

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED

JUNE 30, 2009 AND 2008

AND

INDEPENDENT AUDITOR'S REPORT

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

FINANCIAL STATEMENTS

For the Years Ended June 30, 2009 and 2008

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Members
Authority for California Cities Excess Liability
Bakersfield, California

We have audited the accompanying statement of net assets of the Authority for California Cities Excess Liability (ACCEL) as of June 30, 2009, and the related statements of revenues, expenses and change in net assets, and cash flows for the year then ended. These financial statements are the responsibility of ACCEL's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of ACCEL for the year ended June 30, 2008, before they were restated for the matter discussed in Note 6 to the basic financial statements, were audited by other auditors whose report dated October 3, 2008, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the State Controller's Minimum Audit Requirements for California Special Districts and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ACCEL as of June 30, 2009 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America as well as accounting systems prescribed by the State Controller's Office and State regulations governing special districts.

We also audited the adjustments described in Note 6 that were applied to restate the June 30, 2008 financial statements. In our opinion, such adjustments are appropriate and have been properly applied.

In accordance with Government Auditing Standards, we have also issued our report dated October 9, 2009 on our consideration of ACCEL's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations and contracts and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

INDEPENDENT AUDITOR'S REPORT

(Continued)

Management's Discussion and Analysis on pages 3 through 7 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Perry-Smith LLP

Sacramento, California
October 9, 2009





**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2009**

The following report reflects the financial condition of the Authority for California Cities Excess Liability for the fiscal year ended June 30, 2009. It is provided in order to enhance the information in the financial audit, and should be reviewed in concert with that report.

An Overview

The Authority for California Cities Excess Liability (ACCEL) was founded in 1986 to provide medium-sized California cities self-funding for catastrophic losses. There are currently 12 members. ACCEL operates a liability risk pooling program which is subject to an annual independent financial audit and biennial actuarial study. ACCEL also allows optional participation in an excess workers' compensation program that involves no pooling. For this excess workers' compensation program, ACCEL only serves as a conduit for group access.

ACCEL is governed by a twelve member Board of Directors. Each member agency appoints a representative to the Board of Directors. The Executive Committee appoints members to its three standing committees (Underwriting, Finance and Claims). The Underwriting Committee is chaired by the Vice-President, the Finance Committee is chaired by the Treasurer and the appointed members of the Claims Committee elect their Chair. Ad hoc Committees may be appointed by the President.

For the 2008-2009 fiscal year, ACCEL pooled the \$4,000,000 excess of a \$1,000,000 Member Retention. ACCEL charged its members \$0.53 cents per one-hundred dollars of payroll for the self-funded \$4,000,000 excess of a \$1,000,000 member self insured retention. All members purchased excess insurance limits of \$30,000,000 excess of \$5,000,000. The Cities of Anaheim, Bakersfield, Burbank, Mountain View, Ontario, Palo Alto, Santa Barbara, Santa Cruz, and Santa Monica purchased optional limits of \$15,000,000 excess of \$35,000,000. In addition, the Cities of Anaheim, Ontario, and Santa Monica purchased optional limits of \$25,000,000 excess of \$50,000,000. Additionally, the Cities of Anaheim and Santa Monica purchased optional limits of \$25,000,000 excess of \$75,000,000. Members were also charged Administrative costs totaling \$430,800.

ACCEL's day-to-day operations are administered by Alliant Insurance Services, Inc. (Alliant) contracted by ACCEL to provide accounting, risk consulting, insurance brokerage and program administration services. Alliant's responsibility also includes the administration of policies and procedures as set forth by the ACCEL Joint Powers Authority (JPA) Agreement, Bylaws, and by the Board of Directors.

Description of Basic Financial Statements

Individual program year accounting is maintained for ACCEL's Liability Program and is provided as supplemental information to the Statement of Net Assets, Statement of Revenues, Expenses and Change in Net Assets, and the Statement of Cash Flows. The Statement of Net Assets provides information about the combined financial position of ACCEL as of June 30, 2009 and 2008. The Statement of Revenues, Expenses and Change in Net Assets reports the operations of the organization for the years ended June 30, 2009 and 2008. The Statement of Cash Flows is presented on the direct method to reflect the operations of ACCEL for the years ending June 30, 2009 and 2008 based strictly on the inflow and outflow of cash.

The notes to the basic financial statements provide information on ACCEL's accounting policies such as discounting of claims reserves, development of estimates of incurred but not reported (IBNR) liabilities and the provision for unallocated loss adjustment expenses. Perry-Smith LLP, Certified Public Accountants, has performed an independent audit examination of our financial statements in accordance with generally accepted auditing standards. The firm's opinion is included in the Financial Section of this report. This report also includes information from ACCEL's previous audit at June 30, 2008 which has been restated due to a correction related to the retrospective rated refunds liability.



Analysis of Overall Financial Position and Results of Operations

Assets of ACCEL increased almost \$665,000 from June 30 2008 to June 30, 2009. The was primarily due to investment income and members premium in excess of claims payments, excess insurance costs and a result of the retrospective rating calculation for the current year.

Authority for California Cities Excess Liability (ACCEL)				
Statement of Net Assets				
June 30, 2009 and June 30, 2008				
	2009	2008	Change	Percent Change
Assets				
Cash	\$ 5,631,929	\$ 6,926,679	\$ (1,294,750)	-19%
Investments	\$ 24,737,148	\$ 22,582,810	\$ 2,154,338	10%
Accounts Receivable	\$ 333	\$ 25,998	\$ (25,665)	-99%
Deposits Receivable		\$ 86,886	\$ (86,886)	-100%
Interest Receivable	\$ 255,843	\$ 337,673	\$ (81,830)	-24%
Total Assets	\$ 30,625,253	\$ 29,960,046	\$ 665,207	2%
Liabilities				
Accounts Payable	\$ 39,805	\$ 33,355	\$ 6,450	19%
Unpaid Claims Liability	\$ 15,600,000	\$ 13,000,000	\$ 2,600,000	20%
Retrospectively Rated Refunds Liability	\$ 7,854,764	\$ 13,680,901	\$ (5,826,137)	-43%
Total Liabilities	\$ 23,494,569	\$ 26,714,256	\$ (3,219,687)	-12%
Net Assets				
Reserved for Future Claims	\$ 100,000	\$ 100,000	\$ -	0%
Administrative	\$ 7,030,684	\$ 3,145,790	\$ 3,884,894	123%
Total Net Assets	\$ 7,130,684	\$ 3,245,790	\$ 3,884,894	120%

Investment Income

ACCEL has retained an investment advisor, Chandler Asset Management, to assist in managing long term investments. All investments are made with reference to ACCEL's Investment Policy as adopted by the Board of Directors. Investment revenues are used to offset program costs wherever possible and reduce the required member contributions.

ACCEL invests those funds not immediately necessary for the payment of claims in order to optimize the rate of return. Funds are invested in a manner that will protect principal, allow for cash flow needs and optimize returns, and are in conformity with all federal, state and local statutes governing such investments of public funds. Those assets needed for current operations are maintained in the Local Agency Investment Fund (LAIF) in Sacramento, which is administered by the State Treasurer's Office.

The ability of these funds to earn investment income has a direct effect on program rates, as this income is used to discount future liabilities. If investments fall short of projections, additional funding may be required to meet actuarial estimates.

Revenues

Pool operating revenues consist of contributions received from members' interest income and administrative fees.



Claim Payments and Reserves

ACCEL processes claims and pays for covered losses experienced by its members. All excess claims are administered by Carl Warren & Company (Glendale Office). Between the time a claim is reported and the time it is resolved, reserves are established for the estimated amount that will have to be paid at some future date to settle the loss. The reserves are also established for claims that have occurred, but are not yet known to ACCEL. This is known as IBNR (incurred but not or under reported) reserves and recognizes losses in the current year for claims that will not be reported until future periods. This process allows a matching of current year contributions with estimated total losses that will be incurred as the result of current fiscal year coverages.

Excess Liability Insurance Expense

ACCEL operates in an environment that is partially dependent on the insurance market. Historically, the insurance market has operated in 3 to 7 year cycles in which rates will swing from the very high to the very low and back again. From 1987 to 2002, the Insurance marketplace was relatively competitive for municipal liability. The 2002 renewals began a hard market cycle that resulted in the ACCEL Board electing to retain more risk where the price of insurance exceeded the actuarial cost of self insurance. The renewals for the 2008-2009 were difficult due to decreased capacity, increased exposure to terrorism, poor investment results and a general concern on the part of insurers, resulting in rate increases and limitations to coverage. The 2008-2009 excess liability premiums remained fairly consistent compared with the prior year and ACCEL's pool layer retention remained at \$4,000,000 excess of \$1,000,000. In recent years, ACCEL members have determined that additional limits are advisable and they have elected to add optional excess limits. In addition, ACCEL has increased funding for the pooled layer to plan for the increased retained risk.

Administrative Expenses

For the 2008-2009 fiscal year, ACCEL budgeted \$430,800 for general administrative expenses. The administrative expenses are shared equally among members. The administrative expenses include program administration, claims administration, meeting expenses, memberships, technology services and audit services. In addition, an \$8,000 allocation towards Member Travel was budgeted for individual Members who wished to set these funds aside for travel to and from Board meetings.

Retrospective Rating Plan

The share of risk that Members assume is based on both their size (based on payroll) and their future losses. Calculations are made retrospectively, and based on covered losses that occurred during the program year and the next three years. The Retrospective Rating Plan (RRP) is the foundation piece of ACCEL's Financial Plan Policy & Procedure. The RRP is used to determine if any assessments are needed or if return funds are available.

At the end of each Program Year plus five subsequent years, ACCEL calculates each Member's share of pooled costs. The cost allocation calculation for each Program Year is recalculated annually until the Program Year is administratively closed. Program Years 1 through 5 (86/87-90/91) are administratively closed. For Fiscal Year ending June 30, 2009, ACCEL members withdrew \$3,050,000 and no members were assessed.

Analysis of Balances and Transactions

Member contributions for the Liability Program remain stable for the year ended June 30, 2009. Other general and administrative expenses held reasonably constant from the 2007-2008 fiscal year to the 2008-2009 fiscal year. The overall increase in total assets for the year ended June 30, 2009 was \$665,207 to an ending asset position of \$30,625,253.



Authority for California Cities Excess Liability (ACCEL)				
Statement of Net Assets				
June 30, 2009 and June 30, 2008				
	2009	2008	Change	Percent Change
Operating Revenues				
Premiums Earned - Liability	\$ 8,277,987	\$ 8,594,021	\$ (316,034)	-4%
Premiums Earned - Workers Comp	\$ 2,138,191	\$ 2,382,829	\$ (244,638)	100%
Administrative Fees	\$ 430,800	\$ 328,591	\$ 102,209	31%
Total Operating Revenues	\$ 10,846,978	\$ 11,305,441	\$ (458,463)	-4%
Operating Expenses				
Claims Payments	\$ 3,671,014	\$ 4,013,274	\$ 342,260	-9%
Unpaid Claims Liability Adjustment	\$ 2,600,000	\$ 1,328,000	\$ (1,272,000)	96%
Excess Liability Insurance	\$ 2,672,240	\$ 2,689,415	\$ 17,175	100%
Optional Excess Workers Comp Insurance	\$ 2,138,191	\$ 2,382,828	\$ 244,637	-10%
Retro Rated Refunds Paid	\$ 3,050,000	\$ 850,000	\$ (2,200,000)	259%
Retro Rated Refund Adjustment	\$ (5,826,137)	\$ 2,444,033	\$ 8,270,170	-338%
Management Consulting	\$ 190,000	\$ 185,000	\$ (5,000)	3%
Claims Administration	\$ 85,795	\$ 81,759	\$ (4,036)	5%
Professional Support Services	\$ 80,125	\$ 101,785	\$ 21,660	-21%
General Administrative Expenses	\$ 32,111	\$ 28,136	\$ (3,975)	14%
Total Operating Expenses	\$ 8,693,339	\$ 14,104,230	\$ 5,410,891	-38%
Net Income (Loss)	\$ 2,153,639	\$ (2,798,789)	\$ (5,869,354)	-177%
Non-Operating Income				
Investment Income	\$ 1,731,255	\$ 1,982,961	\$ (251,706)	-13%
Change in Net Assets	\$ 3,884,894	\$ (815,828)	\$ 4,700,722	-576%
Net Assets, Beginning of Year	\$ 3,245,790	\$ 96,538	\$ 3,149,252	3262%
Restatement of Net Assets		\$ 3,965,080	\$ (3,965,080)	
Net Assets, Beginning of Year, As Restated	\$ 3,245,790	\$ 4,061,618	\$ (815,828)	-20%
Net Assets, End of Year	\$ 7,130,684	\$ 3,245,790	\$ 3,884,894	120%

Possible Conditions Impacting Financial Position

With respect to current facts, conditions, or decisions that may impact the financial position of ACCEL, there are no known issues either internal to the JPA nor the external environment that are expected to materially impact the organization. This being said, the liability insurance environment in California remains in an uncertain state. While system costs have risen dramatically over the past several years, ACCEL has taken action to address rising costs.

Capacity in the excess general liability market for governmental agency risks remains tight, and several high profile claims within California are likely to keep underwriting facilities from pricing such risks much differently than they have over the past twelve months. Finally, while ACCEL believes that it has properly addressed the probable catastrophic events facing its membership, there is no guarantee that a catastrophic event could not financially impact the Authority or individual members if the loss exceeded the protection purchased by that member.

ACCEL

Authority for California Cities Excess Liability

c/o Alliant Insurance Services, Inc.

Corporate Insurance License No. 0C36861

100 Pine Street, 11th Floor, San Francisco, CA 94111-2711



Request for Information

This financial report is designed to provide a general overview of ACCEL's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the ACCEL Treasurer, Betsy Dolan, City of Burbank, 275 E. Olive Avenue, Burbank, California, 91510.

BASIC FINANCIAL STATEMENTS

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

STATEMENT OF NET ASSETS

June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
ASSETS		
Cash and cash equivalents (Note 2)	\$ 5,631,929	\$ 6,926,679
Investments (Note 2)	24,737,148	22,582,810
Accounts receivable	333	25,998
Deposits receivable		86,886
Interest receivable	<u>255,843</u>	<u>337,673</u>
Total assets	<u>30,625,253</u>	<u>29,960,046</u>
LIABILITIES		
Liabilities:		
Accounts payable	39,805	33,355
Unpaid claims liability (Note 3)	15,600,000	13,000,000
Retrospectively rated refunds liability (Note 5)	<u>7,854,764</u>	<u>13,680,901</u>
Total liabilities	<u>23,494,569</u>	<u>26,714,256</u>
NET ASSETS		
Net assets:		
Reserved for future claims	100,000	100,000
Administrative	<u>7,030,684</u>	<u>3,145,790</u>
Total net assets	<u>\$ 7,130,684</u>	<u>\$ 3,245,790</u>

The accompanying notes are an integral
part of these financial statements.

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET ASSETS

For the Years Ended June 30, 2009 and 2008

	2009	2008
Operating revenues:		
Premiums earned – Liability	\$ 8,277,987	\$ 8,594,021
Premiums earned – Workers' Compensation	2,138,191	2,382,829
Administrative fees	430,800	328,591
Total operating revenues	10,846,978	11,305,441
Operating expenses:		
Claims payments (Note 3)	3,671,014	4,013,274
Unpaid claims liability adjustment (Note 3)	2,600,000	1,328,000
Excess liability insurance	2,672,240	2,689,415
Workers' compensation insurance	2,138,191	2,382,828
Retrospectively rated refunds paid	3,050,000	850,000
Retrospectively rated refunds liability adjustment	(5,826,137)	2,444,033
Management consulting	190,000	185,000
Claims administration	85,795	81,759
Professional support services	80,125	101,785
Other general and administrative expenses	32,111	28,136
Total operating expenses	8,693,339	14,104,230
Operating income (loss)	2,153,639	(2,798,789)
Non-operating income:		
Investment income	1,731,255	1,982,961
Change in net assets	3,884,894	(815,828)
Net assets, beginning of year, as previously reported	3,245,790	96,538
Restatement (Note 6)	_____	3,965,080
Net assets, beginning of year, as restated	3,245,790	4,061,618
Net assets, end of year	\$ 7,130,684	\$ 3,245,790

The accompanying notes are an integral
part of these financial statements.

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

STATEMENT OF CASH FLOWS

For the Years Ended June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Cash flows from operating activities:		
Operating income (loss)	\$ 2,153,639	\$ (2,798,789)
Adjustments to reconcile operating income (loss) to net cash (used in) provided by operating activities:		
Unpaid claims liability adjustment	2,600,000	1,328,000
Retrospectively rated refunds liability adjustment	(5,826,137)	2,444,033
(Increase) decrease in:		
Deposits receivable	86,886	840,908
Accounts receivable	25,665	(25,998)
Interest receivable	81,830	2,738
Increase (decrease) in:		
Accounts payable	6,450	(314,379)
Members payable	<u> </u>	<u>(399,658)</u>
Net cash (used in) provided by operating activities	<u>(871,667)</u>	<u>1,076,854</u>
Cash flows provided by investing activities:		
Proceeds from sales and maturities of investments	27,263,516	49,883,786
Purchase of investments	<u>(24,636,599)</u>	<u>(46,142,676)</u>
Net cash provided by investing activities	<u>2,626,917</u>	<u>3,741,110</u>
Cash flows from financing activities:		
Retro rated (refund) assessment program year seven	(85,619)	
Retro rated (refund) assessment program year eight	(92,579)	
Retro rated (refund) assessment program year nine	(112,094)	(20,000)
Retro rated (refund) assessment program year ten	(30,354)	(60,000)
Retro rated (refund) assessment program year eleven	(132,153)	(35,000)
Retro rated (refund) assessment program year twelve	(98,203)	(245,000)
Retro rated (refund) assessment program year thirteen	(207,806)	(50,000)
Retro rated (refund) assessment program year fourteen	(790,798)	(250,000)
Retro rated (refund) assessment program year fifteen	(1,125,602)	(140,000)
Retro rated (refund) assessment program year sixteen	(324,544)	(50,000)
Retro rated (refund) assessment program year seventeen	<u>(50,248)</u>	<u> </u>
Net cash used in financing activities	<u>(3,050,000)</u>	<u>(850,000)</u>
Net (decrease) increase in cash	(1,103,462)	3,967,964
Cash at beginning of year	<u>6,926,679</u>	<u>2,958,715</u>
Cash at end of year	<u>\$ 5,631,929</u>	<u>\$ 6,926,679</u>

The accompanying notes are an integral
part of these financial statements.

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

The Authority for California Cities Excess Liability (ACCEL / the "Authority") is a joint powers authority organized under the provisions of Section 6500 et. seq. of the California Government Code for the purpose of establishing a risk management pool for certain California municipalities. ACCEL began operations in 1986 and provides certain limited coverage for catastrophic general liability, automobile liability and public officials errors and omissions losses. Certain types of risk are not covered by these pools, such as dams and airports.

The Authority provides coverage above each member's self-insured retention (SIR), subject to aggregate limits. Historically, ACCEL provided an optional coverage of \$500,000 excess of \$500,000 per occurrence through 1989-90, however this coverage is no longer available.

Prior to July 1, 1990, the Authority pooled losses incurred by its members up to \$10,000,000. Effective July 1, 1990, ACCEL created a reinsurance pool within the \$9,000,000 excess of \$1,000,000 layer by purchasing \$5,000,000 excess of \$5,000,000 coverage. On July 1, 1997, ACCEL further reduced its exposure and purchased coverage of \$17,000,000 excess of \$3,000,000 coverage. Due to favorable market conditions, ACCEL purchased coverage of \$19,000,000 excess of \$1,000,000 effective July 1, 1998. Six members with SIRs of \$500,000 purchased additional coverage of \$500,000 excess of \$500,000. As of July 1, 2000, nine members purchased insurance of \$19,500,000 excess of \$1,000,000. ACCEL was fully insured through June 30, 2003.

Effective July 1, 2003, the Authority purchased a reinsurance policy covering \$20,000,000 excess of \$2,000,000 and pooled losses in the layer \$1,000,000 excess of \$1,000,000. All members have an SIR of \$1,000,000.

Currently, ACCEL is self funding the \$4,000,000 excess of \$1,000,000 pool and purchasing excess insurance above \$5,000,000. ACCEL provides the Members options to purchase excess limits of \$35,000,000, \$50,000,000, \$75,000,000 and \$100,000,000. If Members would like additional limits, they are available upon request. Currently, the Cities of Modesto, Monterey and Visalia participate to \$35,000,000; the Cities of Bakersfield, Burbank, Mountain View, Palo Alto, Santa Barbara and Santa Cruz participate to \$50,000,000; the City of Ontario to \$75,000,000; and the cities of Anaheim and Santa Monica to \$100,000,000.

ACCEL is funded by its member participants and, at the discretion of its Board of Directors, may assess its members for additional premiums (in an unlimited amount) in the event ACCEL's assets at any time are insufficient to discharge its liabilities. Currently, there are 12 cities participating in the pool.

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

General (Continued)

ACCEL has a retrospective rating plan whereby all premiums collected, together with related investment income earned, in excess of pooled losses and loss expenses for each program year will be returned to members beginning five years after the end of the program year. Losses and loss expenses are allocated to each member based on a weighted actual loss formula.

Accounting Policies

The accounting policies of the Authority conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants.

Basis of Accounting and Presentation

The Authority is accounted for as a Business-Type Activity, as defined by Governmental accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – Management's Discussion & Analysis – for State and Local Governments*, and its financial statements are presented on the accrual basis of accounting. Under this method, revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Investments

Investments are reported in the accompanying statement of net assets at fair value. Changes in fair value that occur during a fiscal year are recognized as investment earnings reported for that fiscal year. Investment earnings includes interest income, change in fair value, and any gains or losses realized upon the liquidation, maturity or sale of investments.

Retrospectively Rated Refunds Liability

The retrospectively rated refund liability represents the amount of equity that is eligible for return to the Members of the pool. The liability is computed as the amount of premiums paid into the pool, plus investment income earned in excess of the estimated losses and loss expenses calculated separately for each program year and Member. Members are eligible to receive distributions of this equity (retro-refunds) five years after the end of the program year. The amount declared by the Board as available for payment are reported as a liability to the pool on the balance sheet.

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unpaid Claims Liabilities

The Authority establishes claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Estimated amounts of salvage and subrogation and reinsurance recoverable on unpaid claims are deducted from the liability for unpaid claims. Because actual claims costs depend on such complex factors as inflation, changes in doctrines of legal liability, and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount, particularly for coverage such as general liability. Claims liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflect past inflation and on other factors that are considered to be appropriate modifiers of past experience. Adjustments to claims liabilities are charged or credited to expense in the periods in which they are made.

Recognition of Premiums

Premiums are recognized as earned on a pro-rata basis over the term of the contract (program year), which is generally a one year period ending each June 30. All premiums are subject to the retrospective rating plan described in Note 1.

Administration and Application Fees

ACCEL members are assessed annually, in equal amounts, for amounts estimated to be sufficient to pay all administrative expenses of ACCEL. Such assessments are subject to adjustment based on actual expense for the year.

Application fees are one-time fees paid by prospective members of ACCEL upon application for membership. Such fees are recognized as revenue at the time of application.

Other Insurance

ACCEL members may participate in the purchase of other insurance, such as excess workers' compensation and excess liability over \$5 million per occurrence where risk is not transferred to the pool. ACCEL does not administer excess insurance claims; therefore, no revenue or expense is reflected in the financial statements. ACCEL also purchases a Crime Policy and Directors and Officers Errors and Omissions Policy which cover the Authority.

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

2. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash, cash equivalents and investments as of June 30, 2009 are classified in the accompanying financial statements as follows:

Statement of net assets:

Cash and cash equivalents	\$ 5,631,929
Investments	<u>24,737,148</u>
Total cash, cash equivalents and investments	<u>\$ 30,369,077</u>

Investments Authorized by the California Government Code and ACCEL's Investment Policy

ACCEL is authorized by State statutes to invest in securities of the U.S. Treasury and agencies, related commercial paper, medium-term notes rated AA or better with maturities of 5 years or less, certificates of deposit, bankers' acceptances, repurchase agreements, mutual funds, and the State of California's Local Agency Investment Fund (LAIF). Additionally, security purchases and holdings shall be maintained within statutory limits imposed by the California Government Code. Currently, the maximum limits are:

	<u>Maximum Time to Maturity</u>	<u>Maximum Portfolio Percentage</u>
Bankers' acceptances	180 days	40%
Commercial paper	270 days	25%
Negotiable certificates of deposit	180 days	30%
Medium-term corporate notes	5 years	30%
Time deposits	180 days	20%

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

2. CASH AND INVESTMENTS (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that ACCEL manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. ACCEL monitors the interest rate risk inherent in its portfolio by measuring the weighted average maturity of its portfolio. ACCEL has no specific limitations with respect to this metric.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (In Years)</u>
Federal agency securities	\$ 13,586,658	2.540
FDIC insured U.S. corporate	4,447,232	3.111
U.S. corporate	1,786,999	1.160
U.S. Treasury notes	<u>4,916,259</u>	2.840
 Total	 <u>\$ 24,737,148</u>	

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The Authority's investments include the following investments that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above):

<u>Highly Sensitive Investments</u>	<u>Fair Value at Year End</u>
Mortgage-backed securities. These securities are subject to early payment in a period of declining interest rates. The resultant reduction in expected total cash flows affects the fair value of these securities and makes the fair values of these securities highly sensitive to changes in interest rates.	<u>\$ 13,586,658</u>

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

2. CASH AND INVESTMENTS (Continued)

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the entity's investment policy, or debt agreements, and the actual rating as of year end for each investment type. The column marked "exempt from disclosure" identifies those investment types for which GASB No. 40 does not require disclosure as to credit risk:

Investment Type	Amount	Exempt From Disclosure	Ratings as of June 30, 2009			
			AAA	AA+	A-1	Not Rated
Federal agency securities	\$ 13,586,658		\$ 13,586,658			
FDIC U.S. corporate	4,447,232		4,447,232			
U.S. corporate	1,786,999			\$ 1,786,999		
U.S. Treasury notes	4,916,259	\$ 4,916,259				
Total	\$ 24,737,148	\$ 4,916,259	\$ 18,033,890	\$ 1,786,999	\$ -	\$ -

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and ACCEL's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Investment in State Investment Pool

ACCEL is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of ACCEL's investment in this pool is reported in the accompanying financial statements at amounts based upon ACCEL's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

3. UNPAID CLAIMS AND CLAIMS ADJUSTMENT EXPENSES

ACCEL establishes a liability for both reported and unreported insured events, which includes estimates of both future payment or losses and related claim adjustment expenses. The following represents changes in those aggregate liabilities for ACCEL during the past two years:

	<u>2009</u>	<u>2008</u>
Unpaid claims and claim adjustment expenses at beginning of fiscal year	\$ <u>13,000,000</u>	\$ <u>11,672,000</u>
Incurred claims and claim adjustment expenses:		
Provision for insured events of current year	3,875,652	3,429,000
Increase in provision for insured events of prior years	<u>2,368,133</u>	<u>1,908,689</u>
Total provision for claims and claim adjustment expenses	<u>6,243,785</u>	<u>5,337,689</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of prior years	<u>(3,643,785)</u>	<u>(4,009,689)</u>
Unpaid claims and claim adjustment expenses at end of fiscal year	<u>\$ 15,600,000</u>	<u>\$ 13,000,000</u>

The components of the unpaid claims and claim adjustment expenses for the Authority as of June 30, 2009 and 2008 were as follows:

	<u>2009</u>	<u>2008</u>
Claim reserves	\$ 4,668,000	4,731,000
Claims incurred but not reported (IBNR)	10,499,000	7,779,000
Unallocated loss adjustment expenses (ULAE)	<u>433,000</u>	<u>490,000</u>
	<u>\$ 15,600,000</u>	<u>\$ 13,000,000</u>

These liabilities are reported at their present value using an expected future investment yield assumption of 4% for June 30, 2009 and 2008. The undiscounted liabilities are \$17,307,000 and \$14,046,000 at June 30, 2009 and 2008, respectively. The current portion of claim liabilities is estimated based on claims payment history.

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

4. RELATED PARTY TRANSACTIONS

Administration

ACCEL's program administration is managed by Alliant Insurance Services, Inc., from whom they purchase their excess liability insurance. Fees paid for this service amounted to \$190,000 and \$185,000 for the years ended June 30, 2009 and 2008, respectively. Excess liability insurance expenses were \$2,672,240 and \$2,689,415 for the years ended June 30, 2009 and 2008, respectively.

5. RETROSPECTIVE RATING PROGRAM

At the June 2009 Board of Directors meeting, a retrospectively rated refund was made available for distribution to the members for the program years 2 through 17 in the amount of \$7,854,764. Members may elect to have returned all or a portion of their refund and the funds will remain in the respective program year in the name of the member city. Subsequently, \$1,100,000 was requested to be returned to member cities and \$6,754,764 was retained in the respective program year in the name of member cities. The table below shows, by member city, the amount authorized by the Board, the amount returned to the member cities and the amount retained in the name of the respective member city:

<u>Member</u>	<u>Available at June 30, 2009</u>	<u>Subsequent to June 30, 2009</u>	<u>Total Remaining Funds</u>
Anaheim	\$ 784,058		\$ 784,058
Bakersfield	86,262		86,262
Burbank	(46,712)		(46,712)
Gardena	4,188		4,188
Modesto	110,784		110,784
Monterey	734,223	\$ 100,000	634,223
Mountain View	1,041,076		1,041,076
Ontario	2,551,039	1,000,000	1,551,039
Palo Alto	228,416		228,416
Santa Barbara	139,368		139,368
Santa Cruz	95,155		95,155
Santa Monica	1,160,764		1,160,764
Visalia	966,143		966,143
Totals	<u>\$ 7,854,764</u>	<u>\$ 1,100,000</u>	<u>\$ 6,754,764</u>

6. RESTATEMENT

The amount previously reported as Retrospectively Rated Refunds Liability of \$16,801,828 as of June 30, 2008 did not agree to the amount calculated by ACCEL or approved by the Board of Directors. The outstanding liability as of June 30, 2008 has been restated as \$13,680,901.

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

NOTES TO BASIC FINANCIAL STATEMENTS

(Continued)

6. RESTATEMENT (Continued)

The following impact on the Statement of Revenues, Expenses and Change in Net Assets has been recorded for the year ended June 30, 2008:

Net assets as of July 1, 2007, as previously reported	\$ 96,538
Restatement	<u>3,965,080</u>
Net assets as of July 1, 2007, as restated	<u>\$ 4,061,618</u>
Change in net assets as of June 30, 2008, as previously reported	\$ 28,325
Restatement	<u>(844,153)</u>
Change in net assets as of June 30, 2008, as restated	<u>\$ (815,828)</u>

SUPPLEMENTARY INFORMATION

**INDEPENDENT AUDITOR'S REPORT ON
SUPPLEMENTARY INFORMATION**

The Board of Directors
Authority for California Cities Excess Liability
Bakersfield, California

Our report on our audit of the basic financial statements of Authority for California Cities Excess Liability for the years ended June 30, 2009 appears on pages 1 and 2. That audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Claims Development Information on pages 21 and 22 are not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. The Schedule of Retrospectively Rated Refund Liability By Member for all program years is not a required part of the basic financial statements, but is supplementary information provided for additional analysis. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Perry - Smith LLP

Sacramento, California
October 9, 2009

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

CLAIMS DEVELOPMENT INFORMATION

For the Year Ended June 30, 2009

The tables that follow illustrate how the ACCEL's earned revenues (net of reinsurance and excess insurance) and investment income compare to related costs of loss (net of loss assumed by reinsurers or excess insurance) and other expenses assumed by ACCEL as of the end of each of the previous ten years. The rows of the tables are defined as follows:

1. Total of each fiscal year's gross earned premiums and reported investment revenue, amounts of premiums ceded and net earned reported premiums and reported investment revenue.
2. Each fiscal year's other operating costs including overhead and loss adjustment expenses not allocable to individual claims.
3. Program's gross incurred losses and allocated loss adjustment expense, losses assumed by reinsurers, and net incurred losses and loss adjustment expense (both paid and accrued) as originally reported at the end of the year in which the event that triggered coverage occurred (called policy year).
4. The cumulative net amounts paid as of the end of successive years for each policy year.
5. The latest reestimated amount of losses assumed by reinsurers for each policy year.
6. Policy year's incurred net claims increased or decreased as of the end of successive years. This annual re-estimation results from new information received on known claims, reevaluation of existing information on known claims, as well as emergence of new claims not previously known.
7. Compares the latest reestimated net incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of claims cost is greater or less than originally thought. As data for individual policy years mature, the correlation between original estimates and reestimated amounts is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years.

The columns of the tables show data for successive policy years.

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY

CLAIMS DEVELOPMENT INFORMATION

June 30, 2009

	Fiscal and Policy Year Ended June 30,									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
1. Premiums and investment revenue:										
Earned	\$ 4,683,000	\$ 4,691,000	\$ 4,915,000	\$ 4,912,000	\$ 4,839,000	\$ 5,749,000	\$ 6,762,000	\$ 9,449,000	\$ 10,906,000	\$ 10,440,042
Ceded	(1,575,000)	(1,726,000)	(1,726,000)	(1,726,000)	(2,443,000)	(3,075,000)	(2,669,000)	(2,646,000)	(2,689,000)	(2,672,240)
Net earned	\$ 3,108,000	\$ 2,965,000	\$ 3,189,000	\$ 3,186,000	\$ 2,396,000	\$ 2,674,000	\$ 4,093,000	\$ 6,803,000	\$ 8,217,000	\$ 7,767,802
2. Unallocated expenses	\$ 276,000	\$ 291,000	\$ 280,000	\$ 322,000	\$ 233,000	\$ 405,000	\$ 352,000	\$ 462,000	\$ 678,000	\$ 358,260
3. Estimated claims and expenses, end of policy year:										
Incurred	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,359,000	\$ 2,224,000	\$ 2,987,000	\$ 3,378,000	\$ 3,648,000	\$ 3,768,521
Ceded	0	0	0	0	0	0	0	0	0	0
Net incurred	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,359,000	\$ 2,224,000	\$ 2,987,000	\$ 3,378,000	\$ 3,648,000	\$ 3,768,521
4. Net paid (cumulative) as of:										
End of policy year	\$ 0	\$ 0	\$ 0	\$ 0	\$ 6,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
One year later	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,000	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Two years later	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,015,000	\$ 334,000	\$ 826,000	\$ 0	\$ 0	\$ 0
Three years later	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,019,000	\$ 2,335,000	\$ 4,457,753	\$ 0	\$ 0	\$ 0
Four years later	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,025,000	\$ 2,364,738	\$ 0	\$ 0	\$ 0	\$ 0
Five years later	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,026,057	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Six years later	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Seven years later	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Eight years later	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Nine years later	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
5. Re-estimated ceded claims and expenses	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
6. Re-estimated incurred claims and expenses:										
End of policy year	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,359,000	\$ 2,224,000	\$ 2,987,000	\$ 3,378,000	\$ 3,648,000	\$ 3,768,521
One year later	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,019,000	\$ 3,943,000	\$ 2,987,000	\$ 3,580,000	\$ 2,991,930	\$ 0
Two years later	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,123,000	\$ 3,943,000	\$ 5,203,000	\$ 2,915,352	\$ 0	\$ 0
Three years later	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,123,000	\$ 2,335,000	\$ 5,489,128	\$ 0	\$ 0	\$ 0
Four years later	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,123,000	\$ 2,784,564	\$ 0	\$ 0	\$ 0	\$ 0
Five years later	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,861,261	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Six years later	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Seven years later	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Eight years later	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Nine years later	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
7. Increase (decrease) in estimated incurred claims and expenses from end of policy year	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,502,261	\$ 565,564	\$ 2,502,128	\$ (462,648)	\$ (656,070)	\$ 0

* Amounts recorded prior to June 30, 2009 were rounded to the thousands.

**SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
SUMMARY - ALL PROGRAM YEARS
JUNE 30, 2009**

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	GARDENA	BURBANK	MONTEREY	MOUNTAIN VIEW	SANTA CRUZ	TOTAL
Excess of \$1,000,000 Layer														
Prior Years:														
Aud Dep	\$ 6,673,893	\$ 2,472,111	\$ 11,680,728	\$ 6,470,383	\$ 7,024,111	\$ 7,803,923	\$ 6,285,585	\$ 15,623,062	\$ 897,917	\$ 6,349,652	\$ 2,175,950	\$ 2,728,145	\$ 1,540,889	\$ 77,726,349
Interest	\$ 2,265,985	\$ 950,035	\$ 3,980,047	\$ 2,306,666	\$ 2,308,807	\$ 2,471,686	\$ 2,778,903	\$ 4,986,534	\$ 390,710	\$ 2,037,876	\$ 859,680	\$ 921,860	\$ 363,326	\$ 26,622,116
Fnd Transfer	\$ 84,555	\$ 27,659	\$ -	\$ 110,925	\$ -	\$ -	\$ (270,852)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (47,713)
Clim Adj	\$ (2,448,814)	\$ (792,336)	\$ (4,715,408)	\$ (982,079)	\$ (2,146,493)	\$ (1,757,820)	\$ (2,943,433)	\$ (5,642,482)	\$ (92,935)	\$ (1,455,070)	\$ (640,838)	\$ (1,272,727)	\$ (438,257)	\$ (25,329,691)
Retros	\$ (4,802,056)	\$ (1,152,657)	\$ (6,504,788)	\$ (5,781,526)	\$ (5,435,094)	\$ (5,820,257)	\$ (1,890,150)	\$ (9,916,508)	\$ (1,193,959)	\$ (5,345,568)	\$ (1,229,570)	\$ (43,581)	\$ -	\$ (49,115,714)
Balance Fwd.	\$ 1,772,564	\$ 1,504,813	\$ 4,440,578	\$ 2,124,369	\$ 1,751,331	\$ 2,697,532	\$ 3,960,053	\$ 5,050,606	\$ 1,732	\$ 1,586,890	\$ 1,165,223	\$ 2,333,698	\$ 1,465,958	\$ 29,855,347
Current Year:														
Dep Adjs	\$ 440,639	\$ 170,115	\$ 810,661	\$ 435,284	\$ 488,803	\$ 533,868	\$ 435,647	\$ 1,019,718	\$ -	\$ 537,877	\$ 179,445	\$ 305,123	\$ 254,315	\$ 5,611,497
Interest (1st QT)	\$ 20,391	\$ 16,632	\$ 50,557	\$ 16,180	\$ 20,603	\$ 25,041	\$ 43,638	\$ 46,851	\$ 18	\$ 18,614	\$ 12,987	\$ 22,873	\$ 11,292	\$ 305,676
Interest (2st QT)	\$ 78,082	\$ 63,696	\$ 193,608	\$ 61,954	\$ 78,889	\$ 95,888	\$ 167,120	\$ 179,395	\$ 72	\$ 71,289	\$ 49,736	\$ 87,596	\$ 43,238	\$ 1,170,563
Interest (3rd QT)	\$ 8,705	\$ 7,102	\$ 21,587	\$ 6,906	\$ 8,795	\$ 10,690	\$ 18,635	\$ 20,000	\$ 8	\$ 7,944	\$ 5,545	\$ 9,767	\$ 4,820	\$ 130,504
Interest (4th QT)	\$ 8,304	\$ 6,778	\$ 20,599	\$ 6,587	\$ 8,390	\$ 10,197	\$ 17,786	\$ 19,079	\$ 7	\$ 7,575	\$ 5,291	\$ 9,321	\$ 4,598	\$ 124,512
Fnd Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ (295,810)	\$ (108,863)	\$ (493,616)	\$ (289,331)	\$ (303,298)	\$ (376,794)	\$ (286,369)	\$ (665,257)	\$ -	\$ (376,580)	\$ (122,359)	\$ (185,742)	\$ (158,632)	\$ (3,662,651)
Retros	\$ -	\$ -	\$ (750,000)	\$ -	\$ -	\$ (500,000)	\$ -	\$ (1,000,000)	\$ -	\$ -	\$ -	\$ (300,000)	\$ (500,000)	\$ (3,050,000)
Current Year Activity	\$ 260,312	\$ 155,461	\$ 603,396	\$ (512,420)	\$ 302,180	\$ (201,109)	\$ 396,458	\$ (380,215)	\$ 106	\$ 266,718	\$ 130,646	\$ (51,062)	\$ (340,368)	\$ 630,102
TTL. 9 xs 1	\$ 2,032,876	\$ 1,660,273	\$ 5,043,974	\$ 1,611,949	\$ 2,053,511	\$ 2,496,423	\$ 4,356,510	\$ 4,670,391	\$ 1,838	\$ 1,853,608	\$ 1,295,868	\$ 2,282,636	\$ 1,125,590	\$ 30,485,449
Excess of \$500,000 Layer														
Prior Years:														
Aud Dep	\$ 591,353	\$ 231,230	\$ -	\$ 570,825	\$ -	\$ -	\$ 520,458	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,913,866
Interest	\$ 308,448	\$ 121,265	\$ -	\$ 352,781	\$ -	\$ -	\$ 281,236	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,063,730
Fnd Transfer	\$ (84,555)	\$ (27,658)	\$ -	\$ (110,925)	\$ -	\$ -	\$ 270,852	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 47,714
Clim Adj	\$ (106,950)	\$ (91,450)	\$ -	\$ (86,500)	\$ -	\$ -	\$ (215,100)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (500,000)
Retros	\$ (708,296)	\$ (233,387)	\$ -	\$ (726,181)	\$ -	\$ -	\$ (857,446)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,525,310)
Balance Fwd.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (2st QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (3rd QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (4th QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fnd Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year Activity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TTL. 500 x:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACCEL Reserves (1)	\$ (417,967)	\$ (153,289)	\$ (930,297)	\$ (312,889)	\$ (383,103)	\$ (463,925)	\$ (485,100)	\$ (882,293)	\$ (20)	\$ (410,592)	\$ (159,709)	\$ (199,216)	\$ (303,136)	\$ (5,101,536)
IBNR (2)	\$ (855,242)	\$ (319,921)	\$ (1,564,154)	\$ (776,838)	\$ (892,264)	\$ (962,184)	\$ (874,230)	\$ (1,961,134)	\$ (697)	\$ (959,860)	\$ (329,551)	\$ (544,932)	\$ (457,456)	\$ (10,498,464)
Total Net Reserves and IBNR:	\$ 759,667	\$ 1,187,063	\$ 2,549,524	\$ 522,222	\$ 778,144	\$ 1,070,313	\$ 2,997,180	\$ 1,826,964	\$ 1,121	\$ 483,156	\$ 806,609	\$ 1,538,487	\$ 364,998	\$ 14,885,448

1. Reserves as of 6/30/09
2. IBNR as of 6/30/09

**SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 1 (FY 86/87)
JUNE 30, 2009**

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	GARDENA	TOTAL
Excess of \$1,000,000 Layer										
Retros All %	5%	7%	21%	4%	13%	6%	17%	20%	8%	100%
Prior Years:										
Aud Dep	\$ 367,387	\$ 146,766	\$ 664,644	\$ 339,128	\$ 368,260	\$ 415,122	\$ 248,596	\$ 673,500	\$ 93,331	\$ 3,316,734
Interest	\$ 193,879	\$ 78,818	\$ 375,609	\$ 188,951	\$ 192,866	\$ 210,756	\$ 117,901	\$ 323,040	\$ 47,462	\$ 1,729,282
Fnd Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (267,155)	\$ -	\$ -	\$ (267,155)
Clm Adj	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ (561,266)	\$ (225,584)	\$ (1,040,253)	\$ (528,079)	\$ (561,126)	\$ (625,878)	\$ (99,342)	\$ (996,540)	\$ (140,793)	\$ (4,778,861)
Balance Fwd.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year:										
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (2st QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (3rd QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (4th QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fnd Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clm Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year Activity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TTL. 9 xs 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Excess of \$500,000 Layer										
Retros All %	15%	21%	0%	6%	0%	0%	58%	0%	0%	100%
Prior Years:										
Aud Dep	\$ 146,974	\$ 56,062	\$ -	\$ 135,273	\$ -	\$ -	\$ 99,438	\$ -	\$ -	\$ 437,747
Interest	\$ 77,551	\$ 30,495	\$ -	\$ 75,423	\$ -	\$ -	\$ 47,160	\$ -	\$ -	\$ 230,629
Fnd Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (106,862)	\$ -	\$ -	\$ (106,862)
Clm Adj	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ (224,525)	\$ (86,557)	\$ -	\$ (210,696)	\$ -	\$ -	\$ (39,736)	\$ -	\$ -	\$ (561,514)
Balance Fwd.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year:										
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (2st QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (3rd QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (4th QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fnd Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clm Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year Activity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TTL. 500 x:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TTL. Both Lyrs:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

1. Reserves as of 6/30/09
2. IBNR as of 6/30/09

**SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 2 (FY 87/88)
JUNE 30, 2009**

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	GARDENA	BURBANK	TOTAL
Excess of \$1,000,000 Layer											
Retros All %	5%	6%	18%	5%	15%	4%	15%	21%	8%	3%	100%
Prior Years:											
Aud Dep	\$ 323,624	\$ 132,213	\$ 578,656	\$ 327,530	\$ 396,592	\$ 420,915	\$ 305,480	\$ 964,363	\$ 137,521	\$ 513,647	\$ 4,100,541
Interest	\$ 153,911	\$ 68,900	\$ 294,970	\$ 180,156	\$ 206,919	\$ 219,761	\$ 141,672	\$ 459,823	\$ 76,165	\$ 271,914	\$ 2,074,189
Fnd Transfer	\$ 1,593	\$ (8,673)	\$ 6,879	\$ 1,175	\$ 8,655	\$ 654	\$ (156,671)	\$ 15,765	\$ (2,054)	\$ (29,243)	\$ (161,920)
Clm Adj	\$ (37,821)	\$ (46,008)	\$ (130,852)	\$ (33,474)	\$ (109,406)	\$ (26,663)	\$ (105,711)	\$ (150,415)	\$ (59,920)	\$ (24,272)	\$ (724,542)
Retros	\$ (441,383)	\$ (146,358)	\$ (749,931)	\$ (475,433)	\$ (503,142)	\$ (614,684)	\$ (185,042)	\$ (1,290,414)	\$ (151,532)	\$ (730,337)	\$ (5,288,256)
Balance Fwd.	\$ (77)	\$ 73	\$ (278)	\$ (46)	\$ (382)	\$ (17)	\$ (272)	\$ (878)	\$ 180	\$ 1,709	\$ 12
Current Year:											
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ (1)	\$ 1	\$ (3)	\$ (0)	\$ (4)	\$ (0)	\$ (3)	\$ (9)	\$ 2	\$ 18	\$ 0
Interest (2st QT)	\$ (4)	\$ 4	\$ (14)	\$ (2)	\$ (19)	\$ (1)	\$ (14)	\$ (44)	\$ 9	\$ 86	\$ 1
Interest (3rd QT)	\$ (0)	\$ 0	\$ (1)	\$ (0)	\$ (2)	\$ (0)	\$ (1)	\$ (4)	\$ 1	\$ 8	\$ 0
Interest (4th QT)	\$ (0)	\$ 0	\$ (1)	\$ (0)	\$ (2)	\$ (0)	\$ (1)	\$ (4)	\$ 1	\$ 7	\$ 0
Fnd Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clm Pd Alloc (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year Activity	\$ (5)	\$ 5	\$ (19)	\$ (3)	\$ (27)	\$ (1)	\$ (19)	\$ (61)	\$ 13	\$ 119	\$ 1
TTL. 9 xs 1	\$ (82)	\$ 78	\$ (298)	\$ (49)	\$ (409)	\$ (18)	\$ (291)	\$ (939)	\$ 193	\$ 1,828	\$ 13
Excess of \$500,000 Layer											
Retros All %	17%	20%	0%	16%	0%	0%	47%	0%	0%	0%	100%
Prior Years:											
Aud Dep	\$ 129,499	\$ 52,885	\$ -	\$ 131,012	\$ -	\$ -	\$ 122,192	\$ -	\$ -	\$ -	\$ 435,588
Interest	\$ 74,231	\$ 26,857	\$ -	\$ 73,252	\$ -	\$ -	\$ 71,792	\$ -	\$ -	\$ -	\$ 246,132
Fnd Transfer	\$ 400	\$ 24,715	\$ -	\$ 180	\$ -	\$ -	\$ 517,366	\$ -	\$ -	\$ -	\$ 542,661
Clm Adj	\$ (106,950)	\$ (91,450)	\$ -	\$ (86,500)	\$ -	\$ -	\$ (215,100)	\$ -	\$ -	\$ -	\$ (500,000)
Retros	\$ (97,180)	\$ (13,007)	\$ -	\$ (117,944)	\$ -	\$ -	\$ (496,250)	\$ -	\$ -	\$ -	\$ (724,381)
Balance Fwd.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year:											
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (2st QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (3rd QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (4th QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fnd Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clm Pd Alloc (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year Activity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TTL. 500 x:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TTL. Both Lyrs:	\$ (82)	\$ 78	\$ (298)	\$ (49)	\$ (409)	\$ (18)	\$ (291)	\$ (939)	\$ 193	\$ 1,828	\$ 13

1. Reserves as of 6/30/09
2. IBNR as of 6/30/09

**SCHEDULE OF RETROSPECTIVELY REATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 3 (FY 88/89)
JUNE 30, 2009**

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	GARDENA	BURBANK	TOTAL
Excess of \$1,000,000 Layer											
Retros All %	6%	6%	24%	4%	13%	4%	15%	22%	3%	3%	100%
Prior Years:											
Aud Dep	\$ 371,544	\$ 150,228	\$ 607,612	\$ 373,519	\$ 420,968	\$ 447,158	\$ 354,982	\$ 1,031,601	\$ 163,763	\$ 475,136	\$ 4,396,511
Interest	\$ 165,416	\$ 66,546	\$ 275,371	\$ 190,813	\$ 197,290	\$ 206,047	\$ 258,717	\$ 471,521	\$ 74,392	\$ 224,892	\$ 2,131,005
Fnd Transfer	\$ -	\$ 30	\$ -	\$ -	\$ -	\$ -	\$ (2)	\$ -	\$ (1)	\$ -	\$ 27
Clm Adj	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ (536,960)	\$ (216,804)	\$ (882,983)	\$ (564,332)	\$ (618,258)	\$ (653,205)	\$ (613,697)	\$ (1,503,122)	\$ (238,154)	\$ (700,028)	\$ (6,527,543)
Balance Fwd.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year:											
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (2st QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (3rd QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (4th QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fnd Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clm Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year Activity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TTL. 9 xs 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Excess of \$500,000 Layer											
Retros All %	19%	20%	0%	15%	0%	0%	47%	0%	0%	0%	100%
Prior Years:											
Aud Dep	\$ 148,617	\$ 60,091	\$ -	\$ 149,407	\$ -	\$ -	\$ 141,993	\$ -	\$ -	\$ -	\$ 500,108
Interest	\$ 71,352	\$ 33,088	\$ -	\$ 91,606	\$ -	\$ -	\$ 84,076	\$ -	\$ -	\$ -	\$ 280,122
Fnd Transfer	\$ (30,704)	\$ (43,183)	\$ -	\$ (14,421)	\$ -	\$ -	\$ (106,785)	\$ -	\$ -	\$ -	\$ (195,093)
Clm Adj	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ (189,265)	\$ (49,996)	\$ -	\$ (226,592)	\$ -	\$ -	\$ (119,284)	\$ -	\$ -	\$ -	\$ (585,137)
Balance Fwd.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year:											
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (2st QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (3rd QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (4th QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fnd Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clm Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year Activity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TTL. 500 x:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TTL. Both Lyrs:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

1. Reserves as of 6/30/09
2. IBNR as of 6/30/09

**SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 4 (FY 89/90)
JUNE 30, 2009**

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	GARDENA	BURBANK	MONTEREY	TOTAL
Excess of \$1,000,000 Layer												
Retros All %	6%	6%	23%	4%	9%	3%	14%	23%	2%	7%	4%	100%
Prior Years:												
Aud Dep	\$ 427,740	\$ 157,774	\$ 666,476	\$ 387,832	\$ 466,398	\$ 481,713	\$ 405,259	\$ 968,392	\$ 170,127	\$ 564,037	\$ 172,424	\$ 4,868,172
Interest	\$ 199,577	\$ 68,606	\$ 381,751	\$ 193,407	\$ 246,889	\$ 195,799	\$ 291,966	\$ 426,521	\$ 69,142	\$ 227,997	\$ 109,928	\$ 2,411,583
Fnd Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (221,680)	\$ -	\$ -	\$ -	\$ -	\$ (221,680)
Clim Adj	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ (627,317)	\$ (226,380)	\$ (1,048,227)	\$ (581,239)	\$ (713,287)	\$ (677,512)	\$ (475,545)	\$ (1,394,913)	\$ (239,269)	\$ (792,034)	\$ (282,352)	\$ (7,058,075)
Balance Fwd.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year:												
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (2st QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (3rd QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (4th QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fnd Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year Activity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TTL. 9 xs 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Excess of \$500,000 Layer												
Retros All %	20%	20%	0%	15%	0%	0%	45%	0%	0%	0%	0%	100%
Prior Years:												
Aud Dep	\$ 166,263	\$ 62,192	\$ -	\$ 155,133	\$ -	\$ -	\$ 156,835	\$ -	\$ -	\$ -	\$ -	\$ 540,423
Interest	\$ 85,314	\$ 30,825	\$ -	\$ 112,500	\$ -	\$ -	\$ 78,208	\$ -	\$ -	\$ -	\$ -	\$ 306,847
Fnd Transfer	\$ (54,251)	\$ (9,190)	\$ -	\$ (96,684)	\$ -	\$ -	\$ (32,867)	\$ -	\$ -	\$ -	\$ -	\$ (192,992)
Clim Adj	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ (197,326)	\$ (83,827)	\$ -	\$ (170,949)	\$ -	\$ -	\$ (202,176)	\$ -	\$ -	\$ -	\$ -	\$ (654,278)
Balance Fwd.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year:												
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (2st QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (3rd QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (4th QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fnd Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year Activity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TTL. 500 x:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TTL. Both Lyrs:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

1. Reserves as of 6/30/09
2. IBNR as of 6/30/09

SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 5 (FY 90/91)
JUNE 30, 2009

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	GARDENA	BURBANK	MONTEREY	TOTAL
Excess of \$1,000,000 Layer												
Retros All %	5%	5%	25%	4%	9%	5%	15%	20%	2%	7%	3%	100%
Prior Years:												
Aud Dep	\$ 491,583	\$ 180,027	\$ 744,971	\$ 429,697	\$ 497,967	\$ 512,308	\$ 464,064	\$ 1,088,295	\$ 182,935	\$ 595,898	\$ 182,788	\$ 5,370,533
Interest	\$ 264,860	\$ 66,702	\$ 342,330	\$ 213,097	\$ 185,213	\$ 190,650	\$ 203,220	\$ 397,004	\$ 70,554	\$ 225,987	\$ 107,988	\$ 2,267,605
Fnd Transfer	\$ -	\$ (17)	\$ -	\$ (12)	\$ -	\$ -	\$ (4,408)	\$ (9)	\$ (23)	\$ -	\$ (3)	\$ (4,472)
Clim Adj	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ (756,443)	\$ (246,712)	\$ (1,087,301)	\$ (642,782)	\$ (683,180)	\$ (702,958)	\$ (662,876)	\$ (1,485,290)	\$ (253,466)	\$ (821,885)	\$ (290,773)	\$ (7,633,666)
Balance Fwd.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year:												
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (2st QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (3rd QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (4th QT)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fnd Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year Activity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TTL. 9 xs 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ACCEL Reserves (1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR (2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Net Reserves and IBNR:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

1. Reserves as of 6/30/09
2. IBNR as of 6/30/09

SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 6 (FY 91/92)
JUNE 30, 2009

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	GARDENA	BURBANK	MONTEREY	TOTAL
Excess of \$1,000,000 Layer												
Retros All %	5%	4%	25%	2%	8%	5%	14%	26%	1%	7%	3%	100%
Prior Years:												
Aud Dep	\$ 386,004	\$ 155,190	\$ 620,491	\$ 358,552	\$ 392,364	\$ 409,606	\$ 375,765	\$ 845,011	\$ 150,240	\$ 467,142	\$ 145,258	\$ 4,305,623
Interest	\$ 153,683	\$ 68,340	\$ 245,246	\$ 141,211	\$ 131,624	\$ 127,907	\$ 167,561	\$ 269,338	\$ 52,995	\$ 133,105	\$ 69,191	\$ 1,560,201
Fnd Transfer	\$ (792)	\$ 9,044	\$ (4,792)	\$ (787)	\$ (6,589)	\$ 1,014	\$ 22,645	\$ (15,126)	\$ 2,078	\$ 29,243	\$ -	\$ 35,938
Clm Adj	\$ (121,308)	\$ (88,042)	\$ (621,546)	\$ (55,276)	\$ (191,591)	\$ (133,063)	\$ (360,172)	\$ (656,313)	\$ (33,016)	\$ (176,834)	\$ (64,030)	\$ (2,501,191)
Retros	\$ (416,493)	\$ (65,290)	\$ (271,321)	\$ (443,664)	\$ (335,581)	\$ (405,235)	\$ (200,417)	\$ (461,331)	\$ (170,745)	\$ (422,785)	\$ (150,152)	\$ (3,343,014)
Balance Fwd.	\$ 1,094	\$ 79,242	\$ (31,922)	\$ 36	\$ (9,774)	\$ 228	\$ 5,383	\$ (18,420)	\$ 1,552	\$ 29,871	\$ 267	\$ 57,557
Current Year:												
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ 12	\$ 840	\$ (339)	\$ 0	\$ (104)	\$ 2	\$ 57	\$ (195)	\$ 16	\$ 317	\$ 3	\$ 610
Interest (2st QT)	\$ 44	\$ 3,219	\$ (1,297)	\$ 1	\$ (397)	\$ 9	\$ 219	\$ (748)	\$ 63	\$ 1,213	\$ 11	\$ 2,338
Interest (3rd QT)	\$ 5	\$ 359	\$ (145)	\$ 0	\$ (44)	\$ 1	\$ 24	\$ (83)	\$ 7	\$ 135	\$ 1	\$ 261
Interest (4th QT)	\$ 5	\$ 343	\$ (138)	\$ 0	\$ (42)	\$ 1	\$ 23	\$ (80)	\$ 7	\$ 129	\$ 1	\$ 249
Fnd Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clm Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year Activity	\$ 66	\$ 4,761	\$ (1,918)	\$ 2	\$ (587)	\$ 14	\$ 323	\$ (1,107)	\$ 93	\$ 1,795	\$ 16	\$ 3,458
TTL. 9 xs 1	\$ 1,160	\$ 84,003	\$ (33,840)	\$ 38	\$ (10,361)	\$ 242	\$ 5,706	\$ (19,527)	\$ 1,645	\$ 31,666	\$ 283	\$ 61,015
TOTAL	\$ 1,160	\$ 84,003	\$ (33,840)	\$ 38	\$ (10,361)	\$ 242	\$ 5,706	\$ (19,527)	\$ 1,645	\$ 31,666	\$ 283	\$ 61,015
ACCEL Reserves (1)	(\$73)	(\$53)	(\$375)	(\$33)	(\$116)	(\$80)	(\$217)	(\$396)	(\$20)	(\$107)	(\$39)	(\$1,510)
IBNR (2)	(\$2,561)	(\$1,859)	(\$13,123)	(\$1,167)	(\$4,045)	(\$2,809)	(\$7,605)	(\$13,857)	(\$697)	(\$3,734)	(\$1,352)	(\$52,810)
Total Net Reserves and IBNR:	\$ (1,474)	\$ 82,091	\$ (47,339)	\$ (1,162)	\$ (14,522)	\$ (2,648)	\$ (2,116)	\$ (33,781)	\$ 928	\$ 27,826	\$ (1,108)	\$ 6,695

1. Reserves as of 6/30/09

2. IBNR as of 6/30/09

SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 7 (FY 92/93)
JUNE 30, 2009

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	BURBANK	MONTEREY	MOUNTAIN VIEW	TOTAL
Excess of \$1,000,000 Layer												
Retros All %	11%	2%	18%	2%	9%	5%	12%	25%	6%	2%	7%	100%
Prior Years:												
Aud Dep	\$ 403,812	\$ 162,692	\$ 631,676	\$ 367,723	\$ 393,468	\$ 438,745	\$ 398,123	\$ 872,835	\$ 468,514	\$ 154,252	\$ 291,684	\$ 4,583,524
Interest	\$ 80,532	\$ 106,587	\$ 130,910	\$ 146,884	\$ 154,913	\$ 148,150	\$ 173,083	\$ 283,881	\$ 165,521	\$ 54,645	\$ 106,324	\$ 1,551,430
Fnd Transfer	\$ 47,344	\$ 212,866	\$ 6,539	\$ 338	\$ 94,569	\$ 17,060	\$ -	\$ 147,374	\$ -	\$ 2,395	\$ -	\$ 528,485
Clim Adj	\$ (1,143,434)	\$ (260,302)	\$ (1,896,940)	\$ (226,579)	\$ (928,447)	\$ (537,466)	\$ (1,290,973)	\$ (2,632,532)	\$ (672,360)	\$ (198,125)	\$ (751,399)	\$ (10,538,558)
Retros	\$ 608,122	\$ (49,561)	\$ 988,754	\$ (289,509)	\$ 267,259	\$ (69,088)	\$ 721,189	\$ 1,328,733	\$ 25,034	\$ (13,181)	\$ 439,010	\$ 3,956,762
Balance Fwd.	\$ (3,623)	\$ 172,281	\$ (139,062)	\$ (1,143)	\$ (18,238)	\$ (2,599)	\$ 1,422	\$ 291	\$ (13,291)	\$ (14)	\$ 85,619	\$ 81,643
Current Year:												
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ (38)	\$ 1,827	\$ (1,475)	\$ (12)	\$ (193)	\$ (28)	\$ 15	\$ 3	\$ (141)	\$ (0)	\$ (0)	\$ (42)
Interest (2st QT)	\$ (147)	\$ 6,998	\$ (5,649)	\$ (46)	\$ (741)	\$ (106)	\$ 58	\$ 12	\$ (540)	\$ (1)	\$ (0)	\$ (162)
Interest (3rd QT)	\$ (16)	\$ 781	\$ (630)	\$ (5)	\$ (83)	\$ (12)	\$ 6	\$ 1	\$ (60)	\$ (0)	\$ (0)	\$ (18)
Interest (4th QT)	\$ (16)	\$ 745	\$ (602)	\$ (5)	\$ (79)	\$ (11)	\$ 6	\$ 1	\$ (57)	\$ (0)	\$ (0)	\$ (17)
Fnd Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (85,619)	\$ (85,619)
Current Year Activity	\$ (218)	\$ 10,351	\$ (8,355)	\$ (69)	\$ (1,096)	\$ (156)	\$ 85	\$ 17	\$ (799)	\$ (1)	\$ (85,619)	\$ (85,858)
TTL. 9 xs 1	\$ (3,841)	\$ 182,633	\$ (147,417)	\$ (1,212)	\$ (19,333)	\$ (2,756)	\$ 1,507	\$ 308	\$ (14,089)	\$ (15)	\$ (0)	\$ (4,215)
TOTAL	\$ (3,841)	\$ 182,633	\$ (147,417)	\$ (1,212)	\$ (19,333)	\$ (2,756)	\$ 1,507	\$ 308	\$ (14,089)	\$ (15)	\$ (0)	\$ (4,215)
ACCEL Reserves (1)	(\$873)	(\$199)	(\$1,448)	(\$173)	(\$709)	(\$410)	(\$985)	(\$2,009)	(\$513)	(\$151)	(\$574)	(\$8,044)
IBNR (2)	(\$30,523)	(\$6,949)	(\$50,637)	(\$6,048)	(\$24,784)	(\$14,347)	(\$34,461)	(\$70,273)	(\$17,948)	(\$5,289)	(\$20,058)	(\$281,317)
Total Net Reserves and IBNR:	\$ (35,237)	\$ 175,486	\$ (199,502)	\$ (7,433)	\$ (44,826)	\$ (17,513)	\$ (33,940)	\$ (71,974)	\$ (32,551)	\$ (5,455)	\$ (20,632)	\$ (272,944)

1. Reserves as of 6/30/09
2. IBNR as of 6/30/09

SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 8 (FY 93/94)
JUNE 30, 2009

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	BURBANK	MONTEREY	MOUNTAIN VIEW	TOTAL
Excess of \$1,000,000 Layer												
Retros All %	14%	3%	18%	2%	7%	5%	13%	25%	3%	2%	7%	100%
Prior Years:												
Aud Dep	\$ 262,942	\$ 103,616	\$ 425,961	\$ 256,508	\$ 267,235	\$ 309,159	\$ 279,850	\$ 589,097	\$ 329,067	\$ 105,710	\$ 159,350	\$ 3,088,495
Interest	\$ 119,688	\$ 33,501	\$ 224,236	\$ 137,219	\$ 95,514	\$ 116,940	\$ 191,325	\$ 220,368	\$ 126,040	\$ 67,783	\$ 103,759	\$ 1,436,372
Fnd Transfer	\$ 20,845	\$ (135,128)	\$ 25,568	\$ 4,100	\$ (81,272)	\$ 8,594	\$ -	\$ 38,373	\$ 2,000	\$ 3,335	\$ -	\$ (113,585)
Clim Adj	\$ (120,611)	\$ (24,912)	\$ (161,136)	\$ (20,263)	\$ (60,437)	\$ (47,893)	\$ (115,874)	\$ (219,467)	\$ (29,297)	\$ (19,122)	\$ (58,156)	\$ (877,168)
Retros	\$ (282,303)	\$ 24,032	\$ (528,328)	\$ (377,639)	\$ (222,027)	\$ (386,432)	\$ (324,420)	\$ (629,173)	\$ (427,265)	\$ (157,777)	\$ (112,373)	\$ (3,423,705)
Balance Fwd.	\$ 561	\$ 1,109	\$ (13,699)	\$ (75)	\$ (987)	\$ 367	\$ 30,881	\$ (802)	\$ 545	\$ (71)	\$ 92,579	\$ 110,409
Current Year:												
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ 6	\$ 12	\$ (145)	\$ (1)	\$ (10)	\$ 4	\$ 328	\$ (9)	\$ 6	\$ (1)	\$ 0	\$ 189
Interest (2st QT)	\$ 23	\$ 45	\$ (556)	\$ (3)	\$ (40)	\$ 15	\$ 1,254	\$ (33)	\$ 22	\$ (3)	\$ 0	\$ 724
Interest (3rd QT)	\$ 3	\$ 5	\$ (62)	\$ (0)	\$ (4)	\$ 2	\$ 140	\$ (4)	\$ 2	\$ (0)	\$ 0	\$ 81
Interest (4th QT)	\$ 2	\$ 5	\$ (59)	\$ (0)	\$ (4)	\$ 2	\$ 134	\$ (3)	\$ 2	\$ (0)	\$ 0	\$ 77
Fnd Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (92,579)	\$ (92,579)
Current Year Activity	\$ 34	\$ 67	\$ (823)	\$ (4)	\$ (59)	\$ 22	\$ 1,855	\$ (48)	\$ 33	\$ (4)	\$ (92,579)	\$ (91,508)
TTL. 9 xs 1	\$ 595	\$ 1,176	\$ (14,522)	\$ (79)	\$ (1,046)	\$ 389	\$ 32,736	\$ (850)	\$ 577	\$ (75)	\$ 0	\$ 18,901
	\$ (58,398)	\$ (115,460)	\$ 1,425,893	\$ 7,767	\$ 102,751	\$ (38,232)	\$ (3,214,415)	\$ 83,476	\$ (56,690)	\$ 7,409	\$ (9,636,647)	
TOTAL	\$ 595	\$ 1,176	\$ (14,522)	\$ (79)	\$ (1,046)	\$ 389	\$ 32,736	\$ (850)	\$ 577	\$ (75)	\$ 0	\$ 18,901
ACCEL Reserves (1)	(\$211)	(\$44)	(\$282)	(\$35)	(\$106)	(\$84)	(\$203)	(\$384)	(\$51)	(\$33)	(\$102)	(\$1,536)
IBNR (2)	(\$7,386)	(\$1,526)	(\$9,868)	(\$1,241)	(\$3,701)	(\$2,933)	(\$7,096)	(\$13,440)	(\$1,794)	(\$1,171)	(\$3,561)	(\$53,717)
Total Net Reserves and IBNR:	\$ (7,003)	\$ (393)	\$ (24,672)	\$ (1,355)	\$ (4,853)	\$ (2,627)	\$ 25,437	\$ (14,674)	\$ (1,268)	\$ (1,280)	\$ (3,663)	\$ (32,689)

1. Reserves as of 6/30/09
2. IBNR as of 6/30/09

SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 9 (FY 94/95)
JUNE 30, 2009

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	BURBANK	MONTEREY	MOUNTAIN VIEW	TOTAL
Excess of \$1,000,000 Layer												
Retros All %	15%	4%	19%	2%	6%	6%	13%	25%	3%	2%	4%	100%
Prior Years:												
Aud Dep	\$ 270,852	\$ 110,607	\$ 467,441	\$ 269,455	\$ 297,034	\$ 331,028	\$ 282,551	\$ 620,799	\$ 345,334	\$ 112,393	\$ 167,639	\$ 3,275,133
Interest	\$ 153,814	\$ 44,698	\$ 194,103	\$ 147,581	\$ 158,521	\$ 140,518	\$ 238,754	\$ 265,694	\$ 147,090	\$ 71,344	\$ 106,780	\$ 1,668,899
Fnd Transfer	\$ 245,305	\$ (96,915)	\$ 217,314	\$ 35,153	\$ 88,656	\$ 100,008	\$ -	\$ 360,073	\$ 50	\$ (2,459)	\$ -	\$ 947,185
Clim Adj	\$ (221,492)	\$ (53,682)	\$ (274,742)	\$ (32,670)	\$ (80,883)	\$ (90,669)	\$ (189,398)	\$ (363,252)	\$ (46,198)	\$ (34,685)	\$ (51,523)	\$ (1,439,192)
Retros	\$ (444,983)	\$ -	\$ (671,206)	\$ (419,519)	\$ (463,296)	\$ (471,469)	\$ -	\$ (890,857)	\$ (438,954)	\$ (146,593)	\$ (120,218)	\$ (4,067,095)
Balance Fwd.	\$ 3,496	\$ 4,709	\$ (67,089)	\$ 0	\$ 32	\$ 9,416	\$ 331,907	\$ (7,543)	\$ 7,322	\$ 1	\$ 102,678	\$ 384,930
Current Year:												
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ 37	\$ 50	\$ (712)	\$ 0	\$ 0	\$ (0)	\$ 3,520	\$ (80)	\$ 78	\$ 0	\$ 0	\$ 2,894
Interest (2st QT)	\$ 142	\$ 191	\$ (2,725)	\$ 0	\$ 1	\$ (0)	\$ 13,483	\$ (306)	\$ 297	\$ 0	\$ 0	\$ 11,083
Interest (3rd QT)	\$ 16	\$ 21	\$ (304)	\$ 0	\$ 0	\$ (0)	\$ 1,504	\$ (34)	\$ 33	\$ 0	\$ 0	\$ 1,236
Interest (4th QT)	\$ 15	\$ 20	\$ (290)	\$ 0	\$ 0	\$ (0)	\$ 1,436	\$ (33)	\$ 32	\$ 0	\$ 0	\$ 1,180
Fnd Transfer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (9,416)	\$ -	\$ -	\$ -	\$ -	\$ (102,678)	\$ (112,094)
Current Year Activity	\$ 210	\$ 283	\$ (4,031)	\$ 0	\$ 2	\$ (9,416)	\$ 19,942	\$ (453)	\$ 440	\$ 0	\$ (102,678)	\$ (95,701)
TTL. 9 xs 1	\$ 3,706	\$ 4,991	\$ (71,120)	\$ 0	\$ 34	\$ (0)	\$ 351,850	\$ (7,996)	\$ 7,762	\$ 1	\$ 0	\$ 289,229

TOTAL	\$ 3,706	\$ 4,991	\$ (71,120)	\$ 0	\$ 34	\$ (0)	\$ 351,850	\$ (7,996)	\$ 7,762	\$ 1	\$ 0	\$ 289,229
ACCEL Reserves (1)	(\$468)	(\$114)	(\$581)	(\$69)	(\$171)	(\$192)	(\$400)	(\$768)	(\$98)	(\$73)	(\$109)	(\$3,043)
IBNR (2)	(\$16,377)	(\$3,969)	(\$20,314)	(\$2,416)	(\$5,980)	(\$6,704)	(\$14,004)	(\$26,859)	(\$3,416)	(\$2,565)	(\$3,810)	(\$106,414)
Total Net Reserves and IBNR:	\$ (13,139)	\$ 909	\$ (92,016)	\$ (2,484)	\$ (6,117)	\$ (6,896)	\$ 337,445	\$ (35,623)	\$ 4,249	\$ (2,637)	\$ (3,918)	\$ 183,690

1. Reserves as of 6/30/09
2. IBNR as of 6/30/09

SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 10 (FY 95/96)
JUNE 30, 2009

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	BURBANK	MONTEREY	MOUNTAIN VIEW	TOTAL
Excess of \$1,000,000 Layer												
Retros All % (1)	14%	4%	19%	2%	6%	11%	13%	20%	5%	3%	3%	100%
Prior Years:												
Aud Dep (2)	\$ 256,217	\$ 95,072	\$ 409,539	\$ 233,370	\$ 266,460	\$ 267,948	\$ 242,327	\$ 550,899	\$ 305,780	\$ 101,626	\$ 151,268	\$ 2,880,506
Interest	\$ 108,558	\$ 65,580	\$ 169,972	\$ 101,684	\$ 116,284	\$ 109,877	\$ 155,515	\$ 207,519	\$ 119,057	\$ 59,247	\$ 115,925	\$ 1,329,218
Fnd Transfer (3)	\$ 151	\$ -	\$ (24,661)	\$ -	\$ 266	\$ 8,723	\$ -	\$ 481	\$ -	\$ -	\$ -	\$ (15,040)
Clim Adj	\$ (131,348)	\$ (31,925)	\$ (176,499)	\$ (18,243)	\$ (57,647)	\$ (96,140)	\$ (117,484)	\$ (181,242)	\$ (45,698)	\$ (25,814)	\$ (30,101)	\$ (912,141)
Retros (4)	\$ (232,829)	\$ -	\$ (413,992)	\$ (316,811)	\$ (325,334)	\$ (279,179)	\$ -	\$ (614,197)	\$ (365,806)	\$ (128,742)	\$ -	\$ (2,676,890)
Balance Fwd.	\$ 749	\$ 128,727	\$ (35,641)	\$ 0	\$ 28	\$ 11,230	\$ 280,359	\$ (36,541)	\$ 13,333	\$ 6,317	\$ 237,092	\$ 605,653
Current Year:												
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ 8	\$ 1,365	\$ (378)	\$ 0	\$ 0	\$ (0)	\$ 2,973	\$ (388)	\$ 141	\$ 67	\$ 2,312	\$ 6,101
Interest (2st QT)	\$ 30	\$ 5,229	\$ (1,448)	\$ 0	\$ 1	\$ (0)	\$ 11,389	\$ (1,484)	\$ 542	\$ 257	\$ 8,854	\$ 23,370
Interest (3rd QT)	\$ 3	\$ 583	\$ (161)	\$ 0	\$ 0	\$ (0)	\$ 1,270	\$ (166)	\$ 60	\$ 29	\$ 988	\$ 2,606
Interest (4th QT)	\$ 3	\$ 557	\$ (154)	\$ 0	\$ 0	\$ (0)	\$ 1,213	\$ (158)	\$ 58	\$ 27	\$ 943	\$ 2,488
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros (4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (11,230)	\$ -	\$ -	\$ -	\$ -	\$ (19,124)	\$ (30,354)
CY Adjs	\$ 45	\$ 7,734	\$ (2,141)	\$ 0	\$ 2	\$ (11,230)	\$ 16,845	\$ (2,196)	\$ 801	\$ 380	\$ (6,028)	\$ 4,212
TTL. 9 xs 1	\$ 794	\$ 136,461	\$ (37,783)	\$ 0	\$ 30	\$ (0)	\$ 297,204	\$ (38,736)	\$ 14,134	\$ 6,697	\$ 231,064	\$ 609,865

EXCESS INSURANCE \$ (35,613) \$ (14,000) \$ (61,534) \$ (37,572) \$ (38,030) \$ (45,948) \$ (43,604) \$ (81,636) \$ (49,507) \$ (14,344) \$ (26,445) \$ (448,233)

- (1) These percentages change beginning on the September report and are from the retro plan approved the prior Jur
(2) Deposits are less "excess insurance" noted above
(3) Member's money moved from another pool layer or program year.
(4) Member's money returned to them.

TOTAL	\$ 794	\$ 136,461	\$ (37,783)	\$ 0	\$ 30	\$ (0)	\$ 297,204	\$ (38,736)	\$ 14,134	\$ 6,697	\$ 231,064	\$ 609,865
ACCEL Reserves (1)	(\$337)	(\$82)	(\$452)	(\$47)	(\$148)	(\$246)	(\$301)	(\$464)	(\$117)	(\$66)	(\$77)	(\$2,337)
IBNR (2)	(\$1,766)	(\$2,860)	(\$15,811)	(\$1,634)	(\$5,164)	(\$8,612)	(\$10,524)	(\$16,236)	(\$4,094)	(\$2,312)	(\$2,696)	(\$81,710)
Total Net Reserves and IBNR:	\$ (11,309)	\$ 133,520	\$ (54,046)	\$ (1,681)	\$ (5,282)	\$ (8,859)	\$ 286,378	\$ (55,436)	\$ 9,923	\$ 4,319	\$ 228,291	\$ 297,527

SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 11 (FY 96/97)
JUNE 30, 2009

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	BURBANK	MONTEREY	MOUNTAIN VIEW	SANTA CRUZ	TOTAL
Excess of \$1,000,000 Layer													
Retros All % (1)	9%	3%	24%	4%	6%	9%	12%	15%	6%	3%	2%	8%	100%
Prior Years:													
Aud Dep (2)	\$ 260,933	\$ 101,685	\$ 446,256	\$ 255,194	\$ 292,611	\$ 294,181	\$ 276,180	\$ 577,556	\$ 300,840	\$ 109,834	\$ 166,182	\$ 80,443	\$ 3,161,895
Interest	\$ 121,545	\$ 78,274	\$ 222,975	\$ 110,498	\$ 120,593	\$ 124,006	\$ 214,363	\$ 263,856	\$ 130,428	\$ 83,877	\$ 127,477	\$ 56,033	\$ 1,653,927
Fnd Transfer (3)	\$ (142)	\$ -	\$ (214,760)	\$ -	\$ 55	\$ 43	\$ -	\$ (49,550)	\$ -	\$ -	\$ -	\$ -	\$ (264,354)
Clim Adj	\$ (5,486)	\$ (1,936)	\$ (15,413)	\$ (2,414)	\$ (3,950)	\$ (5,641)	\$ (7,500)	\$ (9,927)	\$ (3,840)	\$ (1,982)	\$ (1,330)	\$ (5,125)	\$ (64,544)
Retros (4)	\$ (375,201)	\$ -	\$ (400,000)	\$ (363,278)	\$ (409,305)	\$ (411,788)	\$ -	\$ (783,816)	\$ (425,949)	\$ (10,000)	\$ -	\$ -	\$ (3,179,337)
Balance Fwd.	\$ 1,649	\$ 178,022	\$ 39,058	\$ 0	\$ 4	\$ 801	\$ 483,043	\$ (1,880)	\$ 1,479	\$ 181,730	\$ 292,330	\$ 131,352	\$ 1,307,587
Current Year:													
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ 17	\$ 1,888	\$ 414	\$ 0	\$ 0	\$ 0	\$ 5,123	\$ (20)	\$ 16	\$ 1,927	\$ 3,100	\$ (0)	\$ 12,466
Interest (2st QT)	\$ 67	\$ 7,232	\$ 1,587	\$ 0	\$ 0	\$ 0	\$ 19,622	\$ (76)	\$ 60	\$ 7,382	\$ 11,875	\$ (0)	\$ 47,749
Interest (3rd QT)	\$ 7	\$ 807	\$ 177	\$ 0	\$ 0	\$ 0	\$ 2,188	\$ (9)	\$ 7	\$ 823	\$ 1,324	\$ (0)	\$ 5,325
Interest (4th QT)	\$ 7	\$ 770	\$ 169	\$ 0	\$ 0	\$ 0	\$ 2,089	\$ (8)	\$ 6	\$ 786	\$ 1,264	\$ (0)	\$ 5,084
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros (4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (801)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (131,352)	\$ (132,153)
CY Adjs	\$ 99	\$ 10,696	\$ 2,347	\$ 0	\$ 0	\$ (801)	\$ 29,023	\$ (113)	\$ 89	\$ 10,919	\$ 17,564	\$ (131,352)	\$ (61,529)
TTL 9 xs 1	\$ 1,748	\$ 188,719	\$ 41,405	\$ 0	\$ 4	\$ 0	\$ 512,066	\$ (1,993)	\$ 1,568	\$ 192,649	\$ 309,894	\$ (0)	\$ 1,246,059

EXCESS INSURANCE \$ (30,329) \$ (12,190) \$ (51,654) \$ (31,574) \$ (30,532) \$ (37,401) \$ (37,127) \$ (69,525) \$ (42,162) \$ (12,914) \$ (19,994) \$ (9,506) \$ (384,908)

- (1) These percentages change beginning on the September report and are from the retro plan approved the prior June
(2) Deposits are less "excess insurance" noted above.
(3) Member's money moved from another pool layer or program year.
(4) Member's money returned to them.

TOTAL	\$ 1,748	\$ 188,719	\$ 41,405	\$ 0	\$ 4	\$ 0	\$ 512,066	\$ (1,993)	\$ 1,568	\$ 192,649	\$ 309,894	\$ (0)	\$ 1,246,059
ACCEL Reserves (1)	(\$184,890)	(\$65,255)	(\$519,431)	(\$81,351)	(\$133,121)	(\$190,110)	(\$252,755)	(\$334,541)	(\$129,423)	(\$66,778)	(\$44,809)	(\$172,709)	(\$2,175,172)
IBNR (2)	(\$8,260)	(\$2,915)	(\$23,205)	(\$3,634)	(\$5,947)	(\$8,493)	(\$11,292)	(\$14,946)	(\$5,782)	(\$2,983)	(\$2,002)	(\$7,716)	(\$97,175)
Total Net Reserves and IBNR:	\$ (191,401)	\$ 120,548	\$ (501,231)	\$ (84,986)	\$ (139,063)	\$ (198,603)	\$ 248,019	\$ (351,480)	\$ (133,637)	\$ 122,888	\$ 263,084	\$ (180,425)	\$ (1,108,947)

SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 12 (FY 97/98)
JUNE 30, 2009

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	BURBANK	MONTEREY	MOUNTAIN VIEW	SANTA CRUZ	TOTAL
Excess of \$1,000,000 Layer													
Retros All % (1)	7%	4%	29%	3%	8%	9%	12%	11%	6%	3%	2%	6%	100%
Prior Years:													
Aud Dep (2)	\$ 267,707	\$ 91,044	\$ 415,007	\$ 250,033	\$ 283,628	\$ 298,069	\$ 249,738	\$ 515,480	\$ 282,381	\$ 103,012	\$ 155,850	\$ 142,541	\$ 3,054,490
Interest	\$ 133,436	\$ 45,690	\$ 159,339	\$ 93,451	\$ 102,550	\$ 111,202	\$ 125,881	\$ 230,908	\$ 114,576	\$ 58,430	\$ 100,029	\$ 74,628	\$ 1,350,120
Fnd Transfer (3)	\$ -	\$ -	\$ 152,000	\$ 78,225	\$ 203,586	\$ 194,185	\$ -	\$ (346,028)	\$ 9,000	\$ -	\$ -	\$ -	\$ 290,968
Clim Adj	\$ (155,010)	\$ (84,589)	\$ (596,287)	\$ (70,421)	\$ (157,718)	\$ (197,721)	\$ (257,308)	\$ (225,431)	\$ (116,674)	\$ (67,504)	\$ (35,836)	\$ (118,966)	\$ (2,083,463)
Retros (4)	\$ (245,000)	\$ -	\$ (200,000)	\$ (351,289)	\$ (431,842)	\$ (410,832)	\$ -	\$ (170,332)	\$ (245,559)	\$ -	\$ -	\$ -	\$ (2,054,854)
Balance Fwd.	\$ 1,133	\$ 52,145	\$ (69,941)	\$ (1)	\$ 204	\$ (5,096)	\$ 118,311	\$ 4,597	\$ 43,724	\$ 93,938	\$ 220,043	\$ 98,203	\$ 557,261
Current Year:													
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ 12	\$ 553	\$ (742)	\$ (0)	\$ 2	\$ (54)	\$ 1,255	\$ 49	\$ 464	\$ 996	\$ 2,334	\$ -	\$ 4,869
Interest (2st QT)	\$ 46	\$ 2,118	\$ (2,841)	\$ (0)	\$ 8	\$ (207)	\$ 4,806	\$ 187	\$ 1,776	\$ 3,816	\$ 8,939	\$ 0	\$ 18,648
Interest (3rd QT)	\$ 5	\$ 236	\$ (317)	\$ (0)	\$ 1	\$ (23)	\$ 536	\$ 21	\$ 198	\$ 426	\$ 997	\$ 0	\$ 2,080
Interest (4th QT)	\$ 5	\$ 226	\$ (303)	\$ (0)	\$ 1	\$ (22)	\$ 512	\$ 20	\$ 189	\$ 406	\$ 952	\$ 0	\$ 1,986
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros (4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (98,203)	\$ (98,203)
CY Adjs	\$ 68	\$ 3,133	\$ (4,202)	\$ (0)	\$ 12	\$ (306)	\$ 7,109	\$ 276	\$ 2,627	\$ 5,644	\$ 13,221	\$ (98,203)	\$ (70,621)
TTL. 9 xs 1	\$ 1,201	\$ 55,278	\$ (74,143)	\$ (1)	\$ 216	\$ (5,403)	\$ 125,420	\$ 4,873	\$ 46,351	\$ 99,582	\$ 233,264	\$ 0	\$ 486,640
EXCESS INSURANCE	\$ (57,771)	\$ (24,044)	\$ (99,517)	\$ (56,867)	\$ (58,263)	\$ (71,370)	\$ (68,122)	\$ (130,119)	\$ (80,456)	\$ (25,472)	\$ (40,674)	\$ (36,279)	\$ (748,954)

- (1) These percentages change beginning on the September report and are from the retro plan approved the prior June
(2) Deposits are less "excess insurance" noted above.
(3) Member's money moved from another pool layer or program year.
(4) Member's money returned to them.

TOTAL	\$ 1,201	\$ 55,278	\$ (74,143)	\$ (1)	\$ 216	\$ (5,403)	\$ 125,420	\$ 4,873	\$ 46,351	\$ 99,582	\$ 233,264	\$ 0	\$ 486,640
ACCEL Reserves (1)	(\$697)	(\$380)	(\$2,680)	(\$317)	(\$709)	(\$889)	(\$1,156)	(\$1,013)	(\$524)	(\$303)	(\$161)	(\$535)	(\$9,364)
IBNR (2)	(\$25,065)	(\$13,678)	(\$96,418)	(\$11,387)	(\$25,503)	(\$31,971)	(\$41,606)	(\$36,451)	(\$18,866)	(\$10,915)	(\$5,795)	(\$19,236)	(\$336,890)
Total Net Reserves and IBNR:	\$ (24,560)	\$ 41,220	\$ (173,241)	\$ (11,705)	\$ (25,995)	\$ (38,262)	\$ 82,657	\$ (32,591)	\$ 26,961	\$ 88,364	\$ 227,309	\$ (19,771)	\$ (67,152)

SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 13 (FY 98/99)
JUNE 30, 2009

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	BURBANK	MONTEREY	MOUNTAIN VIEW	SANTA CRUZ	TOTAL
Excess of \$1,000,000 Layer													
Retros All % (1)	9%	3%	30%	5%	11%	8%	14%	9%	0%	3%	4%	4%	100%
Prior Years:													
Aud Dep (2)	\$ 171,331	\$ 44,935	\$ 359,622	\$ 216,466	\$ 239,904	\$ 261,904	\$ 146,479	\$ 425,491	\$ -	\$ 56,008	\$ 106,974	\$ 74,886	\$ 2,104,000
Interest	\$ 59,279	\$ 26,664	\$ 171,367	\$ 79,757	\$ 76,285	\$ 82,993	\$ 87,412	\$ 190,518	\$ -	\$ 24,730	\$ 41,204	\$ 44,874	\$ 885,083
Fnd Transfer (3)	\$ (176,040)	\$ -	\$ -	\$ 3,808	\$ (221,277)	\$ (232,633)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (626,142)
Clim Adj	\$ (205)	\$ (78)	\$ (695)	\$ (123)	\$ (265)	\$ (178)	\$ (321)	\$ (214)	\$ -	\$ (72)	\$ (84)	\$ (102)	\$ (2,338)
Retros (4)	\$ (50,000)	\$ -	\$ (200,000)	\$ (227,952)	\$ (94,683)	\$ (111,997)	\$ -	\$ (599,603)	\$ -	\$ (50,000)	\$ (125,000)	\$ -	\$ (1,459,235)
Balance Fwd.	\$ 4,364	\$ 71,521	\$ 330,294	\$ 71,956	\$ (37)	\$ 89	\$ 233,570	\$ 16,192	\$ -	\$ 30,666	\$ 23,094	\$ 119,658	\$ 901,368
Current Year:													
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ 46	\$ 759	\$ 3,503	\$ 0	\$ (0)	\$ 1	\$ 2,477	\$ (0)	\$ -	\$ 325	\$ 245	\$ 0	\$ 7,356
Interest (2st QT)	\$ 177	\$ 2,905	\$ 13,417	\$ 0	\$ (1)	\$ 4	\$ 9,488	\$ (0)	\$ -	\$ 1,246	\$ 938	\$ 0	\$ 28,174
Interest (3rd QT)	\$ 20	\$ 324	\$ 1,496	\$ 0	\$ (0)	\$ 0	\$ 1,058	\$ (0)	\$ -	\$ 139	\$ 105	\$ 0	\$ 3,142
Interest (4th QT)	\$ 19	\$ 309	\$ 1,429	\$ 0	\$ (0)	\$ 0	\$ 1,010	\$ (0)	\$ -	\$ 133	\$ 100	\$ 0	\$ 3,000
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros (4)	\$ -	\$ -	\$ -	\$ (71,956)	\$ -	\$ -	\$ -	\$ (16,192)	\$ -	\$ -	\$ -	\$ (119,658)	\$ (207,806)
CY Adjs	\$ 262	\$ 4,297	\$ 19,845	\$ (71,956)	\$ (2)	\$ 5	\$ 14,034	\$ (16,192)	\$ -	\$ 1,843	\$ 1,388	\$ (119,658)	\$ (166,134)
TTL. 9 xs 1	\$ 4,627	\$ 75,818	\$ 350,139	\$ 0	\$ (39)	\$ 94	\$ 247,604	\$ (0)	\$ -	\$ 32,509	\$ 24,481	\$ 0	\$ 735,234

EXCESS INSURANCE \$ (155,508) \$ (74,020) \$ (184,209) \$ (103,744) \$ (118,083) \$ (132,108) \$ (174,962) \$ (240,854) \$ - \$ (78,460) \$ (116,201) \$ (105,477) \$ (1,483,626)

- (1) These percentages change beginning on the September report and are from the retro plan approved the prior June
- (2) Deposits are less "excess insurance" noted above.
- (3) Member's money moved from another pool layer or program year.
- (4) Member's money returned to them.

TOTAL	\$ 4,627	\$ 75,818	\$ 350,139	\$ 0	\$ (39)	\$ 94	\$ 247,604	\$ (0)	\$ -	\$ 32,509	\$ 24,481	\$ 0	\$ 735,234
ACCEL Reserves (1)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
IBNR (2)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Net Reserves and IBNR:	\$ 4,627	\$ 75,818	\$ 350,139	\$ 0	\$ (39)	\$ 94	\$ 247,604	\$ (0)	\$ -	\$ 32,509	\$ 24,481	\$ 0	\$ 710,752

**SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 14 (FY 99/00)
JUNE 30, 2009**

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	BURBANK	MONTEREY	MOUNTAIN VIEW	SANTA CRUZ	TOTAL
Excess of \$1,000,000 Layer	9%	3%	33%	7%	11%	5%	13%	7%	0%	3%	4%	4%	100%
Retros All % (1)													
Prior Years:													
Aud Dep (2)	\$ 188,001	\$ 56,908	\$ 385,285	\$ 213,117	\$ 197,285	\$ 220,974	\$ 160,383	\$ 505,156	\$ -	\$ 66,805	\$ 109,703	\$ 98,149	\$ 2,201,766
Interest	\$ 72,034	\$ 27,569	\$ 185,203	\$ 62,569	\$ 63,142	\$ 99,667	\$ 81,022	\$ 199,820	\$ -	\$ 31,842	\$ 35,207	\$ 47,915	\$ 905,988
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ 10,925	\$ (39,483)	\$ (41,692)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (70,250)
Clim Adj	\$ (59)	\$ (20)	\$ (219)	\$ (47)	\$ (75)	\$ (32)	\$ (88)	\$ (44)	\$ -	\$ (20)	\$ (27)	\$ (26)	\$ (657)
Retros (4)	\$ (250,000)	\$ -	\$ -	\$ (200,000)	\$ (217,267)	\$ -	\$ -	\$ (425,653)	\$ -	\$ -	\$ (125,000)	\$ -	\$ (1,217,920)
Balance Fwd.	\$ 9,976	\$ 84,456	\$ 570,269	\$ 86,564	\$ 3,601	\$ 278,917	\$ 241,317	\$ 279,279	\$ -	\$ 98,627	\$ 19,883	\$ 146,038	\$ 1,818,927
Current Year:													
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ 106	\$ 896	\$ 6,048	\$ (0)	\$ 38	\$ (0)	\$ 2,559	\$ 0	\$ -	\$ 1,046	\$ 211	\$ (0)	\$ 10,904
Interest (2st QT)	\$ 405	\$ 3,431	\$ 23,165	\$ (0)	\$ 146	\$ (0)	\$ 9,803	\$ 0	\$ -	\$ 4,006	\$ 808	\$ (0)	\$ 41,765
Interest (3rd QT)	\$ 45	\$ 383	\$ 2,584	\$ (0)	\$ 16	\$ (0)	\$ 1,033	\$ 0	\$ -	\$ 447	\$ 90	\$ (0)	\$ 4,658
Interest (4th QT)	\$ 43	\$ 365	\$ 2,467	\$ (0)	\$ 16	\$ (0)	\$ 1,044	\$ 0	\$ -	\$ 427	\$ 86	\$ (0)	\$ 4,447
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros (4)	\$ -	\$ -	\$ -	\$ (86,564)	\$ -	\$ (278,917)	\$ -	\$ (279,279)	\$ -	\$ -	\$ -	\$ (146,038)	\$ (790,798)
CY Adjs	\$ 599	\$ 5,074	\$ 34,264	\$ (86,564)	\$ 216	\$ (278,917)	\$ 14,499	\$ (279,279)	\$ -	\$ 5,926	\$ 1,195	\$ (146,038)	\$ (729,024)
TTL. 9 xs 1	\$ 10,575	\$ 89,531	\$ 604,533	\$ (0)	\$ 3,818	\$ (0)	\$ 255,816	\$ 0	\$ -	\$ 104,552	\$ 21,078	\$ (0)	\$ 1,089,903

EXCESS INSURANCE \$ (150,984) \$ (72,438) \$ (175,803) \$ (138,510) \$ (169,795) \$ (175,579) \$ (170,100) \$ (229,863) \$ - \$ (76,497) \$ (112,853) \$ (102,589) \$ (1,575,011)

- (1) These percentages change beginning on the September report and are from the retro plan approved the prior June
- (2) Deposits are less "excess insurance" noted above.
- (3) Member's money moved from another pool layer or program year.
- (4) Member's money returned to them.

TOTAL	\$ 10,575	\$ 89,531	\$ 604,533	\$ (0)	\$ 3,818	\$ (0)	\$ 255,816	\$ 0	\$ -	\$ 104,552	\$ 21,078	\$ (0)	\$ 1,089,903
ACCEL Reserves (1)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
IBNR (2)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Net Reserves and IBNR:	\$ 10,575	\$ 89,531	\$ 604,533	\$ (0)	\$ 3,818	\$ (0)	\$ 255,816	\$ 0	\$ -	\$ 104,552	\$ 21,078	\$ (0)	\$ 1,068,825

1. Reserves as of 6/30/09
2. IBNR as of 6/30/09

**SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 15 (FY 00/01)
JUNE 30, 2009**

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	BURBANK	MONTEREY	MOUNTAIN VIEW	SANTA CRUZ	TOTAL
Excess of \$1,000,000 Layer													
Retros All % (1)	10%	3%	29%	5%	13%	8%	12%	8%	0%	3%	4%	4%	100%
Prior Years:													
Aud Dep (2)	\$ 193,462	\$ 59,429	\$ 432,217	\$ 210,281	\$ 186,821	\$ 232,084	\$ 166,149	\$ 500,054	\$ -	\$ 74,913	\$ 109,573	\$ 93,137	\$ 2,258,120
Interest	\$ 50,857	\$ 26,827	\$ 97,760	\$ 67,732	\$ 47,343	\$ 68,938	\$ 73,662	\$ 180,350	\$ -	\$ 24,257	\$ 37,861	\$ 31,122	\$ 706,709
Fnd Transfer (3)	\$ (8,000)	\$ 46,600	\$ (162,000)	\$ (22,000)	\$ (45,100)	\$ (55,600)	\$ 132,012	\$ (15,200)	\$ -	\$ (1,500)	\$ -	\$ (5,000)	\$ (135,788)
Clim Adj	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ -	\$ 0	\$ 0	\$ 0	\$ 0
Retros (4)	\$ (140,000)	\$ -	\$ -	\$ -	\$ (5,659)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (145,659)
Balance Fwd.	\$ 96,319	\$ 132,856	\$ 367,977	\$ 256,013	\$ 183,405	\$ 245,422	\$ 371,823	\$ 665,204	\$ -	\$ 97,670	\$ 147,434	\$ 119,259	\$ 2,683,382
Current Year:													
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ 1,022	\$ 1,409	\$ 3,903	\$ (0)	\$ 1,945	\$ 486	\$ 3,943	\$ 0	\$ -	\$ 1,036	\$ 1,564	\$ 1,214	\$ 16,521
Interest (2st QT)	\$ 3,913	\$ 5,397	\$ 14,948	\$ (0)	\$ 7,450	\$ 1,860	\$ 15,104	\$ 0	\$ -	\$ 3,968	\$ 5,989	\$ 4,652	\$ 63,280
Interest (3rd QT)	\$ 436	\$ 602	\$ 1,667	\$ (0)	\$ 831	\$ 207	\$ 1,685	\$ 0	\$ -	\$ 442	\$ 668	\$ 519	\$ 7,058
Interest (4th QT)	\$ 417	\$ 575	\$ 1,592	\$ (0)	\$ 793	\$ 198	\$ 1,608	\$ 0	\$ -	\$ 422	\$ 638	\$ 495	\$ 6,738
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros (4)	\$ -	\$ -	\$ -	\$ (256,013)	\$ -	\$ (199,636)	\$ -	\$ (665,204)	\$ -	\$ -	\$ -	\$ (4,749)	\$ (1,125,602)
CY Adjs	\$ 5,787	\$ 7,983	\$ 22,109	\$ (256,013)	\$ 11,020	\$ (196,885)	\$ 22,341	\$ (665,204)	\$ -	\$ 5,868	\$ 8,858	\$ 2,131	\$ (1,032,005)
TTL. 9 xs 1	\$ 102,107	\$ 140,839	\$ 390,086	\$ (0)	\$ 194,424	\$ 48,537	\$ 394,164	\$ 0	\$ -	\$ 103,538	\$ 156,292	\$ 121,390	\$ 1,651,377
EXCESS INSURANCE	\$ (164,712)	\$ (75,813)	\$ (198,848)	\$ (148,740)	\$ (183,732)	\$ (188,661)	\$ (181,562)	\$ (259,995)	\$ -	\$ (80,202)	\$ (127,600)	\$ (116,045)	\$ (1,725,910)

- (1) These percentages change beginning on the September report and are from the retro plan approved the prior June
(2) Deposits are less "excess insurance" noted above.
(3) Member's money moved from another pool layer or program year.
(4) Member's money returned to them.

TOTAL	\$ 102,107	\$ 140,839	\$ 390,086	\$ (0)	\$ 194,424	\$ 48,537	\$ 394,164	\$ 0	\$ -	\$ 103,538	\$ 156,292	\$ 121,390	\$ 1,651,377
ACCEL Reserves (1)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
IBNR (2)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Net Reserves and IBNR:	\$ 102,107	\$ 140,839	\$ 390,086	\$ (0)	\$ 194,424	\$ 48,537	\$ 394,164	\$ 0	\$ -	\$ 103,538	\$ 156,292	\$ 121,390	\$ 1,373,695

SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 16 (FY 01/02)
JUNE 30, 2009

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	BURBANK	MONTEREY	MOUNTAIN VIEW	SANTA CRUZ	TOTAL
Excess of \$1,000,000 Layer	10%	1%	27%	6%	13%	8%	10%	13%	0%	2%	4%	6%	100%
Retros All % (1)	10%	1%	27%	6%	13%	8%	10%	13%	0%	2%	4%	6%	100%
Prior Years:													
Aud Dep (2)	\$ 223,602	\$ 64,839	\$ 474,746	\$ 226,742	\$ 204,031	\$ 289,064	\$ 191,306	\$ 556,571	\$ -	\$ 90,198	\$ 133,278	\$ 111,583	\$ 2,565,960
Interest	\$ 50,737	\$ 12,586	\$ 127,197	\$ 58,477	\$ 33,630	\$ 70,616	\$ 44,532	\$ 146,709	\$ -	\$ 21,713	\$ 31,336	\$ 25,475	\$ 623,007
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Adj	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros (4)	\$ (50,000)	\$ -	\$ -	\$ -	\$ (118,366)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (168,366)
Balance Fwd.	\$ 224,339	\$ 77,425	\$ 601,943	\$ 285,219	\$ 119,295	\$ 359,680	\$ 235,838	\$ 703,280	\$ -	\$ 111,911	\$ 164,614	\$ 137,058	\$ 3,020,601
Current Year:													
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ 2,379	\$ 821	\$ 6,384	\$ (0)	\$ 1,265	\$ 3,815	\$ 2,501	\$ 7,042	\$ -	\$ 1,187	\$ 1,746	\$ 1,454	\$ 28,593
Interest (2st QT)	\$ 9,113	\$ 3,145	\$ 24,452	\$ (0)	\$ 4,846	\$ 14,611	\$ 9,580	\$ 26,971	\$ -	\$ 4,546	\$ 6,687	\$ 5,568	\$ 109,519
Interest (3rd QT)	\$ 1,016	\$ 351	\$ 2,727	\$ (0)	\$ 540	\$ 1,630	\$ 1,068	\$ 3,008	\$ -	\$ 507	\$ 746	\$ 621	\$ 12,215
Interest (4th QT)	\$ 970	\$ 335	\$ 2,604	\$ (0)	\$ 516	\$ 1,556	\$ 1,020	\$ 2,872	\$ -	\$ 484	\$ 712	\$ 593	\$ 11,662
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros (4)	\$ -	\$ -	\$ -	\$ (285,219)	\$ -	\$ -	\$ -	\$ (39,325)	\$ -	\$ -	\$ -	\$ -	\$ (324,544)
CY Adjs	\$ 13,479	\$ 4,652	\$ 36,167	\$ (285,219)	\$ 7,168	\$ 21,611	\$ 14,170	\$ 568	\$ -	\$ 6,724	\$ 9,891	\$ 8,235	\$ (162,555)
TTL. 9 xs 1	\$ 237,818	\$ 82,077	\$ 638,110	\$ (0)	\$ 126,463	\$ 381,291	\$ 250,008	\$ 703,848	\$ -	\$ 118,635	\$ 174,504	\$ 145,293	\$ 2,858,047

EXCESS INSURANCE \$ (164,712) \$ (75,813) \$ (198,848) \$ (148,740) \$ (183,732) \$ (188,661) \$ (181,562) \$ (259,995) \$ - \$ (80,202) \$ (127,600) \$ (116,045) \$ (1,725,910)

- (1) These percentages change beginning on the September report and are from the retro plan approved the prior June
(2) Deposits are less "excess insurance" noted above.
(3) Member's money moved from another pool layer or program year.
(4) Member's money returned to them.

TOTAL	\$ 237,818	\$ 82,077	\$ 638,110	\$ (0)	\$ 126,463	\$ 381,291	\$ 250,008	\$ 703,848	\$ -	\$ 118,635	\$ 174,504	\$ 145,293	\$ 2,858,047
ACCEL Reserves (1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR (2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Net Reserves and IBNR:	\$ 237,818	\$ 82,077	\$ 638,110	\$ (0)	\$ 126,463	\$ 381,291	\$ 250,008	\$ 703,848	\$ -	\$ 118,635	\$ 174,504	\$ 145,293	\$ 2,538,249

SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 17 (FY 02/03)
JUNE 30, 2009

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD (5)	PALO ALTO	ONTARIO	ANAHEIM	BURBANK	MONTEREY	MOUNTAIN VIEW (5)	SANTA CRUZ (5)	TOTAL
Excess of \$1,000,000 Layer	1%	4%	28%	5%	8%	10%	12%	13%	0%	1%	1%	5%	100%
Retros All % (1)	1%	4%	28%	5%	8%	10%	12%	13%	0%	1%	1%	5%	100%
Prior Years:													
Aud Dep (2)	\$ 250,681	\$ 82,738	\$ 496,111	\$ 241,484	\$ 197,140	\$ 306,594	\$ 196,152	\$ 597,384	\$ -	\$ 94,831	\$ 128,014	\$ 83,636	\$ 2,674,765
Interest	\$ 28,527	\$ 10,169	\$ 95,143	\$ 42,182	\$ 25,593	\$ 49,517	\$ 61,729	\$ 85,341	\$ -	\$ 12,665	\$ 14,542	\$ 6,724	\$ 432,132
Fnd Transfer (3)	\$ (45,437)	\$ 44	\$ -	\$ -	\$ -	\$ -	\$ 226,128	\$ (135,514)	\$ -	\$ (1,768)	\$ -	\$ -	\$ 43,453
Clim Adj	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros (4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (50,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (50,000)
Balance Fwd.	\$ 233,771	\$ 92,951	\$ 591,254	\$ 283,666	\$ 222,733	\$ 356,111	\$ 434,009	\$ 547,211	\$ -	\$ 105,728	\$ 142,556	\$ 90,360	\$ 3,100,350
Current Year:													
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ 2,479	\$ 986	\$ 6,271	\$ 2,476	\$ 2,362	\$ 3,777	\$ 4,603	\$ 5,804	\$ -	\$ 1,121	\$ 1,512	\$ 958	\$ 32,348
Interest (2st QT)	\$ 9,496	\$ 3,776	\$ 24,018	\$ 9,482	\$ 9,048	\$ 14,466	\$ 17,630	\$ 22,229	\$ -	\$ 4,295	\$ 5,791	\$ 3,671	\$ 123,901
Interest (3rd QT)	\$ 1,059	\$ 421	\$ 2,679	\$ 1,058	\$ 1,009	\$ 1,613	\$ 1,966	\$ 2,479	\$ -	\$ 479	\$ 646	\$ 409	\$ 13,819
Interest (4th QT)	\$ 1,011	\$ 402	\$ 2,557	\$ 1,010	\$ 963	\$ 1,540	\$ 1,877	\$ 2,367	\$ -	\$ 457	\$ 617	\$ 391	\$ 13,193
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros (4)	\$ -	\$ -	\$ -	\$ (50,248)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (50,248)
CY Adjs	\$ 14,046	\$ 5,585	\$ 35,525	\$ (36,223)	\$ 13,383	\$ 21,396	\$ 26,077	\$ 32,878	\$ -	\$ 6,353	\$ 8,565	\$ 5,429	\$ 133,014
TTL. 9 xs 1	\$ 247,817	\$ 98,536	\$ 626,779	\$ 247,443	\$ 236,116	\$ 377,508	\$ 460,086	\$ 580,089	\$ -	\$ 112,080	\$ 151,122	\$ 95,789	\$ 3,233,364

EXCESS INSURANCE \$ (164,712) \$ (75,813) \$ (198,848) \$ (148,740) \$ (183,732) \$ (188,661) \$ (181,562) \$ (259,995) \$ - \$ (80,202) \$ (127,600) \$ (116,045) \$ (1,725,910)

- (1) These percentages change beginning on the September report and are from the retro plan approved the prior June
- (2) Deposits are less "excess insurance" noted above.
- (3) Member's money moved from another pool layer or program year.
- (4) Member's money returned to them.
- (5) Member City deposit has been reduced by \$26,500 Administration fee

TOTAL	\$ 247,817	\$ 98,536	\$ 626,779	\$ 247,443	\$ 236,116	\$ 377,508	\$ 460,086	\$ 580,089	\$ -	\$ 112,080	\$ 151,122	\$ 95,789	\$ 3,233,364
ACCEL Reserves (1)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
IBNR (2)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Net Reserves and IBNR:	\$ 247,817	\$ 98,536	\$ 626,779	\$ 247,443	\$ 236,116	\$ 377,508	\$ 460,086	\$ 580,089	\$ -	\$ 112,080	\$ 151,122	\$ 95,789	\$ 2,986,453

SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 18 (FY 03/04)
JUNE 30, 2009

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	BURBANK	MONTEREY	MOUNTAIN VIEW	SANTA CRUZ	TOTAL
Excess of \$1,000,000 Layer													
Retros All % (1)	9%	3%	14%	9%	10%	10%	8%	21%	0%	4%	6%	6%	100%
Prior Years:													
Aud Dep (2)	\$ 159,566	\$ 65,348	\$ 323,757	\$ 146,364	\$ 152,411	\$ 287,101	\$ 150,919	\$ 417,414	\$ -	\$ 72,083	\$ 115,121	\$ 48,894	\$ 1,938,978
Interest	\$ 24,240	\$ 10,502	\$ 52,464	\$ 21,786	\$ 22,230	\$ 46,949	\$ 22,481	\$ 66,880	\$ -	\$ 11,438	\$ 18,488	\$ 6,195	\$ 303,654
Fnd Transfer (3)	\$ (272)	\$ (192)	\$ (2,087)	\$ -	\$ (2,066)	\$ (356)	\$ (1,721)	\$ (639)	\$ -	\$ -	\$ -	\$ 5,000	\$ (2,333)
Clim Adj	\$ (268,603)	\$ (101,029)	\$ (424,078)	\$ (275,651)	\$ (293,406)	\$ (303,993)	\$ (255,989)	\$ (622,505)	\$ -	\$ (122,505)	\$ (181,579)	\$ (175,439)	\$ (3,024,775)
Retros (4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance Fwd.	\$ (85,069)	\$ (25,371)	\$ (49,944)	\$ (107,501)	\$ (120,831)	\$ 29,701	\$ (84,310)	\$ (138,850)	\$ -	\$ (38,983)	\$ (47,970)	\$ (115,349)	\$ (784,477)
Current Year:													
Dep Adjs (2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ (903)	\$ (269)	\$ (531)	\$ (1,141)	\$ (1,283)	\$ 314	\$ (895)	\$ (1,475)	\$ -	\$ (414)	\$ (509)	\$ (1,224)	\$ (8,331)
Interest (2st QT)	\$ (3,460)	\$ (1,032)	\$ (2,036)	\$ (4,372)	\$ (4,913)	\$ 1,201	\$ (3,429)	\$ (5,651)	\$ -	\$ (1,586)	\$ (1,952)	\$ (4,689)	\$ (31,919)
Interest (3rd QT)	\$ (386)	\$ (115)	\$ (227)	\$ (488)	\$ (548)	\$ 134	\$ (382)	\$ (630)	\$ -	\$ (177)	\$ (218)	\$ (523)	\$ (3,560)
Interest (4th QT)	\$ (368)	\$ (110)	\$ (217)	\$ (466)	\$ (523)	\$ 128	\$ (365)	\$ (602)	\$ -	\$ (169)	\$ (208)	\$ (499)	\$ (3,399)
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ (114)	\$ (44)	\$ (180)	\$ (117)	\$ (124)	\$ (129)	\$ (108)	\$ (263)	\$ -	\$ (52)	\$ (78)	\$ (73)	\$ (1,282)
Retros (4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CY Adjs	\$ (5,232)	\$ (1,571)	\$ (3,191)	\$ (6,583)	\$ (7,391)	\$ 1,648	\$ (5,180)	\$ (8,621)	\$ -	\$ (2,397)	\$ (2,965)	\$ (7,008)	\$ (48,491)
TTL. 9 xs 1	\$ (90,301)	\$ (26,942)	\$ (53,135)	\$ (114,084)	\$ (128,222)	\$ 31,350	\$ (89,490)	\$ (147,471)	\$ -	\$ (41,381)	\$ (50,934)	\$ (122,357)	\$ (832,968)
ACCEL Dep (.60 x pyrll)	\$ 403,818	\$ 152,129	\$ 637,721	\$ 414,394	\$ 441,360	\$ 457,349	\$ 384,894	\$ 936,000	\$ -	\$ 184,305	\$ 272,876	\$ 264,000	\$ 4,548,846
Less Excess Insurance	\$ (216,890)	\$ (81,709)	\$ (342,519)	\$ (222,571)	\$ (237,054)	\$ (245,642)	\$ (206,727)	\$ (502,725)	\$ -	\$ (98,990)	\$ (146,561)	\$ (141,795)	\$ (2,443,183)
Less ACCEL Admin Fee (5)	\$ (30,000)	\$ -	\$ -	\$ (30,000)	\$ (30,000)	\$ -	\$ (30,000)	\$ -	\$ -	\$ -	\$ -	\$ (30,000)	\$ (150,000)
Total Unaudited Deposit(2)	\$ 156,928	\$ 70,420	\$ 295,202	\$ 161,823	\$ 174,306	\$ 211,707	\$ 148,167	\$ 433,275	\$ -	\$ 85,315	\$ 126,315	\$ 92,205	\$ 1,955,663

- (1) These percentages change beginning on the September report and are from the retro plan approved the prior June
(2) Deposits are less "excess insurance" and Admin Fees (if applicable) noted above.
(3) Member's money moved from another pool layer or program year.
(4) Member's money returned to them.
(5) Member Cities have the option to pay their \$30,000 Admin Fees out of their deposit

TOTAL	\$ (90,301)	\$ (26,942)	\$ (53,135)	\$ (114,084)	\$ (128,222)	\$ 31,350	\$ (89,490)	\$ (147,471)	\$ -	\$ (41,381)	\$ (50,934)	\$ (122,357)	\$ (832,968)
ACCEL Reserves (1)	(\$300)	(\$113)	(\$473)	(\$308)	(\$327)	(\$339)	(\$286)	(\$695)	\$0	(\$137)	(\$203)	(\$196)	(\$3,375)
IBNR (2)	(\$10,473)	(\$3,939)	(\$16,535)	(\$10,748)	(\$11,440)	(\$11,853)	(\$9,981)	(\$24,272)	\$0	(\$4,777)	(\$7,080)	(\$6,841)	(\$117,941)
Total Net Reserves and IBNR:	\$ (101,074)	\$ (30,994)	\$ (70,144)	\$ (125,139)	\$ (139,990)	\$ 19,157	\$ (99,757)	\$ (172,438)	\$ -	\$ (46,294)	\$ (58,217)	\$ (129,394)	\$ (766,673)

**SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 19 (FY 04/05)
JUNE 30, 2009**

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	BURBANK	MONTEREY	MOUNTAIN VIEW	SANTA CRUZ	TOTAL
Excess of \$1,000,000 Layer													
Retros All % (1)	8%	3%	13%	8%	8%	10%	8%	18%	11%	3%	5%	4%	100%
Prior Years:													
Aud Dep (2)	\$ 222,079	\$ 72,846	\$ 360,945	\$ 208,384	\$ 214,489	\$ 275,606	\$ 208,697	\$ 412,905	\$ 251,859	\$ 85,732	\$ 129,312	\$ 110,792	\$ 2,553,646
Interest	\$ 13,710	\$ 2,412	\$ 20,237	\$ 11,140	\$ 10,564	\$ 15,502	\$ 11,546	\$ 11,841	\$ 8,042	\$ 4,066	\$ 5,941	\$ 5,089	\$ 120,090
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (11,050)	\$ -	\$ -	\$ -	\$ (11,050)
Clim Adj	\$ (177,670)	\$ (75,270)	\$ (305,611)	\$ (181,639)	\$ (194,246)	\$ (233,329)	\$ (177,997)	\$ (431,077)	\$ (254,948)	\$ (79,380)	\$ (120,797)	\$ (102,820)	\$ (2,334,785)
Retros (4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance Fwd.	\$ 58,119	\$ (12)	\$ 75,571	\$ 37,885	\$ 30,807	\$ 57,779	\$ 42,247	\$ (6,331)	\$ (6,098)	\$ 10,418	\$ 14,456	\$ 13,061	\$ 327,901
Current Year:													
Dep Adjs (2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ 616	\$ (0)	\$ 801	\$ 401	\$ 326	\$ 612	\$ 448	\$ (68)	\$ (65)	\$ 110	\$ 153	\$ 138	\$ 3,471
Interest (2st QT)	\$ 2,359	\$ (1)	\$ 3,067	\$ 1,537	\$ 1,249	\$ 2,345	\$ 1,714	\$ (262)	\$ (250)	\$ 422	\$ 586	\$ 529	\$ 13,294
Interest (3rd QT)	\$ 260	\$ (2)	\$ 336	\$ 168	\$ 136	\$ 257	\$ 188	\$ (37)	\$ (33)	\$ 46	\$ 63	\$ 57	\$ 1,439
Interest (4th QT)	\$ 242	\$ (4)	\$ 310	\$ 154	\$ 122	\$ 237	\$ 173	\$ (51)	\$ (41)	\$ 41	\$ 56	\$ 51	\$ 1,289
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ (2,279)	\$ (966)	\$ (3,921)	\$ (2,331)	\$ (2,492)	\$ (2,992)	\$ (2,284)	\$ (5,529)	\$ (3,271)	\$ (1,018)	\$ (1,551)	\$ (1,319)	\$ (29,953)
Retros (4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CY Adjs	\$ 1,197	\$ (973)	\$ 592	\$ (71)	\$ (658)	\$ 459	\$ 238	\$ (5,948)	\$ (3,660)	\$ (399)	\$ (693)	\$ (543)	\$ (10,460)
TTL. 9 xs 1	\$ 59,316	\$ (986)	\$ 76,163	\$ 37,814	\$ 30,148	\$ 58,238	\$ 42,485	\$ (12,279)	\$ (9,758)	\$ 10,019	\$ 13,763	\$ 12,517	\$ 317,441
ACCEL Deposit + **	\$ 385,933	\$ 163,200	\$ 833,207	\$ 394,614	\$ 421,915	\$ 527,271	\$ 424,658	\$ 1,178,579	\$ 553,544	\$ 192,986	\$ 285,432	\$ 223,178	\$ 5,584,517
Less Excess Insurance*	\$ (190,869)	\$ (80,713)	\$ (328,096)	\$ (195,162)	\$ (208,665)	\$ (250,559)	\$ (190,969)	\$ (515,519)	\$ (273,763)	\$ (85,234)	\$ (129,738)	\$ (110,376)	\$ (2,559,663)
Optional Arch/Axis **	\$ N/A	\$ N/A	\$ (169,805)	\$ N/A	\$ N/A	\$ (20,645)	\$ (38,521)	\$ (242,579)	\$ N/A	\$ (20,645)	\$ (23,104)	\$ N/A	\$ (515,299)
Total Deposit (2)	\$ 195,064	\$ 82,487	\$ 335,306	\$ 199,452	\$ 213,250	\$ 256,067	\$ 195,168	\$ 420,481	\$ 279,781	\$ 87,107	\$ 132,590	\$ 112,802	\$ 2,509,555

(1) These percentages change beginning on the September report and are from the retro plan approved the prior June
(2) Deposits are less "Excess Insurance" noted above.
(3) Member's money moved from another pool layer or program year.
(4) Member's money returned to them.
* C.V. Starr and Lexington Layers
** Optional Arch & Axis Layers

TOTAL	59,316	-986	76,163	37,814	30,148	58,238	42,485	-12,279	-9,758	10,019	13,763	12,517	317,441
ACCEL Reserves (1)	(\$4,378)	(\$1,855)	(\$7,531)	(\$4,476)	(\$4,787)	(\$5,760)	(\$4,387)	(\$10,623)	(\$6,283)	(\$1,956)	(\$2,977)	(\$2,534)	(\$57,538)
IBNR (2)	(\$31,021)	(\$13,142)	(\$53,359)	(\$31,714)	(\$33,915)	(\$40,739)	(\$31,078)	(\$75,265)	(\$44,513)	(\$13,859)	(\$21,091)	(\$17,952)	(\$407,646)
Total Net Reserves and IBNR:	\$ (35,399)	\$ (14,997)	\$ (60,890)	\$ (36,190)	\$ (38,702)	\$ (46,489)	\$ (35,464)	\$ (85,888)	\$ (50,796)	\$ (15,816)	\$ (24,068)	\$ (20,486)	\$ (420,631)

**SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 20 (FY 05/06)
JUNE 30, 2009**

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	BURBANK	MONTEREY	MOUNTAIN VIEW	SANTA CRUZ	TOTAL
Excess of \$1,000,000 Layer													
Retros All %	8%	3%	13%	8%	8%	10%	8%	18%	10%	3%	5%	4%	100%
Prior Years:													
Aud Dep (2)	\$ 269,058	\$ 106,744	\$ 550,686	\$ 299,701	\$ 292,630	\$ 328,378	\$ 277,279	\$ 745,237	\$ 326,645	\$ 107,621	\$ 178,385	\$ 143,317	\$ 3,625,681
Interest	\$ 36,079	\$ 11,461	\$ 71,893	\$ 35,904	\$ 36,872	\$ 45,456	\$ 35,129	\$ 92,759	\$ 45,381	\$ 14,791	\$ 22,741	\$ 19,136	\$ 467,603
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Adj	\$ (66,768)	\$ (24,542)	\$ (111,390)	\$ (65,281)	\$ (68,421)	\$ (85,030)	\$ (64,620)	\$ (150,063)	\$ (84,947)	\$ (27,600)	\$ (41,895)	\$ (35,780)	\$ (826,337)
Retros (4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance Fwd.	\$ 238,369	\$ 93,663	\$ 511,189	\$ 270,324	\$ 261,082	\$ 288,804	\$ 247,789	\$ 687,933	\$ 287,079	\$ 94,812	\$ 159,231	\$ 126,672	\$ 3,266,947
Current Year:													
Dep Adjs (2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (29,589)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (29,589)
Interest (1st QT)	\$ (578)	\$ (148)	\$ 240	\$ (170)	\$ (414)	\$ (1,206)	\$ (378)	\$ 315	\$ (907)	\$ (278)	\$ (260)	\$ (321)	\$ (4,106)
Interest (2st QT)	\$ (2,233)	\$ (575)	\$ 886	\$ (669)	\$ (1,605)	\$ (4,645)	\$ (1,467)	\$ 1,164	\$ (3,498)	\$ (1,074)	\$ (1,009)	\$ (1,240)	\$ (15,964)
Interest (3rd QT)	\$ (249)	\$ (64)	\$ 98	\$ (75)	\$ (179)	\$ (519)	\$ (164)	\$ 129	\$ (391)	\$ (120)	\$ (113)	\$ (138)	\$ (1,785)
Interest (4th QT)	\$ (238)	\$ (61)	\$ 94	\$ (72)	\$ (171)	\$ (495)	\$ (157)	\$ 123	\$ (373)	\$ (115)	\$ (108)	\$ (132)	\$ (1,705)
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ (293,417)	\$ (107,853)	\$ (489,515)	\$ (286,883)	\$ (300,682)	\$ (373,673)	\$ (283,977)	\$ (659,465)	\$ (373,309)	\$ (121,289)	\$ (184,113)	\$ (157,240)	\$ (3,631,416)
Retros (4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CY Adjs	\$ (296,715)	\$ (108,702)	\$ (488,197)	\$ (287,869)	\$ (303,052)	\$ (410,127)	\$ (286,142)	\$ (657,733)	\$ (378,478)	\$ (122,876)	\$ (185,602)	\$ (159,072)	\$ (3,684,566)
TTL. 9 xs 1	\$ (58,346)	\$ (15,039)	\$ 22,992	\$ (17,545)	\$ (41,970)	\$ (121,323)	\$ (38,353)	\$ 30,200	\$ (91,400)	\$ (28,064)	\$ (26,371)	\$ (32,399)	\$ (417,618)

The Current Year Deposit Adjustments are less any insurance costs paid out of the \$0.60 Rate.

Deposit	\$ 461,958	\$ 171,568	\$ 933,545	\$ 428,557	\$ 482,164	\$ 546,175	\$ 442,686	\$ 1,256,752	\$ 553,632	\$ 190,977	\$ 294,544	\$ 241,179	\$ 6,003,737
Less Excess Insurance	\$ (204,238)	\$ (76,981)	\$ (430,460)	\$ (176,705)	\$ (218,074)	\$ (217,797)	\$ (193,256)	\$ (605,688)	\$ (225,593)	\$ (84,277)	\$ (132,872)	\$ (103,148)	\$ (2,669,089)
Total Pool Deposit (2)	\$ 257,720	\$ 94,587	\$ 503,085	\$ 251,852	\$ 264,090	\$ 328,378	\$ 249,430	\$ 651,064	\$ 328,039	\$ 106,700	\$ 161,672	\$ 138,031	\$ 3,334,648

- (1) These percentages change beginning on the September report and are from the retro plan approved the prior June
(2) Deposits are less "Excess Insurance" noted above.
(3) Member's money moved from another pool layer or program year.
(4) Member's money returned to them.

TOTAL	\$ (58,346)	\$ (15,039)	\$ 22,992	\$ (17,545)	\$ (41,970)	\$ (121,323)	\$ (38,353)	\$ 30,200	\$ (91,400)	\$ (28,064)	\$ (26,371)	\$ (32,399)	\$ (417,618)
ACCEL Reserves (1)	(\$41,595)	(\$15,289)	(\$69,393)	(\$40,668)	(\$42,624)	(\$52,971)	(\$40,256)	(\$93,485)	(\$52,920)	(\$17,194)	(\$26,100)	(\$22,290)	(\$514,785)
IBNR (2)	(\$105,864)	(\$38,913)	(\$176,615)	(\$103,506)	(\$108,485)	(\$134,820)	(\$102,458)	(\$237,933)	(\$134,689)	(\$43,761)	(\$66,427)	(\$56,732)	(\$1,310,204)
Total Net Reserves and IBNR:	\$ (205,805)	\$ (69,242)	\$ (223,016)	\$ (161,719)	\$ (193,079)	\$ (309,114)	\$ (181,068)	\$ (301,218)	\$ (279,008)	\$ (89,019)	\$ (118,898)	\$ (111,421)	\$ (2,012,288)

**SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 21 (FY 06/07)
JUNE 30, 2009**

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	BURBANK	MONTEREY	MOUNTAIN VIEW	SANTA CRUZ	TOTAL
Excess of \$1,000,000 Layer Retros All %	8%	3%	14%	8%	8%	9%	8%	19%	10%	3%	5%	4%	100%
Prior Years:													
Aud Dep (2)	\$ 485,233	\$ 177,541	\$ 867,123	\$ 460,341	\$ 533,794	\$ 496,575	\$ 484,985	\$ 1,159,833	\$ 648,352	\$ 182,390	\$ 335,257	\$ 296,524	\$ 6,127,948
Interest	\$ 54,589	\$ 19,713	\$ 93,657	\$ 56,519	\$ 54,231	\$ 59,594	\$ 54,409	\$ 128,219	\$ 67,306	\$ 21,583	\$ 35,566	\$ 29,614	\$ 674,999
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Adj	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros (4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance Fwd.	\$ 539,822	\$ 197,254	\$ 960,780	\$ 516,860	\$ 588,025	\$ 556,169	\$ 539,394	\$ 1,288,052	\$ 715,658	\$ 203,973	\$ 370,823	\$ 326,138	\$ 6,802,947
Current Year:													
Dep Adjs (2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,587	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,587
Interest (1st QT)	\$ 5,725	\$ 2,092	\$ 10,190	\$ 5,482	\$ 6,236	\$ 6,488	\$ 5,721	\$ 13,661	\$ 7,590	\$ 2,163	\$ 3,933	\$ 3,459	\$ 72,739
Interest (2st QT)	\$ 21,929	\$ 8,013	\$ 39,029	\$ 20,996	\$ 23,887	\$ 24,851	\$ 21,911	\$ 52,323	\$ 29,071	\$ 8,286	\$ 15,064	\$ 13,248	\$ 278,607
Interest (3rd QT)	\$ 2,446	\$ 894	\$ 4,353	\$ 2,342	\$ 2,664	\$ 2,772	\$ 2,444	\$ 5,836	\$ 3,242	\$ 924	\$ 1,680	\$ 1,478	\$ 31,073
Interest (4th QT)	\$ 2,335	\$ 853	\$ 4,156	\$ 2,236	\$ 2,544	\$ 2,646	\$ 2,333	\$ 5,571	\$ 3,096	\$ 882	\$ 1,604	\$ 1,411	\$ 29,667
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros (4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CY Adjs	\$ 32,435	\$ 11,852	\$ 57,727	\$ 31,055	\$ 35,331	\$ 92,344	\$ 32,409	\$ 77,391	\$ 42,999	\$ 12,255	\$ 22,280	\$ 19,596	\$ 467,674
TTL. 9 xs 1	\$ 572,256	\$ 209,105	\$ 1,018,507	\$ 547,915	\$ 623,355	\$ 648,513	\$ 571,803	\$ 1,365,443	\$ 758,657	\$ 216,228	\$ 393,104	\$ 345,733	\$ 7,270,621

The Current Year Deposit Adjustments are less any insurance costs paid out of the \$0.60 Rate

Deposit	\$ 615,450	\$ 242,541	\$ 1,148,951	\$ 644,825	\$ 667,371	\$ 705,798	\$ 637,561	\$ 1,609,864	\$ 744,720	\$ 252,609	\$ 407,797	\$ 341,252	\$ 8,018,739
Less Excess Insurance	\$ (191,163)	\$ (78,826)	\$ (412,309)	\$ (193,430)	\$ (215,677)	\$ (209,223)	\$ (210,046)	\$ (587,268)	\$ (220,493)	\$ (80,722)	\$ (132,034)	\$ (114,797)	\$ (2,645,988)
Total Pool Deposit (2)	\$ 424,287	\$ 163,715	\$ 736,642	\$ 451,395	\$ 451,694	\$ 496,575	\$ 427,515	\$ 1,022,596	\$ 524,227	\$ 171,887	\$ 275,763	\$ 226,455	\$ 5,372,751

(1) These percentages change beginning on the September report and are from the retro plan approved the prior June

(2) Deposits are less "Excess Insurance" noted above.

(3) Member's money moved from another pool layer or program year.

(4) Member's money returned to them.

TOTAL	\$ 572,256	\$ 209,105	\$ 1,018,507	\$ 547,915	\$ 623,355	\$ 648,513	\$ 571,803	\$ 1,365,443	\$ 758,657	\$ 216,228	\$ 393,104	\$ 345,733	\$ 7,270,621
ACCEL Reserves (1)	(\$76,976)	(\$29,718)	(\$133,587)	(\$81,848)	(\$81,945)	(\$90,032)	(\$77,560)	(\$185,424)	(\$95,099)	(\$31,180)	(\$49,986)	(\$41,021)	(\$974,377)
IBNR (2)	(\$159,923)	(\$61,742)	(\$277,537)	(\$170,045)	(\$170,247)	(\$187,049)	(\$161,138)	(\$385,232)	(\$197,576)	(\$64,779)	(\$103,849)	(\$85,225)	(\$2,024,341)
Total Net Reserves and IBNR:	\$ 335,358	\$ 117,644	\$ 607,383	\$ 296,023	\$ 371,163	\$ 371,431	\$ 333,105	\$ 794,787	\$ 465,982	\$ 120,269	\$ 239,270	\$ 219,487	\$ 3,813,146

**SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 22 (FY 07/08)
JUNE 30, 2009**

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	BURBANK	MONTEREY	MOUNTAIN VIEW	SANTA CRUZ	TOTAL
Excess of \$1,000,000 Layer Retros All %	8%	3%	14%	8%	9%	9%	8%	19%	9%	3%	6%	5%	100%
Prior Years:													
Aud Dep (2)	\$ 420,535	\$ 153,869	\$ 751,506	\$ 398,962	\$ 462,621	\$ 479,691	\$ 420,321	\$ 1,005,189	\$ 475,020	\$ 158,072	\$ 290,555	\$ 256,987	\$ 5,273,328
Interest	\$ 27,036	\$ 9,892	\$ 48,314	\$ 25,649	\$ 29,742	\$ 30,839	\$ 27,022	\$ 64,623	\$ 30,539	\$ 10,162	\$ 18,680	\$ 16,522	\$ 339,019
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Adj	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros (4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance Fwd.	\$ 447,571	\$ 163,761	\$ 799,820	\$ 424,611	\$ 492,363	\$ 510,530	\$ 447,343	\$ 1,069,812	\$ 505,559	\$ 168,234	\$ 309,235	\$ 273,509	\$ 5,612,347
Current Year:													
Dep Adjs (2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	\$ 4,747	\$ 1,737	\$ 8,483	\$ 4,503	\$ 5,222	\$ 5,415	\$ 4,744	\$ 11,346	\$ 5,362	\$ 1,784	\$ 3,280	\$ 2,901	\$ 59,523
Interest (2st QT)	\$ 18,181	\$ 6,652	\$ 32,490	\$ 17,249	\$ 20,001	\$ 20,739	\$ 18,172	\$ 43,458	\$ 20,537	\$ 6,834	\$ 12,562	\$ 11,110	\$ 227,985
Interest (3rd QT)	\$ 2,028	\$ 742	\$ 3,624	\$ 1,924	\$ 2,231	\$ 2,313	\$ 2,027	\$ 4,847	\$ 2,290	\$ 762	\$ 1,401	\$ 1,239	\$ 25,427
Interest (4th QT)	\$ 1,936	\$ 708	\$ 3,460	\$ 1,837	\$ 2,130	\$ 2,208	\$ 1,935	\$ 4,627	\$ 2,187	\$ 728	\$ 1,338	\$ 1,183	\$ 24,276
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros (4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CY Adjs	\$ 26,892	\$ 9,839	\$ 48,056	\$ 25,512	\$ 29,583	\$ 30,675	\$ 26,878	\$ 64,278	\$ 30,376	\$ 10,108	\$ 18,580	\$ 16,433	\$ 337,211
TTL. 9 xs 1	\$ 474,463	\$ 173,601	\$ 847,876	\$ 450,123	\$ 521,946	\$ 541,205	\$ 474,221	\$ 1,134,090	\$ 535,935	\$ 178,342	\$ 327,815	\$ 289,942	\$ 5,949,557

The Current Year Deposit Adjustments are less any insurance costs paid out of the \$0.60 Rate

Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less Excess Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pool Deposit (2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(1) These percentages change beginning on the September report and are from the retro plan approved the prior June

(2) Deposits are less "Excess Insurance" noted above.

(3) Member's money moved from another pool layer or program year.

(4) Member's money returned to them.

TOTAL	\$ 474,463	\$ 173,601	\$ 847,876	\$ 450,123	\$ 521,946	\$ 541,205	\$ 474,221	\$ 1,134,090	\$ 535,935	\$ 178,342	\$ 327,815	\$ 289,942	\$ 5,949,557
ACCEL Reserves (1)	(\$58,859)	(\$21,536)	(\$105,183)	(\$55,840)	(\$64,750)	(\$67,139)	(\$58,829)	(\$140,690)	(\$66,485)	(\$22,124)	(\$40,667)	(\$35,969)	(\$738,073)
IBNR (2)	(\$186,562)	(\$68,261)	(\$333,392)	(\$176,992)	(\$205,233)	(\$212,806)	(\$186,467)	(\$445,933)	(\$210,734)	(\$70,126)	(\$128,899)	(\$114,008)	(\$2,339,413)
Total Net Reserves and IBNR:	\$ 229,041	\$ 83,803	\$ 409,301	\$ 217,291	\$ 251,962	\$ 261,259	\$ 228,924	\$ 547,468	\$ 258,716	\$ 86,093	\$ 158,248	\$ 139,966	\$ 2,573,858

**SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 23 (FY 08/09)
JUNE 30, 2009**

	MODESTO	VISALIA	SANTA MONICA	SANTA BARBARA	BAKERSFIELD	PALO ALTO	ONTARIO	ANAHEIM	BURBANK	MONTEREY	MOUNTAIN VIEW	SANTA CRUZ	TOTAL
Excess of \$1,000,000 Layer													
Retros All %	8%	3%	15%	8%	9%	9%	8%	18%	10%	3%	5%	5%	100%
Prior Years:													
Aud Dep (2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Adj	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros (4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Balance Fwd.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year:													
Dep Adjs (2)	\$ 440,639	\$ 170,115	\$ 810,661	\$ 435,284	\$ 488,803	\$ 507,870	\$ 435,647	\$ 1,019,718	\$ 537,877	\$ 179,445	\$ 305,123	\$ 254,315	\$ 5,585,499
Interest (1st QT)	\$ 4,700	\$ 1,814	\$ 8,646	\$ 4,642	\$ 5,213	\$ 5,417	\$ 4,646	\$ 10,876	\$ 5,737	\$ 1,914	\$ 3,254	\$ 2,712	\$ 59,571
Interest (2st QT)	\$ 18,000	\$ 6,949	\$ 33,116	\$ 17,782	\$ 19,968	\$ 20,747	\$ 17,796	\$ 41,656	\$ 21,972	\$ 7,330	\$ 12,464	\$ 10,389	\$ 228,170
Interest (3rd QT)	\$ 2,008	\$ 775	\$ 3,693	\$ 1,983	\$ 2,227	\$ 2,314	\$ 1,985	\$ 4,646	\$ 2,451	\$ 818	\$ 1,390	\$ 1,159	\$ 25,448
Interest (4th QT)	\$ 1,917	\$ 740	\$ 3,526	\$ 1,893	\$ 2,126	\$ 2,209	\$ 1,895	\$ 4,436	\$ 2,340	\$ 781	\$ 1,327	\$ 1,106	\$ 24,296
Fnd Transfer (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Clim Pd Alloc	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Retros (4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CY Adjs	\$ 467,264	\$ 180,394	\$ 859,642	\$ 461,585	\$ 518,337	\$ 538,557	\$ 461,970	\$ 1,081,331	\$ 570,376	\$ 190,287	\$ 323,559	\$ 269,681	\$ 5,922,984
TTL. 9 xs 1	\$ 467,264	\$ 180,394	\$ 859,642	\$ 461,585	\$ 518,337	\$ 538,557	\$ 461,970	\$ 1,081,331	\$ 570,376	\$ 190,287	\$ 323,559	\$ 269,681	\$ 5,922,984

The Current Year Deposit Adjustments are less any insurance costs paid out of the \$0.60 Rate.

Deposit	\$ 604,055	\$ 233,204	\$ 1,243,686	\$ 624,004	\$ 700,725	\$ 728,060	\$ 651,670	\$ 1,664,181	\$ 776,948	\$ 245,994	\$ 437,411	\$ 364,574	\$ 8,274,512
Less Excess Insurance	\$ (160,938)	\$ (62,132)	\$ (428,467)	\$ (186,272)	\$ (209,174)	\$ (217,334)	\$ (213,573)	\$ (638,729)	\$ (236,047)	\$ (65,540)	\$ (130,572)	\$ (108,829)	\$ (2,657,607)
Total Pool Deposit (2)	\$ 443,117	\$ 171,072	\$ 815,219	\$ 437,732	\$ 491,551	\$ 510,726	\$ 438,097	\$ 1,025,452	\$ 540,901	\$ 180,454	\$ 306,839	\$ 255,745	\$ 5,616,905
Liability Payroll Audit													
Other Deposit Adjustments													
Net Deposit	\$ 443,117	\$ 171,072	\$ 815,219	\$ 437,732	\$ 491,551	\$ 510,726	\$ 438,097	\$ 1,025,452	\$ 540,901	\$ 180,454	\$ 306,839	\$ 255,745	\$ 5,616,905

(1) These percentages change beginning on the September report and are from the retro plan approved the prior June

(2) Deposits are less "Excess Insurance" noted above.

(3) Member's money moved from another pool layer or program year.

(4) Member's money returned to them.

TOTAL	\$ 467,264	\$ 180,394	\$ 859,642	\$ 461,585	\$ 518,337	\$ 538,557	\$ 461,970	\$ 1,081,331	\$ 570,376	\$ 190,287	\$ 323,559	\$ 269,681	\$ 5,922,984
ACCEL Reserves (1)	(\$48,311)	(\$18,651)	(\$88,879)	(\$47,724)	(\$53,591)	(\$55,682)	(\$47,763)	(\$111,800)	(\$58,972)	(\$19,674)	(\$33,453)	(\$27,883)	(\$612,382)
IBNR (2)	(\$259,460)	(\$100,168)	(\$477,338)	(\$256,307)	(\$287,819)	(\$299,047)	(\$256,520)	(\$600,436)	(\$316,716)	(\$105,662)	(\$179,664)	(\$149,747)	(\$3,288,886)
Total Net Reserves and IBNR:	\$ 159,493	\$ 61,575	\$ 293,425	\$ 157,555	\$ 176,926	\$ 183,828	\$ 157,686	\$ 369,095	\$ 194,689	\$ 64,951	\$ 110,442	\$ 92,051	\$ 1,819,222