous year. This increase is mainly due to a favorable claims activity in the year combined with a slower payout of claims as predicted by the actuary.

A one million dollar increase in the workers' compensation pool revenues contributed to the net position increase this year. We did not incur any expenses in the pool this year but we anticipate doing so in the 20/21 fiscal year.

**TRINDEL INSURANCE FUND**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2020**

Condensed Statement of Net Position:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>			
Current Assets:			
Total Current Assets	\$39,158,209	\$30,432,022	\$28,287,022
Noncurrent Assets:			
Total Noncurrent Assets	<u>23,572,563</u>	<u>23,812,792</u>	<u>15,742,805</u>
<b>Total Assets</b>	<u>62,730,772</u>	<u>54,244,814</u>	<u>44,029,827</u>
<b>DEFERRED OUTFLOWS</b>			
Deferred outflows due to pension	235,572	280,472	464,357
<b>LIABILITIES</b>			
Current Liabilities:			
Total Current Liabilities	5,199,252	5,531,972	4,157,893
Noncurrent Liabilities:			
Total Noncurrent Liabilities	<u>55,952,105</u>	<u>48,392,668</u>	<u>40,305,617</u>
<b>Total Liabilities</b>	<u>61,151,357</u>	<u>53,924,640</u>	<u>44,463,510</u>
<b>DEFERRED INFLOWS</b>			
Deferred Inflows due to pension	44,665	76,895	30,674
<b>NET POSITION</b>			
<b>Net Position</b>	<u>\$ 1,770,322</u>	<u>\$ 523,751</u>	<u>\$ -</u>

Condensed Statement of Revenues, Expenses and Changes in Net Position:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Operating Revenue:</b>			
Member contributions	\$21,274,770	\$19,698,325	\$18,112,553
Charges for services	2,068,462	1,744,643	1,616,171
Other revenue	<u>146</u>	<u>-</u>	<u>-</u>
Total Operating Revenues	<u>23,343,378</u>	<u>21,442,968</u>	<u>19,728,724</u>
<b>Expenses:</b>			
Program expenses	12,631,340	20,061,645	17,418,889
Trindel administration	1,741,528	1,025,991	1,027,021
Return of Funds to Members	<u>2,720,939</u>	<u>-</u>	<u>300,000</u>
Total Expenses	<u>17,093,807</u>	<u>21,087,636</u>	<u>18,745,910</u>
Operating income/(loss)	<u>6,249,571</u>	<u>355,332</u>	<u>982,814</u>
<b>Nonoperating Revenues:</b>			
Total Nonoperating Revenues	<u>1,424,661</u>	<u>1,110,461</u>	<u>65,060</u>
Change in net position/due to members	7,674,232	1,465,793	1,047,874
Due to Members - Beginning	16,993,925	15,528,132	14,480,258
Due to Members - Ending	22,897,835	16,470,174	15,528,132
Net position - Ending	<u>1,770,322</u>	<u>523,751</u>	<u>-</u>
	<u>\$24,668,157</u>	<u>\$16,993,925</u>	<u>\$15,528,132</u>

# TRINDEL INSURANCE FUND

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

---

### **Analysis of Financial Information:**

Our overall net position increase significantly this year \$7,674,232 or 45%. This increase happened in an environment where most insurance JPA's have realized adverse impacts to their bottom line due to hyper social inflation driving up size of judgements and settlements. I believe our member demographics has sheltered us from feeling the impacts of inflated judgements. We can only hope that that trend continues but we are prepared if it does not.

As shown above, over the last three years Trindel has strengthened its position for the organization and its members. The insurance markets continue in a hardening trend for all polies and markets. Trindel's strategy is to continue to retain risk through self-insuring and pooling to combat the increasing costs.

### **Financial Management and Control**

Trindel management is responsible for establishing and maintaining an internal control structure designed to ensure that assets are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

By way of the Trindel Bylaws, the Executive Director holds the title and duties of the Treasurer. To assist with internal controls with having the Executive Director as Treasurer, the Secretary is signatory on all financial accounts for the fund. Secondly, the Secretary shall hold the office of Auditor Controller in one of our member Counties.

Each year a detailed line item budget is prepared by administration and adopted by the board. As of July 2011, the board requires that financial, investment and Budget vs. Actual reports be sent quarterly to each board member. In practice, quarterly financial and investment reports and the quarterly Budget vs. Actual report are posted on the Trindel web page for all board members to review. The Bylaws also require that at each Board of Directors meeting a register of all checks issued since the last board meeting shall be provided for review and approval by the board. The actual documentation for each check is also made available for review.

On December 1, 2009, the Trindel Board hired David Nelson as the Assistant Executive Director. Mr. Nelson became the Executive Director on July 1, 2010, prior to that he worked for fourteen years with Trinity County, four of them as the Auditor Controller. Mr. Nelson also served ten years on the Trindel Board of Directors.

### **Services**

Trindel has four distinct service departments: Administration, Workers' Compensation Claim Adjusting, Liability and Property Claim Adjusting, and Loss Prevention.

## TRINDEL INSURANCE FUND

### MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

---

Trindel's administration services start with the managing of Trindel staff as well as insurance, self-funded, and pooled programs. Administration produces all financial reports for the Joint Powers Authority and each program by member. Administration provides risk management oversight and services for County members. Administration also creates funding and reserve thresholds by program and member. Administration provides recommendations for risk treatment and financing mechanisms based on historical and current loss trends.

Workers' Compensation Claim Adjusting service starts with recording and tracking worker injuries, and providing members with status updates. Providing access to and facilitate treatment to injured workers. Setting cost reserves and providing a plan of action for the member. Adjusters will execute payment for medical treatment and other costs and provide litigation management services. Your adjuster will also facilitate investigations, subrogation and excess recovery to mitigate the overall cost of a claim. Adjusters will provide rationale for settlement authorizations and provide settlement guidance.

Liability and Property Claim Adjusting service starts with monitoring threats or allegations against the member and facilitating investigations if needed. Providing initial report on claims including the allegations/damages, coverage determination, incident facts, liability evaluation, reserve rationale, and a plan of action. Your adjuster records claim notes, documents, processes claim payments, and provides litigation management services. Your Adjuster will coordinate status updates with defense counsel, county counsel, excess insurers, and other involved parties. Adjuster will provide rationale for settlement authorizations and provide settlement guidance. Liability adjuster also manages claims against the members for the following coverages: (aircraft, boiler & machinery, crime/bond, medical malpractice, pollution, watercraft, and cyber). Trindel directs the claims to the appropriate insurer and coordinates coverage when more than one policy is impacted. Subrogation is aggressively pursued when appropriate.

Loss Prevention services begins with Trindel visiting each county at least once a month. The visits are to aid the member to plan, develop, implement, and maintain loss prevention and safety goals. Loss Prevention provides leadership and safety trainings, and aid in drafting policies and procedures to help reduce losses. Loss prevention also works closely with members to conduct investigations of incidents or near miss occurrences to help mitigate or avoid losses. Loss Prevention also provides professional development conferences for Human Resources, Risk Management, Safety, Law Enforcement, and Public Works professionals.

#### **Workers' Compensation Program**

The Workers' Compensation Program began in 1980 as a self-insured program with excess coverage. In July 1, 1997 it was decided to fully insure this program through membership in the CSAC-Excess Insurance Authority Primary Workers' Compensation Program (PWC) and have a third party administer the claims. The board determined it was in the members' best interests to withdraw from the PWC effective July 1, 2008. Mono and Plumas Counties are the only members that have always maintained an initial level of self-insurance, (\$125,000 per occurrence) with excess above that layer. July 1, 2008 the members started self-insuring for the

## TRINDEL INSURANCE FUND

### MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

---

first \$125,000 of each occurrence. Excess insurance purchased above this self-insured layer through the CSAC-Excess Insurance Authority's excess workers' compensation program. April 1, 2012 Trindel began self-administering claims. July 1, 2012 the members decided to be self-insured at the \$300,000 level of each occurrence. April 1, 2015 Trindel purchased a claims software from JDI to help process claims. July 1, 2018 members decided to create a risk sharing pool above the SIR from \$300,000 to \$1 million. Trindel provides for an annual actuarial study to determine the necessary annual premium and to attain a reserve for claims at the 90% confidence level. Reserves are currently booked at the expected 50% confidence level. All members participate in the Workers' Compensation Program. Trindel continually reviews the Workers' Compensation Program to see if there are more cost effective alternatives. The most recent audit score is 85.91%.

#### **Liability/Property Program**

The Liability Program began in 1985 as a self-insured program with excess coverage. The members purchase excess general liability, which includes auto, E & O and employer's liability coverage through CSAC-Excess Insurance Authority to \$25 million with a \$100,000 Self-Insured Retention (SIR). July 1, 2016 Trindel started self-administering the Liability and Property claims. July 1, 2019 the Trindel board increased the self-insured retention to \$250,000. Most recent audit score is 100%.

The members purchase excess property insurance through PRISM with a \$1,000 deductible and \$25,000 self-insured retention for real property and a \$10,000 retention for vehicles. The coverage includes all risk, earthquake, and flood for all members except for Del Norte, San Benito, and Trinity Counties that just receive all risk and flood. Del Norte and San Benito both purchase additional earthquake coverage on specific locations to make up for this gap in coverage. The majority of the members purchase replacement cost coverage for their vehicles and contractor's equipment.

Trindel provides for an annual actuarial study to determine the necessary premium for each member to attain a reserve for claims at the 90% confidence level. Reserves are booked at expected, 50% confidence level. All members participate in the Liability/Property Program with Trindel acting as a bank as it does for all the other programs.

In addition to the Liability and Property coverage, members also participate in some or all of the following: airport, aircraft, boiler & machinery, crime/bond, catastrophic inmate medical, cyber, and watercraft insurance coverages that are managed in this program.

#### **Medical Malpractice Program**

The Medical Malpractice Program was implemented at the October 27, 1998 board meeting as a way for the members to set aside funds for potential deductible losses. Each member is to maintain funds for one deductible payment on deposit with Trindel. All members participate in this program. The deductible is currently \$5,000 per claim. San Benito has a \$10,000 deductible.

## TRINDEL INSURANCE FUND

### MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2020

---

Coverage is purchased by the individual members through the PRISM, with Trindel simply acting as a bank as it does for all the other programs. Due to the small deductibles and negligible loss history in this program, no actuarial study is done on this program. Trindel pays deductibles and bills the member for the same amount in the ensuing fiscal years. Next year the deductible is increasing to \$25,000 so we will start funding it accordingly.

#### **Pollution Programs**

All members have purchased pollution coverage, from PRISM with a deductible of \$100,000. Trindel is simply acting as a bank, as it does for all the other programs on this part of this program.

The Landfill Pollution Program was started on May 17, 2001 when Trindel Insurance Fund purchased a pollution policy for landfill coverage for those members that did not already have a policy. Unlike the other programs, Trindel purchases this program and the members are named insured's. Those insured through this policy are Modoc, Mono, San Benito and Sierra Counties. The current policy is a 3 year prepaid policy expiring June 30, 2021. Colusa and Trinity counties have similar policies with ESJPA. Alpine and Sutter does not need coverage and Plumas does not have coverage. The deductible is \$50,000 per claim.

#### **Leadership Training Fund**

On July 1, 1997, Trindel started a formal Loss Prevention Subsidy Program. The Trindel Board established a Loss Prevention Evaluation Audit that measures each member County loss prevention progress. The subsidy amount is dependent upon the audit score each member receives. A score of 80% or higher will allow a member to get 100% loss prevention subsidy funds returned to their County. Any score lower than 80% will be prorated to the member and the balance into the Trindel Leadership Training Fund. In 2016-17, for the first time since the start of the program, all eleven members achieved a score of 80% or higher.

The Leadership Supervisor Training Program was instituted during February 2003, and all members are required to participate. This program was established to train and develop our supervisors to reduce or avoid personnel and error and omissions losses. In addition to the funds noted above, members have subsidies from excess insurers deposited into this Fund. Trindel continues to provide safety and loss prevention services to its members as its primary method of reducing costs.

#### **Budgetary Highlights**

The summary of administration funds consist of fund10 Administration, 20 Loss Prevention, 25 Liability Claims Handling, 30 Workers Compensation Claims Handling, and 35 Workers' Compensation Pool. Loss Prevention had budget savings from deciding not to fill the Coordinator position and less travel due to Covid-19. Claims handling for Workers' Compensation my not hiring a consultant and two unfilled positions. Lastly we budgeted for pay

**TRINDEL INSURANCE FUND**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2020**

outs in the WC pool this year but they did not materialize for a savings of \$71,000 as shown below.

Trindel Insurance Fund  
Revenue and Expense Budget 2019-20  
Administration Funds Summary

Fund	19/20 Budget	19/20 Actual	Variance	Percent of Budget
<b>Revenues</b>				
Administration	517,054	517,200	146	100%
Loss Prevention	619,106	619,102	(4)	100%
Claims Administration Liability & Property	157,339	157,340	1	100%
Claims Administration Workers Compensation	774,964	774,966	2	100%
Workers Compensation Pool	1,788,200	1,824,491	36,291	102%
<b>Total Revenues</b>	<b>3,856,663</b>	<b>3,893,099</b>	<b>36,436</b>	<b>101%</b>
<b>Expenditures</b>				
Administration	517,054	500,294	16,760	97%
Loss Prevention	619,106	526,932	92,174	85%
Claims Administration Liability & Property	210,084	155,607	54,477	74%
Claims Administration Workers Compensation	774,964	558,695	216,269	72%
Workers Compensation Pool	976,000	905,000	71,000	93%
<b>Total Expenditures</b>	<b>3,097,208</b>	<b>2,646,527</b>	<b>450,681</b>	<b>85%</b>

The summary of program funds consist of fund 40 Workers Compensation, 50 Liability, 55 Property, 60 Pollution, 70 Medical Malpractice, 80 Leadership training Fund. This year we have had favorable development in claims costs resulting in significant savings in the workers' comp, liability, and property funds as shown below.

Trindel Insurance Fund  
Revenue and Expense Budget 2019-20  
Program Funds Summary

Fund	19/20 Budget	19/20 Actual	Variance	Percent of Budget
<b>Revenues</b>				
Workers Compensation	12,845,224	11,898,199	(947,025)	93%
General Liability	7,476,588	7,097,907	(378,681)	95%
Property	1,520,100	1,343,674	(176,426)	88%
Pollution	96,640	95,138	(1,502)	98%
Med-Mal	334,960	332,879	(2,081)	99%
Leadership Training Fund	92,250	107,142	14,892	116%
<b>Total Revenues</b>	<b>22,365,762</b>	<b>20,874,938</b>	<b>(1,490,824)</b>	<b>93%</b>
<b>Expenditures</b>				
Workers Compensation	11,953,569	6,493,402	5,460,167	54%
General Liability	11,036,207	6,460,250	4,575,957	59%
Property	1,573,723	881,625	692,098	56%
Pollution	93,700	86,767	6,933	93%
Med-Mal	335,460	428,317	(92,857)	128%
Leadership Training Fund	105,000	96,914	8,086	92%
<b>Total Expenditures</b>	<b>25,097,659</b>	<b>14,447,274</b>	<b>10,650,385</b>	<b>58%</b>

**TRINDEL INSURANCE FUND**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2020**

---

**Description of Facts or Conditions that are expected to have a Significant Effect on Financial Position or Results of Operations**

Trindel operates in an environment that is partially dependent on the insurance market and partly on the fiscal stability of its members. Historically, the insurance market has operated in cycles in which rates will swing from very high to very low and back again. For the last ten years we have only seen hardening markets in all Programs. Workers' compensation has seen increasing rates for public entities due to increase in medical costs and the uptick in indemnity claim frequency and severity. Casualty insurance rates increased this year for our public entities. Large jury verdicts have eroded the capacity of our excess pool with PRISM and we have seen a hardening of the market. The property markets have continued to harden due to the large number of natural disasters we have experienced in the United States and throughout the world.

As with the insurance market, county governments are also impacted by similar cycles, which are directly related to the overall national and state economies. Since county funding is so very dependent on state funding, county budgets tend to reflect what happens at the state.

With that said there are no known facts or conditions that will have a significant effect on the financial position or results of operations of Trindel Insurance Fund for the next fiscal year.

**Request for Information**

Questions concerning any of the information presented in this report or requests for additional financial information should be addressed to:

Trindel Insurance Fund  
51 Arbuckle Ct.  
Weaverville, CA 96093

## **BASIC FINANCIAL STATEMENTS**

**TRINDEL INSURANCE FUND**

**COMBINED STATEMENT OF  
NET POSITION**

**FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

	<b>2020</b>	<b>2019</b>
<b>Assets</b>		
Current Assets		
Cash	\$ 28,287,029	\$ 19,694,214
Excess receivable	678,768	2,018,153
Prepaid expenses	107,918	161,876
Investments	10,084,494	8,557,779
Total Current Assets	39,158,209	30,432,022
Noncurrent Assets		
Investments	22,798,466	22,992,131
Net pension asset	5,622	48,481
Capital Assets:		
Nondepreciable	63,006	63,006
Depreciable, net	705,469	709,174
Total Noncurrent Assets	23,572,563	23,812,792
<b>Total Assets</b>	<b>62,730,772</b>	<b>54,244,814</b>
<b>Deferred Outflows</b>		
Deferred outflows due to pension	235,572	280,472
<b>Liabilities</b>		
Current Liabilities		
Accounts payable	10,377	504,756
Compensated absences	38,875	27,216
Claims liabilities	5,150,000	5,000,000
Total Current Liabilities	5,199,252	5,531,972
Noncurrent Liabilities		
Compensated absences	38,873	27,215
Claims liabilities	33,015,397	31,895,279
Due to members	22,897,835	16,470,174
Total Noncurrent Liabilities	55,952,105	48,392,668
<b>Total Liabilities</b>	<b>61,151,357</b>	<b>53,924,640</b>
<b>Deferred Inflows</b>		
Deferred inflows due to pension	44,665	76,895
<b>Net Position</b>		
Net position	\$ 1,770,322	\$ 523,751

**TRINDEL INSURANCE FUND**  
**COMBINED STATEMENT OF**  
**REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>Operating Revenues</b>		
Member contributions	\$ 21,274,770	\$ 19,698,325
Charges for services	2,068,462	1,744,643
Other revenue	146	-
Total Operating Revenues	<u>23,343,378</u>	<u>21,442,968</u>
<b>Expenses</b>		
Program expenses		
Claims expenses	6,032,329	13,527,890
Insurance expense	5,395,556	5,349,693
State fees	209,724	248,693
Risk management	971,397	893,899
General & administrative	22,334	20,804
Return of funds to members	2,720,939	20,666
Trindel administration		
Salaries and benefits	1,133,236	604,901
Services and supplies	401,670	262,980
Loss prevention	114,512	120,629
Pension expense	55,527	18,289
Depreciation	36,583	19,192
Total Expenses	<u>17,093,807</u>	<u>21,087,636</u>
Operating income/(loss)	6,249,571	355,332
<b>Nonoperating Revenues:</b>		
Interest income	91,616	21,911
Investment income	707,878	559,526
Increase/(decrease) in FMV	625,167	529,024
Total Nonoperating Revenues	<u>1,424,661</u>	<u>1,110,461</u>
Change in due to/(from) members/net position	7,674,232	1,465,793
Due to/(from) Members/Net Position - Beginning	<u>16,993,925</u>	<u>15,528,132</u>
Due to/(from) Members - Ending	<u>22,897,835</u>	<u>16,470,174</u>
Net position - Ending	<u>\$ 1,770,322</u>	<u>\$ 523,751</u>

**TRINDEL INSURANCE FUND**

**STATEMENT OF CASH FLOWS**

**FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019**

	<b>2020</b>	<b>2019</b>
<b>Cash Flows From Operating Activities</b>		
Contributions received	\$ 24,694,543	\$ 19,784,808
Claims expenses paid	(4,762,211)	(2,686,959)
Insurance premiums paid	(5,341,604)	(5,459,109)
Dividends paid	(2,720,939)	-
Vendors paid	(2,036,916)	(2,523,344)
Salaries paid	(1,283,793)	(1,346,880)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>8,549,080</b>	<b>7,768,516</b>
<b>Cash Flows From Noncapital Financing Activities</b>		
Purchase of capital assets	(32,878)	(37,970)
<b>Net Cash Provided (Used) by Noncapital &amp; Related Activities</b>	<b>(32,878)</b>	<b>(37,970)</b>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Investment income received	880,639	1,110,459
Purchase of investment securities	(1,783,578)	(19,119,054)
Proceeds from sales and maturities of investments	979,552	8,559,527
<b>Net Cash Provided (Used) by Noncapital Financing Activities</b>	<b>76,613</b>	<b>(9,449,068)</b>
Net Increase (Decrease) in Cash	<b>8,592,815</b>	<b>(1,718,522)</b>
Beginning Trindel Cash and Investments	19,694,214	21,412,736
Ending Trindel Cash and Investments	<b>\$ 28,287,029</b>	<b>\$ 19,694,214</b>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>		
Cash Flows from Operating Activities:		
Operating Income (Loss)	\$ 6,249,571	\$ 355,332
Adjustments to Reconcile Operating Income (Loss) to Cash		
Provided (Used) by Operations:		
Depreciation and amortization	39,655	30,879
(Increase) Decrease in:		
Accounts receivable	1,351,311	(1,658,159)
Prepaid expenses	53,958	(109,416)
Deferred outflows	44,900	183,886
Net pension asset	42,859	(48,481)
Increase (Decrease) in:		
Accounts payable	(494,379)	368,049
Compensated balances	23,317	12,061
Claims liabilities	1,270,118	8,733,732
Net pension liability	-	(145,588)
Deferred inflows	(32,230)	46,221
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 8,549,080</b>	<b>\$ 7,768,516</b>
<b>Supplemental Disclosures</b>		
Noncash Investing and Financing Activities		
Increase (decrease) in Fair Market Value of Investments	<b>\$ 625,167</b>	<b>\$ 529,024</b>

The accompanying notes are an integral part of these financial statements.

**TRINDEL INSURANCE FUND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2020**

---

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization and Operation**

The Trindel Insurance Fund, (Trindel) was initially established by the counties of Del Norte and Trinity to provide workers' compensation benefits for their employees. Trindel was subsequently expanded to include property damage and liability insurance coverage. The counties of Alpine, Colusa, Lassen, Modoc, San Benito, Sierra, Mono, Plumas and Sutter were later added. Trindel is governed by a joint powers agreement between the member counties under Article I, Chapter 5, of Division 7, Title I of the *Government Code of California*. Its purpose is to provide for the creation and operation of a claims servicing or account pool, which is where a group of governmental entities join together to administer the separate account of each entity in the payment of losses, and an insurance-purchasing pool to be used to meet the obligations of the counties to provide workers' compensation benefits for their employees and provide public liability and property damage insurance for its members. Trindel is governed by a 11-member Board of Directors composed of one member from each of the participating counties.

Trindel has the following funds:

- Workers compensation banking layer
- Workers compensation shared layer
- Property
- Liability
- Pollution
- Medical malpractice
- Program administration
- Leadership training

**Membership**

As of June 30, 2020, membership of the various programs is as follows:

Members	Workers' Compensation	Liability	Property	Medical Malpractice	Pollution
Alpine County	X	X	X	X	X
Colusa County	X	X	X	X	X
Del Norte County	X	X	X	X	X
Lassen County	X	X	X	X	X
Modoc County	X	X	X	X	X
Mono County	X	X	X	X	X
Plumas County	X	X	X	X	X
San Benito County	X	X	X	X	X
Sierra County	X	X	X	X	X
Sutter County	X	X	X	X	X
Trinity County	X	X	X	X	X

**TRINDEL INSURANCE FUND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2020**

---

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Admission of Members**

Entities applying for membership must be approved by a unanimous vote of the Board Members.

**Withdrawal of Members**

Members may withdraw from the Trindel upon advance written notice. The effect of withdrawal (or termination), does not terminate the responsibility of the member to continue paying its share of assessments or other financial obligations incurred by reason of its previous participation. No refund or repayment shall be given to any withdrawing member until approved by the Board. Trindel shall be responsible for servicing claims of members that have withdrawn, which were incurred while a member. Withdrawal does not relieve the member of the responsibility to pay special assessments or premium charges.

**Reporting Entity**

The reporting entity includes all activities (operations of its administrative staff, officers, executive committee, and board of directors) as they relate to Trindel. This includes financial activity relating to all of the membership years.

Trindel has developed criteria to determine whether other entities with activities that benefit Trindel should be included within its financial reporting entity. The criteria include, but are not limited to, whether the entity exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters), scope of public service and special financing relationships.

Trindel has determined that no other outside entity meets the above criteria, and therefore, no agency has been included as a component unit in these financial statements. In addition, Trindel is not aware of any entity that would exercise such oversight responsibility that would result in Trindel being considered a component unit of that entity.

In determining its reporting entity, Trindel considered all governmental units that were members of Trindel since inception. The criteria did not require that inclusion of these entities in their financial statements principally because Trindel does not exercise oversight responsibility over any members.

**TRINDEL INSURANCE FUND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2020**

---

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation and Method of Accounting**

Trindel accounts for its activities as a single enterprise fund, and the financial statements are accounted for on a flow of economic resources management focus, using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when the related liability is incurred, regardless of the timing of related cash flows.

Operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating* revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

**Accounting Standards**

These statements are prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board. Under the accrual basis, revenues and the related assets are recognized when earned, and expenses and related liabilities are recognized when incurred. Liabilities for reserves for open claims and claims incurred but not reported have been recorded in Trindel's financial statements.

**Management Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the reporting date and revenues and expenses during the reporting period. Actual results could differ from those estimates. Material estimates that are particularly susceptible to significant change in the near term are described elsewhere in this report.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, cash equivalents are investments readily convertible into known amounts of cash with original maturities at date of purchase of less than three months.

**Receivables**

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible. As of June 30, 2020, the total accounts receivable portfolio was considered collectible. Interest on investments is recorded in the year the interest is earned.

**TRINDEL INSURANCE FUND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2020**

---

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Due To and Due From Members**

Since Trindel is a banking/claims servicing pool, no net position is reported for the enterprise fund. Excess is reported as due to members and deficit is shown as due from members. Beginning in 2019, Trindel started a Workers' Compensation shared layer, which will show net position. Administration revenues in excess of administration expenses will also show net position.

**Investments**

Trindel's investment policy is designed to achieve an optimum rate of return on available assets not required for current operating needs. Section 53601 of the California Government Code provides the legal authority for investments. Securities are selected for investment that are liquid, marketable, and high quality. Adequate diversification is applied to prevent an undue amount of investment risk with any one institution. The classes of investment that most adequately meets the above-mentioned criteria shall be allowed for purchase, including United States Government, federal agencies (GNMA, FNMA, FHLB, FFCB, Freddie Mac), negotiable certificates of deposit, bankers' acceptances, commercial paper and medium-term notes.

**Capital Assets**

Furniture, equipment and vehicles are recorded at cost. Trindel defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of five years. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and the resulting gain or loss is recognized in income for the period. The cost of maintenance and repairs is charged to expense as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets:

5 years	Equipment and vehicles
7 years	Furniture
30 years	Buildings

**Compensated Absences**

It is Trindel's policy to permit employees to accumulate earned but unused vacation and compensatory time. All vacation pay is accrued when incurred in the financial statements.

**Pensions**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Trindel's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**TRINDEL INSURANCE FUND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2020**

---

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows or resources*, represents a consumption of net position that applies to a future period and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. Trindel has one item, related to the pension, which qualifies for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will *not* be recognized as an inflow of resources (revenue) until that time. Trindel has one item, related to the pension, which qualifies for reporting in this category.

**Net Position**

Trindel is accounted for as a banking pool in accordance with GASB Statement No. 10. Accordingly, net amounts of individual member net position is shown as due to or due from as applicable.

**Revenue Recognition**

Revenues are recognized as revenue when earned. Claims servicing revenues are recorded to the extent of claims servicing expenses. Net excess is recorded as due to members. Net deficits are recorded as due from members.

**Allocated Costs**

Management allocates internal administration costs to both the workers' compensation and property/liability programs. These costs are then charged to each of the members in the respective programs based on Resolution No. 06-06 as adopted by the Board of Directors.

**Self-Insured Reserves and Deductible Payments**

The members accumulate equity through the insurance programs for the payment of Self Insured Retention's (SIR's) and deductibles. When the payments are made for claim SIRs and deductibles, the member's equity is correspondingly reduced.

**TRINDEL INSURANCE FUND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2020**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Trindel provides the following programs and coverages

Program	Type	Banking Layer Member Retention	Pooling Layer Retention	Excess*	Limit
Airport	Occurrence	\$ -	\$ -	PRISM	\$ 25,000,000.00
CIMI	Occurrence	\$ 10,000	\$ -	PRISM	\$ 1,000,000.00
Crime	Occurrence	\$ 2,500	\$ -	PRISM	\$ 15,000,000.00
Cyber	Occurrence	\$ 50,000	\$ -	PRISM	\$ 5,000,000.00
EWC	Occurrence	\$ 300,000	\$ 1,000,000	PRISM	Statutory
GL1	Occurrence	\$ 250,000	\$ -	PRISM	\$ 25,000,000
MedMal2	Claims Made	\$ 5,000	\$ -	PRISM	\$ 21,505,000
Pollution	Occurrence	\$ 75,000	\$ -	PRISM	\$ 10,000,000
Property	Occurrence	\$ 25,000	\$ -	PRISM	All Risk \$800M (\$25K)   \$600M Flood, \$300M x/s \$300M for locations (excludes Flood Zones A & V in Tower II)   EQ: Shared limits of \$25M no rooftop coverage (2% total values per unit / \$100K min)
Watercraft	Occurrence	\$ 1,000	\$ -	PRISM	\$ 100,000

\*Public Risk Innovation, Solutions and Management (formerly CSAC-EIA)

The pooled retention layer for the workers compensation program was effective July 1, 2018

**Excess Insurance**

Trindel enters into reinsurance agreements whereby it cedes various amounts of risk to another entity. Risks ceded are treated as though they are not risks for which Trindel is liable. Trindel maintains excess insurance coverage for workers' compensation, general liability, and property coverage.

**Unpaid Claims Liabilities (Claims Payable, Claims Incurred but Not Reported, and Liability for Unallocated Loss Adjustment Expenses)**

Each program establishes claims liabilities based on estimates of the ultimate cost of claims (including future allocated claim adjustment expense) that have been reported but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Estimated amounts of salvage and subrogation and reinsurance recoverable on unpaid claims are deducted from the liability for unpaid claims. Because actual claims costs depend on such complex factors as inflation, changes in doctrines of legal liability, and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount, particularly for coverages such as general liability. Claims liabilities are recomputed annually using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claims frequency, and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflect past inflation and on other factors that are considered to be appropriate modifiers of past experience.

Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made. The current portion of unpaid claims is based on current year payments and known claim information at the end of the period.

**TRINDEL INSURANCE FUND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2020**

---

**Income Taxes**

Trindel is an organization comprised of public agencies and is exempt from federal income and California franchise taxes. Accordingly, no provision for federal or state income taxes has been made in the accompanying financial statements.

**NOTE 2: CASH AND INVESTMENTS**

**Credit Risk and Market Value Investments**

At June 30, 2020, total cash and cash equivalents were as follows:

	<u>2020</u>	<u>2019</u>
Balance Per Bank	\$ 28,841,952	\$ 20,050,458
Less: Outstanding Checks/Charges and Adjustments	<u>(554,923)</u>	<u>(356,244)</u>
Balance Per Books	<u>\$ 28,287,029</u>	<u>\$ 19,694,214</u>
Financial Statement Totals:		
Admin funds	\$ (527,026)	\$ (944,490)
Trust funds	<u>28,814,055</u>	<u>20,638,704</u>
Totals	<u>\$ 28,287,029</u>	<u>\$ 19,694,214</u>

**Cash Deposits**

The carrying amounts of Trindel's cash deposits were \$28,287,029 and \$19,694,214 at June 30, 2020 and 2019, respectively. Bank balances before reconciling items were \$28,841,952 and \$20,050,458 at June 30, 2020 and 2019, respectively.

Cash balances held in banks are fully insured up to \$250,000 by the Federal Depository Insurance Corporation or are fully collateralized.

**TRINDEL INSURANCE FUND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2020**

**Investments**

As a governmental entity, investments are limited to the following in accordance with California Government Code Section 53601:

Authorized Investment Type	Investment Rating	Maximum % of Portfolio	Limit Per Issuer	Maximum Maturity
Municipal Securities	A or higher	30%	5%	5 Years
U.S. Treasury Obligations	None	100%	100%	5 Years
Federal Agencies	None	100%	25%	5 Years
Bank Acceptances	A-1 or higher	40%	5%	180 days
Federally Insured Time Deposits	None	20% between Federal/Collateralized Time Deposits	Max covered under federal insurance	5 Years
Collateralized Time Deposits	None	20% between Federal/Collateralized Time Deposits	N/A	5 Years
Certificate of Deposit Placement Service	None	30%	N/A	5 Years
Negotiable Certificates of Deposit	A-1 or higher	30%	5%	5 Years
Repurchase Agreements	None	100%	N/A	1 Year
Commercial Paper	A-1 or higher	25%	5%	270 days
LAIF	None	100%	N/A	N/A
LGIP	None	100%	N/A	N/A
Corporate Medium Term Notes	A or higher	30%	5%	5 years
Asset-Backed, Mortgage-Backed, Mortgage Pass-Through Securities and Collateralized Mortgage Obligations	AA or higher	20%	5%	5 years
Money Market Mutual Funds	Highest Ranking	20%	10%	N/A
Supranational	AA or higher	30%	10%	5 years

***Interest Rate Risk.*** As a means of limiting its exposure to fair value losses arising from changes in interest rates, Trindels' investment policy limits its investment portfolio maturities to no more than five years from purchase date to maturity date.

Investment Type	Fair Value	Investment Maturities		
		< 1yr	1-3 yrs	>3 yrs
Federal Government Agency	\$ 12,419,727	2,752,153	6,375,105	\$ 3,292,469
US Treasury	11,722,999	4,208,448	5,511,304	2,003,247
Commercial Paper	649,126	649,126	-	-
Corporate Notes	5,779,792	2,034,816	2,873,869	871,107
Asset Backed Securities	1,871,365	-	778,409	1,092,956
Supranationals	404,340	404,340	-	-
Money Market Fund	35,611	35,611	-	-
<b>Total Investments</b>	<b>\$ 32,882,960</b>	<b>\$ 10,084,494</b>	<b>\$ 15,538,687</b>	<b>\$ 7,259,779</b>

**TRINDEL INSURANCE FUND**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2020**

***Credit Risk.*** State law and Trindel’s Investment Policy limit investments in commercial paper to the rating of A1 by Standards & Poor’s or P-1 by Moody’s Investors Service. State Law and Trindel’s Investment Policy also limit investments in corporate bonds to the rating of A by Standard & Poor’s and Moody’s Investors Service. Trindel does not have minimum credit ratings for government agency securities.

<u>Investment Type</u>	<u>Fair Value</u>	<u>AAA</u>	<u>AA+</u>	<u>A+</u>	<u>AA</u>	<u>A-1+</u>	<u>A-1</u>	<u>A</u>	<u>AA-</u>
Federal Government Agency	\$ 12,419,727	\$ -	\$ 12,419,727	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
US Treasury	11,722,999	-	11,223,201	-	-	499,798	-	-	-
Commercial Paper	649,126	-	-	-	-	-	649,126	-	-
Corporate Notes	5,779,792	-	475,681	154,631	1,101,206	-	1,295,049	1,916,003	837,222
Asset Backed Securities	1,871,365	1,871,365	-	-	-	-	-	-	-
Supranationals	404,340	404,340	-	-	-	-	-	-	-
Money Market Fund	35,611	35,611	-	-	-	-	-	-	-
<b>Total Investments</b>	<b>\$ 32,882,960</b>	<b>\$ 2,311,316</b>	<b>\$ 24,118,609</b>	<b>\$ 154,631</b>	<b>\$ 1,101,206</b>	<b>\$ 499,798</b>	<b>\$ 1,944,175</b>	<b>\$ 1,916,003</b>	<b>\$ 837,222</b>

***Custodial Credit Risk.*** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, Trindel will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. At year end, Trindel’s investment pool and specific investments had no securities exposed to custodial credit risk.

***Concentration of Credit Risk.*** Investments in securities of any one issuer consisting of 5% or more of total investments are as follows:

	<u>Fair Value</u>	<u>% of Portfolio</u>
Government of United States	\$ 11,722,999	36%
Federal Home Loan Bank	5,969,989	18%
Federal National Mortgage Association	3,522,335	11%
Federal Home Loan Mortgage Corp	2,345,842	7%

Investments, including derivative instruments that are not hedging derivatives, are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset’s fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments’ fair value measurements at June 30, 2020 are as shown below:

<b>Investments</b>	<b>Fair Value Measurements Using</b>			
	<b>Fair Value</b>	<b>Level 1 Inputs</b>	<b>Level 2 Inputs</b>	<b>Level 3 Inputs</b>
<b>Debt Securities</b>				
Federal Government Agency	\$ 12,419,727	\$ 12,419,727	\$ -	\$ -
US Treasury	11,722,999	11,722,999	-	-
Commercial Paper	649,126	-	649,126	-
Corporate Notes	5,779,792	-	5,779,792	-
Asset Backed Securities	1,871,365	-	1,871,365	-
Supranationals	404,340	-	404,340	-
Money Market Fund	35,611	N/A	N/A	N/A
<b>Total Debt Securities</b>	<b>\$ 32,882,960</b>	<b>\$ 24,142,726</b>	<b>\$ 8,704,623</b>	<b>\$ -</b>

**TRINDEL INSURANCE FUND**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2020**

**NOTE 3: CAPITAL ASSETS**

Capital assets at June 30, 2020 consist of the following:

	<u>July 1, 2019</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2020</u>
Land	\$ 63,006	\$ -	\$ -	\$ 63,006
Building	709,236	-	-	709,236
Furniture, Fixtures, Equipment	<u>161,601</u>	<u>35,950</u>	<u>-</u>	<u>197,551</u>
Total Capital Assets	933,843	35,950	-	969,793
Less Accumulated Depreciation	<u>(161,663)</u>	<u>(39,655)</u>	<u>-</u>	<u>(201,318)</u>
Capital Assets, net	772,180	(3,705)	-	768,475
Financial Statement Totals:				
Nondepreciable	63,006	-	-	63,006
Depreciable, net	<u>709,174</u>	<u>(3,705)</u>	<u>-</u>	<u>705,469</u>
Total	<u>\$ 772,180</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 768,475</u>

Depreciation expense for the fiscal years ended June 30, 2020 was \$36,583.

**NOTE 4: COMPENSATED ABSENCES**

The following is a summary of compensated absences of Trindel for the fiscal year ended June 30, 2020

	<u>July 1, 2019</u>	<u>Current Year Activity</u>	<u>June 30, 2020</u>	<u>Current Portion</u>
Compensated Absences	<u>\$ 54,432</u>	<u>\$ 23,316</u>	<u>\$ 77,748</u>	<u>\$ 38,875</u>

**TRINDEL INSURANCE FUND**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2020**

**NOTE 5: UNPAID CLAIM AND CLAIM ADJUSTMENT EXPENSES**

Trindel establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claims adjustment expenses. The following represents changes in liabilities for Trindel during the fiscal years ended June 30, 2020 and 2019:

	2020	2019
Unpaid Claims and Claim Adjustment Expense at Beginning of Year	\$ 36,895,279	\$ 28,606,000
Incurred Claims and Claim Adjustment Expenses:		
Provision for Insured Events of the Current Year	12,632,390	12,251,000
Increase (Decrease) in Provision for Insured Events of Prior Fiscal Years	(6,606,184)	1,276,890
Total Incurred Claims and Claim Adjustment Expenses	6,026,206	13,527,890
Payments:		
Claim and Claim Adjustment Expenses Attributable to Insured Events of the Current Year	1,029,895	985,497
Claim and Claim Adjustment Expenses Attributable to Insured Events of the Prior Years	3,726,193	4,253,114
Total Payments	4,756,088	5,238,611
Total Unpaid Claims and Claims Adjustment Expenses	\$ 38,165,397	\$ 36,895,279
Reported Claims	\$ 11,880,749	\$ 12,057,832
Claims Incurred But Not Reported	24,326,648	23,004,447
Unallocated Loss Adjustment Expense Payable	1,958,000	1,833,000
Total Claim Liabilities	38,165,397	36,895,279
Current Portion	(5,150,000)	(5,000,000)
Long-Term Portion	\$ 33,015,397	\$ 31,895,279

At June 30, 2020 and 2019, unpaid claims and claim adjustment expenses were presented at \$38,165,397 and \$36,895,279, respectively. Trindel does not discount claims liability.

**TRINDEL INSURANCE FUND**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2020**

---

**NOTE 6: JOINT POWERS AGREEMENT**

Each of the members of Trindel is also a member of Public Risk Innovation, Solutions, and Management (PRISM) (formerly CSAC EIA) through a joint powers agreement. The relationship between Trindel and the joint powers authority is such that PRISM is not a component unit of Trindel for financial reporting purposes.

PRISM arranges for and provides excess property, liability, workers' compensation and medical malpractice coverage up to \$30 million for its members. The joint venture is governed by a Board consisting of representatives from member agencies. The Board controls the operation of the joint venture, including selection of management and approval of operating budgets, independent of any influence by the member agencies beyond their representation on the Board. Each member agency pays a premium commensurate with the level of coverage requested and shares surplus and deficits proportionate to their participation in the joint venture.

<b>A. Entity</b>	<u><b>PRISM</b></u>
<b>B. Purpose</b>	Provides excess insurance coverage for Workers' Compensation, Property and Liability
<b>C. Participants</b>	Statewide entities
<b>D. Governing Board</b>	Consists of elected representatives of members by region
<b>E. Condensed Financial Information as of</b>	<u>June 30, 2019*</u>
	<u><b>PRISM</b></u>
Total Assets	\$ 965,769,045
Deferred Outflows	1,227,362
Total Assets and Deferred Outflows	<u>\$ 966,996,407</u>
Total Liabilities	\$ 766,369,209
Deferred Inflows	595,345
Net Position	<u>200,031,853</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 966,996,407</u>
Total Revenues	\$ 1,027,441,641
Total Expenditures	949,980,382
Member Dividend	<u>-</u>
Net Increase (Decrease) in Net Position	<u>\$ 77,461,259</u>

\* Latest audited information available.

TRINDEL INSURANCE FUND

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

**NOTE 7: DEFERRED COMPENSATION**

The Executive Director and Safety Officer participate in a deferred compensation plan adopted under the provision of Internal Revenue Code Section 457, *Deferred Compensation Plans with Respect to Service for state and Local Governments*.

Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency.

The Executive Director and Safety Officer are also covered under a multiple-employer defined benefit pension plan maintained by the California Public Employees' Retirement System (CalPERS). The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries.

**NOTE 8: PENSION PLANS**

**A. General Information about the Pension Plans**

**Plan Descriptions-** All qualified permanent and probationary employees are eligible to participate in Trindel's Miscellaneous Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and Trindel resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website. *Benefits Provided -* CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: The Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2020, are summarized as follows:

	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.5%
Required employee contribution rates	8.000%	6.000%
Required employer contribution rates	11.432%	6.985%

**TRINDEL INSURANCE FUND**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2020**

**NOTE 8: PENSION PLANS (CONTINUED)**

A. General Information about the Pension Plans (Continued) shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Trindel is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2020, the contributions recognized as part of deferred outflows for each Plan were \$81,288.

**B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions**

As of June 30, 2020, Trindel reported a net pension asset for its proportionate shares of the net pension liability was \$5,622

Trindel's net pension asset is measured as the proportionate share of the net pension liability. The net pension liability is measured as of June 30, 2019, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. Trindel's proportion of the net pension liability was based on a projection of Trindel's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. Trindel's proportionate share of the net pension liability for each Plan as of June 30, 2019 and 2020 was as follows:

Proportion - June 30, 2019	-0.00129%
Proportion - June 30, 2020	-0.00014%
Change - Increase (Decrease)	0.00115%

For the year ended June 30, 2020, Trindel recognized pension expense of \$55,527. At June 30, 2020, Trindel reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Changes of Assumptions	\$ (268)	\$ (95)
Differences between Expected and Actual Experience	(391)	(30)
Differences between Projected and Actual Investment Earnings	98	-
Differences between Employer's Contributions and Proportionate Share of Contributions	109,381	-
Change in Employer's Proportion	45,464	44,790
Pension Contributions Made Subsequent to Measurement Date	81,288	-
Total	\$ 235,572	\$ 44,665

**TRINDEL INSURANCE FUND**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2020**

---

**B. Pension Liabilities, Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions (continued)**

Trindel reported \$81,288 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<b>Year Ended June 30</b>	<b>Deferred Outflows/(Inflows) of Resources</b>
2020	\$ 64,114
2021	35,139
2022	10,386
2023	(20)
2024	-
Thereafter	-
	<u>\$ 109,619</u>

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2019 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

**Discount Rate-** The discount rate used to measure the total pension liability was 7.15% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.15 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.15 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

**TRINDEL INSURANCE FUND**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2020**

---

**B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions** (continued)

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2019. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2019-20 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and longterm returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

<b>Asset Class</b>	<b>New Strategic Allocation</b>	<b>Real Return Years 1 - 10 (a)</b>	<b>Real Return Years 11+ (b)</b>
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
Total	<u>100%</u>		

(a) An expected inflation of 2.00% used for this period

(b) An expected inflation of 2.92% used for this period

TRINDEL INSURANCE FUND

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2020

---

**NOTE 8: PENSION PLANS (CONTINUED)**

**B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (continued)**

*Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount: Rate*

The following presents Trindel's proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what Trindel's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

	<b>Discount Rate</b> <b>-1%</b> <b>(6.15%)</b>	<b>Current Discount</b> <b>Rate</b> <b>(7.15%)</b>	<b>Discount Rate</b> <b>+1%</b> <b>(8.15%)</b>
Net Pension Liability/(Asset)	\$ 221,515	\$ (5,622)	\$ (193,019)

*Pension Plan Fiduciary Net Position:* Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

**NOTE 9: COMMITMENT**

When a former Executive Director of the Fund retired in 1996, the Fund's Board of Directors adopted a policy of awarding lifetime health benefits to the retired Executive Director, now deceased, and his spouse. The Fund paid health benefits of \$0 and \$4,577 on behalf of the former Executive Director's spouse during the years ended June 30, 2020 and 2019.

**REQUIRED SUPPLEMENTARY INFORMATION**

**TRINDEL INSURANCE FUND**

**RECONCILIATION OF CLAIMS LIABILITIES BY PROGRAM**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Property</u>	<u>Liability</u>	<u>Workers' Compensation Banking Layer</u>	<u>Workers' Compensation Shared Layer</u>	<u>Total</u>
Unpaid Claims and Claim Adjustment Expense at Beginning of Year	\$ 718,906	\$ 4,882,775	\$ 30,134,598	\$ 1,159,000	\$ 36,895,279
Incurred Claims and Claim Adjustment Expenses:					
Provision for Insured Events of the Current Year	468,390	2,374,000	8,562,000	1,228,000	12,632,390
Increase (Decrease) in Provision for Insured Events of Prior Fiscal Years	<u>(159,407)</u>	<u>(2,369,263)</u>	<u>(3,754,514)</u>	<u>(323,000)</u>	<u>(6,606,184)</u>
Total Incurred Claims and Claim Adjustment Expenses	<u>308,983</u>	<u>4,737</u>	<u>4,807,486</u>	<u>905,000</u>	<u>6,026,206</u>
Payments:					
Claim and Claim Adjustment Expenses Attributable to Insured Events of the Current Year	275,781	148,921	605,193	-	1,029,895
Claim and Claim Adjustment Expenses Attributable to Insured Events of the Prior Years	<u>464,235</u>	<u>6,004</u>	<u>3,255,954</u>	<u>-</u>	<u>3,726,193</u>
Total Payments	<u>740,016</u>	<u>154,925</u>	<u>3,861,147</u>	<u>-</u>	<u>4,756,088</u>
Total Unpaid Claims and Claims Adjustment Expenses	<u>\$ 287,873</u>	<u>\$ 4,732,587</u>	<u>\$ 31,080,937</u>	<u>\$ 2,064,000</u>	<u>\$ 38,165,397</u>
Reported Claims	\$ 176,883	\$ 1,881,663	\$ 9,822,203	\$ -	\$ 11,880,749
Claims Incurred But Not Reported	102,990	2,654,924	19,504,734	2,064,000	24,326,648
Unallocated Loss Adjustment Expense Payable	<u>8,000</u>	<u>196,000</u>	<u>1,754,000</u>	<u>-</u>	<u>1,958,000</u>
Total Claim Liabilities	<u>\$ 287,873</u>	<u>\$ 4,732,587</u>	<u>\$ 31,080,937</u>	<u>\$ 2,064,000</u>	<u>\$ 38,165,397</u>

\*All other programs are fully insured.

**TRINDEL INSURANCE FUND**  
**CLAIMS DEVELOPMENT INFORMATION**  
**POOLED WORKERS' COMPENSATION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

---

	<b>2019</b>	<b>2020</b>
Total Required Contributions and Investment Revenue	\$ 1,653,531	\$ 1,824,491
Ceded	-	-
(1) Net Earned Required Contribution and Investment Revenues	1,653,531	1,824,491
(2) Unallocated Expenses	-	-
(3) Estimated Incurred Claims and Expense		
End of Year	1,159,000	1,228,000
Ceded	-	-
Net Incurred	1,159,000	1,228,000
(4) Paid (Cumulative as of):		
End of Policy Year	-	-
One Year Later	-	-
(5) Reestimated Ceded Claims and Expense:	-	-
(6) Reestimated Incurred Claims and Expense:		
End of Policy Year	1,159,000	1,228,000
One Year Later	836,000	
(7) Increase (Decrease) in Estimated Incurred Claims and Expenses from the End of Program Year	\$ (323,000)	\$ -

**TRINDEL INSURANCE FUND**

**SCHEDULE OF THE FUND'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

<b>Total</b>	<b>June 30, 2014</b> <small>(1)</small>	<b>June 30, 2015</b> <small>(1)</small>	<b>June 30, 2016</b> <small>(1)</small>	<b>June 30, 2017</b> <small>(1)</small>	<b>June 30, 2018</b> <small>(1)</small>	<b>June 30, 2019</b> <small>(1)</small>
Proportion of the net pension liability	0.00369%	0.00179%	0.00277%	0.00123%	-0.00129%	-0.00014%
Proportionate share of the net pension liability/(asset)	\$ 145,588	\$ 100,052	\$ 75,546	\$ 76,849	\$ (48,481)	\$ (5,622)
Covered-employee payroll (2)	\$ 641,077	\$ 738,902	\$ 770,805	\$ 826,709	\$ 940,071	\$ 921,501
Proportionate Share of the net pension liability as percentage of covered-employee payroll	22.71%	13.54%	9.80%	9.30%	-5.16%	-0.61%
Plans fiduciary net position as a percentage of the total pension liability	79.82%	78.40%	74.06%	73.31%	77.69%	77.73%

(1) Historical information is required only for measurement periods for which GASB 68 is applicable.

(2) Covered-Employee Payroll represented above is based on pensionable earnings provided by the employer. However, GASB 68 defines covered-employee payroll as the total payroll of employees that are provided pensions through the pension plan. Accordingly, if pensionable earnings are different than total earnings for covered-employees, the employer should display in the disclosure footnotes the payroll based on total earnings for the covered group and recalculated the required payroll-related ratios.

**TRINDEL INSURANCE FUND**  
**SCHEDULE OF CONTRIBUTIONS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

<b>Total</b>	<b>Fiscal Year 2014-15<sup>(1)</sup></b>	<b>Fiscal Year 2015-16<sup>(1)</sup></b>	<b>Fiscal Year 2016-17<sup>(1)</sup></b>	<b>Fiscal Year 2017-18<sup>(1)</sup></b>	<b>Fiscal Year 2018-19<sup>(1)</sup></b>	<b>Fiscal Year 2018-19<sup>(1)</sup></b>
Contractually required contribution <sup>(2)</sup>	\$ 75,553	\$ 60,141	\$ 71,062	\$ 253,139	\$ 73,839	\$ 81,288
Contributions in relation to the contractually required contribution	(75,553)	(60,141)	(71,062)	(253,139)	(73,839)	(81,288)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll <sup>(3)</sup>	\$ 641,077	\$ 738,902	\$ 770,805	\$ 826,709	\$ 940,071	\$ 921,501
Contributions as a percentage of covered payroll <sup>(3)</sup>	11.785%	8.139%	9.219%	30.620%	7.855%	8.821%

<sup>(1)</sup> Historical information is required only for measurement periods for which GASB 68 is applicable.

<sup>(2)</sup> Employers are assumed to make contributions equal to the actuarially determined contributions (which is the actuarially determined contribution). However, some employers may choose to make additional contributions towards their side fund or their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions. CalPERS has determined that employer obligations referred to as "side funds" do not conform to the circumstances described in paragraph 120 of GASB 68, therefore are not considered separately financed specific liabilities.

<sup>(3)</sup> Covered-Employee Payroll represented above is based on pensionable earnings provided by the employer. However, GASB 68 defines covered-employee payroll as the total payroll of employees that are provided pensions through the pension plan. Accordingly, if pensionable earnings are different than total earnings for covered-employees, the employer should display in the disclosure footnotes the payroll based on total earnings for the covered group and recalculate the required payroll-related ratios.

**TRINDEL INSURANCE FUND**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**AS OF JUNE 30, 2020**

---

**1) RECONCILIATION OF CLAIMS LIABILITIES BY PROGRAM**

The schedules represent the changes in claims liabilities for the current and prior year for all of Trindel's programs.

**1) CLAIMS DEVELOPMENT INFORMATION**

The table illustrates the Authority's earned revenues (net of reinsurance) and investment income compared to related costs of loss (net of loss assumed by reinsurers) and other expenses assumed by the Authority as of the end of the year.

The rows of the table are defined as follows:

1. This line shows the total of each fiscal year's a) gross earned contributions revenue and investment revenue, b) the amount of contributions revenue ceded to reinsurers, and c) the amount of net earned contributions revenue and investment revenue.
2. This line shows the total of each policy year's a) gross incurred claims and allocated claim adjustment expense (both paid and accrued); b) the loss assumed by excess insurers or reinsurers, and c) the net amount of incurred claims and allocated claim adjustment expenses as originally reported at the end of the year.
3. This line shows the Authority's incurred claims and allocated claim adjustment expense (both paid and accrued) as originally reported at the end of the year.
4. This section shows the cumulative amounts paid as of the end of the year.
5. This line shows the latest reestimated amount of claims assumed by reinsurers as of the end of the current year for each insured year.
6. This annual reestimation results from new information received on known claims, as well as emergence of new claims not previously known.
7. This line compares the latest reestimated incurred claim amount to the amount originally established (line 3) and shows whether this later estimate of claims cost is greater or less than originally estimated.

**3) SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Fiscal year 2015 was the first year of implementation; therefore, only six years are shown.

**4) SCHEDULE OF CONTRIBUTIONS**

If an employer's contributions to the plan are actuarially determined or based on statutory or contractual requirements, the employer's actuarially determined contribution to the pension plan (or, if applicable, its statutorily or contractually required contribution), the employer's actual contributions, the difference between the actual and actuarially determined contributions (or statutorily or contractually required), and a ratio of the actual contributions divided by covered-employee payroll. Fiscal year 2015 was the first year of implementation; therefore, only six years are shown.

**SUPPLEMENTARY INFORMATION**

**TRINDEL INSURANCE FUND**  
**COMBINING STATEMENT OF**  
**NET POSITION**

**AS OF JUNE 30, 2020**

	<b>Workers' Compensation Banking Layer</b>	<b>Workers' Compensation Shared Layer</b>	<b>Liability</b>	<b>Property</b>	<b>Pollution</b>	<b>Medical Malpractice</b>	<b>Leadership Training</b>	<b>Program Administration</b>	<b>Total</b>
<b>Assets</b>									
<b>Current Assets</b>									
Cash	\$ 20,393,800	\$ 2,416,389	\$ 4,094,175	\$ 515,898	\$ 71,922	\$ 31,363	\$ 1,055,758	\$ (292,276)	\$ 28,287,029
Excess receivable	262,701	-	320,917	95,150	-	-	-	-	678,768
Prepaid expenses	-	-	-	-	107,918	-	-	-	107,918
Investments	7,298,165	332,224	2,407,117	29,446	1,028	(662)	17,176	-	10,084,494
Total Current Assets	<u>27,954,666</u>	<u>2,748,613</u>	<u>6,822,209</u>	<u>640,494</u>	<u>180,868</u>	<u>30,701</u>	<u>1,072,934</u>	<u>(292,276)</u>	<u>39,158,209</u>
<b>Noncurrent Assets</b>									
Investments	16,499,288	751,073	5,441,877	66,569	2,325	(1,495)	38,829	-	22,798,466
Net pension asset	(8,649)	-	5,499	2,139	-	-	-	6,633	5,622
<b>Capital Assets:</b>									
Nondepreciable	-	-	-	-	-	-	-	63,006	63,006
Depreciable, net	356,006	-	32,748	12,735	-	-	-	303,980	705,469
Total Noncurrent Assets	<u>16,846,645</u>	<u>751,073</u>	<u>5,480,124</u>	<u>81,443</u>	<u>2,325</u>	<u>(1,495)</u>	<u>38,829</u>	<u>373,619</u>	<u>23,572,563</u>
<b>Total Assets</b>	<u>44,801,311</u>	<u>3,499,686</u>	<u>12,302,333</u>	<u>721,937</u>	<u>183,193</u>	<u>29,206</u>	<u>1,111,763</u>	<u>81,343</u>	<u>62,730,772</u>
<b>Deferred Outflows</b>									
Deferred outflows due to pension	125,106	-	(1,219)	(474)	-	-	-	112,159	235,572
<b>Liabilities</b>									
<b>Current Liabilities</b>									
Accounts payable	4,539	-	109	42	-	-	961	4,726	10,377
Compensated absences	14,868	-	8,340	3,244	-	-	-	12,423	38,875
Claims liabilities	3,500,000	-	1,500,000	150,000	-	-	-	-	5,150,000
Total Current Liabilities	<u>3,519,407</u>	<u>-</u>	<u>1,508,449</u>	<u>153,286</u>	<u>-</u>	<u>-</u>	<u>961</u>	<u>17,149</u>	<u>5,199,252</u>
<b>Noncurrent Liabilities</b>									
Compensated absences	-	-	-	-	-	-	-	38,873	38,873
Claims liabilities	27,580,937	2,064,000	3,232,587	137,873	-	-	-	-	33,015,397
Due to members	13,582,743	-	7,561,164	430,727	183,193	29,206	1,110,802	-	22,897,835
Total Noncurrent Liabilities	<u>41,163,680</u>	<u>2,064,000</u>	<u>10,793,751</u>	<u>568,600</u>	<u>183,193</u>	<u>29,206</u>	<u>1,110,802</u>	<u>38,873</u>	<u>55,952,105</u>
<b>Total Liabilities</b>	<u>44,683,087</u>	<u>2,064,000</u>	<u>12,302,200</u>	<u>721,886</u>	<u>183,193</u>	<u>29,206</u>	<u>1,111,763</u>	<u>56,022</u>	<u>61,151,357</u>
<b>Deferred Inflows</b>									
Deferred inflows due to pension	27,060	-	(2,334)	(908)	-	-	-	20,847	44,665
<b>Net Position</b>									
Net position	<u>\$ 216,270</u>	<u>\$ 1,435,686</u>	<u>\$ 1,248</u>	<u>\$ 485</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 116,633</u>	<u>\$ 1,770,322</u>

**TRINDEL INSURANCE FUND**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN NET POSITION**

**FOR THE YEAR ENDED OF JUNE 30, 2020**

	<b>Workers' Compensation Banking Layer</b>	<b>Workers' Compensation Shared Layer</b>	<b>Liability</b>	<b>Property</b>	<b>Pollution</b>	<b>Medical Malpractice</b>	<b>Leadership Training</b>	<b>Program Administration</b>	<b>Total</b>
<b>Operating Revenues</b>									
Member contributions	\$ 10,802,534	\$ 1,758,002	\$ 6,865,415	\$ 1,341,744	\$ 94,615	\$ 335,460	\$ 77,000	\$ -	\$ 21,274,770
Charges for services	774,966	-	113,285	44,055	-	-	-	1,136,156	2,068,462
Other revenue	-	-	-	-	-	-	-	146	146
Total Operating Revenues	<u>11,577,500</u>	<u>1,758,002</u>	<u>6,978,700</u>	<u>1,385,799</u>	<u>94,615</u>	<u>335,460</u>	<u>77,000</u>	<u>1,136,302</u>	<u>23,343,378</u>
<b>Expenses</b>									
Program expenses									
Claims expenses	4,807,486	905,000	4,737	308,983	-	6,123	-	-	6,032,329
Insurance expense	568,470	-	3,804,984	545,142	86,765	422,195	(32,000)	-	5,395,556
State fees	209,724	-	-	-	-	-	-	-	209,724
Risk management	565,295	-	265,100	27,500	-	-	113,502	-	971,397
General & administrative	6,920	-	-	-	-	-	15,414	-	22,334
Return of funds to members	535,511	-	2,185,428	-	-	-	-	-	2,720,939
Trindel administration									
Salaries and benefits	396,867	-	83,732	32,562	-	-	-	620,075	1,133,236
Services and supplies	126,720	-	24,250	9,430	-	-	-	241,270	401,670
Loss prevention	3,957	-	289	113	-	-	-	110,153	114,512
Pension expense	19,261	-	4,064	1,581	-	-	-	30,621	55,527
Depreciation	9,891	-	1,142	444	-	-	-	25,106	36,583
Total Expenses	<u>7,250,102</u>	<u>905,000</u>	<u>6,373,726</u>	<u>925,755</u>	<u>86,765</u>	<u>428,318</u>	<u>96,916</u>	<u>1,027,225</u>	<u>17,093,807</u>
Operating income/(loss)	4,327,398	853,002	604,974	460,044	7,850	(92,858)	(19,916)	109,077	6,249,571
<b>Nonoperating Revenues:</b>									
Interest income	69,565	4,455	15,463	342	48	(138)	1,881	-	91,616
Investment income	549,138	31,375	112,024	1,109	147	(1,296)	15,381	-	707,878
Increase/(decrease) in FMV	476,963	30,658	105,006	480	325	(1,145)	12,880	-	625,167
Transfers	198,000	-	(198,560)	560	-	-	-	-	-
Total Nonoperating Revenues	<u>1,293,666</u>	<u>66,488</u>	<u>33,933</u>	<u>2,491</u>	<u>520</u>	<u>(2,579)</u>	<u>30,142</u>	<u>-</u>	<u>1,424,661</u>
Change in due to/(from) members/net position	5,621,064	919,490	638,907	462,535	8,370	(95,437)	10,226	109,077	7,674,232
Due to/(from) Members/Net Position - Beginning	8,177,949	516,196	6,923,505	(31,323)	174,823	124,643	1,100,576	7,556	16,993,925
Due to/(from) Members - Ending	<u>13,582,743</u>	<u>-</u>	<u>7,561,164</u>	<u>430,727</u>	<u>183,193</u>	<u>29,206</u>	<u>1,110,802</u>	<u>-</u>	<u>22,897,835</u>
Net position - Ending	<u>\$ 216,270</u>	<u>\$ 1,435,686</u>	<u>\$ 1,248</u>	<u>\$ 485</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 116,633</u>	<u>\$ 1,770,322</u>

**TRINDEL INSURANCE FUND**  
**STATEMENT OF NET POSITION BY MEMBER**  
**WORKERS COMPENSATION**

**AS OF JUNE 30, 2020**

	Trindel												
	Administration	Alpine	Colusa	Del Norte	Lassen	Modoc	Mono	Plumas	San Benito	Sierra	Sutter	Trinity	Total
<b>Assets</b>													
Cash	\$ (213,548)	\$ 663,973	\$ 988,155	\$ 2,737,238	\$ 2,492,694	\$ 1,263,204	\$ 1,717,070	\$ 2,685,928	\$ 2,218,044	\$ 865,327	\$ 3,709,439	\$ 1,266,276	\$ 20,393,800
Excess receivable	-	-	491	823	65,129	587	26,956	158,856	7,443	2,416	-	-	262,701
Investments	-	721,916	1,848,102	2,462,032	3,221,986	1,144,689	1,949,558	5,651,001	2,285,866	510,181	2,018,880	1,983,242	23,797,453
Net pension asset	(8,649)	-	-	-	-	-	-	-	-	-	-	-	(8,649)
Fixed assets	356,006	-	-	-	-	-	-	-	-	-	-	-	356,006
Total Assets	133,809	1,385,889	2,836,748	5,200,093	5,779,809	2,408,480	3,693,584	8,495,785	4,511,353	1,377,924	5,728,319	3,249,518	44,801,311
<b>Deferred Outflows</b>													
Deferred outflows on pension	125,106	-	-	-	-	-	-	-	-	-	-	-	125,106
<b>Liabilities</b>													
Accounts payable	717	-	60	2,566	-	-	-	-	15	749	-	432	4,539
Accrued vacation/sick	14,868	-	-	-	-	-	-	-	-	-	-	-	14,868
Claims Liabilities	-	965,989	1,256,024	2,448,087	3,949,816	1,322,575	3,429,048	4,746,940	3,656,149	1,894,781	5,476,710	1,934,818	31,080,937
Total Liabilities	15,585	965,989	1,256,084	2,450,653	3,949,816	1,322,575	3,429,048	4,746,940	3,656,164	1,895,530	5,476,710	1,935,250	31,100,344
<b>Deferred Inflows</b>													
Deferred inflows on pension	27,060	-	-	-	-	-	-	-	-	-	-	-	27,060
<b>Due To/(From) Members</b>	-	\$ 419,900	\$ 1,580,664	\$ 2,749,440	\$ 1,829,993	\$ 1,085,905	\$ 264,536	\$ 3,748,845	\$ 855,189	\$ (517,606)	\$ 251,609	\$ 1,314,268	\$ 13,582,743
<b>Net Position</b>	\$ 216,270	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 216,270

**TRINDEL INSURANCE FUND**

**STATEMENT REVENUES, EXPENSES, AND CHANGES IN**

**NET POSITION BY MEMBER**

**WORKERS COMPENSATION**

**AS OF JUNE 30, 2020**

	Trindel											Total	
	Administration	Alpine	Colusa	Del Norte	Lassen	Modoc	Mono	Plumas	San Benito	Sierra	Sutter		Trinity
<b>Operating Revenues</b>													
Member contributions	\$ -	\$ 429,034	\$ 420,146	\$ 1,349,419	\$ 1,419,055	\$ 459,141	\$ 873,225	\$ 1,075,595	\$ 1,435,286	\$ 504,986	\$ 2,214,071	\$ 622,576	\$ 10,802,534
Charges for services	774,966	-	-	-	-	-	-	-	-	-	-	-	774,966
Total Revenues	774,966	429,034	420,146	1,349,419	1,419,055	459,141	873,225	1,075,595	1,435,286	504,986	2,214,071	622,576	11,577,500
<b>Expenses</b>													
<b>Program Expenses</b>													
Claims expenses	-	147,635	94,020	(591,489)	568,282	39,855	909,683	1,461,167	563,500	810,563	573,109	231,161	4,807,486
Insurance expense	-	14,273	50,634	50,324	48,104	27,437	51,437	48,172	85,280	20,205	131,487	41,117	568,470
State fees	-	13,376	3,544	23,872	21,740	22,987	19,376	21,692	41,992	13,586	21,393	6,166	209,724
Risk management	-	47,410	51,316	53,048	50,039	51,100	48,320	49,700	49,947	48,187	61,495	54,733	565,295
General & administrative	-	-	787	550	1,035	778	756	-	843	464	849	858	6,920
Return of funds to members	-	-	-	-	35,511	-	-	-	-	-	-	500,000	535,511
<b>Trindel Administration</b>													
Salaries and benefits	396,867	-	-	-	-	-	-	-	-	-	-	-	396,867
Services and supplies	126,720	-	-	-	-	-	-	-	-	-	-	-	126,720
Loss prevention	3,957	-	-	-	-	-	-	-	-	-	-	-	3,957
Pension expense	19,261	-	-	-	-	-	-	-	-	-	-	-	19,261
Depreciation	9,891	-	-	-	-	-	-	-	-	-	-	-	9,891
Total Expenses	556,696	222,694	200,301	(463,695)	724,711	142,157	1,029,572	1,580,731	741,562	893,005	788,333	834,035	7,250,102
Operating Income/(Loss)	218,270	206,340	219,845	1,813,114	694,344	316,984	(156,347)	(505,136)	693,724	(388,019)	1,425,738	(211,459)	4,327,398
<b>Nonoperating Revenues</b>													
Interest income	-	2,036	4,602	8,091	8,955	3,887	5,840	13,542	6,809	2,096	8,273	5,434	69,565
Investment income	-	15,759	36,846	62,961	70,549	31,008	45,982	108,159	53,530	16,232	63,497	44,615	549,138
Increase (Decrease) in FMV	-	14,211	31,561	55,011	62,042	26,438	40,129	91,799	47,318	13,974	57,303	37,177	476,963
Transfers	(2,000)	-	-	-	-	-	-	-	-	200,000	-	-	198,000
Total Nonoperating Revenues	(2,000)	32,006	73,009	126,063	141,546	61,333	91,951	213,500	107,657	232,302	129,073	87,226	1,293,666
Change in due to/(from) members	216,270	238,346	292,854	1,939,177	835,890	378,317	(64,396)	(291,636)	801,381	(155,717)	1,554,811	(124,233)	5,621,064
Due to/(from) Members - Beginning	-	181,554	1,287,810	810,263	994,103	707,588	328,932	4,040,481	53,808	(361,889)	(1,303,202)	1,438,501	8,177,949
Due to/(from) Members - Ending	\$ -	\$ 419,900	\$ 1,580,664	\$ 2,749,440	\$ 1,829,993	\$ 1,085,905	\$ 264,536	\$ 3,748,845	\$ 855,189	\$ (517,606)	\$ 251,609	\$ 1,314,268	\$ 13,582,743
Net position - Ending	\$ 216,270	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 216,270

**TRINDEL INSURANCE FUND**  
**STATEMENT OF NET POSITION BY MEMBER**  
**LIABILITY**  
**AS OF JUNE 30, 2020**

	<b>Trindel</b>												
	<b>Administration</b>	<b>Alpine</b>	<b>Colusa</b>	<b>Del Norte</b>	<b>Lassen</b>	<b>Modoc</b>	<b>Mono</b>	<b>Plumas</b>	<b>San Benito</b>	<b>Sierra</b>	<b>Sutter</b>	<b>Trinity</b>	<b>Total</b>
<b>Assets</b>													
Cash	\$ (29,665)	\$ 138,391	\$ 10,539	\$ 888,749	\$ 177,392	\$ 289,482	\$ 458,667	\$ (24,913)	\$ 642,699	\$ 352,204	\$ 280,173	\$ 910,457	\$ 4,094,175
Excess receivable	-	-	283	10,780	95	-	-	27,588	25,824	40	215,700	40,607	320,917
Investments	-	476,717	876,561	601,343	944,543	360,515	998,664	483,937	2,125,104	187,372	371,476	422,762	7,848,994
Net pension asset	5,499	-	-	-	-	-	-	-	-	-	-	-	5,499
Fixed assets	32,748	-	-	-	-	-	-	-	-	-	-	-	32,748
Total Assets	8,582	615,108	887,383	1,500,872	1,122,030	649,997	1,457,331	486,612	2,793,627	539,616	867,349	1,373,826	12,302,333
<b>Deferred Outflows</b>													
Deferred outflows on pension	(1,219)	-	-	-	-	-	-	-	-	-	-	-	(1,219)
<b>Liabilities</b>													
Accounts payable	109	-	-	-	-	-	-	-	-	-	-	-	109
Accrued vacation/sick	8,340	-	-	-	-	-	-	-	-	-	-	-	8,340
Claims Liabilities	-	223,551	256,524	647,505	682,568	387,549	215,945	344,326	456,180	107,910	1,223,253	187,276	4,732,587
Total Liabilities	8,449	223,551	256,524	647,505	682,568	387,549	215,945	344,326	456,180	107,910	1,223,253	187,276	4,741,036
<b>Deferred Inflows</b>													
Deferred inflows on pension	(2,334)	-	-	-	-	-	-	-	-	-	-	-	(2,334)
<b>Due To/(From) Members</b>	\$ -	\$ 391,557	\$ 630,859	\$ 853,367	\$ 439,462	\$ 262,448	\$ 1,241,386	\$ 142,286	\$ 2,337,447	\$ 431,706	\$ (355,904)	\$ 1,186,550	\$ 7,561,164
<b>Net Position</b>	\$ 1,248	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,248

**TRINDEL INSURANCE FUND**  
**STATEMENT REVENUES, EXPENSES, AND CHANGES IN**  
**NET POSITION BY MEMBER**  
**LIABILITY**

**AS OF JUNE 30, 2020**

	Trindel												
	Administration	Alpine	Colusa	Del Norte	Lassen	Modoc	Mono	Plumas	San Benito	Sierra	Sutter	Trinity	Total
<b>Operating Revenues</b>													
Member contributions	\$ -	\$ 213,998	\$ 516,493	\$ 736,441	\$ 811,232	\$ 570,441	\$ 596,797	\$ 461,856	\$ 847,250	\$ 214,467	\$ 1,512,136	\$ 384,304	\$ 6,865,415
Charges for services	113,285	-	-	-	-	-	-	-	-	-	-	-	113,285
Total Revenues	113,285	213,998	516,493	736,441	811,232	570,441	596,797	461,856	847,250	214,467	1,512,136	384,304	6,978,700
<b>Expenses</b>													
<b>Program Expenses</b>													
Claims expenses	-	(14,979)	(86,416)	(19,604)	8,338	(71,324)	(163,414)	84,045	(26,384)	(89,242)	282,551	101,166	4,737
Insurance expense	-	94,300	377,602	334,674	351,289	238,194	316,478	299,258	552,936	121,808	808,341	310,104	3,804,984
Risk management	-	22,300	22,300	22,300	22,300	22,300	22,300	22,300	22,300	22,300	42,100	22,300	265,100
Return of funds to members	-	-	-	1,270,000	883,851	-	-	-	31,577	-	-	-	2,185,428
<b>Trindel Administration</b>													
Salaries and benefits	83,732	-	-	-	-	-	-	-	-	-	-	-	83,732
Services and supplies	24,250	-	-	-	-	-	-	-	-	-	-	-	24,250
Loss prevention	289	-	-	-	-	-	-	-	-	-	-	-	289
Pension expense	4,064	-	-	-	-	-	-	-	-	-	-	-	4,064
Depreciation	1,142	-	-	-	-	-	-	-	-	-	-	-	1,142
Total Expenses	113,477	101,621	313,486	1,607,370	1,265,778	189,170	175,364	405,603	580,429	54,866	1,132,992	433,570	6,373,726
Operating Income/(Loss)	(192)	112,377	203,007	(870,929)	(454,546)	381,271	421,433	56,253	266,821	159,601	379,144	(49,266)	604,974
<b>Nonoperating Revenues</b>													
Interest income	-	849	1,129	2,295	1,427	707	1,994	453	4,115	797	(256)	1,953	15,463
Investment income	-	6,170	8,014	18,739	10,877	4,322	14,663	2,948	31,934	6,156	(6,485)	14,686	112,024
Increase (Decrease) in FMV	-	5,681	7,324	15,769	10,943	4,437	13,237	2,385	27,759	5,661	(2,110)	13,920	105,006
Transfers	1,440	-	-	-	-	-	-	-	-	(200,000)	-	-	(198,560)
Total Nonoperating Revenues	1,440	12,700	16,467	36,803	23,247	9,466	29,894	5,786	63,808	(187,386)	(8,851)	30,559	33,933
Change in due to/(from) members	1,248	125,077	219,474	(834,126)	(431,299)	390,737	451,327	62,039	330,629	(27,785)	370,293	(18,707)	638,907
Due to/(from) Members - Beginning	-	266,480	411,385	1,687,493	870,761	(128,289)	790,059	80,247	2,006,818	459,491	(726,197)	1,205,257	6,923,505
Due to/(from) Members - Ending	\$ -	\$ 391,557	\$ 630,859	\$ 853,367	\$ 439,462	\$ 262,448	\$ 1,241,386	\$ 142,286	\$ 2,337,447	\$ 431,706	\$ (355,904)	\$ 1,186,550	\$ 7,561,164
Net position - Ending	\$ 1,248	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,248

**TRINDEL INSURANCE FUND**  
**STATEMENT OF NET POSITION BY MEMBER**  
**PROPERTY**  
**AS OF JUNE 30, 2020**

	<b>Trindel</b>												
	<b>Administration</b>	<b>Alpine</b>	<b>Colusa</b>	<b>Del Norte</b>	<b>Lassen</b>	<b>Modoc</b>	<b>Mono</b>	<b>Plumas</b>	<b>San Benito</b>	<b>Sierra</b>	<b>Sutter</b>	<b>Trinity</b>	<b>Total</b>
<b>Assets</b>													
Cash	\$ (11,537)	\$ 72,180	\$ (7,234)	\$ 114,050	\$ 76,589	\$ 17,181	\$ 28,808	\$ (8,017)	\$ 86,109	\$ 61,155	\$ 2,110	\$ 84,504	\$ 515,898
Excess receivable	-	-	30,907	-	-	25,831	-	28,111	-	-	10,301	-	95,150
Investments	-	182	(49)	299	275	146	24	81,579	164	171	12,962	262	96,015
Net pension asset	2,139	-	-	-	-	-	-	-	-	-	-	-	2,139
Fixed assets	12,735	-	-	-	-	-	-	-	-	-	-	-	12,735
<b>Total Assets</b>	<b>3,337</b>	<b>72,362</b>	<b>23,624</b>	<b>114,349</b>	<b>76,864</b>	<b>43,158</b>	<b>28,832</b>	<b>101,673</b>	<b>86,273</b>	<b>61,326</b>	<b>25,373</b>	<b>84,766</b>	<b>721,937</b>
<b>Deferred Outflows</b>													
Deferred outflows on pension	(474)	-	-	-	-	-	-	-	-	-	-	-	(474)
<b>Liabilities</b>													
Accounts payable	42	-	-	-	-	-	-	-	-	-	-	-	42
Accrued vacation/sick	3,244	-	-	-	-	-	-	-	-	-	-	-	3,244
Claims Liabilities	-	10,155	29,584	31,289	45,336	35,417	4,329	26,748	27,414	5,239	52,283	20,079	287,873
<b>Total Liabilities</b>	<b>3,286</b>	<b>10,155</b>	<b>29,584</b>	<b>31,289</b>	<b>45,336</b>	<b>35,417</b>	<b>4,329</b>	<b>26,748</b>	<b>27,414</b>	<b>5,239</b>	<b>52,283</b>	<b>20,079</b>	<b>291,159</b>
<b>Deferred Inflows</b>													
Deferred inflows on pension	(908)	-	-	-	-	-	-	-	-	-	-	-	(908)
<b>Due To/(From) Members</b>	<b>\$ -</b>	<b>\$ 62,207</b>	<b>\$ (5,960)</b>	<b>\$ 83,060</b>	<b>\$ 31,528</b>	<b>\$ 7,741</b>	<b>\$ 24,503</b>	<b>\$ 74,925</b>	<b>\$ 58,859</b>	<b>\$ 56,087</b>	<b>\$ (26,910)</b>	<b>\$ 64,687</b>	<b>\$ 430,727</b>
<b>Net Position</b>	<b>\$ 485</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 485</b>

**TRINDEL INSURANCE FUND**  
**STATEMENT REVENUES, EXPENSES, AND CHANGES IN**  
**NET POSITION BY MEMBER**

**PROPERTY**

**AS OF JUNE 30, 2020**

	Trindel												
	Administration	Alpine	Colusa	Del Norte	Lassen	Modoc	Mono	Plumas	San Benito	Sierra	Sutter	Trinity	Total
<b>Operating Revenues</b>													
Member contributions	\$ -	\$ 83,310	\$ 75,690	\$ 220,117	\$ 140,497	\$ 79,231	\$ 78,221	\$ 199,303	\$ 173,138	\$ 71,845	\$ 125,803	\$ 94,589	\$ 1,341,744
Charges for services	44,055	-	-	-	-	-	-	-	-	-	-	-	44,055
Total Revenues	44,055	83,310	75,690	220,117	140,497	79,231	78,221	199,303	173,138	71,845	125,803	94,589	1,385,799
<b>Expenses</b>													
<b>Program Expenses</b>													
Claims expenses	-	(14,926)	45,745	26,727	32,300	(2,135)	(8,176)	(14,572)	19,181	(1,438)	223,506	2,771	308,983
Insurance expense	-	21,451	34,934	108,822	52,380	35,859	39,841	58,035	88,410	14,756	63,015	27,639	545,142
Risk management	-	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	27,500
<b>Trindel Administration</b>													
Salaries and benefits	32,562	-	-	-	-	-	-	-	-	-	-	-	32,562
Services and supplies	9,430	-	-	-	-	-	-	-	-	-	-	-	9,430
Loss prevention	113	-	-	-	-	-	-	-	-	-	-	-	113
Pension expense	1,581	-	-	-	-	-	-	-	-	-	-	-	1,581
Depreciation	444	-	-	-	-	-	-	-	-	-	-	-	444
Total Expenses	44,130	9,025	83,179	138,049	87,180	36,224	34,165	45,963	110,091	15,818	289,021	32,910	925,755
Operating Income/(Loss)	(75)	74,285	(7,489)	82,068	53,317	43,007	44,056	153,340	63,047	56,027	(163,218)	61,679	460,044
<b>Nonoperating Revenues</b>													
Interest income	-	28	(14)	57	65	36	1	44	31	39	(5)	60	342
Investment income	-	124	(31)	212	186	92	24	83	122	115	6	176	1,109
Increase (Decrease) in FMV	-	58	(18)	87	89	54	-	34	41	55	(7)	87	480
Transfers	560	-	-	-	-	-	-	-	-	-	-	-	560
Total Nonoperating Revenues	560	210	(63)	356	340	182	25	161	194	209	(6)	323	2,491
Change in due to/(from) members	485	74,495	(7,552)	82,424	53,657	43,189	44,081	153,501	63,241	56,236	(163,224)	62,002	462,535
Due to/(from) Members - Beginning	-	(12,288)	1,592	636	(22,129)	(35,448)	(19,578)	(78,576)	(4,382)	(149)	136,314	2,685	(31,323)
Due to/(from) Members - Ending	\$ -	\$ 62,207	\$ (5,960)	\$ 83,060	\$ 31,528	\$ 7,741	\$ 24,503	\$ 74,925	\$ 58,859	\$ 56,087	\$ (26,910)	\$ 64,687	\$ 430,727
Net Position - Ending	\$ 485	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 485

**TRINDEL INSURANCE FUND**  
**STATEMENT OF NET POSITION BY MEMBER**  
**POLUTION**  
**AS OF JUNE 30, 2020**

	<u>Alpine</u>	<u>Colusa</u>	<u>Del Norte</u>	<u>Lassen</u>	<u>Modoc</u>	<u>Mono</u>	<u>Plumas</u>	<u>San Benito</u>	<u>Sierra</u>	<u>Sutter</u>	<u>Trinity</u>	<u>Total</u>
<b>Assets</b>												
Cash	\$ 12,491	\$ 16,682	\$ 14,595	\$ 15,077	\$ (2,077)	\$ (25,461)	\$ 23,674	\$ 2,681	\$ (3,908)	\$ 6,259	\$ 11,909	\$ 71,922
Prepaid expenses	-	-	-	-	35,731	40,775	-	14,110	17,302	-	-	107,918
Investments	600	606	682	710	51	(1,237)	1,153	136	(4)	198	458	3,353
Total Assets	<u>13,091</u>	<u>17,288</u>	<u>15,277</u>	<u>15,787</u>	<u>33,705</u>	<u>14,077</u>	<u>24,827</u>	<u>16,927</u>	<u>13,390</u>	<u>6,457</u>	<u>12,367</u>	<u>183,193</u>
<b>Due To/(From) Members</b>	<u>\$ 13,091</u>	<u>\$ 17,288</u>	<u>\$ 15,277</u>	<u>\$ 15,787</u>	<u>\$ 33,705</u>	<u>\$ 14,077</u>	<u>\$ 24,827</u>	<u>\$ 16,927</u>	<u>\$ 13,390</u>	<u>\$ 6,457</u>	<u>\$ 12,367</u>	<u>\$ 183,193</u>

**TRINDEL INSURANCE FUND**  
**STATEMENT REVENUES, EXPENSES, AND CHANGES IN**  
**NET POSITION BY MEMBER**

**POLLUTION**

**AS OF JUNE 30, 2020**

	<u>Alpine</u>	<u>Colusa</u>	<u>Del Norte</u>	<u>Lassen</u>	<u>Modoc</u>	<u>Mono</u>	<u>Plumas</u>	<u>San Benito</u>	<u>Sierra</u>	<u>Sutter</u>	<u>Trinity</u>	<u>Total</u>
<b>Operating Revenues</b>												
Member contributions	\$ 1,783	\$ 12,988	\$ 2,674	\$ 2,674	\$ 19,648	\$ 23,977	\$ 2,674	\$ 9,729	\$ 8,935	\$ 3,565	\$ 5,968	\$ 94,615
Total Revenues	<u>1,783</u>	<u>12,988</u>	<u>2,674</u>	<u>2,674</u>	<u>19,648</u>	<u>23,977</u>	<u>2,674</u>	<u>9,729</u>	<u>8,935</u>	<u>3,565</u>	<u>5,968</u>	<u>94,615</u>
<b>Expenses</b>												
<b>Program Expenses</b>												
Insurance expense	1,238	12,171	1,857	1,859	19,103	22,247	1,858	8,912	9,890	2,478	5,152	86,765
Total Expenses	<u>1,238</u>	<u>12,171</u>	<u>1,857</u>	<u>1,859</u>	<u>19,103</u>	<u>22,247</u>	<u>1,858</u>	<u>8,912</u>	<u>9,890</u>	<u>2,478</u>	<u>5,152</u>	<u>86,765</u>
Operating Income/(Loss)	<u>545</u>	<u>817</u>	<u>817</u>	<u>815</u>	<u>545</u>	<u>1,730</u>	<u>816</u>	<u>817</u>	<u>(955)</u>	<u>1,087</u>	<u>816</u>	<u>7,850</u>
<b>Nonoperating Revenues</b>												
Interest income	21	20	24	25	(20)	(68)	40	(4)	(14)	8	16	48
Investment income	167	141	189	197	(223)	(627)	322	(55)	(142)	56	122	147
Increase (Decrease) in FMV	143	142	161	169	(137)	(468)	271	(24)	(98)	52	114	325
Total Nonoperating Revenues	<u>331</u>	<u>303</u>	<u>374</u>	<u>391</u>	<u>(380)</u>	<u>(1,163)</u>	<u>633</u>	<u>(83)</u>	<u>(254)</u>	<u>116</u>	<u>252</u>	<u>520</u>
Change in due to/(from) members	<u>876</u>	<u>1,120</u>	<u>1,191</u>	<u>1,206</u>	<u>165</u>	<u>567</u>	<u>1,449</u>	<u>734</u>	<u>(1,209)</u>	<u>1,203</u>	<u>1,068</u>	<u>8,370</u>
Due to/(from) Members - Beginning	<u>12,215</u>	<u>16,168</u>	<u>14,086</u>	<u>14,581</u>	<u>33,540</u>	<u>13,510</u>	<u>23,378</u>	<u>16,193</u>	<u>14,599</u>	<u>5,254</u>	<u>11,299</u>	<u>174,823</u>
Due to/(from) Members - Ending	<u>\$ 13,091</u>	<u>\$ 17,288</u>	<u>\$ 15,277</u>	<u>\$ 15,787</u>	<u>\$ 33,705</u>	<u>\$ 14,077</u>	<u>\$ 24,827</u>	<u>\$ 16,927</u>	<u>\$ 13,390</u>	<u>\$ 6,457</u>	<u>\$ 12,367</u>	<u>\$ 183,193</u>

**TRINDEL INSURANCE FUND**  
**STATEMENT OF NET POSITION BY MEMBER**  
**MEDICAL MALPRACTICE**  
**AS OF JUNE 30, 2020**

---

	<u>Alpine</u>	<u>Colusa</u>	<u>Del Norte</u>	<u>Lassen</u>	<u>Modoc</u>	<u>Mono</u>	<u>Plumas</u>	<u>San Benito</u>	<u>Sierra</u>	<u>Sutter</u>	<u>Trinity</u>	<u>Total</u>
<b>Assets</b>												
Cash	\$ 9,876	\$ 3,235	\$ 26,102	\$ (1,270)	\$ 6,983	\$ 27,003	\$ (20,091)	\$ 12,572	\$ 19,929	\$ (80,485)	\$ 27,509	\$ 31,363
Investments	399	403	1,324	(163)	273	1,374	(1,523)	389	1,058	(7,082)	1,391	(2,157)
Total Assets	<u>10,275</u>	<u>3,638</u>	<u>27,426</u>	<u>(1,433)</u>	<u>7,256</u>	<u>28,377</u>	<u>(21,614)</u>	<u>12,961</u>	<u>20,987</u>	<u>(87,567)</u>	<u>28,900</u>	<u>29,206</u>
<b>Due To/(From) Members</b>	<u>\$ 10,275</u>	<u>\$ 3,638</u>	<u>\$ 27,426</u>	<u>\$ (1,433)</u>	<u>\$ 7,256</u>	<u>\$ 28,377</u>	<u>\$ (21,614)</u>	<u>\$ 12,961</u>	<u>\$ 20,987</u>	<u>\$ (87,567)</u>	<u>\$ 28,900</u>	<u>\$ 29,206</u>

**TRINDEL INSURANCE FUND**  
**STATEMENT REVENUES, EXPENSES, AND CHANGES IN**  
**NET POSITION BY MEMBER**

**MEDICAL MALPRACTICE**

**AS OF JUNE 30, 2020**

	<u>Alpine</u>	<u>Colusa</u>	<u>Del Norte</u>	<u>Lassen</u>	<u>Modoc</u>	<u>Mono</u>	<u>Plumas</u>	<u>San Benito</u>	<u>Sierra</u>	<u>Sutter</u>	<u>Trinity</u>	<u>Total</u>
<b>Operating Revenues</b>												
Member contributions	\$ 5,018	\$ 13,193	\$ 22,805	\$ 13,650	\$ 11,454	\$ 7,254	\$ 33,211	\$ 21,018	\$ 3,083	\$ 196,538	\$ 8,236	\$ 335,460
Total Revenues	<u>5,018</u>	<u>13,193</u>	<u>22,805</u>	<u>13,650</u>	<u>11,454</u>	<u>7,254</u>	<u>33,211</u>	<u>21,018</u>	<u>3,083</u>	<u>196,538</u>	<u>8,236</u>	<u>335,460</u>
<b>Expenses</b>												
<b>Program Expenses</b>												
Claims expenses	-	5,000	-	-	-	-	-	-	-	1,123	-	6,123
Insurance expense	5,166	19,149	33,443	18,763	16,686	10,383	39,896	25,012	4,573	237,559	11,565	422,195
Total Expenses	<u>5,166</u>	<u>24,149</u>	<u>33,443</u>	<u>18,763</u>	<u>16,686</u>	<u>10,383</u>	<u>39,896</u>	<u>25,012</u>	<u>4,573</u>	<u>238,682</u>	<u>11,565</u>	<u>428,318</u>
Operating Income/(Loss)	<u>(148)</u>	<u>(10,956)</u>	<u>(10,638)</u>	<u>(5,113)</u>	<u>(5,232)</u>	<u>(3,129)</u>	<u>(6,685)</u>	<u>(3,994)</u>	<u>(1,490)</u>	<u>(42,144)</u>	<u>(3,329)</u>	<u>(92,858)</u>
<b>Nonoperating Revenues</b>												
Interest income	14	5	36	(10)	8	45	(59)	11	35	(269)	46	(138)
Investment income	115	63	282	(78)	59	365	(516)	81	285	(2,333)	381	(1,296)
Increase (Decrease) in FMV	97	24	222	(75)	37	303	(454)	60	235	(1,893)	299	(1,145)
Total Nonoperating Revenues	<u>226</u>	<u>92</u>	<u>540</u>	<u>(163)</u>	<u>104</u>	<u>713</u>	<u>(1,029)</u>	<u>152</u>	<u>555</u>	<u>(4,495)</u>	<u>726</u>	<u>(2,579)</u>
Change in due to/(from) members	<u>78</u>	<u>(10,864)</u>	<u>(10,098)</u>	<u>(5,276)</u>	<u>(5,128)</u>	<u>(2,416)</u>	<u>(7,714)</u>	<u>(3,842)</u>	<u>(935)</u>	<u>(46,639)</u>	<u>(2,603)</u>	<u>(95,437)</u>
Due to/(from) Members - Beginning	<u>10,197</u>	<u>14,502</u>	<u>37,524</u>	<u>3,843</u>	<u>12,384</u>	<u>30,793</u>	<u>(13,900)</u>	<u>16,803</u>	<u>21,922</u>	<u>(40,928)</u>	<u>31,503</u>	<u>124,643</u>
Due to/(from) Members - Ending	<u>\$ 10,275</u>	<u>\$ 3,638</u>	<u>\$ 27,426</u>	<u>\$ (1,433)</u>	<u>\$ 7,256</u>	<u>\$ 28,377</u>	<u>\$ (21,614)</u>	<u>\$ 12,961</u>	<u>\$ 20,987</u>	<u>\$ (87,567)</u>	<u>\$ 28,900</u>	<u>\$ 29,206</u>

**TRINDEL INSURANCE FUND**

**STATEMENT OF NET POSITION BY MEMBER**

**LEADERSHIP TRAINING**

**AS OF JUNE 30, 2020**

---

	<b>Alpine</b>	<b>Colusa</b>	<b>Del Norte</b>	<b>Lassen</b>	<b>Modoc</b>	<b>Mono</b>	<b>Plumas</b>	<b>San Benito</b>	<b>Sierra</b>	<b>Sutter</b>	<b>Trinity</b>	<b>Total</b>
<b>Assets</b>												
Cash	\$ 121,060	\$ 156,991	\$ 109,466	\$ 93,202	\$ 104,202	\$ 56,711	\$ 70,498	\$ 102,777	\$ 61,948	\$ 126,669	\$ 52,234	\$ 1,055,758
Investments	6,363	8,013	5,726	4,809	5,538	3,247	3,456	5,274	3,053	7,802	2,724	56,005
Total Assets	<u>127,423</u>	<u>165,004</u>	<u>115,192</u>	<u>98,011</u>	<u>109,740</u>	<u>59,958</u>	<u>73,954</u>	<u>108,051</u>	<u>65,001</u>	<u>134,471</u>	<u>54,958</u>	<u>1,111,763</u>
<b>Liabilities</b>												
Accounts payable	-	-	-	-	-	-	-	-	-	-	961	961
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>961</u>	<u>961</u>
<b>Due To/(From) Members</b>	<u>\$ 127,423</u>	<u>\$ 165,004</u>	<u>\$ 115,192</u>	<u>\$ 98,011</u>	<u>\$ 109,740</u>	<u>\$ 59,958</u>	<u>\$ 73,954</u>	<u>\$ 108,051</u>	<u>\$ 65,001</u>	<u>\$ 134,471</u>	<u>\$ 53,997</u>	<u>\$ 1,110,802</u>

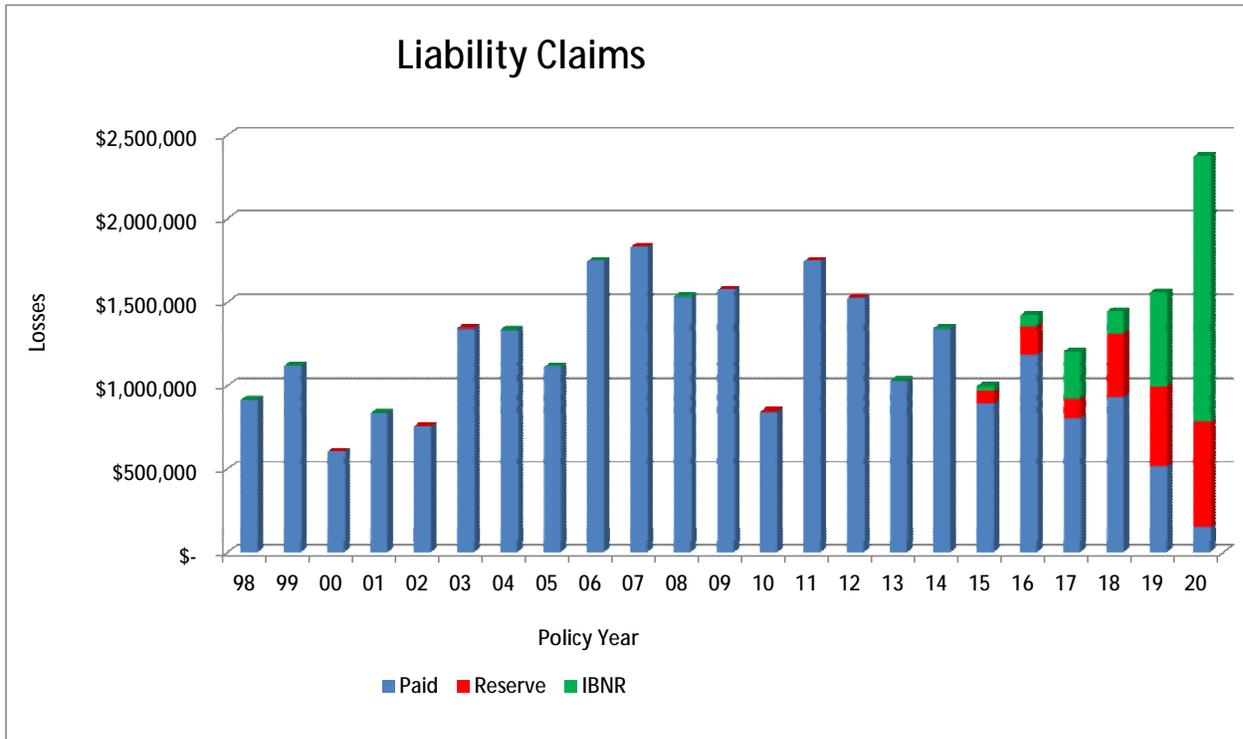
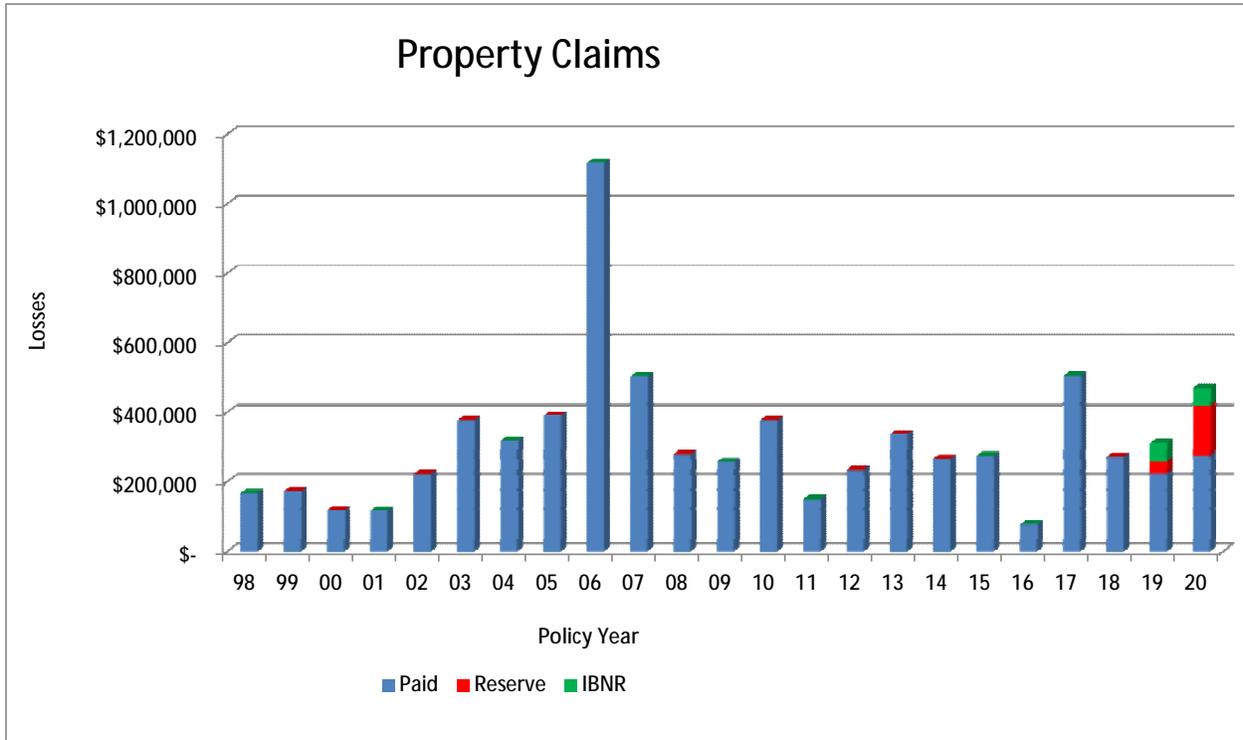
**TRINDEL INSURANCE FUND**  
**STATEMENT REVENUES, EXPENSES, AND CHANGES IN**  
**NET POSITION BY MEMBER**

**LEADERSHIP TRAINING**

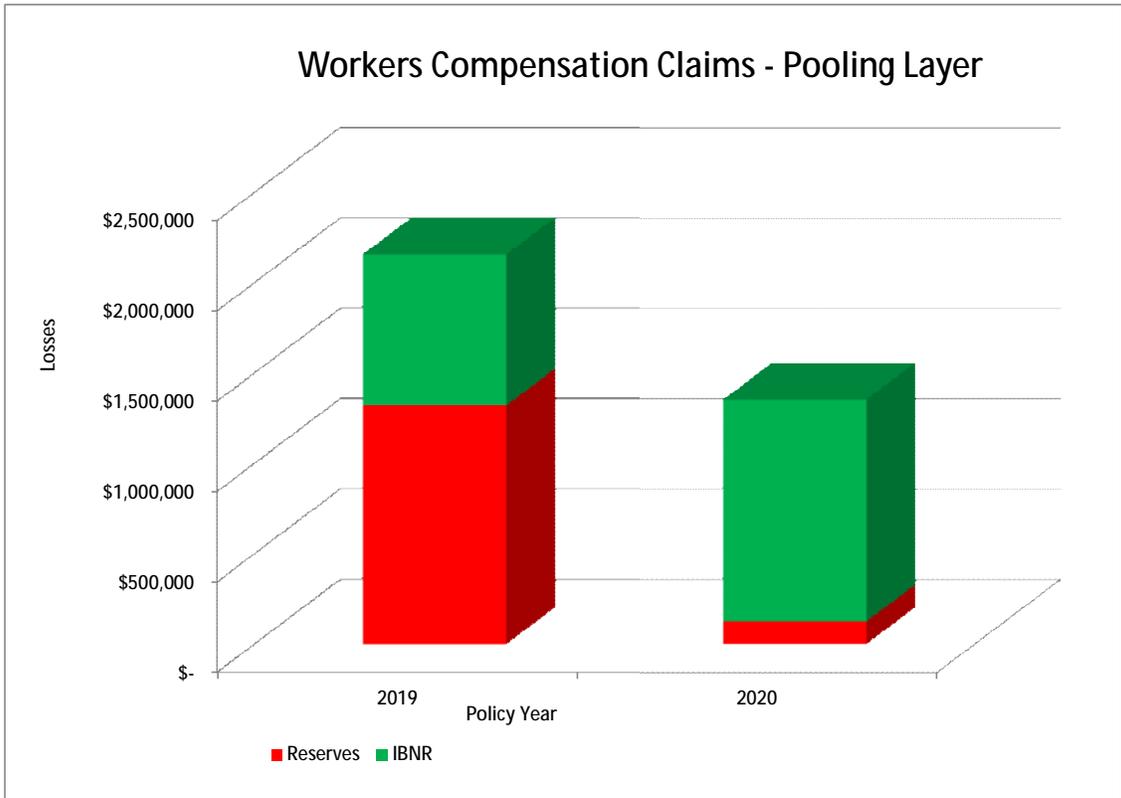
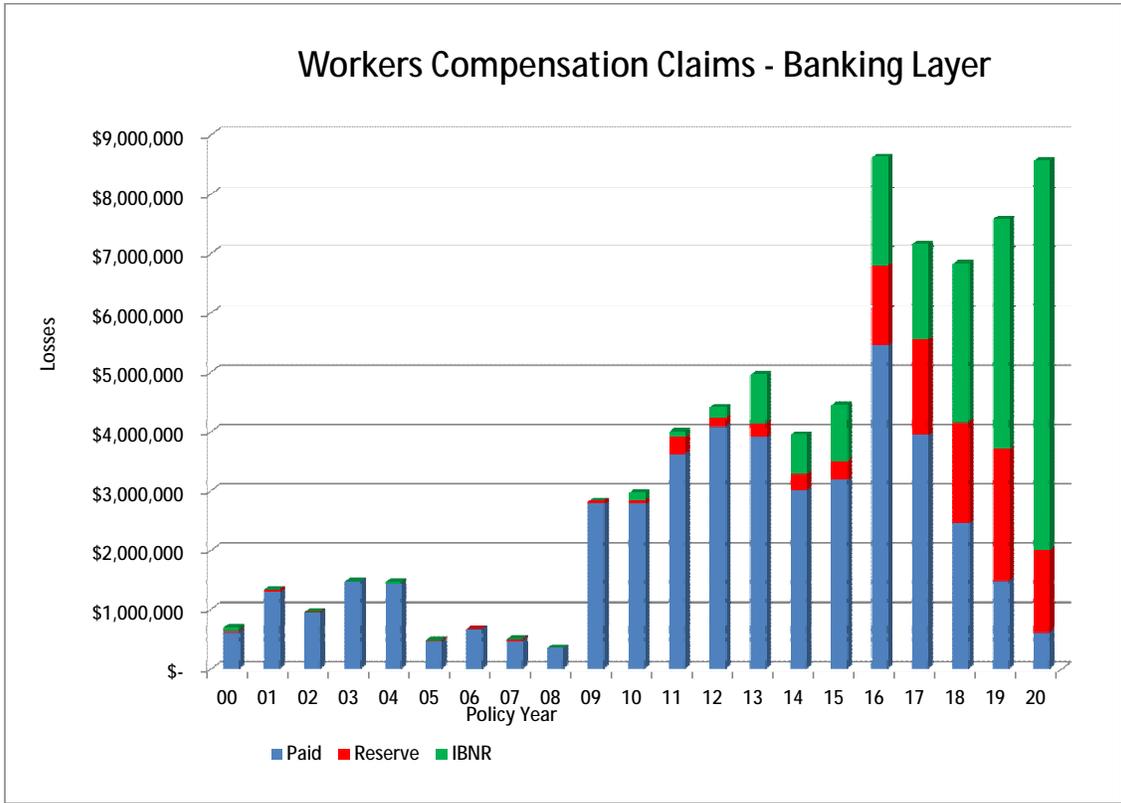
**AS OF JUNE 30, 2020**

	<u>Alpine</u>	<u>Colusa</u>	<u>Del Norte</u>	<u>Lassen</u>	<u>Modoc</u>	<u>Mono</u>	<u>Plumas</u>	<u>San Benito</u>	<u>Sierra</u>	<u>Sutter</u>	<u>Trinity</u>	<u>Total</u>
<b>Operating Revenues</b>												
Member contributions	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 77,000
Total Revenues	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	77,000
<b>Expenses</b>												
<b>Program Expenses</b>												
Insurance expense	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(2,000)	(3,000)	(32,000)
Risk management	8,314	5,469	8,833	5,340	3,513	8,872	3,813	7,933	5,966	47,947	7,502	113,502
General & administrative	-	-	-	-	10,214	-	-	-	-	-	5,200	15,414
Total Expenses	5,314	2,469	5,833	2,340	10,727	5,872	813	4,933	2,966	45,947	9,702	96,916
Operating Income/(Loss)	1,686	4,531	1,167	4,660	(3,727)	1,128	6,187	2,067	4,034	(38,947)	(2,702)	(19,916)
<b>Nonoperating Revenues</b>												
Interest income	217	279	194	163	186	101	121	185	107	238	90	1,881
Investment income	1,778	2,264	1,573	1,320	1,528	830	968	1,515	858	2,013	734	15,381
Increase (Decrease) in FMV	1,505	1,905	1,327	1,116	1,270	703	819	1,280	734	1,614	607	12,880
Total Nonoperating Revenues	3,500	4,448	3,094	2,599	2,984	1,634	1,908	2,980	1,699	3,865	1,431	30,142
Change in due to/(from) members	5,186	8,979	4,261	7,259	(743)	2,762	8,095	5,047	5,733	(35,082)	(1,271)	10,226
Due to/(from) Members - Beginning	122,237	156,025	110,931	90,752	110,483	57,196	65,859	103,004	59,268	169,553	55,268	1,100,576
Due to/(from) Members - Ending	\$ 127,423	\$ 165,004	\$ 115,192	\$ 98,011	\$ 109,740	\$ 59,958	\$ 73,954	\$ 108,051	\$ 65,001	\$ 134,471	\$ 53,997	\$ 1,110,802

**TRINDEL INSURANCE FUND**  
**GRAPHICAL SUMMARY OF CLAIM**  
**AS OF JUNE 30, 2020**



**TRINDEL INSURANCE FUND**  
**GRAPHICAL SUMMARY OF CLAIM**  
**AS OF JUNE 30, 2020**



### **III. STATISTICAL SECTION**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
CLAIMS LIABILITIES	38,165,392	36,895,279	28,606,000	25,608,001	21,421,001	19,256,000	16,278,000	15,827,000	14,494,000	12,976,000
ASSETS	62,725,152	54,196,334	44,029,827	40,125,070	34,608,990	30,616,929	29,489,007	27,810,291	25,548,526	24,298,534
Debt Ratio	0.61	0.68	0.65	0.64	0.62	0.63	0.55	0.57	0.57	0.53

Debt ratio shows the ratio of total claims liability to total assets by year. For example, as of 6/30/2018, it would require 65% of total assets to cover total claims liabilities.

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
PREMIUM	23,343,230	21,442,968	19,218,366	17,775,961	16,366,374	15,177,813	12,774,084	12,955,400	12,715,688	13,480,114
NET POSITION	24,668,163	16,993,927	15,532,844	14,480,258	13,100,432	11,134,710	13,087,223	11,870,367	10,852,506	11,079,460
OPERATING LEVERAGE For Major Programs	0.95	1.26	1.24	1.23	1.25	1.36	0.98	1.09	1.17	1.22

The Operating Leverage above shows the ratio of annual premium for the Workers' Compensation and Liability/Property programs to net position by year.

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Total Revenue	24,768,037	22,553,432	19,798,495	18,323,424	15,738,990	13,128,146	13,292,457	13,130,540	13,666,315	16,225,458
Total Expense	14,372,862	21,092,349	18,445,909	16,131,488	16,520,211	10,714,373	11,246,245	10,933,354	10,248,140	13,922,951
Interperiod Equity	1.72	1.07	1.07	1.14	0.95	1.23	1.18	1.20	1.33	1.17

The Interperiod Equity above shows the ratio of total revenue to total expense by year.

	Employees		Payroll		Population		*Based on US Census data estimated as of 7/1/2019	
Alpine	93	5,946,025	Alpine	1,129				
Colusa	385	24,569,206	Colusa	21,547				
Del Norte	498	24,301,910	Del Norte	27,812				
Lassen	431	24,491,255	Lassen	30,573				
Modoc	383	12,290,956	Modoc	8,841				
Mono	318	22,791,665	Mono	14,444				
Plumas	399	24,049,320	Plumas	18,807				
San Benito	459	35,292,374	San Benito	62,808				
Sierra	123	8,275,947	Sierra	3,005				
Sutter	914	66,958,774	Sutter	96,971				
Trinity	309	17,495,489	Trinity	12,285				
Total	4,312	266,462,921	Total	298,222				

TRINDEL INSURANCE FUND  
HISTORY OF FUNDS RETURNED TO MEMBERS  
FOR THE 8-YEAR PERIOD ENDING JUNE 30, 2018

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Workers' Compensation										
Alpine	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	50,000
Colusa	-	-	-	-	-	-	-	-	21,549	32,002
Del Norte	-	-	-	-	-	-	300,000	367,857	-	-
Lassen	35,511	-	-	-	-	-	139,700	-	1,201,005	-
Modoc	-	-	-	-	-	-	-	-	33,713	-
Mono	-	-	-	-	-	350,000	-	-	255,446	-
Plumas	-	-	-	-	-	-	-	-	-	-
San Benito	-	-	-	-	-	-	-	246,524	-	45,000
Sierra	-	-	-	-	-	-	-	-	-	69,714
Sutter	-	-	-	500,000	-	-	-	-	-	-
Trinity	500,000	-	-	-	-	40,000	-	-	-	453,320
Liability										
Alpine	-	-	-	-	-	-	-	-	-	200,000
Colusa	-	-	-	-	-	748,292	116,380	272,379	215,368	60,365
Del Norte	1,270,000	-	-	-	-	-	-	-	-	3,363
Lassen	883,851	-	300,000	141,506	260,723	200,000	331,965	-	-	-
Modoc	-	-	-	-	103,900	228,000	308,872	-	22,108	-
Mono	-	-	-	-	-	350,000	-	-	489,951	-
Plumas	-	-	-	-	-	-	-	-	-	-
San Benito	31,577	-	-	-	390,814	-	-	83,951	80,000	-
Sierra	-	-	-	170,604	-	-	-	-	105,000	46,633
Sutter	-	-	-	-	-	-	-	-	-	-
Trinity	-	-	-	-	142,000	-	-	-	-	116,680
TOTAL	\$ 2,720,939	\$ -	\$ 300,000	\$ 812,110	\$ 897,437	\$ 1,916,292	\$ 1,196,917	\$ 970,711	\$ 2,424,140	\$ 1,077,077

TRINDEL INSURANCE FUND  
**BOARD OF DIRECTORS**  
**AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

**TRINDEL BOARD MEETING**

January 2021

**GENERAL BUSINESS**

AGENDA ITEM VI.f.

**SUBJECT:** Future Meetings

**ACTION FOR CONSIDERATION:** Choose a date for the upcoming May 2021 meeting in Plumas County and choose the County for the next September 2021 meeting.

**BACKGROUND:** Below is a list of the previous meetings

Jan 2020 ~ San Benito County

Sept 2019~Del Norte County

May 2019~Alpine County

Jan 2019~Trinity County

Oct 2018~Napa County~due to CSAC meetings

May 2018~Lassen County

Jan 2018~Sutter County

Sept 2017~Modoc County

May 2017~Mono County

Jan 2017~San Benito County

Sept 2016~Web Ex

May 2016~Plumas County

Jan 2016~Del Norte County

**FISCAL IMPACT:** N/A

**RECOMMENDATION:** Choose dates and locations of upcoming meetings.

**TRINDEL INSURANCE FUND  
BOARD OF DIRECTORS  
AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

**CLOSED SESSION**

**VII**

a. Conference with Labor Negotiators

GC Section 54957.6

**TRINDEL INSURANCE FUND  
BOARD OF DIRECTORS  
AGENDA**

Alpine~Colusa~Del Norte~Lassen~Modoc~Mono~Plumas~San Benito~Sierra~Sutter~Trinity

A Joint Powers Authority Established in 1980

[www.trindel.org](http://www.trindel.org)

## **ADJOURNMENT**

### **VIII**

Adjourn meeting:

Date:

Time: