



414 W. Napa St. • P.O. Box 885 • Sonoma, CA 95476 • 707.938.2388 • Fax 707.938.0374
Members: Arcata Cloverdale Cotati Eureka Fort Bragg Fortuna Healdsburg Lakeport
Robnett Park St. Helena Sebastopol Sonoma Ukiah Willits Windsor

AGENDA
REMIF BOARD OF DIRECTORS' MEETING
Thursday, April 25, 2019 – 10:30 a.m.
Ukiah Valley Conference Center – Phone: 707-463-6701
200 South School Street, Ukiah, CA 95482

CALL TO ORDER
ROLL CALL

PUBLIC COMMENT

TIME RESERVED FOR THE PUBLIC TO OFFER COMMENTS REGARDING CONSENT CALENDAR OR BOARD BUSINESS NOT LISTED ON THE AGENDA. THE PUBLIC COMMENT PERIOD IS LIMITED TO FIVE MINUTES PER SPEAKER UNLESS ADDITIONAL TIME HAS BEEN ALLOWED BY THE CHAIRPERSON. STATE LAW PROHIBITS ACTION BY THE BOARD ON NON-AGENDA ITEMS.

COMMUNICATIONS - None
PRESENTATIONS – None

CONSENT CALENDAR (I) *Information Item* (A) *Action Item*

1. Approval of Minutes of the REMIF Board Meeting on March 28, 2019 (A)
2. Copies of the Minutes from the REMIF Self-Insured Health Committee Meetings on Jan 10th & Feb 7, 2019 (I)
3. Approval of REMIF check register (A)
4. Approval of REMIF Treasurer's report (A)
5. Report out of closed session (I)
6. General Manager's Activities (I)

ACTION (A) AND INFORMATION (I) CALENDAR

7. Self-Insured Health Plan (A)
8. New REMIF Board Policy: Target Equity (A)
9. Preliminary Estimated Contributions (Premiums) FY 19-20 (I), Acceptance of Actuarial Report & Methodology of Funding Model (A)
10. Preliminary Draft Budget FY 19-20 (I)
11. Liability/Excess Liability Audit Report (I)
12. Strategic Partnership with PARSAC (A)
13. Reminder: Nominations Needed for Exec. Committee (I)
14. Changes to existing REMIF Board Policy: Defense Attorney Panel (A)
15. Future Board Meeting Dates/Location (A)

PUBLIC COMMENT

TIME RESERVED FOR THE PUBLIC TO OFFER COMMENTS REGARDING CLOSED SESSION ITEMS. THE PUBLIC COMMENT PERIOD IS LIMITED TO FIVE MINUTES PER SPEAKER UNLESS ADDITIONAL TIME HAS BEEN ALLOWED BY THE CHAIRPERSON. STATE LAW PROHIBITS ACTION BY THE BOARD ON NON-AGENDA ITEMS.

Per Government Code section 54954.2, persons requesting disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, are requested to contact REMIF at (707) 938-2388 ext 100, 24 hours in advance of this meeting.

ADJOURN INTO CLOSED SESSION

Government Code Section 54956.95 – Conference regarding a claim for the payment of tort liability losses, public liability losses, or workers’ compensation liability incurred by the joint powers’ agency or a local agency member of the joint powers’ agency.

Claimant: Wroth

Agency claimed against: City of Rohnert Park

Government Code Section 54956.9 - Conference regarding pending litigation

Government Code Section 54957(b) – Conference with REMIF General Manager, Amy Northam and REMIF Board of Directors - Evaluation of Performance of General Manager

REPORT OUT OF CLOSED SESSION

ADJOURNMENT OF REGULAR MEETING

I, Anna Santos, Administrative Assistant for REMIF, certify that this agenda has been posted at the REMIF office at 414 W. Napa Street, Sonoma, CA 95476, according to the California Government Code.

/s/ Anna Santos

Anna Santos, Administrative Assistant

All meetings listed below are tentatively scheduled and subject to change; please review the REMIF website for possible changes to Board meetings.

Future REMIF Board Meeting Date:

June 20, 2019 10:30 a.m. Ukiah

Per Government Code section 54954.2, persons requesting disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, are requested to contact REMIF at (707) 938-2388 ext 100, 24 hours in advance of this meeting.



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Members: Arcata Cloverdale Cotati Eureka Fort Bragg Fortuna Healdsburg Lakeport
Rohnert Park St. Helena Sebastopol Sonoma Ukiah Willits Windsor

ITEM 1

MINUTES REMIF BOARD OF DIRECTORS' SPECIAL TELEPHONIC MEETING

March 28, 2019 – 10:30 a.m.

414 W. Napa Street, Sonoma, CA 95476

CALL TO ORDER

President McLaughlin called the meeting to order at 10:33 a.m.

ROLL CALL

PRESENT

1. Danette Demello, *Arcata*
2. Susie Holmes, *Cloverdale*
3. John Moore, *Cotati*
4. Pam Powell, *Eureka*
5. Tabatha Miller, *Fort Bragg*
6. Heather Ippoliti, *Healdsburg*
7. Kelly Buendia, *Lakeport*
8. Darrin Jenkins, *Rohnert Park*
9. Larry McLaughlin, *Sebastopol*
10. Cathy Lanning, *Sonoma*
11. Kathy Robinson, *St. Helena*
12. Sheri Mannion, *Ukiah*
13. Karen Stevenson, *Willits*

ABSENT – Siana Emmons, *Fortuna*; James Leon, *Windsor*

OTHERS PRESENT

14. Anna Santos, *REMIF*
15. Amy Northam, *REMIF*
16. Royann Franchini, *RealCare*
17. Pat O'Brien, *RealCare*
18. Ritesh Sharma, *York*
19. Geoff Seibel, *NFP*
20. Jule' Taylor, *Windsor*
21. Mary Gourley, *Sebastopol*
22. Victoria Perrault, *Rohnert Park*
23. Will Folgers, *Eureka*
24. Kristi Siino, *Arcata*
25. Gene Elliott, *BFEOW*

PUBLIC COMMENT

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COMMUNICATIONS - **None**
PRESENTATIONS - **None**

CONSENT CALENDAR (I) Information Item (A) Action Item

1. Approval of Minutes of the REMIF Board Meeting on January 24th and 25th, 2019 (A)
2. City of Fortuna's Board Representation Change (A)
3. REMIF Treasurer's Report (A)

- A motion was made by Director Jenkins, seconded by Director Moore to approve Consent Calendar items. The motion carried by the following voice vote:
- Aye: Directors: Demello, Holmes, Moore, Powell, Miller, Ippoliti, Jenkins, McLaughlin, Robinson, and Mannion; and Alternate Directors: Buendia, Lanning, and Stevenson.
- No: None
- Absent: Alternate Directors Emmons and Leon

STAFF REPORTS (I) Information Item (A) Action Item

4. Self-Insured Health Plan (I) and (A)

GM Northam reviewed the following Informational Items:

- a. MHN update – EAP services are transitioning back to Aetna as the provider effective April 1, 2019 due to members having issues with MHN services.
- b. Anthem/Sutter negotiation – both parties have agreed to a 3-year agreement thru 12/31/22. This ensures that Sutter hospitals and physicians remain accessible to REMIF members thru the Anthem PPO network.
- c. Dependent Eligibility audit – the Health Care committee receives updates on the audit and reminders were sent on Monday, March 25th to those who still needed to reply or submit data.
- d. Transamerica/ESI Open Enrollment is the current over-65 Medicare supplement plan. The prior provider, Hartford, never allowed open enrollment unless the member moved out of the service area. The current provider, Transamerica/ESI, allows eligible members to change at open enrollment. At this time there was no interest by the Health Care Committee to change the criteria.
- e. Clarification on Domestic Partner Coverage – due to a discrepancy in the language, the REMIF plan will update the language to “only legally registered domestic partners, as defined in Family Code 297”; this doesn't expand coverage. The employee/subscriber must verify status of domestic partnership filed with the Secretary of State pursuant to Section 298 of the Family Code.
- f. REMIF EPO 250 plan - The Health Care committee explored the option of moving the retirees from the “Blue Card” (retirees out of state were under the blue card plan) and move them to the REMIF EPO 250 plan. There was no interest by the committee to do so at this time.
- g. Income and Expense report ending in 2/28/19 was provided.
- h. Medical Renewal Rates for self-funded medical plan were discussed. The Actuary used data as of 01/31/19 with the retiree surcharge. Initial indications are that increases to the contributions will be less than 5% on active employees and less than 6% on retirees. The final numbers will be presented at the April 25th Board meeting.

Director Jenkins asked for more information on items D and F above and Pat O'Brien gave a brief review of each item and explained why the committee recommended no changes at this time.

Items that required ratification by the Board:

- a. **Coordination of benefits in the Envision Rx Plan** – Envision Rx administers the prescription medications under the REMIF plan. Historically, there has not been coordination of benefits with the Envision Rx for employees who have double coverage. If we coordinate benefits for the prescriptions, the plan that is primary for purposes of coverage; will also be primary for purposes of prescription. This proposed change does not cost the plan extra money but this may save the plan money.
- A motion was made by Director Jenkins, seconded by Director Moore to coordinate benefits on the Envision Rx plan and direct the GM to enter into any agreements necessary to complete such. This change would be effective at the 7/1/19 renewal. The motion carried by the following voice vote:
 - Aye: Directors: Demello, Holmes, Moore, Powell, Miller, Ippoliti, Jenkins, McLaughlin, Robinson, and Mannion; and Alternate Directors: Buendia, Lanning, and Stevenson.
 - No: None
 - Absent: Director Emmons and Alternate Director Leon

b. RFP for Third Party Administration (TPA) of medical claims

Recently, REMIF went out to bid for TPA services, and Health Comp (current provider) was included. A sub-committee reviewed 4 out of the 12 responsive RFPs and it was unanimously agreed that the current provider, HealthComp should be recommended for TPA services of medical claims.

- A motion was made by Director Demello, seconded by Director Powell to renew/continue the contract with Health Comp as the third-party administrator of medical claims and direct the GM to enter into a 3-year agreement necessary to complete such. This will be effective at the 7/1/19 renewal. The motion carried by the following voice vote:
- Aye: Directors: Demello, Holmes, Moore, Powell, Miller, Ippoliti, Jenkins, McLaughlin, Robinson, and Mannion; and Alternate Directors: Buendia, Lanning, and Stevenson.
- No: None
- Absent: Director Emmons and Alternate Director Leon

c. Voya/Reliastar Renewal (Stop Loss)

For each covered member, the REMIF health plan pays claims up to a \$175,000 individual stop-loss deductible. Any claims over \$175K in the plan year are covered by Voya/ReliaStar.

Voya proposed 2 preliminary renewal options for REMIF:

A: renew policy “as is” with a \$175K individual deductible (125% aggregate corridor) or

B: renew with a \$200K deductible (125% aggregate corridor).

Aggregate corridor is what defines the carrier’s maximum payable benefits for all claims for the year.

If the Board chooses option A for renewal, then the cost would have an increase of 28.69% (or \$172.79 per employee per month for individual stop loss and \$2.96 aggregate stop loss)

If the Board chooses option B with the higher deductible than the cost would increase by 11.93%.

The actuary evaluated the stop loss renewals and stated that the Plan could adopt either options but cautioned that the higher individual deductible would increase the rate for Aggregate stop loss, and could lead to higher costs for the Plan if more individuals met the deductible next plan year. RealCare advised that we should maintain the current deductible and it was a more conservative approach to the renewal. The Health Care Committee agrees and recommends the plan renew with Voya/Reliastar and keep the same deductible level at \$175,000.

- A motion was made by Director Demello, seconded by Assistant Director Buendia to renew/continue the contract with Voya/Reliastar as the stop-loss provider at the \$175,000 deductible level and direct the GM to enter into any agreement necessary to complete such. This will be effective at the 7/1/19 renewal. The motion carried by the following voice vote:
- Aye: Directors: Demello, Holmes, Moore, Powell, Miller, Ippoliti, Jenkins, McLaughlin, Robinson, and Mannion; and Alternate Directors: Buendia, Lanning, and Stevenson.
- No: None
- Absent: Director Emmons and Alternate Director Leon

d. Vision (VSP) renewals

RealCare/NFP was able to negotiate a rate pass with VSP for the next 3 years, which means no increase in rates for administrative services only. The current administrative fee rate is \$2.27 per employee per month.

At this time it is not recommended to increase RealCare/NFP and REMIF admin fees.

The Actuary is recommending a decrease in funding of claims of 6.02% (13.58 per employee per month).

However, due to the declining reserves for vision claims, the Committee recommends the Board adopt a rate pass for FY 19/20 and renew at current rate of \$18.20 per employee per month.

- A motion was made by Director Moore, seconded by Director Holmes to continue the administrative services agreement with VSP thru 6/30/22 with no increases to either the admin fees or claims funding and direct the GM to enter into any agreements as necessary to complete such. This will be effective at the 7/1/19 renewal. The motion carried by the following voice vote:
- Aye: Directors: Demello, Holmes, Moore, Powell, Miller, Ippoliti, McLaughlin, Robinson, and Mannion; and Alternate Directors: Buendia, Lanning, and Stevenson.
- Abstained: Director Jenkins (Rohnert Park is not part of REMIF Vision Plan)
- No: None
- Absent: Director Emmons and Alternate Director Leon

e. **Dental renewals**

At the April 2017 Board Meeting, the Delta Dental contract was renewed for 3 years (7/1/17-6/30/20). The Actuary is recommending an increase in the funding of claims of 9.31% to \$89.71 per employee per month. There is no renewal needed for the administration fees at this time.

The total renewal cost per employee per month is \$102.24 (includes claims cost and admin fees as outlined: \$89.71 + \$1.00+\$1.00 (RealCare/REMIF admin fees) + \$10.53 (Delta Dental admin fee) = \$102.24.

Recommended monthly premiums for FY 19/20 would be:

Employee only: \$56.84

Employee +1: \$96.20

Employee + Family: \$143.20

- A motion was made by Director Demello, seconded by Director Moore to continue the administrative services agreement with Delta Dental, with no increases to the admin fees and to increase the claims fee to \$89.71 per employee per month with a total contribution of \$102.24 per employee per month and to direct the GM to enter into any agreements as necessary to complete such. This will be effective at the 7/1/19 renewal. The motion carried by the following voice vote:
- Aye: Directors: Demello, Holmes, Moore, Powell, Miller, Ippoliti, McLaughlin, Robinson, and Mannion; and Alternate Directors: Buendia, Lanning, and Stevenson.
- Abstained: Director Jenkins (Rohnert Park is not part of REMIF Dental Plan)
- No: None
- Absent: Director Emmons and Alternate Director Leon

f. **Lincoln Financial renewal (life and disability benefits)**

RealCare/NFP sent request for quotes to 16 different carriers, including Lincoln Financial. Of those, 15 declined to quote and one was uncompetitive.

NFP was able to negotiate a 3-year rate pass and 3-year price guarantee for all members, except one (which will have a price increase due to the high number of retirees covered on the plan). This Expense is not “pooled” but rather paid individually by each REMIF member.

- A motion was made by Director Moore, seconded by Director Robinson to continue our life and disability policies with Lincoln Financial through 6/30/22 and direct the GM to enter into any agreements as necessary to complete such. This will be effective at the 7/1/19 renewal. The motion carried by the following voice vote:
- Aye: Directors: Demello, Holmes, Moore, Powell, Miller, Ippoliti, Jenkins, McLaughlin, Robinson, and Mannion; and Alternate Directors: Buendia, Lanning, and Stevenson.
- No: None
- Absent: Director Emmons and Alternate Director Leon

PUBLIC COMMENT

TIME RESERVED FOR THE PUBLIC TO OFFER COMMENTS REGARDING CLOSED SESSION ITEMS THE PUBLIC COMMENT PERIOD IS LIMITED TO FIVE MINUTES PER SPEAKER UNLESS ADDITIONAL TIME HAS BEEN ALLOWED BY THE CHAIRPERSON. STATE LAW PROHIBITS ACTION BY THE BOARD ON NON-AGENDA ITEMS. **None**

ADJOURN INTO CLOSED SESSION

Government Code Section 54956.95 – Conference regarding a claim for the payment of tort liability losses, public liability losses, or workers’ compensation liability incurred by the joint powers’ agency or a local agency member of the joint powers’ agency.

Claimant: J. Brown

Agency claimed against: City of Willits

REPORT OUT OF CLOSED SESSION

Board went into Closed Session at 11:23 a.m.

Board returned from Closed Session at 11:28 a.m.

Manager (GM) Northam reported that Staff will follow the direction of the Board.

ADJOURNMENT

The Board meeting adjourned at: 11:30 a.m.

Respectfully Submitted by:

/s/ Anna Santos

Anna Santos, REMIF Administrative Assistant

REMIF Self-Insurance Committee Minutes

Date: January 10, 2019

Time: 2:00 p.m.

Telephonic Committee Meeting

Dial In: (646) 664-4400/ Conference ID: 17171#

AGENDA

I. ROLL CALL – Call to Order 2:05 p.m.

A. Present:

- i. Amy Northam (REMIF)
- ii. James Leon (Town of Windsor)
- iii. Kelly Buendia (City of Lakeport)
- iv. Sheri Mannion (City of Ukiah)
- v. Stephanie Garrabrant-Sierra (City of Willits)

B. Also in attendance:

- i. Pat O'Brien (RealCare Insurance Marketing)
- ii. Royann Franchini (RealCare Insurance Marketing)

C. Absent:

- i. Danette DeMello (City of Arcata)

II. APPROVAL OF MINUTES

- A. Meeting of December 17, 2018: Lakeport motioned to approve the minutes; Willits seconded and the motion passed unanimously.

III. ITEMS FOR DISCUSSION

A. **MHN – Informational Only**

- a.* Amy updated conversation with Phillip Emmert @ MHN. MHN was a local company that was recently bought out by Centene. Customer service plummeted. Centene refocusing on EAP side of business because of problems with service/providers. Problems won't be fixed anytime soon.
- b.* Need to give MHN a 60 day notice of termination.
- c.* List of providers from Aetna. The list includes lots of duplicates. When you drill down, the list becomes much smaller. The list is not much different from when we were previously with Aetna.
- d.* MHN cost is \$2.51 PEPM; Aetna is \$2.84 PEPM
- e.* Recommendation is still to return to Aetna

B. **Policies and Procedures Document – Informational Only**

- a.* We need to look at our Policies and Procedures in general. Jeff Chang was hired to look at our Policies and Procedures.
- b.* Amy/Pat/Royann to go through spreadsheet and prioritize and then present to Committee.
- c.* Stephanie would like to see the most current document and spreadsheet.

C. City of Sebastopol – Action Item - Request to join REMIF Dental/Vision

- a.** Sebastopol’s goal is to negotiate moving their dental and visions plans to the REMIF plans.
- b.** In 2011, the Board approved the move but Sebastopol was not successful in negotiating a change.
- c.** The make-up of the Board has changed since 2011. Amy would like the current Board to approve.
- d.** Willits motioned to allow Sebastopol to join the REMIF plans if the negotiations are successful; Town of Windsor seconded and motion passed unanimously.

D. RFP for TPA – Update Information Only – No attachment

- a.** We have received 3 RFPs so far. Deadline is January 11, 2019
- b.** The review process is next for anyone wanting to evaluate the RFPs
- c.** Amy to invite members to participate
- d.** We need to be able to make a recommendation to the Board at the special March meeting

Next Meeting: February 7, 2019; 2:00 p.m.

Meeting adjourned: 2:47 p.m.

Health Insurance Committee Members:

Danette DeMello – City of Arcata – 736 F Street, Arcata, CA 95521; 707-825-2120; ddemelloi@cityofarcata.org

James Leon – Town of Windsor – 9291 Old Redwood Highway, Windsor, CA 95492; 707-838-5379; jleon@townofwindsor.com

Kelly Buendia – City of Lakeport – 255 Park Street, Lakeport, CA 95453; 707-263-5613 x30; kbuendia@cityoflakeport.com

Sheri Mannion—City of Ukiah –300 Seminary Drive, Ukiah, CA 95482; 707-463-6244; smannion@cityofukiah.com

Stephanie Garrabrant-Sierra – City of Willits—111 E. Commercial, Willits, CA 95490; 707-459-4601; -sgsierra@cityofwillits.org



REMIF Self-Insurance Committee Minutes

Date: February 7, 2019

Time: 2:00 p.m.

Telephonic Committee Meeting

Dial In: (646) 664-4400/ Conference ID: 17171#

AGENDA

- I. ROLL CALL – Call to order 2:07 p.m.
 - A. Present:
 - i. Amy Northam, REMIF
 - ii. James Leon, Town of Windsor
 - iii. Sheri Mannion, City of Ukiah
 - B. Also in attendance:
 - i. Pat O'Brien, RealCare Insurance Marketing
 - ii. Royann Franchini, RealCare Insurance Marketing
 - C. Absent:
 - i. Danette DeMello, City of Arcata
 - ii. Kelly Buendia, City of Lakeport
 - iii. Stephanie Garrabrant-Sierra, City of Willits
- II. REVIEW OF MINUTES
 - A. Meeting of January 10, 2019. No quorum, move to next meeting.
- III. ITEMS FOR DISCUSSION
 - A. **MHN update – Update on transitioning back to Aetna – Informational only – No attachment**
 - a. Sent termination letter to MHN for 4-1-19 termination date
 - b. Waiting to get contract from Aetna. Once received, we will go out with an email blast to the cities
 - B. **RFP for TPA – Update Information Only – No attachment**
 - a. Sent an RFP for the third party administrator of the medical plan
 - b. 4 responses received
 - c. Had a committee review the RFPs
 - i. Amy Northam, REMIF
 - ii. Danette DeMello, City of Arcata
 - iii. Victoria Perrault, City of Rohnert Park
 - iv. Pat O'Brien and Royann Franchini, RealCare Insurance Marketing
 - d. The review committee agreed that HealthComp had the best RFP
 - e. Recommending to the Board that HealthComp be continued

- C. **Expansion of Domestic Partner coverage – Discussion**
 - a. Pulled from agenda for this meeting
- D. **VSP Renewal – Informational**
 - a. Rate pass on ASO fees. 3 year rate guarantee. Next renewal will be 7-1-21.
 - b. Standard Progressives will be covered in full
- E. **Anthem/Sutter negotiations – Information only – No attachment**
 - a. Anthem and Sutter continue negotiations
 - b. Blue Shield has expressed a desire to replace the Anthem network.
 - i. RealCare will continue to monitor the situation

Next Meeting: Thursday, February 28, 2019; 2:00 p.m.

Meeting adjourned: 2:26 p.m.

Health Insurance Committee Members:

Danette DeMello – City of Arcata – 736 F Street, Arcata, CA 95521; 707-825-2120; ddemelloi@cityofarcata.org

James Leon – Town of Windsor – 9291 Old Redwood Highway, Windsor, CA 95492; 707-838-5379; jleon@townofwindsor.com

Kelly Buendia – City of Lakeport – 255 Park Street, Lakeport, CA 95453; 707-263-5613 x30; kbuendia@cityoflakeport.com

Sheri Mannion – City of Ukiah – 300 Seminary Drive, Ukiah, CA 95482; 707-463-6244; smannion@cityofukiah.com

Stephanie Garrabrant-Sierra – City of Willits – 111 E. Commercial, Willits, CA 95490; 707-459-4601; -sgsierra@cityofwillits.org

Redwood Empire Municipal Insurance Fund

Check Register

From: January 1, 2019 to March 31, 2019

Date	Vendor	Document No	Amount
0157 - Bank of America			
1/2/2019	VEN-187--CalPERS	EFT	\$ 15,147.20
1/3/2019	VEN-181--Health Comp-Admin Fee	Jan-19	154,994.89
1/4/2019	VEN-109--Delta Dental of California	EFT	21,824.97
1/9/2019	VEN-109--Delta Dental of California	EFT	4,488.85
1/11/2019	VEN-118--Comcast	17111	298.63
1/11/2019	VEN-169--Adrian Martinez AIA	17103	1,029.14
1/11/2019	VEN-183--City of Healdsburg	17109	1,605.82
1/11/2019	VEN-112--Office Information Systems	17116	200.00
1/11/2019	VEN-138--Acceptable Risk	17102	1,177.20
1/11/2019	VEN-115--Bickmore	17107	7,500.00
1/11/2019	VEN-107--Athens Insurance Services, Inc.	17106	49,050.00
1/11/2019	VEN-186--Alice Rye	17104	1,388.54
1/11/2019	VEN-185--Merritt Perry	17114	1,463.53
1/11/2019	VEN-182--Siana Emmons	17117	1,924.66
1/11/2019	VEN-110--NFP-National Account Services	17115	461.08
1/11/2019	VEN-184--City of Cloverdale	17108	1,274.36
1/11/2019	VEN-142--AT&T Mobility	17105	52.67
1/11/2019	VEN-109--Delta Dental of California	17112	13,201.85
1/11/2019	VEN-113--Managed Health Network	17113	3,934.68
1/11/2019	VEN-120--City of Rohnert Park	17110	1,732.34
1/11/2019	VEN-101--The Office Spot	17118	35.79
1/16/2019	VEN-109--Delta Dental of California	EFT	14,570.42
1/17/2019	VEN-146--George Hills	17120	12,083.34
1/17/2019	VEN-128--Business Card	17119	2,192.73
1/23/2019	VEN-109--Delta Dental of California	EFT	21,657.85
1/23/2019	VEN-184--City of Cloverdale	Voided - 17121	-1,461.27
1/23/2019	VEN-151--Amy Northam	17129	747.50
1/23/2019	VEN-127--DKF Solutions Group, LLC	17124	4,900.00
1/23/2019	VEN-121--Sonoma Garbage Collectors, Inc	17127	201.64
1/23/2019	VEN-120--City of Rohnert Park	17122	1,703.54
1/23/2019	VEN-101--The Office Spot	17128	148.52
1/23/2019	VEN-189--City of Sonoma	17123	1,556.99
1/23/2019	VEN-184--City of Cloverdale	17121	1,461.27
1/23/2019	VEN-171--Shapiro, Galvin, Shaprio & Moran	17126	337.50
1/23/2019	VEN-157--MAZE & Associates	17125	3,500.00
1/29/2019	VEN-191--AirMedCare	17130	44,421.00
1/29/2019	VEN-192--MSDSonline	17149	23,933.00
1/29/2019	VEN-120--City of Rohnert Park	17132	35,194.91
1/29/2019	VEN-188--Cathy Lanning	17131	254.43
1/29/2019	VEN-190--Wilson Locksmith and Security Center	17134	75.00
1/29/2019	VEN-117--Vision Service Plan	17133	12,319.04
1/30/2019	VEN-109--Delta Dental of California	EFT	17,424.50
1/30/2019	VEN-109--Delta Dental of California	EFT-Voided	-17,242.50
1/30/2019	VEN-109--Delta Dental of California	EFT	17,242.50
1/31/2019	VEN-126--AmWINS	17135	7,505.50
1/31/2019	VEN-136--Boden Plumbing Heating and Air Inc	17140	99.00
1/31/2019	VEN-109--Delta Dental of California	17147	13,167.26
1/31/2019	VEN-145--Network Office Systems	17150	5.49
1/31/2019	VEN-143--BMI Audit Services	17139	8,000.00
1/31/2019	VEN-107--Athens Insurance Services, Inc.	17138	49,050.00
1/31/2019	VEN-124--Comcast Business	17144	328.12
1/31/2019	VEN-112--Office Information Systems	17151	1,414.32
1/31/2019	VEN-103--City of Sonoma-Water	17143	39.44

Date	Vendor	Document No	Amount
1/31/2019	VEN-117--Vision Service Plan	17154	2,613.24
1/31/2019	VEN-166--Copy Store & More LLC	17146	66.26
1/31/2019	VEN-123--WM Cleaning of Sonoma	17156	225.00
1/31/2019	VEN-183--City of Healdsburg	17142	1,610.73
1/31/2019	VEN-153--Pacific Gas & Electric	17152	328.66
1/31/2019	VEN-119--AT&T	17136	19.95
1/31/2019	VEN-184--City of Cloverdale	17141	1,374.27
1/31/2019	VEN-137--AT&T Teleconference Services	17137	111.22
1/31/2019	VEN-131--Vista Landscape	17155	330.00
1/31/2019	VEN-106--Comprehensive Drug Testing, Inc	17145	196.00
1/31/2019	VEN-167--Liebert Cassidy Whitmore	17148	44,845.00
1/31/2019	VEN-154--Pitney Bowes Global	17153	22.84
2/4/2019	VEN-181--Health Comp-Admin Fee	EFT	152,222.26
2/4/2019	VEN-187--CalPERS	EFT	15,147.20
2/6/2019	VEN-109--Delta Dental of California	EFT	20,156.30
2/13/2019	VEN-109--Delta Dental of California	EFT	13,907.85
2/13/2019	VEN-127--DKF Solutions Group, LLC	17165	4,900.00
2/13/2019	VEN-115--Bickmore	17158	7,500.00
2/13/2019	VEN-118--Comcast	17164	298.57
2/13/2019	VEN-121--Sonoma Garbage Collectors, Inc	17176	201.64
2/13/2019	VEN-177--City of Eureka	17160	3,074.34
2/13/2019	VEN-193--Karen Stevenson	17168	14.90
2/13/2019	VEN-123--WM Cleaning of Sonoma	17177	225.00
2/13/2019	VEN-194--MacLeod Watts Inc	17169	6,600.00
2/13/2019	VEN-113--Managed Health Network	17170	3,956.76
2/13/2019	VEN-148--Downey's Mini Storage	17166	850.00
2/13/2019	VEN-162--Sheri Mannion	17175	325.74
2/13/2019	VEN-161--City of Ukiah	17162	1,605.94
2/13/2019	VEN-112--Office Information Systems	17174	601.96
2/13/2019	VEN-180--Juli Mortensen	17167	1,382.85
2/13/2019	VEN-179--City of Ft. Bragg	17161	550.00
2/13/2019	VEN-170--Carmela Beckman-Spector	17159	35.03
2/13/2019	VEN-134--Anna Santos	17157	92.97
2/13/2019	VEN-158--City of Willits	17163	2,500.69
2/13/2019	VEN-110--NFP-National Account Services	17173	459.83
2/13/2019	VEN-141--Murphy, Campbell, Alliston & Quinn	17171	427.50
2/13/2019	VEN-145--Network Office Systems	17172	131.18
2/20/2019	VEN-109--Delta Dental of California	EFT	17,527.40
2/22/2019	VEN-120--City of Rohnert Park	17185	35,902.06
2/22/2019	VEN-103--City of Sonoma-Water	17186	39.44
2/22/2019	VEN-106--Comprehensive Drug Testing, Inc	17187	2,257.00
2/22/2019	VEN-153--Pacific Gas & Electric	17190	444.23
2/22/2019	VEN-138--Acceptable Risk	17178	2,371.98
2/22/2019	VEN-119--AT&T	17181	19.95
2/22/2019	VEN-117--Vision Service Plan	17193	15,516.16
2/22/2019	VEN-108--Alhambra	17180	100.86
2/22/2019	VEN-171--Shapiro, Galvin, Shaprio & Moran	17191	1,057.50
2/22/2019	VEN-169--Adrian Martinez AIA	17179	5,077.11
2/22/2019	VEN-146--George Hills	17188	12,083.34
2/22/2019	VEN-137--AT&T Teleconference Services	17183	89.71
2/22/2019	VEN-131--Vista Landscape	17194	330.00
2/22/2019	VEN-157--MAZE & Associates	17189	4,515.00
2/22/2019	VEN-128--Business Card	17184	943.77
2/22/2019	VEN-142--AT&T Mobility	17182	52.44
2/22/2019	VEN-102--Shred-It USA	17192	356.96
2/27/2019	VEN-109--Delta Dental of California	EFT	19,815.25
2/28/2019	VEN-134--Anna Santos	17195	1,456.64

Date	Vendor	Document No	Amount
2/28/2019	VEN-124--Comcast Business	17196	330.81
2/28/2019	VEN-174--Samuel Spector	17198	93.75
2/28/2019	VEN-109--Delta Dental of California	17197	13,190.32
2/28/2019	VEN-102--Shred-It USA	17199	50.18
3/4/2019	VEN-187--CalPERS	EFT	15,147.20
3/6/2019	VEN-109--Delta Dental of California	EFT	13,662.35
3/8/2019	VEN-181--Health Comp-Admin Fee	EFT	145,277.95
3/8/2019	VEN-115--Bickmore	17203	7,500.00
3/8/2019	VEN-118--Comcast	17206	298.57
3/8/2019	VEN-121--Sonoma Garbage Collectors, Inc	17216	201.64
3/8/2019	VEN-131--Vista Landscape	17220	330.00
3/8/2019	VEN-169--Adrian Martinez AIA	17200	6,186.22
3/8/2019	VEN-123--WM Cleaning of Sonoma	17221	225.00
3/8/2019	VEN-126--AmWINS	17201	6,739.98
3/8/2019	VEN-107--Athens Insurance Services, Inc.	17202	49,050.00
3/8/2019	VEN-110--NFP-National Account Services	17213	459.83
3/8/2019	VEN-141--Murphy, Campbell, Alliston & Quinn	17211	2,947.50
3/8/2019	VEN-113--Managed Health Network	17209	3,973.33
3/8/2019	VEN-101--The Office Spot	17217	138.22
3/8/2019	VEN-197--Town of Windsor	17219	1,612.36
3/8/2019	VEN-196--Khristine McCaffrey	17208	198.38
3/8/2019	VEN-195--Tina Lindenberg	17218	1,179.14
3/8/2019	VEN-183--City of Healdsburg	17204	350.00
3/8/2019	VEN-175--Erica Ramirez	17207	144.32
3/8/2019	VEN-162--Sheri Mannion	17214	1,771.75
3/8/2019	VEN-161--City of Ukiah	17205	1,924.76
3/8/2019	VEN-145--Network Office Systems	17212	157.99
3/8/2019	VEN-185--Merritt Perry	17210	110.78
3/8/2019	VEN-182--Siana Emmons	17215	110.78
3/20/2019	VEN-109--Delta Dental of California	EFT	25,764.25
3/27/2019	VEN-109--Delta Dental of California	EFT	16,602.40
3/28/2019	VEN-109--Delta Dental of California	17243	13,224.91
3/28/2019	VEN-199--Robert J Marshburn	17244	4,500.00
3/28/2019	VEN-128--Business Card	17242	12,868.06
3/28/2019	VEN-110--NFP-National Account Services	17235	459.83
3/28/2019	VEN-153--Pacific Gas & Electric	17237	456.33
3/28/2019	VEN-142--AT&T Mobility	17226	53.21
3/28/2019	VEN-126--AmWINS	17224	6,739.98
3/28/2019	VEN-119--AT&T	17225	19.95
3/28/2019	VEN-106--Comprehensive Drug Testing, Inc	17231	780.00
3/28/2019	VEN-124--Comcast Business	17230	328.12
3/28/2019	VEN-198--Keegan & Coppin Company, INC.	17233	7,549.59
3/28/2019	VEN-145--Network Office Systems	17234	113.10
3/28/2019	VEN-103--City of Sonoma-Water	17229	39.46
3/28/2019	VEN-101--The Office Spot	17240	39.24
3/28/2019	VEN-108--Alhambra	17223	57.83
3/28/2019	VEN-138--Acceptable Risk	17222	448.08
3/28/2019	VEN-120--City of Rohnert Park	17228	47,444.66
3/28/2019	VEN-146--George Hills	17232	12,083.26
3/28/2019	VEN-137--AT&T Teleconference Services	17227	54.79
3/28/2019	VEN-133--Stanley Convergent Security Solutions,	17239	1,547.34
3/28/2019	VEN-117--Vision Service Plan	17241	18,115.78
3/28/2019	VEN-112--Office Information Systems	17236	200.00
3/28/2019	VEN-104--Purchase Power	17238	176.08
Total for 0157			\$ 1,411,515.08

REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
Treasurer's Report
As of December 31, 2018

<u>INSTITUTION</u>	<u>COST VALUE</u>	<u>MARKET VALUE</u>	<u>% of Total</u>	<u>Effective Yield</u>
Local Agency Investment Fund (LAIF)	\$ 411,683	\$ 411,292	1.95%	2.29%
Sonoma County Trust Fund	235,392	235,392	1.12%	1.97%
Chandler Asset Management - REMIF Account	11,815,003	11,758,851	55.88%	2.71%
Chandler Asset Management - OPEB Trust	2,377,932	2,751,417	13.07%	-6.61%
Total Investments	14,840,010	15,156,952		
Total Cash with Banks*	5,886,155	5,886,155	27.97%	
Petty Cash	500	500	0.00%	
TOTAL INVESTMENT & CASH EQUIVALENTS	\$ 20,726,665	\$ 21,043,607	100.00%	

Attached are the Chandler Asset Management, LAIF and Sonoma County Trust Fund statement detailing all investment transactions and balances.

*Cash with Bank is shown based upon reconciled book balance.

This report accurately reflects all cash and investments and is in conformity with California Government Code Section 53646 and REMIF's investment policy. The investment program show herein is sufficient to meet REMIF's expenditure requirement over the next six months.

Respectfully submitted,



Ritesh Sharma
 Finance Director

Accepted,



Heather Ippoliti
 Treasurer

FUND SUMMARY

12/01/18 THROUGH 12/31/18

FUND NUMBER	FUND NAME	BEGINNING BALANCE	TOTAL DEBITS	TOTAL CREDITS	ENDING BALANCE
082195 80070600	Transitional Tax Coll TR	2,186,512.46	29,087.93	.00	2,215,600.39
082200 80070700	Spec Assess Inv Earn TR	16,138.17	.00	.00	16,138.17
082205 80080100	Treasurer Holding Trust	16,918.14	.00	.00	16,918.14
082210 80090100	Agricultural Comm Trust	54,306.73	-1,386.06	.00	52,920.67
082215 80100100	Domestic Violence Trust	25,883.63	-14,247.72	.00	11,635.91
082225 80110100	County Counsel I/B Dep	9,954.45	.00	.00	9,954.45
082230 80110200	ERAF Litigation Trust	.00	.00	.00	.00
082235 80120100	DA Donation Trust	11,461.74	.00	.00	11,461.74
082240 80120200	Victim Assistance Trust	50,100.49	.00	.00	50,100.49
082245 80120300	JP Revolving Fund	52,927.91	-2,000.00	.00	50,927.91
082250 80130100	State Disaster Assistanc	.00	.00	.00	.00
082255 80140100	Public Health Restricted	4,149.21	.00	.00	4,149.21
082260 80140200	Mental Health Restricted	2.31	.00	.00	2.31
082265 80140300	Mental Hlth Crisis Resp	6,086.40	.00	.00	6,086.40
082270 80160100	Welfare Restrictions TR	15,779.89	86.14	.00	15,866.03
082275 80160200	PA/PG/PC Trust	1,890,076.41	.00	.00	1,890,076.41
082285 80270100	NBCLS Equip. Replacemnt	.00	.00	.00	.00
082290 80270200	NBCLS Employee Benefits	.00	.00	.00	.00
082295 80270300	NBCLS Member Libraries	.00	.00	.00	.00
082300 80270400	Office of Communication	163.67	.00	.00	163.67
082305 80270500	Rohnert Park CDA	.00	.00	.00	.00
082310 80270600	Rohnert Park Investment	33,301,677.58	.00	.00	33,301,677.58
082320 80270800	Cloverdale Investment	203,639.49	.00	.00	203,639.49
082325 80270900	REMIF-Cities Ins Invest	235,392.47	.00	.00	235,392.47
082330 80271000	Cotati Investment Trust	404,875.13	.00	.00	404,875.13
082335 80271100	Healdsburg Investment	.00	.00	.00	.00
082340 80271200	Vly Of The Moon Wtr Inv	3,946,402.92	.00	.00	3,946,402.92
082345 80271300	Forestville Wtr Invest	710,516.65	.00	.00	710,516.65
082350 80271400	FVL WD SSZ Conn Fee Inv	189,200.72	.00	.00	189,200.72
082355 80271500	Day of Caring Trust	4,529.00	.00	.00	4,529.00
082360 80271600	ABAG/Cities Trust	2,006.54	.00	.00	2,006.54
082365 80271700	Cloverdale ST DWR Reserv	160,171.31	.00	.00	160,171.31
082370 80271800	Roseland 2003 COP-Const	.00	.00	.00	.00
082375 80271900	Roseland 2003 COP - Res	.00	.00	.00	.00
082380 80170100	Permitting Trust	1,177,409.47	5,000.00	.00	1,182,409.47
082385 80170200	Strong Motion Instr Clr	51,056.53	3,331.33	.00	54,387.86
082390 80170300	State Bldg Standard Admn	12,144.27	1,074.20	.00	13,218.47
082400 80180200	Probation Officer Trust	218,202.68	19,362.33	.00	237,565.01
082405 80180300	Probation Restitution TR	304,878.01	-51,827.22	.00	253,050.79
082410 80200100	Regional Parks Foundati	1,991,725.11	42,650.98	.00	2,034,376.09
082415 80200200	Sonoma Cty Park Land Acq	130,450.99	.00	.00	130,450.99
082420 80210100	SRJC Dorm Rev Trust	233,337.09	9,033.76	.00	242,370.85
082425 80210200	SRJC Dorm I&R Trust	.00	.00	.00	.00
082430 80210300	SRJC Repair/Replace TR	.00	.00	.00	.00

Transaction Ledger

As of October 31, 2018



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	10/01/2018	31846V203	29.04	First American Govt Obligation Fund	1.000	1.67%	29.04	0.00	29.04	0.00
Purchase	10/02/2018	31846V203	1,500.00	First American Govt Obligation Fund	1.000	1.67%	1,500.00	0.00	1,500.00	0.00
Purchase	10/05/2018	31846V203	4,553.13	First American Govt Obligation Fund	1.000	1.67%	4,553.13	0.00	4,553.13	0.00
Purchase	10/07/2018	31846V203	412.50	First American Govt Obligation Fund	1.000	1.67%	412.50	0.00	412.50	0.00
Purchase	10/10/2018	02665WCQ2	110,000.00	American Honda Finance Note 3.625% Due 10/10/2023	99.918	3.64%	109,909.80	0.00	109,909.80	0.00
Purchase	10/10/2018	31846V203	95,000.00	First American Govt Obligation Fund	1.000	1.67%	95,000.00	0.00	95,000.00	0.00
Purchase	10/10/2018	31846V203	1,009.38	First American Govt Obligation Fund	1.000	1.67%	1,009.38	0.00	1,009.38	0.00
Purchase	10/15/2018	31846V203	1,820.00	First American Govt Obligation Fund	1.000	1.67%	1,820.00	0.00	1,820.00	0.00
Purchase	10/25/2018	31846V203	1,705.00	First American Govt Obligation Fund	1.000	1.67%	1,705.00	0.00	1,705.00	0.00
Purchase	10/30/2018	31846V203	219,210.93	First American Govt Obligation Fund	1.000	1.67%	219,210.93	0.00	219,210.93	0.00
Purchase	10/31/2018	313383YJ4	215,000.00	FHLB Note 3.375% Due 9/8/2023	101.313	3.08%	217,822.95	1,068.28	218,891.23	0.00
Purchase	10/31/2018	31846V203	4,031.25	First American Govt Obligation Fund	1.000	1.77%	4,031.25	0.00	4,031.25	0.00
Subtotal			654,271.23				657,003.98	1,068.28	658,072.26	0.00
Short Sale	10/10/2018	31846V203	-109,909.80	First American Govt Obligation Fund	1.000		-109,909.80	0.00	-109,909.80	0.00
Subtotal			-109,909.80				-109,909.80	0.00	-109,909.80	0.00
TOTAL ACQUISITIONS			544,361.43				547,094.18	1,068.28	548,162.46	0.00
DISPOSITIONS										
Closing Purchase	10/10/2018	31846V203	-109,909.80	First American Govt Obligation Fund	1.000		-109,909.80	0.00	-109,909.80	0.00
Subtotal			-109,909.80				-109,909.80	0.00	-109,909.80	0.00
Sale	10/10/2018	31846V203	109,909.80	First American Govt Obligation Fund	1.000	1.67%	109,909.80	0.00	109,909.80	0.00
Sale	10/30/2018	3130A8DB6	165,000.00	FHLB Note 1.125% Due 6/21/2019	99.078	2.58%	163,478.70	665.16	164,143.86	-2,504.37
Sale	10/30/2018	3135G0ZE6	55,000.00	FNMA Note 1.75% Due 6/20/2019	99.490	2.56%	54,719.50	347.57	55,067.07	-43.45

Transaction Ledger

As of October 31, 2018



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Sale	10/31/2018	31846V203	218,891.23	First American Govt Obligation Fund	1.000	1.77%	218,891.23	0.00	218,891.23	0.00
Subtotal			548,801.03				546,999.23	1,012.73	548,011.96	-2,547.82
Maturity	10/10/2018	02665WAC5	95,000.00	American Honda Finance Note 2.125% Due 10/10/2018	100.000		95,000.00	0.00	95,000.00	-1,123.25
Subtotal			95,000.00				95,000.00	0.00	95,000.00	-1,123.25
Security Withdrawal	10/03/2018	31846V203	1,160.90	First American Govt Obligation Fund	1.000		1,160.90	0.00	1,160.90	0.00
Subtotal			1,160.90				1,160.90	0.00	1,160.90	0.00
TOTAL DISPOSITIONS			535,052.13				533,250.33	1,012.73	534,263.06	-3,671.07

OTHER TRANSACTIONS										
Interest	10/02/2018	3137EADM8	240,000.00	FHLMC Note 1.25% Due 10/2/2019	0.000		1,500.00	0.00	1,500.00	0.00
Interest	10/05/2018	3135G0T45	235,000.00	FNMA Note 1.875% Due 4/5/2022	0.000		2,203.13	0.00	2,203.13	0.00
Interest	10/05/2018	3135G0T78	235,000.00	FNMA Note 2% Due 10/5/2022	0.000		2,350.00	0.00	2,350.00	0.00
Interest	10/07/2018	3135G0Q89	60,000.00	FNMA Note 1.375% Due 10/7/2021	0.000		412.50	0.00	412.50	0.00
Interest	10/10/2018	02665WAC5	95,000.00	American Honda Finance Note 2.125% Due 10/10/2018	0.000		1,009.38	0.00	1,009.38	0.00
Interest	10/15/2018	674599CK9	140,000.00	Occidental Petroleum Callable Note Cont 3/15/2022 2.6% Due 4/15/2022	0.000		1,820.00	0.00	1,820.00	0.00
Interest	10/25/2018	91159HHH6	155,000.00	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 4/25/2019	0.000		1,705.00	0.00	1,705.00	0.00
Interest	10/31/2018	912828F96	245,000.00	US Treasury Note 2% Due 10/31/2021	0.000		2,450.00	0.00	2,450.00	0.00

Transaction Ledger

As of October 31, 2018



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
OTHER TRANSACTIONS										
Interest	10/31/2018	912828L99	230,000.00	US Treasury Note 1.375% Due 10/31/2020	0.000		1,581.25	0.00	1,581.25	0.00
Subtotal			1,635,000.00				15,031.26	0.00	15,031.26	0.00
Dividend	10/01/2018	31846V203	12,966.32	First American Govt Obligation Fund	0.000		29.04	0.00	29.04	0.00
Subtotal			12,966.32				29.04	0.00	29.04	0.00
TOTAL OTHER TRANSACTIONS			1,647,966.32				15,060.30	0.00	15,060.30	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	11/01/2018	31846V203	24.48	First American Govt Obligation Fund Class Y	1.000	1.77%	24.48	0.00	24.48	0.00
Purchase	11/03/2018	31846V203	600.00	First American Govt Obligation Fund Class Y	1.000	1.77%	600.00	0.00	600.00	0.00
Purchase	11/06/2018	31846V203	1,593.75	First American Govt Obligation Fund Class Y	1.000	1.77%	1,593.75	0.00	1,593.75	0.00
Purchase	11/07/2018	31846V203	1,031.25	First American Govt Obligation Fund Class Y	1.000	1.77%	1,031.25	0.00	1,031.25	0.00
Purchase	11/07/2018	31846V203	165,000.00	First American Govt Obligation Fund Class Y	1.000	1.77%	165,000.00	0.00	165,000.00	0.00
Purchase	11/11/2018	31846V203	2,250.00	First American Govt Obligation Fund Class Y	1.000	1.77%	2,250.00	0.00	2,250.00	0.00
Purchase	11/17/2018	31846V203	2,343.75	First American Govt Obligation Fund Class Y	1.000	1.77%	2,343.75	0.00	2,343.75	0.00
Purchase	11/19/2018	31846V203	780.00	First American Govt Obligation Fund Class Y	1.000	1.77%	780.00	0.00	780.00	0.00
Purchase	11/20/2018	31846V203	1,687.50	First American Govt Obligation Fund Class Y	1.000	1.77%	1,687.50	0.00	1,687.50	0.00
Purchase	11/28/2018	084670BR8	100,000.00	Berkshire Hathaway Callable Note Cont 1/15/2023 2.75% Due 3/15/2023	97.009	3.51%	97,009.00	557.64	97,566.64	0.00
Purchase	11/30/2018	037833AK6	60,000.00	Apple Inc Note 2.4% Due 5/3/2023	95.379	3.54%	57,227.40	108.00	57,335.40	0.00
Purchase	11/30/2018	31846V203	4,606.25	First American Govt Obligation Fund Class Y	1.000	1.81%	4,606.25	0.00	4,606.25	0.00
Subtotal			339,916.98				334,153.38	665.64	334,819.02	0.00
TOTAL ACQUISITIONS			339,916.98				334,153.38	665.64	334,819.02	0.00
DISPOSITIONS										
Sale	11/28/2018	31846V203	97,566.64	First American Govt Obligation Fund Class Y	1.000	1.77%	97,566.64	0.00	97,566.64	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Sale	11/30/2018	31846V203	57,335.40	First American Govt Obligation Fund Class Y	1.000	1.81%	57,335.40	0.00	57,335.40	0.00
Subtotal			154,902.04				154,902.04	0.00	154,902.04	0.00
Maturity	11/07/2018	74005PBH6	165,000.00	Praxair Note 1.25% Due 11/7/2018	100.000		165,000.00	0.00	165,000.00	2,595.45
Subtotal			165,000.00				165,000.00	0.00	165,000.00	2,595.45
Security Withdrawal	11/05/2018	31846V203	1,160.10	First American Govt Obligation Fund Class Y	1.000		1,160.10	0.00	1,160.10	0.00
Security Withdrawal	11/26/2018	31846V203	250.00	First American Govt Obligation Fund Class Y	1.000		250.00	0.00	250.00	0.00
Subtotal			1,410.10				1,410.10	0.00	1,410.10	0.00
TOTAL DISPOSITIONS			321,312.14				321,312.14	0.00	321,312.14	2,595.45
OTHER TRANSACTIONS										
Interest	11/03/2018	594918BG8	60,000.00	Microsoft Callable Note Cont. 10/03/20 2% Due 11/3/2020	0.000		600.00	0.00	600.00	0.00
Interest	11/06/2018	3135G0K69	255,000.00	FNMA Note 1.25% Due 5/6/2021	0.000		1,593.75	0.00	1,593.75	0.00
Interest	11/07/2018	74005PBH6	165,000.00	Praxair Note 1.25% Due 11/7/2018	0.000		1,031.25	0.00	1,031.25	0.00
Interest	11/11/2018	369550BE7	150,000.00	General Dynamics Corp Note 3% Due 5/11/2021	0.000		2,250.00	0.00	2,250.00	0.00
Interest	11/17/2018	3137EAEK1	250,000.00	FHLMC Note 1.875% Due 11/17/2020	0.000		2,343.75	0.00	2,343.75	0.00
Interest	11/19/2018	857477AV5	80,000.00	State Street Bank Note 1.95% Due 5/19/2021	0.000		780.00	0.00	780.00	0.00
Interest	11/20/2018	747525AD5	150,000.00	Qualcomm Inc Note 2.25% Due 5/20/2020	0.000		1,687.50	0.00	1,687.50	0.00

Transaction Ledger

As of November 30, 2018



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
OTHER TRANSACTIONS										
Interest	11/30/2018	3135G0F73	230,000.00	FNMA Note 1.5% Due 11/30/2020	0.000		1,725.00	0.00	1,725.00	0.00
Interest	11/30/2018	912828UB4	260,000.00	US Treasury Note 1% Due 11/30/2019	0.000		1,300.00	0.00	1,300.00	0.00
Interest	11/30/2018	912828VF4	230,000.00	US Treasury Note 1.375% Due 5/31/2020	0.000		1,581.25	0.00	1,581.25	0.00
Subtotal			1,830,000.00				14,892.50	0.00	14,892.50	0.00
Dividend	11/01/2018	31846V203	12,275.62	First American Govt Obligation Fund Class Y	0.000		24.48	0.00	24.48	0.00
Subtotal			12,275.62				24.48	0.00	24.48	0.00
TOTAL OTHER TRANSACTIONS			1,842,275.62				14,916.98	0.00	14,916.98	0.00



Redwood Empire Municipal Insurance Fund (REMIF) - Account #10140

MONTHLY ACCOUNT STATEMENT

DECEMBER 1, 2018 THROUGH DECEMBER 31, 2018

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact operations@chandlerasset.com

Custodian

US Bank
Christopher Isles
(503) 464-3685

CHANDLER ASSET MANAGEMENT
chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.



PORTFOLIO CHARACTERISTICS

Average Modified Duration	2.28
Average Coupon	1.88%
Average Purchase YTM	2.02%
Average Market YTM	2.71%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.39 yrs
Average Life	2.39 yrs

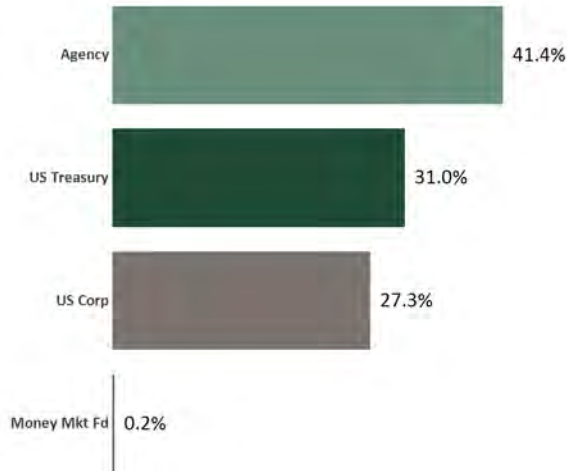
ACCOUNT SUMMARY

	Beg. Values as of 11/30/18	End Values as of 12/31/18
Market Value	11,593,099	11,701,041
Accrued Interest	55,691	57,810
Total Market Value	11,648,790	11,758,851
Income Earned	18,101	18,685
Cont/WD		-1,163
Par	11,870,880	11,884,202
Book Value	11,799,494	11,815,003
Cost Value	11,799,494	11,815,003

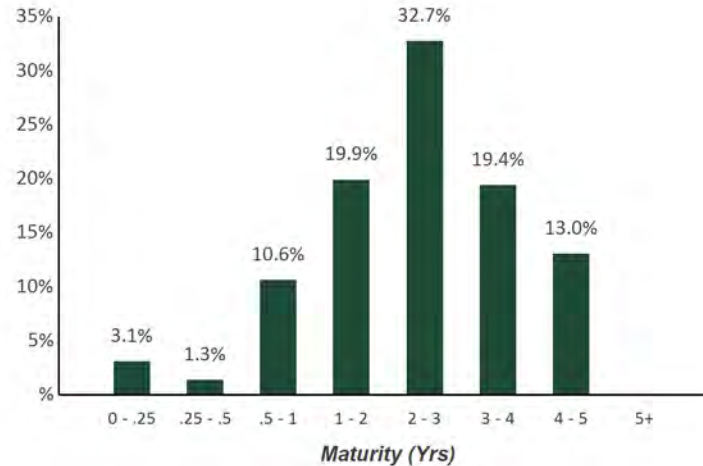
TOP ISSUERS

Government of United States	31.0%
Federal National Mortgage Assoc	22.1%
Federal Home Loan Mortgage Corp	12.2%
Federal Home Loan Bank	7.1%
US Bancorp	1.9%
Cisco Systems	1.5%
Wells Fargo Corp	1.4%
Berkshire Hathaway	1.4%
Total	78.7%

SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	1M	3M	YTD	1YR	Annualized				
					2YRS	3YRS	5YRS	10YRS	12/31/2010
Redwood Empire Municipal Insurance Fund (REMIF)	0.95%	1.42%	1.46%	1.46%	1.26%	1.24%	1.26%	N/A	1.51%
ICE BAML 1-5 Yr US Treasury/Agency Index	1.10%	1.71%	1.53%	1.53%	1.10%	1.09%	1.10%	N/A	1.18%

Statement of Compliance

As of December 31, 2018



Redwood Empire Municipal Insurance Fund - REMIF

Assets managed by Chandler Asset Management are in full compliance with state law and with the investment policy.

Category	Standard	Comment
Treasury Issues	No Limitation	Complies
Agency Issues	No Limitation	Complies
Local Agency Bonds	California local agencies and national state obligations	Complies
Banker's Acceptances	40% maximum; <180 days maturity	Complies
Time Deposits	5 years maximum maturity	Complies
Negotiable Certificates of Deposit	30% maximum; 5 years maximum maturity	Complies
Commercial Paper	25% maximum; <270 days maturity; A-1/P-1/F-1, minimum of two ratings	Complies
Medium Term Notes	30% maximum; 5 years maximum maturity; A-rated or better by 2 NRSROs	Complied at time of purchase*
Money Market Mutual Funds	20% maximum; "AAA" rated or SEC-registered with \$500M in assets	Complies
Sonoma County Pool	Currently not used by investment adviser	Complies
Local Agency Investment Fund - L.A.I.F.	Currently not used by investment adviser	Complies
Prohibited Securities	Inverse floaters; Ranges notes, Interest-only strips from mortgaged backed securities; Zero interest accrual securities	Complies
Callable Securities	15% maximum	Complies
Maximum maturity	5 years	Complies

* General Electric (36962G7G3) rated Baa1/BBB+/BBB+ was downgraded November 2018 and October 2018; Complied at time of purchase

Reconciliation Summary

As of December 31, 2018



BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		\$11,799,493.87
Acquisition		
+ Security Purchases	\$77,082.00	
+ Money Market Fund Purchases	\$66,727.48	
+ Money Market Contributions	\$0.00	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$143,809.48
Dispositions		
- Security Sales	\$0.00	
- Money Market Fund Sales	\$77,243.72	
- MMF Withdrawals	\$1,162.64	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$50,000.00	
- Calls	\$0.00	
- Principal Paydowns	\$0.00	
Total Dispositions		\$128,406.36
Amortization/Accretion		
+/- Net Accretion	\$0.00	\$0.00
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	\$106.50	\$106.50
ENDING BOOK VALUE		\$11,815,003.49

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$35,880.46
Acquisition		
Contributions	\$0.00	
Security Sale Proceeds	\$0.00	
Accrued Interest Received	\$0.00	
Interest Received	\$16,522.72	
Dividend Received	\$204.76	
Principal on Maturities	\$50,000.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$0.00	
Total Acquisitions	\$66,727.48	
Dispositions		
Withdrawals	\$1,162.64	
Security Purchase	\$77,082.00	
Accrued Interest Paid	\$161.72	
Total Dispositions	\$78,406.36	
ENDING BOOK VALUE		\$24,201.58

Holdings Report

As of December 31, 2018



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
3137EADK2	FHLMC Note 1.25% Due 8/1/2019	265,000.00	09/04/2014 1.83%	257,770.80 257,770.80	99.17 2.70%	262,794.67 1,380.21	2.25% 5,023.87	Aaa / AA+ AAA	0.58 0.57
3135G0ZG1	FNMA Note 1.75% Due 9/12/2019	250,000.00	12/28/2017 1.91%	249,350.00 249,350.00	99.39 2.64%	248,471.25 1,324.65	2.12% (878.75)	Aaa / AA+ AAA	0.70 0.68
3137EADM8	FHLMC Note 1.25% Due 10/2/2019	240,000.00	11/24/2014 1.78%	234,127.20 234,127.20	98.97 2.64%	237,520.08 741.67	2.03% 3,392.88	Aaa / AA+ AAA	0.75 0.74
3137EAEE5	FHLMC Note 1.5% Due 1/17/2020	250,000.00	03/28/2017 1.57%	249,512.50 249,512.50	98.88 2.60%	247,195.75 1,708.33	2.12% (2,316.75)	Aaa / AA+ AAA	1.05 1.02
3135G0D75	FNMA Note 1.5% Due 6/22/2020	230,000.00	09/29/2015 1.49%	230,124.20 230,124.20	98.54 2.52%	226,635.33 86.25	1.93% (3,488.87)	Aaa / AA+ AAA	1.48 1.45
3137EAEK1	FHLMC Note 1.875% Due 11/17/2020	250,000.00	11/21/2017 1.96%	249,352.21 249,352.21	98.75 2.56%	246,887.00 572.92	2.10% (2,465.21)	Aaa / AA+ AAA	1.88 1.83
3135G0F73	FNMA Note 1.5% Due 11/30/2020	230,000.00	12/16/2015 1.90%	225,653.00 225,653.00	98.02 2.57%	225,442.32 297.08	1.92% (210.68)	Aaa / AA+ AAA	1.92 1.87
3130A7CV5	FHLB Note 1.375% Due 2/18/2021	245,000.00	Various 1.39%	244,764.70 244,764.70	97.68 2.50%	239,305.47 1,244.56	2.05% (5,459.23)	Aaa / AA+ AAA	2.14 2.07
3135G0J20	FNMA Note 1.375% Due 2/26/2021	230,000.00	03/30/2016 1.43%	229,374.86 229,374.86	97.56 2.54%	224,395.82 1,098.09	1.92% (4,979.04)	Aaa / AA+ AAA	2.16 2.09
3135G0K69	FNMA Note 1.25% Due 5/6/2021	255,000.00	06/29/2016 1.18%	255,867.00 255,867.00	97.10 2.53%	247,612.40 486.98	2.11% (8,254.60)	Aaa / AA+ AAA	2.35 2.29
313379RB7	FHLB Note 1.875% Due 6/11/2021	70,000.00	10/17/2017 1.88%	69,993.00 69,993.00	98.14 2.67%	68,697.93 72.92	0.58% (1,295.07)	Aaa / AA+ AAA	2.45 2.37
3135G0U35	FNMA Note 2.75% Due 6/22/2021	160,000.00	06/28/2018 2.70%	160,236.80 160,236.80	100.56 2.51%	160,897.76 110.00	1.37% 660.96	Aaa / AA+ AAA	2.48 2.38
3130A8QS5	FHLB Note 1.125% Due 7/14/2021	230,000.00	10/04/2016 1.33%	227,874.80 227,874.80	96.58 2.53%	222,125.72 1,200.31	1.90% (5,749.08)	Aaa / AA+ AAA	2.54 2.46
3137EAEC9	FHLMC Note 1.125% Due 8/12/2021	215,000.00	Various 1.29%	213,356.40 213,356.40	96.58 2.48%	207,648.51 933.91	1.77% (5,707.89)	Aaa / AA+ AAA	2.62 2.54
3135G0N82	FNMA Note 1.25% Due 8/17/2021	190,000.00	10/04/2016 1.37%	188,972.67 188,972.67	96.84 2.50%	183,991.44 884.03	1.57% (4,981.23)	Aaa / AA+ AAA	2.63 2.55
3135G0Q89	FNMA Note 1.375% Due 10/7/2021	60,000.00	10/27/2016 1.50%	59,634.60 59,634.60	96.99 2.51%	58,196.22 192.50	0.50% (1,438.38)	Aaa / AA+ AAA	2.77 2.68

Holdings Report

As of December 31, 2018



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
3135G0S38	FNMA Note 2% Due 1/5/2022	225,000.00	Various 1.96%	225,389.25 225,389.25	98.52 2.51%	221,670.68 2,200.00	1.90% (3,718.57)	Aaa / AA+ AAA	3.02 2.87
3135G0T45	FNMA Note 1.875% Due 4/5/2022	235,000.00	06/19/2017 1.88%	234,964.52 234,964.52	97.99 2.52%	230,270.63 1,052.60	1.97% (4,693.89)	Aaa / AA+ AAA	3.26 3.12
3135G0T78	FNMA Note 2% Due 10/5/2022	235,000.00	10/17/2017 2.04%	234,530.00 234,530.00	98.11 2.53%	230,557.56 1,122.78	1.97% (3,972.44)	Aaa / AA+ AAA	3.76 3.58
3135G0T94	FNMA Note 2.375% Due 1/19/2023	100,000.00	04/11/2018 2.71%	98,526.00 98,526.00	99.25 2.57%	99,251.60 1,068.75	0.85% 725.60	Aaa / AA+ AAA	4.05 3.79
3137EAEN5	FHLMC Note 2.75% Due 6/19/2023	225,000.00	07/20/2018 2.86%	223,870.50 223,870.50	100.58 2.61%	226,314.68 206.25	1.93% 2,444.18	Aaa / AA+ AAA	4.47 4.18
313383YJ4	FHLB Note 3.375% Due 9/8/2023	215,000.00	10/29/2018 3.08%	217,822.95 217,822.95	103.00 2.69%	221,453.23 2,277.66	1.90% 3,630.28	Aaa / AA+ NR	4.69 4.28
3135G0U43	FNMA Note 2.875% Due 9/12/2023	230,000.00	09/12/2018 2.96%	229,057.00 229,057.00	101.18 2.61%	232,708.02 1,965.38	2.00% 3,651.02	Aaa / AA+ AAA	4.70 4.34
3130A0F70	FHLB Note 3.375% Due 12/8/2023	75,000.00	12/28/2018 2.77%	77,082.00 77,082.00	103.05 2.71%	77,291.18 161.72	0.66% 209.18	Aaa / AA+ AAA	4.94 4.52
Total Agency		4,910,000.00	1.90%	4,887,206.96 4,887,206.96	2.57%	4,847,335.25 22,389.55	41.41% (39,871.71)	Aaa / AA+ AAA	2.50 2.38
MONEY MARKET FUND FI									
31846V203	First American Govt Obligation Fund Class Y	24,201.58	Various 2.05%	24,201.58 24,201.58	1.00 2.05%	24,201.58 0.00	0.21% 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund FI		24,201.58	2.05%	24,201.58 24,201.58	2.05%	24,201.58 0.00	0.21% 0.00	Aaa / AAA AAA	0.00 0.00
US CORPORATE									
36962G7G3	General Electric Capital Corp Note 2.3% Due 1/14/2019	165,000.00	01/08/2014 2.32%	164,841.00 164,841.00	99.96 3.35%	164,935.49 1,760.46	1.42% 94.49	Baa1 / BBB+ BBB+	0.04 0.04
17275RAR3	Cisco Systems Note 2.125% Due 3/1/2019	170,000.00	Various 2.04%	170,679.70 170,679.70	99.86 2.95%	169,760.81 1,204.18	1.45% (918.89)	A1 / AA- NR	0.16 0.17
91159HHH6	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 4/25/2019	155,000.00	Various 2.13%	155,463.45 155,463.45	99.78 2.89%	154,660.86 625.17	1.32% (802.59)	A1 / A+ AA-	0.32 0.31

Holdings Report

As of December 31, 2018



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US CORPORATE									
084664CK5	Berkshire Hathaway Note 1.3% Due 8/15/2019	70,000.00	08/08/2016 1.33%	69,932.10 69,932.10	98.95 3.01%	69,265.21 343.78	0.59% (666.89)	Aa2 / AA A+	0.62 0.61
06406HCW7	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	165,000.00	Various 2.29%	165,063.80 165,063.80	99.48 3.06%	164,142.33 1,159.59	1.41% (921.47)	A1 / A AA-	0.70 0.68
94974BGF1	Wells Fargo Corp Note 2.15% Due 1/30/2020	170,000.00	01/26/2015 2.17%	169,816.40 169,816.40	98.91 3.18%	168,151.26 1,533.07	1.44% (1,665.14)	A2 / A- A+	1.08 1.05
22160KAGO	Costco Wholesale Corp Note 1.75% Due 2/15/2020	105,000.00	02/05/2015 1.77%	104,889.75 104,889.75	98.96 2.69%	103,910.63 694.17	0.89% (979.12)	Aa3 / A+ A+	1.13 1.09
747525AD5	Qualcomm Inc Note 2.25% Due 5/20/2020	150,000.00	06/11/2015 2.49%	148,338.75 148,338.75	98.61 3.28%	147,915.00 384.38	1.26% (423.75)	A2 / A- NR	1.39 1.35
594918BG8	Microsoft Callable Note Cont. 10/03/20 2% Due 11/3/2020	60,000.00	10/29/2015 2.02%	59,952.00 59,952.00	98.89 2.62%	59,331.84 193.33	0.51% (620.16)	Aaa / AAA AA+	1.84 1.79
78012KKU0	Royal Bank of Canada Note 2.5% Due 1/19/2021	150,000.00	12/11/2017 2.37%	150,568.50 150,568.50	98.85 3.08%	148,280.40 1,687.50	1.28% (2,288.10)	Aa2 / AA- AA	2.05 1.96
30231GAV4	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 3/1/2021	150,000.00	05/16/2016 1.84%	152,629.50 152,629.50	98.56 2.91%	147,840.30 1,111.00	1.27% (4,789.20)	Aaa / AA+ NR	2.17 2.08
369550BE7	General Dynamics Corp Note 3% Due 5/11/2021	150,000.00	Various 3.25%	148,947.10 148,947.10	100.08 2.96%	150,121.36 625.00	1.28% 1,174.26	A2 / A+ NR	2.36 2.26
857477AV5	State Street Bank Note 1.95% Due 5/19/2021	80,000.00	05/16/2016 1.96%	79,958.40 79,958.40	97.19 3.18%	77,753.92 182.00	0.66% (2,204.48)	A1 / A AA-	2.38 2.30
594918BP8	Microsoft Callable Note Cont 7/8/21 1.55% Due 8/8/2021	105,000.00	Various 1.57%	104,875.35 104,875.35	97.15 2.69%	102,004.04 646.48	0.87% (2,871.31)	Aaa / AAA AA+	2.61 2.51
69371RN44	Paccar Financial Corp Note 1.65% Due 8/11/2021	145,000.00	05/23/2018 3.15%	138,421.35 138,421.35	96.41 3.09%	139,789.86 930.42	1.20% 1,368.51	A1 / A+ NR	2.61 2.51
68389XBK0	Oracle Corp Callable Note Cont 8/01/21 1.9% Due 9/15/2021	145,000.00	11/29/2016 2.40%	141,753.45 141,753.45	97.02 3.05%	140,680.02 811.19	1.20% (1,073.43)	A1 / AA- A	2.71 2.59
24422ETL3	John Deere Capital Corp Note 2.65% Due 1/6/2022	160,000.00	01/03/2017 2.66%	159,955.20 159,955.20	98.09 3.32%	156,940.16 2,061.11	1.35% (3,015.04)	A2 / A A	3.02 2.83
89236TDP7	Toyota Motor Credit Corp Note 2.6% Due 1/11/2022	145,000.00	03/14/2018 3.04%	142,711.98 142,711.98	98.41 3.16%	142,692.18 1,780.28	1.23% (19.80)	Aa3 / AA- A+	3.03 2.85
91159HHP8	US Bancorp Callable Cont 12/23/2021 2.625% Due 1/24/2022	70,000.00	01/19/2017 2.66%	69,879.60 69,879.60	98.48 3.15%	68,936.35 801.35	0.59% (943.25)	A1 / A+ AA-	3.07 2.88

Holdings Report

As of December 31, 2018



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US CORPORATE									
674599CK9	Occidental Petroleum Callable Note Cont 3/15/2022 2.6% Due 4/15/2022	140,000.00	06/18/2018 3.27%	136,659.60 136,659.60	97.54 3.39%	136,552.78 768.44	1.17% (106.82)	A3 / A A	3.29 3.10
44932HAC7	IBM Credit Corp Note 2.2% Due 9/8/2022	150,000.00	11/29/2017 2.58%	147,462.00 147,462.00	95.28 3.58%	142,917.45 1,035.83	1.22% (4,544.55)	A1 / A A	3.69 3.47
48128BAB7	JP Morgan Chase & Co Callable Note 1X 1/15/2022 2.972% Due 1/15/2023	125,000.00	02/09/2018 3.19%	123,793.75 123,793.75	97.50 3.64%	121,872.38 1,713.03	1.05% (1,921.37)	A2 / A- AA-	4.04 3.48
084670BR8	Berkshire Hathaway Callable Note Cont 1/15/2023 2.75% Due 3/15/2023	100,000.00	11/26/2018 3.51%	97,009.00 97,009.00	98.17 3.22%	98,167.50 809.72	0.84% 1,158.50	Aa2 / AA A+	4.21 3.90
037833AK6	Apple Inc Note 2.4% Due 5/3/2023	60,000.00	11/28/2018 3.54%	57,227.40 57,227.40	96.69 3.22%	58,015.86 232.00	0.50% 788.46	Aa1 / AA+ NR	4.34 4.06
02665WCJ8	American Honda Finance Note 3.45% Due 7/14/2023	45,000.00	07/11/2018 3.49%	44,922.15 44,922.15	100.03 3.44%	45,012.83 711.56	0.39% 90.68	A2 / A+ NR	4.54 4.10
02665WCQ2	American Honda Finance Note 3.625% Due 10/10/2023	110,000.00	10/03/2018 3.64%	109,909.80 109,909.80	100.71 3.46%	110,779.57 897.19	0.95% 869.77	A2 / A+ NR	4.78 4.32
Total US Corporate		3,240,000.00	2.54%	3,215,661.08 3,215,661.08	3.14%	3,190,430.39 24,702.23	27.34% (25,230.69)	A1 / A+ A+	2.20 2.07
US TREASURY									
912828UB4	US Treasury Note 1% Due 11/30/2019	260,000.00	12/18/2014 1.67%	251,764.15 251,764.15	98.53 2.64%	256,170.98 228.57	2.18% 4,406.83	Aaa / AA+ AAA	0.92 0.90
912828J84	US Treasury Note 1.375% Due 3/31/2020	230,000.00	10/23/2015 1.35%	230,225.38 230,225.38	98.53 2.58%	226,621.76 808.00	1.93% (3,603.62)	Aaa / AA+ AAA	1.25 1.22
912828VF4	US Treasury Note 1.375% Due 5/31/2020	230,000.00	Various 1.62%	227,359.76 227,359.76	98.39 2.54%	226,289.41 278.02	1.93% (1,070.35)	Aaa / AA+ AAA	1.42 1.39
912828L32	US Treasury Note 1.375% Due 8/31/2020	230,000.00	09/29/2015 1.37%	230,072.65 230,072.65	98.11 2.54%	225,660.59 1,074.55	1.93% (4,412.06)	Aaa / AA+ AAA	1.67 1.62
912828L99	US Treasury Note 1.375% Due 10/31/2020	230,000.00	11/23/2015 1.71%	226,398.04 226,398.04	97.97 2.52%	225,328.24 541.64	1.92% (1,069.80)	Aaa / AA+ AAA	1.84 1.79
912828N89	US Treasury Note 1.375% Due 1/31/2021	230,000.00	03/09/2016 1.40%	229,776.16 229,776.16	97.71 2.51%	224,726.10 1,323.44	1.92% (5,050.06)	Aaa / AA+ AAA	2.09 2.02

Holdings Report

As of December 31, 2018



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US TREASURY									
912828B90	US Treasury Note 2% Due 2/28/2021	230,000.00	04/26/2016 1.40%	236,460.54 236,460.54	98.96 2.50%	227,610.07 1,562.98	1.95% (8,850.47)	Aaa / AA+ AAA	2.16 2.09
912828Q37	US Treasury Note 1.25% Due 3/31/2021	240,000.00	Various 1.57%	236,789.86 236,789.86	97.34 2.47%	233,625.12 766.48	1.99% (3,164.74)	Aaa / AA+ AAA	2.25 2.19
912828S27	US Treasury Note 1.125% Due 6/30/2021	165,000.00	12/13/2016 1.87%	159,676.72 159,676.72	96.79 2.46%	159,695.58 5.13	1.36% 18.86	Aaa / AA+ AAA	2.50 2.44
912828T34	US Treasury Note 1.125% Due 9/30/2021	235,000.00	11/09/2016 1.48%	231,025.99 231,025.99	96.45 2.47%	226,655.62 675.46	1.93% (4,370.37)	Aaa / AA+ AAA	2.75 2.67
912828F96	US Treasury Note 2% Due 10/31/2021	245,000.00	08/15/2017 1.73%	247,642.23 247,642.23	98.71 2.47%	241,851.26 839.23	2.06% (5,790.97)	Aaa / AA+ AAA	2.84 2.72
912828G87	US Treasury Note 2.125% Due 12/31/2021	245,000.00	08/15/2017 1.75%	248,809.81 248,809.81	99.02 2.47%	242,588.22 14.38	2.06% (6,221.59)	Aaa / AA+ AAA	3.00 2.89
912828J43	US Treasury Note 1.75% Due 2/28/2022	245,000.00	03/13/2017 2.14%	240,569.77 240,569.77	97.82 2.47%	239,659.74 1,456.80	2.05% (910.03)	Aaa / AA+ AAA	3.16 3.03
912828XG0	US Treasury Note 2.125% Due 6/30/2022	210,000.00	07/31/2017 1.84%	212,789.77 212,789.77	98.81 2.48%	207,506.25 12.33	1.76% (5,283.52)	Aaa / AA+ AAA	3.50 3.35
912828L57	US Treasury Note 1.75% Due 9/30/2022	250,000.00	10/17/2017 1.99%	247,226.56 247,226.56	97.36 2.49%	243,398.50 1,117.79	2.08% (3,828.06)	Aaa / AA+ AAA	3.75 3.58
912828N30	US Treasury Note 2.125% Due 12/31/2022	235,000.00	01/25/2018 2.46%	231,346.48 231,346.48	98.59 2.50%	231,686.03 13.79	1.97% 339.55	Aaa / AA+ AAA	4.00 3.81
Total US Treasury		3,710,000.00	1.71%	3,687,933.87 3,687,933.87	2.51%	3,639,073.47 10,718.59	31.04% (48,860.40)	Aaa / AA+ AAA	2.44 2.35
TOTAL PORTFOLIO		11,884,201.58	2.02%	11,815,003.49 11,815,003.49	2.71%	11,701,040.69 57,810.37	100.00% (113,962.80)	Aa1 / AA AAA	2.39 2.28
TOTAL MARKET VALUE PLUS ACCRUED						11,758,851.06			

Transaction Ledger

As of December 31, 2018



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	12/03/2018	31846V203	204.76	First American Govt Obligation Fund Class Y	1.000	1.81%	204.76	0.00	204.76	0.00
Purchase	12/11/2018	31846V203	656.25	First American Govt Obligation Fund Class Y	1.000	1.81%	656.25	0.00	656.25	0.00
Purchase	12/13/2018	31846V203	487.50	First American Govt Obligation Fund Class Y	1.000	1.81%	487.50	0.00	487.50	0.00
Purchase	12/13/2018	31846V203	50,000.00	First American Govt Obligation Fund Class Y	1.000	1.81%	50,000.00	0.00	50,000.00	0.00
Purchase	12/19/2018	31846V203	3,231.25	First American Govt Obligation Fund Class Y	1.000	1.81%	3,231.25	0.00	3,231.25	0.00
Purchase	12/22/2018	31846V203	3,888.33	First American Govt Obligation Fund Class Y	1.000	1.81%	3,888.33	0.00	3,888.33	0.00
Purchase	12/31/2018	3130A0F70	75,000.00	FHLB Note 3.375% Due 12/8/2023	102.776	2.77%	77,082.00	161.72	77,243.72	0.00
Purchase	12/31/2018	31846V203	8,259.39	First American Govt Obligation Fund Class Y	1.000	2.05%	8,259.39	0.00	8,259.39	0.00
Subtotal			141,727.48				143,809.48	161.72	143,971.20	0.00
TOTAL ACQUISITIONS			141,727.48				143,809.48	161.72	143,971.20	0.00
DISPOSITIONS										
Sale	12/31/2018	31846V203	77,243.72	First American Govt Obligation Fund Class Y	1.000	2.05%	77,243.72	0.00	77,243.72	0.00
Subtotal			77,243.72				77,243.72	0.00	77,243.72	0.00
Maturity	12/13/2018	24422ESF7	50,000.00	John Deere Capital Corp Note 1.95% Due 12/13/2018	100.000		50,000.00	0.00	50,000.00	106.50
Subtotal			50,000.00				50,000.00	0.00	50,000.00	106.50

Transaction Ledger

As of December 31, 2018



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Security Withdrawal	12/06/2018	31846V203	1,162.64	First American Govt Obligation Fund Class Y	1.000		1,162.64	0.00	1,162.64	0.00
Subtotal			1,162.64				1,162.64	0.00	1,162.64	0.00
TOTAL DISPOSITIONS			128,406.36				128,406.36	0.00	128,406.36	106.50
OTHER TRANSACTIONS										
Interest	12/11/2018	313379RB7	70,000.00	FHLB Note 1.875% Due 6/11/2021	0.000		656.25	0.00	656.25	0.00
Interest	12/13/2018	24422ESF7	50,000.00	John Deere Capital Corp Note 1.95% Due 12/13/2018	0.000		487.50	0.00	487.50	0.00
Interest	12/19/2018	3137EAEN5	225,000.00	FHLMC Note 2.75% Due 6/19/2023	0.000		3,231.25	0.00	3,231.25	0.00
Interest	12/22/2018	3135G0D75	230,000.00	FNMA Note 1.5% Due 6/22/2020	0.000		1,725.00	0.00	1,725.00	0.00
Interest	12/22/2018	3135G0U35	160,000.00	FNMA Note 2.75% Due 6/22/2021	0.000		2,163.33	0.00	2,163.33	0.00
Interest	12/31/2018	912828G87	245,000.00	US Treasury Note 2.125% Due 12/31/2021	0.000		2,603.13	0.00	2,603.13	0.00
Interest	12/31/2018	912828N30	235,000.00	US Treasury Note 2.125% Due 12/31/2022	0.000		2,496.88	0.00	2,496.88	0.00
Interest	12/31/2018	912828S27	165,000.00	US Treasury Note 1.125% Due 6/30/2021	0.000		928.13	0.00	928.13	0.00
Interest	12/31/2018	912828XG0	210,000.00	US Treasury Note 2.125% Due 6/30/2022	0.000		2,231.25	0.00	2,231.25	0.00
Subtotal			1,590,000.00				16,522.72	0.00	16,522.72	0.00

Transaction Ledger

As of December 31, 2018



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
OTHER TRANSACTIONS										
Dividend	12/03/2018	31846V203	35,880.46	First American Govt Obligation Fund Class Y	0.000		204.76	0.00	204.76	0.00
Subtotal			35,880.46				204.76	0.00	204.76	0.00
TOTAL OTHER TRANSACTIONS			1,625,880.46				16,727.48	0.00	16,727.48	0.00

Income Earned

As of December 31, 2018



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
FIXED INCOME						
02665WCJ8	American Honda Finance Note 3.45% Due 07/14/2023	07/11/2018 07/16/2018 45,000.00	44,922.15 0.00 0.00 44,922.15	582.19 0.00 711.56 129.37	0.00 0.00 0.00 129.37	129.37
02665WCQ2	American Honda Finance Note 3.625% Due 10/10/2023	10/03/2018 10/10/2018 110,000.00	109,909.80 0.00 0.00 109,909.80	564.90 0.00 897.19 332.29	0.00 0.00 0.00 332.29	332.29
037833AK6	Apple Inc Note 2.4% Due 05/03/2023	11/28/2018 11/30/2018 60,000.00	57,227.40 0.00 0.00 57,227.40	112.00 0.00 232.00 120.00	0.00 0.00 0.00 120.00	120.00
06406HCW7	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 09/11/2019	Various 09/11/2014 165,000.00	165,063.80 0.00 0.00 165,063.80	843.33 0.00 1,159.59 316.26	0.00 0.00 0.00 316.26	316.26
084664CK5	Berkshire Hathaway Note 1.3% Due 08/15/2019	08/08/2016 08/15/2016 70,000.00	69,932.10 0.00 0.00 69,932.10	267.94 0.00 343.78 75.84	0.00 0.00 0.00 75.84	75.84
084670BR8	Berkshire Hathaway Callable Note Cont 1/15/2023 2.75% Due 03/15/2023	11/26/2018 11/28/2018 100,000.00	97,009.00 0.00 0.00 97,009.00	580.56 0.00 809.72 229.16	0.00 0.00 0.00 229.16	229.16
17275RAR3	Cisco Systems Note 2.125% Due 03/01/2019	Various Various 170,000.00	170,679.70 0.00 0.00 170,679.70	903.14 0.00 1,204.18 301.04	0.00 0.00 0.00 301.04	301.04
22160KAG0	Costco Wholesale Corp Note 1.75% Due 02/15/2020	02/05/2015 02/17/2015 105,000.00	104,889.75 0.00 0.00 104,889.75	541.04 0.00 694.17 153.13	0.00 0.00 0.00 153.13	153.13
24422ESF7	John Deere Capital Corp Note Due 12/13/2018	12/10/2013 12/13/2013 0.00	49,893.50 0.00 49,893.50 0.00	455.00 487.50 0.00 32.50	0.00 0.00 0.00 32.50	32.50

Income Earned

As of December 31, 2018



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
24422ETL3	John Deere Capital Corp Note 2.65% Due 01/06/2022	01/03/2017 01/06/2017 160,000.00	159,955.20 0.00 0.00 159,955.20	1,707.78 0.00 2,061.11 353.33	0.00 0.00 0.00 353.33	353.33
30231GAV4	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 03/01/2021	05/16/2016 05/19/2016 150,000.00	152,629.50 0.00 0.00 152,629.50	833.25 0.00 1,111.00 277.75	0.00 0.00 0.00 277.75	277.75
3130A0F70	FHLB Note 3.375% Due 12/08/2023	12/28/2018 12/31/2018 75,000.00	0.00 77,082.00 0.00 77,082.00	0.00 (161.72) 161.72 0.00	0.00 0.00 0.00 0.00	0.00
3130A7CV5	FHLB Note 1.375% Due 02/18/2021	Various Various 245,000.00	244,764.70 0.00 0.00 244,764.70	963.84 0.00 1,244.56 280.72	0.00 0.00 0.00 280.72	280.72
3130A8QS5	FHLB Note 1.125% Due 07/14/2021	10/04/2016 10/06/2016 230,000.00	227,874.80 0.00 0.00 227,874.80	984.69 0.00 1,200.31 215.62	0.00 0.00 0.00 215.62	215.62
313379RB7	FHLB Note 1.875% Due 06/11/2021	10/17/2017 10/18/2017 70,000.00	69,993.00 0.00 0.00 69,993.00	619.79 656.25 72.92 109.38	0.00 0.00 0.00 109.38	109.38
313383YJ4	FHLB Note 3.375% Due 09/08/2023	10/29/2018 10/31/2018 215,000.00	217,822.95 0.00 0.00 217,822.95	1,672.97 0.00 2,277.66 604.69	0.00 0.00 0.00 604.69	604.69
3135G0D75	FNMA Note 1.5% Due 06/22/2020	09/29/2015 09/30/2015 230,000.00	230,124.20 0.00 0.00 230,124.20	1,523.75 1,725.00 86.25 287.50	0.00 0.00 0.00 287.50	287.50
3135G0F73	FNMA Note 1.5% Due 11/30/2020	12/16/2015 12/17/2015 230,000.00	225,653.00 0.00 0.00 225,653.00	9.58 0.00 297.08 287.50	0.00 0.00 0.00 287.50	287.50

Income Earned

As of December 31, 2018



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
3135G0J20	FNMA Note 1.375% Due 02/26/2021	03/30/2016 03/31/2016 230,000.00	229,374.86 0.00 0.00 229,374.86	834.55 0.00 1,098.09 263.54	0.00 0.00 0.00 263.54	263.54
3135G0K69	FNMA Note 1.25% Due 05/06/2021	06/29/2016 06/30/2016 255,000.00	255,867.00 0.00 0.00 255,867.00	221.35 0.00 486.98 265.63	0.00 0.00 0.00 265.63	265.63
3135G0N82	FNMA Note 1.25% Due 08/17/2021	10/04/2016 10/06/2016 190,000.00	188,972.67 0.00 0.00 188,972.67	686.11 0.00 884.03 197.92	0.00 0.00 0.00 197.92	197.92
3135G0Q89	FNMA Note 1.375% Due 10/07/2021	10/27/2016 10/28/2016 60,000.00	59,634.60 0.00 0.00 59,634.60	123.75 0.00 192.50 68.75	0.00 0.00 0.00 68.75	68.75
3135G0S38	FNMA Note 2% Due 01/05/2022	Various Various 225,000.00	225,389.25 0.00 0.00 225,389.25	1,825.00 0.00 2,200.00 375.00	0.00 0.00 0.00 375.00	375.00
3135G0T45	FNMA Note 1.875% Due 04/05/2022	06/19/2017 06/20/2017 235,000.00	234,964.52 0.00 0.00 234,964.52	685.42 0.00 1,052.60 367.18	0.00 0.00 0.00 367.18	367.18
3135G0T78	FNMA Note 2% Due 10/05/2022	10/17/2017 10/18/2017 235,000.00	234,530.00 0.00 0.00 234,530.00	731.11 0.00 1,122.78 391.67	0.00 0.00 0.00 391.67	391.67
3135G0T94	FNMA Note 2.375% Due 01/19/2023	04/11/2018 04/12/2018 100,000.00	98,526.00 0.00 0.00 98,526.00	870.83 0.00 1,068.75 197.92	0.00 0.00 0.00 197.92	197.92
3135G0U35	FNMA Note 2.75% Due 06/22/2021	06/28/2018 06/29/2018 160,000.00	160,236.80 0.00 0.00 160,236.80	1,906.67 2,163.33 110.00 366.66	0.00 0.00 0.00 366.66	366.66

Income Earned

As of December 31, 2018



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
3135G0U43	FNMA Note 2.875% Due 09/12/2023	09/12/2018 09/14/2018 230,000.00	229,057.00 0.00 0.00 229,057.00	1,414.34 0.00 1,965.38 551.04	0.00 0.00 0.00 551.04	551.04
3135G0ZG1	FNMA Note 1.75% Due 09/12/2019	12/28/2017 12/29/2017 250,000.00	249,350.00 0.00 0.00 249,350.00	960.07 0.00 1,324.65 364.58	0.00 0.00 0.00 364.58	364.58
3137EADK2	FHLMC Note 1.25% Due 08/01/2019	09/04/2014 09/08/2014 265,000.00	257,770.80 0.00 0.00 257,770.80	1,104.17 0.00 1,380.21 276.04	0.00 0.00 0.00 276.04	276.04
3137EADM8	FHLMC Note 1.25% Due 10/02/2019	11/24/2014 11/25/2014 240,000.00	234,127.20 0.00 0.00 234,127.20	491.67 0.00 741.67 250.00	0.00 0.00 0.00 250.00	250.00
3137EAEC9	FHLMC Note 1.125% Due 08/12/2021	Various Various 215,000.00	213,356.40 0.00 0.00 213,356.40	732.34 0.00 933.91 201.57	0.00 0.00 0.00 201.57	201.57
3137EAEE5	FHLMC Note 1.5% Due 01/17/2020	03/28/2017 03/29/2017 250,000.00	249,512.50 0.00 0.00 249,512.50	1,395.83 0.00 1,708.33 312.50	0.00 0.00 0.00 312.50	312.50
3137EAEK1	FHLMC Note 1.875% Due 11/17/2020	11/21/2017 11/22/2017 250,000.00	249,352.21 0.00 0.00 249,352.21	182.29 0.00 572.92 390.63	0.00 0.00 0.00 390.63	390.63
3137EAEN5	FHLMC Note 2.75% Due 06/19/2023	07/20/2018 07/23/2018 225,000.00	223,870.50 0.00 0.00 223,870.50	2,921.88 3,231.25 206.25 515.62	0.00 0.00 0.00 515.62	515.62
369550BE7	General Dynamics Corp Note 3% Due 05/11/2021	Various Various 150,000.00	148,947.10 0.00 0.00 148,947.10	250.00 0.00 625.00 375.00	0.00 0.00 0.00 375.00	375.00

Income Earned

As of December 31, 2018



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
36962G7G3	General Electric Capital Corp Note 2.3% Due 01/14/2019	01/08/2014 01/14/2014 165,000.00	164,841.00 0.00 0.00 164,841.00	1,444.20 0.00 1,760.46 316.26	0.00 0.00 0.00 316.26	316.26
44932HAC7	IBM Credit Corp Note 2.2% Due 09/08/2022	11/29/2017 12/01/2017 150,000.00	147,462.00 0.00 0.00 147,462.00	760.83 0.00 1,035.83 275.00	0.00 0.00 0.00 275.00	275.00
48128BAB7	JP Morgan Chase & Co Callable Note 1X 1/15/2022 2.972% Due 01/15/2023	02/09/2018 02/13/2018 125,000.00	123,793.75 0.00 0.00 123,793.75	1,403.44 0.00 1,713.03 309.59	0.00 0.00 0.00 309.59	309.59
594918BG8	Microsoft Callable Note Cont. 10/03/20 2% Due 11/03/2020	10/29/2015 11/03/2015 60,000.00	59,952.00 0.00 0.00 59,952.00	93.33 0.00 193.33 100.00	0.00 0.00 0.00 100.00	100.00
594918BP8	Microsoft Callable Note Cont 7/8/21 1.55% Due 08/08/2021	Various 08/08/2016 105,000.00	104,875.35 0.00 0.00 104,875.35	510.86 0.00 646.48 135.62	0.00 0.00 0.00 135.62	135.62
674599CK9	Occidental Petroleum Callable Note Cont 3/15/2022 2.6% Due 04/15/2022	06/18/2018 06/20/2018 140,000.00	136,659.60 0.00 0.00 136,659.60	465.11 0.00 768.44 303.33	0.00 0.00 0.00 303.33	303.33
68389XBK0	Oracle Corp Callable Note Cont 8/01/21 1.9% Due 09/15/2021	11/29/2016 12/02/2016 145,000.00	141,753.45 0.00 0.00 141,753.45	581.61 0.00 811.19 229.58	0.00 0.00 0.00 229.58	229.58
69371RN44	Paccar Financial Corp Note 1.65% Due 08/11/2021	05/23/2018 05/25/2018 145,000.00	138,421.35 0.00 0.00 138,421.35	731.04 0.00 930.42 199.38	0.00 0.00 0.00 199.38	199.38
747525AD5	Qualcomm Inc Note 2.25% Due 05/20/2020	06/11/2015 06/16/2015 150,000.00	148,338.75 0.00 0.00 148,338.75	103.12 0.00 384.38 281.26	0.00 0.00 0.00 281.26	281.26

Income Earned

As of December 31, 2018



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
78012KKU0	Royal Bank of Canada Note 2.5% Due 01/19/2021	12/11/2017 12/13/2017 150,000.00	150,568.50 0.00 0.00 150,568.50	1,375.00 0.00 1,687.50 312.50	0.00 0.00 0.00 312.50	312.50
857477AV5	State Street Bank Note 1.95% Due 05/19/2021	05/16/2016 05/19/2016 80,000.00	79,958.40 0.00 0.00 79,958.40	52.00 0.00 182.00 130.00	0.00 0.00 0.00 130.00	130.00
89236TDP7	Toyota Motor Credit Corp Note 2.6% Due 01/11/2022	03/14/2018 03/16/2018 145,000.00	142,711.98 0.00 0.00 142,711.98	1,466.11 0.00 1,780.28 314.17	0.00 0.00 0.00 314.17	314.17
91159HHH6	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 04/25/2019	Various Various 155,000.00	155,463.45 0.00 0.00 155,463.45	341.00 0.00 625.17 284.17	0.00 0.00 0.00 284.17	284.17
91159HHP8	US Bancorp Callable Cont 12/23/2021 2.625% Due 01/24/2022	01/19/2017 01/24/2017 70,000.00	69,879.60 0.00 0.00 69,879.60	648.23 0.00 801.35 153.12	0.00 0.00 0.00 153.12	153.12
912828B90	US Treasury Note 2% Due 02/28/2021	04/26/2016 04/28/2016 230,000.00	236,460.54 0.00 0.00 236,460.54	1,169.06 0.00 1,562.98 393.92	0.00 0.00 0.00 393.92	393.92
912828F96	US Treasury Note 2% Due 10/31/2021	08/15/2017 08/16/2017 245,000.00	247,642.23 0.00 0.00 247,642.23	419.61 0.00 839.23 419.62	0.00 0.00 0.00 419.62	419.62
912828G87	US Treasury Note 2.125% Due 12/31/2021	08/15/2017 08/16/2017 245,000.00	248,809.81 0.00 0.00 248,809.81	2,178.70 2,603.13 14.38 438.81	0.00 0.00 0.00 438.81	438.81
912828J43	US Treasury Note 1.75% Due 02/28/2022	03/13/2017 03/15/2017 245,000.00	240,569.77 0.00 0.00 240,569.77	1,089.64 0.00 1,456.80 367.16	0.00 0.00 0.00 367.16	367.16

Income Earned

As of December 31, 2018



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
912828J84	US Treasury Note 1.375% Due 03/31/2020	10/23/2015 10/26/2015 230,000.00	230,225.38 0.00 0.00 230,225.38	538.67 0.00 808.00 269.33	0.00 0.00 0.00 269.33	269.33
912828L32	US Treasury Note 1.375% Due 08/31/2020	09/29/2015 09/30/2015 230,000.00	230,072.65 0.00 0.00 230,072.65	803.73 0.00 1,074.55 270.82	0.00 0.00 0.00 270.82	270.82
912828L57	US Treasury Note 1.75% Due 09/30/2022	10/17/2017 10/18/2017 250,000.00	247,226.56 0.00 0.00 247,226.56	745.19 0.00 1,117.79 372.60	0.00 0.00 0.00 372.60	372.60
912828L99	US Treasury Note 1.375% Due 10/31/2020	11/23/2015 11/24/2015 230,000.00	226,398.04 0.00 0.00 226,398.04	270.82 0.00 541.64 270.82	0.00 0.00 0.00 270.82	270.82
912828N30	US Treasury Note 2.125% Due 12/31/2022	01/25/2018 01/26/2018 235,000.00	231,346.48 0.00 0.00 231,346.48	2,089.78 2,496.88 13.79 420.89	0.00 0.00 0.00 420.89	420.89
912828N89	US Treasury Note 1.375% Due 01/31/2021	03/09/2016 03/11/2016 230,000.00	229,776.16 0.00 0.00 229,776.16	1,057.03 0.00 1,323.44 266.41	0.00 0.00 0.00 266.41	266.41
912828Q37	US Treasury Note 1.25% Due 03/31/2021	Various Various 240,000.00	236,789.86 0.00 0.00 236,789.86	510.98 0.00 766.48 255.50	0.00 0.00 0.00 255.50	255.50
912828S27	US Treasury Note 1.125% Due 06/30/2021	12/13/2016 12/14/2016 165,000.00	159,676.72 0.00 0.00 159,676.72	776.80 928.13 5.13 156.46	0.00 0.00 0.00 156.46	156.46
912828T34	US Treasury Note 1.125% Due 09/30/2021	11/09/2016 11/10/2016 235,000.00	231,025.99 0.00 0.00 231,025.99	450.31 0.00 675.46 225.15	0.00 0.00 0.00 225.15	225.15

Income Earned

As of December 31, 2018



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
912828UB4	US Treasury Note 1% Due 11/30/2019	12/18/2014 12/19/2014 260,000.00	251,764.15 0.00 0.00 251,764.15	7.14 0.00 228.57 221.43	0.00 0.00 0.00 221.43	221.43
912828VF4	US Treasury Note 1.375% Due 05/31/2020	Various Various 230,000.00	227,359.76 0.00 0.00 227,359.76	8.68 0.00 278.02 269.34	0.00 0.00 0.00 269.34	269.34
912828XG0	US Treasury Note 2.125% Due 06/30/2022	07/31/2017 07/31/2017 210,000.00	212,789.77 0.00 0.00 212,789.77	1,867.46 2,231.25 12.33 376.12	0.00 0.00 0.00 376.12	376.12
94974BGF1	Wells Fargo Corp Note 2.15% Due 01/30/2020	01/26/2015 02/02/2015 170,000.00	169,816.40 0.00 0.00 169,816.40	1,228.48 0.00 1,533.07 304.59	0.00 0.00 0.00 304.59	304.59
			11,763,613.41	55,691.09	0.00	
			77,082.00	16,361.00	0.00	
			49,893.50	57,810.37	0.00	
Total Fixed Income		11,860,000.00	11,790,801.91	18,480.28	18,480.28	18,480.28
CASH & EQUIVALENT						
31846V203	First American Govt Obligation Fund Class Y	Various Various 24,201.58	35,880.46 66,727.48 78,406.36 24,201.58	0.00 204.76 0.00 204.76	0.00 0.00 0.00 204.76	204.76
			35,880.46	0.00	0.00	
			66,727.48	204.76	0.00	
			78,406.36	0.00	0.00	
Total Cash & Equivalent		24,201.58	24,201.58	204.76	204.76	204.76
			11,799,493.87	55,691.09	0.00	
			143,809.48	16,565.76	0.00	
			128,299.86	57,810.37	0.00	
TOTAL PORTFOLIO		11,884,201.58	11,815,003.49	18,685.04	18,685.04	18,685.04

Cash Flow Report

As of December 31, 2018



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
01/05/2019	Interest	3135G0S38	225,000.00	FNMA Note 2% Due 1/5/2022	0.00	2,250.00	2,250.00
01/06/2019	Interest	24422ETL3	160,000.00	John Deere Capital Corp Note 2.65% Due 1/6/2022	0.00	2,120.00	2,120.00
01/11/2019	Interest	89236TDP7	145,000.00	Toyota Motor Credit Corp Note 2.6% Due 1/11/2022	0.00	1,885.00	1,885.00
01/14/2019	Interest	02665WCJ8	45,000.00	American Honda Finance Note 3.45% Due 7/14/2023	0.00	767.63	767.63
01/14/2019	Interest	3130A8QS5	230,000.00	FHLB Note 1.125% Due 7/14/2021	0.00	1,293.75	1,293.75
01/14/2019	Maturity	36962G7G3	165,000.00	General Electric Capital Corp Note 2.3% Due 1/14/2019	165,000.00	1,897.50	166,897.50
01/15/2019	Interest	48128BAB7	125,000.00	JP Morgan Chase & Co Callable Note 1X 1/15/2022 2.972% Due 1/15/2023	0.00	1,857.50	1,857.50
01/17/2019	Interest	3137EAAE5	250,000.00	FHLMC Note 1.5% Due 1/17/2020	0.00	1,875.00	1,875.00
01/19/2019	Interest	3135G0T94	100,000.00	FNMA Note 2.375% Due 1/19/2023	0.00	1,187.50	1,187.50
01/19/2019	Interest	78012KKU0	150,000.00	Royal Bank of Canada Note 2.5% Due 1/19/2021	0.00	1,875.00	1,875.00
01/24/2019	Interest	91159HHP8	70,000.00	US Bancorp Callable Cont 12/23/2021 2.625% Due 1/24/2022	0.00	918.75	918.75
01/30/2019	Interest	94974BGF1	170,000.00	Wells Fargo Corp Note 2.15% Due 1/30/2020	0.00	1,827.50	1,827.50
01/31/2019	Interest	912828N89	230,000.00	US Treasury Note 1.375% Due 1/31/2021	0.00	1,581.25	1,581.25
JAN 2019					165,000.00	21,336.38	186,336.38
02/01/2019	Interest	3137EADK2	265,000.00	FHLMC Note 1.25% Due 8/1/2019	0.00	1,656.25	1,656.25
02/08/2019	Interest	594918BP8	105,000.00	Microsoft Callable Note Cont 7/8/21 1.55% Due 8/8/2021	0.00	813.75	813.75
02/11/2019	Interest	69371RN44	145,000.00	Paccar Financial Corp Note 1.65% Due 8/11/2021	0.00	1,196.25	1,196.25

Cash Flow Report

As of December 31, 2018



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
02/12/2019	Interest	3137EAEC9	215,000.00	FHLMC Note 1.125% Due 8/12/2021	0.00	1,209.38	1,209.38
02/15/2019	Interest	084664CK5	70,000.00	Berkshire Hathaway Note 1.3% Due 8/15/2019	0.00	455.00	455.00
02/15/2019	Interest	22160KAG0	105,000.00	Costco Wholesale Corp Note 1.75% Due 2/15/2020	0.00	918.75	918.75
02/17/2019	Interest	3135G0N82	190,000.00	FNMA Note 1.25% Due 8/17/2021	0.00	1,187.50	1,187.50
02/18/2019	Interest	3130A7CV5	245,000.00	FHLB Note 1.375% Due 2/18/2021	0.00	1,684.38	1,684.38
02/26/2019	Interest	3135G0J20	230,000.00	FNMA Note 1.375% Due 2/26/2021	0.00	1,581.25	1,581.25
02/28/2019	Interest	912828B90	230,000.00	US Treasury Note 2% Due 2/28/2021	0.00	2,300.00	2,300.00
02/28/2019	Interest	912828J43	245,000.00	US Treasury Note 1.75% Due 2/28/2022	0.00	2,143.75	2,143.75
02/28/2019	Interest	912828L32	230,000.00	US Treasury Note 1.375% Due 8/31/2020	0.00	1,581.25	1,581.25
FEB 2019					0.00	16,727.51	16,727.51
03/01/2019	Interest	30231GAV4	150,000.00	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 3/1/2021	0.00	1,666.50	1,666.50
03/01/2019	Maturity	17275RAR3	170,000.00	Cisco Systems Note 2.125% Due 3/1/2019	170,000.00	1,806.25	171,806.25
03/08/2019	Interest	313383YJ4	215,000.00	FHLB Note 3.375% Due 9/8/2023	0.00	3,628.13	3,628.13
03/08/2019	Interest	44932HAC7	150,000.00	IBM Credit Corp Note 2.2% Due 9/8/2022	0.00	1,650.00	1,650.00
03/11/2019	Interest	06406HCW7	165,000.00	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	0.00	1,897.50	1,897.50
03/12/2019	Interest	3135G0U43	230,000.00	FNMA Note 2.875% Due 9/12/2023	0.00	3,269.51	3,269.51
03/12/2019	Interest	3135G0ZG1	250,000.00	FNMA Note 1.75% Due 9/12/2019	0.00	2,187.50	2,187.50

Cash Flow Report

As of December 31, 2018



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
03/15/2019	Interest	084670BR8	100,000.00	Berkshire Hathaway Callable Note Cont 1/15/2023 2.75% Due 3/15/2023	0.00	1,375.00	1,375.00
03/15/2019	Interest	68389XBK0	145,000.00	Oracle Corp Callable Note Cont 8/01/21 1.9% Due 9/15/2021	0.00	1,377.50	1,377.50
03/31/2019	Interest	912828J84	230,000.00	US Treasury Note 1.375% Due 3/31/2020	0.00	1,581.25	1,581.25
03/31/2019	Interest	912828T34	235,000.00	US Treasury Note 1.125% Due 9/30/2021	0.00	1,321.88	1,321.88
03/31/2019	Interest	912828L57	250,000.00	US Treasury Note 1.75% Due 9/30/2022	0.00	2,187.50	2,187.50
03/31/2019	Interest	912828Q37	240,000.00	US Treasury Note 1.25% Due 3/31/2021	0.00	1,500.00	1,500.00
MAR 2019					170,000.00	25,448.52	195,448.52
04/02/2019	Interest	3137EADM8	240,000.00	FHLMC Note 1.25% Due 10/2/2019	0.00	1,500.00	1,500.00
04/05/2019	Interest	3135G0T45	235,000.00	FNMA Note 1.875% Due 4/5/2022	0.00	2,203.13	2,203.13
04/05/2019	Interest	3135G0T78	235,000.00	FNMA Note 2% Due 10/5/2022	0.00	2,350.00	2,350.00
04/07/2019	Interest	3135G0Q89	60,000.00	FNMA Note 1.375% Due 10/7/2021	0.00	412.50	412.50
04/10/2019	Interest	02665WCQ2	110,000.00	American Honda Finance Note 3.625% Due 10/10/2023	0.00	1,993.75	1,993.75
04/15/2019	Interest	674599CK9	140,000.00	Occidental Petroleum Callable Note Cont 3/15/2022 2.6% Due 4/15/2022	0.00	1,820.00	1,820.00
04/25/2019	Maturity	91159HHH6	155,000.00	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 4/25/2019	155,000.00	1,705.00	156,705.00
04/30/2019	Interest	912828F96	245,000.00	US Treasury Note 2% Due 10/31/2021	0.00	2,450.00	2,450.00
04/30/2019	Interest	912828L99	230,000.00	US Treasury Note 1.375% Due 10/31/2020	0.00	1,581.25	1,581.25
APR 2019					155,000.00	16,015.63	171,015.63
05/03/2019	Interest	594918BG8	60,000.00	Microsoft Callable Note Cont. 10/03/20 2% Due 11/3/2020	0.00	600.00	600.00

Cash Flow Report

As of December 31, 2018



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
05/03/2019	Interest	037833AK6	60,000.00	Apple Inc Note 2.4% Due 5/3/2023	0.00	720.00	720.00
05/06/2019	Interest	3135G0K69	255,000.00	FNMA Note 1.25% Due 5/6/2021	0.00	1,593.75	1,593.75
05/11/2019	Interest	369550BE7	150,000.00	General Dynamics Corp Note 3% Due 5/11/2021	0.00	2,250.00	2,250.00
05/17/2019	Interest	3137EAEK1	250,000.00	FHLMC Note 1.875% Due 11/17/2020	0.00	2,343.75	2,343.75
05/19/2019	Interest	857477AV5	80,000.00	State Street Bank Note 1.95% Due 5/19/2021	0.00	780.00	780.00
05/20/2019	Interest	747525AD5	150,000.00	Qualcomm Inc Note 2.25% Due 5/20/2020	0.00	1,687.50	1,687.50
05/30/2019	Interest	3135G0F73	230,000.00	FNMA Note 1.5% Due 11/30/2020	0.00	1,725.00	1,725.00
05/31/2019	Interest	912828UB4	260,000.00	US Treasury Note 1% Due 11/30/2019	0.00	1,300.00	1,300.00
05/31/2019	Interest	912828VF4	230,000.00	US Treasury Note 1.375% Due 5/31/2020	0.00	1,581.25	1,581.25
MAY 2019					0.00	14,581.25	14,581.25
06/08/2019	Interest	3130A0F70	75,000.00	FHLB Note 3.375% Due 12/8/2023	0.00	1,265.63	1,265.63
06/11/2019	Interest	313379RB7	70,000.00	FHLB Note 1.875% Due 6/11/2021	0.00	656.25	656.25
06/19/2019	Interest	3137EAEN5	225,000.00	FHLMC Note 2.75% Due 6/19/2023	0.00	3,093.75	3,093.75
06/22/2019	Interest	3135G0D75	230,000.00	FNMA Note 1.5% Due 6/22/2020	0.00	1,725.00	1,725.00
06/22/2019	Interest	3135G0U35	160,000.00	FNMA Note 2.75% Due 6/22/2021	0.00	2,200.00	2,200.00
06/30/2019	Interest	912828N30	235,000.00	US Treasury Note 2.125% Due 12/31/2022	0.00	2,496.88	2,496.88
06/30/2019	Interest	912828XG0	210,000.00	US Treasury Note 2.125% Due 6/30/2022	0.00	2,231.25	2,231.25

Cash Flow Report

As of December 31, 2018



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
06/30/2019	Interest	912828G87	245,000.00	US Treasury Note 2.125% Due 12/31/2021	0.00	2,603.13	2,603.13
06/30/2019	Interest	912828S27	165,000.00	US Treasury Note 1.125% Due 6/30/2021	0.00	928.13	928.13
JUN 2019					0.00	17,200.02	17,200.02
07/05/2019	Interest	3135G0S38	225,000.00	FNMA Note 2% Due 1/5/2022	0.00	2,250.00	2,250.00
07/06/2019	Interest	24422ETL3	160,000.00	John Deere Capital Corp Note 2.65% Due 1/6/2022	0.00	2,120.00	2,120.00
07/11/2019	Interest	89236TDP7	145,000.00	Toyota Motor Credit Corp Note 2.6% Due 1/11/2022	0.00	1,885.00	1,885.00
07/14/2019	Interest	02665WCJ8	45,000.00	American Honda Finance Note 3.45% Due 7/14/2023	0.00	776.25	776.25
07/14/2019	Interest	3130A8QS5	230,000.00	FHLB Note 1.125% Due 7/14/2021	0.00	1,293.75	1,293.75
07/15/2019	Interest	48128BAB7	125,000.00	JP Morgan Chase & Co Callable Note 1X 1/15/2022 2.972% Due 1/15/2023	0.00	1,857.50	1,857.50
07/17/2019	Interest	3137EAEE5	250,000.00	FHLMC Note 1.5% Due 1/17/2020	0.00	1,875.00	1,875.00
07/19/2019	Interest	3135G0T94	100,000.00	FNMA Note 2.375% Due 1/19/2023	0.00	1,187.50	1,187.50
07/19/2019	Interest	78012KKU0	150,000.00	Royal Bank of Canada Note 2.5% Due 1/19/2021	0.00	1,875.00	1,875.00
07/24/2019	Interest	91159HHP8	70,000.00	US Bancorp Callable Cont 12/23/2021 2.625% Due 1/24/2022	0.00	918.75	918.75
07/30/2019	Interest	94974BGF1	170,000.00	Wells Fargo Corp Note 2.15% Due 1/30/2020	0.00	1,827.50	1,827.50
07/31/2019	Interest	912828N89	230,000.00	US Treasury Note 1.375% Due 1/31/2021	0.00	1,581.25	1,581.25
JUL 2019					0.00	19,447.50	19,447.50
08/01/2019	Maturity	3137EADK2	265,000.00	FHLMC Note 1.25% Due 8/1/2019	265,000.00	1,656.25	266,656.25
08/08/2019	Interest	594918BP8	105,000.00	Microsoft Callable Note Cont 7/8/21 1.55% Due 8/8/2021	0.00	813.75	813.75

Cash Flow Report

As of December 31, 2018



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
08/11/2019	Interest	69371RN44	145,000.00	Paccar Financial Corp Note 1.65% Due 8/11/2021	0.00	1,196.25	1,196.25
08/12/2019	Interest	3137EAEC9	215,000.00	FHLMC Note 1.125% Due 8/12/2021	0.00	1,209.38	1,209.38
08/15/2019	Interest	22160KAG0	105,000.00	Costco Wholesale Corp Note 1.75% Due 2/15/2020	0.00	918.75	918.75
08/15/2019	Maturity	084664CK5	70,000.00	Berkshire Hathaway Note 1.3% Due 8/15/2019	70,000.00	455.00	70,455.00
08/17/2019	Interest	3135G0N82	190,000.00	FNMA Note 1.25% Due 8/17/2021	0.00	1,187.50	1,187.50
08/18/2019	Interest	3130A7CV5	245,000.00	FHLB Note 1.375% Due 2/18/2021	0.00	1,684.38	1,684.38
08/26/2019	Interest	3135G0J20	230,000.00	FNMA Note 1.375% Due 2/26/2021	0.00	1,581.25	1,581.25
08/31/2019	Interest	912828B90	230,000.00	US Treasury Note 2% Due 2/28/2021	0.00	2,300.00	2,300.00
08/31/2019	Interest	912828J43	245,000.00	US Treasury Note 1.75% Due 2/28/2022	0.00	2,143.75	2,143.75
08/31/2019	Interest	912828L32	230,000.00	US Treasury Note 1.375% Due 8/31/2020	0.00	1,581.25	1,581.25
AUG 2019					335,000.00	16,727.51	351,727.51
09/01/2019	Interest	30231GAV4	150,000.00	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 3/1/2021	0.00	1,666.50	1,666.50
09/08/2019	Interest	313383YJ4	215,000.00	FHLB Note 3.375% Due 9/8/2023	0.00	3,628.13	3,628.13
09/08/2019	Interest	44932HAC7	150,000.00	IBM Credit Corp Note 2.2% Due 9/8/2022	0.00	1,650.00	1,650.00
09/11/2019	Maturity	06406HCW7	165,000.00	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	165,000.00	1,897.50	166,897.50
09/12/2019	Interest	3135G0U43	230,000.00	FNMA Note 2.875% Due 9/12/2023	0.00	3,306.25	3,306.25
09/12/2019	Maturity	3135G0ZG1	250,000.00	FNMA Note 1.75% Due 9/12/2019	250,000.00	2,187.50	252,187.50

Cash Flow Report

As of December 31, 2018



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
09/15/2019	Interest	084670BR8	100,000.00	Berkshire Hathaway Callable Note Cont 1/15/2023 2.75% Due 3/15/2023	0.00	1,375.00	1,375.00
09/15/2019	Interest	68389XBK0	145,000.00	Oracle Corp Callable Note Cont 8/01/21 1.9% Due 9/15/2021	0.00	1,377.50	1,377.50
09/30/2019	Interest	912828J84	230,000.00	US Treasury Note 1.375% Due 3/31/2020	0.00	1,581.25	1,581.25
09/30/2019	Interest	912828T34	235,000.00	US Treasury Note 1.125% Due 9/30/2021	0.00	1,321.88	1,321.88
09/30/2019	Interest	912828L57	250,000.00	US Treasury Note 1.75% Due 9/30/2022	0.00	2,187.50	2,187.50
09/30/2019	Interest	912828Q37	240,000.00	US Treasury Note 1.25% Due 3/31/2021	0.00	1,500.00	1,500.00
SEP 2019					415,000.00	23,679.01	438,679.01
10/02/2019	Maturity	3137EADM8	240,000.00	FHLMC Note 1.25% Due 10/2/2019	240,000.00	1,500.00	241,500.00
10/05/2019	Interest	3135G0T45	235,000.00	FNMA Note 1.875% Due 4/5/2022	0.00	2,203.13	2,203.13
10/05/2019	Interest	3135G0T78	235,000.00	FNMA Note 2% Due 10/5/2022	0.00	2,350.00	2,350.00
10/07/2019	Interest	3135G0Q89	60,000.00	FNMA Note 1.375% Due 10/7/2021	0.00	412.50	412.50
10/10/2019	Interest	02665WCQ2	110,000.00	American Honda Finance Note 3.625% Due 10/10/2023	0.00	1,993.75	1,993.75
10/15/2019	Interest	674599CK9	140,000.00	Occidental Petroleum Callable Note Cont 3/15/2022 2.6% Due 4/15/2022	0.00	1,820.00	1,820.00
10/31/2019	Interest	912828F96	245,000.00	US Treasury Note 2% Due 10/31/2021	0.00	2,450.00	2,450.00
10/31/2019	Interest	912828L99	230,000.00	US Treasury Note 1.375% Due 10/31/2020	0.00	1,581.25	1,581.25
OCT 2019					240,000.00	14,310.63	254,310.63
11/03/2019	Interest	037833AK6	60,000.00	Apple Inc Note 2.4% Due 5/3/2023	0.00	720.00	720.00
11/03/2019	Interest	594918BG8	60,000.00	Microsoft Callable Note Cont. 10/03/20 2% Due 11/3/2020	0.00	600.00	600.00

Cash Flow Report

As of December 31, 2018



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
11/06/2019	Interest	3135G0K69	255,000.00	FNMA Note 1.25% Due 5/6/2021	0.00	1,593.75	1,593.75
11/11/2019	Interest	369550BE7	150,000.00	General Dynamics Corp Note 3% Due 5/11/2021	0.00	2,250.00	2,250.00
11/17/2019	Interest	3137EAEK1	250,000.00	FHLMC Note 1.875% Due 11/17/2020	0.00	2,343.75	2,343.75
11/19/2019	Interest	857477AV5	80,000.00	State Street Bank Note 1.95% Due 5/19/2021	0.00	780.00	780.00
11/20/2019	Interest	747525AD5	150,000.00	Qualcomm Inc Note 2.25% Due 5/20/2020	0.00	1,687.50	1,687.50
11/30/2019	Interest	912828VF4	230,000.00	US Treasury Note 1.375% Due 5/31/2020	0.00	1,581.25	1,581.25
11/30/2019	Interest	3135G0F73	230,000.00	FNMA Note 1.5% Due 11/30/2020	0.00	1,725.00	1,725.00
11/30/2019	Maturity	912828UB4	260,000.00	US Treasury Note 1% Due 11/30/2019	260,000.00	1,300.00	261,300.00
NOV 2019					260,000.00	14,581.25	274,581.25
12/08/2019	Interest	3130A0F70	75,000.00	FHLB Note 3.375% Due 12/8/2023	0.00	1,265.63	1,265.63
12/11/2019	Interest	313379RB7	70,000.00	FHLB Note 1.875% Due 6/11/2021	0.00	656.25	656.25
12/19/2019	Interest	3137EAEN5	225,000.00	FHLMC Note 2.75% Due 6/19/2023	0.00	3,093.75	3,093.75
12/22/2019	Interest	3135G0D75	230,000.00	FNMA Note 1.5% Due 6/22/2020	0.00	1,725.00	1,725.00
12/22/2019	Interest	3135G0U35	160,000.00	FNMA Note 2.75% Due 6/22/2021	0.00	2,200.00	2,200.00
12/31/2019	Interest	912828G87	245,000.00	US Treasury Note 2.125% Due 12/31/2021	0.00	2,603.13	2,603.13
12/31/2019	Interest	912828S27	165,000.00	US Treasury Note 1.125% Due 6/30/2021	0.00	928.13	928.13
12/31/2019	Interest	912828N30	235,000.00	US Treasury Note 2.125% Due 12/31/2022	0.00	2,496.88	2,496.88

Cash Flow Report

As of December 31, 2018



Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
12/31/2019	Interest	912828XG0	210,000.00	US Treasury Note 2.125% Due 6/30/2022	0.00	2,231.25	2,231.25
DEC 2019					0.00	17,200.02	17,200.02
TOTAL					1,740,000.00	217,255.23	1,957,255.23



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Valuation: Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance: Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

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Ratings: Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.



Benchmark Index	Disclosure
ICE BAML 1-5 Yr US Treasury/Agency Index	The ICE BAML 1-5 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies. (Index: GVA0. Please visit www.mlindex.ml.com for more information)



Redwood Empire Municipal Insurance Fund OPEB Trust - Account #10141

MONTHLY ACCOUNT STATEMENT

DECEMBER 1, 2018 THROUGH DECEMBER 31, 2018

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact operations@chandlerasset.com

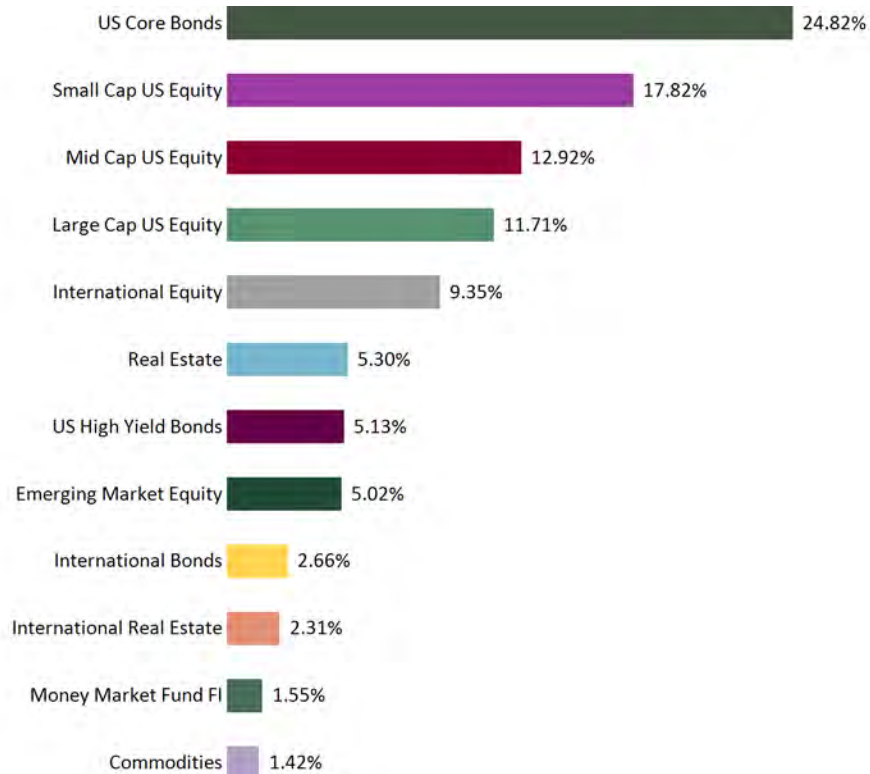
Custodian

US Bank
Christopher Isles
(503) 464-3685

CHANDLER ASSET MANAGEMENT
chandlerasset.com



ASSET ALLOCATION



ACCOUNT SUMMARY

	Beg. Values as of 11/30/18	End Values as of 12/31/18
Market Value	2,917,528	2,751,417
Accrued Interest	0	0
Total Market Value	2,917,528	2,751,417
Income Earned	2,492	18,077
Cont/WD		-482
Par	63,806	81,401
Book Value	2,360,337	2,377,932
Cost Value	2,360,337	2,377,932

TOP ISSUERS

Vanguard Total Bond Market	24.8%
Vanguard Small-Cap Market	17.8%
iShare S&P 400 Midcap Market	12.9%
iShares S&P 500 Index Fund	11.7%
Vanguard Europe Pacific Market	9.4%
Vanguard REIT	5.3%
SPDR Barclays Capital High Yield	5.1%
Vanguard Emerging Markets	5.0%
Total	92.1%

PERFORMANCE REVIEW

TOTAL RATE OF RETURN	1M	3M	YTD	1YR	Annualized				
					2YRS	3YRS	5YRS	10YRS	12/31/2010
Redwood Empire Municipal Insurance Fund OPEB Trust	-5.68%	-9.84%	-6.61%	-6.61%	3.17%	5.50%	3.77%	N/A	5.59%
50% S&P 500, 50% ICE BAML US Corp, Govt, Mtge Idx	-3.56%	-6.10%	-2.06%	-2.06%	5.03%	5.85%	5.69%	N/A	7.20%
Global Asset Allocation Index**	-3.63%	-7.32%	-4.85%	-4.85%	4.62%	4.94%	4.30%	N/A	6.11%

*50% S&P, 50% Domestic Master

**35% Standard & Poors' 500, 25% MSCI EAFE (Europe, Australasia, Israel and the Far East), 40% ICE BAML US Corporate, Govt, Mortgage Index

Reconciliation Summary

As of December 31, 2018



BOOK VALUE RECONCILIATION	
BEGINNING BOOK VALUE	\$2,360,337.30
Acquisition	
+ Security Purchases	\$0.00
+ Money Market Fund Purchases	\$18,077.07
+ Money Market Contributions	\$0.00
+ Security Contributions	\$0.00
+ Security Transfers	\$0.00
Total Acquisitions	\$18,077.07
Dispositions	
- Security Sales	\$0.00
- Money Market Fund Sales	\$0.00
- MMF Withdrawals	\$482.24
- Security Withdrawals	\$0.00
- Security Transfers	\$0.00
- Other Dispositions	\$0.00
- Maturities	\$0.00
- Calls	\$0.00
- Principal Paydowns	\$0.00
Total Dispositions	\$482.24
Amortization/Accretion	
+/- Net Accretion	\$0.00
	\$0.00
Gain/Loss on Dispositions	
+/- Realized Gain/Loss	\$0.00
	\$0.00
ENDING BOOK VALUE	\$2,377,932.13

CASH TRANSACTION SUMMARY	
BEGINNING BALANCE	\$25,166.46
Acquisition	
Contributions	\$0.00
Security Sale Proceeds	\$0.00
Accrued Interest Received	\$0.00
Interest Received	\$0.00
Dividend Received	\$18,077.07
Principal on Maturities	\$0.00
Interest on Maturities	\$0.00
Calls/Redemption (Principal)	\$0.00
Interest from Calls/Redemption	\$0.00
Principal Paydown	\$0.00
Total Acquisitions	\$18,077.07
Dispositions	
Withdrawals	\$482.24
Security Purchase	\$0.00
Accrued Interest Paid	\$0.00
Total Dispositions	\$482.24
ENDING BOOK VALUE	\$42,761.29

Holdings Report

As of December 31, 2018



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
COMMODITIES									
46428R107	IShares S&P GSCI Commodity-Indexed Due 12/31/2018	1,225.00	Various 0.00%	40,798.95 40,798.95	14.02 0.00%	17,174.50 0.00	0.62% (23,624.45)	NR / NR NR	0.00 0.00
97718W108	WisdomTree Investments Continuous Commodity Index Due 12/31/2018	1,240.00	01/01/2016 0.00%	37,056.41 37,056.41	17.55 0.00%	21,762.00 0.00	0.79% (15,294.41)	NR / NR NR	0.00 0.00
Total Commodities		2,465.00	N/A	77,855.36 77,855.36	0.00%	38,936.50 0.00	1.42% (38,918.86)	NR / NR NR	0.00 0.00
EMERGING MARKET EQUITY									
922042858	Vanguard FTSE Emerging Markets ETF Due 12/31/2018	3,625.00	Various 0.61%	155,190.43 155,190.43	38.10 0.00%	138,112.50 0.00	5.02% (17,077.93)	NR / NR NR	0.00 0.00
Total Emerging Market Equity		3,625.00	0.61%	155,190.43 155,190.43	0.00%	138,112.50 0.00	5.02% (17,077.93)	NR / NR NR	0.00 0.00
INTERNATIONAL BONDS									
92203J407	Vanguard Total Intl Bond ETF Due 12/31/2018	1,350.00	03/27/2018 2.23%	73,816.79 73,816.79	54.25 0.00%	73,237.50 0.00	2.66% (579.29)	NR / NR NR	0.00 0.00
Total International Bonds		1,350.00	2.23%	73,816.79 73,816.79	0.00%	73,237.50 0.00	2.66% (579.29)	NR / NR NR	0.00 0.00
INTERNATIONAL EQUITY									
921943858	Vanguard ETF FTSE Developed Mkts ETF Due 12/31/2018	6,935.00	Various 0.56%	250,699.80 250,699.80	37.10 0.00%	257,288.50 0.00	9.35% 6,588.70	NR / NR NR	0.00 0.00
Total International Equity		6,935.00	0.56%	250,699.80 250,699.80	0.00%	257,288.50 0.00	9.35% 6,588.70	NR / NR NR	0.00 0.00

Holdings Report

As of December 31, 2018



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
INTERNATIONAL REAL ESTATE									
464288489	ISHARES Intl Developed Real Estate ETF Due 12/31/2018	2,355.00	Various 0.00%	71,461.27 71,461.27	27.03 0.00%	63,655.65 0.00	2.31% (7,805.62)	NR / NR NR	0.00 0.00
Total International Real Estate		2,355.00	N/A	71,461.27 71,461.27	0.00%	63,655.65 0.00	2.31% (7,805.62)	NR / NR NR	0.00 0.00
LARGE CAP US EQUITY									
464287200	ISHARES S&P 500 Index ETF	1,280.00	Various N/A	175,478.84 175,478.84	251.61 N/A	322,060.80 0.00	11.71% 146,581.96	NR / NR NR	0.00 0.00
Total Large Cap US Equity		1,280.00	N/A	175,478.84 175,478.84	N/A	322,060.80 0.00	11.71% 146,581.96	NR / NR NR	0.00 0.00
MID CAP US EQUITY									
464287507	ISHARES S&P Midcap ETF Due 12/31/2018	2,140.00	Various 0.14%	224,739.48 224,739.48	166.06 0.00%	355,368.40 0.00	12.92% 130,628.92	NR / NR NR	0.00 0.00
Total Mid Cap US Equity		2,140.00	0.14%	224,739.48 224,739.48	0.00%	355,368.40 0.00	12.92% 130,628.92	NR / NR NR	0.00 0.00
MONEY MARKET FUND FI									
31846V203	First American Govt Obligation Fund Class Y	42,761.29	Various 2.05%	42,761.29 42,761.29	1.00 2.05%	42,761.29 0.00	1.55% 0.00	Aaa / AAA AAA	0.00 0.00
Total Money Market Fund FI		42,761.29	2.05%	42,761.29 42,761.29	2.05%	42,761.29 0.00	1.55% 0.00	Aaa / AAA AAA	0.00 0.00

Holdings Report

As of December 31, 2018



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
REAL ESTATE									
922908553	Vanguard ETF REIT Due 12/31/2018	1,955.00	Various 1.07%	118,957.18 118,957.18	74.57 0.00%	145,784.35 0.00	5.30% 26,827.17	NR / NR NR	0.00 0.00
Total Real Estate		1,955.00	1.07%	118,957.18	0.00%	145,784.35 0.00	5.30% 26,827.17	NR / NR NR	0.00 0.00
SMALL CAP US EQUITY									
922908751	Vanguard ETF Small Cap Due 12/31/2018	3,715.00	Various 0.54%	319,146.78 319,146.78	131.99 0.00%	490,342.85 0.00	17.82% 171,196.07	NR / NR NR	0.00 0.00
Total Small Cap US Equity		3,715.00	0.54%	319,146.78	0.00%	490,342.85 0.00	17.82% 171,196.07	NR / NR NR	0.00 0.00
US CORE BONDS									
921937835	Vanguard ETF Total Bond Index Due 12/31/2018	8,620.00	Various 1.28%	703,317.24 703,317.24	79.21 0.00%	682,790.20 0.00	24.82% (20,527.04)	NR / NR NR	0.00 0.00
Total US Core Bonds		8,620.00	1.28%	703,317.24	0.00%	682,790.20 0.00	24.82% (20,527.04)	NR / NR NR	0.00 0.00
US HIGH YIELD BONDS									
78464A417	Barclays Capital High Yield Bond ETF Due 12/31/2018	4,200.00	Various 0.97%	164,507.67 164,507.67	33.59 0.00%	141,078.00 0.00	5.13% (23,429.67)	NR / NR NR	0.00 0.00
Total US High Yield Bonds		4,200.00	0.97%	164,507.67	0.00%	141,078.00 0.00	5.13% (23,429.67)	NR / NR NR	0.00 0.00
TOTAL PORTFOLIO		81,401.29	0.85%	2,377,932.13	0.03%	2,751,416.54 0.00	100.00% 373,484.41	Aaa / AAA AAA	0.00 0.00
TOTAL MARKET VALUE PLUS ACCRUED						2,751,416.54			



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	12/03/2018	31846V203	37.15	First American Govt Obligation Fund Class Y	1.000	1.81%	37.15	0.00	37.15	0.00
Purchase	12/06/2018	31846V203	1,725.19	First American Govt Obligation Fund Class Y	1.000	1.81%	1,725.19	0.00	1,725.19	0.00
Purchase	12/07/2018	31846V203	694.57	First American Govt Obligation Fund Class Y	1.000	1.81%	694.57	0.00	694.57	0.00
Purchase	12/18/2018	31846V203	1,856.08	First American Govt Obligation Fund Class Y	1.000	1.81%	1,856.08	0.00	1,856.08	0.00
Purchase	12/21/2018	31846V203	2,841.98	First American Govt Obligation Fund Class Y	1.000	1.81%	2,841.98	0.00	2,841.98	0.00
Purchase	12/24/2018	31846V203	742.52	First American Govt Obligation Fund Class Y	1.000	1.81%	742.52	0.00	742.52	0.00
Purchase	12/26/2018	31846V203	727.59	First American Govt Obligation Fund Class Y	1.000	1.81%	727.59	0.00	727.59	0.00
Purchase	12/28/2018	31846V203	1,477.17	First American Govt Obligation Fund Class Y	1.000	1.81%	1,477.17	0.00	1,477.17	0.00
Purchase	12/28/2018	31846V203	1,709.48	First American Govt Obligation Fund Class Y	1.000	1.81%	1,709.48	0.00	1,709.48	0.00
Purchase	12/28/2018	31846V203	2,660.96	First American Govt Obligation Fund Class Y	1.000	1.81%	2,660.96	0.00	2,660.96	0.00
Purchase	12/28/2018	31846V203	939.24	First American Govt Obligation Fund Class Y	1.000	1.81%	939.24	0.00	939.24	0.00
Purchase	12/28/2018	31846V203	2,665.14	First American Govt Obligation Fund Class Y	1.000	1.81%	2,665.14	0.00	2,665.14	0.00
Subtotal			18,077.07				18,077.07	0.00	18,077.07	0.00
TOTAL ACQUISITIONS			18,077.07				18,077.07	0.00	18,077.07	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Security Withdrawal	12/06/2018	31846V203	482.24	First American Govt Obligation Fund Class Y	1.000		482.24	0.00	482.24	0.00
Subtotal			482.24				482.24	0.00	482.24	0.00
TOTAL DISPOSITIONS			482.24				482.24	0.00	482.24	0.00
OTHER TRANSACTIONS										
Dividend	12/03/2018	31846V203	25,166.46	First American Govt Obligation Fund Class Y	0.000		37.15	0.00	37.15	0.00
Dividend	12/06/2018	921937835	8,620.00	Vanguard ETF Total Bond Index	0.000		1,655.26	0.00	1,655.26	0.00
Dividend	12/06/2018	92203J407	1,350.00	Vanguard Total Intl Bond ETF	0.000		69.93	0.00	69.93	0.00
Dividend	12/07/2018	78464A417	4,200.00	Barclays Capital High Yield Bond ETF	0.000		694.57	0.00	694.57	0.00
Dividend	12/18/2018	922908553	1,955.00	Vanguard ETF REIT	0.000		1,856.08	0.00	1,856.08	0.00
Dividend	12/21/2018	464287200	1,280.00	ISHARES S&P 500 Index ETF	0.000		1,845.94	0.00	1,845.94	0.00
Dividend	12/21/2018	464287507	2,140.00	ISHARES S&P Midcap ETF	0.000		996.04	0.00	996.04	0.00
Dividend	12/24/2018	464288489	2,355.00	ISHARES Intl Developed Real Estate ETF	0.000		742.52	0.00	742.52	0.00
Dividend	12/26/2018	78464A417	4,200.00	Barclays Capital High Yield Bond ETF	0.000		727.59	0.00	727.59	0.00
Dividend	12/28/2018	921937835	8,620.00	Vanguard ETF Total Bond Index	0.000		1,709.48	0.00	1,709.48	0.00
Dividend	12/28/2018	921943858	6,935.00	Vanguard ETF FTSE Developed Mkts ETF	0.000		2,660.96	0.00	2,660.96	0.00
Dividend	12/28/2018	92203J407	1,350.00	Vanguard Total Intl Bond ETF	0.000		1,477.17	0.00	1,477.17	0.00
Dividend	12/28/2018	922042858	3,625.00	Vanguard FTSE Emerging Markets ETF	0.000		939.24	0.00	939.24	0.00
Dividend	12/28/2018	922908751	3,715.00	Vanguard ETF Small Cap	0.000		2,665.14	0.00	2,665.14	0.00
Subtotal			75,511.46				18,077.07	0.00	18,077.07	0.00
TOTAL OTHER TRANSACTIONS			75,511.46				18,077.07	0.00	18,077.07	0.00

Income Earned

As of December 31, 2018



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
EQUITY						
464287200	ISHARES S&P 500 Index ETF	Various Various 1,280.00	175,478.84 0.00 0.00 175,478.84	0.00 1,845.94 0.00 1,845.94	0.00 0.00 0.00 1,845.94	1,845.94
464287507	ISHARES S&P Midcap ETF	Various Various 2,140.00	224,739.48 0.00 0.00 224,739.48	0.00 996.04 0.00 996.04	0.00 0.00 0.00 996.04	996.04
464288489	ISHARES Intl Developed Real Estate ETF	Various Various 2,355.00	71,461.27 0.00 0.00 71,461.27	0.00 742.52 0.00 742.52	0.00 0.00 0.00 742.52	742.52
46428R107	IShares S&P GSCI Commodity-Indexed	Various Various 1,225.00	40,798.95 0.00 0.00 40,798.95	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00
78464A417	Barclays Capital High Yield Bond ETF	Various Various 4,200.00	164,507.67 0.00 0.00 164,507.67	0.00 1,422.16 0.00 1,422.16	0.00 0.00 0.00 1,422.16	1,422.16
921937835	Vanguard ETF Total Bond Index	Various Various 8,620.00	703,317.24 0.00 0.00 703,317.24	0.00 3,364.74 0.00 3,364.74	0.00 0.00 0.00 3,364.74	3,364.74
921943858	Vanguard ETF FTSE Developed Mkts ETF	Various Various 6,935.00	250,699.80 0.00 0.00 250,699.80	0.00 2,660.96 0.00 2,660.96	0.00 0.00 0.00 2,660.96	2,660.96
92203J407	Vanguard Total Intl Bond ETF	03/27/2018 03/29/2018 1,350.00	73,816.79 0.00 0.00 73,816.79	0.00 1,547.10 0.00 1,547.10	0.00 0.00 0.00 1,547.10	1,547.10
922042858	Vanguard FTSE Emerging Markets ETF	Various Various 3,625.00	155,190.43 0.00 0.00 155,190.43	0.00 939.24 0.00 939.24	0.00 0.00 0.00 939.24	939.24

Income Earned

As of December 31, 2018



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
922908553	Vanguard ETF REIT	Various Various 1,955.00	118,957.18 0.00 0.00 118,957.18	0.00 1,856.08 0.00 1,856.08	0.00 0.00 0.00 1,856.08	1,856.08
922908751	Vanguard ETF Small Cap	Various Various 3,715.00	319,146.78 0.00 0.00 319,146.78	0.00 2,665.14 0.00 2,665.14	0.00 0.00 0.00 2,665.14	2,665.14
97718W108	WisdomTree Investments Continuous Commodity Index	01/01/2016 01/01/2016 1,240.00	37,056.41 0.00 0.00 37,056.41	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00	0.00
Total Equity			38,640.00	18,039.92	18,039.92	18,039.92
CASH & EQUIVALENT						
31846V203	First American Govt Obligation Fund Class Y	Various Various 42,761.29	25,166.46 18,077.07 482.24 42,761.29	0.00 37.15 0.00 37.15	0.00 0.00 0.00 37.15	37.15
Total Cash & Equivalent			42,761.29	37.15	37.15	37.15
TOTAL PORTFOLIO			81,401.29	18,077.07	18,077.07	18,077.07

Cash Flow - no data for this time period



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Custody: Your qualified custodian bank maintains control of all assets reflected in this statement and we urge you to compare this statement to the one you receive from your qualified custodian. Chandler does not have any authority to withdraw or deposit funds from/to the custodian account.

Valuation: Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance: Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

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Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

Ratings: Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.



Benchmark Index	Disclosure
50% S&P 500,50% ICE BAML US Corp, Govt, Mtge Idx	<p>The S&P 500 is a market value weighted index of 500 large capitalization stocks. The 500 companies included in the index capture approximately 80% of available U.S. market capitalization.</p> <p>The ICE BofAML US Corporate, Government & Mortgage Index tracks the performance of US dollar denominated investment grade debt publicly issued in the US domestic market, including US Treasuries, quasi-governments, corporates, covered bonds and residential mortgage pass-throughs. Non-residential mortgage collateralized debt such as commercial mortgage backed securities and asset backed securities are excluded from the Index, as are all collateralized mortgage obligations. With the exception of local currency sovereign debt, qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). In addition, qualifying securities must have at least one year remaining term to final maturity, at least 18 months to final maturity at point of issuance and a fixed coupon schedule. Qualifying US Treasuries must have a minimum amount outstanding of \$1 billion. Qualifying US agencies, foreign governments, supranationals, corporates and covered bonds must have a minimum amount outstanding of \$250 million. Qualifying residential mortgage pass-through securities include fixed rate securities publicly issued by US agencies. 30- year, 20-year and 15-year fixed rate mortgage pools are included in the Index provided they have at least one year remaining term to final maturity and a minimum amount outstanding of at least \$5 billion per generic coupon and \$250 million per production year within each generic coupon. (Index: D0A0. Please visit www.mlindex.ml.com for more information)</p>
Global Asset Allocation Index*	<p>The S&P 500 is a market value weighted index of 500 large capitalization stocks. The 500 companies included in the index capture approximately 80% of available U.S. market capitalization.</p> <p>The MSCI EAFE International Equity Index is a market capitalization weighted index that captures international equity performance of large and mid-cap stocks in the developed stock markets of Europe, Australasia, and the Far East.</p> <p>The ICE BofAML US Corporate, Government & Mortgage Index tracks the performance of US dollar denominated investment grade debt publicly issued in the US domestic market, including US Treasuries, quasi-governments, corporates, covered bonds and residential mortgage pass-throughs. Non-residential mortgage collateralized debt such as commercial mortgage backed securities and asset backed securities are excluded from the Index, as are all collateralized mortgage obligations. With the exception of local currency sovereign debt, qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). In addition, qualifying securities must have at least one year remaining term to final maturity, at least 18 months to final maturity at point of issuance and a fixed coupon schedule. Qualifying US Treasuries must have a minimum amount outstanding of \$1 billion. Qualifying US agencies, foreign governments, supranationals, corporates and covered bonds must have a minimum amount outstanding of \$250 million. Qualifying residential mortgage pass-through securities include fixed rate securities publicly issued by US agencies. 30- year, 20-year and 15-year fixed rate mortgage pools are included in the Index provided they have at least one year remaining term to final maturity and a minimum amount outstanding of at least \$5 billion per generic coupon and \$250 million per production year within each generic coupon. (Index: D0A0. Please visit www.mlindex.ml.com for more information)</p>



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	10/01/2018	31846V203	2,818.93	First American Govt Obligation Fund	1.000	1.67%	2,818.93	0.00	2,818.93	0.00
Purchase	10/01/2018	31846V203	13.09	First American Govt Obligation Fund	1.000	1.67%	13.09	0.00	13.09	0.00
Purchase	10/02/2018	31846V203	3,865.43	First American Govt Obligation Fund	1.000	1.67%	3,865.43	0.00	3,865.43	0.00
Purchase	10/03/2018	31846V203	2,401.00	First American Govt Obligation Fund	1.000	1.67%	2,401.00	0.00	2,401.00	0.00
Purchase	10/04/2018	31846V203	1,581.05	First American Govt Obligation Fund	1.000	1.67%	1,581.05	0.00	1,581.05	0.00
Purchase	10/04/2018	31846V203	67.91	First American Govt Obligation Fund	1.000	1.67%	67.91	0.00	67.91	0.00
Purchase	10/05/2018	31846V203	735.31	First American Govt Obligation Fund	1.000	1.67%	735.31	0.00	735.31	0.00
Subtotal			11,482.72				11,482.72	0.00	11,482.72	0.00
TOTAL ACQUISITIONS			11,482.72				11,482.72	0.00	11,482.72	0.00
DISPOSITIONS										
Security Withdrawal	10/03/2018	31846V203	510.23	First American Govt Obligation Fund	1.000		510.23	0.00	510.23	0.00
Subtotal			510.23				510.23	0.00	510.23	0.00
TOTAL DISPOSITIONS			510.23				510.23	0.00	510.23	0.00
OTHER TRANSACTIONS										
Dividend	10/01/2018	31846V203	15,264.53	First American Govt Obligation Fund	0.000		13.09	0.00	13.09	0.00
Dividend	10/01/2018	921943858	6,935.00	Vanguard ETF FTSE Developed Mkts ETF	0.000		1,098.50	0.00	1,098.50	0.00
Dividend	10/01/2018	922042858	3,625.00	Vanguard FTSE Emerging Markets ETF	0.000		1,720.43	0.00	1,720.43	0.00
Dividend	10/02/2018	464287200	1,280.00	ISHARES S&P 500 Index ETF	0.000		1,635.03	0.00	1,635.03	0.00
Dividend	10/02/2018	464287507	2,140.00	ISHARES S&P Midcap ETF	0.000		1,801.68	0.00	1,801.68	0.00
Dividend	10/02/2018	464288489	2,355.00	ISHARES Intl Developed Real Estate ETF	0.000		428.72	0.00	428.72	0.00
Dividend	10/03/2018	922908751	3,715.00	Vanguard ETF Small Cap	0.000		2,401.00	0.00	2,401.00	0.00
Dividend	10/04/2018	921937835	8,620.00	Vanguard ETF Total Bond Index	0.000		1,581.05	0.00	1,581.05	0.00
Dividend	10/04/2018	92203J407	1,350.00	Vanguard Total Intl Bond ETF	0.000		67.91	0.00	67.91	0.00

Transaction Ledger

As of October 31, 2018



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
OTHER TRANSACTIONS										
Dividend	10/05/2018	78464A417	4,200.00	Barclays Capital High Yield Bond ETF	0.000		735.31	0.00	735.31	0.00
Subtotal			49,484.53				11,482.72	0.00	11,482.72	0.00
TOTAL OTHER TRANSACTIONS			49,484.53				11,482.72	0.00	11,482.72	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	11/01/2018	31846V203	34.28	First American Govt Obligation Fund Class Y	1.000	1.77%	34.28	0.00	34.28	0.00
Purchase	11/06/2018	31846V203	73.17	First American Govt Obligation Fund Class Y	1.000	1.77%	73.17	0.00	73.17	0.00
Purchase	11/06/2018	31846V203	1,675.46	First American Govt Obligation Fund Class Y	1.000	1.77%	1,675.46	0.00	1,675.46	0.00
Purchase	11/07/2018	31846V203	709.04	First American Govt Obligation Fund Class Y	1.000	1.77%	709.04	0.00	709.04	0.00
Subtotal			2,491.95				2,491.95	0.00	2,491.95	0.00
TOTAL ACQUISITIONS			2,491.95				2,491.95	0.00	2,491.95	0.00
DISPOSITIONS										
Security Withdrawal	11/05/2018	31846V203	493.58	First American Govt Obligation Fund Class Y	1.000		493.58	0.00	493.58	0.00
Security Withdrawal	11/26/2018	31846V203	250.00	First American Govt Obligation Fund Class Y	1.000		250.00	0.00	250.00	0.00
Subtotal			743.58				743.58	0.00	743.58	0.00
TOTAL DISPOSITIONS			743.58				743.58	0.00	743.58	0.00
OTHER TRANSACTIONS										
Dividend	11/01/2018	31846V203	23,418.09	First American Govt Obligation Fund Class Y	0.000		34.28	0.00	34.28	0.00
Dividend	11/06/2018	921937835	8,620.00	Vanguard ETF Total Bond Index	0.000		1,675.46	0.00	1,675.46	0.00
Dividend	11/06/2018	92203J407	1,350.00	Vanguard Total Intl Bond ETF	0.000		73.17	0.00	73.17	0.00
Dividend	11/07/2018	78464A417	4,200.00	Barclays Capital High Yield Bond ETF	0.000		709.04	0.00	709.04	0.00
Subtotal			37,588.09				2,491.95	0.00	2,491.95	0.00
TOTAL OTHER TRANSACTIONS			37,588.09				2,491.95	0.00	2,491.95	0.00

ITEM 5.0

AGENDA ITEM SUMMARY

TITLE: REPORT OUT OF CLOSED SESSION

PRESENTED BY: AMY NORTHAM

ISSUE

Pursuant to the Government Code, this will serve as a report out of a closed session items.

BACKGROUND

Pursuant to California Government Code Section 54957.1, approval by the Board of Directors was given at the February 19, 2019 Board of Directors meeting to accept a settlement offer signed by the opposing party or a compromise and release in the matters identified below.

The terms of the agreement include that the plaintiff/claimant will dismiss the matter in exchange for payments as listed below.

Government Code Section 54956.95: Conference regarding a claim for the payment of tort liability losses, public liability losses, or workers' compensation liability incurred by the joint powers' agency or a local agency member of the joint powers' agency.

Claimant: A. Ruiz
Agency claimed against: City of Sebastopol
Amount: \$145,000

Claimant: M. Stoever
Agency claimed against: City of Ukiah
Amount: \$60,000

Claimant: J. Brown
Agency claimed against: City of Willits
Amount: \$156,500

FISCAL IMPACT

Payment of settlement

RECOMMENDED ACTION

None

ATTACHMENTS

None

AGENDA ITEM SUMMARY

TITLE: GENERAL MANAGER'S ACTIVITIES

PRESENTED BY: AMY NORTHAM

ISSUE

The General Manager is responsible for the planning and direction of REMIF's day-to-day operations to meet the organization's fiscal and service goals. The General Manager will routinely report on her activities to the Governing Board. No action is required by the Board. This is informational only.

BACKGROUND

Below, please find a brief summary of my activities since the last Board of Directors meeting (January 25, 2019):

1. Multiple telephone conferences and meetings with Athens regarding workers' compensation program;
2. Multiple telephone conferences and meetings with George Hills regarding liability program;
3. Prepare for and attendance at CJPRMA board meeting;
4. Meeting with REMIF tenants, contractor and architect regarding lease renewal;
5. Prepare draft MOC and updates to plan documents on self-insured medical plan;
6. Prepare for and attend REMIF Board of Directors special meeting on health care renewals;
7. Multiple telephone conferences regard dependent verification audit for medical plan;
8. Preparation for and attendance at REMIF annual Police Chief's Training;
9. Plan, prepare for and attend Health Care Committee meeting;
10. Plan, prepare for and attend Finance Committee meeting;
11. Plan, prepare for and attend Executive Committee meeting;
12. Plan, prepare for and attend Workers' Compensation Committee meeting;
13. Attendance at annual PARMA conference (Anaheim);
14. Attendance at members' employee testing;
15. Meeting with member regarding billings;
16. Meetings regarding excess and earthquake renewals;
17. Attendance at ARM training;
18. Plan and attend liability claims review;
19. Results of the survey taken after the annual board meeting: There were 7 respondents to the survey, and a summary of the results are attached.

FISCAL IMPACT

None

RECOMMENDED ACTION

None

ATTACHMENTS

6.1 Survey Results for Annual Membership and Board Meeting in Jan 2019



PAID FEATURE

Export your survey data in .PDF, .XLS, .CSV, .PPTX, or SPSS format.

UPGRADE

Learn more »



Meeting/Board Meeting

0

→ COLLECT RESPONSES → **ANALYZE RESULTS** → PRESENT RESULTS NEW!

RESPONDENTS: 7 of 7

SAVE AS

QUESTION SUMMARIES

DATA TRENDS

INDIVIDUAL RESPONSES

Page 1

Q1

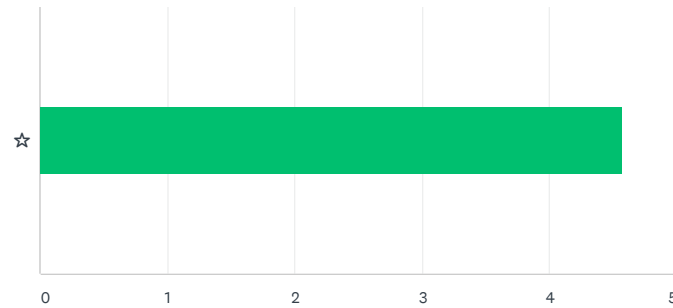


Customize

Save as

Please rate Thursday's presentation: REMIF Annual Report and the New "Teal" Binder (by Amy Northam)

Answered: 7 Skipped: 0



	1	2	3	4	5	TOTAL	WEIGHTED AVERAGE
☆	0.00%	0.00%	0.00%	42.86%	57.14%	7	4.57
	0	0	0	3	4		

Q2



Customize

Save as

Please rate Thursday's presentation: Finance Department Annual Update (by Ritesh Sharma and Min Su)

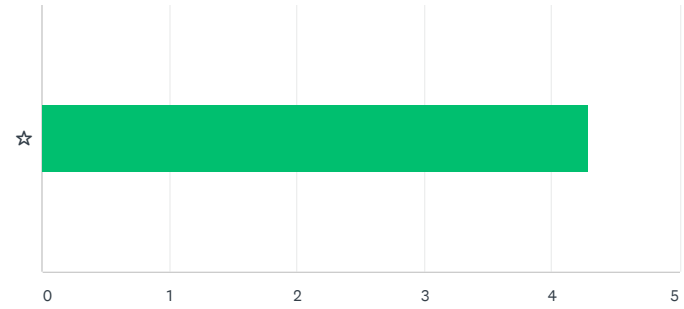


EXPORTS ?

PAID FEATURE
Export your survey data in .PDF, .XLS, .CSV, .PPTX, or SPSS format.

UPGRADE [Learn more »](#)

Answered: 7 Skipped: 0



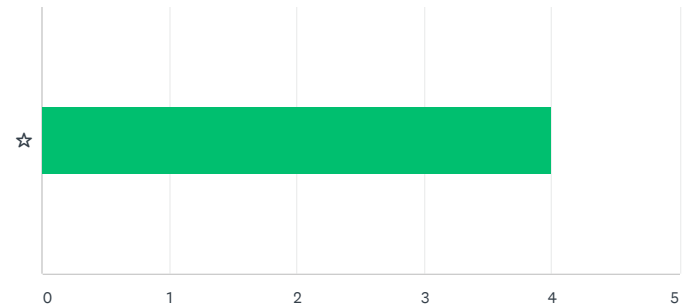
	1	2	3	4	5	TOTAL	WEIGHTED AVERAGE
☆	0.00% 0	0.00% 0	0.00% 0	71.43% 5	28.57% 2	7	4.29

Q3

[Customize](#) [Save as](#)

Please rate Thursday's presentation: Workers' Compensation Stewardship Report (by Athens Administrators)

Answered: 7 Skipped: 0



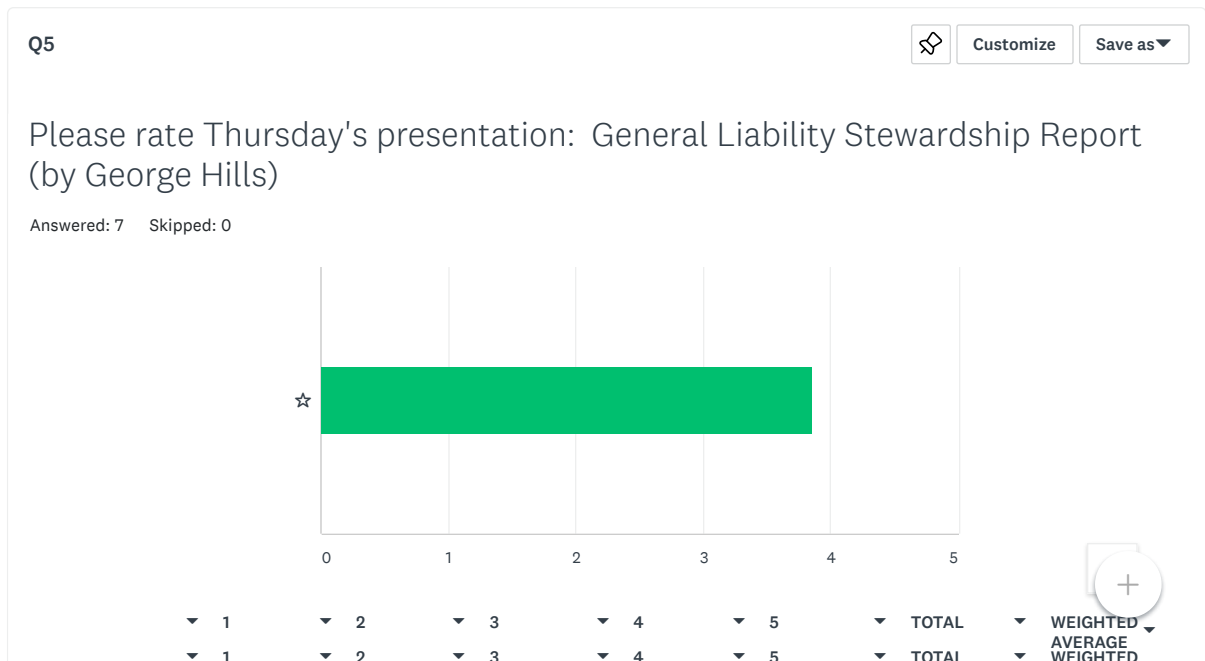
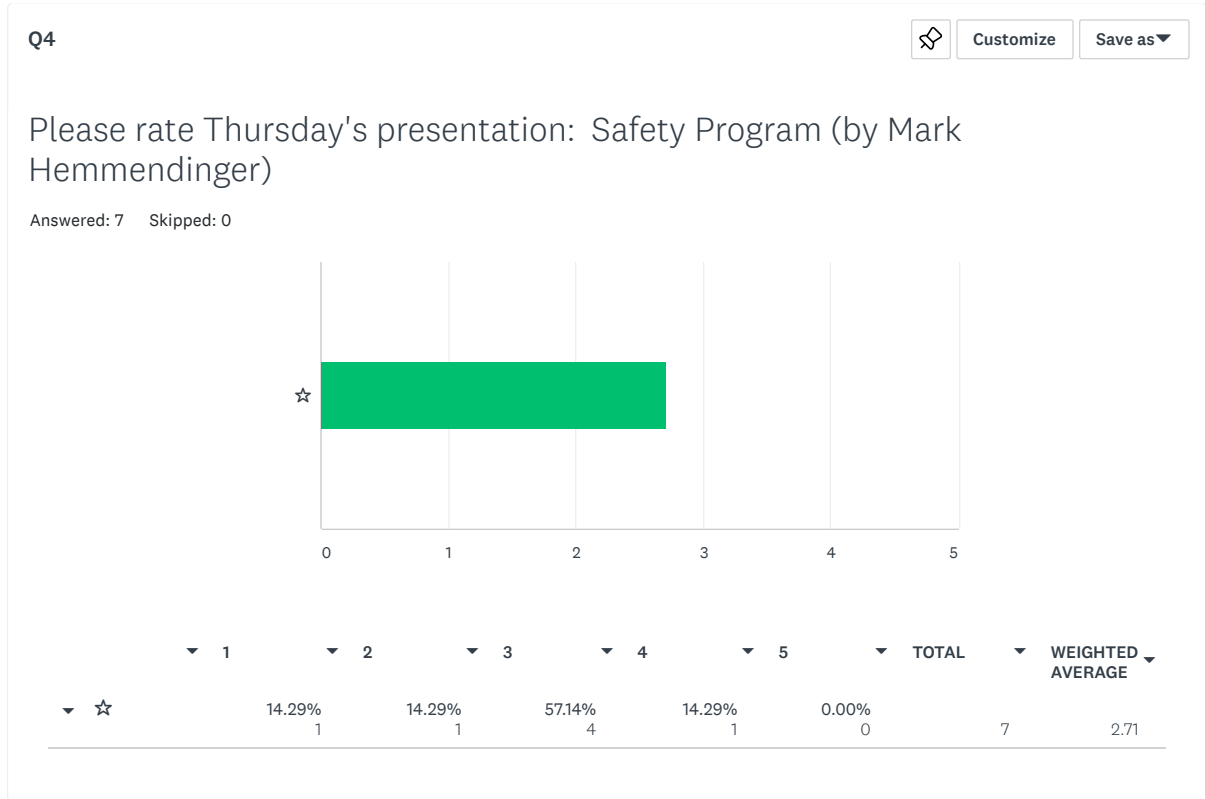
	1	2	3	4	5	TOTAL	WEIGHTED AVERAGE
☆	0.00% 0	0.00% 0	28.57% 2	42.86% 3	28.57% 2	7	4.29



EXPORTS ?

PAID FEATURE
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UPGRADE [Learn more »](#)



EXPORTS ?

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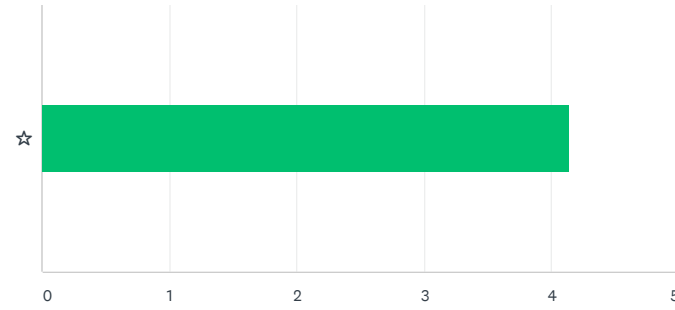
	1	2	3	4	5	TOTAL	WEIGHTED AVERAGE
☆	0.00% 0	0.00% 0	28.57% 2	57.14% 4	14.29% 1	7	3.86

Q6

[Customize](#) [Save as](#)

Please rate Thursday's presentation: "Lessons We Can Learn from City Litigation" (by Ade Moran)

Answered: 7 Skipped: 0



	1	2	3	4	5	TOTAL	WEIGHTED AVERAGE
☆	0.00% 0	0.00% 0	14.29% 1	57.14% 4	28.57% 2	7	4.14

Q7

[Customize](#) [Save as](#)

Please rate Thursday's presentation: "What Does the Liability Memorandum of Coverage Cover (and what does it not cover)?" (by Doug Alliston and Amy Northam)

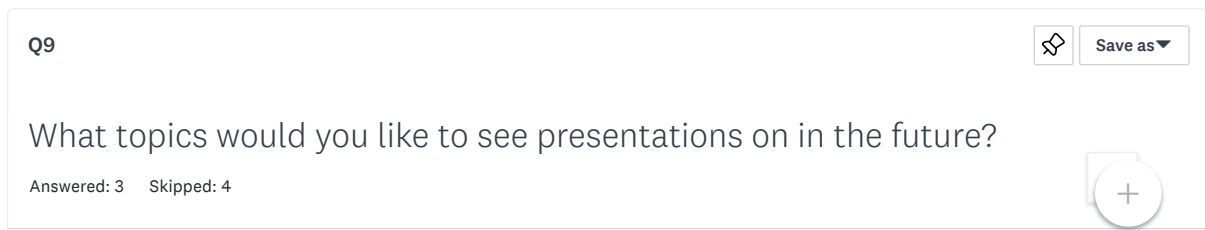
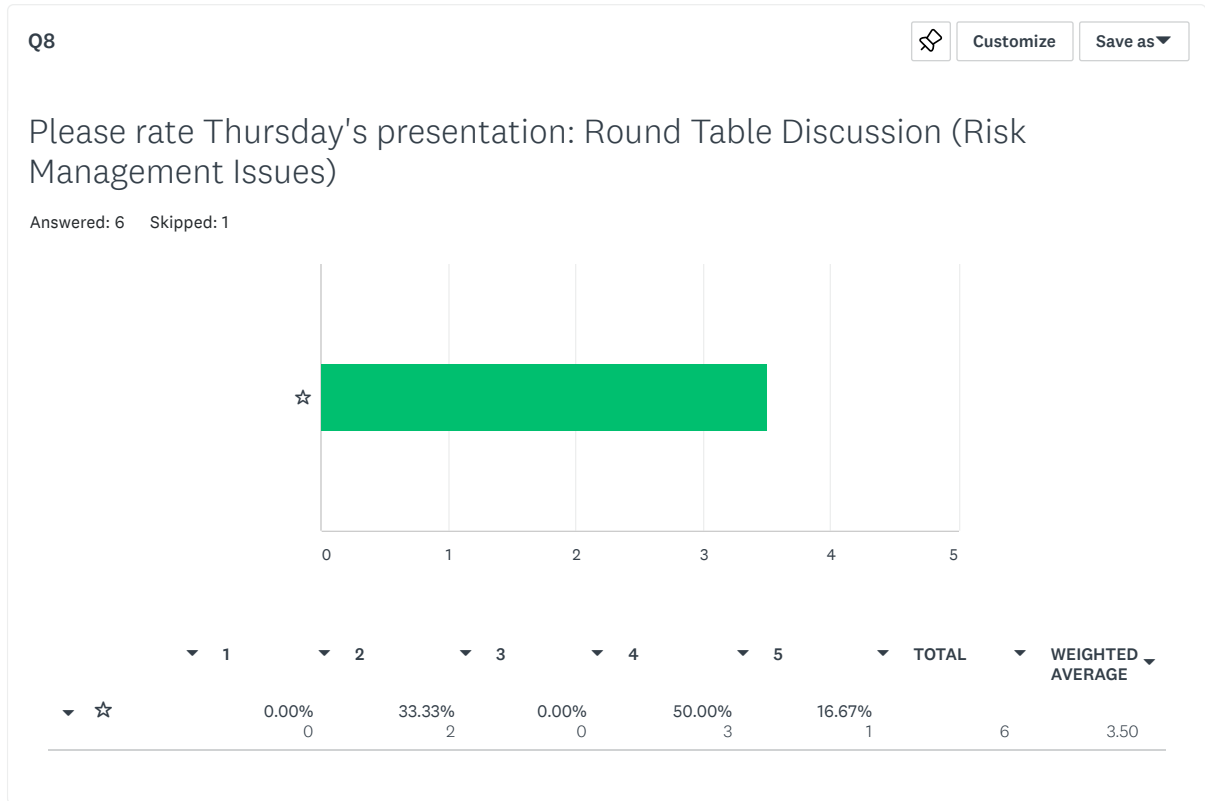
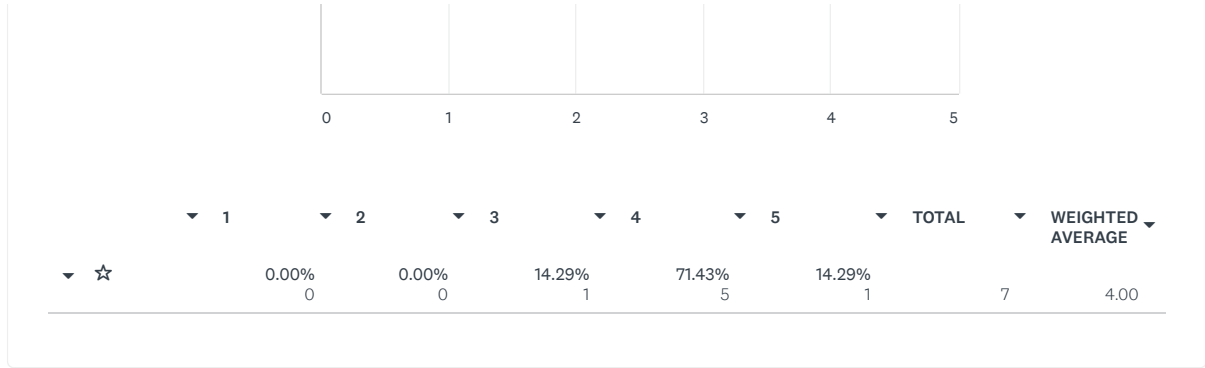
Answered: 7 Skipped: 0



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Apply to selected Filter by tag Search responses ?

Showing **3** responses

- I really don't know
1/28/2019 5:05 PM [View respondent's answers](#) Add tags
- Continue with the past present and future theme. How to communicate Board decisions and policies to staff that handle day to day. Have more "ice breakers."
1/28/2019 1:51 PM [View respondent's answers](#) Add tags
- I'd like to see a "wellness" type topic that Members can use for their own entity.
1/28/2019 1:39 PM [View respondent's answers](#) Add tags

Q10 Save as



What feedback do you have for the Annual Membership Meeting (the Thursday meeting) or for REMIF in general?


Answered: 5 Skipped: 2

RESPONSES (5) **WORD CLOUD** **TAGS (0)** Sentiments: OFF


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Search responses  

Showing 5 responses

<input type="checkbox"/> Great meeting!	1/29/2019 10:43 AM	View respondent's answers	Add tags
<input type="checkbox"/> I appreciated hearing the overview of 2018, our financial status and the plans for going forward. The Risk Management open discussions are always informational.	1/28/2019 5:05 PM	View respondent's answers	Add tags
<input type="checkbox"/> I thought the round table discussion was an excellent idea. I think any time the audience can participate and share ideas is a good thing. It was good for me to put a face to names.	1/28/2019 1:51 PM	View respondent's answers	Add tags
<input type="checkbox"/> Overall the meeting was terrific. All topics were on point and I appreciated the timeliness of all presenters.	1/28/2019 1:39 PM	View respondent's answers	Add tags





ITEM 7.0

AGENDA ITEM SUMMARY

TITLE: SELF-INSURED HEALTH PLAN

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

Changes to the REMIF health care plan require ratification by the Board of Directors. A Health Care Committee has been appointed to review and discuss issues surrounding the REMIF health care plan and provide recommendations to the Board of Directors for ratification. There are three items that require ratification by the Board of Directors.

BACKGROUND

The Board of Directors has contracted with RealCare/NFP as the broker for health care and other benefits. A Health Care Committee has been appointed to review and discuss issues surrounding the REMIF health care plan and provides recommendations to the Board of Directors for consideration.

REMIF has offered a self-insured health plan since 2015. The plan uses the Anthem network, is administered through Health Comp, and we work with our brokers, RealCare/NFP, on the plan. The plan has been doing well and continues to do so.

The Health Care Committee provides recommendations to the Board of Directors for consideration and ratification. While the Health Care Committee has reviewed the items, there was not a quorum to present at the last meeting.

ITEMS THAT REQUIRE RATIFICATION:

- a. Renewal – Envision RX plan.

The prescription medications under the REMIF plan are administered by Envision RX. While the Health Care Committee will explore enhancements to the pharmacy benefit, plan revisions and associated costs, this ratification is for the contract with Envision only. This does NOT include any changes, additions or removals to the pharmacy program. The EnvisionRx contract includes two main components: The per claim administrative fee and the Envision negotiated drug pricing. The current contract administrative fee is \$1.46 per claim. The renewal fee is \$1.25 per claim for contract year 1, \$1.30 per claim for contract year 2, \$1.35 per claim for contract year 3. The Envision drug pricing for all years reflects deeper guarantees than the current contract. The pricing is based on a three-year contract.

Recommendation: The Health Care Committee recommends the Board of Directors vote to continue the contract with the Envision RX plan and direct the General Manager to enter into any agreements necessary to complete such.

b. Medical Renewal Rates - renewal of the self-funded medical plan

The NFP Actuarial team will present the renewal (actuarial report attached), which uses claims data through March 31, 2019.

The plan has been performing well and continues to do so. Using data as of March 31, 2019 and continuing with the retiree surcharge (this year would be year three of the three-year increase to the retiree surcharge), the actuary recommends as follows:

1. a retiree surcharge of 29.7%;
2. and increase of 1.15% (a -0.07% decrease in rates with a 1.50% margin for adverse deviation)

Historically, the self-funded plan has adopted whole dollar rates (the final rates will be "rounded up" to whole dollars). It is recommended this practice continue.

Recommended rates for active employees are included in the attached actuarial report on page 9 and retiree on page 10.

Recommendation: The Health Care Committee recommends the Board of Directors vote to renew the self-funded medical plan as follows: a retiree surcharge of 29.7%; increase of 1.15% (a -0.07% decrease in rates with a 1.50% margin for adverse deviation), adopt whole dollar rates (the final rates will be "rounded up" to whole dollars), and direct the General Manager to enter into any agreements necessary to complete such.

c. Dependent Eligibility Audit

The Board of Directors approved a dependent eligibility audit at the Board of Directors meeting on September 27, 2018. The purpose of the audit is to help ensure the Plan is covering only eligible dependents. This protects the Plan against claims costs and Stop Loss issues that may arise if an ineligible member is permitted to remain on the plan. The audit is being conducted by BMI, and the initial mailings were sent out in January. The audit is complete, and the findings are as follows:

REM – REMIF		
Status - Employees	Count	Percent
Complete	462	94.29%
Incomplete	14	2.86%
No Response	14	2.86%
Total	490	
Status - Dependents	Count	Percent
Passed	976	93.31%
Ineligible	9	0.86%
Incomplete	21	2.01%
Suspend	5	0.48%
No Response	35	3.35%
Total	1046	

The results of the audit have been reviewed by the Health Care Committee and options for those dependents that are either ineligible, incomplete or have no response were discussed. The Committee recommends that ineligible dependents be dropped from coverage. For those employees/dependents that are incomplete and/or have provided no response, it is recommended that the member cities reach out to the employees one last time and if a response is not received from the employee by May 15, 2019, the dependent be dropped from coverage retroactively effective May 1, 2019.

Recommendation: Drop ineligible dependents from coverage. For those employees/dependents that are incomplete and/or have provided no response, it is recommended that the member cities reach out to the employees one last time and if a response is not received from the employee by May 15, 2019, the dependent be dropped from coverage effective retroactively to May 1, 2019.

FISCAL IMPACT

None to REMIF – amounts paid directly by members

RECOMMENDED ACTIONS

The Health Care Committee recommends the Board of Directors vote to:

Recommendation #1: The Health Care Committee recommends the Board of Directors vote to continue the contract with the Envision RX plan and direct the General Manager to enter into any agreements necessary to complete such.

Recommendation #2: The Health Care Committee recommends the Board of Directors vote to renew the self-funded medical plan as follows: a retiree surcharge of 29.7%; increase of 1.15% (a -0.07% decrease in rates with a 1.50% margin for adverse deviation), adopt whole dollar rates (the final rates will be "rounded up" to whole dollars), and direct the General Manager to enter into any agreements necessary to complete such.

Recommendation #3: Recommendation: Drop ineligible dependents from coverage. For those employees/dependents that are incomplete and/or have provided no response, it is recommended that the member cities reach out to the employees one last time and if a response is not received from the employee by May 15, 2019, the dependent be dropped from coverage effective retroactively to May 1, 2019.

ATTACHMENTS

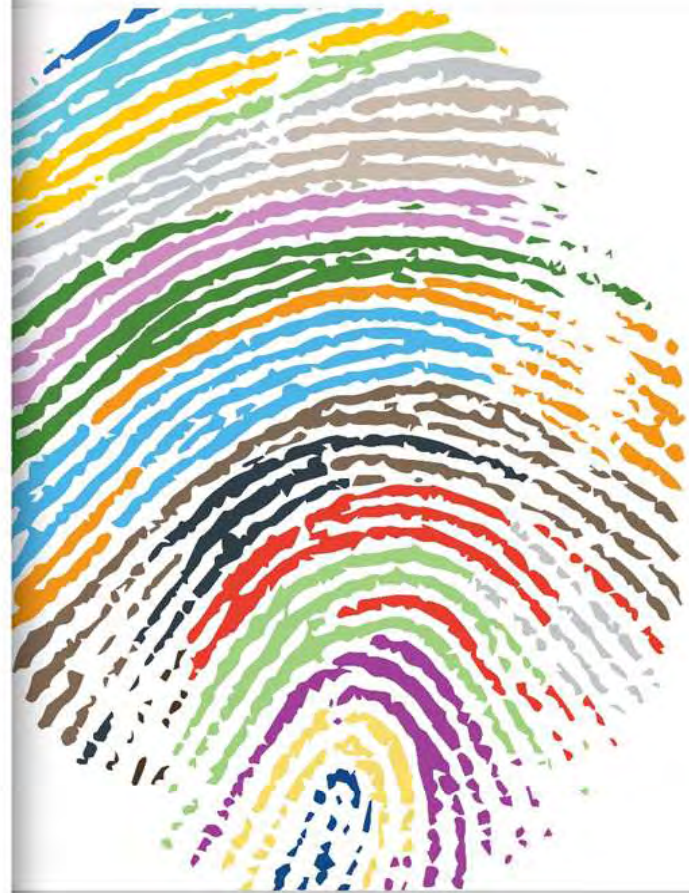
- 7.1 NFP Actuarial report (thru March 31, 2019)
- 7.2 Income and Expense report (thru March 31, 2019)

Renewal Analysis

*For Plan Year Beginning
July 1, 2019*



REDWOOD
EMPIRE
MUNICIPAL
INSURANCE
FUND



*Developed with Data Through
March 31, 2019
Based on Stop Loss Deductible of \$175,000*

Prepared by:

Geoffrey S. Seibel

AVP, Actuarial Services

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Austin, TX 78746
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DISCLAIMER

This report is for the benefit of NFP and REMIF and should only be utilized by someone with the technical competence to understand the implications of the assumptions. This report should only be read or distributed in its entirety.

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Austin, TX 78746
T: 512.697.6159
gseibel@nfp.com
www.nfp.com

April 17, 2019

Ms. Patricia O'Brien
Vice President
RealCare/NFP

Re: REMIF Health Plan

Dear Ms. O'Brien:

Attached, please find a Statement of Actuarial Opinion and a Statement of Actuarial Assumptions regarding an analysis of the REMIF health plan.

Claims paid from 2/1/2016 through 3/31/2019 were used for this analysis.

The purpose of the analysis was to estimate and recommend the REMIF rates for medical and prescription drugs for plan year beginning 7/1/2019. This analysis also includes a second set of medical and Rx rates based on a revised retiree surcharge of 29.7%. The 2019-2020 plan year is the third and final year to increase the retiree surcharge to the level recommended based on an analysis performed for the 2017-18 plan year. I recommend evaluating the surcharge on a regular basis going forward to ensure it remains compatible with the REMIF's objectives.

In my opinion, the analysis fairly represents the REMIF health plan. Based upon this analysis, a decrease of 0.07% from the current rates would be sufficient for the renewal plan year.

If you have any questions, please feel free to contact me.

Sincerely,



Geoffrey S. Seibel, ASA, MAAA
AVP, Actuarial Services
Corporate Benefits
NFP Insurance Services, Inc.

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CURRENT PREMIUM EQUIVALENTS - Medical and Rx

Effective July 1, 2018

	Count	Current Premium Equivalents
EPO 250 - Actives		
Employee Only	179	\$745.00
Employee + 1	118	\$1,560.00
Employee + Family	179	\$2,228.00
EPO 500 - Actives		
Employee Only	27	\$645.00
Employee + 1	25	\$1,353.00
Employee + Family	19	\$1,932.00
PPO 500 - Actives		
Employee Only	14	\$640.00
Employee + 1	7	\$1,343.00
Employee + Family	9	\$1,918.00
HSA 1350 - Actives		
Employee Only	45	\$547.00
Employee + 1	23	\$1,145.00
Employee + Family	69	\$1,635.00
EPO 250 - Retirees		
Employee Only	33	\$955.00
Employee + 1	19	\$1,999.00
Employee + Family	6	\$2,854.00
EPO 500 - Retirees		
Employee Only	2	\$827.00
Employee + 1	4	\$1,734.00
Employee + Family	0	\$2,475.00
PPO 500 - Retirees		
Employee Only	2	\$820.00
Employee + 1	1	\$1,720.00
Employee + Family	0	\$2,457.00
HSA 1350 - Retirees		
Employee Only	6	\$700.00
Employee + 1	4	\$1,467.00
Employee + Family	0	\$2,094.00
BlueCard 250 (Out of State) - Retirees		
Employee Only	6	\$955.00
Employee + 1	6	\$1,999.00
Employee + Family	0	\$2,854.00
Total Annualized Costs		\$13,559,340
Current Employee Count		803
Current PEPM		\$1,407.15

MEDICAL RENEWAL DEVELOPMENT

Renewal Date 7/1/2019

	Experience Period 3 Start End Midpoint	Experience Period 2 4/1/2017 3/31/2018 9/30/2017	Experience Period 1 4/1/2018 3/31/2019 9/30/2018
(1) Total Medical Claims (Page 15)	\$9,042,451	\$9,833,992	\$9,209,464
(2) Remove Large Claims (Page 16)	\$1,611,928	\$2,602,704	\$1,639,219
(3) Total Completed Claims ((3) = (1) - (2))	\$7,430,523	\$7,231,288	\$7,570,245
(4) Annual Trend Factor (Page 17)	5.9%	6.0%	6.0%
(5) Months to Midpoint	39	27	15
(6) Total Medical Trend Factor ((6) = [1 + (4)] ^ [(5) / 12])	20.4%	14.0%	7.5%
(7) Plan Change / Demographic Change Factor	-6.0%	-4.0%	-0.6%
(8) Trended Medical Claims ((8) = (3) * [1 + (6)] * [1 + (7)])	\$8,405,861	\$7,913,519	\$8,092,289
(9) Number of Large Claimants (Page 16)	6.50	8.25	5.25
(10) Large Claims Not Subject to Reimbursement ((10) = (9) * \$175,000)	\$1,137,500	\$1,443,750	\$918,750
(11) Total Projected Claims ((11) = (8) + (10))	\$9,543,361	\$9,357,269	\$9,011,039
(12) Employee Months (Page 15)*	10,210	9,651	9,641
(13) PEPM ((13) = (11) / (12))	\$934.71	\$969.56	\$934.66
(14) Period Weights	10%	30%	60%
(15) Total Projected Renewal Year Medical Claims (PEPM)		\$945.14	

* Enrollment setback 2 months

Rx RENEWAL DEVELOPMENT

Renewal Date 7/1/2019

	Experience Period 3 Start End Midpoint	Experience Period 2 Start End Midpoint	Experience Period 1 Start End Midpoint
(1) Total Rx Claims (Page 15)	\$1,826,035	\$1,552,926	\$1,814,690
(2) Annual Trend Factor (Page 17)	8.8%	8.3%	8.1%
(3) Months to Midpoint	39	27	15
(4) Total Rx Trend Factor ((4) = [1 + (2)] ^ [(3) / 12])	31.4%	19.6%	10.2%
(5) Plan Change / Demographic Change Factor	-6.0%	-4.0%	-0.6%
(6) Trended Rx Claims ((6) = (1) * [1 + (4)] * [1 + (5)])	\$2,255,182	\$1,783,476	\$1,987,879
(7) Employee Months (Page 15)*	10,131	9,634	9,644
(8) PEPM ((8) = (6) / (7))	\$222.60	\$185.12	\$206.13
(9) Period Weights	10%	30%	60%
(10) Total Projected Renewal Year Rx Claims (PEPM)		\$201.47	

* Enrollment setback 1 month

TOTAL RENEWAL DEVELOPMENT

Current Employee Count 803

Renewal Date 7/1/2019

Claims	Renewal Year Expected Costs		Percent Change from Current
	PEPM	Annualized	
(1) Total Medical Claims (Line 15 Page 6)	\$945.14	\$9,107,321	
(2) Total Rx Claims (Line 10 Page 7)	\$201.47	\$1,941,403	
(3) Total Expected Renewal Year Claims ((3) = (1) + (2))	\$1,146.61	\$11,048,724	
Fixed Fees			
(4) Administrative Fees	\$22.45	\$216,328	
(5) Specific Stop Loss Fees	\$172.79	\$1,665,004	
(6) Aggregate Stop Loss Fees	\$2.96	\$28,523	
(7) Rx Rebates	\$0.00	\$0	
(8) RealCare Consulting Fees	\$20.96	\$201,971	
(9) REACH	\$3.74	\$36,039	
(10) REMIF Admin Fee	\$14.06	\$135,500	
(11) Network (JAA)	\$22.61	\$217,900	
(12) Total Fixed Fees (Sum of (4) through (11))	\$259.57	\$2,501,264	
Renewal Summary			
(13) Current Expected Costs (Page 5)	\$1,407.15	\$13,559,340	
(14) Renewal Expected Costs ((14) = (3) + (12))	\$1,406.18	\$13,549,988	-0.07%
(15) Renewal Expected Costs with Margin @ 1.5%	\$1,423.38	\$13,715,719	1.15%

RENEWAL PREMIUM EQUIVALENTS

Retiree Relativity As-Is

Plan Year Beginning July 1, 2019

	Renewal Count	Renewal Premium Equivalents Based On:			Plan Specific Rate Change Based On:	
		Expected Claims	1.5% Margin	COBRA (Includes 2%)	Expected Claims	1.5% Margin
EPO 250 - Actives						
Employee Only	179	\$744.49	\$753.59	\$759.38	-0.07%	1.15%
Employee + 1	118	\$1,558.92	\$1,577.99	\$1,590.10	-0.07%	1.15%
Employee + Family	179	\$2,226.46	\$2,253.70	\$2,270.99	-0.07%	1.15%
EPO 500 - Actives						
Employee Only	27	\$644.56	\$652.44	\$657.45	-0.07%	1.15%
Employee + 1	25	\$1,352.07	\$1,368.60	\$1,379.11	-0.07%	1.15%
Employee + Family	19	\$1,930.67	\$1,954.28	\$1,969.28	-0.07%	1.15%
PPO 500 - Actives						
Employee Only	14	\$639.56	\$647.38	\$652.35	-0.07%	1.15%
Employee + 1	7	\$1,342.07	\$1,358.49	\$1,368.92	-0.07%	1.15%
Employee + Family	9	\$1,916.68	\$1,940.12	\$1,955.01	-0.07%	1.15%
HSA 1350 - Actives						
Employee Only	45	\$546.62	\$553.31	\$557.56	-0.07%	1.15%
Employee + 1	23	\$1,144.21	\$1,158.21	\$1,167.09	-0.07%	1.15%
Employee + Family	69	\$1,633.87	\$1,653.86	\$1,666.55	-0.07%	1.15%
EPO 250 - Retirees						
Employee Only	33	\$954.34	\$966.01	\$973.43	-0.07%	1.15%
Employee + 1	19	\$1,997.62	\$2,022.05	\$2,037.57	-0.07%	1.15%
Employee + Family	6	\$2,852.03	\$2,886.92	\$2,909.07	-0.07%	1.15%
EPO 500 - Retirees						
Employee Only	2	\$826.43	\$836.54	\$842.96	-0.07%	1.15%
Employee + 1	4	\$1,732.80	\$1,754.00	\$1,767.46	-0.07%	1.15%
Employee + Family	0	\$2,473.29	\$2,503.54	\$2,522.76	-0.07%	1.15%
PPO 500 - Retirees						
Employee Only	2	\$819.43	\$829.46	\$835.82	-0.07%	1.15%
Employee + 1	1	\$1,718.81	\$1,739.84	\$1,753.19	-0.07%	1.15%
Employee + Family	0	\$2,455.31	\$2,485.34	\$2,504.41	-0.07%	1.15%
HSA 1350 - Retirees						
Employee Only	6	\$699.52	\$708.07	\$713.51	-0.07%	1.15%
Employee + 1	4	\$1,465.99	\$1,483.92	\$1,495.31	-0.07%	1.15%
Employee + Family	0	\$2,092.56	\$2,118.15	\$2,134.41	-0.07%	1.15%
BlueCard 250 (Out of State) - Retirees						
Employee Only	6	\$954.34	\$966.01	\$973.43	-0.07%	1.15%
Employee + 1	6	\$1,997.62	\$2,022.05	\$2,037.57	-0.07%	1.15%
Employee + Family	0	\$2,852.03	\$2,886.92	\$2,909.07	-0.07%	1.15%
Total Annualized Costs		\$13,549,988	\$13,715,719			
Renewal Employee Count		803	803			
Renewal PEPM		\$1,406.18	\$1,423.38			
Overall Percent Change		-0.07%	1.15%			

RENEWAL PREMIUM EQUIVALENTS

Revised Retiree Relativity to 29.7% of Active Rate (3rd and final year of 3-year step program to Appropriate Active/Retiree Ratio)

Plan Year Beginning July 1, 2019

	Renewal Count	Renewal Premium Equivalents Based On:			Plan Specific Rate Change Based On:	
		Expected Claims	1.5% Margin	COBRA (Includes 2%)	Expected Claims	1.5% Margin
EPO 250 - Actives						
Employee Only	179	\$743.47	\$752.56	\$758.34	-0.21%	1.02%
Employee + 1	118	\$1,556.80	\$1,575.84	\$1,587.93	-0.21%	1.02%
Employee + Family	179	\$2,223.42	\$2,250.62	\$2,267.89	-0.21%	1.02%
EPO 500 - Actives						
Employee Only	27	\$643.67	\$651.55	\$656.55	-0.21%	1.02%
Employee + 1	25	\$1,350.22	\$1,366.74	\$1,377.22	-0.21%	1.02%
Employee + Family	19	\$1,928.03	\$1,951.61	\$1,966.59	-0.21%	1.02%
PPO 500 - Actives						
Employee Only	14	\$638.69	\$646.50	\$651.46	-0.21%	1.02%
Employee + 1	7	\$1,340.24	\$1,356.63	\$1,367.05	-0.21%	1.02%
Employee + Family	9	\$1,914.06	\$1,937.47	\$1,952.34	-0.21%	1.02%
HSA 1350 - Actives						
Employee Only	45	\$545.88	\$552.55	\$556.79	-0.21%	1.02%
Employee + 1	23	\$1,142.65	\$1,156.62	\$1,165.50	-0.21%	1.02%
Employee + Family	69	\$1,631.64	\$1,651.60	\$1,664.27	-0.21%	1.02%
EPO 250 - Retirees						
Employee Only	33	\$964.36	\$976.15	\$983.64	0.98%	2.21%
Employee + 1	19	\$2,019.32	\$2,044.02	\$2,059.71	1.02%	2.25%
Employee + Family	6	\$2,884.01	\$2,919.28	\$2,941.69	1.05%	2.29%
EPO 500 - Retirees						
Employee Only	2	\$834.91	\$845.12	\$851.61	0.96%	2.19%
Employee + 1	4	\$1,751.37	\$1,772.79	\$1,786.40	1.00%	2.24%
Employee + Family	0	\$2,500.85	\$2,531.44	\$2,550.87	1.04%	2.28%
PPO 500 - Retirees						
Employee Only	2	\$828.44	\$838.57	\$845.01	1.03%	2.26%
Employee + 1	1	\$1,738.43	\$1,759.69	\$1,773.20	1.07%	2.31%
Employee + Family	0	\$2,482.73	\$2,513.10	\$2,532.38	1.05%	2.28%
HSA 1350 - Retirees						
Employee Only	6	\$708.06	\$716.72	\$722.22	1.15%	2.39%
Employee + 1	4	\$1,482.13	\$1,500.26	\$1,511.77	1.03%	2.27%
Employee + Family	0	\$2,116.40	\$2,142.29	\$2,158.73	1.07%	2.31%
BlueCard 250 (Out of State) - Retirees						
Employee Only	6	\$964.36	\$976.15	\$983.64	0.98%	2.21%
Employee + 1	6	\$2,019.32	\$2,044.02	\$2,059.71	1.02%	2.25%
Employee + Family	0	\$2,884.01	\$2,919.28	\$2,941.69	1.05%	2.29%
Total Annualized Costs		\$13,549,988	\$13,715,719			
Renewal Employee Count		803	803			
Renewal PEPM		\$1,406.18	\$1,423.38			
Overall Percent Change		-0.07%	1.15%			

RENEWAL PREMIUM EQUIVALENTS

Retiree Relativity As-Is - Rounded to Nearest Dollar*

Plan Year Beginning July 1, 2019

	Renewal Count	Renewal Premium Equivalents Based On:			Plan Specific Rate Change Based On:	
		Expected Claims	1.5% Margin	COBRA (Includes 2%)	Expected Claims	1.5% Margin
EPO 250 - Actives						
Employee Only	179	\$744.00	\$754.00	\$759.00	-0.13%	1.21%
Employee + 1	118	\$1,559.00	\$1,578.00	\$1,590.00	-0.06%	1.15%
Employee + Family	179	\$2,226.00	\$2,254.00	\$2,271.00	-0.09%	1.17%
EPO 500 - Actives						
Employee Only	27	\$645.00	\$652.00	\$657.00	0.00%	1.09%
Employee + 1	25	\$1,352.00	\$1,369.00	\$1,379.00	-0.07%	1.18%
Employee + Family	19	\$1,931.00	\$1,954.00	\$1,969.00	-0.05%	1.14%
PPO 500 - Actives						
Employee Only	14	\$640.00	\$647.00	\$652.00	0.00%	1.09%
Employee + 1	7	\$1,342.00	\$1,358.00	\$1,369.00	-0.07%	1.12%
Employee + Family	9	\$1,917.00	\$1,940.00	\$1,955.00	-0.05%	1.15%
HSA 1350 - Actives						
Employee Only	45	\$547.00	\$553.00	\$558.00	0.00%	1.10%
Employee + 1	23	\$1,144.00	\$1,158.00	\$1,167.00	-0.09%	1.14%
Employee + Family	69	\$1,634.00	\$1,654.00	\$1,667.00	-0.06%	1.16%
EPO 250 - Retirees						
Employee Only	33	\$954.00	\$966.00	\$973.00	-0.10%	1.15%
Employee + 1	19	\$1,998.00	\$2,022.00	\$2,038.00	-0.05%	1.15%
Employee + Family	6	\$2,852.00	\$2,887.00	\$2,909.00	-0.07%	1.16%
EPO 500 - Retirees						
Employee Only	2	\$826.00	\$837.00	\$843.00	-0.12%	1.21%
Employee + 1	4	\$1,733.00	\$1,754.00	\$1,767.00	-0.06%	1.15%
Employee + Family	0	\$2,473.00	\$2,504.00	\$2,523.00	-0.08%	1.17%
PPO 500 - Retirees						
Employee Only	2	\$819.00	\$829.00	\$836.00	-0.12%	1.10%
Employee + 1	1	\$1,719.00	\$1,740.00	\$1,753.00	-0.06%	1.16%
Employee + Family	0	\$2,455.00	\$2,485.00	\$2,504.00	-0.08%	1.14%
HSA 1350 - Retirees						
Employee Only	6	\$700.00	\$708.00	\$714.00	0.00%	1.14%
Employee + 1	4	\$1,466.00	\$1,484.00	\$1,495.00	-0.07%	1.16%
Employee + Family	0	\$2,093.00	\$2,118.00	\$2,134.00	-0.05%	1.15%
BlueCard 250 (Out of State) - Retirees						
Employee Only	6	\$954.00	\$966.00	\$973.00	-0.10%	1.15%
Employee + 1	6	\$1,998.00	\$2,022.00	\$2,038.00	-0.05%	1.15%
Employee + Family	0	\$2,852.00	\$2,887.00	\$2,909.00	-0.07%	1.16%
Total Annualized Costs		\$13,548,588	\$13,716,936			
Renewal Employee Count		803	803			
Renewal PEPM		\$1,406.04	\$1,423.51			
Overall Percent Change		-0.07%	1.15%			

* Premium equivalents have been rounded to the nearest dollar at the client's request

RENEWAL PREMIUM EQUIVALENTS

Revised Retiree Relativity to 29.7% of Active Rate (3rd and final year of 3-year step program to Appropriate Active/Retiree Ratio) - Rounded to Nearest Dollar*

Plan Year Beginning July 1, 2019

	Renewal Count	Renewal Premium Equivalents Based On:			Plan Specific Rate Change Based On:	
		Expected Claims	1.5% Margin	COBRA (Includes 2%)	Expected Claims	1.5% Margin
EPO 250 - Actives						
Employee Only	179	\$743.00	\$753.00	\$758.00	-0.27%	1.07%
Employee + 1	118	\$1,557.00	\$1,576.00	\$1,588.00	-0.19%	1.03%
Employee + Family	179	\$2,223.00	\$2,251.00	\$2,268.00	-0.22%	1.03%
EPO 500 - Actives						
Employee Only	27	\$644.00	\$652.00	\$657.00	-0.16%	1.09%
Employee + 1	25	\$1,350.00	\$1,367.00	\$1,377.00	-0.22%	1.03%
Employee + Family	19	\$1,928.00	\$1,952.00	\$1,967.00	-0.21%	1.04%
PPO 500 - Actives						
Employee Only	14	\$639.00	\$646.00	\$651.00	-0.16%	0.94%
Employee + 1	7	\$1,340.00	\$1,357.00	\$1,367.00	-0.22%	1.04%
Employee + Family	9	\$1,914.00	\$1,937.00	\$1,952.00	-0.21%	0.99%
HSA 1350 - Actives						
Employee Only	45	\$546.00	\$553.00	\$557.00	-0.18%	1.10%
Employee + 1	23	\$1,143.00	\$1,157.00	\$1,166.00	-0.17%	1.05%
Employee + Family	69	\$1,632.00	\$1,652.00	\$1,664.00	-0.18%	1.04%
EPO 250 - Retirees						
Employee Only	33	\$964.00	\$976.00	\$984.00	0.94%	2.20%
Employee + 1	19	\$2,019.00	\$2,044.00	\$2,060.00	1.00%	2.25%
Employee + Family	6	\$2,884.00	\$2,919.00	\$2,942.00	1.05%	2.28%
EPO 500 - Retirees						
Employee Only	2	\$835.00	\$845.00	\$852.00	0.97%	2.18%
Employee + 1	4	\$1,751.00	\$1,773.00	\$1,786.00	0.98%	2.25%
Employee + Family	0	\$2,501.00	\$2,531.00	\$2,551.00	1.05%	2.26%
PPO 500 - Retirees						
Employee Only	2	\$828.00	\$839.00	\$845.00	0.98%	2.32%
Employee + 1	1	\$1,738.00	\$1,760.00	\$1,773.00	1.05%	2.33%
Employee + Family	0	\$2,483.00	\$2,513.00	\$2,532.00	1.06%	2.28%
HSA 1350 - Retirees						
Employee Only	6	\$708.00	\$717.00	\$722.00	1.14%	2.43%
Employee + 1	4	\$1,482.00	\$1,500.00	\$1,512.00	1.02%	2.25%
Employee + Family	0	\$2,116.00	\$2,142.00	\$2,159.00	1.05%	2.29%
BlueCard 250 (Out of State) - Retirees						
Employee Only	6	\$964.00	\$976.00	\$984.00	0.94%	2.20%
Employee + 1	6	\$2,019.00	\$2,044.00	\$2,060.00	1.00%	2.25%
Employee + Family	0	\$2,884.00	\$2,919.00	\$2,942.00	1.05%	2.28%
Total Annualized Costs		\$13,548,576	\$13,718,532			
Renewal Employee Count		803	803			
Renewal PEPM		\$1,406.04	\$1,423.67			
Overall Percent Change		-0.07%	1.15%			

* Premium equivalents have been rounded to the nearest dollar at the client's request

STATEMENT OF ACTUARIAL OPINION

I, Geoffrey S. Seibel, am AVP, Actuarial Services, NFP Insurance Services, Inc. I am a member of the American Academy of Actuaries.

I have been asked for an analysis of the REMIF health plan renewal premium increase as of 7/1/2019.

I have examined the claims, premiums and enrollment history for the REMIF health plan paid from 2/1/2016 through 3/31/2019. I relied upon underlying records and/or summaries prepared by the responsible officers or employees of the Client and/or HealthComp. In other respects, my estimations included such underlying assumptions and methods as I considered necessary and appropriate.

In my opinion, the analysis fairly represents the REMIF health plan. Based upon this analysis, a decrease of 0.07% from the current rates would be sufficient for the renewal plan year.

I confirm the information I have provided in this report represents an independent, professional assessment of the above noted plans reserves and related accounts as of measurement date. I do not have a relationship with REMIF that would hinder my independence related to the information I have provided REMIF.

The attached analysis is an estimate; the exact amount cannot be determined since various assumptions were made. Also, the more recent claims during the period of analysis are not fully mature yet.

Actuarial methods, considerations and analysis used in forming my opinion conform to the relevant Standards of Practice as promulgated from time to time by the Actuarial Standards Board, which standards form the basis for this statement of opinion.



Geoffrey S. Seibel
Member, American Academy of Actuaries
April 17, 2019

STATEMENT OF ACTUARIAL ASSUMPTIONS

I, Geoffrey S. Seibel, am AVP, Actuarial Services, NFP Insurance Services, Inc. I am a member of the American Academy of Actuaries.

I have been asked for an analysis of the REMIF health plan renewal premium increase as of 7/1/2019.

I have given an Actuarial Opinion regarding the Client's Health Plan. I relied upon underlying records and/or summaries prepared by the responsible officers or employees of the Client and/or HealthComp. In other respects, my estimations included such underlying assumptions and methods as I considered necessary and appropriate.

Actuarial methods, considerations and analysis used in forming my opinion conform to the relevant Standards of Practice as promulgated from time to time by the Actuarial Standards Board, which standards form the basis for this statement of opinion.

Assumptions and methods:

- 1) Census as of 3/1/2019 was used; assumed no population growth after 3/1/2019.
- 2) Historical equivalent premiums and claims were used unadjusted from the administrator - HealthComp
- 3) No discounting or accruing of any values (i.e. no present value calculations).
- 4) Data was checked for reasonableness but not fully audited.
- 5) Claims rate was based on 100% experience and 0% manual claims rate.
- 6) Medical trends were based on a 0% weighting of plan experience and 100% national surveys and Rx trends were based on a 0% weighting of plan experience and 100% national surveys.
- 7) Claims used were on a paid basis. Enrollment setback 2 months in the medical development and 1 month in the Rx development.
- 8) HealthMaps was used to determine applicable plan and demographic mix changes.
- 9) Assumed medical and Rx administrative fees of \$22.45 PEPM for the renewal plan year.
- 10) Specific stop loss premium of \$172.79 for the renewal plan year.
- 11) Aggregate stop loss premium of \$2.96 PEPM for the renewal plan year.
- 12) Historical large claims not subject to reimbursement have been based on the renewal plan year stop loss coverage levels of a \$175,000 specific stop loss deductible.
- 13) Consulting Fees of \$20.96 PEPM.
- 14) REACH of \$3.74 PEPM.
- 15) REMIF Admin Fee of \$14.06 PEPM, which is set at 1% of all expected medical and Rx costs.
- 16) Network (JAA) of \$22.61 PEPM.
- 17) A margin for adverse deviation of 1.5% was requested. It is the position of NFP that margin should not be included in equivalent premiums that will be used for either COBRA purposes or as the basis for setting employee contributions.
- 18) \$175,000 was added to the experience for March 2019 in order to account for the claims REMIF will be responsible for paying for a known high cost claimant whose claims have not been paid yet.
- 19) Other assumptions as shown in the workpapers attached.



Geoffrey S. Seibel
Member, American Academy of Actuaries
April 17, 2019

MEDICAL AND RX EXPERIENCE HISTORY

REMIF Medical and Rx Experience

Paid Month	Subscriber Months	Gross Paid Medical Claims	Gross Paid Rx Claims	Total Gross Paid Medical + Rx
Feb-16	896			
Mar-16	897			
Apr-16	895	867,683	164,556	1,032,239
May-16	896	917,259	214,253	1,131,512
Jun-16	891	981,958	218,169	1,200,127
Jul-16	830	768,604	135,913	904,517
Aug-16	827	765,016	146,080	911,096
Sep-16	822	599,456	138,337	737,793
Oct-16	818	524,821	152,849	677,670
Nov-16	818	733,538	123,511	857,049
Dec-16	810	618,123	129,515	747,638
Jan-17	810	677,045	129,858	806,903
Feb-17	817	777,693	124,903	902,596
Mar-17	815	811,255	148,091	959,346
Apr-17	810	975,502	136,155	1,111,657
May-17	810	1,051,011	141,433	1,192,444
Jun-17	808	1,011,997	170,385	1,182,382
Jul-17	800	563,863	113,294	677,157
Aug-17	798	785,478	127,300	912,778
Sep-17	799	587,628	115,641	703,269
Oct-17	795	1,161,813	121,547	1,283,360
Nov-17	796	723,549	122,571	846,120
Dec-17	802	623,286	109,860	733,146
Jan-18	801	886,067	110,335	996,402
Feb-18	800	729,181	134,892	864,073
Mar-18	798	734,617	149,513	884,130
Apr-18	805	1,203,277	137,926	1,341,203
May-18	801	890,799	149,493	1,040,292
Jun-18	798	1,882,967	153,357	2,036,324
Jul-18	796	683,304	141,707	825,011
Aug-18	801	51,885	172,205	224,090
Sep-18	804	601,772	127,206	728,978
Oct-18	806	594,228	159,538	753,766
Nov-18	812	748,284	169,939	918,223
Dec-18	814	382,944	146,049	528,993
Jan-19	806	722,397	166,640	889,037
Feb-19	803	553,443	130,073	683,516
Mar-19	803	894,165	160,557	1,054,722
Totals				
4-1-16 to 3-31-17	10,049	\$9,042,451	\$1,826,035	\$10,868,486
4-1-17 to 3-31-18	9,617	\$9,833,992	\$1,552,926	\$11,386,918
4-1-18 to 3-31-19	9,649	\$9,209,464	\$1,814,690	\$11,024,154
Enrollment Setback Totals				
2-Month Setback	Medical			
2-1-16 to 1-31-17	10,210			
2-1-17 to 1-31-18	9,651			
2-1-18 to 1-31-19	9,641			
1-Month Setback	Rx			
3-1-16 to 2-28-17	10,131			
3-1-17 to 2-28-18	9,634			
3-1-18 to 2-28-19	9,644			

LARGE CLAIMS EXPERIENCE

(1) Reconcile Large Claim Reporting Periods with Experience Periods

Large Claim Reporting Period	Start Date	End Date	Experience Period 3	Experience Period 2	Experience Period 1
A	7/1/2015	6/30/2016	25.0%	0.0%	0.0%
B	7/1/2016	6/30/2017	75.0%	25.0%	0.0%
C	7/1/2017	6/30/2018	0.0%	75.0%	25.0%
D	7/1/2018	3/31/2019	0.0%	0.0%	100.0%

(2) Assign Claims Exceeding Spec to Experience Period (Amounts)

Large Claim Reporting Period	Claimant	Total Claims Paid	Experience Period 3	Experience Period 2	Experience Period 1
A	1	\$708,904	\$177,226	\$0	\$0
A	2	\$305,526	\$76,381	\$0	\$0
A	3	\$409,252	\$102,313	\$0	\$0
A	4	\$280,575	\$70,144	\$0	\$0
A	5	\$176,343	\$44,086	\$0	\$0
A	6	\$194,333	\$48,583	\$0	\$0
A	7	\$373,799	\$93,450	\$0	\$0
A	8	\$178,949	\$44,737	\$0	\$0
B	1	\$201,513	\$151,135	\$50,378	\$0
B	2	\$234,468	\$175,851	\$58,617	\$0
B	3	\$175,232	\$131,424	\$43,808	\$0
B	4	\$205,588	\$154,191	\$51,397	\$0
B	5	\$199,287	\$149,465	\$49,822	\$0
B	6	\$257,255	\$192,941	\$64,314	\$0
C	1	\$539,045	\$0	\$404,284	\$134,761
C	2	\$180,262	\$0	\$135,197	\$45,066
C	3	\$315,209	\$0	\$236,407	\$78,802
C	4	\$241,680	\$0	\$181,260	\$60,420
C	5	\$265,945	\$0	\$199,459	\$66,486
C	6	\$232,339	\$0	\$174,254	\$58,085
C	7	\$253,904	\$0	\$190,428	\$63,476
C	8	\$536,098	\$0	\$402,074	\$134,025
C	9	\$481,342	\$0	\$361,006	\$120,335
D	1	\$306,639	\$0	\$0	\$306,639
D	2	\$334,329	\$0	\$0	\$334,329
D	3	\$236,795	\$0	\$0	\$236,795

(3) Assign Claims Exceeding Spec to Experience Period (Counts)

Large Claim Reporting Period	# of Claimants	Experience Period 3	Experience Period 2	Experience Period 1
A	8	2.00	0.00	0.00
B	6	4.50	1.50	0.00
C	9	0.00	6.75	2.25
D	3	0.00	0.00	3.00

	Experience Period 3	Experience Period 2	Experience Period 1
(4) Total Claim Amount (Sum of (2))	\$1,611,928	\$2,602,704	\$1,639,219
(5) Count of Claims Exceeding Spec (Sum of (3))	6.50	8.25	5.25
(6) Amounts Below Spec ((5) * \$175,000)	\$1,137,500	\$1,443,750	\$918,750
(7) Implied Recovery ((4) - (6))	\$474,428	\$1,158,954	\$720,469

Trend Rates

	Medical	Vision	Rx	Med/Rx	Dental
Aon Consulting's 2018 Health Trend Survey					
PPO	6.8%	0.0%	8.1%	7.0%	0.0%
2019 PWC's- Behind the Numbers					
PPO	5.6%	0.0%	8.1%	6.0%	0.0%
2018 Segal Health Plan Cost Trend Survey					
PPO	7.8%	2.1%	10.3%	8.2%	4.1%
2018 Milliman Medical Index					
PPO	4.2%	0.0%	6.0%	4.5%	0.0%
2018 Willis Towers Watson Survey					
PPO	5.6%	0.0%	8.1%	6.0%	0.0%
National Health Care Trend Survey Averages					
PPO	6.0%	2.1%	8.1%	6.4%	4.1%
Historical trends					
2018	6.0%	2.1%	8.1%	6.4%	4.1%
2017	5.9%	2.1%	9.8%	6.6%	4.1%
2016	4.9%	2.1%	10.2%	5.8%	4.1%

Fraction of Each Trend Year in Each Renewal Period	Period 3	Period 2	Period 1
2019	99.4%	99.4%	99.4%
2018	100.0%	100.0%	25.3%
2017	100.0%	25.3%	0.0%
2016	25.3%	0.0%	0.0%



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REMIF SELF-FUNDED HEALTH PLAN

Income and Expenses

7-1-18 through 3-31-19

PREMIUM INCOME	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
Total Medical Premium Collected	\$ 1,130,809	\$ 1,151,550	\$ 1,141,869	\$ 1,138,165	\$ 1,139,580	\$ 1,155,544	\$ 1,122,231	\$ 1,115,664	\$ 1,161,306
Premium Collected YTD	\$ 1,130,809	\$ 2,282,358	\$ 3,424,227	\$ 4,562,392	\$ 5,701,972	\$ 6,857,516	\$ 7,979,748	\$ 9,095,412	\$ 10,256,718
PLAN ADMINISTRATIVE EXPENSES	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
Fees & Stop Loss Expenses									
Voya Specific Stop Loss	\$ 107,460	\$ 109,277	\$ 109,205	\$ 107,867	\$ 109,071	\$ 111,213	\$ 108,402	\$ 106,796	\$ 110,410
Voya Aggregate Stop Loss	\$ 2,202	\$ 2,238	\$ 2,236	\$ 2,208	\$ 2,233	\$ 2,277	\$ 2,219	\$ 2,187	\$ 2,261
Broker Fees	\$ 16,852	\$ 17,124	\$ 17,103	\$ 16,894	\$ 17,082	\$ 17,418	\$ 16,978	\$ 16,726	\$ 17,292
TPA Fees	\$ 19,690	\$ 20,096	\$ 19,940	\$ 19,495	\$ 19,911	\$ 20,264	\$ 19,820	\$ 19,522	\$ 20,185
PPO/UR Fees	\$ 18,069	\$ 18,370	\$ 18,347	\$ 18,122	\$ 18,325	\$ 18,683	\$ 18,212	\$ 17,942	\$ 18,549
Envision Fees							\$ -		
REMIF Admin Fee	\$ 11,051	\$ 11,176	\$ 11,273	\$ 11,190	\$ 11,217	\$ 11,356	\$ 11,273	\$ 11,106	\$ 11,301
Other Fees	\$ -	\$ -	\$ 150						
Total Fees & Stop Loss	\$ 175,322	\$ 178,281	\$ 178,254	\$ 175,775	\$ 177,840	\$ 181,211	\$ 176,903	\$ 174,279	\$ 179,997
Total Fees YTD	\$ 175,322	\$ 353,603	\$ 531,857	\$ 707,632	\$ 885,472	\$ 1,066,683	\$ 1,243,586	\$ 1,417,865	\$ 1,597,862
CLAIMS EXPENSES	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
Medical	\$ 683,304	\$ 51,885	\$ 601,772	\$ 594,228	\$ 784,284	\$ 382,944	\$ 722,397	\$ 553,443	\$ 719,165
Rx	\$ 136,631	\$ 180,794	\$ 131,352	\$ 167,114	\$ 177,384	\$ 135,167	\$ 166,640	\$ 130,073	\$ 160,557
Total Claims Paid	\$ 819,935	\$ 232,679	\$ 733,124	\$ 761,342	\$ 961,668	\$ 518,111	\$ 889,037	\$ 683,516	\$ 879,722
Claims Paid YTD	\$ 819,935	\$ 1,052,614	\$ 1,785,738	\$ 2,547,081	\$ 3,508,748	\$ 4,026,859	\$ 4,915,895	\$ 5,599,412	\$ 6,479,133
RESERVE ACCOUNTING	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH
Beginning Reserve Balance	\$ 2,765,455	\$ 3,776,458	\$ 4,591,853	\$ 4,832,101	\$ 5,037,917	\$ 5,062,239	\$ 5,523,797	\$ 5,697,798	\$ 6,023,125
INCOME									
Monthly Premium Income	\$ 1,130,809	\$ 1,151,550	\$ 1,141,869	\$ 1,138,165	\$ 1,139,580	\$ 1,155,544	\$ 1,122,231	\$ 1,115,664	\$ 1,161,306
Recovered Stop Loss Claims	\$ 875,452	\$ 74,805	\$ 9,757	\$ 4,768	\$ 24,250	\$ 5,335	\$ 117,710	\$ 67,457	\$ 8,165
Recovered Workers' Comp Claims									
Interest Income									
Other Income									
Total Income	\$ 2,006,261	\$ 1,226,355	\$ 1,151,626	\$ 1,142,934	\$ 1,163,829	\$ 1,160,879	\$ 1,239,941	\$ 1,183,122	\$ 1,169,471
EXPENSES									
Total Fees & Stop Loss	\$ 175,322	\$ 178,281	\$ 178,254	\$ 175,775	\$ 177,840	\$ 181,211	\$ 176,903	\$ 174,279	\$ 179,997
Total Claims	\$ 819,935	\$ 232,679	\$ 733,124	\$ 761,342	\$ 961,668	\$ 518,111	\$ 889,037	\$ 683,516	\$ 879,722
Other Expenses									
Total Expenses Paid	\$ 995,258	\$ 410,960	\$ 911,378	\$ 937,117	\$ 1,139,508	\$ 699,322	\$ 1,065,940	\$ 857,795	\$ 1,059,719
ENDING RESERVE BALANCE	\$ 3,776,458	\$ 4,591,853	\$ 4,832,101	\$ 5,037,917	\$ 5,062,239	\$ 5,523,797	\$ 5,697,798	\$ 6,023,125	\$ 6,132,877
# of REMIF Plan Members	795	804	811	805	807	817	811	799	813



ITEM 8.0

AGENDA ITEM SUMMARY

TITLE: NEW REMIF BOARD POLICY – TARGET EQUITY POLICY

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

The Board of Directors has requested that necessary and relevant Board Policies be drafted, reviewed and adopted as REMIF Board policies. Board Policy requires ratification by the Board of Directors.

BACKGROUND

It is important that organizations to have up to date, relevant and applicable policies that are followed. Policies clarify roles and responsibilities, which promote positive working relationships among the Board, the General Manager, and staff.

Policies foster more consistent decisions, thus improving understanding and morale. Policies also save the Board time, money, and effort by settling questions that might otherwise repeatedly surface, improve relations because expectations are clarified, reduce pressure on the Board and curtail criticism when decisions are based on established policy. They also give the Board, the General Manager and staff a sense of direction based upon a solid policy foundation, promote continuity of action, which is especially important when members from the Board of Directors and staff change, help ensure a better-informed Board, General Manager and staff, and assist in the orientation of newcomers.

Below please find a listing of a new recommended Board Policy to be adopted (**new policy is highlighted in yellow**). A copy of the DRAFT policy is attached.

POLICY #	NAME OF POLICY	DATE ORIGINAL POLICY WAS BOARD APPROVED and DATE BOARD CONFIRMED POLICY	RECOMMENDATIONS	NEEDED FOR CAJPA ACCREDITATION?
1	REMIF Records Retention	01/28/94; 09/27/18	n/a	Yes
2	Legal Fees to Obtain Coverage Opinions	04/06/94; 09/27/18	n/a	No
3	Automobile Purchase	Repealed on 09/27/18	n/a	No
4	Pre-Employment Physical	01/31/97; 09/27/18	n/a	No
5	Flood and/or Earthquake Insurance Funds Allocation	10/02/97; 09/27/18	n/a	No
6	Mileage Reimbursement Rate	06/29/98; 09/27/18	n/a	No
7	Refund Policy for the Workers' Compensation and General/Auto Liability Coverage Programs	06/29/98; 09/27/18	n/a	Yes

POLICY #	NAME OF POLICY	DATE ORIGINAL POLICY WAS BOARD APPROVED and DATE BOARD CONFIRMED POLICY	RECOMMENDATIONS	NEEDED FOR CAJPA ACCREDITATION?
8	Handling of Late Claims by City Attorneys	06/29/98; 09/27/18	n/a	No
9	Use of Vehicles for City Business/Use of City-Owned Vehicles	09/27/18	n/a	No
10	Assignment of Defense Attorneys to REMIF Covered Claims/Lawsuits Filed Against the Covered Member Entities	10/27/05; 09/27/18	n/a	No
11	Training Seminar Participation	06/24/14; 09/27/18	n/a	No
12	REMIF's Defense Attorneys	08/16; 09/27/18	n/a	No
13	REMIF Investment	09/29/16; 09/27/18	n/a	Yes
14	OPEB Investment	10/31/17; 09/27/18	n/a	Yes
15	Conflict of Interest	09/27/18; 09/27/18	n/a	Yes
16	Frequency of Actuarial Studies and Claims Audits	09/27/18; 09/27/18	n/a	Yes
17	Sexual Harassment	09/27/18	n/a	No
18	Non-Discrimination	09/27/18	n/a	No
19	Qualifications of REMIF Board Treasurer	09/27/18	n/a	Yes
20	Written Documentation of Investment Controls	01/25/19	n/a	Yes
21	Target Equity	n/a	Attached is draft policy (review by Finance Committee)	Yes
*	Underwriting Policy (if completed)		Adopt policy at future meeting	Yes
*	IT Policy		Adopt policy at future meeting	Yes
*	Loss Control		Adopt policy at future meeting	Yes
*	Coverage and Claims Dispute		Adopt policy at future meeting	Yes
Bylaws	Settlement Authority	In REMIF bylaws	Keep in place as currently worded	Yes

FISCAL IMPACT

None

RECOMMENDED ACTION

Adopt the following new policy: #21 – Target Equity Policy (reviewed, discussed and approved by the Finance Committee)

ATTACHMENTS

8.1 Policy # 21 – Target Equity Policy draft

Policy #21.0
REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
TARGET EQUITY POLICY STATEMENT

ITEM 8.1

I.

PURPOSE

The purpose of this policy statement is to give guidance to the Board of Directors in making annual funding, dividend and assessment decisions for the REMIF programs, which include the self-funded portions of Workers' Compensation, Liability, Property, Auto Physical Damage (APD), Medical, Dental and Vision programs.

By adoption of this policy statement, the Board of Directors acknowledges the long-term financial strength of the REMIF programs are of utmost importance.

The Board of Directors acknowledges there is a degree of uncertainty in the annual actuarial estimates due to the possibility of catastrophic claims and inconsistent or inaccurate case reserving; therefore, the Board of Directors desires to fund the REMIF programs in a cautious and prudent manner and return equity to its members in an equally cautious and prudent manner.

It is the policy of REMIF to conservatively fund its programs to maintain sufficient assets to pay all losses and avoid substantial fluctuations to contributions.

REMIF will create and maintain a Rate Stabilization Fund in order to mitigate the effect of rate increases.

Before any decision on an equity distribution is made, the Board of Directors desire to have a comprehensive review of REMIF's financial position before deciding on an equity distribution. REMIF has determined that the establishment and monitoring of four benchmarks (attached as Appendix A) in conjunction with the Retrospective Premium Adjustment (RPA) calculation will enhance the Board's understanding of REMIF's overall financial position.

II.

DEFINITIONS

"Claims Paid to Date" is the amount actually paid on reported claims at the date of valuation.

"Confidence Level" is a statistical term used to express the degree to which an actuarial projection (usually "Ultimate Net Loss" or "IBNR") will be an accurate prediction of the dollar losses ultimately paid for a given program year or combination of years. The higher a "Confidence Level" the greater certainty the actuary has that losses will not exceed the dollar value used to attain that "Confidence Level".

"Equity" is the amount of funds remaining, after deducting all administrative and excess insurance costs, available to pay claims in excess of actuarial expected losses discounted for investment income at the actuarially determined "Expected" "Confidence Level".

"Expected Liabilities" is the total of all "Outstanding Reserves", "IBNR", and Unallocated Losses Adjustment Expense "ULAE", discounted, at the "expected" confidence level, which by industry standard translates roughly to the 50% to 56% "Confidence Level" as determined by the independent actuary.

"Incurred But Not Reported (IBNR)" is the estimate of the funds needed to pay for covered losses that have occurred but have not yet been reported to the member and/or REMIF. "IBNR" includes (a) known and

unknown loss events that are expected to be claims; and (b) expected future development on claims already reported.

“Net Contribution” includes the total contributions from members less the excess insurance cost.

“Net Present Value” is the discounting of future cash flows to current values by taking into account the time-value of money.

“Self Insured Retention” is the maximum amount of exposure to a single loss retained by REMIF.

“Outstanding Reserves” are the sum total of unpaid case reserves in the “Self Insured Retention” as provided by the loss run report.

“Ultimate Net Loss” is the sum of “Claims Paid to Date”, “Outstanding Reserves” and “IBNR”, all within REMIF’s “Self Insured Retention”. It is the estimate of the total value of all claims that will ultimately be made against members for which REMIF is responsible.

“Monthly Billing” is the total amount billed to the members for the Health Benefits programs.

Unallocated Loss Adjustment Expense “ULAE” are expenses that are not attributed to the processing of a specific claim.

III.

RATIOS

“Net Contribution” to “Equity” ratio:

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

“Expected Liabilities” to “Equity” ratio:

This ratio is a measure of flexibility the pool has to absorb development of expected losses. A low ratio is desirable.

“Equity” to “Self Insured Retention” ratio:

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

“Equity” to “Monthly Billing” ratio:

This ratio is a benchmark for the minimum fund balance. A high ratio is desirable.

Operating ratio:

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

Reserve Development:

This is a measure of the change in aggregate ultimate losses from one valuation period to the prior valuation(s). Generally, the one-year and two-year reserve development to “Equity” threshold should be less than 20%.

Change in Equity:

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

IV.

TARGET EQUITY POLICY FOR WORKERS' COMPENATION PROGRAM

Workers' Compensation Program Target Funding shall be adopted as follows:

1. Funding for each year will be at the 75% confidence level at the Board of Director's discretion.
2. The target equity goal is set at five times the \$1,000,000 SIR or \$5 million.
3. A Rate Stabilization Fund in an amount not to exceed \$750,000 shall be maintained to off-set pool and excess rate increases as determined by the Board of Directors. The Fund will be replenished prospectively at the Board of Director's discretion when the fund falls below 50% capacity.
4. Funding in excess of the 90% confidence level excluding target equity and Rate Stabilization Fund will be available for distribution at the Board of Director's discretion.
5. If the overall confidence level falls below 70% according to actuarial projections, the Board of Directors may declare an assessment to be shared by all program participants.
6. Upon completing seven years, a program year shall be available for Retrospective Premium Adjustment (RPA).
7. RPA distributions will be made in the following percentages:
 - 50% of equity in year 8
 - 60% of equity in year 9
 - 70% of equity in year 10
 - 80% of equity in year 11
 - 90% of equity in year 12
8. Program years may be considered for closure 15 years after the year-end, and it has been at least one year since closure of the last claim in the proposed year(s). Once declared closed, 100% of remaining equity may be distributed to members through the RPA.
9. If a claim is reported or reopened after a year has been closed and equity returned, the Target Equity reserve will be used first to cover the deficit.
10. The four benchmarks in Appendix A will be reviewed before an RPA is issued.

IV.

TARGET EQUITY POLICY FOR LIABILITY PROGRAM

Liability Target Funding shall be adopted as follows:

1. Funding for each year will be at the 75% confidence level or at the Board of Director's discretion.
2. The target equity is set at five times a \$500,000 SIR or \$2.5million.
3. A Rate Stabilization Fund in an amount not to exceed \$500,000 shall be maintained to off-set pool and excess rate increases as determined by the Board of Directors. The fund will be replenished prospectively at the Board of Director's discretion when the fund falls below 50% of capacity.
4. Funding in excess of the 90% confidence level excluding Target Equity and Designated Equity, will be available for distribution at the Board of Director's discretion.
5. If the overall confidence level falls below 70% according to actuarial projections, the Board of Directors may declare an assessment to be shared by all program participants.
6. Upon completing five years, a program year shall be available for RPA.
7. The maximum distribution will be calculated in the following percentages. The distribution will be based on the lower of this item or #4 above.
 - 50% of equity in year 6
 - 60% of equity in year 7
 - 70% of equity in year 8
 - 80% of equity in year 9
 - 90% of equity in year 10

8. If there are no open claims for a program year, then the year will be declared closed and 100% may be distributed to members through the RPA.
9. If a claim is reported or reopened after a year has been closed and equity returned, the Target Equity reserve will be used first to cover the deficit.
10. The four benchmarks in Appendix A will be reviewed before an RPA is issued.

IV.

TARGET EQUITY POLICY FOR PROPERTY AND APD PROGRAM

1. Funding for each year will be at the 75% confidence level or at the Board of Director's discretion.
2. The target equity is set at five times a \$500,000 SIR or \$2.5 million for the property program. The target equity is set at five times a \$25,000 SIR or \$125,000 for the APD.
3. A Rate Stabilization Fund in an amount not to exceed \$500,000 shall be maintained to off-set pool and excess rate increases as determined by the Board of Directors for the property program. A rate stabilization Fund in an amount not to exceed \$125,000 shall be maintained to off-set pool and excess rate increases as determined by the Board of Directors for the APD program. The fund will be replenished prospectively at the Board of Director's discretion when the fund falls below 50% of capacity.
4. Funding in excess of the 90% confidence level excluding Target Equity and Designated Equity, will be available for distribution at the Board of Director's discretion.
5. If the overall confidence level falls below 70% according to actuarial projections, the Board of Directors may declare an assessment to be shared by all program participants.
6. Upon completing five years, a program year shall be available for RPA.
7. The maximum distribution will be calculated in the following percentages. The distribution will be based on the lower of this item or #4 above.
 - 50% of equity in year 6
 - 60% of equity in year 7
 - 70% of equity in year 8
 - 80% of equity in year 9
 - 90% of equity in year 10
8. If there are no open claims for a program year, then the year will be declared closed and 100% may be distributed to members through the RPA.
9. If a claim is reported or reopened after a year has been closed and equity returned, the Target Equity reserve will be used first to cover the deficit.
10. The four benchmarks in Appendix A will be reviewed before an RPA is issued.

V.

TARGET EQUITY POLICY FOR MEDICAL, DENTAL AND VISION PROGRAM

1. Funding for each year will be at the 75% confidence level or at the Board of Director's discretion.
2. The target equity is set at three times monthly billing (monthly billing is an average of the previous 12-month period).
3. A Rate Stabilization Fund in an amount not to exceed \$500,000 shall be maintained to off-set pool and excess rate increases as determined by the Board of Directors for the property program. A rate stabilization Fund in an amount not to exceed \$125,000 shall be maintained to off-set pool and excess rate increases as determined by the Board of Directors for the APD program. The fund will be replenished prospectively at the Board of Director's discretion when the fund falls below 50% of capacity.
4. Funding in excess of the 90% confidence level excluding Target Equity and Designated Equity, will be available for distribution at the Board of Director's discretion.

5. If the overall confidence level falls below 70% according to actuarial projections, the Board of Directors may declare an assessment to be shared by all program participants.
6. Upon completing five years, a program year shall be available for RPA.
7. The four benchmarks in Appendix A will be reviewed before an RPA is issued.

DRAFT

APPENDIX A - FINANCIAL BENCHMARKS

Net Contribution to Equity

Calculation: $(\text{Contribution} - \text{Excess Insurance}) / \text{Equity}$

Measures the impact of pricing inaccuracies on equity (a low ratio is desirable). A low ratio indicates that more equity is available to cover under-charged years. The target is less than 200%

Claim Reserves and IBNR to Equity

Calculation: $(\text{Claim Reserves} + \text{IBNR} + \text{ULAE}) / \text{Equity}$

Measures the impact of reserves inaccuracies on equity (a low ratio is desirable). A low ratio indicates more equity available to cover years with large losses. The target is less than 300%

Prior Year Loss Development

Calculation: $(\text{Year 1 Loss reserves} / \text{Year 2 Loss reserves}) / (\text{Yr 2} / \text{Yr 3}) - 1$

Measures the change in loss reserves from one year to the prior year. A lower ratio indicates not much change in reserves between years. Target of less than 20% is desirable.

Change in Equity

Calculation: $(\text{Year 2 Equity} / \text{Year 1 Equity}) - 1$

Measures the change in equity. Any increase is desirable. The target is less than 10%.

END.

ITEM 9.0

AGENDA ITEM SUMMARY

TITLE: PRELIMINARY ESTIMATED CONTRIBUTIONS (PREMIUMS) FY 19-20 (USING 06/30/18 DATA AND 12/31/18 DATA); ACTUARIAL REPORT (USING 12/31/18 DATA) AND RECOMMENDED CHANGES TO THE METHODOLOGY OF THE FUNDING MODEL FOR CONTRIBUTIONS

**PRESENTED BY: AMY NORTHAM, GENERAL MANAGER;
RITESH SHARMA, FINANCE DIRECTOR**

ISSUE

1. The preliminary estimated contributions (premiums) for the workers' compensation and liability programs are provided for informational purposes only. Preliminary contributions using 06/30/18 data and 12/31/18 data are provided.
2. The workers' compensation and liability actuarial reports require ratification by the Board of Directors. The attached actuarial studies were completed for purposes of determining funding for FY 19-20 (using outstanding liability as of 12/31/18).
3. It is recommended that REMIF fund at (a) the 75% confidence level and (b) move to a funding methodology using 12/31/18 data (rather than 06/30/18 data).

BACKGROUND

At the September 27, 2018 Board of Directors meeting, the Board approved both the liability and workers' compensation actuarial report that was completed for purposes of the outstanding financial liability on the financial statement (for FY 17-18, outstanding liability as of 06/30/18).

Historically, REMIF has used liabilities as of 6/30/18 to book outstanding liabilities AND for funding. It is recommended that REMIF change methodology and move to a funding model based on 12/31/18 data.

At the January 25, 2019 Board of Directors meeting, the Board looked at this issue preliminarily and directed to staff to have an actuarial report completed before further analysis. That actuarial report is completed and is attached.

The attached actuarial report (and funding recommendations that are coming from this report) utilizes data as of 12/31/18. As you will see, the estimated pool funding for the workers' compensation increased \$236,700 from \$5,290,907 to \$5,527,596 (increase was from 06/30/18 data). The estimated pool funding in the liability program also increased \$236,700, from \$2,561,910 to \$2,798,610 (increase was from 06/30/18 data).

Using this data, attached is preliminary estimated contributions for the workers' compensation and liability programs based on 12/31/18 data. For comparison purposes, we have included contributions schedules using 06/30/18 data.

The general expenses for workers' compensation are expected to increase by 25% from 2018-2019, while the liability program expenses are expected to increase by 9% from 2018-2019. These are preliminary numbers only and are expected to change based upon discussion on the 2019-2020 Budget and when final excess premiums and contributions are received.

Final numbers will be presented at the June meeting, after the Budget is approved and once determination is made as to whether we change methodology.

If REMIF were to use 12/31/18 claims data (rather than 06/30/18 claims data), it:

- Will help ensure that more recent data is used to reflect any changes in the losses/claims, thus helping to eliminate the risk of underfunding the program;
- Is considered by many as an industry best practice;
- Is the preferred methodology by CAJPA and their Accreditation Committee.

Recommendations:

Staff is recommending a change in the methodology of the funding model. Historically, REMIF has used liabilities as of 6/30/18 to book outstanding liabilities AND for funding. By changing methodology and using 12/31/18 data (rather than 06/30/18 data), the funding will provide contributions that utilize more current data.

Fund at 75% confidence level.

FISCAL IMPACT

Funding for 19-20:

Workers' compensation: \$5,290,907 (06/30/18 data) or \$5,527,596 (12/31/18 data)

Liability: \$2,561,910 (06/30/18 data) or \$2,798,610 (12/31/18 data)

RECOMMENDED ACTION

It is recommended the Board direct Staff to:

1. Change the methodology of the funding model and use data as of 12/31/18, using the actuarial recommendations for funding (based on 12/31/18 data);
2. Accept the Actuarial report using 12/31/18 data and fund at 75% confidence level.

ATTACHMENTS

- 9.1 Preliminary Liability contributions draft (based on 12/31/18 and 6/30/18 data)
- 9.2 Preliminary WC contributions draft (based on 12/31/18 and 6/30/18 data)
- 9.3 REMIF Actuarial draft report for Auto/General Liability (based on 12/31/18 data)
- 9.4 REMIF Actuarial draft report for Workers' Compensation (based on 12/31/18 data)

REMIF
PRELIMINARY LIABILITY CONTRIBUTIONS 2019-20 (Using 12/31/18 claims data)

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
	Auto Liability	General Liability	Manual Premium (a)+(b)	Experience Modification	Deductible Discount	Gross Loss Premium (c) x (d) x (e)	% of Loss of Premium (f)/ (f total)	Net Loss Premium	Expenses	Preliminary 2019-20 Contribution (h) + (i)	Final 2018-19 Contribution	Change from Last Year (j) - (k)	Percent Change
ARCATA	106,294	253,920	360,214	83%	80%	238,109	5.18%	144,876	78,686	223,562	193,691	29,871	15.42%
CLOVERDALE	44,242	142,358	186,600	152%	80%	226,326	4.92%	137,707	74,792	212,499	215,514	(3,015)	-1.40%
COTATI	52,186	103,725	155,911	103%	80%	128,471	2.79%	78,167	42,455	120,622	137,221	(16,599)	-12.10%
EUREKA	235,112	650,713	885,825	116%	67%	687,585	14.95%	418,357	227,221	645,578	496,478	149,100	30.03%
FORT BRAGG	65,953	129,543	195,496	73%	80%	114,063	2.48%	69,401	37,694	107,095	122,868	(15,773)	-12.84%
FORTUNA	104,871	173,613	278,484	96%	80%	213,876	4.65%	130,131	70,678	200,809	298,053	(97,244)	-32.63%
HEALDSBURG	90,778	579,426	670,204	70%	80%	375,314	8.16%	228,357	124,027	352,384	332,181	20,203	6.08%
LAKEPORT	132,878	106,902	239,780	84%	75%	151,541	3.29%	92,204	50,078	142,282	104,213	38,069	36.53%
ROHNERT PARK	203,859	525,077	728,936	113%	67%	551,006	11.98%	335,256	182,087	517,343	486,260	31,083	6.39%
SEBASTOPOL	79,163	156,294	235,457	164%	80%	308,920	6.72%	187,960	102,086	290,046	215,346	74,700	34.69%
SONOMA	33,613	311,515	345,128	100%	80%	276,102	6.00%	167,992	91,241	259,233	159,382	99,851	62.65%
ST.HELENA	69,583	238,033	307,616	84%	75%	194,180	4.22%	118,148	64,169	182,317	136,495	45,822	33.57%
UKIAH	197,261	734,506	931,767	70%	67%	436,999	9.50%	265,889	144,411	410,300	365,403	44,897	12.29%
WILLITS	77,639	123,745	201,384	182%	80%	293,215	6.37%	178,405	96,897	275,302	207,944	67,358	32.39%
WINDSOR	82,830	481,455	564,285	95%	75%	403,916	8.78%	245,760	133,479	379,239	252,451	126,788	50.22%
TOTAL	<u>\$ 1,576,262</u>	<u>\$ 4,710,825</u>	<u>\$ 6,287,087</u>			<u>\$ 4,599,623</u>		<u>\$ 2,798,610</u>	<u>\$ 1,520,001</u>	<u>\$ 4,318,611</u>	<u>\$ 3,723,500</u>	<u>\$ 595,111</u>	<u>15.98%</u>
PRIOR YEAR	1,597,493	4,710,825	6,308,318			4,375,979		2,323,500	1,400,000	3,723,500			
\$ Change	<u>\$ (21,231)</u>	<u>\$ -</u>	<u>\$ (21,231)</u>			<u>\$ 223,644</u>		<u>\$ 475,110</u>	<u>\$ 120,001</u>	<u>\$ 595,111</u>			
% Change	<u>-1.33%</u>	<u>0.00%</u>	<u>-0.34%</u>			<u>5.11%</u>		<u>20.45%</u>	<u>8.57%</u>	<u>15.98%</u>			

	Current Year	Prior Year	Change
Estimated payroll for 19-20	\$ 116,028,588	\$ 108,170,262	7.26%
Expected funding Rate for 19-20	2.01	1.79	12.29%
Funding at Expected	2,332,175	1,936,248	20.45%
Funding at 75% Confidence Level	1.20	1.20	0.00%
Funding for REMIF Layer (Undiscounted)	<u>\$ 2,798,610</u>	<u>\$ 2,323,497</u>	<u>20.45%</u>

- a) Auto Liability - Vehicle count from each member multiple by insurance rate.
- b) General Liability - Budgeted expenditures by member
- d) Experience Modification by member
- e) Deductible Discount
 - 80% discount: \$5,000 deductible
 - 75% discount: \$10,000 deductible
 - 67% discount: \$25,000 deductible
- g) Percentage of Gross Loss Premium to the overall Gross Loss Premium by member
- i) Expenses are projected based upon 19-20 budget.

LIABILITY EXPERIENCE MODIFICATION
FY 2019-20 (Using 12/31/18 Claims data)

(a)	(b) REPORTED LOSSES FY 2014-18	(c) PERCENT <u>(b)/(b Total)</u>	(d) FY 2013-17 LOSSES	(d) PERCENT CHANGE IN LOSSES	(e) TOTAL PAYROLL FY 2014-18	(f) PERCENT <u>(e)/(e Total)</u>	(g) FY 2013-2017 Payroll	(g) PERCENT CHANGE IN PAYROLL	(h) INDICATED DIFFERENTIAL <u>(c)/(f)</u>	(i) CREDIBILITY	(j) EX-MOD FACTOR <u>(h * i) + (i)</u>	(j) CAPPED EX-MOD	(k) Revised EX-MOD FY 2019-20	(l) Approved EX-MOD FY 2018-19	(k - l) Change
ARCATA	\$675,627	5.30%	\$322,746	109.34%	\$42,343,427	8.13%	\$41,846,554	1.19%	0.6525	0.5	0.83	0.83	83%	77%	6%
CLOVERDALE	\$850,733	6.68%	\$691,538	23.02%	\$17,120,377	3.29%	\$17,003,260	0.69%	2.0322	0.5	1.52	1.52	152%	160%	-8%
COTATI	\$197,532	1.55%	\$267,688	-26.21%	\$12,447,436	2.39%	\$11,450,738	8.70%	0.6490	0.5	0.82	0.82	103%	133%	-30%
EUREKA	\$2,401,223	18.85%	\$1,074,334	123.51%	\$74,563,555	14.31%	\$78,065,504	-4.49%	1.3170	0.5	1.16	1.16	116%	99%	17%
FORT BRAGG	\$193,871	1.52%	\$200,909	-3.50%	\$17,287,684	3.32%	\$17,290,108	-0.01%	0.4586	0.5	0.73	0.73	73%	95%	-22%
FORTUNA	\$83,665	0.66%	\$107,323	-22.04%	\$21,184,658	4.07%	\$20,380,216	3.95%	0.1615	0.5	0.58	0.70	96%	126%	-30%
HEALDSBURG	\$544,863	4.28%	\$349,911	55.71%	\$59,474,333	11.42%	\$55,123,247	7.89%	0.3747	0.5	0.69	0.70	70%	73%	-3%
LAKEPORT	\$224,296	1.76%	\$87,226	157.14%	\$13,384,807	2.57%	\$13,326,242	0.44%	0.6853	0.5	0.84	0.84	84%	73%	11%
ROHNERT PARK	\$2,412,826	18.94%	\$1,645,289	46.65%	\$78,538,018	15.08%	\$73,128,171	7.40%	1.2564	0.5	1.13	1.13	113%	117%	-4%
SEBASTOPOL	\$1,245,876	9.78%	\$515,436	141.71%	\$22,347,654	4.29%	\$20,942,422	6.71%	2.2800	0.5	1.64	1.64	164%	138%	26%
SONOMA	\$416,001	3.27%	\$49,895	733.75%	\$13,061,769	2.51%	\$12,480,622	4.66%	1.3025	0.5	1.15	1.15	100%	70%	30%
ST. HELENA	\$445,395	3.50%	\$44,947	890.93%	\$26,657,664	5.12%	\$24,763,448	7.65%	0.6833	0.5	0.84	0.84	84%	70%	14%
UKIAH	\$562,072	4.41%	\$254,958	120.46%	\$70,281,633	13.49%	\$68,189,722	3.07%	0.3271	0.5	0.66	0.70	70%	70%	0%
WILLITS	\$1,635,690	12.84%	\$1,280,975	27.69%	\$14,079,004	2.70%	\$14,155,836	-0.54%	4.7514	0.5	2.88	2.00	182%	152%	30%
WINDSOR	\$848,288	6.66%	\$187,980	351.27%	\$38,173,806	7.33%	\$36,405,667	4.86%	0.9088	0.5	0.95	0.95	95%	70%	25%
TOTAL	<u>\$12,737,958</u>		<u>\$7,081,155</u>		<u>\$520,945,827</u>		<u>\$504,551,757</u>								
PRIOR YEAR TOTAL	\$7,081,155				\$504,551,757										
% Change	<u>79.9%</u>				<u>3.2%</u>										

The Ex-Mod cannot vary by more than 30% in any one year, nor go above 200%, nor below 70%

REMIF
PRELIMINARY LIABILITY CONTRIBUTIONS 2019-20 (using 06/30/18 claims data)

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
	Auto Liability	General Liability	Manual Premium (a)+(b)	Experience Modification	Deductible Discount	Gross Loss Premium (c) x (d) x (e)	% of Loss of Premium (f)/ (f total)	Net Loss Premium	Expenses	Preliminary 2019-20 Contribution (h) + (i)	Final 2018-19 Contribution	Change from Last Year (j) - (k)	Percent Change
ARCATA	106,294	253,920	360,214	84%	80%	241,023	5.35%	137,166	81,382	218,548	193,691	24,857	12.83%
CLOVERDALE	44,242	142,358	186,600	162%	80%	241,701	5.37%	137,552	81,611	219,163	215,514	3,649	1.69%
COTATI	52,186	103,725	155,911	103%	80%	128,471	2.85%	73,113	43,378	116,491	137,221	(20,730)	-15.11%
EUREKA	235,112	650,713	885,825	120%	67%	713,390	15.85%	405,991	240,877	646,868	496,478	150,390	30.29%
FORT BRAGG	65,953	129,543	195,496	78%	80%	121,798	2.71%	69,315	41,125	110,440	122,868	(12,428)	-10.11%
FORTUNA	104,871	173,613	278,484	96%	80%	213,876	4.75%	121,717	72,216	193,933	298,053	(104,120)	-34.93%
HEALDSBURG	90,778	579,426	670,204	71%	80%	383,026	8.51%	217,980	129,329	347,309	332,181	15,128	4.55%
LAKEPORT	132,878	106,902	239,780	86%	75%	154,635	3.44%	88,003	52,213	140,216	104,213	36,003	34.55%
ROHNERT PARK	203,859	525,077	728,936	106%	67%	520,027	11.55%	295,948	175,588	471,536	486,260	(14,724)	-3.03%
SEBASTOPOL	79,163	156,294	235,457	159%	80%	299,251	6.65%	170,304	101,043	271,347	215,346	56,001	26.01%
SONOMA	33,613	311,515	345,128	80%	80%	219,583	4.88%	124,965	74,143	199,108	159,382	39,726	24.93%
ST.HELENA	69,853	238,033	307,886	70%	75%	161,640	3.59%	91,989	54,578	146,567	136,495	10,072	7.38%
UKIAH	197,261	734,506	931,767	70%	67%	436,999	9.71%	248,696	147,553	396,249	365,403	30,846	8.44%
WILLITS	77,639	123,745	201,384	182%	80%	293,215	6.51%	166,869	99,005	265,874	207,944	57,930	27.86%
WINDSOR	82,830	481,455	564,285	88%	75%	373,049	8.29%	212,302	125,960	338,262	252,451	85,811	33.99%
TOTAL	<u>\$ 1,576,532</u>	<u>\$ 4,710,825</u>	<u>\$ 6,287,357</u>			<u>\$ 4,501,684</u>		<u>\$ 2,561,910</u>	<u>\$ 1,520,001</u>	<u>\$ 4,081,911</u>	<u>\$ 3,723,500</u>	<u>\$ 358,411</u>	<u>9.63%</u>
PRIOR YEAR	1,597,493	4,710,825	6,308,318			4,375,979		2,323,500	1,400,000	3,723,500			
\$ Change	<u>\$ (20,961)</u>	<u>\$ -</u>	<u>\$ (20,961)</u>			<u>\$ 125,705</u>		<u>\$ 238,410</u>	<u>\$ 120,001</u>	<u>\$ 358,411</u>			
% Change	<u>-1.31%</u>	<u>0.00%</u>	<u>-0.33%</u>			<u>2.87%</u>		<u>10.26%</u>	<u>8.57%</u>	<u>9.63%</u>			

Estimated payroll for 19-20	\$ 116,028,588
Expected funding Rate for 19-20	1.84
Funding at Expected	2,134,926
Funding at 75% Confidence Level	1.20
Funding for REMIF Layer (Undiscounted)	<u>\$ 2,561,910</u>

- a) Auto Liability - Vehicle count from each member multiple by insurance rate.
- b) General Liability - Budgeted expenditures by member
- d) Experience Modification by member
- e) Deductible Discount
 - 80% discount: \$5,000 deductible
 - 75% discount: \$10,000 deductible
 - 67% discount: \$25,000 deductible
- g) Percentage of Gross Loss Premium to the overall Gross Loss Premium by member
- i) Expenses are projected based upon 19-20 budget.

ORIGINAL LIABILITY EXPERIENCE MODIFICATION

FY 2019-20 (Using 06/30/18 claims data)

(a)	(b) REPORTED LOSSES FY 2014-18	(c) PERCENT (b) / (b Total)	(d) FY 2013-17 Losses	(d) PERCENT CHANGE IN LOSSES	(e) TOTAL PAYROLL FY 2014-18	(f) PERCENT (e) / (e Total)	(g) FY 2013-2017 Payroll	(g) PERCENT CHANGE IN PAYROLL	(h) INDICATED DIFFERENTIAL (c)/(f)	(i) CREDIBILITY	(j) EX-MOD FACTOR (h * i) + (i)	(j) CAPPED EX-MOD	(k) Revised EX-MOD FY 2019-20	(l) Approved EX-MOD FY 2018-19	(k - l) Change
ARCATA	\$572,987	5.47%	\$322,746	77.54%	\$42,343,427	8.13%	\$41,846,554	1.19%	0.6728	0.5	0.84	0.84	84%	77%	7%
CLOVERDALE	\$770,733	7.36%	\$691,538	11.45%	\$17,120,377	3.29%	\$17,003,260	0.69%	2.2382	0.5	1.62	1.62	162%	160%	2%
COTATI	\$212,586	2.03%	\$267,688	-20.58%	\$12,447,436	2.39%	\$11,450,738	8.70%	0.8491	0.5	0.92	0.92	103%	133%	-30%
EUREKA	\$2,105,625	20.10%	\$1,074,334	95.99%	\$74,563,555	14.31%	\$78,065,504	-4.49%	1.4040	0.5	1.20	1.20	120%	99%	21%
FORT BRAGG	\$193,871	1.85%	\$200,909	-3.50%	\$17,287,684	3.32%	\$17,290,108	-0.01%	0.5576	0.5	0.78	0.78	78%	95%	-17%
FORTUNA	\$83,386	0.80%	\$107,323	-22.30%	\$21,184,658	4.07%	\$20,380,216	3.95%	0.1957	0.5	0.60	0.70	96%	126%	-30%
HEALDSBURG	\$512,905	4.90%	\$349,911	46.58%	\$59,474,333	11.42%	\$55,123,247	7.89%	0.4288	0.5	0.71	0.71	71%	73%	-2%
LAKEPORT	\$193,765	1.85%	\$87,226	122.14%	\$13,384,807	2.57%	\$13,326,242	0.44%	0.7197	0.5	0.86	0.86	86%	73%	13%
ROHNERT PARK	\$1,784,351	17.03%	\$1,645,289	8.45%	\$78,538,018	15.08%	\$73,128,171	7.40%	1.1296	0.5	1.06	1.06	106%	117%	-11%
SEBASTOPOL	\$978,691	9.34%	\$515,436	89.88%	\$22,347,654	4.29%	\$20,942,422	6.71%	2.1773	0.5	1.59	1.59	159%	138%	21%
SONOMA	\$155,159	1.48%	\$49,895	210.97%	\$13,061,769	2.51%	\$12,480,622	4.66%	0.5906	0.5	0.80	0.80	80%	70%	10%
ST. HELENA	\$67,645	0.65%	\$44,947	50.50%	\$26,657,664	5.12%	\$24,763,448	7.65%	0.1262	0.5	0.56	0.70	70%	70%	0%
UKIAH	\$514,785	4.91%	\$254,958	101.91%	\$70,281,633	13.49%	\$68,189,722	3.07%	0.3642	0.5	0.68	0.70	70%	70%	0%
WILLITS	\$1,745,759	16.66%	\$1,280,975	36.28%	\$14,079,004	2.70%	\$14,155,836	-0.54%	6.1649	0.5	3.58	2.00	182%	152%	30%
WINDSOR	\$585,788	5.59%	\$187,980	211.62%	\$38,173,806	7.33%	\$36,405,667	4.86%	0.7629	0.5	0.88	0.88	88%	70%	18%
TOTAL	<u>\$10,478,036</u>		<u>\$7,081,155</u>		<u>\$520,945,827</u>		<u>\$504,551,757</u>								
PRIOR YEAR TOTAL	<u>\$7,081,155</u>				<u>\$504,551,757</u>										
% Change	<u>48.0%</u>				<u>3.2%</u>										

The Ex-Mod cannot vary by more than 30% in any one year, nor go above 200%, nor below 70%

REMIF
PRELIMINARY WORKERS' COMPENSATION CONTRIBUTION 2019-20 (Using 12/31/18 Claims data)

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
	Payroll 2017-18 (a)	% of Total Payroll	Experience Mod	Deductible Discount	Gross Payroll (a) x (c) x (d)	% of Gross Payroll	2019-20 Funding Losses	Expenses	Preliminary 2019-20 Premium (g) + (h)	Final 2018-19 Premium	Change From Prior Year	Percent Change (i-j) / (j)
ARCATA	8,786,530	7.80%	91%	80%	6,418,850	7.47%	412,783	112,015	524,798	420,952	103,846	24.67%
CLOVERDALE	3,792,384	3.37%	142%	80%	4,308,150	5.01%	277,048	75,181	352,229	207,016	145,213	70.15%
COTATI	3,070,082	2.73%	72%	80%	1,770,570	2.06%	113,862	30,898	144,760	71,632	73,128	102.09%
EUREKA	14,204,878	12.61%	86%	75%	9,144,880	10.64%	588,088	159,587	747,675	585,310	162,365	27.74%
FORT BRAGG	3,319,872	2.95%	85%	80%	2,244,900	2.61%	144,365	39,176	183,541	186,915	(3,374)	-1.81%
FORTUNA	4,708,031	4.18%	94%	80%	3,528,520	4.11%	226,912	61,576	288,488	200,951	87,537	43.56%
HEALDSBURG	14,269,138	12.67%	79%	80%	8,965,220	10.43%	576,534	156,452	732,986	550,575	182,411	33.13%
LAKEPORT	2,790,659	2.48%	105%	80%	2,333,520	2.71%	150,064	40,722	190,786	148,922	41,864	28.11%
ROHNERT PARK	18,340,011	16.28%	108%	80%	15,864,880	18.46%	1,020,237	276,857	1,297,094	1,064,157	232,937	21.89%
SEBASTOPOL	4,918,983	4.37%	121%	80%	4,772,160	5.55%	306,887	83,279	390,166	255,247	134,919	52.86%
SONOMA	2,899,013	2.57%	75%	80%	1,732,840	2.02%	111,435	30,240	141,675	110,824	30,851	27.84%
ST. HELENA	6,324,343	5.61%	85%	80%	4,287,590	4.99%	275,726	74,823	350,549	309,183	41,366	13.38%
UKIAH	13,837,071	12.28%	127%	75%	13,156,400	15.31%	846,060	229,592	1,075,652	1,001,127	74,525	7.44%
WILLITS	2,761,261	2.45%	128%	80%	2,827,530	3.29%	181,832	49,343	231,175	139,722	91,453	65.45%
WINDSOR	8,626,857	7.66%	71%	75%	4,599,180	5.35%	295,764	80,261	376,025	218,027	157,998	72.47%
TOTAL	<u>112,649,114</u>				<u>85,955,190</u>		<u>5,527,597</u>	<u>1,500,002</u>	<u>7,027,599</u>	<u>5,470,560</u>	<u>1,557,039</u>	<u>28%</u>
PRIOR YEAR TOTALS	<u>105,019,672</u>						<u>4,270,563</u>	<u>1,200,001</u>	<u>5,470,564</u>			
\$ Change	<u>7,629,442</u>						<u>1,257,034</u>	<u>300,001</u>	<u>1,557,035</u>			
% Change	<u>7%</u>						<u>29%</u>	<u>25%</u>	<u>28%</u>			

	Current Year	Prior Year	Change
Estimated Payroll for 19-20	\$116,028,588	\$ 108,170,262	7.26%
18/19 Payroll Rate per Actuary Report	\$3.97	3.29	20.67%
Funding at Expected	\$4,606,330	3,558,802	29.43%
75% confidence factor	1.20	1.20	0.00%
Funding Losses at REMIF Layer (undiscounted)	\$5,527,596	\$ 4,270,562	29.43%

- (a) Actual member payroll from 2017-2018.
- (c) Experience modification factor approved at the January 2018 board meeting.
- (d) Member deductible discount;
 - 80% discount: \$ 5,000 deductible
 - 75% discount: \$10,000 deductible
- (g) Funding losses at REMIF layer allocated by member from column f
- (h) Budgeted Expenses for 19-20 year, allocated by member from column f

WORKERS' COMPENSATION EXPERIENCE MODIFICATION
FY 2019-20 (Using 12/31/18 Claims data)

(a)	(b)	(c) (b)/(b total)	(d) PERCENT CHANGES IN	(e) TOTAL PAYROLL	(f) (e)/(e total) PERCENT	(g) PERCENT CHANGES IN	(h) (c)/(f) INDICATED DIFFERENTIAL	(i) CREDIBILITY	(j) (h * i) + (i) EX-MOD CAPPED EX-MOD	(k) Revised EX-MOD FY 2019-20	(l) Approved EX-MOD FY 2018-19	(k - l) Change			
	REPORTED LOSSES FY 2014-18	PERCENT	FY 2013-17 LOSSES	FY 2014-18	FY 2014-18	FY 2013-2017 PAYROLL									
ARCATA	\$1,279,060	6.82%	\$1,169,993	9.32%	\$43,072,694	8.26%	\$42,537,280	1.26%	0.8263	0.5	0.91	0.91	91%	94%	-3%
CLOVERDALE	\$1,391,654	7.42%	\$659,875	110.90%	\$17,120,377	3.28%	\$17,003,260	0.69%	2.2620	0.5	1.63	1.63	142%	112%	30%
COTATI	\$197,623	1.05%	\$215,829	-8.44%	\$12,447,436	2.39%	\$11,450,738	8.70%	0.4418	0.5	0.72	0.72	72%	80%	-8%
EUREKA	\$1,920,587	10.24%	\$1,853,285	3.63%	\$74,563,555	14.29%	\$78,065,504	-4.49%	0.7168	0.5	0.86	0.86	86%	88%	-2%
FORT BRAGG	\$428,980	2.29%	\$617,932	-30.58%	\$17,287,684	3.31%	\$17,290,108	-0.01%	0.6905	0.5	0.85	0.85	85%	107%	-22%
FORTUNA	\$665,125	3.55%	\$484,793	37.20%	\$21,184,658	4.06%	\$20,380,216	3.95%	0.8737	0.5	0.94	0.94	94%	88%	6%
HEALDSBURG	\$1,219,830	6.51%	\$1,220,226	-0.03%	\$59,474,333	11.40%	\$55,123,247	7.89%	0.5707	0.5	0.79	0.79	79%	85%	-6%
LAKEPORT	\$524,521	2.80%	\$445,346	17.78%	\$13,384,807	2.57%	\$13,326,242	0.44%	1.0905	0.5	1.05	1.05	105%	103%	2%
ROHNERT PARK	\$3,281,303	17.50%	\$3,385,614	-3.08%	\$78,538,018	15.05%	\$73,128,171	7.40%	1.1626	0.5	1.08	1.08	108%	124%	-16%
SEBASTOPOL	\$1,144,712	6.11%	\$716,663	59.73%	\$22,347,654	4.28%	\$20,942,422	6.71%	1.4254	0.5	1.21	1.21	121%	104%	17%
SONOMA	\$232,037	1.24%	\$217,874	6.50%	\$13,061,769	2.50%	\$12,480,622	4.66%	0.4943	0.5	0.75	0.75	75%	78%	-3%
ST. HELENA	\$665,675	3.55%	\$433,809	53.45%	\$26,657,664	5.11%	\$24,763,448	7.65%	0.6949	0.5	0.85	0.85	85%	102%	-17%
UKIAH	\$3,878,131	20.69%	\$3,606,584	7.53%	\$70,281,633	13.47%	\$68,189,722	3.07%	1.5355	0.5	1.27	1.27	127%	134%	-7%
WILLITS	\$1,339,415	7.14%	\$426,423	214.11%	\$14,079,004	2.70%	\$14,155,836	-0.54%	2.6473	0.5	1.82	1.82	128%	98%	30%
WINDSOR	\$578,449	3.09%	\$408,838	41.49%	\$38,173,806	7.32%	\$36,405,667	4.86%	0.4217	0.5	0.71	0.71	71%	70%	1%
TOTAL	<u>\$18,747,102</u>		<u>\$15,863,084</u>		<u>\$521,675,094</u>		<u>\$505,242,483</u>								
PRIOR YEAR TOTAL	<u>\$15,863,084</u>						<u>\$505,242,483</u>								
CHANGE %	<u>18%</u>						<u>3%</u>								

The Ex-Mod cannot vary by more than 30% in any one year, nor go above 200%, nor below 70%

REMIF
PRELIMINARY WORKERS' COMPENSATION CONTRIBUTION 2019-20 (using 06/30/18 claims data)

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
	Payroll 2017-18 (a)	% of Total Payroll	Experience Mod	Deductible Discount	Gross Payroll (a) x (c) x (d)	% of Gross Payroll	2019-20 Funding Losses	Expenses	Preliminary 2019-20 Premium (g) + (h)	Final 2018-19 Premium	Change From Prior Year	Percent Change (i-) / (j)
ARCATA	8,786,530	7.80%	91%	80%	6,410,130	7.47%	395,239	112,052	507,291	420,952	86,339	20.51%
CLOVERDALE	3,792,384	3.37%	142%	80%	4,308,150	5.02%	265,634	75,309	340,943	207,016	133,927	64.69%
COTATI	3,070,082	2.73%	76%	80%	1,863,610	2.17%	114,907	32,577	147,484	71,632	75,852	105.89%
EUREKA	14,204,878	12.61%	87%	75%	9,245,330	10.77%	570,054	161,613	731,667	585,310	146,357	25.01%
FORT BRAGG	3,319,872	2.95%	84%	80%	2,229,200	2.60%	137,449	38,968	176,417	186,915	(10,498)	-5.62%
FORTUNA	4,708,031	4.18%	100%	80%	3,748,320	4.37%	231,116	65,523	296,639	200,951	95,688	47.62%
HEALDSBURG	14,269,138	12.67%	81%	80%	9,253,570	10.78%	570,562	161,757	732,319	550,575	181,744	33.01%
LAKEPORT	2,790,659	2.48%	111%	80%	2,483,780	2.89%	153,146	43,418	196,564	148,922	47,642	31.99%
ROHNERT PARK	18,340,011	16.28%	109%	80%	15,958,160	18.60%	983,957	278,957	1,262,914	1,064,157	198,757	18.68%
SEBASTOPOL	4,918,983	4.37%	110%	80%	4,339,300	5.06%	267,555	75,853	343,408	255,247	88,161	34.54%
SONOMA	2,899,013	2.57%	76%	80%	1,760,940	2.05%	108,577	30,782	139,359	110,824	28,535	25.75%
ST. HELENA	6,324,343	5.61%	72%	80%	3,642,820	4.25%	224,611	63,678	288,289	309,183	(20,894)	-6.76%
UKIAH	13,837,071	12.28%	127%	75%	13,209,860	15.39%	814,501	230,915	1,045,416	1,001,127	44,289	4.42%
WILLITS	2,761,261	2.45%	128%	80%	2,827,530	3.30%	174,341	49,427	223,768	139,722	84,046	60.15%
WINDSOR	8,626,857	7.66%	70%	75%	4,529,100	5.28%	279,258	79,172	358,430	218,027	140,403	64.40%
TOTAL	<u>112,649,114</u>				<u>85,809,800</u>		<u>5,290,907</u>	<u>1,500,001</u>	<u>6,790,908</u>	<u>5,470,560</u>	<u>1,320,348</u>	<u>24%</u>
PRIOR YEAR TOTALS	<u>105,019,672</u>						<u>4,270,563</u>	<u>1,200,001</u>	<u>5,470,564</u>			
\$ Change	<u>7,629,442</u>						<u>1,020,344</u>	<u>300,000</u>	<u>1,320,344</u>			
% Change	<u>7%</u>						<u>24%</u>	<u>25%</u>	<u>24%</u>			

Estimated Payroll for 19-20	\$116,028,588
18/19 Payroll Rate per Actuary Report	\$3.80
Funding at Expected	\$4,409,090
75% confidence factor	1.20
Funding Losses at REMIF Layer (undiscounted)	<u>\$5,290,908</u>

- (a) Actual member payroll from 2017-2018.
- (c) Experience modification factor approved at the January 2018 board meeting.
- (d) Member deductible discount;
80% discount: \$ 5,000 deductible
75% discount: \$10,000 deductible
- (g) Funding losses at REMIF layer allocated by member from column f
- (h) Budgeted Expenses for 19-20 year, allocated by member from column f

(1) 1

ORIGINAL WC EXPERIENCE MODIFICATION
FY 2019-20 (using 063018 claims data)

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(k - l)			
	REPORTED	(b)/ (b total)	PERCENT	TOTAL	(e)/ (e total)	PERCENT	(c)/(f)	(i)	(h * i) + (i)	Revised	Approved				
	LOSSES		CHANGES	PAYROLL		CHANGES			EX-MOD	EX-MOD	EX-MOD	Change			
	FY 2014-18	PERCENT	IN	FY 2014-18	PERCENT	IN	INDICATED	CREDIBILITY	EX-MOD	CAPPED	FY 2019-20	FY 2018-19			
			LOSSES	LOSSES		PAYROLL	DIFFERENTIAL		EX-MOD	EX-MOD					
ARCATA	\$1,132,346	6.80%	\$1,169,993	-3.22%	\$43,072,694	8.26%	\$42,537,280	1.26%	0.8239	0.5	0.91	0.91	91%	94%	-3%
CLOVERDALE	\$1,278,455	7.68%	\$659,875	93.74%	\$17,120,377	3.28%	\$17,003,260	0.69%	2.3402	0.5	1.67	1.67	142%	112%	30%
COTATI	\$205,574	1.23%	\$215,829	-4.75%	\$12,447,436	2.39%	\$11,450,738	8.70%	0.5176	0.5	0.76	0.76	76%	80%	-4%
EUREKA	\$1,750,272	10.51%	\$1,853,285	-5.56%	\$74,563,555	14.29%	\$78,065,504	-4.49%	0.7356	0.5	0.87	0.87	87%	88%	-1%
FORT BRAGG	\$374,395	2.25%	\$617,932	-39.41%	\$17,287,684	3.31%	\$17,290,108	-0.01%	0.6787	0.5	0.84	0.84	84%	107%	-23%
FORTUNA	\$669,507	4.02%	\$484,793	38.10%	\$21,184,658	4.06%	\$20,380,216	3.95%	0.9904	0.5	1.00	1.00	100%	88%	12%
HEALDSBURG	\$1,179,041	7.08%	\$1,220,226	-3.38%	\$59,474,333	11.40%	\$55,123,247	7.89%	0.6213	0.5	0.81	0.81	81%	85%	-4%
LAKEPORT	\$523,246	3.14%	\$445,346	17.49%	\$13,384,807	2.57%	\$13,326,242	0.44%	1.2251	0.5	1.11	1.11	111%	103%	8%
ROHNERT PARK	\$2,945,536	17.69%	\$3,385,614	-13.00%	\$78,538,018	15.05%	\$73,128,171	7.40%	1.1753	0.5	1.09	1.09	109%	124%	-15%
SEBASTOPOL	\$859,579	5.16%	\$716,663	19.94%	\$22,347,654	4.28%	\$20,942,422	6.71%	1.2054	0.5	1.10	1.10	110%	104%	6%
SONOMA	\$216,141	1.30%	\$217,874	-0.80%	\$13,061,769	2.50%	\$12,480,622	4.66%	0.5186	0.5	0.76	0.76	76%	78%	-2%
ST. HELENA	\$358,327	2.15%	\$433,809	-17.40%	\$26,657,664	5.11%	\$24,763,448	7.65%	0.4212	0.5	0.71	0.71	72%	102%	-30%
UKIAH	\$3,466,736	20.83%	\$3,606,584	-3.88%	\$70,281,633	13.47%	\$68,189,722	3.07%	1.5458	0.5	1.27	1.27	127%	134%	-7%
WILLITS	\$1,241,658	7.46%	\$426,423	191.18%	\$14,079,004	2.70%	\$14,155,836	-0.54%	2.7638	0.5	1.88	1.88	128%	98%	30%
WINDSOR	\$445,896	2.68%	\$408,838	9.06%	\$38,173,806	7.32%	\$36,405,667	4.86%	0.3660	0.5	0.68	0.70	70%	70%	0%
TOTAL	<u>\$16,646,709</u>		<u>\$15,863,084</u>		<u>\$521,675,094</u>		<u>\$505,242,483</u>								
PRIOR YEAR TOTAL	<u>\$15,863,084</u>				<u>\$505,242,483</u>										
CHANGE %	<u>5%</u>				<u>3%</u>										

EX-MOD W.C.:FY 19

The Ex-Mod cannot vary by more than 30% in any one year, nor go above 200%, nor below 70%

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Redwood Empire Municipal Insurance Fund

**2019/20 Funding Study for the
Automobile and General Liability Program**

DRAFT

April 15, 2019



April 15, 2019

Redwood Empire Municipal Insurance Fund
414 West Napa Street
Sonoma, California 95476

Attn: Ms. Amy Northam
General Manager

**2019/20 Funding Study for the
Automobile and General Liability Program**

This study has been completed for the Redwood Empire Municipal Insurance Fund for the specific objectives listed in the study. It contains the analysis and conclusions of our work.

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

No key personnel have a relationship with the Redwood Empire Municipal Insurance Fund that may impair our objectivity.

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

Respectfully submitted,

Aon Global Risk Consulting

By _____
Mujtaba Dato, ACAS, MAAA, FCA
Actuarial Practice Leader

Brenda Craigmyle
Senior Actuarial Analyst

MD:bc

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I.	Background	1
II.	Objectives	2
III.	Conclusions	3

Appendices

- A Conditions and Limitations
- B Glossary of Actuarial Terms
- C Exhibits

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I. Background

The Redwood Empire Municipal Insurance Fund (REMIF) automobile and general liability program was formed on July 1, 1978. It provides a means for pooling risks and purchasing excess insurance on a collective basis. The original seven member cities consist of Cloverdale, Cotati, Healdsburg, Rohnert Park, Sebastopol, Sonoma and Ukiah. The following cities joined later: Arcata, Crescent City, Eureka, Fort Bragg, Fortuna, Lakeport, St. Helena, Willits and Windsor. Crescent City ended its membership in REMIF on June 30, 1989.

REMIF is a member of the California Joint Powers Risk Management Authority with a retention of \$500,000 per occurrence.

The individual members of REMIF maintain deductibles.

Data

Loss data valued as of December 31, 2018 was provided to us by REMIF. REMIF previously provided payroll for years through 2017/18. Payroll projections are based on a 0% trend.

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



II. Objectives

The specific objectives of this study are:

1. **Project Ultimate Net Limited Losses.** Project ultimate net limited losses (including ALAE) for 2019/20.

The projected ultimate net limited losses are the accrual value of losses with accident dates in 2019/20, regardless of report or payment date.

Net refers to net of member deductibles. The amounts are limited to the self-insured retention.

2. **Recommend Funding.** Recommend funding for 2019/20.

The recommended funding is based on the (present value of) projected ultimate net limited losses and expenses at various confidence levels.

3. **Comparison to Previous Actuarial Studies.** Compare to the previous five actuarial studies.

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III. Conclusions

We have reached the following conclusions:

1. Project Ultimate Net Limited Losses

We project ultimate net limited losses for 2019/20 to be as shown in Table III-1A. These amounts are net of member deductibles. As information, amounts gross of member deductible are provided in Table III-1B.

**Table III-1A
Projected Ultimate Net Limited Losses
Net of Member Deductible
2019/20**

Item (1)	Projected Payroll (000) (2)	Loss Rate per \$100 of Payroll (3)	Projected Ultimate Losses (4)
(A) Full Value	\$116,029	\$2.01	\$2,331,000
(B) Present Value	116,029	1.91	2,221,000

Note: (2) through (4) are from Exhibit LI-15.

**Table III-1B
Projected Ultimate Limited Losses
Gross of Member Deductible
2019/20**

Item (1)	Projected Payroll (000) (2)	Loss Rate per \$100 of Payroll (3)	Projected Ultimate Losses (4)
(A) Full Value	\$116,029	\$2.47	\$2,868,000
(B) Present Value	116,029	2.35	2,732,000

Note: (2) through (4) are from Exhibit LI-10.

The present value of the projected ultimate net limited losses is the amount of money, discounted for anticipated investment income, required to meet claims. It is calculated based on a 2.25% yield on investments.

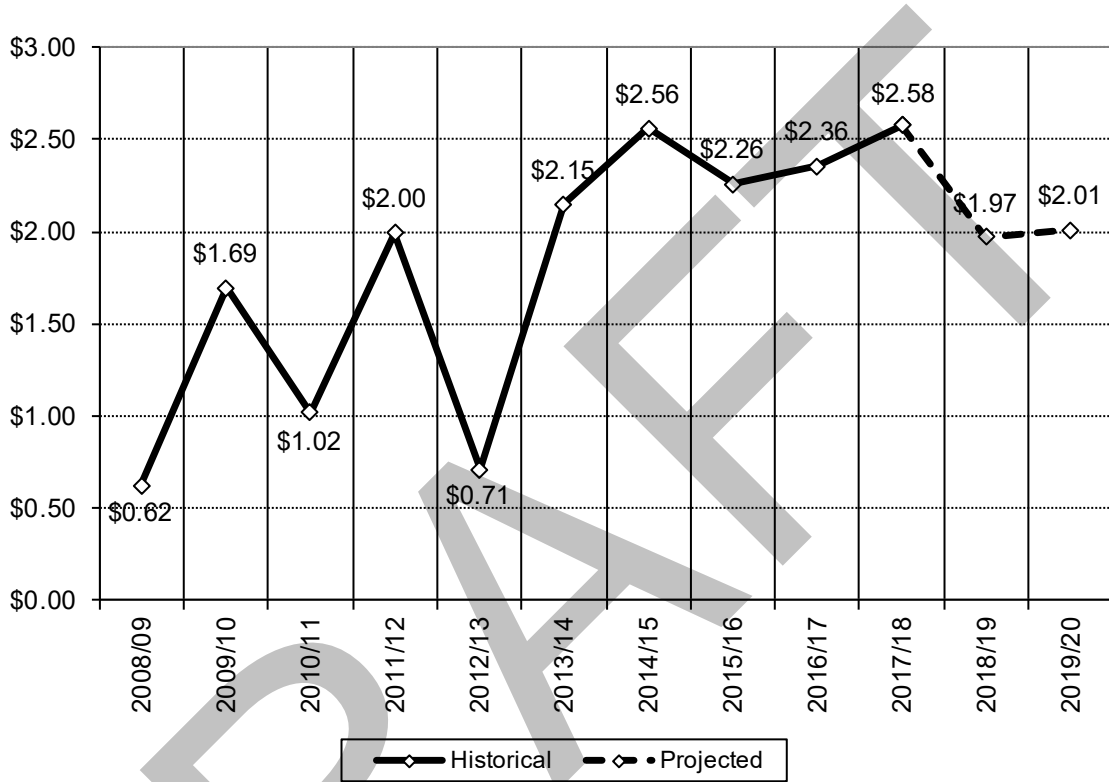
The amounts in Table III-1A are net of member deductibles and limited to the self-insured retention. The amounts in Table III-1B are gross of member deductibles and limited to the self-insured retention.

All costs other than claims are additional.



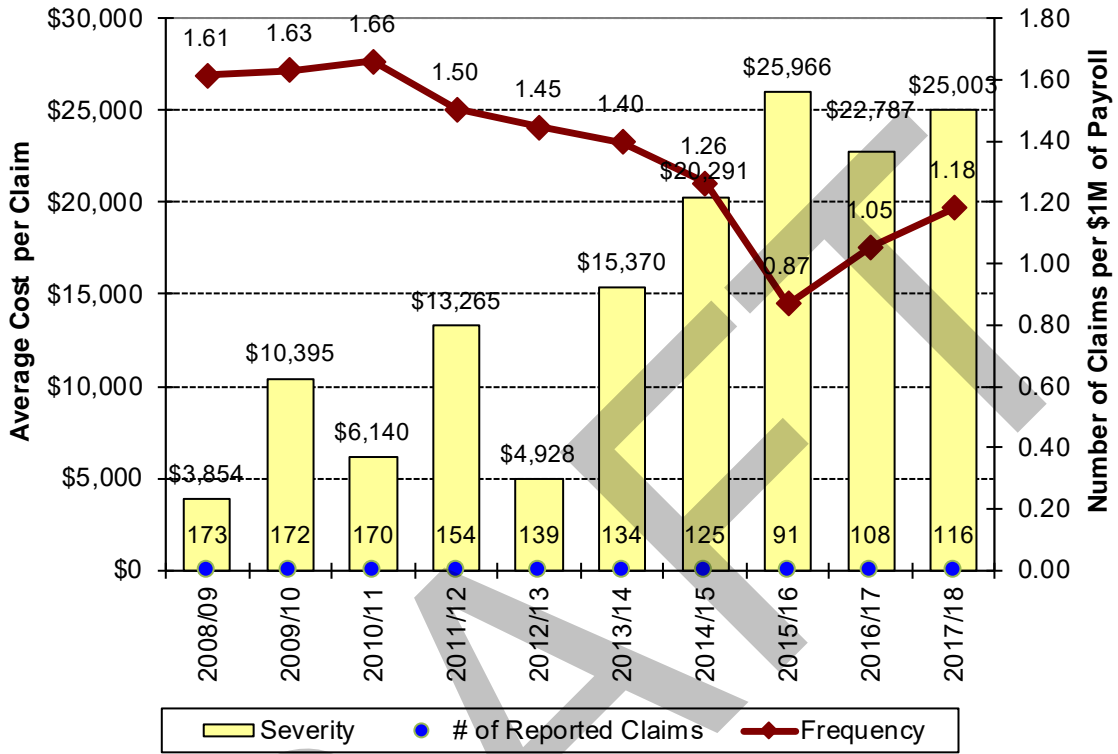
Graphs III-1 and III-2 show loss experience trends for liability as measured by loss rate per \$100 of payroll and frequency and severity, respectively.

**Graph III-1
Loss Rate per \$100 of Payroll
Net of Member Deductible**



Note: Loss rates are from Exhibit LI-15, columns (4) and (7).

**Graph III-2
Frequency and Severity**

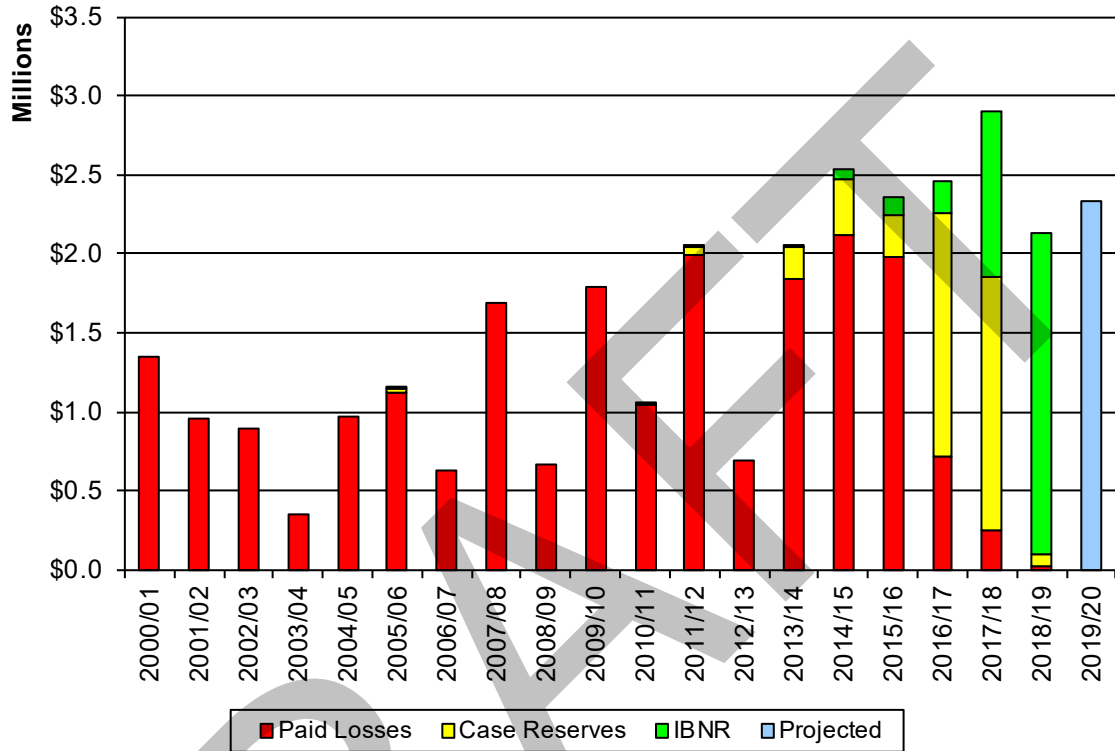


Note: Frequency amounts are from Exhibit LI-8, Section I, column (7).
Severity amounts are based on the projected claim counts in Exhibit LI-8 and the projected ultimate net losses in Exhibit LI-14.



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

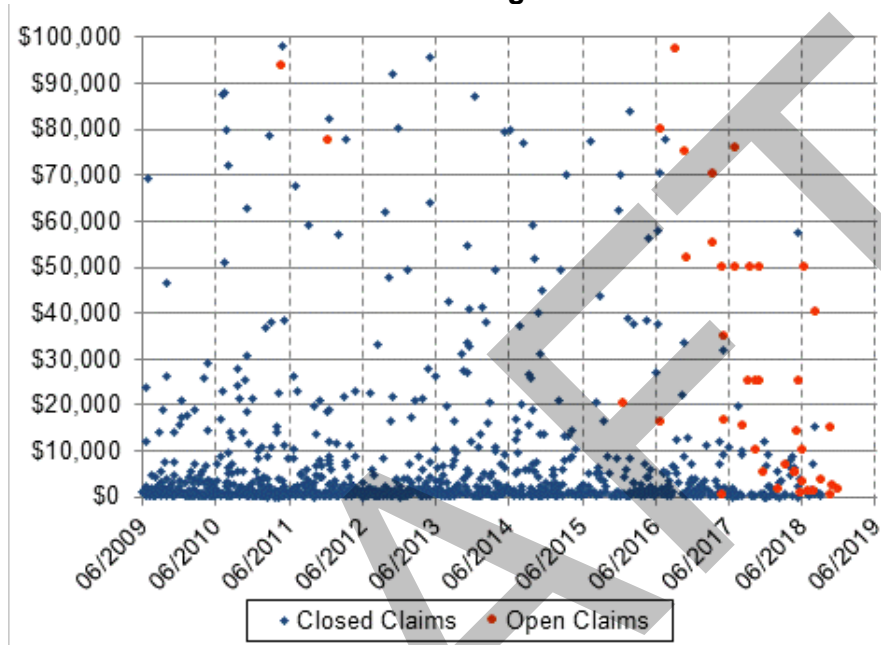
**Graph III-3
Composition of Projected Ultimate Net Limited Losses**



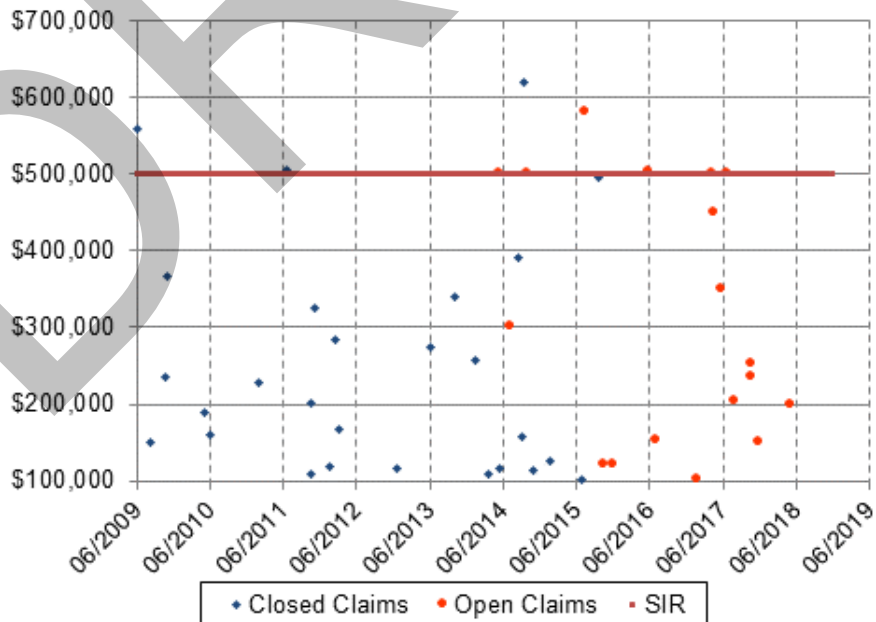
Note: Amounts through 2017/18 are from Exhibits LI-12 through LI-14.
Amounts for 2018/19 and 2019/20 are from Exhibit LI-15.

The reported claim experience underlying our analysis is shown below in Graphs III-4 and III-5, with each point representing one claim. The amounts are gross of excess insurance.

**Graph III-4
Distribution of Liability Losses
Incurred Less Than \$100,000
2009/10 through 2018/19**



**Graph III-5
Distribution of Liability Losses
Incurred Greater Than \$100,000
2009/10 through 2018/19**





2. Recommend Funding

We recommend funding for 2019/20 to be as shown in Table III-2.

**Table III-2
Recommended Funding
at Various Confidence Levels
2019/20**

Confidence Level (1)	Recommended Funding (2)
(A) Expected	\$3,507,057
(B) 75%	3,950,057
(C) 90%	4,636,057

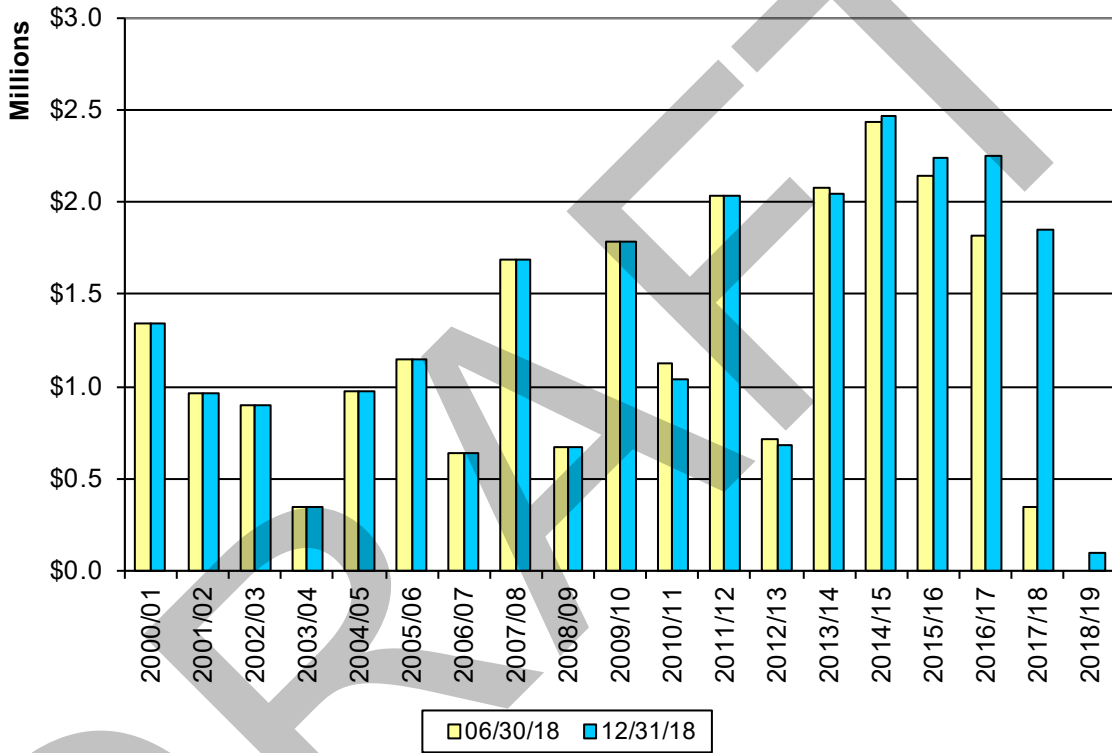
Note: (2) is from REMIF Chart 1.

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3. Comparison to Previous Actuarial Studies

Graphs III-6 and III-7 are graphical comparisons of the net limited reported incurred losses and projected ultimate net limited losses, respectively, by fiscal year of occurrence of the liability program from the previous study to the current study.

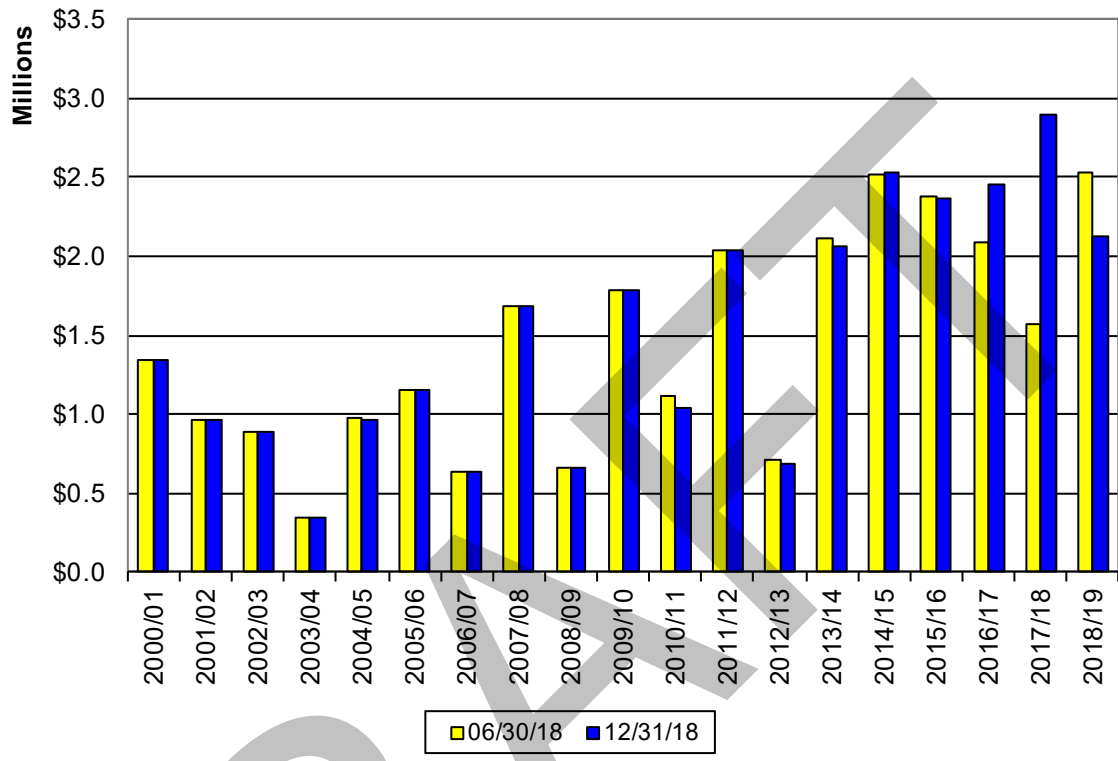
Graph III-6
Comparison of Net Limited Reported Incurred Losses
as of June 30, 2018 and December 31, 2018



Note: Amounts as of June 30, 2018 are from the previous actuarial study.
 Amounts as of December 31, 2018 are from Exhibit LI-13.



**Graph III-7
Comparison of Projected Ultimate Net Limited Losses
as of June 30, 2018 and December 31, 2018**



Note: Amounts as of June 30, 2018 are from the previous actuarial study.
Amounts as of December 31, 2018 are from Exhibit LI-14.

For all claims through 2017/18, the change in the projected ultimate limited losses from June 30, 2018 to December 31, 2018 was 5.0%.

We compare the projected ultimate limited losses (net of member deductible) by year as of June 30, 2018 and December 31, 2018 as shown in Table III-3A.

**Table III-3A
Comparison of Projected Ultimate Limited Losses
as of June 30, 2018 and December 31, 2018**

Claim Period (1)	Projected Ultimate Limited Losses as of 6/30/18 (2)	Projected Ultimate Limited Losses as of 12/31/18 (3)	Change (3) - (2) (4)	Percentage Change (4) / (2) (5)
to 1999/00	\$10,763,949	\$10,825,306	\$61,357	0.6%
2000/01	1,343,998	1,343,998	(0)	0.0%
2001/02	959,598	959,598	(0)	0.0%
2002/03	894,846	894,846	0	0.0%
2003/04	344,208	344,208	0	0.0%
2004/05	975,131	968,387	(6,744)	-0.7%
2005/06	1,149,840	1,149,182	(658)	-0.1%
2006/07	634,045	634,045	0	0.0%
2007/08	1,687,784	1,687,784	(0)	0.0%
2008/09	666,776	666,776	(0)	0.0%
2009/10	1,787,857	1,787,857	0	0.0%
2010/11	1,121,323	1,043,876	(77,448)	-6.9%
2011/12	2,040,861	2,042,815	1,954	0.1%
2012/13	716,116	684,974	(31,142)	-4.3%
2013/14	2,118,221	2,059,558	(58,663)	-2.8%
2014/15	2,518,198	2,536,388	18,190	0.7%
2015/16	2,375,154	2,362,935	(12,220)	-0.5%
2016/17	2,095,296	2,460,966	365,670	17.5%
2017/18	1,575,714	2,900,348	1,324,634	84.1%
Total	\$35,768,913	\$37,353,844	\$1,584,930	4.4%

Note: (2) is from the prior actuarial study.
(3) is from Exhibit LI-14.

For 2016/17 and 2017/18, actual incurred development has been greater than anticipated (see Table III-3B on the next page for further discussion). We note that one 2016/17 claim increased by \$350,000 and four 2017/18 claims increased by more than \$100,000 each. There was also a newly reported claim in 2017/18 with an incurred value of \$235,000.

Actual loss experience versus expected experience in the prior actuarial study, for both paid and incurred losses, is as shown in Table III-3B.

**Table III-3B
Comparison of Actual and Expected Experience
June 30, 2018 to December 31, 2018**

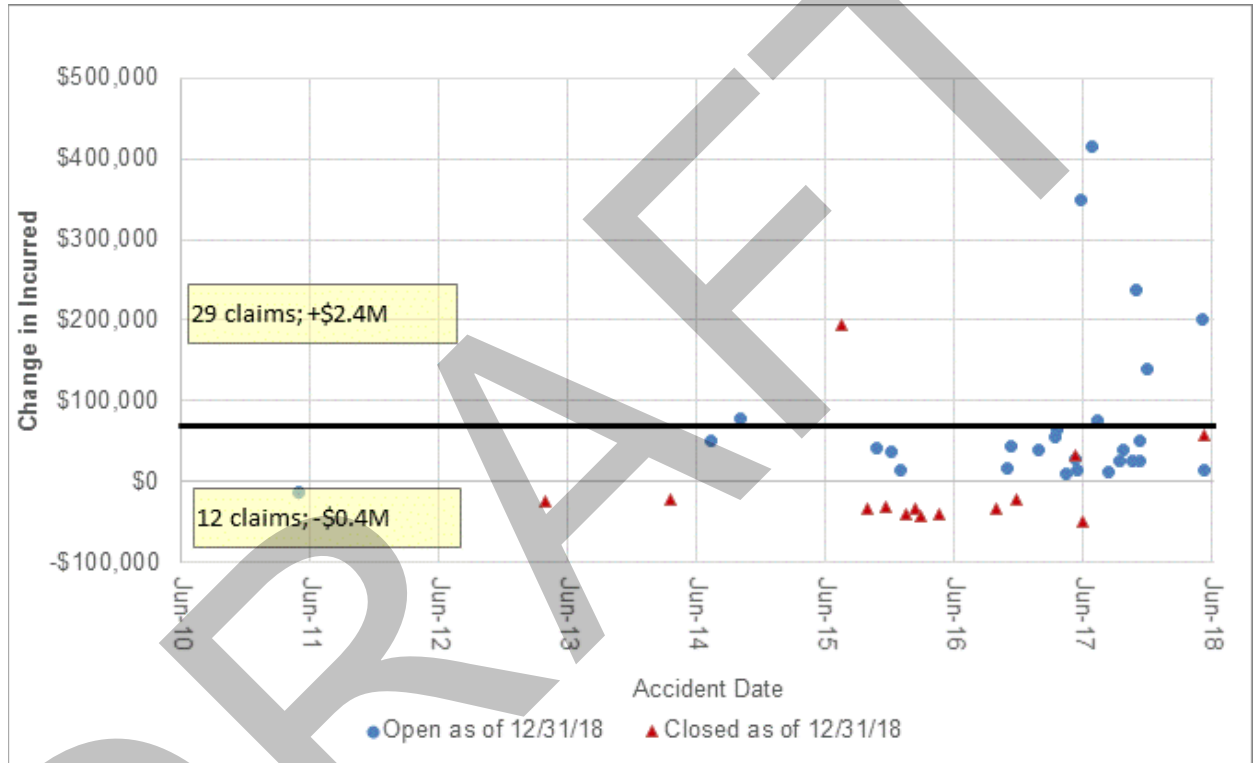
Claim Period (1)	Paid Losses in the Period			Incurred Losses in the Period		
	Paid Expected (2)	Paid Actual (3)	Difference (3) - (2) (4)	Incurred Expected (5)	Incurred Actual (6)	Difference (6) - (5) (7)
to 1999/00	\$0	(\$12,013)	(\$12,013)	\$0	\$62,512	\$62,512
2000/01	0	(1,039)	(1,039)	0	(1,039)	(1,039)
2001/02	0	(0)	(0)	0	(0)	(0)
2002/03	0	0	0	0	0	0
2003/04	0	0	0	0	0	0
2004/05	0	(12,136)	(12,136)	0	(12,136)	(12,136)
2005/06	0	3,732	3,732	0	0	0
2006/07	0	0	0	0	0	0
2007/08	0	(1,290)	(1,290)	0	(1,290)	(1,290)
2008/09	0	(195)	(195)	0	(195)	(195)
2009/10	0	(421)	(421)	0	(421)	(421)
2010/11	4,119	(71,830)	(75,949)	0	(91,088)	(91,088)
2011/12	6,440	5,005	(1,436)	0	489	489
2012/13	4,906	(2,525)	(7,431)	2,490	(26,816)	(29,306)
2013/14	25,064	(23,401)	(48,465)	19,175	(69,876)	(89,051)
2014/15	69,035	398,696	329,660	36,069	15,176	(20,893)
2015/16	207,084	831,384	624,301	130,767	68,448	(62,319)
2016/17	355,818	379,353	23,535	246,909	466,775	219,866
2017/18	229,258	268,053	38,795	247,675	1,623,043	1,375,368
Total	\$901,725	\$1,761,374	\$859,649	\$683,085	\$2,033,583	\$1,350,498

Note: (2) and (5) are the expected amounts from June 30, 2018 to December 31, 2018.
(3) and (6) are actual experience from June 30, 2018 to December 31, 2018.

As part of our analysis, we project ultimate losses by year using paid loss development and incurred loss development (these are defined in the attached Glossary). Table III-3B shows how the paid and incurred claims emerged 12 months later based on loss development factors we selected in the actuarial study valued as of June 30, 2018. This analysis provides a peek into how the claims are actually emerging compared to the expected emergence which is based on historical development patterns.

Graph III-8 shows claims that had a change in incurred of more than +/- \$10,000 between June 30, 2018 and December 31, 2018. There were 29 claims that increased by at least \$10,000 for a combined increase of \$2.4 million, and 12 claims that decreased by at least \$10,000 for a combined decrease of \$0.4 million. The combined increase for this group of claims is \$2.0 million. Only claims which were reported as of June 30, 2018 are included.

Graph III-8
Change in Reported Incurred Losses > \$10,000
From June 30, 2018 to December 31, 2018



Conditions and Limitations

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

- **Data Quality** In conducting this analysis, we relied upon the provided data without audit or independent verification; however, we reviewed it for reasonableness and consistency. Any inaccuracies in quantitative data or qualitative representations could have a significant effect on the results of our review and analysis. Any material discrepancies discovered in the loss data by the organization or any other parties should be reported to us immediately, and if warranted, we will make appropriate amendments to the report.
- **Economic Environment.** Unless otherwise stated, we assumed the current economic conditions will continue in the foreseeable future.
- **Insurance Coverage.** Unless otherwise stated, we assumed no insurance coverage changes (including coverage provided by the organization to others) subsequent to the date this study was prepared. This includes coverage language, self-insured retention, limitations and similar issues.
- **Insurance Solvency.** Unless otherwise stated, we assumed all insurance purchased by the organization is from solvent sources payable in accordance with terms of the coverage document.
- **Interest Rate.** The exhibits specify the annual interest rate used.
- **Methodology.** In this study, different actuarial methods were applied. In some instances, the methods yield significantly disparate results. The estimates, projections and recommendations in this study reflect our judgments as to the best method or combination of methods that are most reliable and reflective of the exposure to loss.
- **Reproduction.** Use of this report is limited to the organization for the specific purpose described in the Introduction section. Other uses are prohibited without an executed release with Aon.

Distribution by the organization is unrestricted. The report should only be distributed in its entirety including all supporting exhibits.
- **Risk and Variability.** Insurance is an inherently risky enterprise. Actual losses may vary significantly from our estimates, projections and recommendations. They may emerge higher or lower.



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

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Glossary of Actuarial Terms

Actuarial Methods (Most Common)

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

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

The following describes each method:

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

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

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

The net effect is that total estimated costs are often revised upward over time. This normal process is called “reported incurred loss development.” Actuaries typically review the development patterns of the recent past to make projections of the expected future loss development and, therefore, estimations of ultimate losses.

3. **Developed Case Reserves.** A case reserve is an estimate of the unpaid amount established by claims adjusters for which a particular claim will ultimately be settled or adjudicated. The developed case reserves method is a hybrid of the paid loss development and reported incurred loss development methods. It relies on the historical adequacy of case reserves to predict ultimate losses.

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

Actuary

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

Allocated Loss Adjustment Expenses

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

Governmental Accounting Standards Board (GASB) Statement No. 10 requires that ALAE be included in financial statements and that they be calculated by actuarial methods.

American Academy of Actuaries

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

Benefits

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

Casualty Actuarial Society

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

Claim

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

Claims Made

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

Composite Rate

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

Confidence Level

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

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

Coverage

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

Credibility

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

Dates

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

Deductible

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

Disability

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

Dividend (Policyholder)

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

Estimated Outstanding Losses

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

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

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

Experience Rating

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

Exposure Data

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

- **Readily Available.** The exposure data should be easily obtained. It is best if it is a byproduct of other activities, although this is not always possible. If getting data is arduous, it may discourage collection.
- **Vary With Losses.** The exposure data should correlate directly with losses. The ideal situation is where exposure and expected losses move in tandem. The exposure base needs to be fitting to the coverage. For example, the number of employees may vary with property losses (more employees = more office space = more losses), but property value is a clearly superior exposure base for property losses.

Generally Accepted Accounting Principles (GAAP)

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

Incurred But Not Reported

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

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

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

Insurance Services Office (ISO)

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

Investment Income

The return received by entities from their investment portfolios, including interest, dividends and realized capital gains on stocks. Realized capital gains means the profit realized on

assets that have actually been sold for more than their purchase price.

Limited

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

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

Loss Development

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

Manual Rates

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

National Council on Compensation Insurance (NCCI)

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

Net

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

Occurrence

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

Pool

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

Premium

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

Present Value

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

Probability

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

Projected Losses Paid

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

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

Projected Ultimate Losses

Projected ultimate losses are the accrual value of claims. They are the total amount that is expected to be paid in a particular claim period after all claims are closed. Projected ultimate losses are the total loss costs for a particular period. They typically include indemnification and ALAE, but not ULAE.

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

Rate

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

Retrospective Rating

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

Salvage

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

Schedule Rating

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

Self-Insurance Retention (SIR)

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

Society of Actuaries (SOA)

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

Standard Premium

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

State Fund

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

Statutory Accounting Principles (SAP)

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

Unallocated Loss Adjustment Expenses

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

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



Exhibits

The attached exhibits detail our analysis.

DRAFT



Development of 2019/20 Funding Indications

(1) Projected 2019/20 payroll (000)	\$116,029
(2) Projected net limited loss rate per \$100 of payroll	\$2.01
(3) Projected ultimate net limited losses	\$2,331,000
(4) Risk margin	
(a) 75% confidence	\$466,000
(b) 90% confidence	\$1,186,000
(5) Projected ultimate net limited losses at risk margin	
(a) Expected	\$2,331,000
(b) 75% confidence	\$2,797,000
(c) 90% confidence	\$3,517,000
(6) Present value factor	0.95
(7) Present value of projected ultimate net limited losses	
(a) Expected	\$2,221,000
(b) 75% confidence	\$2,664,000
(c) 90% confidence	\$3,350,000
(8) Budgeted expenses	
(a) Excess insurance premiums	\$860,920
(b) Insurance consultants	31,936
(c) Safety training expenses	220,000
(d) Total G & A expense	173,201
(e) Total budgeted expenses	\$1,286,057
(a)...(e)	
(9) Recommended funding	
(a) Expected	\$3,507,057
(b) 75% confidence	3,950,057
(c) 90% confidence	4,636,057

(1), (2), (3) and (6) are from Exhibit LI-15.

(4a) is (3)X0.20.

(4b) is (3)X0.51.

(5a) is (3).

(5b) is (3)+(4a). (5c) is (3)+(4b).

(7) is (5)X(6).

(8) was provided by REMIF.

(9) is (7)+(8).



REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
AUTOMOBILE AND GENERAL LIABILITY

REMIF CHART 2

Size of Loss Distribution

I. Reported Claim Count

Layer (1)	Prior (2)	2014/15 (3)	2015/16 (4)	2016/17 (5)	2017/18 (6)	2018/19 (7)	Total (2)...(7) (8)	Non-Zero Claim Cumulative Total (9)	Non-Zero Claim Cumulative % of Total (10)
0	673	8	3	5	44	26	759		
0.01 - 5,000	4,517	74	59	66	42	16	4,774	4,774	82.5%
5,000 - 10,000	296	13	11	9	10	2	341	5,115	88.4%
10,000 - 25,000	281	13	3	8	9	2	316	5,431	93.9%
25,000 - 50,000	126	6	4	6	3	2	147	5,578	96.4%
50,000 - 100,000	91	4	5	9	2	0	111	5,689	98.4%
100,000 - 250,000	45	3	3	2	4	0	57	5,746	99.3%
250,000 - 500,000	24	3	1	3	2	0	33	5,779	99.9%
500,000 - 750,000	2	1	2	0	0	0	5	5,784	100.0%
750,000 - 1,000,000	0	0	0	0	0	0	0	5,784	100.0%
Over 1,000,000	0	0	0	0	0	0	0	5,784	100.0%
Total	6,055	125	91	108	116	48	6,543	5,784	

II. Total Reported Incurred Losses

Layer (1)	Prior (2)	2014/15 (3)	2015/16 (4)	2016/17 (5)	2017/18 (6)	2018/19 (7)	Total (2)...(7) (8)	Non-Zero Claim Cumulative Total (9)	Non-Zero Claim Cumulative % of Total (10)
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
0.01 - 5,000	4,434,870	86,107	75,602	93,143	54,112	19,617	4,763,450	4,763,450	9.6%
5,000 - 10,000	2,079,685	90,540	72,137	61,562	77,847	17,175	2,398,947	7,162,397	14.5%
10,000 - 25,000	4,424,341	198,522	57,129	114,509	171,462	30,296	4,996,260	12,158,658	24.6%
25,000 - 50,000	4,390,030	205,614	158,868	215,254	150,000	90,000	5,209,766	17,368,424	35.2%
50,000 - 100,000	6,364,437	278,916	350,356	635,518	133,473	0	7,762,701	25,131,125	50.9%
100,000 - 250,000	6,775,161	396,743	343,208	255,628	787,500	0	8,558,240	33,689,364	68.2%
250,000 - 500,000	9,205,846	1,191,961	496,000	1,300,000	752,650	0	12,946,457	46,635,821	94.4%
500,000 - 750,000	1,063,867	620,109	1,083,000	0	0	0	2,766,976	49,402,797	100.0%
750,000 - 1,000,000	0	0	0	0	0	0	0	49,402,797	100.0%
Over 1,000,000	0	0	0	0	0	0	0	49,402,797	100.0%
Total	\$38,738,236	\$3,068,512	\$2,636,301	\$2,675,616	\$2,127,044	\$157,088	\$49,402,797	\$49,402,797	

2018/19 reflects 6.0 months of exposure.

Amounts are gross of excess insurance and other recoveries.

Data was provided by REMIF.



REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
AUTOMOBILE AND GENERAL LIABILITY

Exhibit LI-1 (page 1)

Data Summary as of December 31, 2018
Losses Limited to Self-Insured Retention

Claim Period (1)	Specific Self-Insured Retention (2)	Aggregate Retention (3)	Months of Development 12/31/18 (4)	Payroll (000) (5)	Reported Claims 12/31/18 (6)	Open Claims 12/31/18 (7)	Limited Paid Losses 12/31/18 (8)	Limited Case Reserves 12/31/18 (9)	Limited Reported Incurred Losses 12/31/18 (10)
to 1999/00	See Note	None	234.0	Not Provided	3,607	1	\$16,221,554	\$74,524	\$16,296,078
2000/01	500,000	None	222.0	70,073	159	0	1,744,802	0	1,744,802
2001/02	500,000	None	210.0	76,295	170	0	1,403,682	0	1,403,682
2002/03	500,000	None	198.0	81,844	208	0	1,375,797	0	1,375,797
2003/04	500,000	None	186.0	82,701	181	1	708,641	12,000	720,641
2004/05	500,000	None	174.0	84,780	181	0	1,360,107	0	1,360,107
2005/06	500,000	None	162.0	88,395	229	1	1,606,315	32,751	1,639,067
2006/07	500,000	None	150.0	96,065	165	0	987,497	0	987,497
2007/08	500,000	None	138.0	103,315	213	0	2,241,538	0	2,241,538
2008/09	500,000	None	126.0	107,153	173	0	1,055,159	0	1,055,159
2009/10	500,000	None	114.0	105,497	172	0	2,221,669	0	2,221,669
2010/11	500,000	None	102.0	102,382	170	1	1,558,189	4,140	1,562,329
2011/12	500,000	None	90.0	102,361	154	1	2,554,801	42,958	2,597,760
2012/13	500,000	None	78.0	96,088	139	0	967,070	0	967,070
2013/14	500,000	None	66.0	95,884	134	1	2,299,582	201,593	2,501,175
2014/15	500,000	None	54.0	99,061	125	2	2,593,077	355,326	2,948,403
2015/16	500,000	None	42.0	104,572	91	5	2,289,980	263,321	2,553,301
2016/17	500,000	None	30.0	104,447	108	16	1,116,465	1,559,151	2,675,616
2017/18	500,000	None	18.0	112,482	116	22	445,519	1,681,524	2,127,044
2018/19	500,000	None	6.0	108,170	48	12	48,894	108,194	157,088
Total					6,543	63	\$44,800,339	\$4,335,483	\$49,135,821

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

Effective Date	Retention
07/01/74	\$500,000

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

Data was provided by REMIF.



REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
AUTOMOBILE AND GENERAL LIABILITY

Exhibit LI-1 (page 2)

Data Summary as of December 31, 2018
Net Unlimited Losses

Claim Period (1)	Specific Self-Insured Retention (2)	Aggregate Retention (3)	Months of Development 12/31/18 (4)	Payroll (000) (5)	Reported Claims 12/31/18 (6)	Open Claims 12/31/18 (7)	Net Unlimited Paid Losses 12/31/18 (8)	Net Unlimited Case Reserves 12/31/18 (9)	Net Unlimited Reported Incurred Losses 12/31/18 (10)
to 1999/00	Unlimited	None	234.0	Not Provided	3,607	1	\$16,221,554	\$74,524	\$16,296,078
2000/01	Unlimited	None	222.0	70,073	159	0	1,744,802	0	1,744,802
2001/02	Unlimited	None	210.0	76,295	170	0	1,403,682	0	1,403,682
2002/03	Unlimited	None	198.0	81,844	208	0	1,375,797	0	1,375,797
2003/04	Unlimited	None	186.0	82,701	181	1	708,641	12,000	720,641
2004/05	Unlimited	None	174.0	84,780	181	0	1,360,107	0	1,360,107
2005/06	Unlimited	None	162.0	88,395	229	1	1,606,315	32,751	1,639,067
2006/07	Unlimited	None	150.0	96,065	165	0	987,497	0	987,497
2007/08	Unlimited	None	138.0	103,315	213	0	2,241,538	0	2,241,538
2008/09	Unlimited	None	126.0	107,153	173	0	1,055,159	0	1,055,159
2009/10	Unlimited	None	114.0	105,497	172	0	2,280,396	0	2,280,396
2010/11	Unlimited	None	102.0	102,382	170	1	1,558,189	4,140	1,562,329
2011/12	Unlimited	None	90.0	102,361	154	1	2,559,940	42,958	2,602,899
2012/13	Unlimited	None	78.0	96,088	139	0	967,070	0	967,070
2013/14	Unlimited	None	66.0	95,884	134	1	2,299,582	201,593	2,501,175
2014/15	Unlimited	None	54.0	99,061	125	2	2,713,186	355,326	3,068,512
2015/16	Unlimited	None	42.0	104,572	91	5	2,350,282	286,019	2,636,301
2016/17	Unlimited	None	30.0	104,447	108	16	1,116,465	1,559,151	2,675,616
2017/18	Unlimited	None	18.0	112,482	116	22	445,519	1,681,524	2,127,044
2018/19	Unlimited	None	6.0	108,170	48	12	48,894	108,194	157,088
Total					6,543	63	\$45,044,616	\$4,358,181	\$49,402,797

DRAFT

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

Data was provided by REMIF.



REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
AUTOMOBILE AND GENERAL LIABILITY

Exhibit LI-1 (page 3)

Data Summary as of December 31, 2018
Gross Unlimited Losses

Claim Period (1)	Specific Self-Insured Retention (2)	Aggregate Retention (3)	Months of Development 12/31/18 (4)	Payroll (000) (5)	Reported Claims 12/31/18 (6)	Open Claims 12/31/18 (7)	Gross Unlimited Paid Losses 12/31/18 (8)	Gross Unlimited Case Reserves 12/31/18 (9)	Gross Unlimited Reported Incurred Losses 12/31/18 (10)
to 1999/00	Unlimited	None	234.0	Not Provided	3,607	1	\$16,221,554	\$74,524	\$16,296,078
2000/01	Unlimited	None	222.0	70,073	159	0	1,744,802	0	1,744,802
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2002/03	Unlimited	None	198.0	81,844	208	0	1,375,797	0	1,375,797
2003/04	Unlimited	None	186.0	82,701	181	1	708,641	12,000	720,641
2004/05	Unlimited	None	174.0	84,780	181	0	1,360,107	0	1,360,107
2005/06	Unlimited	None	162.0	88,395	229	1	1,606,315	32,751	1,639,067
2006/07	Unlimited	None	150.0	96,065	165	0	987,497	0	987,497
2007/08	Unlimited	None	138.0	103,315	213	0	2,241,538	0	2,241,538
2008/09	Unlimited	None	126.0	107,153	173	0	1,055,159	0	1,055,159
2009/10	Unlimited	None	114.0	105,497	172	0	2,280,396	0	2,280,396
2010/11	Unlimited	None	102.0	102,382	170	1	1,558,189	4,140	1,562,329
2011/12	Unlimited	None	90.0	102,361	154	1	2,559,940	42,958	2,602,899
2012/13	Unlimited	None	78.0	96,088	139	0	967,070	0	967,070
2013/14	Unlimited	None	66.0	95,884	134	1	2,299,582	201,593	2,501,175
2014/15	Unlimited	None	54.0	99,061	125	2	2,713,186	355,326	3,068,512
2015/16	Unlimited	None	42.0	104,572	91	5	2,350,282	286,019	2,636,301
2016/17	Unlimited	None	30.0	104,447	108	16	1,116,465	1,559,151	2,675,616
2017/18	Unlimited	None	18.0	112,482	116	22	445,519	1,681,524	2,127,044
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Total					6,543	63	\$45,044,616	\$4,358,181	\$49,402,797

DRAFT

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

Data was provided by REMIF.



REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
AUTOMOBILE AND GENERAL LIABILITY

Summary of Percent Losses Paid, Losses Reported and Claims Reported

Months of Development (1)	Percent Losses Paid (2)	Percent Losses Reported (3)	Percent Claims Reported (4)	Months of Development (5)	Percent Losses Paid (6)	Percent Losses Reported (7)	Percent Claims Reported (8)
360.0	100.0%	100.0%	100.0%	354.0	100.0%	100.0%	100.0%
348.0	100.0%	100.0%	100.0%	342.0	100.0%	100.0%	100.0%
336.0	100.0%	100.0%	100.0%	330.0	100.0%	100.0%	100.0%
324.0	100.0%	100.0%	100.0%	318.0	100.0%	100.0%	100.0%
312.0	100.0%	100.0%	100.0%	306.0	100.0%	100.0%	100.0%
300.0	100.0%	100.0%	100.0%	294.0	100.0%	100.0%	100.0%
288.0	100.0%	100.0%	100.0%	282.0	100.0%	100.0%	100.0%
276.0	100.0%	100.0%	100.0%	270.0	100.0%	100.0%	100.0%
264.0	100.0%	100.0%	100.0%	258.0	100.0%	100.0%	100.0%
252.0	100.0%	100.0%	100.0%	246.0	100.0%	100.0%	100.0%
240.0	100.0%	100.0%	100.0%	234.0	100.0%	100.0%	100.0%
228.0	100.0%	100.0%	100.0%	222.0	100.0%	100.0%	100.0%
216.0	100.0%	100.0%	100.0%	210.0	100.0%	100.0%	100.0%
204.0	100.0%	100.0%	100.0%	198.0	100.0%	100.0%	100.0%
192.0	100.0%	100.0%	100.0%	186.0	100.0%	100.0%	100.0%
180.0	100.0%	100.0%	100.0%	174.0	100.0%	100.0%	100.0%
168.0	100.0%	100.0%	100.0%	162.0	100.0%	100.0%	100.0%
156.0	100.0%	100.0%	100.0%	150.0	100.0%	100.0%	100.0%
144.0	100.0%	100.0%	100.0%	138.0	100.0%	100.0%	100.0%
132.0	100.0%	100.0%	100.0%	126.0	100.0%	100.0%	100.0%
120.0	100.0%	100.0%	100.0%	114.0	100.0%	100.0%	100.0%
108.0	100.0%	100.0%	100.0%	102.0	99.8%	100.0%	100.0%
96.0	99.5%	100.0%	100.0%	90.0	99.3%	100.0%	100.0%
84.0	99.0%	100.0%	100.0%	78.0	98.5%	99.8%	100.0%
72.0	98.0%	99.5%	100.0%	66.0	97.1%	98.8%	100.0%
60.0	96.1%	98.0%	99.9%	54.0	93.8%	96.8%	99.9%
48.0	91.5%	95.6%	99.9%	42.0	83.9%	90.8%	99.8%
36.0	76.3%	86.0%	99.6%	30.0	62.0%	76.1%	98.2%
24.0	47.7%	66.2%	96.7%	18.0	34.5%	52.0%	87.1%
12.0	21.4%	37.8%	77.4%	6.0	10.7%	18.9%	38.7%

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

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

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

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

REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
AUTOMOBILE AND GENERAL LIABILITY

Historical Limited Paid Losses (\$000) and Limited Paid Loss Development

I. Historical Limited Paid Losses (\$000)

Claim Period	Months of Development:																			
	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240
to 1998/99																				
1999/00	170	361	827	1,030	1,051	1,053	1,075	1,075	1,081	1,083	1,083	1,083	1,083	1,123	1,125	1,136	1,136	1,136	1,136	1,136
2000/01	314	539	876	1,649	1,699	1,717	1,724	1,724	1,724	1,724	1,727	1,733	1,733	1,733	1,742	1,745	1,746	1,746	1,746	1,746
2001/02	367	580	725	1,340	1,404	1,404	1,404	1,404	1,404	1,404	1,404	1,404	1,404	1,404	1,404	1,404	1,404	1,404	1,404	1,404
2002/03	377	574	1,199	1,369	1,359	1,368	1,368	1,368	1,368	1,368	1,368	1,368	1,372	1,375	1,376	1,376	1,376	1,376	1,376	1,376
2003/04	306	566	600	695	709	709	709	709	709	709	714	709	709	709	709	709	709	709	709	709
2004/05	257	762	1,287	1,338	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372
2005/06	269	962	1,384	1,432	1,465	1,497	1,550	1,556	1,573	1,586	1,586	1,589	1,603	1,603	1,603	1,603	1,603	1,603	1,603	1,603
2006/07	232	490	749	806	878	958	980	987	987	987	987	987	987	987	987	987	987	987	987	987
2007/08	333	661	1,189	1,820	2,021	2,064	2,068	2,070	2,243	2,243	2,243	2,243	2,243	2,243	2,243	2,243	2,243	2,243	2,243	2,243
2008/09	382	785	934	1,027	1,052	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055	1,055
2009/10	322	985	1,555	2,045	2,084	2,098	2,117	2,118	2,222	2,222	2,222	2,222	2,222	2,222	2,222	2,222	2,222	2,222	2,222	2,222
2010/11	416	1,036	1,495	1,559	1,582	1,595	1,597	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630	1,630
2011/12	430	774	1,614	2,254	2,321	2,387	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550
2012/13	239	492	724	935	989	970	970	970	970	970	970	970	970	970	970	970	970	970	970	970
2013/14	395	1,150	1,705	1,845	2,323	2,323	2,323	2,323	2,323	2,323	2,323	2,323	2,323	2,323	2,323	2,323	2,323	2,323	2,323	2,323
2014/15	483	1,085	1,942	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194	2,194
2015/16	379	724	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459	1,459
2016/17	281	737	737	737	737	737	737	737	737	737	737	737	737	737	737	737	737	737	737	737
2017/18	177	177	177	177	177	177	177	177	177	177	177	177	177	177	177	177	177	177	177	177

II. Limited Paid Loss Development

Claim Period	Months of Development:																			
	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-Ult
to 1998/99																				
1999/00	2.124	2.294	1.245	1.021	1.001	1.021	1.000	1.006	1.002	1.000	1.000	1.000	1.037	1.002	1.009	1.000	1.000	1.000	1.000	1.000
2000/01	1.718	1.624	1.883	1.030	1.011	1.004	1.000	1.000	1.000	1.002	1.003	1.000	1.000	1.005	1.002	1.000	1.000	1.000	1.000	1.000
2001/02	1.580	1.250	1.849	1.048	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002/03	1.523	2.090	1.141	0.993	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.002	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003/04	1.851	1.166	1.053	1.020	1.000	1.000	1.000	1.000	1.000	1.000	1.008	0.992	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004/05	2.962	1.690	1.039	1.026	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2005/06	3.571	1.440	1.034	1.023	1.022	1.036	1.004	1.011	1.008	1.000	1.002	1.009	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006/07	2.115	1.528	1.076	1.088	1.092	1.023	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2007/08	1.984	1.800	1.530	1.110	1.021	1.002	1.001	1.084	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2008/09	2.056	1.190	1.099	1.025	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2009/10	3.056	1.579	1.315	1.019	1.007	1.009	1.000	1.049	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2010/11	2.493	1.443	1.043	1.015	1.008	1.002	1.021	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2011/12	1.800	2.084	1.397	1.030	1.028	1.068	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2012/13	2.060	1.472	1.292	1.058	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980
2013/14	2.915	1.482	1.082	1.259	1.259	1.259	1.259	1.259	1.259	1.259	1.259	1.259	1.259	1.259	1.259	1.259	1.259	1.259	1.259	1.259
2014/15	2.247	1.791	1.130	1.130	1.130	1.130	1.130	1.130	1.130	1.130	1.130	1.130	1.130	1.130	1.130	1.130	1.130	1.130	1.130	1.130
2015/16	1.912	2.014	2.014	2.014	2.014	2.014	2.014	2.014	2.014	2.014	2.014	2.014	2.014	2.014	2.014	2.014	2.014	2.014	2.014	2.014
2016/17	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619
2017/18	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619	2.619
Average																				
All	2.255	1.643	1.263	1.051	1.013	1.013	1.003	1.014	1.001	1.001	1.000	1.002	1.007	1.002	1.003	1.000	1.000	1.000	1.000	1.000
Wtd 3	2.228	1.725	1.138	1.119	1.012	1.030	1.007	1.053	1.000	1.000	1.001	1.004	1.001	1.000	1.001	1.000	1.001	1.000	1.000	1.000
Last 3	2.260	1.762	1.168	1.116	1.005	1.026	1.007	1.044	1.000	1.000	1.001	1.003	1.001	1.000	1.001	1.000	1.001	1.000	1.000	1.000
Last 5	2.309	1.762	1.168	1.036	1.006	1.004	1.003	1.020	1.000	1.000	1.000	1.001	1.000	1.001	1.000	1.001	1.000	1.000	1.000	1.000
x-hi/low																				
Similar	2.650	1.730	1.400	1.230	1.120	1.050	1.046	1.035	1.025	1.115	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Previous	2.225	1.600	1.200	1.050	1.020	1.010	1.005	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	2.225	1.600	1.200	1.050	1.020	1.010	1.005	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	4.667	2.098	1.311	1.093	1.041	1.020	1.010	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent	21.4%	47.7%	76.3%	91.5%	96.1%	98.0%	99.0%	99.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Amounts are limited (net of excess insurance).

Data was provided by REMIF.

REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
AUTOMOBILE AND GENERAL LIABILITY

Historical Limited Reported Incurred Losses (\$000) and Limited Reported Incurred Loss Development

I. Historical Limited Reported Incurred Losses (\$000)

Claim Period	Months of Development:																			
	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240
to 1998/99																				
1999/00	730	938	1,271	1,236	1,093	1,086	1,086	1,086	1,087	1,083	1,083	1,083	1,083	1,174	1,174	1,136	1,136	1,136	1,136	1,136
2000/01	1,001	1,285	1,635	1,806	1,725	1,729	1,729	1,724	1,724	1,724	1,734	1,734	1,733	1,733	1,743	1,746	1,759	1,746		
2001/02	798	1,147	1,072	1,509	1,404	1,404	1,404	1,404	1,404	1,404	1,404	1,404	1,404	1,404	1,404	1,404	1,404	1,404		
2002/03	1,085	1,113	1,300	1,403	1,372	1,373	1,368	1,368	1,368	1,368	1,368	1,368	1,374	1,377	1,379	1,376				
2003/04	760	943	824	767	709	709	709	709	709	709	714	709	709	709	721					
2004/05	1,230	1,424	1,389	1,377	1,377	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372	1,372						
2005/06	1,355	1,542	1,473	1,467	1,486	1,506	1,568	1,563	1,575	1,586	1,586	1,637	1,639							
2006/07	935	872	938	902	932	969	982	987	987	987	987	987								
2007/08	983	1,154	1,416	2,036	2,266	2,261	2,240	2,242	2,243	2,243										
2008/09	794	953	1,041	1,058	1,063	1,055	1,055	1,055	1,055											
2009/10	841	1,380	1,781	2,082	2,090	2,128	2,134	2,191	2,222											
2010/11	817	1,261	1,594	1,564	1,605	1,608	1,648	1,653												
2011/12	682	1,115	1,738	2,319	2,380	2,721	2,597													
2012/13	388	757	900	965	1,017	994														
2013/14	646	1,434	1,788	2,142	2,571															
2014/15	970	1,522	2,372	2,933																
2015/16	751	1,645	2,485																	
2016/17	1,206	2,209																		
2017/18	504																			

II. Limited Reported Incurred Loss Development

Claim Period	Months of Development:																			
	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-Ult
to 1998/99																				
1999/00	1.286	1.355	0.972	0.885	0.993	1.000	1.000	1.001	0.997	1.000	1.000	1.000	1.084	1.000	0.967	1.000	1.000	1.000		
2000/01	1.284	1.272	1.104	0.955	1.003	1.000	0.997	1.000	1.000	1.006	1.000	0.999	1.000	1.006	1.002	1.007	0.993			
2001/02	1.437	0.935	1.407	0.930	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2002/03	1.025	1.168	1.080	0.978	1.000	0.997	1.000	1.000	1.000	1.000	1.000	1.004	1.002	1.002	0.997					
2003/04	1.241	0.874	0.931	0.924	1.000	1.000	1.000	1.000	1.000	1.008	0.992	1.000	1.000	1.017						
2004/05	1.158	0.976	0.991	1.000	0.996	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000							
2005/06	1.137	0.956	0.996	1.012	1.013	1.041	0.997	1.007	1.007	1.000	1.032	1.002								
2006/07	0.932	1.076	0.962	1.033	1.040	1.014	1.005	1.000	1.000	1.000	1.000									
2007/08	1.174	1.227	1.438	1.113	0.998	0.991	1.001	1.000	1.000	1.000										
2008/09	1.200	1.092	1.016	1.004	0.993	1.000	1.000	1.000	1.000											
2009/10	1.641	1.290	1.169	1.004	1.018	1.003	1.027	1.014												
2010/11	1.544	1.264	0.981	1.026	1.002	1.025	1.004													
2011/12	1.634	1.559	1.334	1.026	1.144	0.954														
2012/13	1.951	1.189	1.072	1.053	0.977															
2013/14	2.221	1.247	1.198	1.200																
2014/15	1.568	1.559	1.237																	
2015/16	2.190	1.511																		
2016/17	1.831																			
2017/18																				
Average																				
All	1.470	1.209	1.118	1.010	1.013	1.002	1.003	1.002	1.000	1.002	1.003	1.001	1.014	1.005	0.992	1.002	0.996	1.000		
Wtd 3	1.836	1.444	1.194	1.100	1.064	0.988	1.013	1.006	1.000	1.000	1.013	1.001	1.001	1.004	1.000	1.003				
Last 3	1.863	1.439	1.169	1.093	1.041	0.994	1.010	1.005	1.000	1.000	1.011	1.001	1.001	1.006	1.000	1.002				
Last 5	1.991	1.439	1.169	1.035	1.004	0.998	1.003	1.003	1.000	1.000	1.000	1.001	1.000	1.003						
x-hi,low																				
Similar	1.850	1.400	1.215	1.110	1.063	1.041	1.025	1.023	1.014	1.070										
Previous	1.750	1.300	1.112	1.025	1.015	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.750	1.300	1.112	1.025	1.015	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	2.645	1.511	1.163	1.046	1.020	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent	37.8%	66.2%	86.0%	95.6%	98.0%	99.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Amounts are limited (net of excess insurance).

Data was provided by REMIF.

REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
AUTOMOBILE AND GENERAL LIABILITY

Historical Reported Claims and Reported Claim Development

I. Historical Reported Claims

Claim Period	Months of Development:																			
	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240
to 1998/99																				
1999/00	156	159	162	191	191	191	191	191	191	191	191	191	191	193	193	193	193	193	193	193
2000/01	126	158	212	212	212	212	212	212	212	212	213	213	213	213	214	214	214	214	213	
2001/02	151	206	206	206	206	206	206	206	206	206	206	206	206	206	206	206	203			
2002/03	202	241	244	247	245	245	245	245	245	245	245	245	246	246	246	239				
2003/04	197	219	219	219	219	219	219	219	219	219	220	219	219	219	220					
2004/05	164	197	202	203	203	203	203	203	203	203	203	203	203	203						
2005/06	204	252	252	252	253	253	253	253	253	253	253	254	254							
2006/07	158	193	194	194	194	195	195	195	195	195	195	195								
2007/08	199	231	236	236	236	236	236	236	236	236	236									
2008/09	157	179	181	181	181	181	181	181	181	181										
2009/10	150	181	182	183	183	183	183	183	183	183										
2010/11	155	191	192	192	192	192	192	194												
2011/12	138	159	162	163	163	164	164													
2012/13	119	139	144	144	144	145														
2013/14	110	136	138	139	140															
2014/15	106	125	131	131																
2015/16	68	88	94																	
2016/17	74	109																		
2017/18	91																			

II. Reported Claim Development

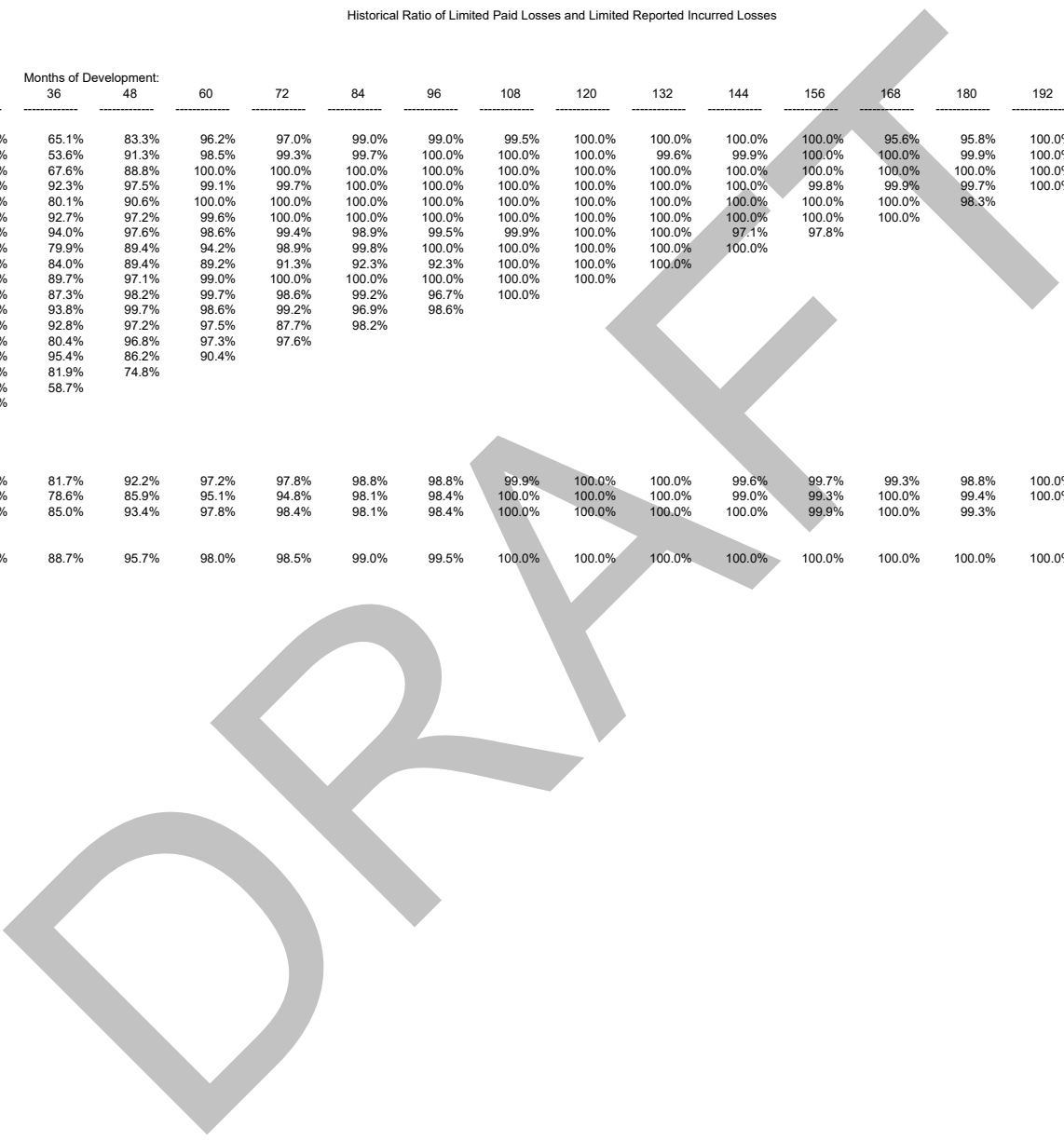
Claim Period	Months of Development:																			
	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-Ult
to 1998/99																				
1999/00	1.019	1.020	1.179	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.010	1.000	1.000	1.000	1.000	1.000	1.000	
2000/01	1.251	1.342	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.005	1.000	1.000	1.000	1.005	1.000	1.000	0.995		0.995	
2001/02	1.364	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2002/03	1.193	1.012	1.012	0.992	1.000	1.000	1.000	1.000	1.000	1.000	1.004	1.000	1.000	1.000	0.972					
2003/04	1.112	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.005	0.995	1.000	1.000	1.005						
2004/05	1.201	1.025	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000							
2005/06	1.235	1.000	1.000	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.004	1.000								
2006/07	1.222	1.005	1.000	1.000	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000								
2007/08	1.161	1.022	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000								
2008/09	1.140	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000										
2009/10	1.207	1.006	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000										
2010/11	1.232	1.005	1.000	1.000	1.000	1.000	1.010													
2011/12	1.152	1.019	1.006	1.000	1.006	1.000														
2012/13	1.168	1.036	1.000	1.000	1.007															
2013/14	1.236	1.015	1.007	1.007																
2014/15	1.179	1.048	1.000																	
2015/16	1.294	1.068																		
2016/17	1.473																			
2017/18																				
Average																				
All	1.213	1.037	1.013	1.000	1.001	1.000	1.001	1.000	1.000	1.001	1.000	1.001	1.002	1.002	0.993	0.995	0.998	1.000		
Wtd 3	1.298	1.040	1.002	1.002	1.004	1.000	1.004	1.000	1.000	1.000	1.002	1.000	1.000	1.001	0.989	0.995				
Last 3	1.315	1.044	1.002	1.002	1.004	1.000	1.003	1.000	1.000	1.000	1.001	1.000	1.000	1.002	0.991	0.995				
Last 5	1.237	1.034	1.002	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.002						
x-hi,low																				
Similar	1.219	1.047	1.026	1.015	1.012	1.011	1.012	1.013	1.017	1.003	1.003	1.002	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.001
Previous	1.250	1.030	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.250	1.030	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	1.292	1.034	1.004	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent	77.4%	96.7%	99.6%	99.9%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Data was provided by REMIF.

REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
AUTOMOBILE AND GENERAL LIABILITY

Historical Ratio of Limited Paid Losses and Limited Reported Incurred Losses

Claim Period	Months of Development:																			
	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240
to 1998/99																				
1999/00	23.3%	38.4%	65.1%	83.3%	96.2%	97.0%	99.0%	99.0%	99.5%	100.0%	100.0%	100.0%	100.0%	95.6%	95.8%	100.0%	100.0%	100.0%	100.0%	100.0%
2000/01	31.3%	41.9%	53.6%	91.3%	98.5%	99.3%	99.7%	100.0%	100.0%	100.0%	100.0%	99.6%	99.9%	100.0%	100.0%	99.9%	100.0%	99.3%	100.0%	100.0%
2001/02	46.0%	50.5%	67.6%	88.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2002/03	34.7%	51.6%	92.3%	97.5%	99.1%	99.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	99.8%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2003/04	40.2%	60.0%	80.1%	90.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2004/05	20.9%	53.5%	92.7%	97.2%	99.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2005/06	19.9%	62.4%	94.0%	97.6%	98.6%	99.4%	98.9%	99.5%	99.9%	100.0%	100.0%	100.0%	97.1%	97.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2006/07	24.8%	56.2%	79.9%	89.4%	94.2%	98.9%	99.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2007/08	33.9%	57.3%	84.0%	89.4%	89.2%	91.3%	92.3%	92.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2008/09	48.1%	82.4%	89.7%	97.1%	99.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2009/10	38.3%	71.3%	87.3%	98.2%	99.7%	99.7%	98.6%	99.2%	96.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2010/11	50.9%	82.2%	93.8%	99.7%	98.6%	99.2%	96.9%	98.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2011/12	63.0%	69.4%	92.8%	97.2%	97.5%	87.7%	98.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2012/13	61.5%	65.0%	80.4%	96.8%	97.3%	97.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2013/14	61.1%	80.2%	95.4%	86.2%	90.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2014/15	49.7%	71.3%	81.9%	74.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2015/16	50.4%	44.0%	58.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2016/17	23.3%	33.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2017/18	35.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Average																				
All	39.8%	59.5%	81.7%	92.2%	97.2%	97.8%	98.8%	98.8%	99.9%	100.0%	100.0%	99.6%	99.7%	99.3%	98.8%	100.0%	99.8%	100.0%	100.0%	100.0%
Last 3	36.3%	49.6%	78.6%	85.9%	95.1%	94.8%	98.1%	98.4%	100.0%	100.0%	100.0%	99.0%	99.3%	100.0%	99.4%	100.0%	99.8%	100.0%	100.0%	100.0%
Last 5	45.1%	60.1%	85.0%	93.4%	97.8%	98.4%	98.1%	98.4%	100.0%	100.0%	100.0%	100.0%	99.9%	100.0%	99.3%	100.0%	100.0%	100.0%	100.0%	100.0%
x-hi,low																				
Implicit	56.7%	72.1%	88.7%	95.7%	98.0%	98.5%	99.0%	99.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%





REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
 AUTOMOBILE AND GENERAL LIABILITY

Exhibit LI-3

Developed Limited Paid Losses
 Limited to Self-Insured Retention and Gross of Member Deductibles

Claim Period (1)	Months of Development 12/31/18 (2)	Limited Paid Losses 12/31/18 (3)	Percent Losses Paid (4)	Developed Limited Paid Losses (3)/(4) (5)
to 1999/00	234.0	\$16,221,554	100.0%	\$16,221,554
2000/01	222.0	1,744,802	100.0%	1,744,802
2001/02	210.0	1,403,682	100.0%	1,403,682
2002/03	198.0	1,375,797	100.0%	1,375,797
2003/04	186.0	708,641	100.0%	708,641
2004/05	174.0	1,360,107	100.0%	1,360,107
2005/06	162.0	1,606,315	100.0%	1,606,315
2006/07	150.0	987,497	100.0%	987,497
2007/08	138.0	2,241,538	100.0%	2,241,538
2008/09	126.0	1,055,159	100.0%	1,055,159
2009/10	114.0	2,221,669	100.0%	2,221,669
2010/11	102.0	1,558,189	99.8%	1,562,075
2011/12	90.0	2,554,801	99.3%	2,570,225 *
2012/13	78.0	967,070	98.5%	981,624
2013/14	66.0	2,299,582	97.1%	2,369,088
2014/15	54.0	2,593,077	93.8%	2,731,025 *
2015/16	42.0	2,289,980	83.9%	2,542,266 *
2016/17	30.0	1,116,465	62.0%	1,801,548
2017/18	18.0	445,519	34.5%	1,289,558
Total		\$44,751,445		\$46,774,170

DRAFT

* - Indicates large claim(s) limited to retention. For details, see Exhibit LI-16.

(3) is from Exhibit LI-1.

(4) is from Exhibit LI-2.



REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
 AUTOMOBILE AND GENERAL LIABILITY

Exhibit LI-4

Developed Limited Reported Incurred Losses
 Limited to Self-Insured Retention and Gross of Member Deductibles

Claim Period (1)	Months of Development 12/31/18 (2)	Limited Reported Incurred Losses 12/31/18 (3)	Percent Losses Reported (4)	Developed Limited Reported Incurred Losses (3)/(4) (5)
to 1999/00	234.0	\$16,296,078	100.0%	\$16,296,078
2000/01	222.0	1,744,802	100.0%	1,744,802
2001/02	210.0	1,403,682	100.0%	1,403,682
2002/03	198.0	1,375,797	100.0%	1,375,797
2003/04	186.0	720,641	100.0%	720,641
2004/05	174.0	1,360,107	100.0%	1,360,107
2005/06	162.0	1,639,067	100.0%	1,639,067
2006/07	150.0	987,497	100.0%	987,497
2007/08	138.0	2,241,538	100.0%	2,241,538
2008/09	126.0	1,055,159	100.0%	1,055,159
2009/10	114.0	2,221,669	100.0%	2,221,669
2010/11	102.0	1,562,329	100.0%	1,562,329
2011/12	90.0	2,597,760	100.0%	2,597,760
2012/13	78.0	967,070	99.8%	969,481
2013/14	66.0	2,501,175	98.8%	2,526,152 *
2014/15	54.0	2,948,403	96.8%	3,012,054 *
2015/16	42.0	2,553,301	90.8%	2,664,114 *
2016/17	30.0	2,675,616	76.1%	3,268,038 *
2017/18	18.0	2,127,044	52.0%	3,629,959 *
Total		\$48,978,733		\$51,275,924

DRAFT

* - Indicates large claim(s) limited to retention. For details, see Exhibit LI-16.

(3) is from Exhibit LI-1.

(4) is from Exhibit LI-2.



REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
 AUTOMOBILE AND GENERAL LIABILITY

Exhibit LI-5

Developed Limited Case Reserves
 Limited to Self-Insured Retention and Gross of Member Deductibles

Claim Period (1)	Months of Development 12/31/18 (2)	Percent Losses Paid (3)	Percent Losses Reported (4)	Percent Losses Reserved 12/31/18 [(4)-(3)]/ [100.0%-(3)] (5)	Limited Paid Losses 12/31/18 (6)	Limited Case Reserves 12/31/18 (7)	Developed Limited Case Reserves (6)+(7)/(5) (8)
to 1999/00	234.0	100.0%	100.0%	100.0%	\$16,221,554	\$74,524	\$16,296,078
2000/01	222.0	100.0%	100.0%	100.0%	1,744,802	0	1,744,802
2001/02	210.0	100.0%	100.0%	100.0%	1,403,682	0	1,403,682
2002/03	198.0	100.0%	100.0%	100.0%	1,375,797	0	1,375,797
2003/04	186.0	100.0%	100.0%	100.0%	708,641	12,000	720,641
2004/05	174.0	100.0%	100.0%	100.0%	1,360,107	0	1,360,107
2005/06	162.0	100.0%	100.0%	100.0%	1,606,315	32,751	1,639,067
2006/07	150.0	100.0%	100.0%	100.0%	987,497	0	987,497
2007/08	138.0	100.0%	100.0%	100.0%	2,241,538	0	2,241,538
2008/09	126.0	100.0%	100.0%	100.0%	1,055,159	0	1,055,159
2009/10	114.0	100.0%	100.0%	100.0%	2,221,669	0	2,221,669
2010/11	102.0	99.8%	100.0%	100.0%	1,558,189	4,140	1,562,329
2011/12	90.0	99.3%	100.0%	100.0%	2,554,801	42,958	2,597,760
2012/13	78.0	98.5%	99.8%	83.2%	967,070	0	967,070
2013/14	66.0	97.1%	98.8%	58.0%	2,299,582	201,593	2,501,175 *
2014/15	54.0	93.8%	96.8%	48.8%	2,593,077	355,326	3,073,549 *
2015/16	42.0	83.9%	90.8%	43.0%	2,289,980	263,321	2,752,989 *
2016/17	30.0	62.0%	76.1%	37.1%	1,116,465	1,559,151	3,874,351 *
2017/18	18.0	34.5%	52.0%	26.6%	445,519	1,681,524	5,303,330 *
Total					\$44,751,445	\$4,227,288	\$53,678,589

* - Indicates large claim(s) limited to retention. For details, see Exhibit LI-16.

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

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



REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
 AUTOMOBILE AND GENERAL LIABILITY

Exhibit LI-6

Preliminary Projected Ultimate Limited Losses to 2017/18
 Limited to Self-Insured Retention and Gross of Member Deductibles

Claim Period (1)	Developed Limited Paid Losses (2)	Developed Limited Reported Incurred Losses (3)	Developed Limited Case Reserves (4)	Preliminary Projected Ultimate Limited Losses (5)
to 1999/00	\$16,221,554	\$16,296,078	\$16,296,078	\$16,303,531
2000/01	1,744,802	1,744,802	1,744,802	1,744,802
2001/02	1,403,682	1,403,682	1,403,682	1,403,682
2002/03	1,375,797	1,375,797	1,375,797	1,375,797
2003/04	708,641	720,641	720,641	721,841
2004/05	1,360,107	1,360,107	1,360,107	1,360,107
2005/06	1,606,315	1,639,067	1,639,067	1,642,342
2006/07	987,497	987,497	987,497	987,497
2007/08	2,241,538	2,241,538	2,241,538	2,241,538
2008/09	1,055,159	1,055,159	1,055,159	1,055,159
2009/10	2,221,669	2,221,669	2,221,669	2,221,669
2010/11	1,562,075	1,562,329	1,562,329	1,562,743
2011/12	2,570,225	2,597,760	2,597,760	2,602,055
2012/13	981,624	969,481	967,070	967,070
2013/14	2,369,088	2,526,152	2,501,175	2,521,334
2014/15	2,731,025	3,012,054	3,073,549	3,014,699
2015/16	2,542,266	2,664,114	2,752,989	2,675,294
2016/17	1,801,548	3,268,038	3,874,351	3,217,265
2017/18	1,289,558	3,629,959	5,303,330	3,831,227
Total	\$46,774,170	\$51,275,924	\$53,678,589	\$51,449,652

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(2) is from Exhibit LI-3.

(3) is from Exhibit LI-4.

(4) is from Exhibit LI-5.

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



REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
AUTOMOBILE AND GENERAL LIABILITY

Exhibit LI-7

Bornhuetter - Ferguson Analysis
Limited to Self-Insured Retention and Gross of Member Deductibles

I. A-priori Loss Rate

Claim Period (1)	Preliminary Projected Ultimate Limited Losses (2)	Payroll (000) (3)	Limited Loss Rate per \$100 of Payroll (2)/(3)/10 (4)	Loss Rate Trend (2018/19 = 1.000) (5)	Trended Limited Loss Rate per \$100 of Payroll (4)X(5) (6)	Projected A-priori Loss Rate per \$100 of Payroll (7)/(5) (8)
2008/09	\$1,055,159	\$107,153	\$0.98	1.219	\$1.20	\$2.06
2009/10	2,221,669	105,497	2.11	1.195	2.52	2.10
2010/11	1,562,743	102,382	1.53	1.172	1.79	2.15
2011/12	2,602,055	102,361	2.54	1.149	2.92	2.19
2012/13	967,070	96,088	1.01	1.126	1.13	2.23
2013/14	2,521,334	95,884	2.63	1.104	2.90	2.28
2014/15	3,014,699	99,061	3.04	1.082	3.29	2.32
2015/16	2,675,294	104,572	2.56	1.061	2.71	2.37
2016/17	3,217,265	104,447	3.08	1.040	3.20	2.42
2017/18	3,831,227	112,482	3.41	1.020	3.47	2.47

(7) Projected 2018/19 a-priori loss rate per \$100 of Payroll

\$2.52

II. Bornhuetter - Ferguson Analysis Based on Limited Paid Losses

Claim Period (1)	Limited Paid Losses 12/31/18 (2)	Percent Losses Paid (3)	Projected A-priori Loss Rate per \$100 of Payroll (4)	Payroll (000) (5)	B-F Unpaid Losses [100.0%-(3)] X(4)X(5)X10 (6)	B-F Ultimate Limited Paid Losses (2)+(6) (7)
2013/14	\$2,299,582	97.1%	\$2.28	\$95,884	\$64,081	\$2,363,663
2014/15	2,593,077	93.8%	2.32	99,061	142,316	2,735,393
2015/16	2,289,980	83.9%	2.37	104,572	398,977	2,688,958
2016/17	1,116,465	62.0%	2.42	104,447	960,139	2,076,604
2017/18	445,519	34.5%	2.47	112,482	1,815,292	2,260,812

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

Claim Period (1)	Limited Reported Incurred Losses 12/31/18 (2)	Percent Losses Reported (3)	Projected A-priori Loss Rate per \$100 of Payroll (4)	Payroll (000) (5)	B-F Unreported Losses [100.0%-(3)] X(4)X(5)X10 (6)	B-F Ultimate Limited Reported Losses (2)+(6) (7)
2013/14	\$2,501,175	98.8%	\$2.28	\$95,884	\$26,925	\$2,528,100
2014/15	2,948,403	96.8%	2.32	99,061	72,814	3,021,216
2015/16	2,553,301	90.8%	2.37	104,572	227,397	2,780,698
2016/17	2,675,616	76.1%	2.42	104,447	603,843	3,279,459
2017/18	2,127,044	52.0%	2.47	112,482	1,331,745	3,458,788

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

Section I, (3), Section II, (5) and Section III, (5) are from Exhibit LI-15.

Section I, (5) is based on a 2% trend.

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

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

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

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



REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
AUTOMOBILE AND GENERAL LIABILITY

Exhibit LI-8

Frequency Times Severity Analysis
Limited to Self-Insured Retention and Gross of Member Deductibles

I. Projected Ultimate Claims

Claim Period (1)	Months of Development 12/31/18 (2)	Reported Claims 12/31/18 (3)	Percent Claims Reported (4)	Projected Ultimate Claims (3)/(4) (5)	Payroll (000) (6)	Frequency (per \$1M of Payroll) (5)/(6)X1,000 (7)
2008/09	126.0	173	100.0%	173	\$107,153	1.61
2009/10	114.0	172	100.0%	172	105,497	1.63
2010/11	102.0	170	100.0%	170	102,382	1.66
2011/12	90.0	154	100.0%	154	102,361	1.50
2012/13	78.0	139	100.0%	139	96,088	1.45
2013/14	66.0	134	100.0%	134	95,884	1.40
2014/15	54.0	125	99.9%	125	99,061	1.26
2015/16	42.0	91	99.8%	91	104,572	0.87
2016/17	30.0	108	98.2%	110	104,447	1.05
2017/18	18.0	116	87.1%	133	112,482	1.18

II. Frequency Times Severity

Claim Period (1)	Preliminary Projected Ultimate Limited Losses (2)	Projected Ultimate Claims (3)	Average Severity (2)/(3) (4)	Severity Trend (2018/19 = 1.000) (5)	Trended Average Claim Severity (4)X(5) (6)	De-Trended Projected 2018/19 Average Claim Severity (7)/(5) (8)	Frequency Times Severity (3)X(8) (9)
2008/09	\$1,055,159	173	\$6,099	1.638	\$9,992	\$13,863	\$2,398,282
2009/10	2,221,669	172	12,917	1.559	20,141	14,564	2,505,070
2010/11	1,562,743	170	9,193	1.484	13,644	15,301	2,601,224
2011/12	2,602,055	154	16,896	1.413	23,870	16,076	2,475,637
2012/13	967,070	139	6,957	1.345	9,356	16,889	2,347,570
2013/14	2,521,334	134	18,816	1.280	24,083	17,744	2,377,639
2014/15	3,014,699	125	24,118	1.218	29,382	18,641	2,330,175
2015/16	2,675,294	91	29,399	1.160	34,091	19,585	1,782,203
2016/17	3,217,265	110	29,248	1.104	32,283	20,576	2,263,320
2017/18	3,831,227	133	28,806	1.051	30,264	21,617	2,875,030

(7) Projected 2018/19 average claim severity \$22,711

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

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

Section I, (6) is from Exhibit LI-15.

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

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

Section II, (5) is based on a 5.1% trend.

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



REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
 AUTOMOBILE AND GENERAL LIABILITY

Exhibit LI-9

Projected Ultimate Limited Losses to 2017/18
 Limited to Self-Insured Retention and Gross of Member Deductibles

Claim Period (1)	Developed Limited Paid Losses (2)	Developed Limited Reported Incurred Losses (3)	Developed Limited Case Reserves (4)	B-F Ultimate Limited Paid Losses (5)	B-F Ultimate Limited Reported Losses (6)	Frequency Times Severity (7)	Projected Ultimate Limited Losses (8)
to 1999/00	\$16,221,554	\$16,296,078	\$16,296,078				\$16,304,000
2000/01	1,744,802	1,744,802	1,744,802				1,744,802
2001/02	1,403,682	1,403,682	1,403,682				1,403,682
2002/03	1,375,797	1,375,797	1,375,797				1,375,797
2003/04	708,641	720,641	720,641				722,000
2004/05	1,360,107	1,360,107	1,360,107				1,360,107
2005/06	1,606,315	1,639,067	1,639,067				1,642,342
2006/07	987,497	987,497	987,497				987,497
2007/08	2,241,538	2,241,538	2,241,538				2,241,538
2008/09	1,055,159	1,055,159	1,055,159				1,055,159
2009/10	2,221,669	2,221,669	2,221,669				2,221,669
2010/11	1,562,075	1,562,329	1,562,329				1,563,000
2011/12	2,570,225	2,597,760	2,597,760				2,602,055
2012/13	981,624	969,481	967,070				967,070
2013/14	2,369,088	2,526,152	2,501,175	2,363,663	2,528,100	2,377,639	2,521,334
2014/15	2,731,025	3,012,054	3,073,549	2,735,393	3,021,216	2,330,175	3,015,000
2015/16	2,542,266	2,664,114	2,752,989	2,688,958	2,780,698	1,782,203	2,675,000
2016/17	1,801,548	3,268,038	3,874,351	2,076,604	3,279,459	2,263,320	2,883,000
2017/18	1,289,558	3,629,959	5,303,330	2,260,812	3,458,788	2,875,030	3,186,000

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(2) is from Exhibit LI-3.

(3) is from Exhibit LI-4.

(4) is from Exhibit LI-5.

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

(7) is from Exhibit LI-8.

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



REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
AUTOMOBILE AND GENERAL LIABILITY

Exhibit LI-10

Projected Ultimate Limited Losses for 2018/19 and Subsequent
Limited to Self-Insured Retention and Gross of Member Deductibles

Claim Period (1)	Projected Ultimate Limited Losses (2)	Payroll (000) (3)	Limited Loss Rate per \$100 of Payroll (2)/(3)/10 (4)	Loss Rate Trend (2018/19 = 1.000) (5)	Trended Limited Loss Rate per \$100 of Payroll (4)X(5) (6)
2008/09	\$1,055,159	\$107,153	\$0.98	1.219	\$1.20
2009/10	2,221,669	105,497	2.11	1.195	2.52
2010/11	1,563,000	102,382	1.53	1.172	1.79
2011/12	2,602,055	102,361	2.54	1.149	2.92
2012/13	967,070	96,088	1.01	1.126	1.13
2013/14	2,521,334	95,884	2.63	1.104	2.90
2014/15	3,015,000	99,061	3.04	1.082	3.29
2015/16	2,675,000	104,572	2.56	1.061	2.71
2016/17	2,883,000	104,447	2.76	1.040	2.87
2017/18	3,186,000	112,482	2.83	1.020	2.89
Total	\$22,689,287	\$1,029,929	\$2.20		\$2.42

Claim Period (1)	Projected Limited Loss Rate per \$100 of Payroll (7)	Projected Payroll (000) (8)	Projected Ultimate Limited Losses (7)X(8)X10 (9)	Present Value Factor (10)	Present Value of Projected Limited Loss Rate per \$100 of Payroll (7)X(10) (11)	Present Value of Projected Ultimate Limited Losses (8)X(11)X10 (12)
2018/19	\$2.42	\$108,170	\$2,621,000	0.95	\$2.31	\$2,497,000
2019/20	2.47	116,029	2,868,000	0.95	2.35	2,732,000
2020/21	2.52	119,509	3,013,000	0.95	2.40	2,870,000

(2) is from Exhibit LI-9.

(3) was provided by REMIF.

(5) is based on a 2% trend.

(7) 2018/19 is based on (6) and actuarial judgment.
Other period(s) based on 2018/19 plus a 2% trend.

(8) to 2020/21 was provided by REMIF. Other claim periods are based on a 0% trend.

(10) is based on a 2.25% interest rate and the payout pattern in Exhibit LI-2.



REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
AUTOMOBILE AND GENERAL LIABILITY

Exhibit LI-11 (page 1)

Determination of Losses Within Deductibles

Claim Number (1)	Date of Loss (2)	Claim Period (3)	Months of Development 12/31/18 (4)	Deductible or Deductible Received (5)	Limited Paid Losses 12/31/18 (6)	Limited Case Reserves 12/31/18 (7)	Limited Reported Incurred Losses 12/31/18 (8)	Percent Case Reserve Adequacy (9)	Limited Paid Losses Within Deductibles Min[(5),(6)] (10)	Limited Reported Incurred Losses Within Deductibles Min[(5),(8)] (11)	Projected Ultimate Losses Within Deductibles Min[(5),(6)+ (7)/(9)] (12)
All Closed	Various	to 1999/00	234.0	\$5,453,694	\$16,215,953	\$0	\$16,215,953	90.4%	\$5,453,694	\$5,453,694	\$5,453,694
GHC0022412	01/01/98	to 1999/00	234.0	25,000	5,601	74,524	80,125	90.4%	5,601	25,000	25,000
All Closed	Various	2000/01	222.0	400,804	1,744,802	0	1,744,802	100.0%	400,804	400,804	400,804
All Closed	Various	2001/02	210.0	444,085	1,403,682	0	1,403,682	100.0%	444,085	444,085	444,085
All Closed	Various	2002/03	198.0	480,951	1,375,797	0	1,375,797	100.0%	480,951	480,951	480,951
GHC0021231	07/01/03	2003/04	186.0	25,000	0	12,000	0	89.8%	0	12,000	13,359
All Closed	Various	2003/04	186.0	364,433	708,641	0	708,641	89.8%	364,433	364,433	364,433
All Closed	Various	2004/05	174.0	391,720	1,360,107	0	1,360,107	100.0%	391,720	391,720	391,720
17-7147	01/01/06	2005/06	162.0	25,000	20,749	32,751	53,500	90.9%	20,749	25,000	25,000
All Closed	Various	2005/06	162.0	468,160	1,585,567	0	1,585,567	90.9%	468,160	468,160	468,160
All Closed	Various	2006/07	150.0	353,452	987,497	0	987,497	100.0%	353,452	353,452	353,452
All Closed	Various	2007/08	138.0	553,755	2,241,538	0	2,241,538	100.0%	553,755	553,755	553,755
All Closed	Various	2008/09	126.0	388,383	1,055,159	0	1,055,159	100.0%	388,383	388,383	388,383
All Closed	Various	2009/10	114.0	433,812	2,221,669	0	2,221,669	100.0%	433,812	433,812	433,812
12-3397	06/01/11	2010/11	102.0	5,000	89,360	4,140	93,500	86.0%	5,000	5,000	5,000
All Closed	Various	2010/11	102.0	514,124	1,468,829	0	1,468,829	86.0%	514,124	514,124	514,124
16-8471	01/19/12	2011/12	90.0	25,000	34,542	42,958	77,500	90.9%	25,000	25,000	25,000
All Closed	Various	2011/12	90.0	534,240	2,520,260	0	2,520,260	90.9%	534,240	534,240	534,240
All Closed	Various	2012/13	78.0	282,096	967,070	0	967,070	100.0%	282,096	282,096	282,096
15-5409	06/11/14	2013/14	66.0	5,000	298,407	201,593	500,000	90.9%	5,000	5,000	5,000
All Closed	Various	2013/14	66.0	456,776	2,001,175	0	2,001,175	90.9%	456,776	456,776	456,776
15-5449	08/10/14	2014/15	54.0	5,000	180,545	119,455	300,000	84.2%	5,000	5,000	5,000
15-5389	11/04/14	2014/15	54.0	5,000	264,130	235,870	500,000	84.2%	5,000	5,000	5,000
All Closed	Various	2014/15	54.0	468,612	2,148,403	0	2,148,403	84.2%	468,612	468,612	468,612
18-7254	08/13/15	2015/16	42.0	5,000	500,000	0	500,000	68.4%	5,000	5,000	5,000
17-6919	11/20/15	2015/16	42.0	5,000	41,424	78,576	120,000	68.4%	5,000	5,000	5,000
16-8503	01/05/16	2015/16	42.0	25,000	64,905	57,095	122,000	68.4%	25,000	25,000	25,000
GHC0021172	01/29/16	2015/16	42.0	10,000	4,997	15,003	20,000	68.4%	4,997	10,000	10,000
17-7100	06/30/16	2015/16	42.0	10,000	387,353	112,647	500,000	68.4%	10,000	10,000	10,000
All Closed	Various	2015/16	42.0	257,065	1,291,301	0	1,291,301	68.4%	257,065	257,065	257,065
GHC0022488	07/29/16	2016/17	30.0	5,000	8,449	71,551	80,000	88.3%	5,000	5,000	5,000
17-7176	08/01/16	2016/17	30.0	25,000	7,112	8,888	16,000	88.3%	7,112	16,000	17,182
18-7396	08/05/16	2016/17	30.0	5,000	13,989	139,139	153,128	88.3%	5,000	5,000	5,000
17-6828	10/09/16	2016/17	30.0	5,000	72,264	25,236	97,500	88.3%	5,000	5,000	5,000
17-7323	11/28/16	2016/17	30.0	5,000	22,884	52,116	75,000	88.3%	5,000	5,000	5,000
17-6847	12/07/16	2016/17	30.0	25,000	14,327	37,418	51,745	88.3%	14,327	25,000	25,000
18-7366	02/25/17	2016/17	30.0	10,000	12,093	90,407	102,500	88.3%	10,000	10,000	10,000
GHC0021693	04/13/17	2016/17	30.0	5,000	8,236	46,764	55,000	88.3%	5,000	5,000	5,000
GHC0020957	04/15/17	2016/17	30.0	10,000	9,997	60,003	70,000	88.3%	9,997	10,000	10,000
17-7131	05/12/17	2016/17	30.0	5,000	107,207	392,793	500,000	88.3%	5,000	5,000	5,000
18-7513	05/17/17	2016/17	30.0	5,000	40,631	409,369	450,000	88.3%	5,000	5,000	5,000
GHC0023532	06/01/17	2016/17	30.0	10,000	0	250	250	88.3%	0	250	283
GHC0021009	06/04/17	2016/17	30.0	5,000	23,404	26,596	50,000	88.3%	5,000	5,000	5,000
GHC0020908	06/09/17	2016/17	30.0	10,000	10,873	24,127	35,000	88.3%	10,000	10,000	10,000
18-7495	06/13/17	2016/17	30.0	5,000	9,695	6,806	16,500	88.3%	5,000	5,000	5,000
18-7514	06/21/17	2016/17	30.0	10,000	182,313	167,687	350,000	88.3%	10,000	10,000	10,000
All Closed	Various	2016/17	30.0	294,568	572,993	0	572,993	88.3%	294,568	294,568	294,568
18-7419	07/24/17	2017/18	18.0	25,000	103,700	396,300	500,000	61.4%	25,000	25,000	25,000
18-7378	08/08/17	2017/18	18.0	5,000	0	50,000	50,000	61.4%	0	5,000	5,000
18-7482	08/10/17	2017/18	18.0	5,000	10,224	65,526	75,750	61.4%	5,000	5,000	5,000
18-7417	08/27/17	2017/18	18.0	5,000	8,977	193,523	202,500	61.4%	5,000	5,000	5,000
18-7309	09/09/17	2017/18	18.0	5,000	2,946	12,555	15,500	61.4%	2,946	5,000	5,000
GHC0020811	10/08/17	2017/18	18.0	10,000	2,100	22,900	25,000	61.4%	2,100	10,000	10,000
18-7412	10/21/17	2017/18	18.0	5,000	6,651	43,349	50,000	61.4%	5,000	5,000	5,000
GHC0023316	11/15/17	2017/18	18.0	5,000	0	10,000	10,000	61.4%	0	5,000	5,000
GHC0021392	11/16/17	2017/18	18.0	10,000	0	25,000	25,000	61.4%	0	10,000	10,000
GHC0022107	11/18/17	2017/18	18.0	10,000	9,300	225,700	235,000	61.4%	9,300	10,000	10,000
18-7524	11/24/17	2017/18	18.0	5,000	30,903	221,747	252,650	61.4%	5,000	5,000	5,000
GHC0021572	12/05/17	2017/18	18.0	5,000	0	50,000	50,000	61.4%	0	5,000	5,000
GHC0021608	12/09/17	2017/18	18.0	10,000	0	25,000	25,000	61.4%	0	10,000	10,000
GHC0021982	12/21/17	2017/18	18.0	25,000	4,149	851	5,000	61.4%	4,149	5,000	5,536
18-7442	12/26/17	2017/18	18.0	5,000	66,981	83,019	150,000	61.4%	5,000	5,000	5,000
GHC0020803	03/10/18	2017/18	18.0	25,000	136	1,364	1,500	61.4%	136	1,500	2,359
GHC0023009	04/11/18	2017/18	18.0	25,000	0	6,792	6,792	61.4%	0	6,792	11,069
GHC0021984	05/29/18	2017/18	18.0	25,000	447	4,554	5,000	61.4%	447	5,000	7,868
GHC0023125	05/29/18	2017/18	18.0	25,000	0	5,000	5,000	61.4%	0	5,000	8,149
GHC0021773	06/04/18	2017/18	18.0	5,000	597	199,403	200,000	61.4%	597	5,000	5,000
GHC0021628	06/05/18	2017/18	18.0	5,000	0	13,942	13,942	61.4%	0	5,000	5,000
GHC0023492	06/16/18	2017/18	18.0	5,000	0	25,000	25,000	61.4%	0	5,000	5,000
All Closed	Various	2017/18	18.0	125,671	198,410	0	198,410	61.4%	125,671	125,671	125,671
GHC0023010	07/02/18	2018/19	6.0	25,000	0	741	741	8.6%	0	741	8,635
GHC0022270	07/08/18	2018/19	6.0	5,000	9,452	548	10,000	8.6%	5,000	5,000	5,000
GHC0023095	07/08/18	2018/19	6.0	5,000	0	3,000	3,000	8.6%	0	3,000	5,000
GHC0022422	07/15/18	2018/19	6.0	5,000	10,744	39,256	50,000	8.6%	5,000	5,000	5,000
GHC0022324	08/05/18	2018/19	6.0	25,000	0	1,000	1,000	8.6%	0	1,000	11,661
GHC0022736	08/31/18	2018/19	6.0	5,000	0	1,200	1,200	8.6%	0	1,200	5,000
GHC0022533	09/10/18	2018/19	6.0	5,000	0	40,000	40,000	8.6%	0	5,000	5,000
GHC0023420	10/04/18	2018/19	6.0	10,000	0	3,500	3,500	8.6%	0	3,500	10,000
GHC0023491	11/22/18	2018/19	6.0	25,000	0	15,000	15,000	8.6%	0	15,000	25,000
GHC0023576	11/23/18	2018/19	6.0	5,000	0	250	250	8.6%	0	250	2,915
GHC0023356	12/03/18	2018/19	6.0	25,000	0	2,200	2,200	8.6%	0	2,200	25,000
GHC0023628	12/27/18	2018/19	6.0	25,000	0	1,500	1,500	8.6%	0	1,500	17,491
All Closed	Various	2018/19	6.0	16,226	28,698	0	28,698	8.6%	16,226	16,226	16,226
Total				\$13,417,629	\$44,800,339	\$4,335,483	\$49,135,821		\$12,990,086	\$13,162,562	\$13,259,137



Determination of Losses Within Deductibles

Footnotes:

Data was provided by REMIF.

(9) was calculated as follows:

Claim Period (a)	Limited Paid Losses 12/31/18 (b)	Limited Case Reserves 12/31/18 (c)	Projected Ultimate Limited Losses (d)	Case Reserve Adequacy (c)/[(d)-(b)] (e)
to 1999/00	\$16,221,554	\$74,524	\$16,304,000	90.4%
2000/01	1,744,802	0	1,744,802	100.0%
2001/02	1,403,682	0	1,403,682	100.0%
2002/03	1,375,797	0	1,375,797	100.0%
2003/04	708,641	12,000	722,000	89.8%
2004/05	1,360,107	0	1,360,107	100.0%
2005/06	1,606,315	32,751	1,642,342	90.9%
2006/07	987,497	0	987,497	100.0%
2007/08	2,241,538	0	2,241,538	100.0%
2008/09	1,055,159	0	1,055,159	100.0%
2009/10	2,221,669	0	2,221,669	100.0%
2010/11	1,558,189	4,140	1,563,000	86.0%
2011/12	2,554,801	42,958	2,602,055	90.9%
2012/13	967,070	0	967,070	100.0%
2013/14	2,299,582	201,593	2,521,334	90.9%
2014/15	2,593,077	355,326	3,015,000	84.2%
2015/16	2,289,980	263,321	2,675,000	68.4%
2016/17	1,116,465	1,559,151	2,883,000	88.3%
2017/18	445,519	1,681,524	3,186,000	61.4%
2018/19	48,894	108,194	1,310,500	8.6%

(b) and (c) are from Exhibit LI-1 (page 1), and (d) is from Exhibit LI-9.

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REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
AUTOMOBILE AND GENERAL LIABILITY

Exhibit LI-12

Calculation of Net Limited Paid Losses as of December 31, 2018

Claim Period (1)	Limited Paid Losses 12/31/18 (2)	Limited Paid Losses Within Deductibles 12/31/18 (3)	Net Limited Paid Losses 12/31/18 (2)-(3) (4)	Percent Within Deductibles 12/31/18 (3)/(2) (5)
to 1999/00	\$16,221,554	\$5,459,295	\$10,762,259	33.7%
2000/01	1,744,802	400,804	1,343,998	23.0%
2001/02	1,403,682	444,085	959,598	31.6%
2002/03	1,375,797	480,951	894,846	35.0%
2003/04	708,641	364,433	344,208	51.4%
2004/05	1,360,107	391,720	968,387	28.8%
2005/06	1,606,315	488,909	1,117,407	30.4%
2006/07	987,497	353,452	634,045	35.8%
2007/08	2,241,538	553,755	1,687,784	24.7%
2008/09	1,055,159	388,383	666,776	36.8%
2009/10	2,221,669	433,812	1,787,857	19.5%
2010/11	1,558,189	519,124	1,039,065	33.3%
2011/12	2,554,801	559,240	1,995,561	21.9%
2012/13	967,070	282,096	684,974	29.2%
2013/14	2,299,582	461,776	1,837,806	20.1%
2014/15	2,593,077	478,612	2,114,465	18.5%
2015/16	2,289,980	307,063	1,982,918	13.4%
2016/17	1,116,465	401,004	715,461	35.9%
2017/18	445,519	195,346	250,173	43.8%
2018/19	48,894	26,226	22,668	53.6%
Total	\$44,800,339	\$12,990,086	\$31,810,253	29.0%

(2) is from Exhibit LI-1 (page 1).

(3) is from Exhibit LI-11.



REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
AUTOMOBILE AND GENERAL LIABILITY

Exhibit LI-13

Calculation of Net Limited Reported Incurred Losses as of December 31, 2018

Claim Period (1)	Limited Reported Incurred Losses 12/31/18 (2)	Limited Reported Incurred Losses Within Deductibles 12/31/18 (3)	Net Limited Reported Incurred Losses 12/31/18 (2)-(3) (4)	Percent Within Deductibles 12/31/18 (3)/(2) (5)
to 1999/00	\$16,296,078	\$5,478,694	\$10,817,384	33.6%
2000/01	1,744,802	400,804	1,343,998	23.0%
2001/02	1,403,682	444,085	959,598	31.6%
2002/03	1,375,797	480,951	894,846	35.0%
2003/04	720,641	376,433	344,208	52.2%
2004/05	1,360,107	391,720	968,387	28.8%
2005/06	1,639,067	493,160	1,145,907	30.1%
2006/07	987,497	353,452	634,045	35.8%
2007/08	2,241,538	553,755	1,687,784	24.7%
2008/09	1,055,159	388,383	666,776	36.8%
2009/10	2,221,669	433,812	1,787,857	19.5%
2010/11	1,562,329	519,124	1,043,205	33.2%
2011/12	2,597,760	559,240	2,038,519	21.5%
2012/13	967,070	282,096	684,974	29.2%
2013/14	2,501,175	461,776	2,039,399	18.5%
2014/15	2,948,403	478,612	2,469,791	16.2%
2015/16	2,553,301	312,065	2,241,236	12.2%
2016/17	2,675,616	420,818	2,254,797	15.7%
2017/18	2,127,044	273,963	1,853,080	12.9%
2018/19	157,088	59,617	97,472	38.0%
Total	\$49,135,821	\$13,162,562	\$35,973,259	26.8%

(2) is from Exhibit LI-1 (page 1).

(3) is from Exhibit LI-11.



REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
 AUTOMOBILE AND GENERAL LIABILITY

Exhibit LI-14

Calculation of Projected Ultimate Net Limited Losses as of December 31, 2018

Claim Period (1)	Projected Ultimate Limited Losses (2)	Projected Ultimate Limited Losses Within Deductibles 12/31/18 (3)	Projected Ultimate Net Limited Losses 12/31/18 (2)-(3) (4)	Percent Within Deductibles 12/31/18 (3)/(2) (5)
to 1999/00	\$16,304,000	\$5,478,694	\$10,825,306	33.6%
2000/01	1,744,802	400,804	1,343,998	23.0%
2001/02	1,403,682	444,085	959,598	31.6%
2002/03	1,375,797	480,951	894,846	35.0%
2003/04	722,000	377,792	344,208	52.3%
2004/05	1,360,107	391,720	968,387	28.8%
2005/06	1,642,342	493,160	1,149,182	30.0%
2006/07	987,497	353,452	634,045	35.8%
2007/08	2,241,538	553,755	1,687,784	24.7%
2008/09	1,055,159	388,383	666,776	36.8%
2009/10	2,221,669	433,812	1,787,857	19.5%
2010/11	1,563,000	519,124	1,043,876	33.2%
2011/12	2,602,055	559,240	2,042,815	21.5%
2012/13	967,070	282,096	684,974	29.2%
2013/14	2,521,334	461,776	2,059,558	18.3%
2014/15	3,015,000	478,612	2,536,388	15.9%
2015/16	2,675,000	312,065	2,362,935	11.7%
2016/17	2,883,000	422,034	2,460,966	14.6%
2017/18	3,186,000	285,652	2,900,348	9.0%
2018/19				
Total	\$50,471,052	\$13,117,209	\$37,353,844	26.0%

(2) is from Exhibit LI-9.

(3) is from Exhibit LI-11.



REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
AUTOMOBILE AND GENERAL LIABILITY

Exhibit LI-15

Projected Ultimate Limited Losses for 2018/19 and Subsequent
Limited to Self-Insured Retention and Net of Member Deductibles

Claim Period (1)	Projected Ultimate Net Limited Losses (2)	Payroll (000) (3)	Net Limited Loss Rate per \$100 of Payroll (2)/(3)/10 (4)	Loss Rate Trend (2018/19 = 1.000) (5)	Trended Net Limited Loss Rate per \$100 of Payroll (4)X(5) (6)
2008/09	\$666,776	\$107,153	\$0.62	1.219	\$0.76
2009/10	1,787,857	105,497	1.69	1.195	2.03
2010/11	1,043,876	102,382	1.02	1.172	1.19
2011/12	2,042,815	102,361	2.00	1.149	2.29
2012/13	684,974	96,088	0.71	1.126	0.80
2013/14	2,059,558	95,884	2.15	1.104	2.37
2014/15	2,536,388	99,061	2.56	1.082	2.77
2015/16	2,362,935	104,572	2.26	1.061	2.40
2016/17	2,460,966	104,447	2.36	1.040	2.45
2017/18	2,900,348	112,482	2.58	1.020	2.63
Total	\$18,546,491	\$1,029,929	\$1.80		\$1.97

Claim Period (1)	Projected Net Limited Loss Rate per \$100 of Payroll (7)	Projected Payroll (000) (8)	Projected Ultimate Net Limited Losses (7)X(8)X10 (9)	Present Value Factor (10)	Present Value of Projected Net Limited Loss Rate per \$100 of Payroll (7)X(10) (11)	Present Value of Projected Ultimate Net Limited Losses (8)X(11)X10 (12)
2018/19	\$1.97	\$108,170	\$2,131,000	0.95	\$1.88	\$2,030,000
2019/20	2.01	116,029	2,331,000	0.95	1.91	2,221,000
2020/21	2.05	119,509	2,449,000	0.95	1.95	2,333,000

(2) is from Exhibit LI-14.

(3) was provided by REMIF.

(5) is based on a 2% trend.

(7) 2018/19 is based on (6) and actuarial judgment.
Other period(s) based on 2018/19 plus a 2% trend.

(8) to 2020/21 was provided by REMIF. Other claim periods are based on a 0% trend.

(10) is based on a 2.25% interest rate and the payout pattern in Exhibit LI-2.



REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
AUTOMOBILE AND GENERAL LIABILITY

Exhibit LI-16

List of Large Claims
Reported Incurred Losses Greater Than \$250,000

Claim Number (1)	Date of Loss (2)	Claim Period (3)	Specific Self-Insured Retention (4)	Unlimited Paid Losses 12/31/18 (5)	Unlimited Case Reserves 12/31/18 (6)	Unlimited Reported Incurred Losses 12/31/18 (7)
1002459-000	12/20/86	to 1999/00	\$500,000	\$294,218	\$0	\$294,218
1002800-000	11/06/88	to 1999/00	500,000	257,906	0	257,906
1003487-000	06/19/92	to 1999/00	500,000	361,699	0	361,699
1003961-000	03/16/95	to 1999/00	500,000	252,830	0	252,830
1004184-000	12/26/95	to 1999/00	500,000	500,000	0	500,000
1004453-000	08/01/96	to 1999/00	500,000	436,461	0	436,461
1004352-000	04/19/97	to 1999/00	500,000	500,000	0	500,000
1004417-000	10/16/97	to 1999/00	500,000	498,473	0	498,473
00-1951	12/26/99	to 1999/00	500,000	369,984	0	369,984
01-3059	02/28/01	2000/01	500,000	500,000	0	500,000
02-3527	05/02/01	2000/01	500,000	266,149	0	266,149
02-3664	09/27/01	2001/02	500,000	500,000	0	500,000
03-4440	09/21/02	2002/03	500,000	373,628	0	373,628
05-6361	11/16/04	2004/05	500,000	408,882	0	408,882
06-7413	12/31/05	2005/06	500,000	500,000	0	500,000
08-8665	08/09/07	2007/08	500,000	500,000	0	500,000
09-1106	03/03/08	2007/08	500,000	337,241	0	337,241
10-1258	07/03/09	2009/10	500,000	558,728	0	558,728
10-1622	11/28/09	2009/10	500,000	366,551	0	366,551
12-3475	07/19/11	2011/12	500,000	505,139 *	0	505,139
12-3246	12/09/11	2011/12	500,000	326,427	0	326,427
12-3437	03/16/12	2011/12	500,000	284,342	0	284,342
14-4435	07/07/13	2013/14	500,000	273,767	0	273,767
14-4665	10/31/13	2013/14	500,000	340,214	0	340,214
14-4849	02/08/14	2013/14	500,000	257,274	0	257,274
15-5409	06/11/14	2013/14	500,000	298,407	201,593 *	500,000 *
15-5449	08/10/14	2014/15	500,000	180,545	119,455	300,000
15-5311	09/17/14	2014/15	500,000	391,961	0	391,961
15-5677	10/15/14	2014/15	500,000	620,109 *	0	620,109 *
15-5389	11/04/14	2014/15	500,000	264,130	235,870 *	500,000 *
18-7254	08/13/15	2015/16	500,000	560,302 *	19,698	580,000 *
16-6087	10/20/15	2015/16	500,000	496,000 *	0	496,000 *
17-7100	06/30/16	2015/16	500,000	387,353	115,647 *	503,000 *
17-7131	05/12/17	2016/17	500,000	107,207	392,793 *	500,000 *
18-7513	05/17/17	2016/17	500,000	40,631	409,369 *	450,000 *
18-7514	06/21/17	2016/17	500,000	182,313	167,687 *	350,000
18-7419	07/24/17	2017/18	500,000	103,700	396,300 *	500,000 *
18-7524	11/24/17	2017/18	500,000	30,903	221,747 *	252,650

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

Amounts are gross of excess insurance.

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

**Redwood Empire Municipal
Insurance Fund**

**2019/20 Funding Study for the
Workers Compensation Program**

DRAFT

April 16, 2019

April 16, 2019

Redwood Empire Municipal Insurance Fund
414 West Napa Street
Sonoma, California 95476

Attn: Ms. Amy Northam
General Manager

**2019/20 Funding Study for the
Workers Compensation Program**

This study has been completed for the Redwood Empire Municipal Insurance Fund for the specific objectives listed in the study. It contains the analysis and conclusions of our work.

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

No key personnel have a relationship with the Redwood Empire Municipal Insurance Fund that may impair our objectivity.

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

Respectfully submitted,

Aon Global Risk Consulting

By _____
Mujtaba Dato, ACAS, MAAA, FCA
Actuarial Practice Leader

Brenda Craigmyle
Senior Actuarial Analyst

MD:bc

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I.	Background	1
II.	Objectives	3
III.	Conclusions	4

Appendices

- A Conditions and Limitations
- B Glossary of Actuarial Terms
- C Exhibits

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I. Background

The Redwood Empire Municipal Insurance Fund (REMIF) workers compensation program was formed on July 1, 1976. It provides a means for pooling workers compensation risks and purchasing excess workers compensation insurance on a collective basis. The original seven member cities consist of Cloverdale, Cotati, Healdsburg, Rohnert Park, Sebastopol, Sonoma and Ukiah. The following cities joined later: Arcata, Crescent City, Eureka, Fort Bragg, Fortuna, Lakeport, St. Helena, Willits and Windsor. Crescent City withdrew from REMIF on June 30, 1993 and maintained responsibility for its losses.

REMIF has purchased insurance to cover excess losses since the inception of the program. Table I-1 summarizes the self-insurance retentions. We have assumed the current self-insured retention will remain effective through 2019/20. We have not reviewed the collectability of the insurance.

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

Period (1)	Self-Insured Retention (2)
07/01/78 to 06/30/81	\$150,000
07/01/81 to 06/30/82	100,000
07/01/82 to 06/30/86	150,000
07/01/86 to 06/30/87	200,000
07/01/87 to 06/30/91	250,000
07/01/91 to 06/30/03	300,000
07/01/03 to present	1,000,000

Note: No information was provided for June 30, 1978 and prior.

The individual members of REMIF maintain deductibles.

REMIF does not pay for salary continuation programs that are mandated by a city's MOU's or state law in lieu of temporary disability. This would include Labor Code Section '4850' benefits for safety officers that are state mandated salary continuations for up to one full year.

In the loss runs provided to us, payment amounts are established for temporary disability claims. Based on conversations with REMIF, we understand that these are not actual payments, but rather are vouchered amounts. REMIF provides us with a secondary loss run that lists the payments vouchers. We summarized these amounts by year of claim occurrence. We subtract the vouchered amounts from the data in the initial loss run, as these amounts are not the responsibility of REMIF.

Data

Loss data valued as of December 31, 2018 was provided to us by REMIF. REMIF previously provided payroll for years through 2017/18. Payroll projections are based on a 0% trend.

We were informed by REMIF that claims were handled in-house until May 2018, when Athens became the claims administrator. Since that time, Athens has “worked on ensuring that the claims are reserved adequately as well working on closing claims”. In total, limited case reserves increased by \$1.5 million between June 30, 2018 and December 31, 2018. We considered this additional information in the selection of ultimate losses.

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

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II. Objectives

The specific objectives of this study are:

1. **Project Ultimate Net Limited Losses.** Project ultimate net limited losses (including ALAE) for 2019/20.

The projected ultimate net limited losses are the accrual value of losses with accident dates in 2019/20, regardless of report or payment date.

Net refers to net of member deductibles. The amounts are limited to the self-insured retention.

2. **Recommend Funding.** Recommend funding for 2019/20.

The recommended funding is based on the (present value of) projected ultimate net limited losses and expenses at various confidence levels.

3. **Comparison to Previous Actuarial Studies.** Compare to the previous five actuarial studies.

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III. Conclusions

We have reached the following conclusions:

1. Project Ultimate Net Limited Losses

We project ultimate net limited losses for 2019/20 to be as shown in Table III-1A. These amounts are net of member deductibles. As information, amounts gross of member deductible are provided in Table III-1B.

**Table III-1A
Projected Ultimate Net Limited Losses
Net of Member Deductible
2019/20**

Item (1)	Projected Payroll (000) (2)	Loss Rate per \$100 of Payroll (3)	Projected Ultimate Losses (4)
(A) Full Value	\$116,029	\$3.97	\$4,604,000
(B) Present Value	116,029	3.58	4,157,000

Note: (2) through (4) are from Exhibit WC-15.

**Table III-1B
Projected Ultimate Limited Losses
Gross of Member Deductible
2019/20**

Item (1)	Projected Payroll (000) (2)	Loss Rate per \$100 of Payroll (3)	Projected Ultimate Losses (4)
(A) Full Value	\$116,029	\$4.55	\$5,278,000
(B) Present Value	116,029	4.11	4,765,000

Note: (2) through (4) are from Exhibit WC-10.

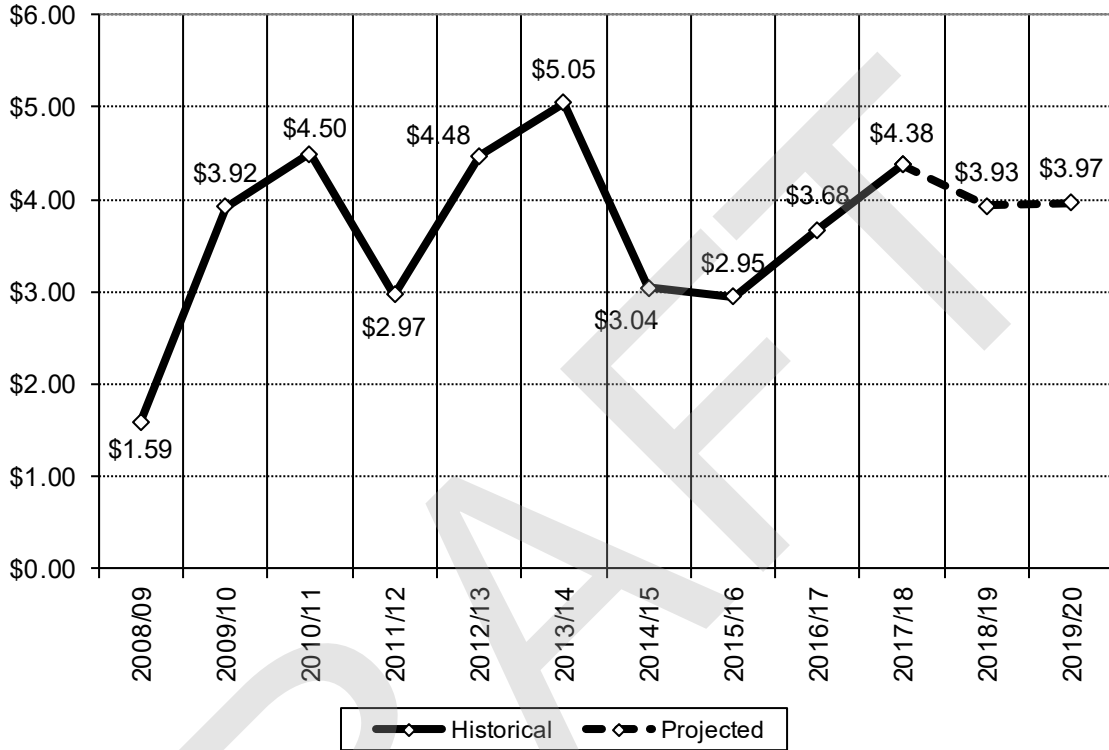
The present value of the projected ultimate net limited losses is the amount of money, discounted for anticipated investment income, required to meet claims. It is calculated based on a 2.25% yield on investments.

The amounts in Table III-1A are net of member deductibles and limited to the self-insured retention. The amounts in Table III-1B are gross of member deductibles and limited to the self-insured retention.

All costs other than claims are additional.

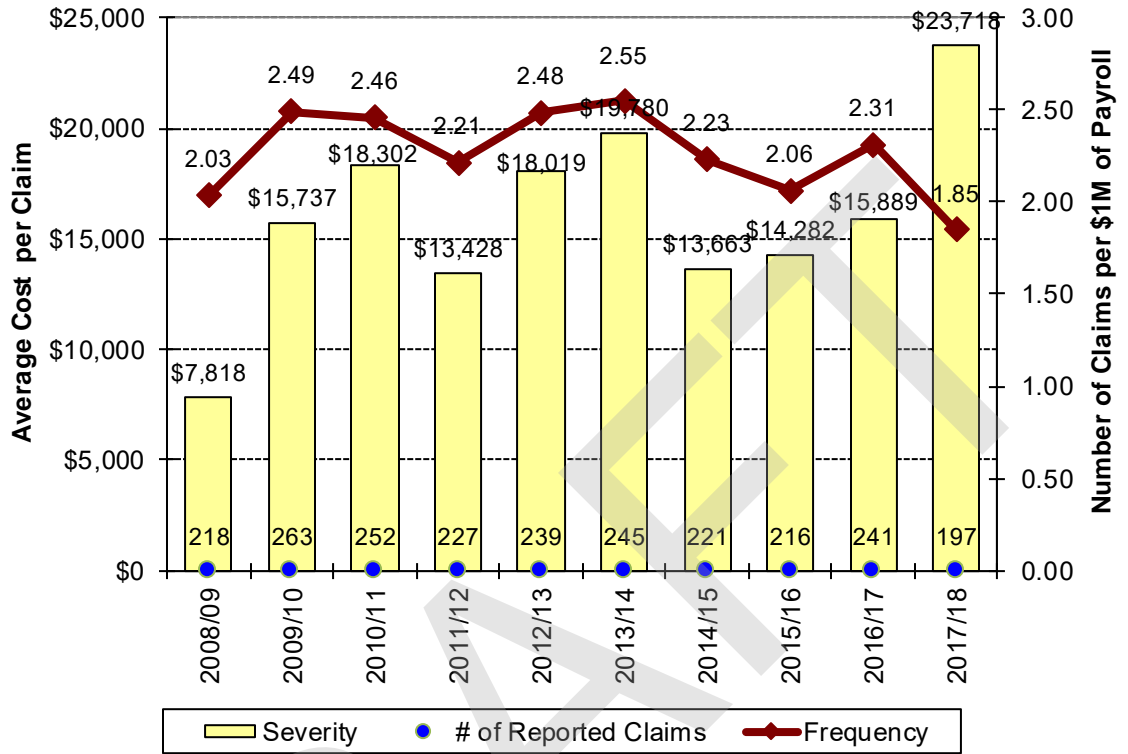
Graphs III-1 and III-2 show loss experience trends for workers compensation as measured by loss rate per \$100 of payroll and frequency and severity, respectively.

**Graph III-1
Loss Rate per \$100 of Payroll**



Note: Loss rates are from Exhibit WC-14, columns (4) and (7).

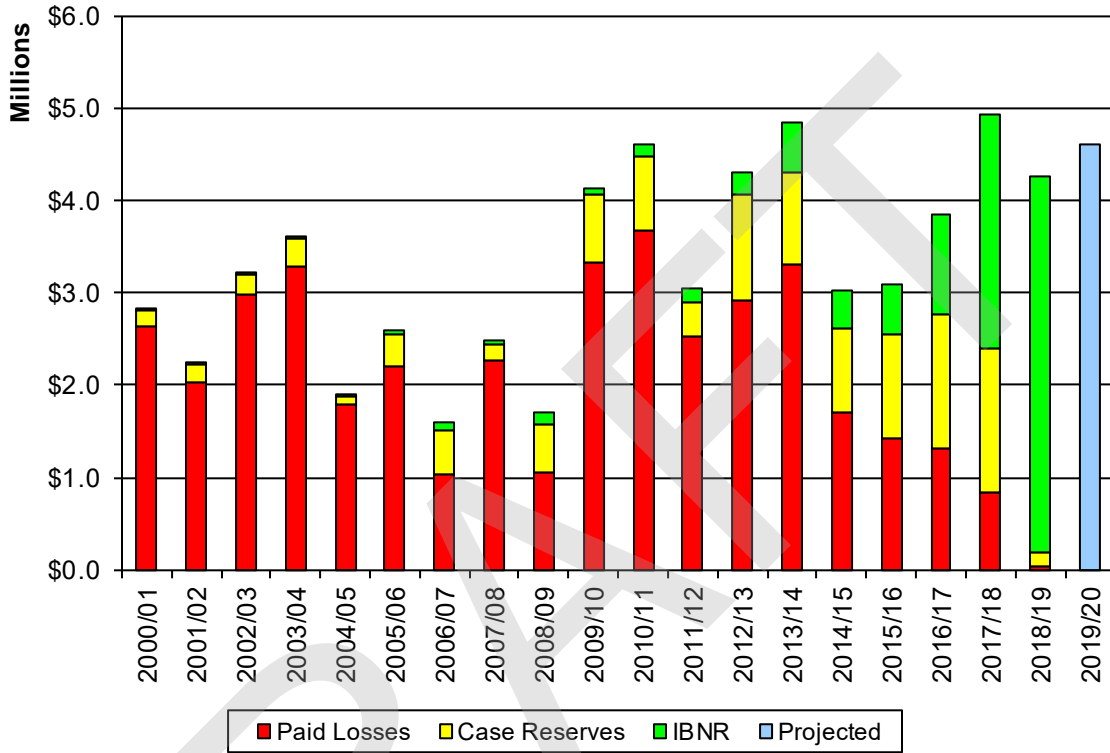
**Graph III-2
Frequency and Severity**



Note: Frequency amounts are from Exhibit WC-8, Section I, column (7).
Severity amounts are based on the projected claim counts in Exhibit WC-8 and the projected ultimate net losses in Exhibit WC-14.

Graph III-3 shows the composition of the projected ultimate net limited losses for workers compensation.

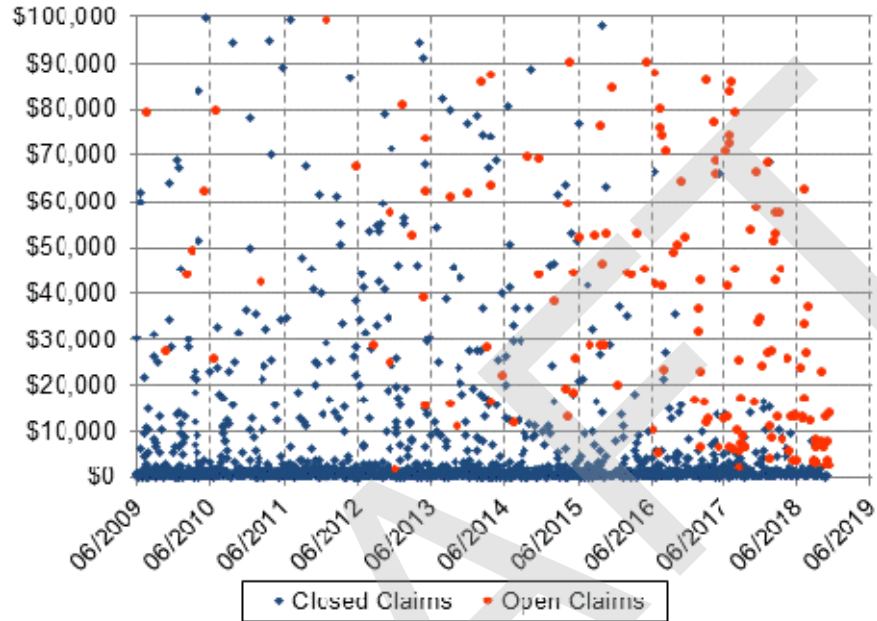
**Graph III-3
Composition of Projected Ultimate Net Limited Losses**



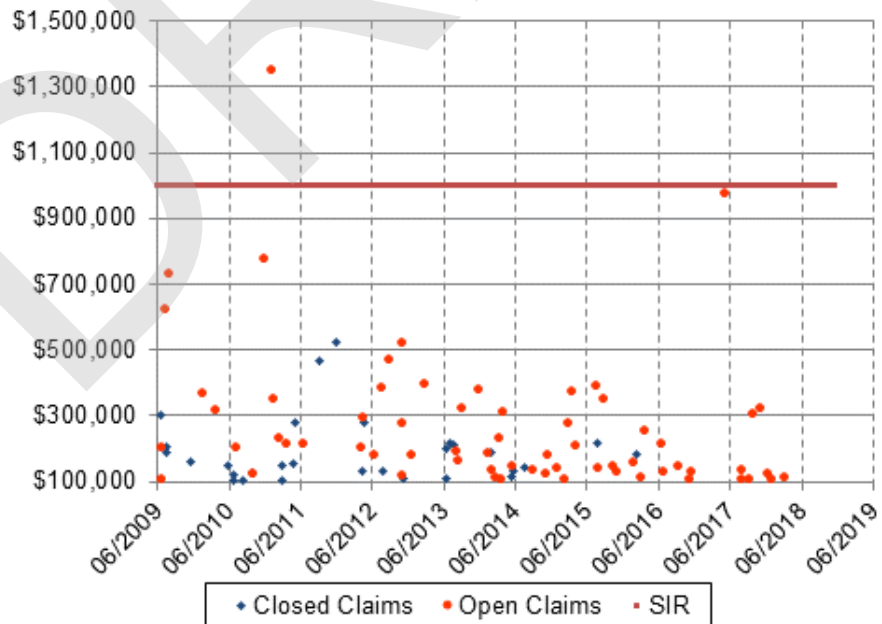
Note: Amounts through 2017/18 are from Exhibits WC-12 through WC-14.
Amounts for 2018/19 and 2019/20 are from Exhibit WC-15.

The reported claim experience underlying our analysis is shown below in Graphs III-4 and III-5, with each point representing one claim.

Graph III-4
Distribution of Workers Compensation Losses
Incurred Less Than \$100,000
2009/10 through 2018/19



Graph III-5
Distribution of Workers Compensation Losses
Incurred Greater Than \$100,000
2009/10 through 2018/19



2. Recommend Funding

We recommend funding for 2019/20 to be as shown in Table III-2.

**Table III-2
Recommended Funding
at Various Confidence Levels
2019/20**

Confidence Level (1)	Recommended Funding (2)
(A) Expected	\$5,649,312
(B) 75%	6,480,312
(C) 90%	7,312,312

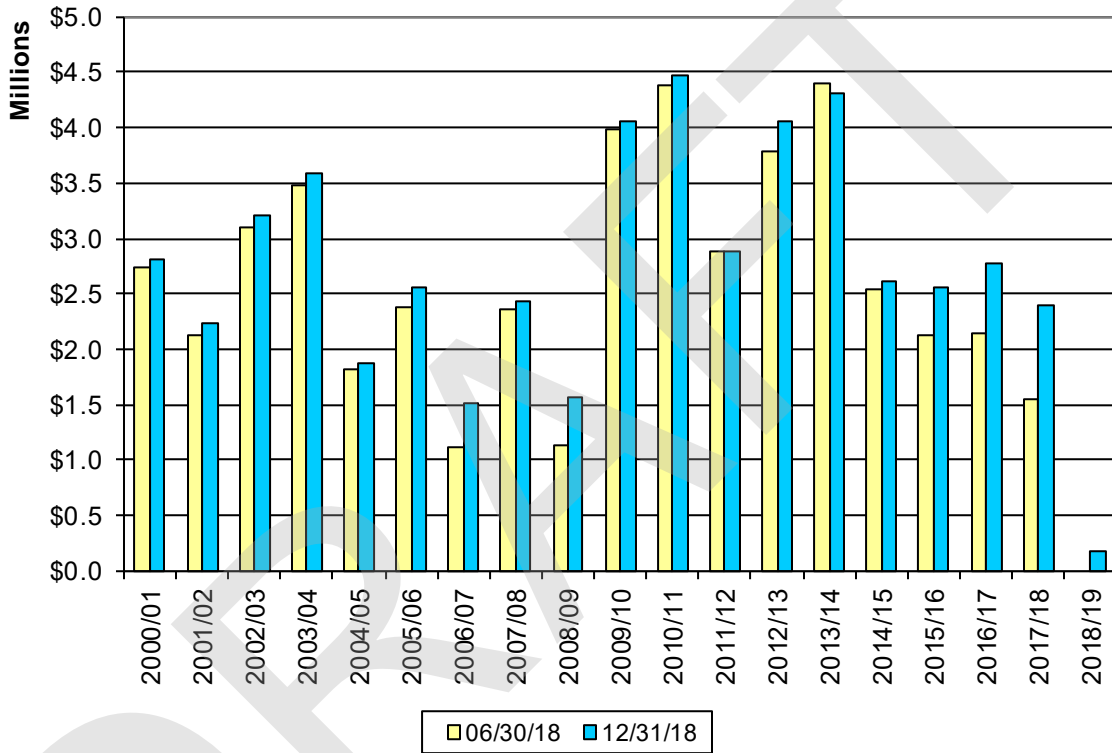
Note: (2) is from REMIF Chart 1.

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3. Comparison to Previous Actuarial Studies

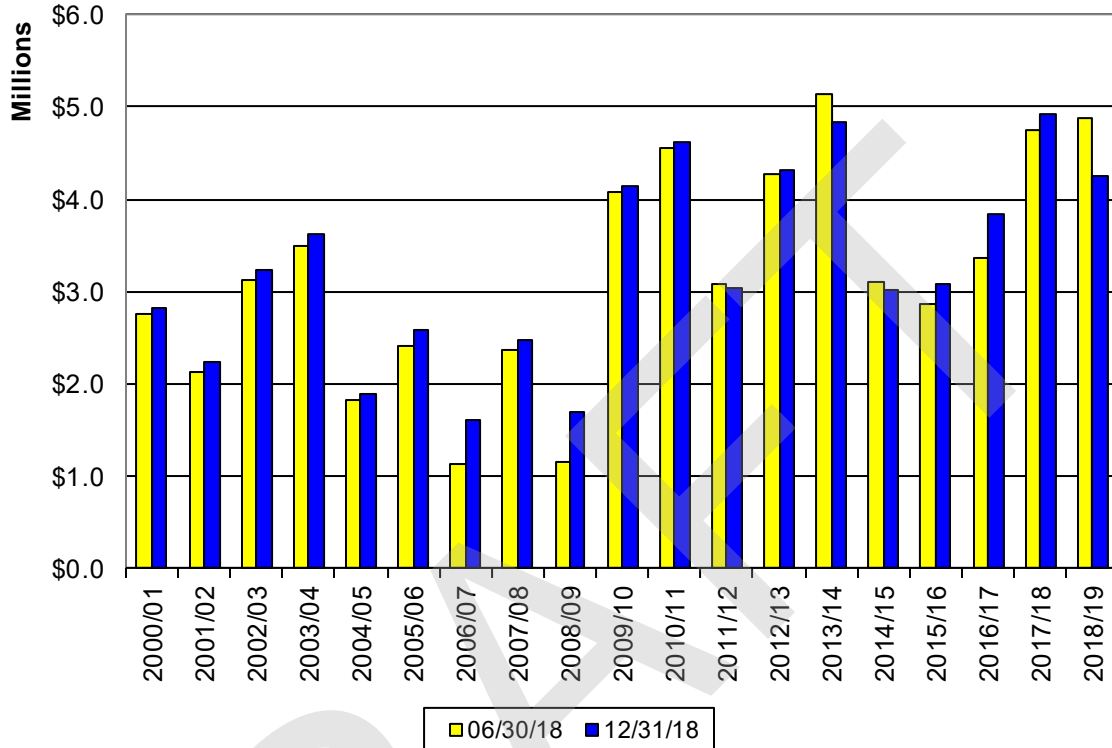
Graphs III-6 and III-7 are graphical comparisons of the limited reported incurred losses and projected ultimate limited losses, respectively, by fiscal year of occurrence of the workers compensation program from the previous study to the current study.

Graph III-6
Comparison of Net Limited Reported Incurred Losses
as of June 30, 2018 and December 31, 2018



Note: Amounts as of June 30, 2018 are from the previous actuarial study.
Amounts as of December 31, 2018 are from Exhibit WC-13.

Graph III-7
Comparison of Projected Ultimate Net Limited Losses
as of June 30, 2018 and December 31, 2018



Note: Amounts as of June 30, 2018 are from the previous actuarial study.
Amounts as of December 31, 2018 are from Exhibit WC-14.

For all claims through 2017/18, the change in the projected ultimate limited losses from June 30, 2018 to December 31, 2018 was 3.3%.

We compare the projected ultimate limited losses (net of member deductible) by year as of June 30, 2018 and December 31, 2018 as shown in Table III-3A.

**Table III-3A
Comparison of Projected Ultimate Net Limited Losses
as of June 30, 2018 and December 31, 2018**

Claim Period (1)	Projected Ultimate Limited Losses as of 6/30/18 (2)	Projected Ultimate Limited Losses as of 12/31/18 (3)	Change (3) - (2) (4)	Percentage Change (4) / (2) (5)
to 1999/00	\$21,457,427	\$21,587,816	\$130,389	0.6%
2000/01	2,751,454	2,826,305	74,850	2.7%
2001/02	2,129,452	2,248,597	119,145	5.6%
2002/03	3,119,792	3,225,891	106,098	3.4%
2003/04	3,499,142	3,621,410	122,267	3.5%
2004/05	1,837,697	1,886,697	49,000	2.7%
2005/06	2,402,925	2,586,925	184,000	7.7%
2006/07	1,140,342	1,606,521	466,179	40.9%
2007/08	2,378,929	2,481,929	103,000	4.3%
2008/09	1,166,231	1,704,231	538,000	46.1%
2009/10	4,071,709	4,138,868	67,160	1.6%
2010/11	4,555,041	4,612,041	57,000	1.3%
2011/12	3,082,504	3,048,132	(34,371)	-1.1%
2012/13	4,274,021	4,306,606	32,585	0.8%
2013/14	5,136,796	4,846,110	(290,686)	-5.7%
2014/15	3,105,300	3,019,497	(85,802)	-2.8%
2015/16	2,866,629	3,084,981	218,352	7.6%
2016/17	3,372,508	3,845,100	472,591	14.0%
2017/18	4,743,969	4,933,275	189,306	4.0%
Total	\$77,091,867	\$79,610,931	\$2,519,064	3.3%

Note: (2) is from the prior actuarial study.
(3) is from Exhibit WC-14.

For 2006/07, 2008/09, and 2015/16 to 2017/18, actual incurred development has been greater than anticipated (see Table III-3B on the next page for further discussion). We note that 2006/07 and 2008/09 had two and three claims, respectively, that increased by more than \$100,000 each.

Actual workers compensation loss experience versus expected experience in the prior actuarial study, for both paid and incurred losses (gross of deductible), is as shown in Table III-3B.

**Table III-3B
Comparison of Actual and Expected Experience
June 30, 2018 to December 31, 2018**

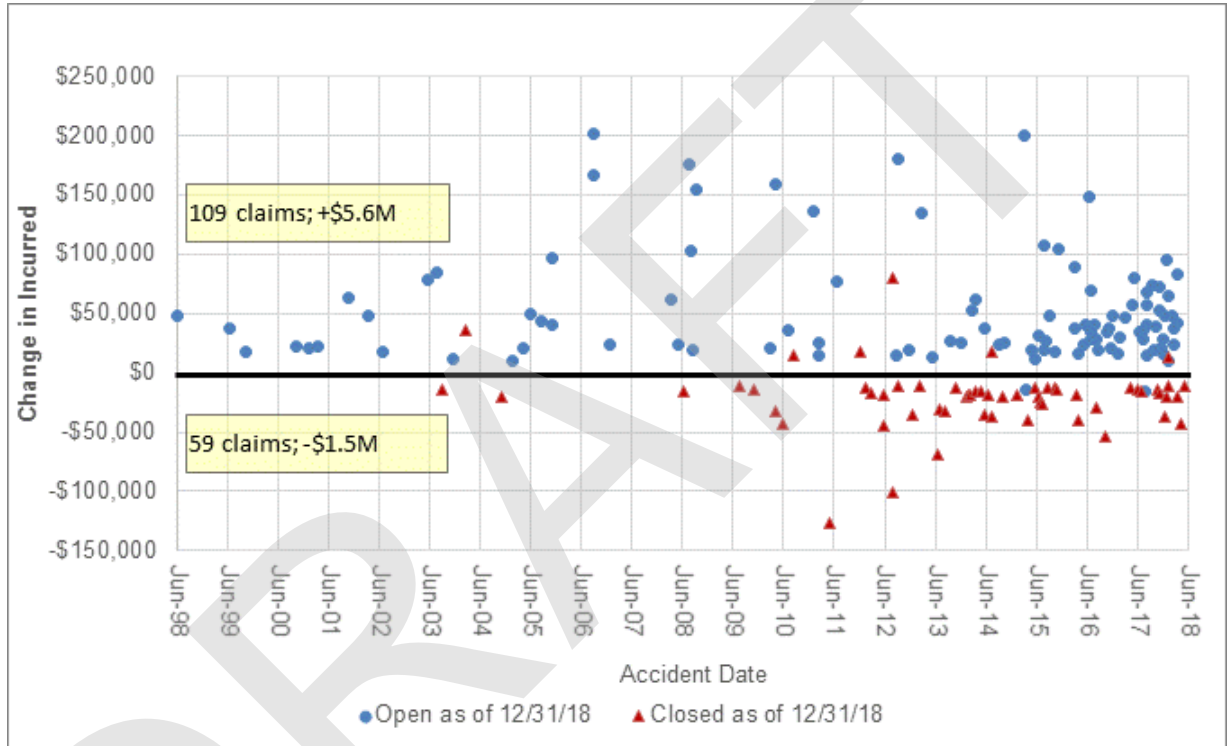
Claim Period (1)	Paid Losses in the Period			Incurred Losses in the Period		
	Paid Expected (2)	Paid Actual (3)	Difference (3) - (2) (4)	Incurred Expected (5)	Incurred Actual (6)	Difference (6) - (5) (7)
to 1999/00	\$12,997	\$39,788	\$26,791	\$0	\$142,216	\$142,216
2000/01	1,545	4,911	3,367	0	68,612	68,612
2001/02	1,246	14,166	12,920	0	109,601	109,601
2002/03	7,879	5,221	(2,658)	0	96,928	96,928
2003/04	15,413	73,855	58,442	6,145	118,271	112,126
2004/05	10,650	45,303	34,653	5,689	50,299	44,609
2005/06	13,137	44,593	31,456	7,053	171,054	164,001
2006/07	10,658	20,744	10,086	3,853	389,080	385,228
2007/08	19,227	11,134	(8,093)	7,020	85,910	78,891
2008/09	14,041	27,943	13,902	3,902	428,188	424,286
2009/10	49,791	33,672	(16,118)	11,290	76,707	65,418
2010/11	63,117	242,637	179,520	36,307	101,694	65,387
2011/12	56,092	39,954	(16,138)	32,899	967	(31,931)
2012/13	110,923	233,702	122,779	56,066	283,907	227,841
2013/14	160,355	292,402	132,047	88,804	(90,705)	(179,509)
2014/15	136,425	126,984	(9,441)	54,505	77,835	23,330
2015/16	190,219	201,020	10,801	119,305	421,002	301,697
2016/17	330,826	684,506	353,680	351,143	625,505	274,363
2017/18	584,049	619,843	35,794	714,306	898,918	184,612
Total	\$1,788,589	\$2,762,380	\$973,791	\$1,498,285	\$4,055,989	\$2,557,704

Note: (2) and (5) are the expected amounts from June 30, 2018 to December 31, 2018.
(3) and (6) are actual experience from June 30, 2018 to December 31, 2018.

As part of our analysis, we project ultimate losses by year using paid loss development and incurred loss development (these are defined in the attached Glossary). Table III-3B shows how the paid and incurred claims emerged 12 months later based on loss development factors we selected in the actuarial study valued as of June 30, 2018. This analysis provides a peek into how the claims are actually emerging compared to the expected emergence which is based on historical development patterns.

Graph III-8 shows claims that had a change in incurred of more than +/- \$10,000 between June 30, 2018 and December 31, 2018. There were 109 claims that increased by at least \$10,000 for a combined increase of \$5.6 million, and 59 claims that decreased by at least \$10,000 for a combined decrease of \$1.5 million. The combined increase for this group of claims is \$4.1 million. Only claims which were reported as of June 30, 2018 are included.

Graph III-8
Change in Reported Incurred Losses > \$10,000
From June 30, 2018 to December 31, 2018



Conditions and Limitations

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

- **Data Quality** In conducting this analysis, we relied upon the provided data without audit or independent verification; however, we reviewed it for reasonableness and consistency. Any inaccuracies in quantitative data or qualitative representations could have a significant effect on the results of our review and analysis. Any material discrepancies discovered in the loss data by the organization or any other parties should be reported to us immediately, and if warranted, we will make appropriate amendments to the report.
- **Economic Environment.** Unless otherwise stated, we assumed the current economic conditions will continue in the foreseeable future.
- **Insurance Coverage.** Unless otherwise stated, we assumed no insurance coverage changes (including coverage provided by the organization to others) subsequent to the date this study was prepared. This includes coverage language, self-insured retention, limitations and similar issues.
- **Insurance Solvency.** Unless otherwise stated, we assumed all insurance purchased by the organization is from solvent sources payable in accordance with terms of the coverage document.
- **Interest Rate.** The exhibits specify the annual interest rate used.
- **Methodology.** In this study, different actuarial methods were applied. In some instances, the methods yield significantly disparate results. The estimates, projections and recommendations in this study reflect our judgments as to the best method or combination of methods that are most reliable and reflective of the exposure to loss.
- **Reproduction.** Use of this report is limited to the organization for the specific purpose described in the Introduction section. Other uses are prohibited without an executed release with Aon.

Distribution by the organization is unrestricted. The report should only be distributed in its entirety including all supporting exhibits.

- **Risk and Variability.** Insurance is an inherently risky enterprise. Actual losses may vary significantly from our estimates, projections and recommendations. They may emerge higher or lower.

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

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Glossary of Actuarial Terms

Actuarial Methods (Most Common)

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

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

The following describes each method:

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

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

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

The net effect is that total estimated costs are often revised upward over time. This normal process is called “reported incurred loss development.” Actuaries typically review the development patterns of the recent past to make projections of the expected future loss development and, therefore, estimations of ultimate losses.

3. **Developed Case Reserves.** A case reserve is an estimate of the unpaid amount established by claims adjusters for which a particular claim will ultimately be settled or adjudicated. The developed case reserves method is a hybrid of the paid loss development and reported incurred loss development methods. It relies on the historical adequacy of case reserves to predict ultimate losses.

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

Actuary

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

Allocated Loss Adjustment Expenses

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

Governmental Accounting Standards Board (GASB) Statement No. 10 requires that ALAE be included in financial statements and that they be calculated by actuarial methods.

American Academy of Actuaries

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

Benefits

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

Casualty Actuarial Society

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

Claim

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

Claims Made

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

Composite Rate

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

Confidence Level

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

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

Coverage

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

Credibility

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

Dates

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

Deductible

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

Disability

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

Dividend (Policyholder)

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

Estimated Outstanding Losses

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

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

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

Experience Rating

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

Exposure Data

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

- **Readily Available.** The exposure data should be easily obtained. It is best if it is a byproduct of other activities, although this is not always possible. If getting data is arduous, it may discourage collection.
- **Vary With Losses.** The exposure data should correlate directly with losses. The ideal situation is where exposure and expected losses move in tandem. The exposure base needs to be fitting to the coverage. For example, the number of employees may vary with property losses (more employees = more office space = more losses), but property value is a clearly superior exposure base for property losses.

Generally Accepted Accounting Principles (GAAP)

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

Incurred But Not Reported

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

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

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

Insurance Services Office (ISO)

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

Investment Income

The return received by entities from their investment portfolios, including interest, dividends and realized capital gains on stocks. Realized capital gains means the profit realized on

assets that have actually been sold for more than their purchase price.

Limited

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

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

Loss Development

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

Manual Rates

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

National Council on Compensation Insurance (NCCI)

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

Net

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

Occurrence

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

Pool

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

Premium

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

Present Value

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

Probability

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

Projected Losses Paid

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

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

Projected Ultimate Losses

Projected ultimate losses are the accrual value of claims. They are the total amount that is expected to be paid in a particular claim period after all claims are closed. Projected ultimate losses are the total loss costs for a particular period. They typically include indemnification and ALAE, but not ULAE.

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

Rate

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

Retrospective Rating

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

Salvage

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

Schedule Rating

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

Self-Insurance Retention (SIR)

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

Society of Actuaries (SOA)

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

Standard Premium

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

State Fund

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

Statutory Accounting Principles (SAP)

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

Unallocated Loss Adjustment Expenses

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

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

Exhibits

The attached exhibits detail our analysis.

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Development of 2019/20 Funding Indications

(1) Projected 2019/20 payroll (000)	\$116,029
(2) Projected net limited loss rate per \$100 of payroll	\$3.97
(3) Projected ultimate net limited losses	\$4,604,000
(4) Risk margin	
(a) 75% confidence	\$921,000
(b) 90% confidence	\$1,842,000
(5) Projected ultimate net limited losses at risk margin	
(a) Expected	\$4,604,000
(b) 75% confidence	\$5,525,000
(c) 90% confidence	\$6,446,000
(6) Present value factor	0.90
(7) Present value of projected ultimate net limited losses	
(a) Expected	\$4,157,000
(b) 75% confidence	\$4,988,000
(c) 90% confidence	\$5,820,000
(8) Budgeted expenses	
(a) Excess insurance premiums	\$375,000
(b) Claims administration fees	301,378
(c) Professional services	139,565
(d) Safety training	10,000
(e) Salaries, wages and benefits	441,291
(f) Administrative	225,078
(g) Total budgeted expenses	\$1,492,312
(a)...(f)	
(9) Recommended funding	
(a) Expected	\$5,649,312
(b) 75% confidence	6,480,312
(c) 90% confidence	7,312,312

(1), (2), (3) and (6) are from Exhibit WC-15.

(4a) is (3)X0.20.

(4b) is (3)X0.40.

(5a) is (3).

(5b) is (3)+(4a). (5c) is (3)+(4b).

(7) is (5)X(6).

(8) was provided by REMIF.

(9) is (7)+(8).

Size of Loss Distribution

I. Reported Claim Count

Layer (1)	Prior (2)	2014/15 (3)	2015/16 (4)	2016/17 (5)	2017/18 (6)	2018/19 (7)	Total (2)...(7) (8)	Non-Zero Claim Cumulative Total (9)	Non-Zero Claim Cumulative % of Total (10)
0	894	14	17	18	8	2	953		
0.01 - 5,000	7,288	146	148	169	117	36	7,904	7,904	82.3%
5,000 - 10,000	314	10	9	13	20	7	373	8,277	86.2%
10,000 - 25,000	433	17	9	13	19	8	499	8,776	91.4%
25,000 - 50,000	298	14	13	8	10	3	346	9,122	95.0%
50,000 - 100,000	211	11	10	14	15	1	262	9,384	97.7%
100,000 - 250,000	129	7	8	5	6	0	155	9,539	99.4%
250,000 - 500,000	38	2	2	0	2	0	44	9,583	99.8%
500,000 - 750,000	12	0	0	0	0	0	12	9,595	99.9%
750,000 - 1,000,000	1	0	0	1	0	0	2	9,597	100.0%
Over 1,000,000	4	0	0	0	0	0	4	9,601	100.0%
Total	9,622	221	216	241	197	57	10,554	9,601	

II. Total Reported Incurred Losses

Layer (1)	Prior (2)	2014/15 (3)	2015/16 (4)	2016/17 (5)	2017/18 (6)	2018/19 (7)	Total (2)...(7) (8)	Non-Zero Claim Cumulative Total (9)	Non-Zero Claim Cumulative % of Total (10)
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
0.01 - 5,000	4,288,656	137,873	150,947	171,796	145,841	53,546	4,948,658	4,948,658	4.7%
5,000 - 10,000	2,247,866	77,031	72,115	84,954	137,457	51,895	2,671,317	7,619,975	7.2%
10,000 - 25,000	6,922,916	256,026	146,458	205,567	267,947	127,605	7,926,518	15,546,493	14.7%
25,000 - 50,000	10,408,207	522,378	466,062	304,915	345,871	96,320	12,143,753	27,690,246	26.1%
50,000 - 100,000	14,977,550	736,994	698,803	982,967	996,950	62,420	18,455,682	46,145,929	43.5%
100,000 - 250,000	20,038,623	1,013,251	1,315,103	702,265	672,274	0	23,741,516	69,887,445	65.9%
250,000 - 500,000	13,684,217	645,063	736,515	0	622,506	0	15,688,301	85,575,746	80.7%
500,000 - 750,000	7,087,283	0	0	0	0	0	7,087,283	92,663,029	87.4%
750,000 - 1,000,000	770,990	0	0	973,995	0	0	1,744,985	94,408,014	89.0%
Over 1,000,000	11,647,275	0	0	0	0	0	11,647,275	106,055,289	100.0%
Total	\$92,073,582	\$3,388,615	\$3,586,003	\$3,426,458	\$3,188,845	\$391,786	\$106,055,289	\$106,055,289	

2018/19 reflects 6.0 months of exposure.

Amounts are gross of excess insurance and other recoveries.

Data was provided by REMIF.

Data Summary as of December 31, 2018
Losses Limited to Self-Insured Retention

Claim Period (1)	Specific Self-Insured Retention (2)	Aggregate Retention (3)	Months of Development 12/31/18 (4)	Payroll (000) (5)	Reported Claims 12/31/18 (6)	Open Claims 12/31/18 (7)	Limited Paid Losses 12/31/18 (8)	Limited Case Reserves 12/31/18 (9)	Limited Reported Incurred Losses 12/31/18 (10)
to 1999/00	See Note	None	234.0	Not Provided	5,981	53	\$26,355,275	\$1,016,369	\$27,371,644
2000/01	300,000	None	222.0	70,146	327	9	3,145,434	163,280	3,308,714
2001/02	300,000	None	210.0	76,383	291	4	2,527,998	195,845	2,723,843
2002/03	300,000	None	198.0	81,927	323	11	3,577,238	212,045	3,789,283
2003/04	1,000,000	None	186.0	82,769	302	6	3,899,794	301,339	4,201,133
2004/05	1,000,000	None	174.0	84,865	268	5	2,249,701	84,785	2,334,486
2005/06	1,000,000	None	162.0	88,494	222	6	2,656,661	349,918	3,006,578
2006/07	1,000,000	None	150.0	96,170	215	4	1,466,802	468,335	1,935,137
2007/08	1,000,000	None	138.0	103,424	249	5	2,771,295	163,722	2,935,017
2008/09	1,000,000	None	126.0	107,276	218	7	1,497,205	506,288	2,003,493
2009/10	1,000,000	None	114.0	105,618	263	11	3,918,904	741,142	4,660,045
2010/11	1,000,000	None	102.0	102,514	252	10	4,209,212	790,129	4,999,341
2011/12	1,000,000	None	90.0	102,503	227	4	2,973,825	352,472	3,326,297
2012/13	1,000,000	None	78.0	96,217	239	19	3,561,965	1,149,645	4,711,610
2013/14	1,000,000	None	66.0	96,057	245	20	3,917,599	1,012,473	4,930,071
2014/15	1,000,000	None	54.0	99,197	221	21	2,254,254	919,351	3,173,605
2015/16	1,000,000	None	42.0	104,716	216	23	1,925,070	1,147,730	3,072,801
2016/17	1,000,000	None	30.0	104,606	241	34	1,822,268	1,469,234	3,291,502
2017/18	1,000,000	None	18.0	112,599	197	56	1,341,021	1,632,450	2,973,471
2018/19	1,000,000	None	6.0	108,170	57	26	139,675	240,963	380,637
Total					10,554	334	\$76,211,193	\$12,917,515	\$89,128,707

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

Effective Date	Retention
07/01/78	\$150,000
07/01/81	100,000
07/01/82	150,000
07/01/86	200,000
07/01/87	250,000
07/01/91	300,000
07/01/03	1,000,000

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

Data was provided by REMIF.

Data Summary as of December 31, 2018
Net Unlimited Losses

Claim Period (1)	Specific Self-Insured Retention (2)	Aggregate Retention (3)	Months of Development 12/31/18 (4)	Payroll (000) (5)	Reported Claims 12/31/18 (6)	Open Claims 12/31/18 (7)	Net Unlimited Paid Losses 12/31/18 (8)	Net Unlimited Case Reserves 12/31/18 (9)	Net Unlimited Reported Incurred Losses 12/31/18 (10)
to 1999/00	Unlimited	None	234.0	Not Provided	5,981	53	\$33,361,249	\$5,074,506	\$38,435,755
2000/01	Unlimited	None	222.0	70,146	327	9	3,273,649	424,254	3,697,902
2001/02	Unlimited	None	210.0	76,383	291	4	2,527,998	195,845	2,723,843
2002/03	Unlimited	None	198.0	81,927	323	11	3,939,168	604,656	4,543,823
2003/04	Unlimited	None	186.0	82,769	302	6	3,899,794	301,339	4,201,133
2004/05	Unlimited	None	174.0	84,865	268	5	2,249,701	84,785	2,334,486
2005/06	Unlimited	None	162.0	88,494	222	6	2,656,661	801,497	3,458,158
2006/07	Unlimited	None	150.0	96,170	215	4	1,466,802	468,335	1,935,137
2007/08	Unlimited	None	138.0	103,424	249	5	2,771,295	163,722	2,935,017
2008/09	Unlimited	None	126.0	107,276	218	7	1,497,205	506,288	2,003,493
2009/10	Unlimited	None	114.0	105,618	263	11	3,918,904	741,142	4,660,045
2010/11	Unlimited	None	102.0	102,514	252	10	4,209,212	1,137,061	5,346,272
2011/12	Unlimited	None	90.0	102,503	227	4	2,973,825	352,472	3,326,297
2012/13	Unlimited	None	78.0	96,217	239	19	3,561,965	1,149,645	4,711,610
2013/14	Unlimited	None	66.0	96,057	245	20	3,917,599	1,012,473	4,930,071
2014/15	Unlimited	None	54.0	99,197	221	21	2,254,254	919,351	3,173,605
2015/16	Unlimited	None	42.0	104,716	216	23	1,925,070	1,147,730	3,072,801
2016/17	Unlimited	None	30.0	104,606	241	34	1,822,268	1,469,234	3,291,502
2017/18	Unlimited	None	18.0	112,599	197	56	1,341,021	1,632,450	2,973,471
2018/19	Unlimited	None	6.0	108,170	57	26	139,675	240,963	380,637
Total					10,554	334	\$83,707,311	\$18,427,746	\$102,135,058

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

Data was provided by REMIF.

Data Summary as of December 31, 2018
Gross Unlimited Losses

Claim Period (1)	Specific Self-Insured Retention (2)	Aggregate Retention (3)	Months of Development 12/31/18 (4)	Payroll (000) (5)	Reported Claims 12/31/18 (6)	Open Claims 12/31/18 (7)	Gross Unlimited Paid Losses 12/31/18 (8)	Gross Unlimited Case Reserves 12/31/18 (9)	Gross Unlimited Reported Incurred Losses 12/31/18 (10)
to 1999/00	Unlimited	None	234.0	Not Provided	5,981	53	\$33,361,249	\$5,074,506	\$38,435,755
2000/01	Unlimited	None	222.0	70,146	327	9	3,273,649	424,254	3,697,902
2001/02	Unlimited	None	210.0	76,383	291	4	2,527,998	195,845	2,723,843
2002/03	Unlimited	None	198.0	81,927	323	11	3,939,168	604,656	4,543,823
2003/04	Unlimited	None	186.0	82,769	302	6	3,899,794	301,339	4,201,133
2004/05	Unlimited	None	174.0	84,865	268	5	2,249,701	84,785	2,334,486
2005/06	Unlimited	None	162.0	88,494	222	6	2,656,661	801,497	3,458,158
2006/07	Unlimited	None	150.0	96,170	215	4	1,466,802	468,335	1,935,137
2007/08	Unlimited	None	138.0	103,424	249	5	2,771,295	163,722	2,935,017
2008/09	Unlimited	None	126.0	107,276	218	7	1,497,205	506,288	2,003,493
2009/10	Unlimited	None	114.0	105,618	263	11	3,918,904	741,142	4,660,045
2010/11	Unlimited	None	102.0	102,514	252	10	4,209,212	1,137,061	5,346,272
2011/12	Unlimited	None	90.0	102,503	227	4	2,973,825	352,472	3,326,297
2012/13	Unlimited	None	78.0	96,217	239	19	3,561,965	1,149,645	4,711,610
2013/14	Unlimited	None	66.0	96,057	245	20	3,917,599	1,012,473	4,930,071
2014/15	Unlimited	None	54.0	99,197	221	21	2,254,254	919,351	3,173,605
2015/16	Unlimited	None	42.0	104,716	216	23	1,925,070	1,147,730	3,072,801
2016/17	Unlimited	None	30.0	104,606	241	34	1,822,268	1,469,234	3,291,502
2017/18	Unlimited	None	18.0	112,599	197	56	1,341,021	1,632,450	2,973,471
2018/19	Unlimited	None	6.0	108,170	57	26	139,675	240,963	380,637
Total					10,554	334	\$83,707,311	\$18,427,746	\$102,135,058

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

Data was provided by REMIF.

Summary of Percent Losses Paid, Losses Reported and Claims Reported

Months of Development (1)	Percent Losses Paid (2)	Percent Losses Reported (3)	Percent Claims Reported (4)	Months of Development (5)	Percent Losses Paid (6)	Percent Losses Reported (7)	Percent Claims Reported (8)
360.0	99.9%	100.0%	100.0%	354.0	99.8%	100.0%	100.0%
348.0	99.8%	100.0%	100.0%	342.0	99.8%	100.0%	100.0%
336.0	99.7%	100.0%	100.0%	330.0	99.7%	100.0%	100.0%
324.0	99.6%	100.0%	100.0%	318.0	99.5%	100.0%	100.0%
312.0	99.4%	100.0%	100.0%	306.0	99.3%	100.0%	100.0%
300.0	99.2%	100.0%	100.0%	294.0	99.0%	100.0%	100.0%
288.0	98.9%	100.0%	100.0%	282.0	98.6%	100.0%	100.0%
276.0	98.4%	100.0%	100.0%	270.0	98.0%	100.0%	100.0%
264.0	97.7%	100.0%	100.0%	258.0	97.2%	100.0%	100.0%
252.0	96.7%	100.0%	100.0%	246.0	96.0%	100.0%	100.0%
240.0	95.2%	100.0%	100.0%	234.0	95.2%	100.0%	100.0%
228.0	95.1%	100.0%	100.0%	222.0	95.1%	100.0%	100.0%
216.0	95.0%	100.0%	100.0%	210.0	95.0%	100.0%	100.0%
204.0	95.0%	100.0%	100.0%	198.0	94.7%	100.0%	100.0%
192.0	94.5%	100.0%	100.0%	186.0	94.2%	99.9%	100.0%
180.0	93.8%	99.7%	100.0%	174.0	93.3%	99.5%	100.0%
168.0	92.8%	99.2%	100.0%	162.0	92.4%	99.0%	100.0%
156.0	91.9%	98.7%	100.0%	150.0	91.3%	98.5%	100.0%
144.0	90.6%	98.2%	100.0%	138.0	89.9%	98.0%	100.0%
132.0	89.2%	97.7%	100.0%	126.0	88.4%	97.5%	100.0%
120.0	87.5%	97.2%	100.0%	114.0	86.4%	97.0%	100.0%
108.0	85.3%	96.8%	100.0%	102.0	84.1%	96.0%	100.0%
96.0	82.9%	95.3%	100.0%	90.0	81.3%	94.4%	100.0%
84.0	79.7%	93.5%	100.0%	78.0	77.4%	92.3%	100.0%
72.0	75.2%	91.2%	100.0%	66.0	72.4%	89.6%	100.0%
60.0	69.6%	88.1%	100.0%	54.0	65.9%	86.6%	100.0%
48.0	62.1%	85.1%	100.0%	42.0	56.5%	81.6%	100.0%
36.0	50.9%	78.1%	100.0%	30.0	42.4%	69.1%	99.5%
24.0	34.0%	60.1%	99.0%	18.0	23.0%	46.7%	94.5%
12.0	12.1%	33.4%	90.0%	6.0	6.1%	16.7%	45.0%

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

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

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

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

**REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
WORKERS' COMPENSATION**

Historical Limited Paid Losses (\$000) and Limited Paid Loss Development

I. Historical Limited Paid Losses (\$000)

Claim Period	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	
to 1998/99																					
1999/00	449	1,011	1,532	1,829	2,048	2,145	2,379	2,447	2,527	2,613	2,687	2,749	2,797	2,832	2,869	2,923	2,939	3,035			
2000/01	234	875	1,382	1,805	2,082	2,331	2,466	2,541	2,634	2,710	2,805	2,857	2,865	3,025	3,090	3,114	3,135	3,141			3,080
2001/02	252	863	1,358	1,700	1,812	1,970	2,039	2,092	2,158	2,282	2,287	2,309	2,365	2,418	2,442	2,463	2,514				
2002/03	424	1,449	2,453	2,453	2,671	2,810	2,782	2,910	3,002	3,077	3,172	3,255	3,336	3,352	3,466	3,572					
2003/04	544	1,543	1,876	2,374	2,503	2,918	3,224	3,298	3,446	3,554	3,593	3,664	3,730	3,787	3,826						
2004/05	319	752	1,028	1,181	1,313	1,624	1,791	1,919	2,097	2,142	2,159	2,177	2,194	2,204							
2005/06	328	1,007	1,298	1,530	1,700	1,883	1,970	2,038	2,144	2,246	2,306	2,434	2,612								
2006/07	359	733	954	1,105	1,182	1,214	1,276	1,295	1,333	1,364	1,394	1,446									
2007/08	195	1,328	1,674	2,161	2,328	2,467	2,615	2,684	2,695	2,732	2,760										
2008/09	316	735	998	1,153	1,286	1,341	1,378	1,414	1,445	1,469											
2009/10	497	1,352	2,106	2,623	2,837	3,163	3,541	3,799	3,885												
2010/11	436	1,224	1,893	2,472	2,788	3,086	3,434	3,967													
2011/12	313	1,204	1,869	2,278	2,513	2,710	2,934														
2012/13	618	1,465	2,337	2,701	3,086	3,328															
2013/14	558	1,618	2,412	3,070	3,625																
2014/15	418	1,176	1,655	2,127																	
2015/16	381	1,107	1,724																		
2016/17	488	1,138																			
2017/18	721																				

II. Limited Paid Loss Development

Claim Period	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-Ult	
to 1998/99																					
1999/00	2,255	1,514	1,194	1,120	1,047	1,109	1,029	1,033	1,034	1,028	1,023	1,018	1,012	1,013	1,019	1,006	1,032	1,008			
2000/01	3,730	1,592	1,286	1,153	1,120	1,068	1,030	1,037	1,029	1,035	1,019	1,038	1,020	1,021	1,008	1,007	1,002				
2001/02	3,509	1,253	1,066	1,066	1,087	1,035	1,026	1,032	1,048	1,011	1,010	1,030	1,016	1,010	1,008	1,021					
2002/03	3,417	1,359	1,246	1,089	1,052	1,052	1,046	1,045	1,025	1,031	1,026	1,025	1,005	1,031	1,034						
2003/04	2,838	1,216	1,266	1,054	1,166	1,105	1,023	1,045	1,031	1,011	1,020	1,018	1,015	1,010							
2004/05	2,356	1,368	1,149	1,111	1,237	1,102	1,072	1,093	1,021	1,008	1,008	1,008	1,005								
2005/06	3,071	1,288	1,178	1,111	1,107	1,047	1,034	1,052	1,048	1,027	1,056	1,073									
2006/07	2,039	1,302	1,159	1,070	1,027	1,051	1,015	1,029	1,023	1,022	1,037										
2007/08	6,807	1,260	1,291	1,077	1,060	1,060	1,026	1,004	1,014	1,010											
2008/09	2,326	1,357	1,156	1,115	1,043	1,027	1,027	1,021	1,017												
2009/10	2,721	1,558	1,245	1,081	1,115	1,119	1,113	1,155													
2010/11	2,811	1,546	1,306	1,128	1,107	1,113															
2011/12	3,847	1,552	1,219	1,103	1,078	1,083															
2012/13	2,371	1,596	1,156	1,143	1,078																
2013/14	2,899	1,491	1,273	1,181																	
2014/15	2,811	1,407	1,285																		
2015/16	2,903	1,557																			
2016/17	2,331																				
2017/18																					
Average All	3,058	1,441	1,229	1,107	1,095	1,089	1,046	1,036	1,029	1,020	1,025	1,030	1,012	1,017	1,017	1,011	1,017	1,008			
Wtd 3	2,657	1,484	1,233	1,146	1,088	1,106	1,099	1,016	1,017	1,019	1,034	1,032	1,009	1,017	1,018	1,010					
Last 3	2,662	1,484	1,238	1,142	1,088	1,105	1,085	1,016	1,018	1,020	1,034	1,033	1,008	1,017	1,017	1,011					
x-Hi,low	2,694	1,533	1,259	1,125	1,088	1,085	1,042	1,024	1,021	1,015	1,028	1,024	1,012	1,015	1,015	1,011	1,011	1,010	1,001	1,050	
Similar Previous	2,799	1,547	1,285	1,151	1,096	1,088	1,051	1,041	1,035	1,029	1,022	1,017	1,016	1,014	1,012	1,012	1,011	1,010	1,001	1,091	1,050
Selected Cumulative Percent	2,800	1,500	1,220	1,120	1,060	1,060	1,040	1,030	1,025	1,020	1,015	1,015	1,010	1,010	1,008	1,005	1,001	1,001	1,001	1,001	1,001
	8,246	2,945	1,963	1,609	1,437	1,330	1,255	1,207	1,172	1,143	1,121	1,104	1,088	1,077	1,066	1,058	1,053	1,052	1,051	1,051	1,050
	12.1%	34.0%	50.9%	62.1%	69.6%	75.2%	79.7%	82.9%	85.3%	87.5%	89.2%	90.6%	91.9%	92.8%	93.8%	94.5%	95.0%	95.0%	95.1%	95.2%	95.2%

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

REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
WORKERS' COMPENSATION

Historical Reported Claims and Reported Claim Development

Claim Period	Months of Development:																				
	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	
to 1998/99																					
1999/00	302	319	319	320	320	320	321	321	321	317	317	317	317	317	317	317	317	317	317	317	317
2000/01	309	325	327	329	330	331	332	332	327	327	327	327	327	327	327	327	327	327	327	327	327
2001/02	271	291	291	291	295	296	296	291	291	291	291	291	291	291	291	291	291	291	291	291	291
2002/03	305	323	323	327	327	328	323	323	323	323	323	323	323	323	323	323	323	323	323	323	323
2003/04	284	305	307	306	304	301	301	301	301	301	301	302	302	302	302	302	302	302	302	302	302
2004/05	292	302	302	303	303	268	268	268	268	268	268	268	268	268	268	268	268	268	268	268	268
2005/06	243	255	255	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222
2006/07	234	251	248	214	214	214	214	214	214	214	214	215	215	215	215	215	215	215	215	215	215
2007/08	261	275	246	250	250	249	250	249	249	249	249	249	249	249	249	249	249	249	249	249	249
2008/09	241	216	217	218	218	218	218	218	218	218	218	218	218	218	218	218	218	218	218	218	218
2009/10	246	261	262	262	262	263	263	263	263	263	263	263	263	263	263	263	263	263	263	263	263
2010/11	234	251	252	252	252	252	252	252	252	252	252	252	252	252	252	252	252	252	252	252	252
2011/12	198	222	226	226	226	226	226	226	226	226	226	226	226	226	226	226	226	226	226	226	226
2012/13	210	233	235	235	238	238	239	239	239	239	239	239	239	239	239	239	239	239	239	239	239
2013/14	220	241	245	245	245	245	245	245	245	245	245	245	245	245	245	245	245	245	245	245	245
2014/15	188	214	214	214	214	214	214	214	214	214	214	214	214	214	214	214	214	214	214	214	214
2015/16	197	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215
2016/17	221	241	241	241	241	241	241	241	241	241	241	241	241	241	241	241	241	241	241	241	241
2017/18	183																				

II. Reported Claim Development

Claim Period	Months of Development:																				
	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-UIT	
to 1998/99																					
1999/00	1.056	1.000	1.003	1.000	1.000	1.003	1.000	1.000	0.988	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2000/01	1.052	1.006	1.006	1.003	1.000	1.003	1.000	0.985	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2001/02	1.074	1.000	1.000	1.014	1.003	1.000	0.983	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2002/03	1.059	1.000	1.007	1.000	1.003	0.985	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2003/04	1.074	1.000	1.007	0.997	0.993	0.980	0.980	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2004/05	1.034	1.000	1.003	1.000	1.000	0.884	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2005/06	1.049	1.004	0.996	0.871	1.000	0.996	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2006/07	1.073	0.898	0.863	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2007/08	1.054	0.895	1.016	1.000	0.996	1.004	0.996	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2008/09	0.896	1.005	1.005	1.000	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2009/10	1.061	1.004	1.000	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2010/11	1.073	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2011/12	1.121	1.018	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2012/13	1.110	1.009	1.000	1.013	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2013/14	1.095	1.017	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2014/15	1.138	1.028	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2015/16	1.091	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2016/17	1.090																				
2017/18																					
Average All	1.067	0.999	0.995	0.993	0.993	0.998	0.999	0.999	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Wtd 3	1.106	1.015	1.001	1.004	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Last 3	1.107	1.015	1.002	1.004	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Last 5	1.099	1.014	1.000	1.001	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
x-Hi,low																					
Similar	1.131	1.019	1.010	1.007	1.007	1.005	1.005	1.006	1.006	1.001	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Previous	1.100	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Selected	1.100	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Cumulative	1.111	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Percent	90.0%	99.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Data was provided by REMIF.

REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
WORKERS' COMPENSATION

Historical Ratio of Limited Paid Losses and Limited Reported Incurred Losses

Claim Period	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	
to 1998/99																					
1999/00	44.7%	56.5%	63.1%	76.8%	86.1%	91.3%	89.3%	91.5%	91.8%	93.8%	91.8%	89.7%	89.5%	91.4%	91.6%	92.7%	94.8%	96.5%	96.1%		
2000/01	23.5%	46.5%	60.9%	74.4%	82.7%	89.6%	87.1%	90.1%	92.7%	93.4%	90.5%	90.2%	93.2%	94.0%	95.5%	95.7%	96.9%	96.9%	96.3%		
2001/02	24.6%	55.2%	65.9%	82.6%	84.4%	88.1%	90.3%	93.3%	95.1%	94.4%	94.7%	95.3%	96.2%	93.5%	91.0%	89.9%	96.2%	96.3%	96.1%		
2002/03	29.5%	58.6%	68.2%	82.2%	87.8%	88.1%	88.8%	84.9%	89.7%	91.9%	91.6%	93.7%	93.9%	93.5%	94.6%	96.7%	96.2%	96.3%	96.1%		
2003/04	37.6%	62.9%	69.6%	83.6%	89.4%	87.7%	86.4%	84.9%	88.2%	91.2%	91.4%	90.9%	90.9%	93.5%	91.8%	93.7%	96.2%	96.3%	96.1%		
2004/05	42.1%	56.9%	67.1%	79.6%	89.4%	92.4%	89.7%	88.8%	86.2%	94.3%	94.6%	94.7%	90.9%	91.8%	93.7%	96.7%	96.2%	96.3%	96.1%		
2005/06	35.9%	51.5%	66.9%	77.7%	83.4%	86.1%	89.6%	90.2%	86.8%	90.0%	93.5%	89.0%	92.1%	96.5%	93.7%	96.7%	96.2%	96.3%	96.1%		
2006/07	39.5%	59.9%	73.2%	84.4%	92.8%	93.6%	95.7%	95.8%	91.9%	93.5%	92.9%	89.0%	92.1%	96.5%	93.7%	96.7%	96.2%	96.3%	96.1%		
2007/08	14.0%	57.1%	71.0%	80.1%	86.1%	89.4%	83.3%	83.6%	94.4%	96.1%	96.9%	93.5%	92.1%	96.5%	93.7%	96.7%	96.2%	96.3%	96.1%		
2008/09	36.5%	65.2%	73.5%	80.2%	88.0%	86.8%	86.9%	88.5%	91.3%	93.3%	93.3%	84.8%	93.3%	93.3%	93.3%	93.3%	93.3%	93.3%	93.3%		
2009/10	36.0%	59.8%	70.3%	80.2%	82.6%	81.3%	78.9%	81.7%	84.8%	84.8%	84.8%	84.8%	84.8%	84.8%	84.8%	84.8%	84.8%	84.8%	84.8%		
2010/11	35.2%	57.4%	61.5%	68.9%	73.3%	72.9%	78.0%	81.0%	84.8%	84.8%	84.8%	84.8%	84.8%	84.8%	84.8%	84.8%	84.8%	84.8%	84.8%		
2011/12	33.8%	47.6%	56.9%	64.6%	68.9%	68.9%	72.9%	75.2%	75.2%	75.2%	75.2%	75.2%	75.2%	75.2%	75.2%	75.2%	75.2%	75.2%	75.2%		
2012/13	44.6%	63.2%	72.2%	75.5%	80.3%	88.9%	88.9%	88.9%	88.9%	88.9%	88.9%	88.9%	88.9%	88.9%	88.9%	88.9%	88.9%	88.9%	88.9%		
2013/14	41.3%	63.4%	75.4%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%		
2014/15	42.7%	63.2%	75.4%	68.7%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%		
2015/16	33.0%	57.7%	65.0%	68.7%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%	72.2%		
2016/17	45.0%	42.7%																			
2017/18	34.8%																				
Average	35.8%	56.8%	66.7%	76.4%	83.0%	86.5%	87.9%	89.4%	90.5%	92.8%	92.9%	92.1%	93.3%	93.5%	93.3%	93.7%	95.9%	96.7%	96.1%		
All	37.6%	54.5%	64.3%	73.2%	79.1%	79.0%	81.7%	83.7%	90.2%	94.3%	93.9%	92.4%	93.3%	94.0%	93.1%	94.1%	95.9%	96.7%	96.1%		
Least 3	39.6%	61.3%	64.6%	72.5%	78.4%	81.1%	84.7%	87.9%	90.0%	93.7%	93.1%	92.6%	94.1%	93.7%	93.3%	94.1%	95.9%	96.7%	96.1%		
Least 5																					
x-til,low																					
Implicit	36.3%	56.5%	65.2%	73.0%	79.0%	82.4%	85.2%	86.9%	88.2%	90.0%	91.3%	92.2%	93.1%	93.6%	94.1%	94.5%	95.0%	95.0%	95.1%	95.2%	

Developed Limited Paid Losses
Limited to Self-Insured Retention and Gross of Member Deductibles

Claim Period (1)	Months of Development 12/31/18 (2)	Limited Paid Losses 12/31/18 (3)	Percent Losses Paid (4)	Developed Limited Paid Losses (3)/(4) (5)
to 1999/00	234.0	\$26,355,275	95.2%	\$27,509,260 *
2000/01	222.0	3,145,434	95.1%	3,276,715 *
2001/02	210.0	2,527,998	95.0%	2,661,038
2002/03	198.0	3,577,238	94.7%	3,709,217 *
2003/04	186.0	3,899,794	94.2%	4,141,999
2004/05	174.0	2,249,701	93.3%	2,410,916
2005/06	162.0	2,656,661	92.4%	2,875,509
2006/07	150.0	1,466,802	91.3%	1,607,449
2007/08	138.0	2,771,295	89.9%	3,082,581
2008/09	126.0	1,497,205	88.4%	1,694,481
2009/10	114.0	3,918,904	86.4%	4,534,929
2010/11	102.0	4,209,212	84.1%	5,004,640
2011/12	90.0	2,973,825	81.3%	3,659,204
2012/13	78.0	3,561,965	77.4%	4,600,761
2013/14	66.0	3,917,599	72.4%	5,412,372
2014/15	54.0	2,254,254	65.9%	3,422,284
2015/16	42.0	1,925,070	56.5%	3,404,886
2016/17	30.0	1,822,268	42.4%	4,037,280 *
2017/18	18.0	1,341,021	23.0%	5,819,829
Total		\$76,071,518		\$92,865,350

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* - Indicates large claim(s) limited to retention. For details, see Exhibit WC-17.

(3) is from Exhibit WC-1.

(4) is from Exhibit WC-2.

Developed Limited Reported Incurred Losses
Limited to Self-Insured Retention and Gross of Member Deductibles

Claim Period (1)	Months of Development 12/31/18 (2)	Limited Reported Incurred Losses 12/31/18 (3)	Percent Losses Reported (4)	Developed Limited Reported Incurred Losses (3)/(4) (5)
to 1999/00	234.0	\$27,371,644	100.0%	\$27,371,644
2000/01	222.0	3,308,714	100.0%	3,308,714
2001/02	210.0	2,723,843	100.0%	2,723,843
2002/03	198.0	3,789,283	100.0%	3,789,283
2003/04	186.0	4,201,133	99.9%	4,207,426
2004/05	174.0	2,334,486	99.5%	2,347,328
2005/06	162.0	3,006,578	99.0%	3,027,705 *
2006/07	150.0	1,935,137	98.5%	1,965,289
2007/08	138.0	2,935,017	98.0%	2,995,652
2008/09	126.0	2,003,493	97.5%	2,055,108
2009/10	114.0	4,660,045	97.0%	4,804,001
2010/11	102.0	4,999,341	96.0%	5,163,962 *
2011/12	90.0	3,326,297	94.4%	3,523,734
2012/13	78.0	4,711,610	92.3%	5,103,424
2013/14	66.0	4,930,071	89.6%	5,499,795
2014/15	54.0	3,173,605	86.6%	3,664,262
2015/16	42.0	3,072,801	81.6%	3,765,414
2016/17	30.0	3,291,502	69.1%	4,354,757 *
2017/18	18.0	2,973,471	46.7%	6,364,234
Total		\$88,748,070		\$96,035,574

* - Indicates large claim(s) limited to retention. For details, see Exhibit WC-17.

(3) is from Exhibit WC-1.

(4) is from Exhibit WC-2.

Developed Limited Case Reserves
Limited to Self-Insured Retention and Gross of Member Deductibles

Claim Period (1)	Months of Development 12/31/18 (2)	Percent Losses Paid (3)	Percent Losses Reported (4)	Percent Losses Reserved 12/31/18 [(4)-(3)]/ [100.0%-(3)] (5)	Limited Paid Losses 12/31/18 (6)	Limited Case Reserves 12/31/18 (7)	Developed Limited Case Reserves (6)+(7)/(5) (8)
to 1999/00	234.0	95.2%	100.0%	100.0%	\$26,355,275	\$1,016,369	\$27,371,644
2000/01	222.0	95.1%	100.0%	100.0%	3,145,434	163,280	3,308,714
2001/02	210.0	95.0%	100.0%	100.0%	2,527,998	195,845	2,723,843
2002/03	198.0	94.7%	100.0%	100.0%	3,577,238	212,045	3,789,283
2003/04	186.0	94.2%	99.9%	97.4%	3,899,794	301,339	4,209,042
2004/05	174.0	93.3%	99.5%	91.8%	2,249,701	84,785	2,342,041
2005/06	162.0	92.4%	99.0%	86.3%	2,656,661	349,918	3,039,096 *
2006/07	150.0	91.3%	98.5%	82.5%	1,466,802	468,335	2,034,719
2007/08	138.0	89.9%	98.0%	80.0%	2,771,295	163,722	2,976,061
2008/09	126.0	88.4%	97.5%	78.4%	1,497,205	506,288	2,142,755
2009/10	114.0	86.4%	97.0%	77.9%	3,918,904	741,142	4,869,812
2010/11	102.0	84.1%	96.0%	75.1%	4,209,212	790,129	5,194,494 *
2011/12	90.0	81.3%	94.4%	70.1%	2,973,825	352,472	3,476,742
2012/13	78.0	77.4%	92.3%	66.0%	3,561,965	1,149,645	5,303,931
2013/14	66.0	72.4%	89.6%	62.5%	3,917,599	1,012,473	5,537,776
2014/15	54.0	65.9%	86.6%	60.8%	2,254,254	919,351	3,767,170
2015/16	42.0	56.5%	81.6%	57.7%	1,925,070	1,147,730	3,914,986
2016/17	30.0	42.4%	69.1%	46.3%	1,822,268	1,469,234	4,511,189 *
2017/18	18.0	23.0%	46.7%	30.8%	1,341,021	1,632,450	6,646,482
Total					\$76,071,518	\$12,676,552	\$97,159,780

* - Indicates large claim(s) limited to retention. For details, see Exhibit WC-17.

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

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

Preliminary Projected Ultimate Limited Losses to 2017/18
Limited to Self-Insured Retention and Gross of Member Deductibles

Claim Period (1)	Developed Limited Paid Losses (2)	Developed Limited Reported Incurred Losses (3)	Developed Limited Case Reserves (4)	Preliminary Projected Ultimate Limited Losses (5)
to 1999/00	\$27,509,260	\$27,371,644	\$27,371,644	\$27,473,281
2000/01	3,276,715	3,308,714	3,308,714	3,325,042
2001/02	2,661,038	2,723,843	2,723,843	2,743,427
2002/03	3,709,217	3,789,283	3,789,283	3,810,488
2003/04	4,141,999	4,207,426	4,209,042	4,231,267
2004/05	2,410,916	2,347,328	2,342,041	2,342,964
2005/06	2,875,509	3,027,705	3,039,096	3,041,570
2006/07	1,607,449	1,965,289	2,034,719	2,034,719
2007/08	3,082,581	2,995,652	2,976,061	2,976,061
2008/09	1,694,481	2,055,108	2,142,755	2,142,755
2009/10	4,534,929	4,804,001	4,869,812	4,734,160
2010/11	5,004,640	5,163,962	5,194,494	5,135,150
2011/12	3,659,204	3,523,734	3,476,742	3,486,141
2012/13	4,600,761	5,103,424	5,303,931	5,173,462
2013/14	5,412,372	5,499,795	5,537,776	5,510,044
2014/15	3,422,284	3,664,262	3,767,170	3,691,518
2015/16	3,404,886	3,765,414	3,914,986	3,753,137
2016/17	4,037,280	4,354,757	4,511,189	4,353,834
2017/18	5,819,829	6,364,234	6,646,482	6,368,252
Total	\$92,865,350	\$96,035,574	\$97,159,780	\$96,327,272

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(2) is from Exhibit WC-3.

(3) is from Exhibit WC-4.

(4) is from Exhibit WC-5.

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

Bornhuetter - Ferguson Analysis
Limited to Self-Insured Retention and Gross of Member Deductibles

I. A-priori Loss Rate

Claim Period (1)	Preliminary Projected Ultimate Limited Losses (2)	Payroll (000) (3)	Limited Loss Rate per \$100 of Payroll (2)/(3)/10 (4)	Loss Rate Trend (2018/19 = 1.000) (5)	Trended Limited Loss Rate per \$100 of Payroll (4)X(5) (6)	Projected A-priori Loss Rate per \$100 of Payroll (7)/(5) (8)
2008/09	\$2,142,755	\$107,276	\$2.00	1.133	\$2.26	\$4.09
2009/10	4,734,160	105,618	4.48	1.122	5.03	4.13
2010/11	5,135,150	102,514	5.01	1.110	5.56	4.17
2011/12	3,486,141	102,503	3.40	1.098	3.74	4.22
2012/13	5,173,462	96,217	5.38	1.108	5.96	4.18
2013/14	5,510,044	96,057	5.74	1.087	6.24	4.26
2014/15	3,691,518	99,197	3.72	1.045	3.89	4.43
2015/16	3,753,137	104,716	3.58	1.031	3.70	4.49
2016/17	4,353,834	104,606	4.16	1.020	4.24	4.54
2017/18	6,368,252	112,599	5.66	1.010	5.71	4.59

(7) Projected 2018/19 a-priori loss rate per \$100 of Payroll

\$4.63

II. Bornhuetter - Ferguson Analysis Based on Limited Paid Losses

Claim Period (1)	Limited Paid Losses 12/31/18 (2)	Percent Losses Paid (3)	Projected A-priori Loss Rate per \$100 of Payroll (4)	Payroll (000) (5)	B-F Unpaid Losses [100.0%-(3)] X(4)X(5)X10 (6)	B-F Ultimate Limited Paid Losses (2)+(6) (7)
2013/14	\$3,917,599	72.4%	\$4.26	\$96,057	\$1,130,155	\$5,047,754
2014/15	2,254,254	65.9%	4.43	99,197	1,500,999	3,755,253
2015/16	1,925,070	56.5%	4.49	104,716	2,044,533	3,969,603
2016/17	1,822,268	42.4%	4.54	104,606	2,734,411	4,556,679
2017/18	1,341,021	23.0%	4.59	112,599	3,974,038	5,315,059

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

Claim Period (1)	Limited Reported Incurred Losses 12/31/18 (2)	Percent Losses Reported (3)	Projected A-priori Loss Rate per \$100 of Payroll (4)	Payroll (000) (5)	B-F Unreported Losses [100.0%-(3)] X(4)X(5)X10 (6)	B-F Ultimate Limited Reported Losses (2)+(6) (7)
2013/14	\$4,930,071	89.6%	\$4.26	\$96,057	\$423,905	\$5,353,976
2014/15	3,173,605	86.6%	4.43	99,197	588,890	3,762,494
2015/16	3,072,801	81.6%	4.49	104,716	865,301	3,938,101
2016/17	3,291,502	69.1%	4.54	104,606	1,468,971	4,760,472
2017/18	2,973,471	46.7%	4.59	112,599	2,751,256	5,724,728

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

Section I, (3), Section II, (5) and Section III, (5) are from Exhibit WC-15.

Section I, (5) is from Exhibit WC-16.

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

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

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

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

Frequency Times Severity Analysis
Limited to Self-Insured Retention and Gross of Member Deductibles

I. Projected Ultimate Claims

Claim Period (1)	Months of Development 12/31/18 (2)	Reported Claims 12/31/18 (3)	Percent Claims Reported (4)	Projected Ultimate Claims (3)/(4) (5)	Payroll (000) (6)	Frequency (per \$1M of Payroll) (5)/(6)X1,000 (7)
2008/09	126.0	218	100.0%	218	\$107,276	2.03
2009/10	114.0	263	100.0%	263	105,618	2.49
2010/11	102.0	252	100.0%	252	102,514	2.46
2011/12	90.0	227	100.0%	227	102,503	2.21
2012/13	78.0	239	100.0%	239	96,217	2.48
2013/14	66.0	245	100.0%	245	96,057	2.55
2014/15	54.0	221	100.0%	221	99,197	2.23
2015/16	42.0	216	100.0%	216	104,716	2.06
2016/17	30.0	241	99.5%	242	104,606	2.31
2017/18	18.0	197	94.5%	208	112,599	1.85

II. Frequency Times Severity

Claim Period (1)	Preliminary Projected Ultimate Limited Losses (2)	Projected Ultimate Claims (3)	Average Severity (2)/(3) (4)	Severity Trend (2018/19 = 1.000) (5)	Trended Average Claim Severity (4)X(5) (6)	De-Trended Projected 2018/19 Average Claim Severity (7)/(5) (8)	Frequency Times Severity (3)X(8) (9)
2008/09	\$2,142,755	218	\$9,829	1.523	\$14,970	\$15,641	\$3,409,749
2009/10	4,734,160	263	18,001	1.463	26,341	16,279	4,281,502
2010/11	5,135,150	252	20,378	1.406	28,650	16,944	4,269,900
2011/12	3,486,141	227	15,357	1.351	20,745	17,636	4,003,300
2012/13	5,173,462	239	21,646	1.323	28,634	18,009	4,304,090
2013/14	5,510,044	245	22,490	1.260	28,348	18,900	4,630,381
2014/15	3,691,518	221	16,704	1.176	19,642	20,259	4,477,150
2015/16	3,753,137	216	17,376	1.127	19,577	21,144	4,567,026
2016/17	4,353,834	242	17,991	1.082	19,465	22,018	5,328,305
2017/18	6,368,252	208	30,617	1.040	31,850	22,899	4,763,064

(7) Projected 2018/19 average claim severity \$23,822

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

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

Section I, (6) is from Exhibit WC-15.

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

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

Section II, (5) is from Exhibit WC-16.

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

Projected Ultimate Limited Losses to 2017/18
Limited to Self-Insured Retention and Gross of Member Deductibles

Claim Period (1)	Developed Limited Paid Losses (2)	Developed Limited Reported Incurred Losses (3)	Developed Limited Case Reserves (4)	B-F Ultimate Limited Paid Losses (5)	B-F Ultimate Limited Reported Losses (6)	Frequency Times Severity (7)	Projected Ultimate Limited Losses (8)
to 1999/00	\$27,509,260	\$27,371,644	\$27,371,644				\$27,473,281
2000/01	3,276,715	3,308,714	3,308,714				3,325,042
2001/02	2,661,038	2,723,843	2,723,843				2,743,427
2002/03	3,709,217	3,789,283	3,789,283				3,810,488
2003/04	4,141,999	4,207,426	4,209,042				4,231,267
2004/05	2,410,916	2,347,328	2,342,041				2,343,000
2005/06	2,875,509	3,027,705	3,039,096				3,042,000
2006/07	1,607,449	1,965,289	2,034,719				2,035,000
2007/08	3,082,581	2,995,652	2,976,061				2,976,000
2008/09	1,694,481	2,055,108	2,142,755				2,143,000
2009/10	4,534,929	4,804,001	4,869,812				4,734,160
2010/11	5,004,640	5,163,962	5,194,494				5,135,000
2011/12	3,659,204	3,523,734	3,476,742				3,486,000
2012/13	4,600,761	5,103,424	5,303,931				4,963,000
2013/14	5,412,372	5,499,795	5,537,776	5,047,754	5,353,976	4,630,381	5,472,000
2014/15	3,422,284	3,664,262	3,767,170	3,755,253	3,762,494	4,477,150	3,588,000
2015/16	3,404,886	3,765,414	3,914,986	3,969,603	3,938,101	4,567,026	3,600,000
2016/17	4,037,280	4,354,757	4,511,189	4,556,679	4,760,472	5,328,305	4,366,000
2017/18	5,819,829	6,364,234	6,646,482	5,315,059	5,724,728	4,763,064	5,534,000

(2) is from Exhibit WC-3.

(3) is from Exhibit WC-4.

(4) is from Exhibit WC-5.

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

(7) is from Exhibit WC-8.

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

Projected Ultimate Limited Losses for 2018/19 and Subsequent
Limited to Self-Insured Retention and Gross of Member Deductibles

Claim Period (1)	Projected Ultimate Limited Losses (2)	Payroll (000) (3)	Limited Loss Rate per \$100 of Payroll (2)/(3)/10 (4)	Loss Rate Trend (2018/19 = 1.000) (5)	Trended Limited Loss Rate per \$100 of Payroll (4)X(5) (6)
2008/09	\$2,143,000	\$107,276	\$2.00	1.133	\$2.26
2009/10	4,734,160	105,618	4.48	1.122	5.03
2010/11	5,135,000	102,514	5.01	1.110	5.56
2011/12	3,486,000	102,503	3.40	1.098	3.74
2012/13	4,963,000	96,217	5.16	1.108	5.71
2013/14	5,472,000	96,057	5.70	1.087	6.19
2014/15	3,588,000	99,197	3.62	1.045	3.78
2015/16	3,600,000	104,716	3.44	1.031	3.54
2016/17	4,366,000	104,606	4.17	1.020	4.26
2017/18	5,534,000	112,599	4.91	1.010	4.96
Total	\$43,021,160	\$1,031,302	\$4.17		\$4.50

Claim Period (1)	Projected Limited Loss Rate per \$100 of Payroll (7)	Projected Payroll (000) (8)	Projected Ultimate Limited Losses (7)X(8)X10 (9)	Present Value Factor (10)	Present Value of Projected Limited Loss Rate per \$100 of Payroll (7)X(10) (11)	Present Value of Projected Ultimate Limited Losses (8)X(11)X10 (12)
2018/19	\$4.50	\$108,170	\$4,872,000	0.90	\$4.07	\$4,398,000
2019/20	4.55	116,029	5,278,000	0.90	4.11	4,765,000
2020/21	4.59	119,509	5,491,000	0.90	4.15	4,957,000

(2) is from Exhibit WC-9.

(3) was provided by REMIF.

(5) is from Exhibit WC-16.

(7) 2018/19 is based on (6) and actuarial judgment.
Other period(s) based on 2018/19 plus the trend in Exhibit WC-16.

(8) to 2020/21 was provided by REMIF. Other claim periods are based on a 0% trend.

(10) is based on a 2.25% interest rate and the payout pattern in Exhibit WC-2.

Determination of Losses Within Deductibles

Claim Number (1)	Date of Loss (2)	Claim Period (3)	Months of Development 12/31/18 (4)	Deductible or Deductible Received (5)	Limited Paid Losses 12/31/18 (6)	Limited Case Reserves 12/31/18 (7)	Limited Reported Incurred Losses 12/31/18 (8)	Percent Case Reserve Adequacy (9)	Limited Paid Losses Within Deductibles Min[(5),(6)] (10)	Limited Reported Incurred Losses Within Deductibles Min[(5),(6)] (11)	Projected Ultimate Losses Within Deductibles Min[(5),(6)+ (7)/(9)] (12)
1000607	06/15/79	to 1999/00	234.0	\$1,000	\$25,086	\$11,700	\$36,786	90.9%	\$1,000	\$1,000	\$1,000
1000203	10/17/80	to 1999/00	234.0	5,000	150,000	0	150,000	90.9%	5,000	5,000	5,000
1000769	07/26/82	to 1999/00	234.0	10,000	150,000	0	150,000	90.9%	10,000	10,000	10,000
1001234	06/03/83	to 1999/00	234.0	10,000	45,040	3,235	48,275	90.9%	10,000	10,000	10,000
1000851	05/05/84	to 1999/00	234.0	1,000	150,000	0	150,000	90.9%	1,000	1,000	1,000
1004940	02/22/85	to 1999/00	234.0	5,000	43,531	7,696	51,227	90.9%	5,000	5,000	5,000
1005814	04/18/86	to 1999/00	234.0	5,000	127,309	22,691	150,000	90.9%	5,000	5,000	5,000
1005969	06/23/86	to 1999/00	234.0	5,000	76,548	11,606	88,154	90.9%	5,000	5,000	5,000
1006284	12/31/86	to 1999/00	234.0	5,000	200,000	0	200,000	90.9%	5,000	5,000	5,000
1006652	08/05/87	to 1999/00	234.0	5,000	27,009	24,026	51,036	90.9%	5,000	5,000	5,000
1006807	11/09/87	to 1999/00	234.0	5,000	70,846	46,081	116,927	90.9%	5,000	5,000	5,000
1006824	11/13/87	to 1999/00	234.0	10,000	124,590	125,410	250,000	90.9%	10,000	10,000	10,000
6000020	02/29/88	to 1999/00	234.0	5,000	105,852	19,445	125,297	90.9%	5,000	5,000	5,000
6000232	12/16/88	to 1999/00	234.0	5,000	250,000	0	250,000	90.9%	5,000	5,000	5,000
6000296	04/05/89	to 1999/00	234.0	5,000	138,271	28,604	166,875	90.9%	5,000	5,000	5,000
6000315	05/17/89	to 1999/00	234.0	5,000	119,811	27,751	147,562	90.9%	5,000	5,000	5,000
6000389	07/31/89	to 1999/00	234.0	5,000	192,073	18,893	210,966	90.9%	5,000	5,000	5,000
6000557	12/12/89	to 1999/00	234.0	10,000	250,000	0	250,000	90.9%	10,000	10,000	10,000
6000629	06/03/90	to 1999/00	234.0	5,000	72,344	29,601	101,945	90.9%	5,000	5,000	5,000
6000736	10/22/90	to 1999/00	234.0	5,000	33,553	7,811	41,364	90.9%	5,000	5,000	5,000
6001316	09/27/92	to 1999/00	234.0	5,000	39,804	15,291	55,095	90.9%	5,000	5,000	5,000
6001486	06/07/93	to 1999/00	234.0	5,000	198,123	42,038	240,162	90.9%	5,000	5,000	5,000
6001685	12/13/93	to 1999/00	234.0	10,000	11,526	10,485	22,011	90.9%	10,000	10,000	10,000
6002138	01/07/95	to 1999/00	234.0	5,000	82,562	12,208	94,771	90.9%	5,000	5,000	5,000
6002363	01/04/96	to 1999/00	234.0	5,000	83,300	8,817	92,117	90.9%	5,000	5,000	5,000
6002367	02/15/96	to 1999/00	234.0	10,000	69,575	13,847	83,422	90.9%	10,000	10,000	10,000
6002386	02/28/96	to 1999/00	234.0	5,000	114,669	119,099	233,768	90.9%	5,000	5,000	5,000
6002431	04/24/96	to 1999/00	234.0	5,000	221,937	9,674	231,611	90.9%	5,000	5,000	5,000
6002574	05/28/96	to 1999/00	234.0	5,000	10,487	9,313	19,800	90.9%	5,000	5,000	5,000
6002488	06/17/96	to 1999/00	234.0	5,000	300,000	0	300,000	90.9%	5,000	5,000	5,000
6002495	06/18/96	to 1999/00	234.0	5,000	31,842	8,140	39,981	90.9%	5,000	5,000	5,000
6002570	08/06/96	to 1999/00	234.0	5,000	18,792	7,417	26,208	90.9%	5,000	5,000	5,000
6002555	09/04/96	to 1999/00	234.0	10,000	23,894	16,974	40,868	90.9%	10,000	10,000	10,000
6002599	10/24/96	to 1999/00	234.0	5,000	161,975	3,058	165,033	90.9%	5,000	5,000	5,000
6002688	01/20/97	to 1999/00	234.0	5,000	12,119	4,806	16,925	90.9%	5,000	5,000	5,000
6002765	05/01/97	to 1999/00	234.0	5,000	21,629	5,997	27,626	90.9%	5,000	5,000	5,000
6002910	10/30/97	to 1999/00	234.0	5,000	65,972	60,826	126,798	90.9%	5,000	5,000	5,000
6003180	07/09/98	to 1999/00	234.0	5,000	145,294	49,594	194,887	90.9%	5,000	5,000	5,000
99-1006	11/25/98	to 1999/00	234.0	5,000	27,324	13,411	40,735	90.9%	5,000	5,000	5,000
00-1606	05/19/99	to 1999/00	234.0	10,000	24,172	4,952	29,124	90.9%	10,000	10,000	10,000
00-1544	06/30/99	to 1999/00	234.0	5,000	12,301	19,665	31,966	90.9%	5,000	5,000	5,000
00-1581	07/05/99	to 1999/00	234.0	5,000	300,000	0	300,000	90.9%	5,000	5,000	5,000
00-1589	07/19/99	to 1999/00	234.0	5,000	119,653	52,861	172,514	90.9%	5,000	5,000	5,000
00-1699	08/20/99	to 1999/00	234.0	5,000	33,427	12,500	45,927	90.9%	5,000	5,000	5,000
00-1793	10/09/99	to 1999/00	234.0	10,000	300,000	0	300,000	90.9%	10,000	10,000	10,000
00-2203	11/09/99	to 1999/00	234.0	5,000	23,427	17,907	41,334	90.9%	5,000	5,000	5,000
00-2054	01/07/00	to 1999/00	234.0	10,000	55,132	7,871	63,003	90.9%	10,000	10,000	10,000
00-2067	02/01/00	to 1999/00	234.0	10,000	64,156	38,929	103,085	90.9%	10,000	10,000	10,000
00-2219	04/06/00	to 1999/00	234.0	5,000	47,693	18,207	65,900	90.9%	5,000	5,000	5,000
00-2298	05/11/00	to 1999/00	234.0	10,000	300,000	0	300,000	90.9%	10,000	10,000	10,000
00-2293	05/13/00	to 1999/00	234.0	5,000	172,498	27,550	200,047	90.9%	5,000	5,000	5,000
00-2304	05/15/00	to 1999/00	234.0	10,000	22,584	14,096	36,680	90.9%	10,000	10,000	10,000
00-2350	05/23/00	to 1999/00	234.0	10,000	51,764	6,289	58,053	90.9%	10,000	10,000	10,000
All Closed	Various	to 1999/00	234.0	5,558,465	20,840,029	0	20,840,029	90.9%	5,558,465	5,558,465	5,558,465
01-2597	08/14/00	2000/01	222.0	5,000	300,000	0	300,000	90.9%	5,000	5,000	5,000
01-2592	09/05/00	2000/01	222.0	10,000	300,000	0	300,000	90.9%	10,000	10,000	10,000
02-3544	10/24/00	2000/01	222.0	5,000	116,953	21,282	138,235	90.9%	5,000	5,000	5,000
01-2773	11/04/00	2000/01	222.0	5,000	45,214	40,575	85,789	90.9%	5,000	5,000	5,000
01-2844	12/18/00	2000/01	222.0	5,000	66,050	16,396	82,447	90.9%	5,000	5,000	5,000
01-2965	02/05/01	2000/01	222.0	5,000	48,586	3,472	52,058	90.9%	5,000	5,000	5,000
01-2996	02/11/01	2000/01	222.0	5,000	64,841	19,991	84,832	90.9%	5,000	5,000	5,000
01-3231	04/12/01	2000/01	222.0	5,000	55,721	28,709	84,430	90.9%	5,000	5,000	5,000
01-3290	05/20/01	2000/01	222.0	5,000	102,774	32,855	135,629	90.9%	5,000	5,000	5,000
All Closed	Various	2000/01	222.0	448,737	2,061,600	0	2,061,600	90.9%	448,737	448,737	448,737
02-3744	11/20/01	2001/02	210.0	5,000	150,808	88,050	238,859	90.9%	5,000	5,000	5,000
02-3852	01/29/02	2001/02	210.0	10,000	209,364	28,047	237,411	90.9%	10,000	10,000	10,000
02-3896	02/18/02	2001/02	210.0	5,000	133,508	30,844	164,353	90.9%	5,000	5,000	5,000
02-4082	04/19/02	2001/02	210.0	5,000	50,923	48,903	99,826	90.9%	5,000	5,000	5,000
All Closed	Various	2001/02	210.0	469,830	2,005,215	0	2,005,215	90.9%	469,830	469,830	469,830
03-4526	07/19/02	2002/03	198.0	5,000	300,000	0	300,000	90.9%	5,000	5,000	5,000
03-5374	07/22/02	2002/03	198.0	5,000	41,072	21,718	62,791	90.9%	5,000	5,000	5,000
03-4366	07/22/02	2002/03	198.0	5,000	300,000	0	300,000	90.9%	5,000	5,000	5,000
03-4272	07/25/02	2002/03	198.0	5,000	73,645	20,955	94,600	90.9%	5,000	5,000	5,000
03-4419	09/18/02	2002/03	198.0	5,000	13,369	6,031	19,400	90.9%	5,000	5,000	5,000
03-4401	09/19/02	2002/03	198.0	10,000	300,000	0	300,000	90.9%	10,000	10,000	10,000
03-4821	03/01/03	2002/03	198.0	5,000	121,066	14,370	135,436	90.9%	5,000	5,000	5,000
03-4838	03/12/03	2002/03	198.0	10,000	300,000	0	300,000	90.9%	10,000	10,000	10,000
03-4850	03/18/03	2002/03	198.0	10,000	66,592	54,076	120,668	90.9%	10,000	10,000	10,000
03-5039	05/30/03	2002/03	198.0	5,000	91,348	17,498	108,846	90.9%	5,000	5,000	5,000
04-5197	06/20/03	2002/03	198.0	10,000	14,979	77,396	92,376	90.9%	10,000	10,000	10,000
All Closed	Various	2002/03	198.0	509,597	2,059,781	0	2,059,781	90.9%	509,597	509,597	509,597
04-5251	08/16/03	2003/04	186.0	10,000	89,691	89,908	179,598	90.9%	10,000	10,000	10,000
04-5489	12/15/03	2003/04	186.0	10,000	307,096	27,937	335,033	90.9%	10,000	10,000	10,000
04-5741	03/30/04	2003/04	186.0	5,000	365,876	104,231	470,107	90.9%	5,000	5,000	5,000
04-5753	04/05/04	2003/04	186.0	5,000	429,231	36,058	465,290	90.9%	5,000	5,000	5,000
04-5846	05/11/04	2003/04	186.0	10,000	19,146	13,204	32,350	90.9%	10,000	10,000	10,000
04-5898	06/03/04	2003/04	186.0	10,000	105,967	30,001	135,968	90.9%	10,000	10,000	10,0

Determination of Losses Within Deductibles

Claim Number (1)	Date of Loss (2)	Claim Period (3)	Months of Development 12/31/18 (4)	Deductible or Deductible Received (5)	Limited Paid Losses 12/31/18 (6)	Limited Case Reserves 12/31/18 (7)	Limited Reported Incurred Losses 12/31/18 (8)	Percent Case Reserve Adequacy (9)	Limited Paid Losses Within Deductibles Min[(5),(6)] (10)	Limited Reported Incurred Losses Within Deductibles Min[(5),(6)] (11)	Projected Ultimate Losses Within Deductibles Min[(5),(6)]+ (7)/(9) (12)
All Closed	Various	2003/04	186.0	\$559,858	\$2,778,592	\$0	\$2,778,592	90.9%	\$559,858	\$559,858	\$559,858
05-6548	02/15/05	2004/05	174.0	5,000	36,862	10,687	47,549	90.9%	5,000	5,000	5,000
05-6582	03/09/05	2004/05	174.0	10,000	8,253	4,875	13,128	90.9%	8,253	10,000	10,000
05-6624	03/23/05	2004/05	174.0	5,000	31,737	15,725	47,462	90.9%	5,000	5,000	5,000
05-6726	05/05/05	2004/05	174.0	5,000	18,741	22,542	41,283	90.9%	5,000	5,000	5,000
05-6860	06/25/05	2004/05	174.0	5,000	95,197	30,956	126,153	90.9%	5,000	5,000	5,000
All Closed	Various	2004/05	174.0	426,303	2,216,141	0	2,216,141	90.9%	426,303	426,303	426,303
06-6969	08/17/05	2005/06	162.0	10,000	855,099	144,901	1,000,000	90.8%	10,000	10,000	10,000
06-7061	09/15/05	2005/06	162.0	5,000	81,236	48,303	129,538	90.8%	5,000	5,000	5,000
08-8625	09/23/05	2005/06	162.0	5,000	140,476	7,756	148,232	90.8%	5,000	5,000	5,000
06-7139	10/26/05	2005/06	162.0	5,000	7,667	1,455	9,122	90.8%	5,000	5,000	5,000
06-7421	11/26/05	2005/06	162.0	5,000	73,804	99,447	173,251	90.8%	5,000	5,000	5,000
06-7349	12/07/05	2005/06	162.0	5,000	57,632	48,056	105,688	90.8%	5,000	5,000	5,000
All Closed	Various	2005/06	162.0	420,075	1,684,564	0	1,684,564	90.8%	420,075	420,075	420,075
07-7936	09/28/06	2006/07	150.0	5,000	139,055	234,430	373,486	82.4%	5,000	5,000	5,000
07-7937	10/02/06	2006/07	150.0	5,000	95,267	197,176	292,443	82.4%	5,000	5,000	5,000
14-4441	01/16/07	2006/07	150.0	10,000	18,426	24,403	42,830	82.4%	10,000	10,000	10,000
07-8359	01/30/07	2006/07	150.0	10,000	22,312	12,326	34,638	82.4%	10,000	10,000	10,000
All Closed	Various	2006/07	150.0	398,479	1,454,270	0	1,454,270	82.4%	398,479	398,479	398,479
08-8953	11/14/07	2007/08	138.0	5,000	138,998	33,454	172,452	80.0%	5,000	5,000	5,000
08-8916	11/16/07	2007/08	138.0	5,000	81,652	31,760	113,412	80.0%	5,000	5,000	5,000
08-9405	04/04/08	2007/08	138.0	5,000	11,701	16,500	28,201	80.0%	5,000	5,000	5,000
08-9228	04/09/08	2007/08	138.0	10,000	170,585	65,544	236,128	80.0%	10,000	10,000	10,000
11-2416	06/04/08	2007/08	138.0	5,000	13,953	16,465	30,417	80.0%	5,000	5,000	5,000
All Closed	Various	2007/08	138.0	464,071	2,528,975	0	2,528,975	80.0%	464,071	464,071	464,071
09-9657	07/06/08	2008/09	126.0	10,000	39,411	18,182	57,594	78.4%	10,000	10,000	10,000
09-9601	08/11/08	2008/09	126.0	5,000	121,222	17,477	293,699	78.4%	5,000	5,000	5,000
09-9599	09/02/08	2008/09	126.0	5,000	68,930	92,128	161,058	78.4%	5,000	5,000	5,000
09-9621	09/15/08	2008/09	126.0	5,000	8,427	17,600	26,027	78.4%	5,000	5,000	5,000
09-9765	10/02/08	2008/09	126.0	5,000	124,476	153,126	277,602	78.4%	5,000	5,000	5,000
09-9944	02/18/09	2008/09	126.0	5,000	19,060	39,440	58,500	78.4%	5,000	5,000	5,000
09-1171	05/27/09	2008/09	126.0	10,000	28,158	13,335	41,493	78.4%	10,000	10,000	10,000
All Closed	Various	2008/09	126.0	393,769	1,222,197	0	1,222,197	78.4%	393,769	393,769	393,769
10-1288	07/23/09	2009/10	114.0	5,000	159,922	41,972	201,894	90.9%	5,000	5,000	5,000
10-1362	07/25/09	2009/10	114.0	5,000	98,459	4,949	103,408	90.9%	5,000	5,000	5,000
10-1347	08/11/09	2009/10	114.0	5,000	501,002	119,199	620,202	90.9%	5,000	5,000	5,000
10-1378	08/21/09	2009/10	114.0	5,000	28,976	49,866	78,842	90.9%	5,000	5,000	5,000
11-2329	09/01/09	2009/10	114.0	5,000	530,018	195,782	725,800	90.9%	5,000	5,000	5,000
10-1593	11/22/09	2009/10	114.0	5,000	13,749	13,501	27,250	90.9%	5,000	5,000	5,000
10-1793	02/22/10	2009/10	114.0	5,000	266,390	97,293	363,682	90.9%	5,000	5,000	5,000
10-1807	03/10/10	2009/10	114.0	10,000	36,645	6,922	43,567	90.9%	10,000	10,000	10,000
10-1905	03/31/10	2009/10	114.0	5,000	22,836	26,302	49,138	90.9%	5,000	5,000	5,000
10-1921	04/29/10	2009/10	114.0	5,000	134,173	177,435	311,608	90.9%	5,000	5,000	5,000
11-2128	06/10/10	2009/10	114.0	10,000	53,929	7,922	61,851	90.9%	10,000	10,000	10,000
All Closed	Various	2009/10	114.0	530,291	2,389,249	0	2,389,249	90.9%	530,291	530,291	530,291
11-2119	07/21/10	2010/11	102.0	10,000	18,085	7,434	25,520	85.3%	10,000	10,000	10,000
11-2181	08/05/10	2010/11	102.0	5,000	38,324	41,106	79,430	85.3%	5,000	5,000	5,000
11-2144	08/09/10	2010/11	102.0	5,000	176,536	21,539	198,075	85.3%	5,000	5,000	5,000
11-2352	11/02/10	2010/11	102.0	5,000	111,097	7,412	118,508	85.3%	5,000	5,000	5,000
11-2457	01/04/11	2010/11	102.0	5,000	447,487	323,503	770,990	85.3%	5,000	5,000	5,000
11-2558	02/05/11	2010/11	102.0	5,000	799,277	200,723	1,000,000	85.3%	5,000	5,000	5,000
11-2556	02/16/11	2010/11	102.0	10,000	260,208	89,123	349,330	85.3%	10,000	10,000	10,000
11-2656	03/17/11	2010/11	102.0	5,000	15,814	26,149	41,963	85.3%	5,000	5,000	5,000
11-2614	03/18/11	2010/11	102.0	5,000	185,663	40,629	226,292	85.3%	5,000	5,000	5,000
11-2722	04/28/11	2010/11	102.0	10,000	177,153	32,512	209,665	85.3%	10,000	10,000	10,000
All Closed	Various	2010/11	102.0	457,959	2,340,142	0	2,340,142	85.3%	457,959	457,959	457,959
12-2912	07/24/11	2011/12	90.0	10,000	130,394	81,000	211,394	68.8%	10,000	10,000	10,000
15-5762	01/31/12	2011/12	90.0	5,000	73,369	25,426	98,795	68.8%	5,000	5,000	5,000
12-3548	05/13/12	2011/12	90.0	10,000	164,369	36,378	200,747	68.8%	10,000	10,000	10,000
17-6623	05/15/12	2011/12	90.0	5,000	83,350	209,668	293,018	68.8%	5,000	5,000	5,000
All Closed	Various	2011/12	90.0	407,868	2,691,007	0	2,691,007	68.8%	407,868	407,868	407,868
13-3618	07/02/12	2012/13	78.0	5,000	40,317	26,916	67,233	82.1%	5,000	5,000	5,000
13-3663	07/11/12	2012/13	78.0	5,000	143,864	31,111	174,975	82.1%	5,000	5,000	5,000
13-3769	08/24/12	2012/13	78.0	5,000	329,714	50,412	380,126	82.1%	5,000	5,000	5,000
13-3822	09/28/12	2012/13	78.0	5,000	15,345	13,109	28,454	82.1%	5,000	5,000	5,000
17-7132	10/01/12	2012/13	78.0	5,000	92,091	372,909	465,000	82.1%	5,000	5,000	5,000
18-7183	12/03/12	2012/13	78.0	5,000	44,652	226,796	271,449	82.1%	5,000	5,000	5,000
13-3958	12/04/12	2012/13	78.0	5,000	64,691	51,690	116,381	82.1%	5,000	5,000	5,000
13-3961	12/06/12	2012/13	78.0	5,000	438,393	82,268	520,662	82.1%	5,000	5,000	5,000
13-3987	12/17/12	2012/13	78.0	10,000	32,703	24,508	57,211	82.1%	10,000	10,000	10,000
13-3998	12/18/12	2012/13	78.0	5,000	22,093	2,371	24,465	82.1%	5,000	5,000	5,000
15-5345	01/15/13	2012/13	78.0	5,000	76	1,424	1,500	82.1%	76	1,500	1,811
13-4119	01/23/13	2012/13	78.0	5,000	132,351	47,081	179,432	82.1%	5,000	5,000	5,000
14-4406	02/19/13	2012/13	78.0	10,000	59,102	21,658	80,760	82.1%	10,000	10,000	10,000
13-4184	03/28/13	2012/13	78.0	5,000	257,448	136,981	394,429	82.1%	5,000	5,000	5,000
13-4205	04/03/13	2012/13	78.0	10,000	35,919	16,396	52,315	82.1%	10,000	10,000	10,000
14-4523	06/04/13	2012/13	78.0	10,000	23,347	15,584	38,931	82.1%	10,000	10,000	10,000
13-4349	06/10/13	2012/13	78.0	10,000	64,512	8,866	73,377	82.1%	10,000	10,000	10,000
13-4375	06/12/13	2012/13	78.0	10,000	13,350	1,970	15,320	82.1%	10,000	10,000	10,000
13-4343	06/13/13	2012/13	78.0	10,000	44,299	17,595	61,894	82.1%	10,000	10,000	10,000
All Closed	Various	2012/13	78.0	529,583	2,001,655	0	2,001,655	82.1%	529,583	529,583	529,583
14-4521	09/04/13	2013/14	66.0	5,000	157,351	28,573	185,924	65.1%	5,000	5,000	5,000
14-4547	09/16/13	2013/14	66.0	5,000	119,940	40,538	160,478	65.1%	5,000	5,000	5,000
16-6027	10/04/13	2013/14	66.0	5,000	123,229	198,638	321,867	65.1%	5,000	5,000	5,000
14-4585	10/11/13	2013/14	66.0	10,000	42,236	18,725	60,961	65.1%	10,000	10,000	10,000
16-6383	10/12/13	2013/14	66.0	10,000	5,683	9,892	15,575	65.1%	5,683	10,000	10,000
14-4667	11/13/13	2013/14	66.0	10,000	4,917	6,083	11,000	65.1%	4,917	10,000	10,000

Determination of Losses Within Deductibles

Claim Number (1)	Date of Loss (2)	Claim Period (3)	Months of Development 12/31/18 (4)	Deductible or Deductible Received (5)	Limited Paid Losses 12/31/18 (6)	Limited Case Reserves 12/31/18 (7)	Limited Reported Incurred Losses 12/31/18 (8)	Percent Case Reserve Adequacy (9)	Limited Paid Losses Within Deductibles Min[(5),(6)] (10)	Limited Reported Incurred Losses Within Deductibles Min[(5),(6)] (11)	Projected Ultimate Losses Within Deductibles Min[(5),(6)]+ (7)/(9) (12)
14-4960	01/01/14	2013/14	66.0	\$10,000	\$265,798	\$108,686	\$374,484	65.1%	\$10,000	\$10,000	\$10,000
16-6052	01/15/14	2013/14	66.0	5,000	45,443	16,057	61,500	65.1%	5,000	5,000	5,000
14-4840	02/14/14	2013/14	66.0	5,000	154,491	26,050	180,542	65.1%	5,000	5,000	5,000
14-4979	03/04/14	2013/14	66.0	5,000	56,210	76,838	133,049	65.1%	5,000	5,000	5,000
14-4893	03/14/14	2013/14	66.0	5,000	58,116	27,518	85,634	65.1%	5,000	5,000	5,000
14-4914	03/24/14	2013/14	66.0	10,000	55,950	54,790	110,740	65.1%	10,000	10,000	10,000
15-5142	04/16/14	2013/14	66.0	10,000	20,072	7,718	27,790	65.1%	10,000	10,000	10,000
14-4973	04/17/14	2013/14	66.0	5,000	78,226	147,818	226,044	65.1%	5,000	5,000	5,000
14-4974	04/21/14	2013/14	66.0	5,000	31,041	70,568	101,610	65.1%	5,000	5,000	5,000
15-5094	04/30/14	2013/14	66.0	10,000	56,530	30,490	87,020	65.1%	10,000	10,000	10,000
14-4999	05/02/14	2013/14	66.0	5,000	11,176	5,114	16,290	65.1%	5,000	5,000	5,000
14-5003	05/04/14	2013/14	66.0	10,000	47,111	16,129	63,240	65.1%	10,000	10,000	10,000
14-4994	05/05/14	2013/14	66.0	5,000	208,881	96,538	305,419	65.1%	5,000	5,000	5,000
15-5129	06/16/14	2013/14	66.0	10,000	117,589	25,708	143,297	65.1%	10,000	10,000	10,000
All Closed	Various	2013/14	66.0	480,890	2,632,889	0	2,632,889	65.1%	480,890	480,890	480,890
15-5130	07/02/14	2014/15	54.0	5,000	12,648	9,202	21,850	68.9%	5,000	5,000	5,000
15-5232	08/24/14	2014/15	54.0	10,000	104	11,380	11,484	68.9%	104	10,000	10,000
15-5352	10/05/14	2014/15	54.0	5,000	97,283	32,569	129,853	68.9%	5,000	5,000	5,000
15-5408	11/06/14	2014/15	54.0	10,000	42,925	26,220	69,145	68.9%	10,000	10,000	10,000
15-5424	12/04/14	2014/15	54.0	5,000	103,155	19,570	122,725	68.9%	5,000	5,000	5,000
15-5447	12/17/14	2014/15	54.0	10,000	110,137	64,603	174,740	68.9%	10,000	10,000	10,000
17-6500	12/31/14	2014/15	54.0	10,000	27,677	41,178	68,854	68.9%	10,000	10,000	10,000
16-6517	12/31/14	2014/15	54.0	10,000	30,516	13,124	43,640	68.9%	10,000	10,000	10,000
15-5576	02/05/15	2014/15	54.0	10,000	19,014	117,424	136,438	68.9%	10,000	10,000	10,000
16-6224	03/14/15	2014/15	54.0	10,000	80,221	23,630	103,852	68.9%	10,000	10,000	10,000
15-5651	03/18/15	2014/15	54.0	10,000	29,434	8,632	38,066	68.9%	10,000	10,000	10,000
15-5668	04/03/15	2014/15	54.0	5,000	70,027	202,934	272,961	68.9%	5,000	5,000	5,000
15-5756	04/23/15	2014/15	54.0	10,000	195,353	176,749	372,102	68.9%	10,000	10,000	10,000
15-5720	05/13/15	2014/15	54.0	5,000	136,023	67,343	203,366	68.9%	5,000	5,000	5,000
15-5764	05/13/15	2014/15	54.0	5,000	15,254	3,866	19,120	68.9%	5,000	5,000	5,000
15-5749	05/20/15	2014/15	54.0	10,000	8,348	4,575	12,923	68.9%	8,348	10,000	10,000
17-7116	05/20/15	2014/15	54.0	5,000	12,448	46,547	58,995	68.9%	5,000	5,000	5,000
16-5935	05/28/15	2014/15	54.0	5,000	76,591	13,449	90,040	68.9%	5,000	5,000	5,000
15-5796	06/12/15	2014/15	54.0	5,000	38,762	5,333	44,095	68.9%	5,000	5,000	5,000
16-5846	06/20/15	2014/15	54.0	10,000	1,583	16,668	18,251	68.9%	1,583	10,000	10,000
16-5836	06/25/15	2014/15	54.0	5,000	11,121	14,356	25,477	68.9%	5,000	5,000	5,000
All Closed	Various	2014/15	54.0	408,503	1,350,640	0	1,350,640	68.9%	408,503	408,503	408,503
17-6788	07/13/15	2015/16	42.0	5,000	7,633	44,397	52,030	68.5%	5,000	5,000	5,000
16-5939	08/19/15	2015/16	42.0	5,000	209,823	178,989	388,812	68.5%	5,000	5,000	5,000
16-5985	08/31/15	2015/16	42.0	10,000	86,945	48,858	135,803	68.5%	10,000	10,000	10,000
16-6028	09/09/15	2015/16	42.0	5,000	978	27,523	28,500	68.5%	978	5,000	5,000
16-6009	09/27/15	2015/16	42.0	5,000	230,363	117,340	347,703	68.5%	5,000	5,000	5,000
16-6049	10/08/15	2015/16	42.0	10,000	35,255	17,098	52,352	68.5%	10,000	10,000	10,000
16-6110	11/02/15	2015/16	42.0	10,000	16,852	11,584	28,436	68.5%	10,000	10,000	10,000
16-6101	11/02/15	2015/16	42.0	10,000	43,377	32,768	76,145	68.5%	10,000	10,000	10,000
16-6132	11/09/15	2015/16	42.0	5,000	20,004	26,048	46,052	68.5%	5,000	5,000	5,000
16-6142	11/16/15	2015/16	42.0	5,000	72,764	71,279	144,043	68.5%	5,000	5,000	5,000
17-7038	11/19/15	2015/16	42.0	10,000	14,844	13,656	28,500	68.5%	10,000	10,000	10,000
16-6160	12/01/15	2015/16	42.0	5,000	14,922	110,584	125,507	68.5%	5,000	5,000	5,000
16-6136	12/02/15	2015/16	42.0	5,000	20,264	32,508	52,773	68.5%	5,000	5,000	5,000
16014502	12/27/15	2015/16	42.0	10,000	76,348	7,890	84,238	68.5%	10,000	10,000	10,000
16-6245	01/29/16	2015/16	42.0	5,000	15,465	4,527	19,992	68.5%	5,000	5,000	5,000
16-6267	02/25/16	2015/16	42.0	10,000	68,991	85,299	154,290	68.5%	10,000	10,000	10,000
16-6320	03/13/16	2015/16	42.0	5,000	21,992	21,975	43,967	68.5%	5,000	5,000	5,000
16-6337	03/28/16	2015/16	42.0	5,000	4,904	38,954	43,858	68.5%	4,904	5,000	5,000
16-6363	04/06/16	2015/16	42.0	5,000	6,090	101,576	107,666	68.5%	5,000	5,000	5,000
16-6406	04/29/16	2015/16	42.0	5,000	9,842	42,975	52,817	68.5%	5,000	5,000	5,000
16-6410	04/30/16	2015/16	42.0	10,000	212,131	36,854	248,985	68.5%	10,000	10,000	10,000
16-6455	06/03/16	2015/16	42.0	5,000	13,760	31,115	44,875	68.5%	5,000	5,000	5,000
16-6477	06/17/16	2015/16	42.0	10,000	46,261	43,934	90,195	68.5%	10,000	10,000	10,000
All Closed	Various	2015/16	42.0	355,019	1,188,463	0	1,188,463	68.5%	355,019	355,019	355,019
17-6545	07/19/16	2016/17	30.0	10,000	65,080	148,424	213,504	57.8%	10,000	10,000	10,000
17-6571	07/21/16	2016/17	30.0	5,000	5,000	5,000	10,000	57.8%	5,000	5,000	5,000
17-6573	07/29/16	2016/17	30.0	10,000	16,434	70,944	87,378	57.8%	10,000	10,000	10,000
17-6587	08/01/16	2016/17	30.0	5,000	9,019	32,784	41,803	57.8%	5,000	5,000	5,000
17-6871	08/01/16	2016/17	30.0	10,000	79,171	44,196	123,367	57.8%	10,000	10,000	10,000
17-6621	08/14/16	2016/17	30.0	5,000	1,726	3,274	5,000	57.8%	1,726	5,000	5,000
17-6648	08/24/16	2016/17	30.0	5,000	42,924	37,020	79,944	57.8%	5,000	5,000	5,000
17-6649	08/26/16	2016/17	30.0	5,000	28,797	46,948	75,745	57.8%	5,000	5,000	5,000
17-6660	09/01/16	2016/17	30.0	10,000	45,364	28,853	74,217	57.8%	10,000	10,000	10,000
17-6641	09/06/16	2016/17	30.0	5,000	29,408	11,692	41,100	57.8%	5,000	5,000	5,000
17-6755	09/14/16	2016/17	30.0	5,000	2,565	20,359	22,925	57.8%	2,565	5,000	5,000
17-6671	09/20/16	2016/17	30.0	5,000	50,908	19,572	70,480	57.8%	5,000	5,000	5,000
17-6805	10/11/16	2016/17	30.0	5,000	76,706	64,338	141,044	57.8%	5,000	5,000	5,000
17-6781	11/04/16	2016/17	30.0	5,000	23,066	25,567	48,633	57.8%	5,000	5,000	5,000
17-6827	11/21/16	2016/17	30.0	10,000	12,923	37,219	50,142	57.8%	10,000	10,000	10,000
17-6874	12/05/16	2016/17	30.0	10,000	29,534	34,297	63,832	57.8%	10,000	10,000	10,000
17-6829	12/06/16	2016/17	30.0	5,000	66,030	34,535	100,565	57.8%	5,000	5,000	5,000
17-6908	12/15/16	2016/17	30.0	10,000	78,404	45,381	123,784	57.8%	10,000	10,000	10,000
17-6877	12/30/16	2016/17	30.0	5,000	27,075	24,974	52,050	57.8%	5,000	5,000	5,000
17013158	02/13/17	2016/17	30.0	5,000	7,223	9,352	16,575	57.8%	5,000	5,000	5,000
17-6975	02/26/17	2016/17	30.0	5,000	4,972	31,463	36,435	57.8%	4,972	5,000	5,000
17-6992	03/03/17	2016/17	30.0	10,000	28,536	3,109	31,644	57.8%	10,000	10,000	10,000
17-6995	03/07/17	2016/17	30.0	10,000	15,250	7,403	22,653	57.8%	10,000	10,000	10,000
17-7009	03/11/17	2016/17	30.0	5,000	18,797	23,703	42,500	57.8%	5,000	5,000	5,000
17-7062	03/13/17	2016/17	30.0	10,000	570	5,665	6,235	57.8%	570	6,235	10,000
17-7029	03/25/17	2016/17	30.0	5,000	13,074	2,935	16,009	57.8%	5,000	5,000	5,000

Determination of Losses Within Deductibles

Claim Number (1)	Date of Loss (2)	Claim Period (3)	Months of Development 12/31/18 (4)	Deductible or Deductible Received (5)	Limited Paid Losses 12/31/18 (6)	Limited Case Reserves 12/31/18 (7)	Limited Reported Incurred Losses 12/31/18 (8)	Percent Case Reserve Adequacy (9)	Limited Paid Losses Within Deductibles Min[(5),(6)] (10)	Limited Reported Incurred Losses Within Deductibles Min[(5),(6)] (11)	Projected Ultimate Losses Within Deductibles Min[(5),(6)]+(7)+(9) (12)
17-7214	04/05/17	2016/17	30.0	\$10,000	\$20,364	\$65,381	\$85,745	57.8%	\$10,000	\$10,000	\$10,000
17-7051	04/11/17	2016/17	30.0	5,000	4,690	7,173	11,863	57.8%	4,690	5,000	5,000
17-7105	04/19/17	2016/17	30.0	10,000	7,275	5,285	12,560	57.8%	7,275	10,000	10,000
17-7150	05/15/17	2016/17	30.0	5,000	40,279	36,696	76,975	57.8%	5,000	5,000	5,000
18-7435	05/23/17	2016/17	30.0	10,000	32,187	33,466	65,653	57.8%	10,000	10,000	10,000
17013154	05/23/17	2016/17	30.0	5,000	11,129	57,464	68,593	57.8%	5,000	5,000	5,000
18-7274	06/07/17	2016/17	30.0	5,000	2,678	3,822	6,500	57.8%	2,678	5,000	5,000
17-7185	06/12/17	2016/17	30.0	5,000	533,055	440,940	973,995	57.8%	5,000	5,000	5,000
All Closed	Various	2016/17	30.0	285,900	527,011	0	527,011	57.8%	285,900	285,900	285,900
18-7233	07/13/17	2017/18	18.0	5,000	5,330	7,020	12,350	38.9%	5,000	5,000	5,000
18-7236	07/19/17	2017/18	18.0	5,000	3,164	67,363	70,527	38.9%	3,164	5,000	5,000
18021087	08/01/17	2017/18	18.0	5,000	18	12,982	13,000	38.9%	18	5,000	5,000
18017408	08/01/17	2017/18	18.0	5,000	13,729	27,484	41,213	38.9%	5,000	5,000	5,000
18-7253	08/04/17	2017/18	18.0	5,000	48,795	23,521	72,316	38.9%	5,000	5,000	5,000
18-7322	08/05/17	2017/18	18.0	10,000	4,777	1,648	6,425	38.9%	4,777	6,425	9,009
18-7263	08/09/17	2017/18	18.0	5,000	58,089	16,274	74,364	38.9%	5,000	5,000	5,000
18-7262	08/09/17	2017/18	18.0	5,000	60,640	22,739	83,379	38.9%	5,000	5,000	5,000
18-7287	08/17/17	2017/18	18.0	10,000	46,990	38,352	85,341	38.9%	10,000	10,000	10,000
18-7332	08/23/17	2017/18	18.0	5,000	3,226	2,674	5,900	38.9%	3,226	5,000	5,000
18-7297	08/31/17	2017/18	18.0	5,000	39,125	39,973	79,098	38.9%	5,000	5,000	5,000
18-7292	09/01/17	2017/18	18.0	5,000	44,986	59,536	104,522	38.9%	5,000	5,000	5,000
18-7306	09/05/17	2017/18	18.0	10,000	3,586	41,214	44,800	38.9%	3,586	10,000	10,000
18-7338	09/06/17	2017/18	18.0	5,000	86,753	43,790	130,543	38.9%	5,000	5,000	5,000
18-7300	09/12/17	2017/18	18.0	10,000	3,792	6,379	10,171	38.9%	3,792	10,000	10,000
18-7517	09/19/17	2017/18	18.0	5,000	0	2,000	2,000	38.9%	0	2,000	5,000
18-7310	09/21/17	2017/18	18.0	5,000	2,195	3,305	5,500	38.9%	2,195	5,000	5,000
18-7339	09/21/17	2017/18	18.0	5,000	6,590	18,594	25,184	38.9%	5,000	5,000	5,000
18-7330	09/29/17	2017/18	18.0	10,000	590	6,500	7,090	38.9%	590	7,090	10,000
18-7370	10/04/17	2017/18	18.0	10,000	3,774	13,161	16,935	38.9%	3,774	10,000	10,000
18-7364	10/09/17	2017/18	18.0	5,000	34,851	68,561	103,413	38.9%	5,000	5,000	5,000
17013157	10/11/17	2017/18	18.0	5,000	5,272	3,728	9,000	38.9%	5,000	5,000	5,000
19001260	10/21/17	2017/18	18.0	5,000	18	6,482	6,500	38.9%	18	5,000	5,000
18019519	10/21/17	2017/18	18.0	5,000	618	5,882	6,500	38.9%	618	5,000	5,000
18-7361	11/01/17	2017/18	18.0	5,000	67,116	237,698	304,814	38.9%	5,000	5,000	5,000
18-7379	11/14/17	2017/18	18.0	5,000	38,765	14,718	53,482	38.9%	5,000	5,000	5,000
18-7405	12/06/17	2017/18	18.0	10,000	9,728	6,612	16,340	38.9%	9,728	10,000	10,000
18-7403	12/11/17	2017/18	18.0	5,000	9,204	49,315	58,518	38.9%	5,000	5,000	5,000
18-7397	12/11/17	2017/18	18.0	5,000	125,619	192,072	317,692	38.9%	5,000	5,000	5,000
18-7411	12/14/17	2017/18	18.0	5,000	50,200	15,669	65,868	38.9%	5,000	5,000	5,000
18-7438	12/26/17	2017/18	18.0	10,000	8,010	25,382	33,392	38.9%	8,010	10,000	10,000
18-7428	12/29/17	2017/18	18.0	10,000	4,350	30,150	34,500	38.9%	4,350	10,000	10,000
18-7449	01/14/18	2017/18	18.0	5,000	11,462	12,512	23,973	38.9%	5,000	5,000	5,000
18-7430	01/14/18	2017/18	18.0	5,000	78,067	44,259	122,326	38.9%	5,000	5,000	5,000
18-7473	01/30/18	2017/18	18.0	10,000	34,014	69,636	103,650	38.9%	10,000	10,000	10,000
18-7467	02/10/18	2017/18	18.0	10,000	3,170	64,903	68,073	38.9%	3,170	10,000	10,000
18-7508	02/12/18	2017/18	18.0	10,000	18,583	8,254	26,837	38.9%	10,000	10,000	10,000
18-7502	02/16/18	2017/18	18.0	5,000	1,354	9,646	11,000	38.9%	1,354	5,000	5,000
18021073	02/21/18	2017/18	18.0	5,000	0	4,000	4,000	38.9%	0	4,000	5,000
18-7490	02/28/18	2017/18	18.0	5,000	2,241	6,131	8,373	38.9%	2,241	5,000	5,000
18-7509	02/28/18	2017/18	18.0	5,000	19,525	7,570	27,095	38.9%	5,000	5,000	5,000
18-7543	03/08/18	2017/18	18.0	5,000	25,415	25,783	51,198	38.9%	5,000	5,000	5,000
18-7534	03/15/18	2017/18	18.0	5,000	35,801	21,163	56,964	38.9%	5,000	5,000	5,000
18-7541	03/20/18	2017/18	18.0	5,000	23,088	29,408	52,496	38.9%	5,000	5,000	5,000
18-7529	03/22/18	2017/18	18.0	5,000	25,069	17,438	42,508	38.9%	5,000	5,000	5,000
18-7532	03/29/18	2017/18	18.0	5,000	6,509	6,511	13,020	38.9%	5,000	5,000	5,000
18016655	04/07/18	2017/18	18.0	5,000	5,506	51,494	57,000	38.9%	5,000	5,000	5,000
18-7548	04/12/18	2017/18	18.0	5,000	55,116	52,705	107,821	38.9%	5,000	5,000	5,000
18016079	04/17/18	2017/18	18.0	5,000	9,678	35,164	44,842	38.9%	5,000	5,000	5,000
18016509	04/23/18	2017/18	18.0	5,000	3,430	4,570	8,000	38.9%	3,430	5,000	5,000
18019043	05/18/18	2017/18	18.0	10,000	4,780	20,720	25,500	38.9%	4,780	10,000	10,000
18015476	05/31/18	2017/18	18.0	10,000	3,550	1,951	5,500	38.9%	3,550	5,500	8,559
18015887	06/11/18	2017/18	18.0	5,000	4,760	8,240	13,000	38.9%	4,760	5,000	5,000
18016558	06/22/18	2017/18	18.0	10,000	1,637	2,114	3,750	38.9%	1,637	3,750	7,065
18016706	06/29/18	2017/18	18.0	5,000	7,988	5,012	13,000	38.9%	5,000	5,000	5,000
18016705	06/29/18	2017/18	18.0	5,000	1,013	12,487	13,500	38.9%	1,013	5,000	5,000
All Closed	Various	2017/18	18.0	251,091	384,742	0	384,742	38.9%	251,091	251,091	251,091
18016649	07/03/18	2018/19	6.0	5,000	270	3,230	3,500	10.5%	270	3,500	5,000
19000187	07/30/18	2018/19	6.0	5,000	13,807	9,693	23,500	10.5%	5,000	5,000	5,000
18017363	08/02/18	2018/19	6.0	10,000	6,208	6,695	12,903	10.5%	6,208	10,000	10,000
18018384	08/03/18	2018/19	6.0	5,000	1,519	10,981	12,500	10.5%	1,519	5,000	5,000
18017647	08/09/18	2018/19	6.0	5,000	19,518	13,486	33,004	10.5%	5,000	5,000	5,000
18017793	08/14/18	2018/19	6.0	10,000	30,841	31,579	62,420	10.5%	10,000	10,000	10,000
18017939	08/16/18	2018/19	6.0	10,000	9,367	7,743	17,110	10.5%	9,367	10,000	10,000
18019566	08/22/18	2018/19	6.0	5,000	10,472	16,121	26,594	10.5%	5,000	5,000	5,000
18018686	09/05/18	2018/19	6.0	10,000	2,907	33,815	36,722	10.5%	2,907	10,000	10,000
19000531	09/09/18	2018/19	6.0	10,000	5,329	6,905	12,234	10.5%	5,329	10,000	10,000
18020125	09/25/18	2018/19	6.0	5,000	120	2,880	3,000	10.5%	120	3,000	5,000
19000900	10/03/18	2018/19	6.0	10,000	723	2,777	3,500	10.5%	723	3,500	10,000
18020807	10/04/18	2018/19	6.0	10,000	18	6,482	6,500	10.5%	18	6,500	10,000
19000821	10/07/18	2018/19	6.0	10,000	1,905	6,191	8,096	10.5%	1,905	8,096	10,000
18019771	10/11/18	2018/19	6.0	10,000	373	2,627	3,000	10.5%	373	3,000	10,000
19001108	10/11/18	2018/19	6.0	10,000	146	2,854	3,000	10.5%	146	3,000	10,000
18019612	10/12/18	2018/19	6.0	5,000	3,324	4,336	7,660	10.5%	3,324	5,000	5,000
19001221	11/01/18	2018/19	6.0	5,000	300	7,200	7,500	10.5%	300	5,000	5,000
18020653	11/06/18	2018/19	6.0	10,000	4,845	17,721	22,566	10.5%	4,845	10,000	10,000
19001214	11/14/18	2018/19	6.0	5,000	173	6,327	6,500	10.5%	173	5,000	5,000
18020931	11/27/18	2018/19	6.0	5,000	0	2,500	2,500	10.5%	0	2,500	5,000

Determination of Losses Within Deductibles

Claim Number (1)	Date of Loss (2)	Claim Period (3)	Months of Development 12/31/18 (4)	Deductible or Deductible Received (5)	Limited Paid Losses 12/31/18 (6)	Limited Case Reserves 12/31/18 (7)	Limited Reported Incurred Losses 12/31/18 (8)	Percent Case Reserve Adequacy (9)	Limited Paid Losses Within Deductibles Min[(5),(6)] (10)	Limited Reported Incurred Losses Within Deductibles Min[(5),(8)] (11)	Projected Ultimate Losses Within Deductibles Min[(5),(6)+ (7)/(9)] (12)
19001387	11/28/18	2018/19	6.0	\$10,000	\$0	\$13,000	\$13,000	10.5%	\$0	\$10,000	\$10,000
18021509	12/02/18	2018/19	6.0	10,000	0	3,500	3,500	10.5%	0	3,500	10,000
18021108	12/04/18	2018/19	6.0	5,000	569	6,895	7,463	10.5%	569	5,000	5,000
18021535	12/12/18	2018/19	6.0	10,000	0	2,500	2,500	10.5%	0	2,500	10,000
18021576	12/17/18	2018/19	6.0	10,000	868	12,924	13,792	10.5%	868	10,000	10,000
All Closed	Various	2018/19	6.0	37,222	37,222	0	37,222	10.5%	37,222	37,222	37,222
Total				\$15,640,510	\$80,131,424	\$12,917,515	\$93,048,938		\$15,327,572	\$15,566,105	\$15,631,955

Footnotes:

Data was provided by REMIF.

(9) was calculated as follows:

Claim Period (a)	Limited Paid Losses 12/31/18 (b)	Limited Case Reserves 12/31/18 (c)	Projected Ultimate Limited Losses (d)	Case Reserve Adequacy (c)/[(d)-(b)] (e)
to 1999/00	\$26,355,275	\$1,016,369	\$27,473,281	90.9%
2000/01	3,145,434	163,280	3,325,042	90.9%
2001/02	2,527,998	195,845	2,743,427	90.9%
2002/03	3,577,238	212,045	3,810,488	90.9%
2003/04	3,899,794	301,339	4,231,267	90.9%
2004/05	2,249,701	84,785	2,343,000	90.9%
2005/06	2,656,661	349,918	3,042,000	90.8%
2006/07	1,466,802	468,335	2,035,000	82.4%
2007/08	2,771,295	163,722	2,976,000	80.0%
2008/09	1,497,205	506,288	2,143,000	78.4%
2009/10	3,918,904	741,142	4,734,160	90.9%
2010/11	4,209,212	790,129	5,135,000	85.3%
2011/12	2,973,825	352,472	3,486,000	68.8%
2012/13	3,561,965	1,149,645	4,963,000	82.1%
2013/14	3,917,599	1,012,473	5,472,000	65.1%
2014/15	2,254,254	919,351	3,588,000	68.9%
2015/16	1,925,070	1,147,730	3,600,000	68.5%
2016/17	1,822,268	1,469,234	4,366,000	57.8%
2017/18	1,341,021	1,632,450	5,534,000	38.9%
2018/19	139,675	240,963	2,436,000	10.5%

(b) and (c) are from Exhibit WC-1 (page 1), and (d) is from Exhibit WC-9.

Calculation of Net Limited Paid Losses as of December 31, 2018

Claim Period (1)	Limited Paid Losses 12/31/18 (2)	Limited Paid Losses Within Deductibles 12/31/18 (3)	Net Limited Paid Losses 12/31/18 (2)-(3) (4)	Percent Within Deductibles 12/31/18 (3)/(2) (5)
to 1999/00	\$26,355,275	\$5,885,465	\$20,469,810	22.3%
2000/01	3,145,434	498,737	2,646,696	15.9%
2001/02	2,527,998	494,830	2,033,167	19.6%
2002/03	3,577,238	584,597	2,992,641	16.3%
2003/04	3,899,794	609,858	3,289,936	15.6%
2004/05	2,249,701	454,556	1,795,145	20.2%
2005/06	2,656,661	455,075	2,201,586	17.1%
2006/07	1,466,802	428,479	1,038,323	29.2%
2007/08	2,771,295	494,071	2,277,223	17.8%
2008/09	1,497,205	438,769	1,058,436	29.3%
2009/10	3,918,904	595,291	3,323,613	15.2%
2010/11	4,209,212	522,959	3,686,253	12.4%
2011/12	2,973,825	437,868	2,535,957	14.7%
2012/13	3,561,965	654,658	2,907,306	18.4%
2013/14	3,917,599	616,490	3,301,108	15.7%
2014/15	2,254,254	548,537	1,705,717	24.3%
2015/16	1,925,070	510,901	1,414,170	26.5%
2016/17	1,822,268	500,376	1,321,892	27.5%
2017/18	1,341,021	494,870	846,151	36.9%
2018/19	139,675	101,185	38,490	72.4%
Total	\$76,211,193	\$15,327,572	\$60,883,621	20.1%

(2) is from Exhibit WC-1 (page 1).

(3) is from Exhibit WC-11.

Calculation of Net Limited Reported Incurred Losses as of December 31, 2018

Claim Period (1)	Limited Reported Incurred Losses 12/31/18 (2)	Limited Reported Incurred Losses Within Deductibles 12/31/18 (3)	Net Limited Reported Incurred Losses 12/31/18 (2)-(3) (4)	Percent Within Deductibles 12/31/18 (3)/(2) (5)
to 1999/00	\$27,371,644	\$5,885,465	\$21,486,179	21.5%
2000/01	3,308,714	498,737	2,809,977	15.1%
2001/02	2,723,843	494,830	2,229,012	18.2%
2002/03	3,789,283	584,597	3,204,686	15.4%
2003/04	4,201,133	609,858	3,591,276	14.5%
2004/05	2,334,486	456,303	1,878,183	19.5%
2005/06	3,006,578	455,075	2,551,503	15.1%
2006/07	1,935,137	428,479	1,506,658	22.1%
2007/08	2,935,017	494,071	2,440,945	16.8%
2008/09	2,003,493	438,769	1,564,724	21.9%
2009/10	4,660,045	595,291	4,064,754	12.8%
2010/11	4,999,341	522,959	4,476,382	10.5%
2011/12	3,326,297	437,868	2,888,429	13.2%
2012/13	4,711,610	656,083	4,055,527	13.9%
2013/14	4,930,071	625,890	4,304,181	12.7%
2014/15	3,173,605	568,503	2,605,102	17.9%
2015/16	3,072,801	515,019	2,557,782	16.8%
2016/17	3,291,502	517,135	2,774,367	15.7%
2017/18	2,973,471	584,856	2,388,616	19.7%
2018/19	380,637	196,318	184,320	51.6%
Total	\$89,128,707	\$15,566,105	\$73,562,602	17.5%

(2) is from Exhibit WC-1 (page 1).

(3) is from Exhibit WC-11.

Calculation of Projected Ultimate Net Limited Losses as of December 31, 2018

Claim Period (1)	Projected Ultimate Limited Losses (2)	Projected Ultimate Limited Losses Within Deductibles 12/31/18 (3)	Projected Ultimate Net Limited Losses 12/31/18 (2)-(3) (4)	Percent Within Deductibles 12/31/18 (3)/(2) (5)
to 1999/00	\$27,473,281	\$5,885,465	\$21,587,816	21.4%
2000/01	3,325,042	498,737	2,826,305	15.0%
2001/02	2,743,427	494,830	2,248,597	18.0%
2002/03	3,810,488	584,597	3,225,891	15.3%
2003/04	4,231,267	609,858	3,621,410	14.4%
2004/05	2,343,000	456,303	1,886,697	19.5%
2005/06	3,042,000	455,075	2,586,925	15.0%
2006/07	2,035,000	428,479	1,606,521	21.1%
2007/08	2,976,000	494,071	2,481,929	16.6%
2008/09	2,143,000	438,769	1,704,231	20.5%
2009/10	4,734,160	595,291	4,138,868	12.6%
2010/11	5,135,000	522,959	4,612,041	10.2%
2011/12	3,486,000	437,868	3,048,132	12.6%
2012/13	4,963,000	656,394	4,306,606	13.2%
2013/14	5,472,000	625,890	4,846,110	11.4%
2014/15	3,588,000	568,503	3,019,497	15.8%
2015/16	3,600,000	515,019	3,084,981	14.3%
2016/17	4,366,000	520,900	3,845,100	11.9%
2017/18	5,534,000	600,725	4,933,275	10.9%
2018/19				
Total	\$95,000,664	\$15,389,733	\$79,610,931	16.2%

(2) is from Exhibit WC-9.

(3) is from Exhibit WC-11.

Projected Ultimate Limited Losses for 2018/19 and Subsequent
Limited to Self-Insured Retention and Net of Member Deductibles

Claim Period (1)	Projected Ultimate Net Limited Losses (2)	Payroll (000) (3)	Net Limited Loss Rate per \$100 of Payroll (2)/(3)/10 (4)	Loss Rate Trend (2018/19 = 1.000) (5)	Trended Net Limited Loss Rate per \$100 of Payroll (4)X(5) (6)
2008/09	\$1,704,231	\$107,276	\$1.59	1.133	\$1.80
2009/10	4,138,868	105,618	3.92	1.122	4.39
2010/11	4,612,041	102,514	4.50	1.110	4.99
2011/12	3,048,132	102,503	2.97	1.098	3.27
2012/13	4,306,606	96,217	4.48	1.108	4.96
2013/14	4,846,110	96,057	5.05	1.087	5.49
2014/15	3,019,497	99,197	3.04	1.045	3.18
2015/16	3,084,981	104,716	2.95	1.031	3.04
2016/17	3,845,100	104,606	3.68	1.020	3.75
2017/18	4,933,275	112,599	4.38	1.010	4.43
Total	\$37,538,842	\$1,031,302	\$3.64		\$3.93

Claim Period (1)	Projected Net Limited Loss Rate per \$100 of Payroll (7)	Projected Payroll (000) (8)	Projected Ultimate Net Limited Losses (7)X(8)X10 (9)	Present Value Factor (10)	Present Value of Projected Net Limited Loss Rate per \$100 of Payroll (7)X(10) (11)	Present Value of Projected Ultimate Net Limited Losses (8)X(11)X10 (12)
2018/19	\$3.93	\$108,170	\$4,250,000	0.90	\$3.55	\$3,837,000
2019/20	3.97	116,029	4,604,000	0.90	3.58	4,157,000
2020/21	4.01	119,509	4,790,000	0.90	3.62	4,324,000

(2) is from Exhibit WC-14.

(3) was provided by REMIF.

(5) is from Exhibit WC-16.

(7) 2018/19 is based on (6) and actuarial judgment.
Other period(s) based on 2018/19 plus the trend in Exhibit WC-16.

(8) to 2020/21 was provided by REMIF. Other claim periods are based on a 0% trend.

(10) is based on a 2.25% interest rate and the payout pattern in Exhibit WC-2.

Loss Rate and Severity Trend

I. Benefit Level Changes

Effective Date (1)	Benefit Level Change (2)	Cumulative Benefit Level Change (3)
01/01/09	1.013	1.013
01/01/10	1.001	1.014
01/01/12	1.001	1.015
01/01/13	0.962	0.976
01/01/14	1.058	1.033
01/01/15	1.004	1.037
01/01/16	1.003	1.040
01/01/17	1.000	1.039

II. Loss Rate and Severity Trend

Claim Period (1)	Benefit Trend (2018/19 = 1.000) (2)	Residual Trend (2018/19 = 1.000) (3)	Retention Index (2018/19 = 1.000) (4)	Loss Rate Trend (2018/19 = 1.000) (2)X(3)X(4) (5)	Wage Trend (2018/19 = 1.000) (6)	Severity Trend (2018/19 = 1.000) (5)X(6) (7)
2008/09	1.026	1.105	1.000	1.133	1.344	1.523
2009/10	1.025	1.094	1.000	1.122	1.305	1.463
2010/11	1.025	1.083	1.000	1.110	1.267	1.406
2011/12	1.024	1.072	1.000	1.098	1.230	1.351
2012/13	1.044	1.062	1.000	1.108	1.194	1.323
2013/14	1.035	1.051	1.000	1.087	1.159	1.260
2014/15	1.004	1.041	1.000	1.045	1.126	1.176
2015/16	1.001	1.030	1.000	1.031	1.093	1.127
2016/17	1.000	1.020	1.000	1.020	1.061	1.082
2017/18	1.000	1.010	1.000	1.010	1.030	1.040
2018/19	1.000	1.000	1.000	1.000	1.000	1.000
2019/20	1.000	0.990	1.000	0.990	0.971	0.961

Section I, (2) and (3) reflect data published by the NCCI.

Section II, (2) is based on Section I, (2).

Section II, (3) is based on 1% trend per actuarial judgment.

Section II, (4) is based on industry statistics and actuarial judgment.

Section II, (6) is based on 3% trend.

List of Large Claims
Reported Incurred Losses Greater Than \$250,000

Claim Number (1)	Date of Loss (2)	Claim Period (3)	Specific Self-Insured Retention (4)	Unlimited Paid Losses 12/31/18 (5)	Unlimited Case Reserves 12/31/18 (6)	Unlimited Reported Incurred Losses 12/31/18 (7)
1000203	10/17/80	to 1999/00	\$150,000	\$264,687 *	\$36,026	\$300,713
1000769	07/26/82	to 1999/00	150,000	566,569 *	180,686	747,255
1000851	05/05/84	to 1999/00	150,000	2,291,436 *	567,162	2,858,598
1006067	07/11/86	to 1999/00	200,000	348,763 *	0	348,763
1006824	11/13/87	to 1999/00	250,000	124,590	125,410	250,000
6000232	12/16/88	to 1999/00	250,000	423,883 *	70,910	494,793
6000557	12/12/89	to 1999/00	250,000	471,272 *	82,028	553,300
6000513	01/29/90	to 1999/00	250,000	391,041 *	0	391,041
6001721	02/20/94	to 1999/00	300,000	351,359 *	0	351,359
6001813	05/20/94	to 1999/00	300,000	286,306 *	0	286,306
6001912	08/25/94	to 1999/00	300,000	374,490 *	0	374,490
6002244	08/30/95	to 1999/00	300,000	343,532 *	0	343,532
6002488	06/17/96	to 1999/00	300,000	3,379,479 *	2,610,688	5,990,166
00-1581	07/05/99	to 1999/00	300,000	353,843 *	116,094	469,937
00-1793	10/09/99	to 1999/00	300,000	333,466 *	158,278	491,744
00-2298	05/11/00	to 1999/00	300,000	476,977 *	169,194	646,171
01-2597	08/14/00	2000/01	300,000	365,998 *	135,543	501,541
01-2592	09/05/00	2000/01	300,000	362,217 *	125,431	487,648
02-4062	03/11/02	2001/02	300,000	254,551	0	254,551
03-4526	07/19/02	2002/03	300,000	458,688 *	106,896	565,584
03-4366	07/22/02	2002/03	300,000	309,130 *	31,413	340,543
03-4401	09/19/02	2002/03	300,000	485,609 *	143,995	629,603
03-4838	03/12/03	2002/03	300,000	308,503 *	110,308	418,811
04-5798	10/23/03	2003/04	1,000,000	400,496	0	400,496
04-5489	12/15/03	2003/04	1,000,000	307,096	27,937	335,033
04-5741	03/30/04	2003/04	1,000,000	365,876	104,231	470,107
04-5753	04/05/04	2003/04	1,000,000	429,231	36,058	465,290
04-5765	04/05/04	2003/04	1,000,000	262,280	0	262,280
05-6380	11/30/04	2004/05	1,000,000	519,395	0	519,395
06-6969	08/17/05	2005/06	1,000,000	855,099	596,481 *	1,451,579 *
07-7936	09/26/06	2006/07	1,000,000	139,055	234,430	373,486
07-7937	10/02/06	2006/07	1,000,000	95,267	197,176	292,443
08-9170	03/03/08	2007/08	1,000,000	532,414	0	532,414
09-9601	08/11/08	2008/09	1,000,000	121,222	172,477	293,699
09-9765	10/02/08	2008/09	1,000,000	124,476	153,126	277,602
10-1293	07/21/09	2009/10	1,000,000	301,563	0	301,563
10-1347	08/11/09	2009/10	1,000,000	501,002	119,199	620,202
11-2329	09/01/09	2009/10	1,000,000	530,018	195,782	725,800
10-1793	02/22/10	2009/10	1,000,000	266,390	97,293	363,682
10-1921	04/29/10	2009/10	1,000,000	134,173	177,435	311,608
11-2457	01/04/11	2010/11	1,000,000	447,487	323,503	770,990
11-2558	02/05/11	2010/11	1,000,000	799,277	547,654 *	1,346,932 *
11-2556	02/16/11	2010/11	1,000,000	260,208	89,123	349,330
11-2782	06/07/11	2010/11	1,000,000	282,212	0	282,212
12-3052	10/06/11	2011/12	1,000,000	464,316	0	464,316
12-3436	01/01/12	2011/12	1,000,000	525,356	0	525,356
17-6623	05/15/12	2011/12	1,000,000	83,350	209,668	293,018
12-3522	05/15/12	2011/12	1,000,000	281,050	0	281,050
13-3769	08/24/12	2012/13	1,000,000	329,714	50,412	380,126
17-7132	10/01/12	2012/13	1,000,000	92,091	372,909	465,000
18-7183	12/03/12	2012/13	1,000,000	44,652	226,796	271,449
13-3961	12/06/12	2012/13	1,000,000	438,393	82,268	520,662
13-4184	03/28/13	2012/13	1,000,000	257,448	136,981	394,429
16-6027	10/04/13	2013/14	1,000,000	123,229	198,638	321,867
14-4960	01/01/14	2013/14	1,000,000	265,798	108,686	374,484
14-4994	05/05/14	2013/14	1,000,000	208,881	96,538	305,419
15-5668	04/03/15	2014/15	1,000,000	70,027	202,934	272,961
15-5756	04/23/15	2014/15	1,000,000	195,353	176,749	372,102
16-5939	08/19/15	2015/16	1,000,000	209,823	178,989	388,812
16-6009	09/27/15	2015/16	1,000,000	230,363	117,340	347,703
17-7185	06/12/17	2016/17	1,000,000	533,055 *	440,940 *	973,995 *
18-7361	11/01/17	2017/18	1,000,000	67,116	237,698	304,814
18-7397	12/11/17	2017/18	1,000,000	125,619	192,072	317,692

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

Amounts are gross of excess insurance.

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



ITEM 10.0

AGENDA ITEM SUMMARY

TITLE: PRELIMINARY/DRAFT BUDGET FOR FISCAL YEAR 2019-2020

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

The adoption of the REMIF budget for fiscal year 2019-2020 requires ratification by the Board. At this time, the budget is in **draft** and is provided for review and comment only. Ratification of the REMIF budget for fiscal year 2019-2020 will be sought at the June Board of Directors' meeting.

BACKGROUND

Redwood Empire Municipal Insurance Fund (REMIF) is a risk sharing pool and has been in operation since 1976. Historically, the budget has been shared with the Board for approval at the June Board of Directors meeting. Given that the contributions rely in part on the budget presented by REMIF, a preliminary budget is presented for your consideration. The budget was revised last fiscal year and follows that form this fiscal year with the intention to achieve the following:

- 1) Simplicity of the figures
- 2) Transparency of the numbers
- 3) Adequate funding
- 4) Conservative approach in compilation of the budget
- 5) Usage of cost allocation plan approved by the board
- 6) Ensuring the budget design is matching your financial statements

The changes to the budget worksheet are:

- 1) Total revenues for 19-20 year are projected to increase by 10.38% from the 18-19 budget. The majority of the increase is related to contributions, including the funding the Workers Compensation (WC) and Liability programs at 75% confidence level, undiscounted. The member cities' payroll has increased by 7%, WC rates increased 21%, Liability rates increased 12%; and pass-through coverages are projected to increase by 5%.
- 2) Total Operating Expenses for the 19-20 year are projected to increase by 9.14% from the 18-19 budget. Claims expenses and excess insurance are expected to increase. The remaining categories in operating expenses are projected to have minor increases.
- 3) G&A Expenses for the 19-20 year are projected to increase by 27.93% from the 18-19 budget. The primary reasons for the increase are that the benefits are expected to have a 22% increase (benefits were under budgeted in 18-19) and there is an increase in the pension expenses (payments to PERS for the Unfunded Accrued Liability). Administrative expenses are budgeted to decrease by 9.63% from 18-19 budget.

Further explanation regarding the changes in the budget is explained on the attached spreadsheet by category.

Allocation Methodology: The budget was prepared using the Cost Allocation Plan (CAP) report issued by MGT Consulting Group. The allocation methodology used for 19-20 budget does not reflect the current work capacity. The Board of Directors may consider reviewing alternative methods. Suggestions for alternative methods will be discussed, including allocation based on funding of the programs.

FISCAL IMPACT

None

RECOMMENDED ACTION

No action at this time, this is provided as informational only.

Recommendation to approve the REMIF budget will occur at the June of 2019 Board of Directors meeting.

ATTACHMENTS

10.1 Preliminary/Draft Budget for FY 2019-2020

**REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
FY 2019-20 PRELIMINARY DRAFT BUDGET**

	APPROVED FY 2018-19 BUDGET	PROJECTED FY 2018-19	PROPOSED FY 2019-20 BUDGET	\$ VARIANCE	% VARIANCE
<u>REVENUES</u>					
40110 CONTRIBUTIONS	\$ 26,309,804	\$ 25,766,900	\$ 29,046,950	\$ 2,737,146	10.40%
40210 FEES EARNED	491,300	491,300	491,300	-	0.00%
40310 RENTAL INCOME	31,200	17,730	87,140	55,940	179.29%
40410 INTEREST EARNED	100,000	100,000	100,000	-	0.00%
40420 INVESTMENT EXPENSES	(25,000)	(25,000)	(25,000)	-	0.00%
TOTAL REVENUES	26,907,304	26,350,930	29,700,390	2,793,086	10.38%
<u>OPERATING EXPENSES</u>					
CLAIMS EXPENSES	17,910,050	16,617,383	19,722,805	1,812,755	10.12%
50310 EXCESS INSURANCE	2,667,206	2,504,353	2,959,641	292,436	10.96%
50510 CLAIMS ADMINISTRATION	3,012,600	2,776,744	3,078,720	66,120	2.19%
PROFESSIONAL SERVICES	181,500	189,315	192,750	11,250	6.20%
SAFETY TRAINING	223,083	214,133	234,237	11,154	5.00%
TOTAL OPERATING EXPENSES	23,994,439	22,301,929	26,188,154	2,193,715	9.14%
<u>G & A EXPENSES</u>					
51010 SALARIES, WAGES & BENEFITS	556,992	654,894	682,165	125,173	22.47%
ADMINISTRATIVE	311,000	214,200	281,050	(29,950)	-9.63%
60000 PENSION EXPENSES	35,000	166,813	192,000	157,000	448.57%
TOTAL G & A EXPENSES	902,992	1,035,906	1,155,215	252,223	27.93%
TOTAL EXPENSES	24,897,431	23,337,835	27,343,369	2,445,938	9.82%
BUDGETED NET INCOME (LOSS)	\$ 2,009,873	\$ 3,013,095	\$ 2,357,021	\$ 347,148	17%
Net Position as of 06/30/18 (Audited)			\$ 621,464		
Projected Net Income (loss) 18-19			2,009,874		
Net Position as of 06/30/19 (Unaudited)			2,631,338		
Budgeted Net Income (Loss) 19-20			2,357,021		
Projected Net Position 06/30/20			\$ 4,988,359		

**REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
FY 2019-20 PRELIMINARY DRAFT BUDGET
BY PROGRAM**

	<u>WORK COMP</u>	<u>LIABILITY</u>	<u>PROPERTY</u>	<u>AUTO</u>	<u>MEDICAL</u>	<u>DENTAL</u>	<u>VISION</u>	<u>BUDGET</u>
REVENUES								
40110 CONTRIBUTIONS	\$ 7,027,599	\$ 4,392,031	\$ 1,408,550	\$ 346,690	\$ 14,270,430	\$ 1,339,000	\$ 262,650	\$ 29,046,950
40210 FEES EARNED	301,000	5,500	-	-	159,600	13,200	12,000	491,300
40310 RENTAL INCOME	87,140	-	-	-	-	-	-	87,140
40410 INTEREST EARNED	47,000	23,000	4,000	3,000	7,800	7,600	7,600	100,000
40420 INVESTMENT EXPENSE	(11,750)	(5,750)	(1,000)	(750)	(1,950)	(1,900)	(1,900)	(25,000)
TOTAL REVENUES	7,450,989	4,414,781	1,411,550	348,940	14,435,880	1,357,900	280,350	29,700,390
OPERATING EXPENSES								
CLAIMS EXPENSE	4,606,330	2,332,175	50,000	55,000	11,245,540	1,273,080	160,680	19,722,805
50310 EXCESS INSURANCE	398,751	959,340	1,385,050	162,131	54,370	-	-	2,959,641
50510 CLAIMS ADMINISTRATION FEES	613,000	123,500	-	-	2,121,800	175,100	45,320	3,078,720
PROFESSIONAL SERVICES	124,463	38,166	3,386	3,386	18,783	2,283	2,283	192,750
51150 SAFETY TRAINING	5,460	228,777	-	-	-	-	-	234,237
TOTAL OPERATING EXPENSES	5,748,004	3,681,958	1,438,436	220,517	13,440,493	1,450,463	208,283	26,188,154
G & A EXPENSES								
51010 SALARIES, WAGES & BENEFITS	493,698	127,033	15,272	15,272	10,297	10,297	10,297	682,165
ADMINISTRATIVE	203,402	52,337	6,292	6,292	4,242	4,242	4,242	281,050
60000 PENSION EXPENSE	138,955	35,754	4,298	4,298	2,898	2,898	2,898	192,000
TOTAL G & A EXPENSES	836,055	215,125	25,862	25,862	17,437	17,437	17,437	1,155,215
TOTAL EXPENSES	6,584,059	3,897,083	1,464,298	246,379	13,457,930	1,467,900	225,720	27,343,369
BUDGETED NET INCOME (LOSS)	\$ 866,930	\$ 517,698	\$ (52,748)	\$ 102,561	\$ 977,950	\$ (110,000)	\$ 54,630	\$ 2,357,021
Net Position as of 06/30/18 (Audited)	\$ (1,673,010)	\$ (597,979)	\$ 583,913	\$ 707,010	\$ 1,045,506	\$ 451,019	\$ 105,005	\$ 621,464
Projected Net Income (loss) 18-19	528,894	456,956	3,000	94,403	973,307	(103,243)	56,557	2,009,874
Net Position as of 06/30/19 (Unaudited)	(1,144,116)	(141,023)	586,913	801,413	2,018,813	347,776	161,562	2,631,338
Budgeted Net Income (Loss) 19-20	866,930	517,698	(52,748)	102,561	977,950	(110,000)	54,630	2,357,021
Projected Net Position 06/30/20	\$ (277,186)	\$ 376,675	\$ 534,165	\$ 903,974	\$ 2,996,763	\$ 237,776	\$ 216,192	\$ 4,988,359

CONTRIBUTIONS REVENUES

Overall Explanation on Change:

Overall, we expect the contributions to increase by 10%. The WC and Liability contributions are based on 12/31/18 loss data and may change based upon board decision. Property is expected to have a 34% increase due to rising cost. Auto is expected to have a 15% increase. Health contributions are budgeted for 3% increase. Pass-through coverages are expected to have 5% increase.

<u>Contribution</u>	<u>Approved Budget 2018-19</u>	<u>Projected Year End 2018-19</u>	<u>Proposed Budget 2019-20</u>	<u>\$ Variance Increase (Decrease)</u>	<u>% Change</u>	
Workers' Compensation	5,470,560	5,470,560	7,027,599	1,557,039	28%	
Liability	3,723,500	3,723,500	4,318,611	595,111	16%	
Property	683,943	541,041	725,000	41,057	34%	
Auto	291,731	291,731	335,800	44,069	15%	
Medical	13,802,000	13,568,778	14,216,060	414,060	3%	
Dental	1,300,000	1,264,800	1,339,000	39,000	3%	
Vision	255,000	223,200	262,650	7,650	3%	
Total Health	<u>15,357,000</u>	<u>15,056,778</u>	<u>15,817,710</u>	<u>460,710</u>	<u>3%</u>	
Pass-through Coverages						
Liability	Group Legal	9,100	9,100	9,560	460	5%
Liability	Safety/MSDS	60,820	60,820	63,860	3,040	5%
Property	DIC (Earthquake)	651,000	555,000	683,550	32,550	5%
Auto	DOT	10,370	10,370	10,890	520	5%
Health	EAP	51,780	48,000	54,370	2,590	5%
Total Pass-through coverages		<u>783,070</u>	<u>683,290</u>	<u>822,230</u>	<u>39,160</u>	<u>5%</u>
-						
Total Contributions		<u>\$ 26,309,804</u>	<u>\$ 25,766,900</u>	<u>\$ 29,046,950</u>	<u>\$ 2,737,146</u>	10%

<u>REMIF</u>	<u>Direct Expense</u>	<u>Percent</u>	<u>Indirect</u>	<u>Total Allocated</u>	
WC	7,027,599	72.4%	-	7,027,599	24%
LIAB	4,392,031	18.6%	-	4,392,031	15%
PROP	1,408,550	2.2%	-	1,408,550	5%
AUTO	346,690	2.2%	-	346,690	1%
MEDICAL	14,270,430	1.5%	-	14,270,430	49%
DENTAL	1,339,000	1.5%	-	1,339,000	5%
VISION	262,650	1.5%	-	262,650	1%
Total	<u>29,046,950</u>	100.0%	<u>-</u>	<u>29,046,950</u>	

Allocation Percentages Based on Staff Time per Cost Allocation Plan (CAP)

FEES EARNED

Overall Explanation on Change:

We are projecting no changes to Earned Fees.

<u>Contribution</u>	<u>Cost</u>	<u>Months</u>	<u>Claim Count</u>	<u>Approved Budget 2018-19</u>	<u>Projected Year End 2018-19</u>	<u>Proposed Budget 2019-20</u>	<u>\$ Variance Increase (Decrease)</u>	<u>% Change</u>
Workers' Compensation	1,000		301	301,000	301,000	301,000	-	0%
Liability	110		50	5,500	5,500	5,500	-	0%
Property								
Auto								
Medical	13,300	12		159,600	159,600	159,600	-	0%
Dental	1,100	12		13,200	13,200	13,200	-	0%
Vision	1,000	12		12,000	12,000	12,000	-	0%
Total Health				184,800	184,800	184,800	-	0%

Total Contributions

\$	491,300	\$	491,300	\$	491,300	\$	-	0%
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<u>REMIF</u>	<u>Direct Expense</u>	<u>Percent</u>	<u>Indirect</u>	<u>Total Allocated</u>
WC	301,000	72.4%	-	301,000
LIAB	5,500	18.6%	-	5,500
PROP	-	2.2%	-	-
AUTO	-	2.2%	-	-
MEDICAL	159,600	1.5%	-	159,600
DENTAL	13,200	1.5%	-	13,200
VISION	12,000	1.5%	-	12,000
Total	491,300	100.0%	-	491,300

Allocation Percentages Based on Staff Time per Cost Allocation Plan (CAP)

RENTAL INCOME

Overall Explanation on Change:

We are projecting a significant increase in rental income due to leasing out properties during 19-20

<u>Revenues</u>	<u>Months</u>	<u>Rate per Month</u>	<u>Approved Budget 2018-19</u>	<u>Projected Year End 2018-19</u>	<u>Proposed Budget 2019-20</u>	<u>\$ Variance Increase (Decrease)</u>	
Soloquest	12	1,275	31,200	17,730	15,300	(15,900)	-14%
Sonoma Properties	12	1,917			23,000	23,000	
Doctor's Office	12	4,070			48,840	48,840	

Total Contributions

\$ 31,200 \$ 17,730 \$ 87,140 \$ 55,940 **179%**

<u>REMIF</u>	<u>Direct Expense</u>	<u>Percent</u>	<u>Indirect</u>	<u>Total Allocated</u>
WC	87,140	72.4%	-	87,140
LIAB	-	18.6%	-	-
PROP	-	2.2%	-	-
AUTO	-	2.2%	-	-
MEDICAL	-	1.5%	-	-
DENTAL	-	1.5%	-	-
VISION	-	1.5%	-	-
Total	87,140	100.0%	-	87,140

Allocation Percentages Based on Staff Time per Cost Allocation Plan (CAP)

CLAIMS EXPENSE

Overall Explanation on Change:

Overall, we are expecting a 10% increase in claims expense. Payroll has increased by 7%. WC rates increased by 21% while liability rates increased 12%. No changes are expected on Property and Auto. Health programs are budgeted to increase by 3% from 2018-19 budget.

<u>Claims Expense</u>	<u>Vendor</u>	<u>Approved Budget 2018-19</u>	<u>Projected Year End 2018-19</u>	<u>Proposed Budget 2019-20</u>	<u>\$ Variance Increase (Decrease)</u>	<u>% Change</u>
Workers' Compensation		3,558,800	3,558,800	4,606,330	1,047,530	29%
Liability		1,936,250	1,936,250	2,332,175	395,925	20%
Property		50,000	50,000	50,000	-	0%
Auto		55,000	55,000	55,000	-	0%
Medical		10,918,000	9,800,000	11,245,540	327,540	3%
Dental		1,236,000	1,080,000	1,273,080	37,080	3%
Vision		156,000	137,333	160,680	4,680	3%
Total Health Program		12,310,000	11,017,333	12,679,300	369,300	3%
						-
						-
						-
						-
						-
						-
						-
Total Expenses		\$ 17,910,050	\$ 16,617,383	\$ 19,722,805	\$ 1,812,755	10%

<u>REMIF</u>	<u>Direct Expense</u>	<u>Percent</u>	<u>Indirect</u>	<u>Total Allocated</u>
WC	4,606,330	72.4%	-	4,606,330
LIAB	2,332,175	18.6%	-	2,332,175
PROP	50,000	2.2%	-	50,000
AUTO	55,000	2.2%	-	55,000
MEDICAL	11,245,540	1.5%	-	11,245,540
DENTAL	1,273,080	1.5%	-	1,273,080
VISION	160,680	1.5%	-	160,680
Total	<u>19,722,805</u>	<u>100.0%</u>	<u>-</u>	<u>19,722,805</u>

Allocation Percentages Based on Staff Time per Cost Allocation Plan (CAP)

EXCESS INSURANCE

Overall Explanation on Change:

Overall, we are expecting an 11% increase from 18-19 budget. WC is projected to go up by 10%. Liability is projected to see an increase of 12%. Property is expected to see an increase of 15%. Pass-through coverages are budgeted to go up 5% from prior year.

<u>Excess Insurance</u>	<u>Vendor</u>	<u>Approved</u>	<u>Projected</u>	<u>Proposed</u>	<u>Variance</u>	<u>%</u>
		<u>Budget</u>	<u>Year End</u>	<u>Budget</u>	<u>Increase</u>	
		<u>2018-19</u>	<u>2018-19</u>	<u>2019-20</u>	<u>(Decrease)</u>	<u>Change</u>
WC	Marsh	362,501	340,794	398,751	36,250	10%
Liability	CJPRMA	791,000	787,318	885,920	94,920	12%
Property	CJPRMA	610,000	541,041	701,500	91,500	15%
Auto	CJPRMA	120,635	126,034	151,241	30,606	25%
Pass-through Coverages					-	
Liability	Group Legal	9,100	9,100	9,560	460	5%
Liability	Safety/MSDS	60,820	60,820	63,860	3,040	5%
Property	DIC (Earthc Alliant	651,000	553,164	683,550	32,550	5%
Auto	DOT Comprehensive Drug testing	10,370	6,941	10,890	520	5%
Health	EAP MHN/Aetna eff 4/1/19	51,780	34,720	54,370	2,590	5%
	AirMedCare		44,421		-	#DIV/0!
Total Pass-through coverages		783,070	709,166	822,230	39,160	5%
Total Expenses		\$ 2,667,206	\$ 2,504,353	\$ 2,959,641	\$ 292,436	11%

REMIF	Direct Expense	Percent	Indirect	Total Allocated
WC	398,751	72.4%	-	398,751
LIAB	959,340	18.6%	-	959,340
PROP	1,385,050	2.2%	-	1,385,050
AUTO	162,131	2.2%	-	162,131
MEDICAL	54,370	1.5%	-	54,370
DENTAL	-	1.5%	-	-
VISION	-	1.5%	-	-
Total	2,959,641	100.0%	-	2,959,641

Allocation Percentages Based on Staff Time per Cost Allocation Plan (CAP)

PROFESSIONAL SERVICES

Overall Explanation on Change:

Overall, we expect the budgeted cost to increase by 6% from prior year. Due to the audit RFP, we expect the cost to go down. The remaining cost are expected to be ranging from 3% to 10%.

<u>Professional</u>	<u>Vendor</u>	<u>Approved Budget 2018-19</u>	<u>Projected Year End 2018-19</u>	<u>Proposed Budget 2019-20</u>	<u>\$ Variance Increase (Decrease)</u>	<u>% Change</u>
51020	Legal	20,000	20,000	25,000	5,000	25%
51030	Auditor	30,000	31,715	28,000	(2,000)	-7%
51210	Computer Programming	5,000	5,000	5,150	150	3%
50610	Claims Auditor	15,000	16,000	16,500	1,500	10%
	WC & Liab Audit			25,000	25,000	
51160	Consultants					
	AON - Actuary	20,000	20,000	20,600	600	3%
	Bickmore - Finance Manager	90,000	90,000	94,500	4,500	5%
	OPEB Actuarial Evaluation	1,500	6,600	3,000	1,500	100%
		-		-	-	#DIV/0!
	Total Consultants	111,500	116,600	118,100	6,600	6%
	Total Expenses	\$ 181,500	\$ 189,315	\$ 192,750	\$ 11,250	6%

<u>REMIF</u>	<u>Direct Expense</u>	<u>Percent</u>	<u>Indirect</u>	<u>Total Allocated</u>
WC	15,000	72.4%	109,463	124,463
LIAB	10,000	18.6%	28,166	38,166
PROP	-	2.2%	3,386	3,386
AUTO	-	2.2%	3,386	3,386
MEDICAL	16,500	1.5%	2,283	18,783
DENTAL	-	1.5%	2,283	2,283
VISION	-	1.5%	2,283	2,283
Total	41,500	100.0%	151,250	192,750

Allocation Percentages Based on Staff Time per Cost Allocation Plan (CAP)

SAFETY TRAINING

Overall Explanation on Change:

We are budgeting a 5% increase in Safety Training expenses.

<u>Risk Management</u>	<u>Vendor</u>	<u>Approved Budget 2018-19</u>	<u>Projected Year End 2018-19</u>	<u>Proposed Budget 2019-20</u>	<u>\$ Variance Increase (Decrease)</u>	<u>% Change</u>
51150	Safety Training - Liability	217,883	60,000	228,777	10,894	5%
	Lexipol		Police Training			
	DKF Solutions		Safety Tracking	50,000		
	Acceptable Risk		Safety Consultant/MSDS	15,000		
	LCW		Employment Relations	60,000		
	Marine Memorial		Police Chief Training	0		
	MSDSonline			23,933		
	Safety Training - WC	5,200	5,200	5,460	260	5%
Total Expenses		\$ 223,083	\$ 214,133	\$ 234,237	\$ 11,154	5%

<u>REMIF</u>	<u>Direct Expense</u>	<u>Percent</u>	<u>Indirect</u>	<u>Total Allocated</u>
WC	5,460	72.4%	-	5,460
LIAB	228,777	18.6%	-	228,777
PROP	-	2.2%	-	-
AUTO	-	2.2%	-	-
MEDICAL	-	1.5%	-	-
DENTAL	-	1.5%	-	-
VISION	-	1.5%	-	-
Total	234,237	100.0%	-	234,237

Allocation Percentages Based on Staff Time per Cost Allocation Plan (CAP)

SALARIES, WAGES & BENEFITS

Overall Explanation on Change:

Overall Salaries Wages & Benefits is projected to increase by 22% from prior year. For 19-20, we are projecting a step increase as well as a 3% increase in staff salaries. We are projecting a 21% increase in benefits cost (Health cost were under budgeted in prior year). For Retirees- a 28% increase in cost, which should be paid out of the OPEB account.

	Approved Budget 2018-19	Projected Year End 2018-19	Proposed Budget 2019-20	Variance Increase (Decrease)	% Change
SALARIES, WAGES & BENEFITS					
Accounting Specialist I	53,050	53,050	60,236	7,186	14%
Accounting Specialist II	61,434	61,434	66,441	5,007	8%
Administrative Assistant	68,108	68,108	70,151	2,044	3%
General Manager	160,000	160,000	160,000	0	0%
51010 Salaries - Active Employees	342,592	342,592	356,829	14,237	4%
BENEFITS					
PERS - 12.919%, 0%, Survivor & Medicare 1.45%	49,200	58,800	59,000	9,800	20%
Vision \$110/mo. and Dental Insurance - \$50/mo.	0	1,920	2,016	2,016	
Employee Assistance Plan - \$10/mo.	0	200	210	210	
Life Insurance	850	3,000	3,150	2,300	271%
Long Term Disability .567%	1,900	1,900	2,000	100	5%
Alternate Health Benefits	5,000	0	0	(5,000)	-100%
Health Insurance	13,200	80,400	84,420	71,220	540%
Total Active Benefits	70,150	146,220	150,796	80,646	115%
Unemployment Insurance	23,000	20,000	23,000	0	0%
Payroll Services - 5% to Rohnert Park	17,000	18,000	18,540	1,540	9%
51011 Total Salaries and Benefits - Actives	452,742	526,812	549,165	96,423	21%
Benefits - Retirees					
Vision and Dental Insurance	11,500	16,276	17,000	5,500	48%
Life Insurance	650	1,982	2,000	1,350	208%
Health Insurance - Ha HC & AmWins	90,100	106,224	110,000	19,900	22%
Miscellaneous Expenses-EDD	2,000	3,600	4,000	2,000	100%
51012 Total Retiree Benefits	104,250	128,082	133,000	28,750	28%
Total Salaries and Benefits (pre Post Retirement Benefits)	556,992	654,894	682,165	125,173	22%

REMIF	Direct Exp	Percent	Indirect	Total Allocated
WC	-	72.4%	493,698	493,698
LIAB	-	18.6%	127,033	127,033
PROP	-	2.2%	15,272	15,272
AUTO	-	2.2%	15,272	15,272
MEDICAL	-	1.5%	10,297	10,297
DENTAL	-	1.5%	10,297	10,297
VISION	-	1.5%	10,297	10,297
Total	-	100.0%	\$ 682,165	\$ 682,165

Allocation Percentages Based on Staff Time per Cost Allocation Plan (CAP)

ADMINISTRATIVE EXPENSES

Overall Explanation on Change:

Overall, we are projecting the admin expenses to go down by 10%; Staff is taking a conservative approach when budgeting for administrative expenses.

<u>Administrative Expenses</u>		<u>Vendor</u>	<u>Approved Budget 2018-19</u>	<u>Projected Year End 2018-20</u>	<u>Proposed Budget 2019-20</u>	\$ <u>Variance Increase (Decrease)</u>	<u>% Change</u>
51040	Office Expense		16,000	12,000	13,000	(3,000)	-19%
51060	Telephone	AT&T, Comcast	7,500	10,000	10,100	2,600	35%
51070	Travel, Seminars & Conferences		10,000	8,000	10,000	-	0%
51080	Rent - Equipment & Space	Pitney Bowes, Downey's Mini Storage	58,500	10,000	12,000	(46,500)	-79%
51090	Utilities	Sonoma Garbage Collectors, PG&E	10,000	10,000	10,500	500	5%
51100	Depreciation		0		-		#DIV/0!
51110	Insurance		5,000	2,000	5,000	-	0%
51120	Postage		3,000	1,000	1,200	(1,800)	-60%
51130	Dues and Subscriptions		3,000	1,000	2,000	(1,000)	-33%
51140	Miscellaneous	City of RP-CalPers & EDD	6,500	1,000	6,500	-	0%
51180	Taxes	US Treasury-PCORI; Sonoma County	3,500	7,200	7,500	4,000	114%
51240	Board Expense	Crown Trophy	20,000	10,000	20,600	600	3%
51241	Board-Conference Expense	J. Palla	80,000	75,000	81,000	1,000	1%
51250	Building Maintenance & Repair		30,000	30,000	41,500	11,500	38%
51190	Computer Supplies	office Information Systems	5,000	5,000	5,150	150	3%
51200	Computer Service & Maint.		50,000	30,000	50,000	-	0%
51230	Copier Service & Maint.	Network Office Systems	3,000	2,000	3,000	-	0%
50880	Bank Fees				2,000	2,000	#DIV/0!
Total Expenses			\$ 311,000	\$ 214,200	\$ 281,050	\$ (29,950)	-10%

<u>REMIF</u>	<u>Direct Expense</u>	<u>Percent</u>	<u>Indirect</u>	<u>Total Allocated</u>
WC	-	72.4%	203,402	203,402
LIAB	-	18.6%	52,337	52,337
PROP	-	2.2%	6,292	6,292
AUTO	-	2.2%	6,292	6,292
MEDICAL	-	1.5%	4,242	4,242
DENTAL	-	1.5%	4,242	4,242
VISION	-	1.5%	4,242	4,242
Total	-	100.0%	281,050	281,050

Allocation Percentages Based on Staff Time per Cost Allocation Plan (CAP)

PENSION EXPENSE

Overall Explanation on Change:

Pension expense is increasing due to monthly payment made to calpers.

<u>Pension Expense</u>	<u>Vendor</u>			<u>Approved Budget 2018-19</u>	<u>Projected Year End 2018-19</u>	<u>Proposed Budget 2019-20</u>	<u>\$ Variance Increase (Decrease)</u>	<u>% Change</u>
6000	Pension	Calpers	\$16K per month	35,000	166,813	192,000	157,000	449%

Total Expenses

\$	35,000	\$	166,813	\$	192,000	\$	157,000	449%
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<u>REMIF</u>	<u>Direct Expense</u>	<u>Percent</u>	<u>Indirect</u>	<u>Total Allocated</u>
WC	-	72.4%	138,955	138,955
LIAB	-	18.6%	35,754	35,754
PROP	-	2.2%	4,298	4,298
AUTO	-	2.2%	4,298	4,298
MEDICAL	-	1.5%	2,898	2,898
DENTAL	-	1.5%	2,898	2,898
VISION	-	1.5%	2,898	2,898
Total	-	100.0%	192,000	192,000

Allocation Percentages Based on Staff Time per Cost Allocation Plan (CAP)

Per MGT Consulting Group
Final Cost Allocation Plan & Indirect Cost Rate
Report Dated: August 7, 2017

Service & Supplies Allocation
Per pg 6 of the report

WC	\$ 367,274	72%
LIAB	94,503	19%
PROP	11,361	2%
AUTO	11,361	2%
MEDICAL*	7,660	1.5%
DENTAL*	7,660	1.5%
VISION*	7,660	1.5%
Total	<u>\$ 507,479</u>	

* These programs were grouped as Healthcare on the CAP report.
Cost have been allocated evenly among the three programs.

ITEM 11.0

AGENDA ITEM SUMMARY

TITLE: LIABILITY/EXCESS LIABILITY AUDIT REPORT

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

REMIF carries excess liability coverage through a Joint Powers Authority called CJPRMA. CJPRMA conducts routine audits of the liability claims, and the audit summary and findings are attached for inspection by the Board of Directors.

BACKGROUND

Pursuant to Board Policy 16.0, a report of claims audit shall be made available for inspection by the Board of Directors. CJPRMA conducts rigorously detailed audits of claims that are in their excess layer.

The performance rating is based CJPRMA reporting requirements, communication, reserve setting, litigation budgets, and case management. The findings include a review of ten (10) claims (one closed, two closing and the remainder open). The attached Auditor's findings include the following comments:

- "One claim is on the Watch List, down from two in 2017 and six are Critical Incident cases.
- Four are EPL claims, up from one in 2016 and 2017.
- Nine of the ten audited claims are in litigation.

All claims meeting reporting requirements to CJPRMA are reported, marking a major improvement from past years. Improvements are seen in several critical categories including improved communication, resulting in effective and early resolution on several cases (Mary Roe, Pena, Schoonmaker and Hall).

Reserves were found to be low, and lagging case developments on two files (Fitzhugh, & Schoonmaker). Five out of nine files requiring litigation budgets were missing, which is a continuing issue. Litigation budgets are standard practices and attorneys routinely provide them on request because they help to evaluate reserves and exposures and monitor costs of cases effectively for clients and the defense firm.

Communication with defense counsel has improved over prior audits and has helped reach good settlements on several cases. Best Practices are seen through early intervention on Critical Incident cases and early involvement with CJPRMA on those cases. Only one file shows inadequate investigation (Mitchell) but that is on an older case.

Claims are generally showing better management with good results, and in some instances, with Best Industry Practices in place." [Emphasis added]

The necessary litigation budgets are being addressed and will be included in the files moving forward.

FISCAL IMPACT

None

RECOMMENDED ACTION

None

ATTACHMENTS

11.1 Redwood Empire Municipal Insurance Fund 2019 Audit Summary

Audit Date: March 22, 2019

SIR: \$500,000

REMIF is a pool of 15 cities located in Northern California. Amy Northam is the pool’s General Manager, replacing Mark Ferguson in 2017. CalNorth no longer does any work on REMIF claims. GHC had taken over responsibility for investigating and monitoring claims, as well as, administering the claims and the litigated cases. The claim examiners are Cameron Dewey, Parmit Randhawa and Dana Calkins. REMIF is very satisfied with their work.

Ten claims were reviewed this year. One file was closed and two closing, the remainder are open claims. One claim is on the Watch List, down from two in 2017 and six are Critical Incident cases. Four are EPL claims, up from one in 2016 and 2017. Nine of the ten audited claims are in litigation. All claims meeting reporting requirements to CJPRMA are reported, marking a major improvement from past years. Improvements are seen in several critical categories including improved communication, resulting in effective and early resolution on several cases (Mary Roe, Pena, Schoonmaker and Hall).

Reserves were found to be low, and lagging case developments on two files (Fitzhugh, & Schoonmaker). Five out of nine files requiring litigation budgets were missing, which is a continuing issue. Litigation budgets are standard practices and attorneys routinely provide them on request because they help to evaluate reserves and exposures, and monitor costs of cases effectively for clients and the defense firm.

Communication with defense counsel has improved over prior audits and has helped reach good settlements a number cases. Best Practices are seen through early intervention on Critical Incident cases and early involvement with CJPRMA on those cases. Only one file shows inadequate investigation (Mitchell) but that is on an older case.

Claims are generally showing better management with good results, and in some instances, with Best Industry Practices in place.

Number of files audited in 2019 - 10:

Watch List files - 1 Critical Incident files - 6 Litigated files - 9 EPL files - 4

Open files - 7 Closed files – 1 Closing files - 2

Year	2013	2014	2015	2016	2017	2019
Excess Files Audited	4	8	7	9	9	10
Primary Incurred Value	\$949,831	\$1,590,517	\$1,610,939	\$960,250	\$2,763,151	\$3,143,525
Overall Incurred Value	\$2,034,885	\$2,785,993	\$2,695,993	\$960,250	\$4,023,052	\$3,779,635
Average Overall Value	\$508,721	\$348,249	\$385,142	\$106,694	\$447,006	377,963



ITEM 12.0

AGENDA ITEM SUMMARY

TITLE: STRATEGIC PARTNERSHIP BETWEEN REMIF AND THE PUBLIC AGENCY RISK SHARING AUTHORITY OF CALIFORNIA (PARSAC)

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

Exploring a partnership with another JPA/pool requires ratification by the Board of Directors.

BACKGROUND

As the Board of Directors is aware, the Redwood Empire Municipal Insurance Fund (REMIF), representing 15 small to medium sized cities/towns, is a self-insured joint powers authority. It was formed in 1976 with a mission to provide workers' compensation coverage and to handle the insurance claims, benefit programs, and risk management needs of the members. Coverage was expanded in the mid-1980s to include liability coverage and other lines.

The Public Agency Risk Sharing Authority of California (PARSAC), representing 36 small to medium sized cities/towns, is also a self-insured joint powers authority. It was formed in 1986 with a mission to provide liability coverage in response to the insurance crisis that eliminated commercial coverage for cities.

Like REMIF, PARSAC provides a self-funded liability program for general liability, public officials' errors and omissions, auto liability and employment practices liability coverage. They have additional coverage programs including self-funded workers' compensation, group purchase property, special events, fidelity bonds, cyber liability and ancillary benefits, as does REMIF.

PARSAC focuses on managing and maintaining a financially stable risk sharing pool for members, and their board of directors has a conservative funding and investment philosophy, which has given them programs that are funded in excess of the 90% confidence level. Their (PARSAC's) philosophy is to embrace diverse opinions, have discussions that are constructive and collaborative, encourage participation from the members, balance member interests with those of the pool and work together towards a greater good.

REMIF and PARSAC share a similar culture in that both believe the pool is member owned, member governed, member driven and exists to serve the members. REMIF and PARSAC are similar in that they serve small to medium sized cities/towns. REMIF and PARSAC share similar footprints in that they have Clearlake, we have Lakeport; they have Calistoga and Yountville, we have St. Helena; they have Ferndale, Trinidad, and Blue Lake; we have Eureka, Arcata and Fortuna; although PARSAC does have member cities located in other areas as well. REMIF and PARSAC are also similar in that we both provide value added services (Lexipol, LCW, trainings, etc.), in addition to multiple lines of coverage.

PARSAC's president, John Gillison, says of PARSAC: "PARSAC is unique in my experience because of the shared governance structure and our collective values which place good governance and sound fiscal policy first, above individual self-interests. We work well together because we share risk in a partnership, not merely a business relationship. As member agencies, we can exchange knowledge, learn from one another, work together in unique ways that span the distances between our agencies and tailor the services the pool provides to the greatest common good while preserving our unique individuality." It should be noted that PARSAC appears to be fiscally stable and adequately funded.

When I met with the REMIF member agencies a little over a year ago, I had a few members express an interest in the want to "grow" REMIF out of a need to add more stability to the programs, as well as to spread both the risk and the costs amongst more members. Of course, that growth would need to be strategic, with careful consideration and intentional actions.

PARSAC has approached REMIF with the concept of a strategic partnership between our two agencies. There may be benefit in sharing resources, sharing expenses and drawing on strengths. While exploring such a partnership, consideration will be given to everything from succession planning to more robust, stable programs to long term program sustainability to redundancies. And, arguably one of the most important considerations, a partnership could have realized savings to the members of both pools. The intent of a partnership between PARSAC and REMIF would simply be long term sustainability and a partnership that would result in a win-win for both agencies. The partnership could range from sharing training resources, a sharing of programs (such as allowing the PARSAC members to participate in our medical program, an interest to which they have expressed) to a merger of the two agencies.

To determine if this is a viable option, it is recommended that we enter into an exploratory partnership agreement with PARSAC, so that we can explore the feasibility and practicability of such a partnership. Such an agreement would not obligate either side to anything other than an exploratory exercise with recommendations that would be brought forth from there. The recommendations might be to proceed, or not. One of the first steps would be to share the expenses of an actuarial study to look at funding. **A very preliminary estimated analysis of the funding indicates a measurable savings to both parties.**

For practicability purposes, it is recommended the Board of Directors delegate the exploration either to the General Manager and Executive Committee or to a newly created subcommittee, with the understanding that all decision-making authority lies with the Board of Directors.

FISCAL IMPACT

\$5,000 (actuarial study)

RECOMMENDED ACTION

Direct the General Manager to work through the Executive Committee (or other subcommittee) on exploring a partnership with PARSAC and enter into an exploratory partnership agreement.

ATTACHMENTS

12.1 Letter from John Gillison, PARSAC President

Kin Ong

From: Gillison, John <John.Gillison@cityofrc.us>
Sent: Wednesday, March 27, 2019 1:13 PM
To: Kin Ong
Cc: Carol Shreve; Steve Rogers; Franklin, Greg
Subject: Re: REMIF

Since my flight is delayed (TY SW) I wanted to at least put a bit in writing before the meeting in case it is appropriate to share.

First, I am very sorry not to make it. This type of opportunity to meet and discuss potential partnerships is unique and something I really was looking forward to. In many ways, it epitomizes what I value, and what Rancho Cucamonga values, most about PARSAC.

PARSAC is unique in my experience because of the shared governance structure and our collective values which place good governance and sound fiscal policy first, above individual self interests. We work well together because we share risk in a partnership, not merely a business relationship. As member agencies we are able to exchange knowledge, learn from one another, work together in unique ways that span the distances between our agencies and tailor the services the pool provides to the greatest common good while preserving our unique individuality.

PARSAC Staff is an extension of our own staff and the customized services and customer service reflect that approach. In Rancho Cucamonga we were a small agency that grew larger in a short time but never lost the values and approaches which we prized in our earlier, and smaller days. We are committed to regional good governance and teamwork above individual accomplishment and so too is PARSAC. At the same time, the city has a history of being fiscally conservative and living within our means and PARSAC echoes those philosophies. While we value saving money, we recognize that independence and customization are just as important and we have no desire to join a large pool where our voice is lost in the crowd. At PARSAC, everyone's voice can be heard, from Tehama to Watsonville and all in between. As the City has evolved, and our needs changed, the pool has grown and changed and evolved also and we feel just as much a member as we did 20+ years ago.

PARSACs culture is also unique, and something Rancho Cucamonga values greatly. The staff is modest in size but extremely smart, experienced and talented. Our general manager now, and recently retired, both value customer service and set a tremendous example for all. That customer service is echoed in the tailored coverage and continual evolution of our MOC, by laws, and policies and practices. We aren't stuck in the past, or on the bleeding edge. Instead, PARSAC is a trend leader in a good way and committed to the needs of its members. We know that if and when disaster strikes, the PARSAC team and PARSAC agencies will be there to help and that isn't true of many other agencies which are purely a business relationship not a risk sharing team.

On Mar 25, 2019, at 3:48 PM, Kin Ong <kong@parsac.org> wrote:

CAUTION: This email is from outside our Corporate network. Do not click links or open attachments unless you recognize the sender and know the content is safe.

John, Carolyn, Steve and Greg:

ITEM 13.0

AGENDA ITEM SUMMARY

TITLE: NOMINATIONS NEEDED FOR PRESIDENT AND VICE PRESIDENT FOR EXECUTIVE COMMITTEE AT JUNE MEETING

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

Nominations for the president and vice president for the Executive Committee will be needed at the June meeting. Approval of the representative requires ratification by the Board. Incumbents can be nominated.

BACKGROUND

The Executive Committee is made up of five member cities (a president, vice president and three representatives) and me. While I am on the committee, I do not vote. The president/vice president are elected in odd number years and serve for two years. The three representatives are elected in even number years and serve for two years. In June of 2018, the Board elected the three representatives, although, due to one representative no longer being employed by the member, a new representative was elected at the January of 2019 meeting. The representatives will serve until June 30, 2020.

The current President, Larry McLaughlin, and Vice President, Darrin Jenkins, will serve until June of 2019. Nominations for both positions will be needed at the June 2019 Board meeting. Incumbents can be nominated again to serve on the Executive Committee.

The Executive Committee meets on as needed basis and usually telephonically. The primary functions of the Executive Committee are to approve settlement amounts (between \$40,000 and \$150,000), to approve service contracts in excess of \$50,000; amend the budget up to \$50,000 and other authority as directed by the Board.

FISCAL IMPACT

None

RECOMMENDED ACTION

No action is needed at this time.

ATTACHMENTS

None



ITEM 14.0

AGENDA ITEM SUMMARY

TITLE: CHANGES TO EXISTING BOARD POLICY/ADDITION OF ATTORNEYS TO DEFENSE PANEL

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

Changes to Board Policy require ratification by the Board of Directors.

BACKGROUND

It is critical to organizations to have up to date, relevant and applicable policies that are followed. Policies clarify roles and responsibilities, which promotes positive working relationships among the Board, the General Manager, and staff. Policies foster more consistent decisions, thus improving understanding and morale. Policies also save the Board time, money, and effort by settling questions that might otherwise repeatedly surface, improve relations because expectations are clarified, reduce pressure on the Board and prevent criticism when decisions are based on established policy, give the Board, the General Manager and staff a sense of direction based upon a solid policy foundation, promote continuity of action, which is especially important when members from the Board of Directors and staff change, help ensure a better informed Board, General Manager and staff, and help speed the orientation of newcomers.

The recommended change to policy is the addition of two names to the REMIF defense panel. A qualified defense panel helps ensure depth and breadth to representation, as well as help ensure members receive excellent representation from counsel with specific public entity expertise.

POLICY #	NAME OF POLICY	DATE ORIGINAL POLICY WAS BOARD APPROVED	RECOMMENDATION	NEEDED FOR CAJPA ACCREDITATION?
12	REMIF's Defense Attorneys	08/16	Adopt changes as recommended (see attachment)	No

FISCAL IMPACT

None

RECOMMENDED ACTION

Adopt changes as recommended to policy #12 REMIF's Defense Attorneys

ATTACHMENTS

14.1 Existing Policy #12.0 Defense Attorneys

Policy #12.0
REDWOOD EMPIRE MUNICIPAL INSURANCE FUND
REMIF'S DEFENSE ATTORNEYS

In order to respond to differing needs and types of cases, REMIF maintains a list of board approved attorneys. This list has been developed over the years as various types of cases have developed. The current list of approved attorneys and/or firms is as follows:

LIABILITY

Ewing and Associates
Perry, Johnson, Anderson, Miller & Moskowitz
Geary, Shea, O'Donnell, Grattan & Mitchell
Mitchell, Brisso, Delaney & Vrieze
Shapiro, Galvin, Shapiro & Moran
Allen, Glaessner, Hazelwood & Werth LLP
Bertrand, Fox, Elliott, Osman & Wenzel
Nisso, Pincin & Hill
McNamara, Ney, Beatty, Slattery, Borges & Ambacher LLP
Porter, Scott, P.C.
James A. Wyatt
Jones & Dyer P.C.
Richards, Watson & Gerson
Gibbons & Conley
Angelo, Kilday & Kilduff

WORKERS COMPENSATION

Mullin & Filippi (Santa Rosa, Redding)
Michael Ash (Novato)
Nathan Geronimo, Esq - Hanna and Brophy (Santa Rosa)
Joe Montgomery, Hanna and Brophy (Redding)
Lenahan, Lee, Slater, Pearse & Majernik, LLP
Laughlin, Falbo, Levy & Moresi

LABOR & EMPLOYMENT

Liebert, Cassidy Whitmore (LCW)

Revised 09/18/18

Confirmed 09/27/18

Board approved 09/27/18

ITEM 15.0

AGENDA ITEM SUMMARY

TITLE: FUTURE MEETING DATES & LOCATIONS FOR BOARD OF DIRECTORS' MEETINGS FY 19-20

PRESENTED BY: AMY NORTHAM, GENERAL MANAGER

ISSUE

Approval of the meeting time/location for the Board of Directors meetings for fiscal year 2019-2020 needs ratification by the Board.

BACKGROUND

Article V of the bylaws require at least one (1) regular meeting of the Board of Directors each year, which is designated as the Annual Membership meeting. Historically, the Board of Directors meets quarterly, including the Annual Membership meeting. The bylaws also require that at the final Board meeting of each fiscal year, the Board shall fix the date, hour and location at which each regular meeting in the succeeding year is to be held. Following past practice (the third or fourth Thursday of the month), the dates, hour and location of each regular meeting for the 2019-2020 fiscal year would be as follows:

- September 26, 2019 at 10:30 in Ukiah (Board of Directors' meeting)
- January 23 and January 24, 2020 in St. Helena (times TBD, Annual meeting)
- April 23, 2020 at 10:30 in Ukiah (Board of Directors' meeting)
- June 18, 2020 at 10:30 in Ukiah (Board of Directors' meeting)

FISCAL IMPACT

None

RECOMMENDED ACTION

Approve the meeting dates and locations for the Board of Directors meeting and the Annual meeting.

ATTACHMENTS

15.1 REMIF Calendar

<p>Every meeting:</p>	<p>Approval of Board of Directors' Meeting Minutes Provide copies of Health Committee and Executive Committee minutes Board representation changes General manager's activities Update on Safety Program Update on Health Plan Update on Workers' Comp Program Update on Liability Program Report out of closed session</p>
<p>January (annual membership meeting)</p>	<p>Review ex mod (liability/WC) Preliminary contributions (liability/WC) Financial audit report Workers' Compensation audit report Midyear budget review Changes to deductibles due Select board meeting dates for following fiscal year Select annual meeting location/host for following fiscal year</p>
<p>March (special meeting)</p>	<p>Health care renewals (preliminary) Medical (includes RX) Dental Vision Life Insurance</p>
<p>April (quarterly)</p>	<p>Preliminary Draft Budget Health care renewals (final) Actuarial report (funding based on 12/31/18 data) Preliminary contributions (liability/WC) Reminder: nominations needed in June for EC (odd number years – President/VP; even number years – reps)</p>
<p>June (quarterly)</p>	<p>Update on CJPRMA renewals Nominations/vote for EC (odd number years – President/VP; even number years – reps) Final budget Utilization reports (of REMIF services) Renewal DIC/FDBD Renewal Workers' comp excess Final contributions (liability/WC/property/APD) REMIF Salary Schedule</p>
<p>September (quarterly)</p>	<p>Actuarial report (liability/auto and WC) RV of investments (Chandler)</p>