

**AUTHORITY FOR
CALIFORNIA CITIES EXCESS LIABILITY**
San Francisco, California

FINANCIAL STATEMENTS
June 30, 2012 and 2011

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REPORT OF INDEPENDENT AUDITORS

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

We have audited the accompanying statement of net assets of Authority for California Cities Excess Liability ("ACCEL") as of June 30, 2012, and the related statements of revenues, expenses and change in net assets, and cash flows for the year then ended. These basic financial statements are the responsibility of ACCEL's management. Our responsibility is to express an opinion on these basic financial statements based on our audit. The financial statements of Authority for California Cities Excess Liability as of June 30, 2011 were audited by other auditors, whose report dated October 13, 2011, expressed an unqualified opinion on those financial 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 2012 basic financial statements referred to above present fairly, in all material respects, the financial position of ACCEL as of June 30, 2012, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 12, 2012 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, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 7, and the Claims Development Information on pages 19 through 20 be presented to supplement the financial statements. Such information, although not a part of the financial statements is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion on or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Crowe Horwath LLP

Crowe Horwath LLP

Sacramento, California
October 12, 2012



**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2012 AND 2011**

The following report reflects the financial condition of the Authority for California Cities Excess Liability for the fiscal year ended June 30, 2012. The information contained here is provided in order to enhance the information within 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 an annual 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 a group purchase program.

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 2011-2012 fiscal year, ACCEL pooled the \$4,000,000 excess of a \$1,000,000 Member Retention. ACCEL charged its members \$0.57 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, Mountain View, Ontario, Palo Alto and Santa Monica purchased optional limits of \$25,000,000 excess of \$50,000,000. Additionally, the Cities of Anaheim, Palo Alto and Santa Monica purchased optional limits of \$25,000,000 excess of \$75,000,000. Excess of \$100,000,000, the cities of Anaheim and Santa Monica purchased a shared limit excess liability policy to \$150,000,000. Members were also charged Administrative costs totaling and \$462,150.

For the 2010-2011 fiscal year, ACCEL pooled the \$4,000,000 excess of a \$1,000,000 Member Retention. ACCEL charged its members \$0.61 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, Palo Alto 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. Excess of \$100,000,000, the cities of Anaheim and Santa Monica purchased a shared limit excess liability policy to \$150,000,000. Members were also charged Administrative costs totaling \$469,848.

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, 2012 and 2011. The Statement of Revenues, Expenses and Change in Net Assets reports the operations of the organization for the years ended June 30, 2012 and 2011. The Statement of Cash Flows is presented on the direct method to reflect the operations of ACCEL for the years ending June 30, 2012 and 2011 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. Crowe Horwath LLP, Certified Public Accountants, has performed an independent audit of our financial statements in accordance with generally accepted auditing standards. The firm's opinion is included in the Financial Section of this report.

Analysis of Overall Financial Position and Results of Operations

The Net Assets of ACCEL decreased by \$2,448,570 from June 30, 2011 to June 30, 2012. This was primarily due to the Retrospectively Rated Refunds increasing from \$5,785,698 to \$13,366,697. While the Retrospectively Rated Refund is stated as a liability for ACCEL, this is an asset to the Member Agencies. From June 30, 2010 to June 30, 2011, assets increased by \$4,305,003, which was primarily due to investment income and members' premium in excess of claims payments, excess insurance costs, and Retrospectively Rated Refund changes.

Authority for California Cities Excess Liability (ACCEL)

Statement of Net Assets

June 30, 2012 and June 30, 2011

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Change</u>	<u>Percent Change</u>
Assets					
Cash	\$ 7,046,817	\$11,874,904	\$15,789,333	\$ 3,914,429	33%
Investments	\$25,657,018	\$26,549,082	\$26,679,225	\$ 130,143	0%
Interest Receivable	\$ 151,854	\$ 171,174	\$ 138,998	\$ (32,176)	-19%
Total Assets	\$33,054,445	\$38,595,160	\$42,607,556	\$ 4,012,396	10%
Liabilities					
Accounts Payable	\$ 16,122	\$ 72,995	\$ 52,962	\$ (20,033)	-27%
Unpaid Claims Liability	\$10,700,000	\$13,300,000	\$12,200,000	\$ (1,100,000)	-8%
Retrospectively Rated Refunds Liability	\$ 7,206,858	\$ 5,785,698	\$13,366,697	\$ 7,580,999	131%
Total Liabilities	\$17,922,980	\$19,158,693	\$25,619,659	\$ 6,460,966	34%
Net Assets					
Reserved for Future Claims	\$ 100,000	\$ 100,000	\$ 100,000	\$ -	0%
Administrative	\$15,031,465	\$19,336,467	\$16,887,897	\$ (2,448,570)	-13%
Total Net Assets	\$15,131,465	\$19,436,467	\$16,987,897	\$ (2,448,570)	-13%



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 insurance renewals since the 2008-2009 coverage term have been increasingly 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 fiscal 2011-2012 and 2010-2011 excess liability premiums remained fairly consistent compared with respective prior years, 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.

Administrative Expenses

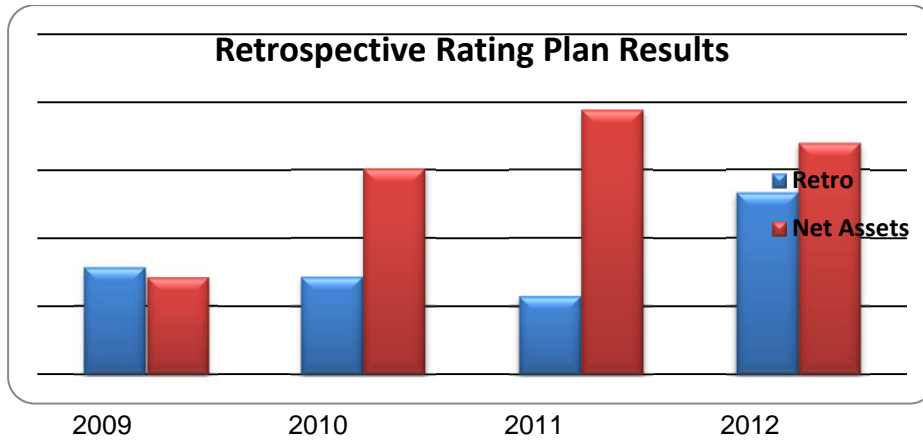
For the 2011-2012 and 2010-2011 fiscal years, ACCEL budgeted \$462,150 and \$69,848, respectively for general administrative expenses. The administrative expenses are shared equally among members. The administrative expenses include program administration, claims administration, meeting expenses, memberships, technology services and audit services.



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, 2012, ACCEL members withdrew \$500,000 (taken by the City of Mountain View). For Fiscal Year ending June 30, 2011, ACCEL members withdrew \$500,000 (taken by the City of Ontario).



The results of the Retrospective Rating Plan calculation at June 30, 2012 were very favorable for the Membership. During the year ending June 30, 2012, the Retro refund available to Members increased from \$5,785,698 to \$13,366,697, because this money can be withdrawn by the Members, it is posted as a Liability to ACCEL. The primary factor to this large increase was the inclusion of Program year 2006-07, which added \$6,725,317 to the amount available to Members. During the year ended June 30, 2011, the Retro refund available to Members decreased by \$1,421,160, from \$7,206,858 to \$5,785,698.

Analysis of Balances and Transactions

Member contributions for the Liability Program remain stable for the year ended June 30, 2012. Other general and administrative expenses held reasonably constant from the 2008-2009 fiscal year to the 2011-2012 fiscal year. The overall increase in total assets for the year ending June 30, 2012 was \$4,012,396 to an ending asset position of \$42,607,556. The overall increase in total assets for the year ended June 30, 2011 was \$5,540,715 to an ending asset position of \$38,595,160.



Authority for California Cities Excess Liability (ACCEL)

Statement of Net Assets

June 30, 2012 and June 30, 2011

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>Change</u>	<u>Percent Change</u>
Operating Revenues					
Premiums Earned - Liability	\$ 9,064,086	\$ 9,585,736	\$ 9,372,002	\$ (213,734)	-2%
Premiums Earned - Workers Compensation	\$ 2,278,095	\$ 2,546,940	\$ 2,650,942	\$ 104,002	4%
Administrative Fees	\$ 466,848	\$ 421,848	\$ 462,156	\$ 40,308	10%
Total Operating Revenues	\$ 11,809,029	\$ 12,554,524	\$ 12,485,100	\$ (69,424)	-1%
Operating Expenses					
Claims payments	\$ 3,874,732	\$ 1,372,037	\$ 2,596,383	\$ 1,224,346	89%
Unpaid Claims Liability Adjustments	\$ (4,900,000)	\$ 2,600,000	\$ (1,100,000)	\$ (3,700,000)	-142%
Excess Liability Insurance	\$ 2,860,396	\$ 2,831,226	\$ 2,968,113	\$ 136,887	5%
Optional Excess Workers Comp Insurance	\$ 2,278,095	\$ 2,546,940	\$ 2,650,942	\$ 104,002	4%
Retro Rated Refunds Paid	\$ 1,100,000	\$ 500,000	\$ 500,000	\$ -	0%
Retro Rated Refunds Adjustments	\$ (647,906)	\$ (1,421,160)	\$ 7,580,999	\$ 9,002,159	-633%
Management Consulting	\$ 195,000	\$ 206,000	\$ 206,000	\$ -	0%
Claims Administration	\$ 91,131	\$ 92,191	\$ 83,555	\$ (8,636)	-9%
Professional Support Services	\$ 79,800	\$ 83,550	\$ 54,800	\$ (28,750)	-34%
General Administrative Expenses	\$ 37,661	\$ 41,151	\$ 59,053	\$ 17,902	44%
Total Operating Expenses	\$ 4,968,909	\$ 8,851,935	\$ 15,599,845	\$ 6,747,910	76%
Operating Income	\$ 6,840,120	\$ 3,702,589	\$ (3,114,745)	\$ (6,817,334)	-184%
Non-Operating Income					
Investment Income	\$ 1,160,660	\$ 602,413	\$ 666,175	\$ 63,762	11%
Change in Net Assets	\$ 8,000,780	\$ 4,305,002	\$ (2,448,570)	\$ (6,753,572)	-157%
Net Assets, Beginning of Year	\$ 7,130,684	\$ 15,131,465	\$ 19,436,467	\$ 4,305,002	28%
Net Assets, End of Year	\$ 15,131,464	\$ 19,436,467	\$ 16,987,897	\$ (2,448,570)	-13%

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.

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
STATEMENTS OF NET ASSETS
June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Current assets:		
Cash and cash equivalents (Note 2)	\$ 15,789,333	\$ 11,874,904
Investments maturing within one year (Note 2)	1,573,362	4,085,936
Interest receivable	<u>138,998</u>	<u>171,174</u>
Total current assets	17,501,693	16,132,014
Investments, less portion maturing in one year (Note 2)	<u>25,105,863</u>	<u>22,463,146</u>
Total assets	<u>42,607,556</u>	<u>38,595,160</u>
LIABILITIES		
Current liabilities:		
Accounts payable	52,962	72,995
Retrospectively rated refunds liability (Note 5)	<u>13,366,697</u>	<u>5,785,698</u>
Total current liabilities	13,419,659	5,858,693
Unpaid claims and claim adjustment expenses (Note 3)	<u>12,200,000</u>	<u>13,300,000</u>
Total liabilities	<u>25,619,659</u>	<u>19,158,693</u>
NET ASSETS		
Net assets - unrestricted	<u>\$ 16,987,897</u>	<u>\$ 19,436,467</u>

See accompanying notes to financial statements.

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGE IN NET ASSETS
For the Years Ended June 30, 2012 and 2011

	2012	2011
Operating revenues:		
Premiums earned – Liability	\$ 9,372,002	\$ 9,585,736
Premiums earned – Workers' Compensation	2,650,942	2,546,940
Administrative fees	462,156	421,848
Total operating revenues	12,485,100	12,554,524
Operating expenses:		
Claims payments (Note 3)	2,596,383	1,372,037
Unpaid claims liability adjustment (Note 3)	(1,100,000)	2,600,000
Excess liability insurance (Note 4)	2,968,113	2,831,226
Workers' compensation insurance	2,650,942	2,546,940
Retrospectively rated refunds paid	500,000	500,000
Retrospectively rated refunds liability adjustment	7,580,999	(1,421,160)
Management consulting (Note 4)	206,000	206,000
Claims administration	83,555	92,191
Professional support services	54,800	83,550
Other general and administrative expenses	59,053	41,151
Total operating expenses	15,599,845	8,851,935
Operating (loss) income	(3,114,745)	3,702,589
Non-operating income:		
Investment income	666,175	602,413
Change in net assets	(2,448,570)	4,305,002
Net assets, beginning of year	19,436,467	15,131,465
Net assets, end of year	\$ 16,987,897	\$ 19,436,467

See accompanying notes to financial statements.

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2012 and 2011

	2012	2011
Cash flows from operating activities:		
Cash received from members	\$ 12,485,100	\$ 12,706,378
Cash paid for claims	(2,596,383)	(1,372,037)
Cash paid for insurance	(5,619,055)	(5,378,166)
Cash paid to vendors	(423,441)	(366,019)
Net cash provided by operating activities	3,846,221	5,590,156
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	15,870,875	14,732,226
Purchase of investments	(15,894,902)	(15,721,020)
Interest received	592,235	726,725
Net cash provided by investing activities	568,208	(262,069)
Cash flows from financing activities:		
Retro rated (refund) assessment program year eight	-	(25,000)
Retro rated (refund) assessment program year ten	(262,000)	-
Retro rated (refund) assessment program year eleven	(238,000)	-
Retro rated (refund) assessment program year twelve	-	(48,000)
Retro rated (refund) assessment program year thirteen	-	(255,000)
Retro rated (refund) assessment program year fourteen	-	(172,000)
Net cash used in financing activities	(500,000)	(500,000)
Net increase in cash	3,914,429	4,828,087
Cash and cash equivalents at beginning of year	11,874,904	7,046,817
Cash and cash equivalents at end of year	\$ 15,789,333	\$ 11,874,904
Reconciliation of operating (loss) income to net cash provided by operating activities:		
Operating (loss) income	\$ (3,114,745)	\$ 3,702,589
Adjustments to reconcile operating (loss) income to net cash provided by operating activities:		
Unpaid claims liability adjustment	(1,100,000)	2,600,000
Retrospectively rated refunds liability adjustment	8,080,999	(921,160)
Decrease in accounts receivable		151,854
(Decrease) increase in accounts payable	(20,033)	56,873
Net cash provided by operating activities	\$ 3,846,221	\$ 5,590,156
Supplemental information:		
Change in fair value of investments	\$ 106,116	\$ (96,730)

See accompanying notes to financial statements.

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2012 and 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General: The Authority for California Cities Excess Liability (ACCEL) 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.

ACCEL 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, ACCEL 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, ACCEL 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, \$100,000,000 and \$150,000,000. 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 Anaheim, Bakersfield, Burbank, Mountain View, Ontario, Palo Alto, Santa Barbara, Santa Cruz and Santa Monica participate to \$50,000,000. The Cities of Anaheim, Ontario, Palo Alto and Santa Monica purchase the 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. Excess of \$100,000,000, the cities of Anaheim and Santa Monica purchased a shared limit excess liability policy to \$150,000,000.

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.

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.

ACCEL has set aside \$100,000 of unrestricted net assets as a contingency fund for the run-out of the pooled losses, should ACCEL ever decide to cease operations. The funds would be used to pay the pools liability third party administrator and program administrator to manage the claims, report to excess insurance carriers, and pay claims settled within the pooled limits.

(Continued)

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2012 and 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Policies: The accounting policies of ACCEL 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: ACCEL is accounted for as a Business-Type Activity, as defined by Governmental Accounting Standards Board Codification Section (GASB Cod. Sec.) 2100, 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. ACCEL has elected not to apply Financial Accounting Standards Board pronouncements issued after November 30, 1989.

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.

Unpaid Claims Liabilities: ACCEL 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.

(Continued)

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
 NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2012 and 2011

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 ACCEL.

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.

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash, cash equivalents and investments as of June 30, 2012 and 2011 are classified in the accompanying financial statements as follows:

	2012	2011
Cash and cash equivalents:		
Money market accounts	\$ 716,359	\$ 300,451
LAIF	15,072,974	11,574,453
Total cash and cash equivalents	15,789,333	11,874,904
Investments	26,679,225	26,549,082
Total cash, cash equivalents and investments	\$ 42,468,558	\$ 38,423,986

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:

	Maximum Time to Maturity	Maximum Portfolio Percentage
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%

(Continued)

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2012 and 2011

NOTE 2 – CASH, CASH EQUIVALENTS 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.

As of June 30, 2012

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (In Years)</u>
Federal agency securities	\$ 13,369,799	2.70
FDIC insured U.S. corporate	1,130,095	.49
U.S. corporate	6,351,334	2.87
U.S. Treasury notes	<u>5,827,997</u>	2.85
Total	<u>\$ 26,679,225</u>	

As of June 30, 2011

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (In Years)</u>
Federal agency securities	\$ 14,047,994	2.48
FDIC insured U.S. corporate	3,747,344	1.08
U.S. corporate	3,794,928	3.00
U.S. Treasury notes	<u>4,958,816</u>	2.01
Total	<u>\$ 26,549,082</u>	

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations: ACCEL'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 June 30 2012</u>	<u>Fair Value at June 30 2011</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>\$ 13,369,799</u>	<u>\$ 14,047,994</u>

(Continued)

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2012 and 2011

NOTE 2 – CASH, CASH EQUIVALENTS 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, 2012			
			AAA	AA	A	Not Rated
Federal agency securities	\$ 13,369,799	\$ -	\$ 13,369,799	\$ -	\$ -	\$ -
FDIC U.S. corporate	1,130,095	-	1,130,095	-	-	-
U.S. corporate	6,351,334	-	888,181	3,377,342	2,085,811	-
U.S. Treasury notes	5,827,997	5,827,997	-	-	-	-
Total	\$ 26,679,225	\$ 5,827,997	\$ 15,388,075	\$ 3,377,342	\$ 2,085,811	\$ -

Investment Type	Amount	Exempt From Disclosure	Ratings as of June 30, 2011			
			AAA	AA	A	Not Rated
Federal agency securities	\$ 14,047,994	\$ -	\$ 14,047,994	\$ -	\$ -	\$ -
FDIC U.S. corporate	3,747,344	-	3,747,344	-	-	-
U.S. corporate	3,794,928	-	901,499	2,221,419	672,010	-
U.S. Treasury notes	4,958,916	4,958,816	-	-	-	-
Total	\$ 26,549,082	\$ 4,958,816	\$ 18,696,837	\$ 2,221,419	\$ 672,010	\$ -

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.

(Continued)

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2012 and 2011

NOTE 2 – CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Investment in State Investment Pool: ACCEL is a voluntary participant in LAIF, which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California and the Pooled Money Investment Board. The State Treasurer's Office pools these funds with those of other governmental agencies in the State and invests the cash. The fair value of ACCEL's investment in the pool is reported in the accompanying financial statements 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 monies held in the pooled investments funds are not subject to categorization by risk category. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Funds are accessible and transferable to the master account within twenty-four hours notice. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, and floating rate securities issued by Federal agencies, government-sponsored enterprises and corporations. LAIF is administered by the State Treasurer. As of June 30, 2012, this fund was yielding approximate interest rate of .38% annually. LAIF investments are audited annually by the Pooled Money Investment Board and the State Controller's Office. Copies of this audit may be obtained from the State Treasurer's Office: 915 Capitol Mall; Sacramento, California 95814.

NOTE 3 – UNPAID CLAIMS AND CLAIMS ADJUSTMENT EXPENSES

ACCEL establishes a liability for both reported and unreported covered 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:

	2012	2011
Unpaid claims and claim adjustment expenses at beginning of fiscal year	\$ 13,300,000	\$ 10,700,000
Incurred claims and claim adjustment expenses:		
Provision for covered events of the current year	3,743,109	4,251,777
Change in provision for insured events of prior years	(2,246,726)	(279,740)
Total provision for claims and claim adjustment expenses	1,496,383	3,972,037
Payments:		
Claims and claim adjustment expenses attributable to covered events of the current year	(107,548)	(84,337)
Claims and claim adjustment expenses attributable to covered events of prior years	(2,488,835)	(1,287,700)
Total payments	(2,596,383)	(1,372,037)
Unpaid claims and claim adjustment expenses at end of fiscal year	\$ 12,200,000	\$ 13,300,000

(Continued)

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2012 and 2011

NOTE 3 – UNPAID CLAIMS AND CLAIMS ADJUSTMENT EXPENSES (Continued)

The components of the unpaid claims and claim adjustment expenses for ACCEL as of June 30, 2012 and 2011 were as follows:

	2012	2011
Claim reserves	\$ 1,478,000	\$ 2,428,000
Claims incurred but not reported (IBNR)	10,300,000	10,400,000
Unallocated loss adjustment expenses (ULAE)	422,000	472,000
	\$ 12,200,000	\$ 13,300,000

These liabilities are reported at their present value using an expected future investment yield assumption of 4% for June 30, 2012 and 2011. The undiscounted liabilities are \$14,563,024 and \$14,698,400 at June 30, 2012 and 2011, respectively.

NOTE 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 \$206,000 for each of the years ended June 30, 2012 and 2011. Excess liability insurance expenses were \$2,968,113 and \$2,831,226 for the years ended June 30, 2012 and 2011, respectively.

NOTE 5 – RETROSPECTIVE RATING PROGRAM

At the June 2012 Board of Directors meeting, a retrospectively rated refund was made available for distribution to the members for the program years 6 through 19 in the amount of \$13,366,697. 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. 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:

Member	Available at June 30, 2012	Subsequent to June 30, 2012	Total Remaining Funds
Anaheim	\$ 1,985,776	\$ -	\$ 1,985,776
Bakersfield	303,083	-	303,083
Burbank	807,641	-	807,641
Modesto	709,294	(300,000)	409,294
Monterey	1,041,960	-	841,960
Mountain View	1,145,969	-	1,145,969
Ontario	1,024,791	-	1,024,791
Palo Alto	995,821	-	995,821
Santa Barbara	981,411	(600,000)	381,411
Santa Cruz	561,029	-	561,029
Santa Monica	2,773,911	(1,000,000)	1,773,911
Visalia	1,036,011	-	1,036,011
Totals	\$ 13,366,697	\$ (1,900,000)	\$ 11,466,697

(Continued)

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2012 and 2011

NOTE 5 – RETROSPECTIVE RATING PROGRAM (Continued)

At the June 2011 Board of Directors meeting, a retrospectively rated refund was made available for distribution to the members for the program years 6 through 19 in the amount of \$5,785,698. 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. 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:

Member	Available at June 30, 2011	Subsequent to June 30, 2011	Total Remaining Funds
Anaheim	\$ 203,295	\$ --	203,295
Bakersfield	(413,348)	--	(413,348)
Burbank	240,020	--	240,020
Modesto	182,373	--	182,373
Monterey	803,411	--	803,411
Mountain View	1,296,480	--	1,296,480
Ontario	405,703	--	405,703
Palo Alto	153,398	--	153,398
Santa Barbara	365,360	--	365,360
Santa Cruz	186,747	--	186,747
Santa Monica	1,536,979	--	1,536,979
Visalia	798,280	--	798,280
Totals	<u>\$ 5,785,698</u>	<u>\$ --</u>	<u>\$ 5,785,698</u>

REQUIRED SUPPLEMENTARY INFORMATION

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
CLAIMS DEVELOPMENT INFORMATION
For the Year Ended June 30, 2012

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.

(Continued)

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
CLAIMS DEVELOPMENT INFORMATION
June 30, 2012

	Fiscal and Policy Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
1. Premiums and investment revenue:										
Earned	\$ 4,912,000	\$ 4,839,000	\$ 5,749,000	\$ 6,762,000	\$ 9,449,000	\$ 10,906,000	\$ 10,440,042	\$ 10,691,594	\$ 10,609,997	\$ 10,500,333
Ceded	<u>(1,726,000)</u>	<u>(2,443,000)</u>	<u>(3,075,000)</u>	<u>(2,669,000)</u>	<u>(2,646,000)</u>	<u>(2,689,000)</u>	<u>(2,672,240)</u>	<u>(2,860,396)</u>	<u>(2,831,226)</u>	<u>(2,968,113)</u>
Net earned	<u>\$ 3,186,000</u>	<u>\$ 2,396,000</u>	<u>\$ 2,674,000</u>	<u>\$ 4,093,000</u>	<u>\$ 6,803,000</u>	<u>\$ 8,217,000</u>	<u>\$ 7,767,802</u>	<u>\$ 7,831,198</u>	<u>\$ 7,778,771</u>	<u>\$ 7,532,220</u>
2. Unallocated expenses	\$ 322,000	\$ 233,000	\$ 405,000	\$ 352,000	\$ 462,000	\$ 678,000	\$ 358,260	\$ 460,592	\$ 408,892	\$ 353,408
3. Estimated claims and expenses, end of policy year:										
Incurred	\$ -	\$ 2,359,000	\$ 2,224,000	\$ 2,987,000	\$ 3,378,000	\$ 3,648,000	\$ 3,768,521	\$ 2,073,296	\$ 4,035,107	\$ 3,721,403
Ceded	-	-	-	-	-	-	-	-	-	-
Net incurred	<u>\$ -</u>	<u>\$ 2,359,000</u>	<u>\$ 2,224,000</u>	<u>\$ 2,987,000</u>	<u>\$ 3,378,000</u>	<u>\$ 3,648,000</u>	<u>\$ 3,768,521</u>	<u>\$ 2,073,296</u>	<u>\$ 4,035,107</u>	<u>\$ 3,721,403</u>
4. Net paid (cumulative) as of:										
End of policy year	\$ -	\$ 6,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 84,337	\$ 107,548
One year later	\$ -	\$ 11,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 230,820	\$ 294,954	
Two years later	\$ -	\$ 1,015,000	\$ 334,000	\$ 826,000	\$ -	\$ 593,956	\$ 452,506	\$ 293,309		
Three years later	\$ -	\$ 1,019,000	\$ 2,335,000	\$ 4,457,753	\$ 620,639	\$ 1,476,269	\$ 1,590,735			
Four years later	\$ -	\$ 3,025,000	\$ 2,364,738	\$ 4,457,753	\$ 739,586	\$ 2,964,133				
Five years later	\$ -	\$ 3,026,057	\$ 2,377,626	\$ 4,534,032	\$ 685,627					
Six years later	\$ -	\$ 3,511,495	\$ 2,621,827	\$ 4,476,036						
Seven years later	\$ -	\$ 3,543,234	\$ 2,389,203							
Eight years later	\$ -	\$ 3,536,431								
Nine years later	\$ -									
5. Re-estimated ceded claims and expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6. Re-estimated incurred claims and expenses:										
End of policy year	\$ -	\$ 2,359,000	\$ 2,224,000	\$ 2,987,000	\$ 3,378,000	\$ 3,648,000	\$ 3,768,521	\$ 2,073,296	\$ 4,035,107	\$ 3,721,403
One year later	\$ -	\$ 1,019,000	\$ 3,943,000	\$ 2,987,000	\$ 3,580,000	\$ 2,991,930	\$ 3,684,382	\$ 3,264,929	\$ 2,712,027	
Two years later	\$ -	\$ 3,123,000	\$ 3,943,000	\$ 5,203,000	\$ 2,915,352	\$ 2,425,371	\$ 2,542,996	\$ 1,748,695		
Three years later	\$ -	\$ 3,123,000	\$ 2,335,000	\$ 5,489,128	\$ 1,631,302	\$ 2,300,435	\$ 3,245,742			
Four years later	\$ -	\$ 3,123,000	\$ 2,784,564	\$ 4,595,074	\$ 1,237,745	\$ 4,097,321				
Five years later	\$ -	\$ 3,861,261	\$ 2,396,218	\$ 4,806,661	\$ 852,406					
Six years later	\$ -	\$ 3,362,870	\$ 3,633,927	\$ 4,584,230						
Seven years later	\$ -	\$ 3,624,633	\$ 3,619,543							
Eight years later	\$ -	\$ 3,555,437								
Nine years later	\$ -									
7. Increase (decrease) in estimated incurred claims and expenses from end of policy year	<u>\$ -</u>	<u>\$ 1,196,437</u>	<u>\$ 1,395,543</u>	<u>\$ 1,597,230</u>	<u>\$ (2,525,594)</u>	<u>\$ 449,321</u>	<u>\$ (522,779)</u>	<u>\$ (324,601)</u>	<u>\$ (1,323,080)</u>	<u>\$ -</u>

* Amounts recorded prior to June 30, 2010 were rounded to the thousands.

See independent auditors' report on supplementary information.


SUPPLEMENTARY INFORMATION

REPORT OF INDEPENDENT AUDITORS ON
SUPPLEMENTARY INFORMATION

The Board of Directors
Authority for California Cities Excess Liability
San Francisco, California

We have audited the financial statements of Authority for California Cities Excess Liability ("ACCEL") as of and for the year then ended June 30, 2012 and have issued our report thereon dated October 12, 2012, appearing on pages 1 and 2, which expresses an unqualified opinion on these financial statements.

Our audit was conducted for the purpose of forming an opinion on the 2012 financial statements as a whole. The Schedule of Retrospectively Rated Refund Liability By Member for all program years on pages 22 through 48 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2012 financial statements. The information has not been subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we do not express an opinion or provide any assurance on it.



Crowe Horwath LLP

Sacramento, California
October 12, 2012

**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
SUMMARY - ALL PROGRAM YEARS
JUNE 30, 2012**

	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	\$ 8,038,513	\$ 3,036,186	\$ 14,406,821	\$ 7,897,666	\$ 8,697,119	\$ 9,478,024	\$ 7,693,735	\$ 19,064,267	\$ 897,917	\$ 8,153,574	\$ 2,780,281	\$ 3,758,613	\$ 2,394,301	\$ 96,297,019
Interest	2,480,437	1,123,927	4,506,860	2,495,631	2,535,694	2,732,849	3,183,576	5,513,196	390,893	2,251,694	998,363	1,161,487	486,514	29,861,122
Fnd Transfer	84,555	27,659	(0)	110,925	(0)	(0)	(270,852)	0	-	0	-	-	-	(47,713)
Clim Adj	(3,289,783)	(1,075,845)	(6,319,998)	(1,465,959)	(2,909,092)	(2,832,745)	(3,659,215)	(6,956,552)	(92,748)	(2,211,587)	(817,064)	(1,822,971)	(857,257)	(34,310,815)
Retros	(4,802,056)	(1,152,657)	(6,504,788)	(6,531,526)	(5,435,094)	(6,320,257)	(3,390,150)	(10,916,508)	(1,193,959)	(5,345,568)	(1,329,570)	(343,581)	(500,000)	(53,765,714)
Balance Fwd.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current Year:														
Dep Adj	\$ 428,095	\$ 195,889	\$ 989,105	\$ 477,859	\$ 509,015	\$ 572,773	\$ 473,885	\$ 1,182,713	\$ -	\$ 703,382	\$ 214,633	\$ 363,501	\$ 292,182	\$ 6,403,032
Interest (1st QT)	12,624	9,534	30,867	12,867	14,632	15,662	17,593	34,091	10	15,310	8,122	13,667	7,802	192,780
Interest (2st QT)	6,217	4,697	15,204	6,337	7,207	7,714	8,666	16,791	5	7,541	4,001	5,610	3,843	93,832
Interest (3rd QT)	12,459	9,594	30,766	12,715	14,466	15,502	17,565	33,838	10	15,107	8,134	11,346	7,720	189,221
Interest (4th QT)	5,562	4,227	13,641	5,667	6,450	6,907	7,785	15,063	4	6,733	3,593	5,035	3,446	84,114
Fnd Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	(205,887)	(77,465)	(373,502)	(199,467)	(227,469)	(236,110)	(204,639)	(484,085)	-	(242,197)	(80,705)	(142,414)	(122,229)	(2,596,169)
Retros	-	-	-	-	-	-	-	-	-	-	-	(500,000)	-	(500,000)
Current Year Activity	259,070	146,477	706,081	315,978	324,301	382,448	320,855	798,411	28	505,876	157,778	(243,256)	192,764	3,866,810
TTL. 9 xs 1	\$ 2,770,736	\$ 2,105,747	\$ 6,794,976	\$ 2,822,715	\$ 3,212,928	\$ 3,440,319	\$ 3,877,950	\$ 7,502,815	\$ 2,132	\$ 3,353,989	\$ 1,789,788	\$ 2,510,293	\$ 1,716,322	\$ 41,900,709
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 Adj	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest (1st QT)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest (2st QT)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest (3rd QT)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest (4th QT)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fnd Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Year Activity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TTL. 500 x:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ACCBL Reserves (1)	(83,191)	(30,916)	(149,912)	(79,850)	(91,735)	(95,176)	(82,893)	(197,048)	-	(96,126)	(32,012)	(57,515)	(50,034)	(1,046,410)
IBNR (2)	(810,483)	(356,625)	(1,684,824)	(820,657)	(940,218)	(1,008,623)	(899,059)	(2,103,339)	(11)	(1,086,290)	(353,281)	(618,444)	(501,436)	(11,183,291)
Total Net Reserves and IBNR:	\$ 1,877,062	\$ 1,718,206	\$ 4,960,239	\$ 1,922,208	\$ 2,180,975	\$ 2,336,521	\$ 2,895,997	\$ 5,202,428	\$ 2,121	\$ 2,171,572	\$ 1,404,494	\$ 1,834,334	\$ 1,164,851	\$ 29,871,008

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 1 (FY 86/87)
JUNE 30, 2012

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All %	5%	7%	21%	4%	13%	6%	17%	20%	8%	0%	0%	0%	0%	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)
Clim 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	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim 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%	0%	0%	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)
Clim 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	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Year Activity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TTL. 500 x:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Both Layers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
 SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
 PROGRAM YEAR 2 (FY 87/88)
 JUNE 30, 2012

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All %	5%	6%	18%	5%	15%	4%	15%	21%	8%	3%	0%	0%	0%	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	153,910	68,900	294,969	180,156	206,917	219,761	141,671	459,819	76,166	271,921	-	-	-	2,074,189
Fnd Transfer	1,670	(8,746)	7,159	1,221	9,039	671	(156,398)	16,647	(2,235)	(30,959)	-	-	-	(161,932)
Clim 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.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
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 %	17%	20%	0%	16%	0%	0%	47%	0%	0%	0%	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
Clim 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	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Year Activity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TTL. 500 x:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Both Layers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
 SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
 PROGRAM YEAR 3 (FY 88/89)
 JUNE 30, 2012

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All %	5%	7%	21%	4%	13%	6%	17%	20%	8%	0%	0%	0%	0%	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
Clim 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	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim 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%	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)
Clim 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	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Year Activity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TTL. 500 x:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Both Layers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
 SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
 PROGRAM YEAR 4 (FY 89/90)
 JUNE 30, 2012

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All %	5%	7%	21%	4%	13%	6%	17%	20%	8%	0%	0%	0%	0%	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%	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:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Both Layers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
 SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
 PROGRAM YEAR 5 (FY 90/91)
 JUNE 30, 2012

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All %	5%	7%	21%	4%	13%	6%	17%	20%	8%	0%	0%	0%	0%	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	\$0	\$0
IBNR (2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Net Reserves and IBNR:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 6 (FY 91/92)
JUNE 30, 2012

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All %	5%	3%	24%	3%	8%	5%	14%	27%	1%	7%	3%	0%	0%	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	153,773	77,075	242,049	140,600	130,537	127,892	168,702	267,109	53,178	136,260	69,211	-	-	1,566,385
Fnd Transfer	(792)	9,044	(4,792)	(787)	(6,589)	1,014	22,645	(15,126)	2,259	29,243	-	-	-	36,119
Clim Adj	(121,935)	(82,825)	(616,413)	(69,089)	(192,438)	(133,936)	(347,534)	(661,977)	(32,828)	(177,984)	(64,232)	-	-	(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.	557	93,195	(29,986)	(14,389)	(11,707)	(658)	19,161	(26,314)	2,103	31,875	85	-	-	63,922
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	3	424	(137)	(66)	(53)	(3)	87	(120)	10	145	0	-	-	291
Interest (2st QT)	1	209	(67)	(32)	(26)	(1)	43	(59)	5	72	0	-	-	143
Interest (3rd QT)	3	436	(140)	(67)	(55)	(3)	90	(123)	10	149	0	-	-	299
Interest (4th QT)	1	190	(61)	(29)	(24)	(1)	39	(54)	4	65	0	-	-	130
Fnd Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Year Activity	8	1,259	(405)	(194)	(158)	(9)	259	(355)	28	430	1	-	-	863
TTL 9 xs 1	\$ 565	\$ 94,454	\$ (30,391)	\$ (14,583)	\$ (11,865)	\$ (667)	\$ 19,420	\$ (26,669)	\$ 2,131	\$ 32,305	\$ 86	\$ -	\$ -	\$ 64,785
TOTAL	\$ 565	\$ 94,454	\$ (30,391)	\$ (14,583)	\$ (11,865)	\$ (667)	\$ 19,420	\$ (26,669)	\$ 2,131	\$ 32,305	\$ 86	\$ -	\$ -	\$ 64,785
ACCEL Reserves (1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR (2)	(\$40)	(\$27)	(\$193)	(\$27)	(\$62)	(\$43)	(\$113)	(\$216)	(\$11)	(\$57)	(\$21)	\$0	\$0	(\$809)
Total Net Reserves and IBNR:	\$ 525	\$ 94,427	\$ (30,584)	\$ (14,610)	\$ (11,927)	\$ (710)	\$ 19,307	\$ (26,885)	\$ 2,121	\$ 32,249	\$ 65	\$ -	\$ -	\$ 63,976

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 7 (FY 92/93)
JUNE 30, 2012

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer	11%	2%	16%	3%	9%	5%	12%	25%	0%	6%	2%	8%	0%	100%
Retros All %														
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	81,274	125,157	119,823	144,515	154,042	148,248	175,237	285,590	-	164,636	54,678	97,804	-	1,551,003
Fnd Transfer	47,344	212,866	6,539	338	94,569	17,060	-	147,374	-	-	2,395	-	-	528,485
Clim Adj	(1,118,060)	(258,438)	(1,810,850)	(277,002)	(904,080)	(528,996)	(1,246,047)	(2,594,856)	-	(660,211)	(197,362)	(942,656)	-	(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)	353,391	-	3,871,143
Balance Fwd.	22,492	192,716	(64,059)	(53,935)	5,258	5,969	48,501	39,677	-	(2,026)	782	(199,777)	-	(4,403)
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	102	878	(292)	(246)	24	27	221	181	-	(9)	4	(910)	-	(20)
Interest (2st QT)	50	432	(144)	(121)	12	13	109	89	-	(5)	2	(448)	-	(10)
Interest (3rd QT)	105	901	(299)	(252)	25	28	227	185	-	(9)	4	(934)	-	(21)
Interest (4th QT)	46	392	(130)	(110)	11	12	99	81	-	(4)	2	(406)	-	(9)
Fnd Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Year Activity	304	2,603	(865)	(728)	71	81	655	536	-	(27)	11	(2,698)	-	(59)
TTL 9 xs 1	\$ 22,796	\$ 195,319	\$ (64,924)	\$ (54,663)	\$ 5,329	\$ 6,050	\$ 49,156	\$ 40,213	\$ -	\$ (2,053)	\$ 793	\$ (202,475)	\$ -	\$ -
TOTAL	\$ 22,796	\$ 195,319	\$ (64,924)	\$ (54,663)	\$ 5,329	\$ 6,050	\$ 49,156	\$ 40,213	\$ -	\$ (2,053)	\$ 793	\$ (202,475)	\$ -	\$ -
ACCEL Reserves (1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR (2)	(\$1,119)	(\$257)	(\$1,715)	(\$328)	(\$960)	(\$528)	(\$1,247)	(\$2,600)	\$0	(\$660)	(\$196)	(\$832)	\$0	(\$10,443)
Total Net Reserves and IBNR:	\$ 21,677	\$ 195,061	\$ (66,639)	\$ (54,991)	\$ 4,369	\$ 5,521	\$ 47,909	\$ 37,613	\$ -	\$ (2,713)	\$ 596	\$ (203,307)	\$ -	\$ (14,904)

**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 8 (FY 93/94)
JUNE 30, 2012**

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All %	14%	3%	15%	3%	7%	7%	14%	24%	0%	3%	2%	7%	0%	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	119,793	33,681	223,482	136,963	95,635	116,258	193,957	221,114	-	126,159	67,807	103,107	-	1,437,957
Fnd Transfer	20,845	(135,128)	25,568	4,100	(81,272)	8,594	-	38,373	-	2,000	3,335	-	-	(113,585)
Clim Adj	(119,598)	(23,529)	(145,060)	(25,836)	(55,328)	(64,076)	(123,823)	(200,793)	-	(27,936)	(18,407)	(72,780)	-	(877,168)
Retros	(282,303)	24,032	(528,328)	(377,639)	(222,027)	(386,432)	(349,420)	(629,173)	-	(427,265)	(157,777)	(204,952)	-	(3,541,284)
Balance Fwd.	1,678	2,672	1,623	(5,905)	4,243	(16,497)	563	18,618	-	2,025	668	(15,275)	-	(5,585)
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	8	12	7	(27)	19	(75)	3	85	-	9	3	(70)	-	(25)
Interest (2st QT)	4	6	4	(13)	10	(37)	1	42	-	5	1	(34)	-	(13)
Interest (3rd QT)	8	12	8	(28)	20	(77)	3	87	-	9	3	(71)	-	(26)
Interest (4th QT)	3	5	3	(12)	9	(34)	1	38	-	4	1	(31)	-	(11)
Fnd Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Year Activity	23	36	22	(80)	57	(223)	8	251	-	27	9	(206)	-	(75)
TTL 9 xs 1	\$ 1,701	\$ 2,708	\$ 1,645	(5,985)	4,300	(16,720)	571	18,869	\$ -	2,052	\$ 677	(15,481)	\$ -	(5,660)
TOTAL	\$ 1,701	\$ 2,708	\$ 1,645	(5,985)	4,300	(16,720)	571	18,869	\$ -	2,052	\$ 677	(15,481)	\$ -	(5,660)
ACCEL Reserves (1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR (2)	(\$396)	(\$77)	(\$438)	(\$89)	(\$196)	(\$211)	(\$410)	(\$666)	\$0	(\$91)	(\$60)	(\$198)	\$0	(\$2,832)
Total Net Reserves and IBNR:	\$ 1,305	\$ 2,631	\$ 1,207	(6,074)	4,104	(16,931)	161	18,204	\$ -	1,961	\$ 617	(15,679)	\$ -	(8,494)

AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 9 (FY 94/95)
JUNE 30, 2012

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All %	16%	4%	13%	3%	6%	8%	15%	25%	0%	3%	2%	4%	0%	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	154,400	45,356	187,790	147,584	158,781	139,458	258,696	265,904	-	147,966	71,409	105,558	-	1,682,902
Fnd Transfer	245,305	(96,915)	217,314	35,153	88,656	100,008	-	360,073	-	50	(2,459)	-	-	947,185
Clim Adj	(216,759)	(50,270)	(254,861)	(32,597)	(75,115)	(114,461)	(198,377)	(340,381)	-	(44,178)	(33,236)	(78,958)	-	(1,439,192)
Retros	(444,983)	-	(671,206)	(419,519)	(463,296)	(480,885)	(342,871)	(890,857)	-	(438,954)	(146,593)	(222,896)	-	(4,522,060)
Balance Fwd.	8,815	8,778	(53,522)	77	6,060	(24,852)	-	15,538	-	10,218	1,513	(28,656)	-	(56,031)
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	40	40	(244)	0	28	(113)	(0)	71	-	47	7	(130)	-	(255)
Interest (2st QT)	20	20	(120)	0	14	(56)	(0)	35	-	23	3	(64)	-	(126)
Interest (3rd QT)	41	41	(250)	0	28	(116)	(0)	73	-	48	7	(135)	-	(263)
Interest (4th QT)	18	18	(109)	0	12	(51)	(0)	32	-	21	3	(59)	-	(115)
Fnd Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Year Activity	119	119	(723)	1	82	(336)	(0)	210	-	138	20	(389)	-	(758)
TTL. 9 xs 1	\$ 8,934	\$ 8,897	\$ (54,245)	\$ 78	\$ 6,142	\$ (25,188)	\$ (0)	\$ 15,748	\$ -	\$ 10,356	\$ 1,533	\$ (29,045)	\$ -	\$ (56,789)
TOTAL	\$ 8,934	\$ 8,897	\$ (54,245)	\$ 78	\$ 6,142	\$ (25,188)	\$ (0)	\$ 15,748	\$ -	\$ 10,356	\$ 1,533	\$ (29,045)	\$ -	\$ (56,789)
ACCEL Reserves (1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR (2)	(\$1,119)	(\$257)	(\$1,715)	(\$328)	(\$960)	(\$528)	(\$1,247)	(\$2,600)	\$0	(\$660)	(\$196)	(\$831)	\$0	(\$10,442)
Total Net Reserves and IBNR:	\$ 7,815	\$ 8,639	\$ (55,960)	\$ (250)	\$ 5,182	\$ (25,716)	\$ (1,247)	\$ 13,148	\$ -	\$ 9,696	\$ 1,337	\$ (29,876)	\$ -	\$ (67,231)

**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 10 (FY 95/96)
JUNE 30, 2012**

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All % (1)	15%	3%	14%	2%	8%	13%	14%	20%	0%	5%	3%	3%	0%	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	108,621	79,462	166,604	101,699	116,437	109,085	172,360	203,877	-	120,677	59,973	139,135	-	1,377,928
Fnd Transfer (3)	151	-	(24,661)	-	266	8,723	-	481	-	-	-	-	-	(15,040)
Clim Adj	(131,747)	(30,383)	(166,260)	(17,912)	(54,281)	(113,933)	(122,318)	(174,978)	-	(41,452)	(24,745)	(34,130)	-	(912,141)
Retros (4)	(232,829)	-	(413,992)	(316,811)	(325,334)	(290,409)	(292,370)	(614,197)	-	(365,806)	(128,742)	(19,124)	-	(2,999,614)
Balance Fwd.	412	144,150	(28,770)	345	3,548	(18,587)	-	(33,918)	-	19,199	8,111	237,149	-	331,639
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	2	656	(131)	2	16	(85)	(0)	(154)	-	87	37	1,080	-	1,510
Interest (2nd QT)	1	323	(65)	1	8	(42)	(0)	(76)	-	43	18	(2)	-	210
Interest (3rd QT)	2	674	(134)	2	17	(87)	(0)	(159)	-	90	38	(5)	-	437
Interest (4th QT)	1	293	(59)	1	7	(38)	(0)	(69)	-	39	17	(2)	-	190
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	(238,229)	-	(238,229)
CY Adjs	6	1,947	(389)	5	48	(251)	(0)	(458)	-	259	110	(237,159)	-	(235,883)
TTL. 9 xs 1	\$ 418	\$ 146,097	\$ (29,159)	\$ 350	\$ 3,596	\$ (18,838)	\$ (0)	\$ (34,376)	\$ -	\$ 19,458	\$ 8,221	\$ (10)	\$ -	\$ 95,756
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)
<p>(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.</p>														
TOTAL	\$ 418	\$ 146,097	\$ (29,159)	\$ 350	\$ 3,596	\$ (18,838)	\$ (0)	\$ (34,376)	\$ -	\$ 19,458	\$ 8,221	\$ (10)	\$ -	\$ 95,756
ACCEL Reserves (1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR (2)	(\$876)	(\$202)	(\$843)	(\$117)	(\$457)	(\$775)	(\$822)	(\$1,177)	\$0	(\$276)	(\$164)	(\$150)	\$0	(\$5,859)
Total Net Reserves and IBNR:	\$ (458)	\$ 145,895	\$ (30,002)	\$ 233	\$ 3,139	\$ (19,613)	\$ (822)	\$ (35,553)	\$ -	\$ 19,183	\$ 8,057	\$ (160)	\$ -	\$ 89,897

**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 11 (FY 96/97)
JUNE 30, 2012**

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All % (1)	9%	3%	18%	4%	7%	11%	13%	16%	0%	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	113,017	94,567	205,777	106,989	114,902	113,695	243,340	249,090	-	125,227	96,047	156,400	48,683	1,667,734
Fnd Transfer (3)	(142)	-	(214,760)	-	55	43	-	(49,550)	-	-	-	-	-	(264,354)
Clim Adj	(201,206)	(65,118)	(496,333)	(81,314)	(131,930)	(237,485)	(271,558)	(337,400)	-	(124,347)	(66,656)	(56,354)	(170,389)	(2,240,090)
Retros (4)	(375,201)	-	(400,000)	(363,278)	(409,305)	(412,589)	(249,464)	(783,816)	-	(425,949)	(110,000)	-	(131,352)	(3,660,954)
Balance Fwd.	(202,599)	131,134	(459,060)	(82,409)	(133,668)	(242,155)	(1,503)	(344,120)	-	(124,228)	29,226	266,228	(172,615)	(1,335,769)
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	(923)	597	(2,090)	(375)	(609)	(1,103)	(7)	(1,567)	-	(566)	133	1,212	(786)	(6,082)
Interest (2nd QT)	(455)	294	(1,030)	(185)	(300)	(543)	(3)	(772)	-	(279)	66	10	(387)	(3,584)
Interest (3rd QT)	(947)	613	(2,146)	(385)	(625)	(1,132)	(7)	(1,608)	-	(581)	137	21	(807)	(7,467)
Interest (4th QT)	(412)	267	(934)	(168)	(272)	(493)	(3)	(700)	-	(253)	59	9	(351)	(3,250)
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	(261,771)	-	(261,771)
CY Adjs	(2,736)	1,771	(6,200)	(1,113)	(1,805)	(3,270)	(20)	(4,648)	-	(1,678)	395	(260,519)	(2,331)	(282,155)
TTL. 9 xs 1	\$ (205,335)	\$ 132,905	\$ (465,260)	\$ (83,522)	\$ (135,473)	\$ (245,425)	\$ (1,523)	\$ (348,768)	\$ -	\$ (125,906)	\$ 29,621	\$ 5,709	\$ (174,946)	\$ (1,617,924)
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	\$ (205,335)	\$ 132,905	\$ (465,260)	\$ (83,522)	\$ (135,473)	\$ (245,425)	\$ (1,523)	\$ (348,768)	\$ -	\$ (125,906)	\$ 29,621	\$ 5,709	\$ (174,946)	\$ (1,617,924)
ACCEL Reserves (1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
IBNR (2)	(\$822)	(\$268)	(\$1,609)	(\$335)	(\$635)	(\$998)	(\$1,128)	(\$1,422)	\$0	(\$514)	(\$275)	(\$195)	(\$708)	(8,910)
Total Net Reserves and IBNR:	\$ (206,157)	\$ 132,637	\$ (466,869)	\$ (83,857)	\$ (136,108)	\$ (246,424)	\$ (2,652)	\$ (350,189)	\$ -	\$ (126,420)	\$ 29,346	\$ 5,514	\$ (175,654)	\$ (1,626,834)

**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 12 (FY 97/98)
JUNE 30, 2012**

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All % (1)	7%	4%	23%	3%	11%	10%	11%	11%	0%	9%	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	133,591	51,282	152,677	93,449	102,566	110,088	134,448	231,036	-	117,882	68,507	123,465	74,625	1,393,615
Fnd Transfer (3)	-	-	152,000	78,225	203,586	194,185	-	(346,028)	-	9,000	-	-	-	290,968
Clim Adj	(154,260)	(84,663)	(577,369)	(70,452)	(157,867)	(210,460)	(220,565)	(233,614)	-	(147,788)	(67,579)	(39,802)	(119,043)	(2,083,463)
Retros (4)	(245,000)	-	(200,000)	(351,289)	(431,842)	(410,832)	(163,295)	(170,332)	-	(245,559)	-	-	(98,203)	(2,316,352)
Balance Fwd.	2,038	57,663	(57,685)	(33)	71	(18,950)	326	(3,458)	-	15,916	103,941	239,512	(80)	339,258
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	9	263	(263)	(0)	0	(86)	1	(16)	-	72	473	1,091	(0)	1,545
Interest (2st QT)	5	129	(129)	(0)	0	(43)	1	(8)	-	36	233	537	(0)	761
Interest (3rd QT)	10	270	(270)	(0)	0	(89)	2	(16)	-	74	486	1,119	(0)	1,586
Interest (4th QT)	4	117	(117)	(0)	0	(39)	1	(7)	-	32	211	487	(0)	690
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CY Adjs	28	779	(779)	(0)	1	(256)	4	(47)	-	215	1,404	3,235	(1)	4,582
TTL 9 xs 1	\$ 2,066	\$ 58,442	\$ (58,464)	\$ (33)	\$ 72	\$ (19,206)	\$ 330	\$ (3,505)	\$ -	\$ 16,131	\$ 105,345	\$ 242,747	\$ (81)	\$ 343,840
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	\$ 2,066	\$ 58,442	\$ (58,464)	\$ (33)	\$ 72	\$ (19,206)	\$ 330	\$ (3,505)	\$ -	\$ 16,131	\$ 105,345	\$ 242,747	\$ (81)	\$ 343,840
ACCEL Reserves (1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-
IBNR (2)	(\$901)	(\$505)	(\$2,877)	(\$432)	(\$1,352)	(\$1,270)	(\$1,334)	(\$1,414)	\$0	(\$1,097)	(\$404)	(\$240)	(\$709)	(12,537)
Total Net Reserves and IBNR:	\$ 1,164	\$ 57,937	\$ (61,341)	\$ (466)	\$ (1,280)	\$ (20,476)	\$ (1,004)	\$ (4,919)	\$ -	\$ 15,034	\$ 104,941	\$ 242,507	\$ (790)	\$ 331,303

**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 13 (FY 98/99)
JUNE 30, 2012**

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All % (1)	8%	3%	26%	5%	15%	11%	11%	9%	0%	0%	3%	2%	5%	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	59,749	34,339	206,811	79,757	76,281	82,999	109,135	190,518	-	-	28,021	43,683	44,873	956,164
Fnd Transfer (3)	(176,040)	-	-	3,808	(221,277)	(232,633)	-	-	-	-	-	-	-	(626,142)
Clim Adj	(170)	(80)	(672)	(123)	(273)	(265)	(273)	(224)	-	-	(76)	(57)	(124)	(2,338)
Retros (4)	(50,000)	-	(200,000)	(299,908)	(94,683)	(111,997)	(255,000)	(615,795)	-	-	(50,000)	(125,000)	(119,658)	(1,922,041)
Balance Fwd.	4,869	79,194	365,761	(1)	(49)	8	341	(11)	-	-	33,953	25,600	(22)	509,643
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	22	361	1,665	(0)	(0)	0	2	(0)	-	-	155	117	(0)	2,321
Interest (2st QT)	11	178	821	(0)	(0)	0	1	(0)	-	-	76	57	(0)	1,143
Interest (3rd QT)	23	370	1,710	(0)	(0)	0	2	(0)	-	-	159	120	(0)	2,382
Interest (4th QT)	10	161	744	(0)	(0)	0	1	(0)	-	-	69	52	(0)	1,037
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CY Adjs	66	1,070	4,940	(0)	(1)	0	5	(0)	-	-	459	346	(0)	6,883
TTL. 9 xs 1	\$ 4,935	\$ 80,264	\$ 370,701	(1)	(50)	8	346	(11)	-	-	34,412	25,946	(22)	516,526
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	\$ 4,935	\$ 80,264	\$ 370,701	(1)	(50)	8	346	(11)	-	-	34,412	25,946	(22)	516,526
ACCEL Reserves (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IBNR (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Net Reserves and IBNR:	\$ 4,935	\$ 80,264	\$ 370,701	(1)	(50)	8	346	(11)	-	-	34,412	25,946	(22)	516,526

**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 13 (FY 99/00)
JUNE 30, 2012**

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All % (1)	8%	3%	26%	5%	15%	11%	11%	9%	0%	0%	3%	2%	5%	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	59,749	34,339	206,811	79,757	76,281	82,999	109,135	190,518	-	-	28,021	43,683	44,873	956,164
Fnd Transfer (3)	(176,040)	-	-	3,808	(221,277)	(232,633)	-	-	-	-	-	-	-	(626,142)
Clim Adj	(170)	(80)	(672)	(123)	(273)	(265)	(273)	(224)	-	-	(76)	(57)	(124)	(2,338)
Retros (4)	(50,000)	-	(200,000)	(299,908)	(94,683)	(111,997)	(255,000)	(615,795)	-	-	(50,000)	(125,000)	(119,658)	(1,922,041)
Balance Fwd.	4,869	79,194	365,761	(1)	(49)	8	341	(11)	-	-	33,953	25,600	(22)	509,643
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	22	361	1,665	(0)	(0)	0	2	(0)	-	-	155	117	(0)	2,321
Interest (2st QT)	11	178	821	(0)	(0)	0	1	(0)	-	-	76	57	(0)	1,143
Interest (3rd QT)	23	370	1,710	(0)	(0)	0	2	(0)	-	-	159	120	(0)	2,382
Interest (4th QT)	10	161	744	(0)	(0)	0	1	(0)	-	-	69	52	(0)	1,037
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CY Adjs	66	1,070	4,940	(0)	(1)	0	5	(0)	-	-	459	346	(0)	6,883
TTL. 9 xs 1	\$ 4,935	\$ 80,264	\$ 370,701	(1)	(50)	8	346	(11)	-	-	34,412	25,946	(22)	516,526
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	\$ 4,935	\$ 80,264	\$ 370,701	(1)	(50)	8	346	(11)	-	-	34,412	25,946	(22)	516,526
ACCEL Reserves (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IBNR (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Net Reserves and IBNR:	\$ 4,935	\$ 80,264	\$ 370,701	(1)	(50)	8	346	(11)	-	-	34,412	25,946	(22)	516,526

**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 15 (FY 00/01)
JUNE 30, 2012**

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All % (1)	8%	3%	29%	7%	13%	7%	13%	9%	0%	0%	3%	3%	4%	100%
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	73,105	36,632	246,397	62,569	63,528	99,666	104,662	199,820	-	-	42,425	37,341	47,914	1,014,059
Fnd Transfer (3)	-	-	-	10,925	(39,483)	(41,692)	-	-	-	-	-	-	-	(70,250)
Clim Adj	(47)	(20)	(210)	(47)	(70)	(51)	(91)	(47)	-	-	(21)	(19)	(32)	(657)
Retros (4)	(250,000)	-	-	(286,564)	(217,267)	(278,917)	(172,000)	(704,932)	-	-	-	(125,000)	(146,038)	(2,180,718)
Balance Fwd.	11,058	93,519	631,472	-	3,993	(20)	92,954	(4)	-	-	109,209	22,025	(7)	964,200
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	50	426	2,875	(0)	18	(0)	423	(0)	-	-	497	100	(0)	4,390
Interest (2st QT)	25	210	1,417	(0)	9	(0)	209	(0)	-	-	245	49	(0)	2,163
Interest (3rd QT)	52	437	2,951	(0)	19	(0)	434	(0)	-	-	510	103	(0)	4,507
Interest (4th QT)	22	190	1,285	(0)	8	(0)	189	(0)	-	-	222	45	(0)	1,962
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CY Adjs	149	1,263	8,528	(0)	54	(0)	1,255	(0)	-	-	1,475	297	(0)	13,022
TTL 9 xs 1	\$ 11,207	\$ 94,782	\$ 640,000	\$ (0)	\$ 4,047	\$ (20)	\$ 94,209	\$ (4)	\$ -	\$ -	\$ 110,684	\$ 22,322	\$ (7)	\$ 977,222
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	\$ 11,207	\$ 94,782	\$ 640,000	\$ (0)	\$ 4,047	\$ (20)	\$ 94,209	\$ (4)	\$ -	\$ -	\$ 110,684	\$ 22,322	\$ (7)	\$ 977,222
ACCEL Reserves (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IBNR (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Net Reserves and IBNR:	\$ 11,207	\$ 94,782	\$ 640,000	\$ (0)	\$ 4,047	\$ (20)	\$ 94,209	\$ (4)	\$ -	\$ -	\$ 110,684	\$ 22,322	\$ (7)	\$ 977,222

**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 16 (FY 01/02)
JUNE 30, 2012**

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All % (1)	10%	3%	26%	7%	10%	9%	12%	14%	0%	0%	2%	3%	5%	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	74,810	20,894	191,790	58,477	46,431	109,212	69,839	217,957	-	-	33,722	49,000	40,183	912,316
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Adj	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros (4)	(50,000)	-	-	(285,219)	(118,366)	-	-	(39,325)	-	-	-	-	-	(492,910)
Balance Fwd.	248,412	85,733	666,536	-	132,096	398,276	261,145	735,203	-	-	123,920	182,278	151,766	2,985,366
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	1,131	390	3,035	(0)	601	1,814	1,189	3,348	-	-	564	830	691	13,594
Interest (2nd QT)	557	192	1,495	(0)	296	894	586	1,649	-	-	278	409	340	6,698
Interest (3rd QT)	1,161	401	3,115	(0)	617	1,862	1,221	3,436	-	-	579	852	709	13,953
Interest (4th QT)	505	174	1,356	(0)	269	810	531	1,496	-	-	252	371	309	6,074
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CY Adjs	3,355	1,158	9,002	(0)	1,784	5,379	3,527	9,929	-	-	1,674	2,462	2,050	40,319
TTL 9 xs 1	\$ 251,767	\$ 86,891	\$ 675,538	(0)	\$ 133,880	\$ 403,655	\$ 264,672	\$ 745,132	\$ -	\$ -	\$ 125,594	\$ 184,740	\$ 153,816	\$ 3,025,685
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	\$ 251,767	\$ 86,891	\$ 675,538	(0)	\$ 133,880	\$ 403,655	\$ 264,672	\$ 745,132	\$ -	\$ -	\$ 125,594	\$ 184,740	\$ 153,816	\$ 3,025,685
ACCEL Reserves (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IBNR (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Net Reserves and IBNR:	\$ 251,767	\$ 86,891	\$ 675,538	(0)	\$ 133,880	\$ 403,655	\$ 264,672	\$ 745,132	\$ -	\$ -	\$ 125,594	\$ 184,740	\$ 153,816	\$ 3,025,685

**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 17 (FY 02/03)
JUNE 30, 2012**

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All % (1)	9%	3%	23%	6%	12%	10%	11%	17%	0%	0%	2%	3%	4%	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	53,613	20,143	158,590	67,230	49,495	87,731	108,301	144,061	-	-	24,010	29,840	16,421	759,433
Fnd Transfer (3)	(45,437)	44	-	-	-	-	226,128	(135,514)	-	-	(1,768)	-	-	43,453
Clim Adj	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros (4)	-	-	-	(50,248)	-	-	(50,000)	-	-	-	-	-	-	(100,248)
Balance Fwd.	258,857	102,925	654,701	258,466	246,635	394,325	480,581	605,931	-	-	117,073	157,854	100,057	3,377,403
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	1,179	469	2,981	1,177	1,123	1,796	2,188	2,759	-	-	533	719	456	15,379
Interest (2nd QT)	581	231	1,469	580	553	885	1,078	1,359	-	-	263	354	224	7,577
Interest (3rd QT)	1,210	481	3,060	1,208	1,153	1,843	2,246	2,832	-	-	547	738	468	15,786
Interest (4th QT)	527	209	1,332	526	502	802	978	1,233	-	-	238	321	204	6,872
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CY Adjs	3,496	1,390	8,842	3,491	3,331	5,326	6,490	8,183	-	-	1,581	2,132	1,351	45,614
TTL 9 xs 1	\$ 262,353	\$ 104,315	\$ 663,543	\$ 261,957	\$ 249,966	\$ 399,651	\$ 487,071	\$ 614,114	\$ -	\$ -	\$ 118,654	\$ 159,986	\$ 101,408	\$ 3,423,017
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	\$ 262,353	\$ 104,315	\$ 663,543	\$ 261,957	\$ 249,966	\$ 399,651	\$ 487,071	\$ 614,114	\$ -	\$ -	\$ 118,654	\$ 159,986	\$ 101,408	\$ 3,423,017
ACCEL Reserves (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IBNR (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Net Reserves and IBNR:	\$ 262,353	\$ 104,315	\$ 663,543	\$ 261,957	\$ 249,966	\$ 399,651	\$ 487,071	\$ 614,114	\$ -	\$ -	\$ 118,654	\$ 159,986	\$ 101,408	\$ 3,423,017

**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 18 (FY 03/04)
JUNE 30, 2012**

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All % (1)	10%	4%	20%	4%	13%	12%	12%	16%	0%	0%	1%	2%	4%	100%
Prior Years:														
Aud Dep (2)	\$ 159,566	\$ 65,348	\$ 323,757	\$ 146,364	\$ 303,804	\$ 287,101	\$ 150,919	\$ 417,414	\$ -	\$ -	\$ 72,083	\$ 115,121	\$ 48,894	\$ 2,090,371
Interest	7,960	5,893	29,660	17,493	6,331	43,380	12,450	57,031	-	-	11,255	16,746	(4,862)	203,338
Fnd Transfer (3)	(272)	(192)	(2,087)	-	(2,066)	(356)	(1,721)	(639)	-	-	-	-	5,000	(2,333)
Clim Adj	(438,541)	(146,506)	(833,585)	(115,419)	(432,492)	(465,640)	(284,130)	(520,098)	-	-	(33,363)	(107,367)	(148,944)	(3,526,085)
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance Fwd.	(271,287)	(75,457)	(482,254)	48,439	(124,423)	(135,515)	(122,482)	(46,291)	-	-	49,975	24,500	(99,912)	(1,234,709)
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	(1,235)	(344)	(2,196)	221	(567)	(617)	(558)	(211)	-	-	228	112	(455)	(5,622)
Interest (2st QT)	(609)	(169)	(1,082)	109	(279)	(304)	(275)	(104)	-	-	112	55	(224)	(2,770)
Interest (3rd QT)	(1,268)	(353)	(2,254)	226	(582)	(633)	(572)	(216)	-	-	234	115	(467)	(5,771)
Interest (4th QT)	(552)	(154)	(981)	99	(253)	(276)	(249)	(94)	-	-	102	50	(203)	(2,512)
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CY Adjs	(3,664)	(1,019)	(6,513)	654	(1,680)	(1,830)	(1,654)	(625)	-	-	675	331	(1,349)	(16,675)
TTL. 9 xs 1	\$ (274,951)	\$ (76,476)	\$ (488,767)	\$ 49,093	\$ (126,103)	\$ (137,345)	\$ (124,136)	\$ (46,916)	\$ -	\$ -	\$ 50,650	\$ 24,831	\$ (101,261)	\$ (1,251,384)
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	\$ (274,951)	\$ (76,476)	\$ (488,767)	\$ 49,093	\$ (126,103)	\$ (137,345)	\$ (124,136)	\$ (46,916)	\$ -	\$ -	\$ 50,650	\$ 24,831	\$ (101,261)	\$ (1,251,384)
ACCEL Reserves (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IBNR (2)	(9,669)	(4,173)	(19,043)	(4,248)	(12,487)	(11,657)	(11,678)	(14,816)	-	-	(919)	(2,303)	(3,921)	(94,915)
Total Net Reserves and IBNR:	\$ (284,620)	\$ (80,649)	\$ (507,811)	\$ 44,845	\$ (138,590)	\$ (149,002)	\$ (135,814)	\$ (61,732)	\$ -	\$ -	\$ 49,731	\$ 22,527	\$ (105,182)	\$ (1,346,299)

**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 19 (FY 04/05)
JUNE 30, 2012**

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All % (1)	7%	6%	18%	3%	11%	10%	13%	20%	0%	4%	1%	4%	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	19,778	2,337	28,049	15,036	13,681	21,478	15,905	10,749	-	7,152	5,110	7,377	6,394	153,045
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	(11,050)	-	-	-	(11,050)
Clim Adj	(181,669)	(77,254)	(313,262)	(185,359)	(199,112)	(238,933)	(182,637)	(441,114)	-	(260,016)	(80,934)	(123,530)	(105,039)	(2,388,858)
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance Fwd.	60,188	(2,071)	75,732	38,062	29,058	58,151	41,965	(17,460)	-	(12,056)	9,908	13,160	12,146	306,783
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	274	(9)	345	173	132	265	191	(80)	-	(55)	45	60	55	1,397
Interest (2nd QT)	135	(5)	170	85	65	130	94	(39)	-	(27)	22	30	27	688
Interest (3rd QT)	281	(10)	354	178	136	272	196	(82)	-	(56)	46	62	57	1,434
Interest (4th QT)	122	(4)	154	77	59	118	85	(36)	-	(25)	20	27	25	624
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CY Adjs	813	(28)	1,023	514	392	785	567	(236)	-	(163)	134	178	164	4,143
TTL 9 xs 1	\$ 61,001	\$ (2,099)	\$ 76,755	\$ 38,576	\$ 29,450	\$ 58,936	\$ 42,532	\$ (17,696)	\$ -	\$ (12,219)	\$ 10,042	\$ 13,338	\$ 12,310	\$ 310,926
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	\$ 61,001	\$ (2,099)	\$ 76,755	\$ 38,576	\$ 29,450	\$ 58,936	\$ 42,532	\$ (17,696)	\$ -	\$ (12,219)	\$ 10,042	\$ 13,338	\$ 12,310	\$ 310,926
ACCEL Reserves (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IBNR (2)	(6,032)	(5,041)	(15,501)	(2,853)	(10,067)	(9,210)	(11,194)	(17,382)	-	(3,372)	(792)	(3,471)	(3,458)	(88,374)
Total Net Reserves and IBNR:	\$ 54,968	\$ (7,140)	\$ 61,254	\$ 35,724	\$ 19,383	\$ 49,726	\$ 31,338	\$ (35,077)	\$ -	\$ (15,591)	\$ 9,250	\$ 9,866	\$ 8,852	\$ 222,552

**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 20 (FY 05/06)
JUNE 30, 2012**

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All % (1)	7%	5%	16%	3%	14%	11%	14%	20%	0%	4%	1%	3%	2%	100%
Prior Years:														
Aud Dep (2)	\$ 269,058	\$ 106,744	\$ 550,686	\$ 299,701	\$ 292,630	\$ 298,789	\$ 277,279	\$ 745,237	\$ -	\$ 326,645	\$ 107,621	\$ 178,385	\$ 143,317	\$ 3,596,092
Interest	30,182	9,942	74,236	34,136	32,633	33,187	31,256	95,836	-	36,140	11,954	20,077	15,861	425,439
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Adj	(360,186)	(132,395)	(600,905)	(352,162)	(369,102)	(458,703)	(348,596)	(809,528)	-	(458,257)	(148,889)	(226,008)	(193,021)	(4,457,753)
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance Fwd.	(60,946)	(15,709)	24,016	(18,325)	(43,839)	(126,727)	(40,062)	31,545	-	(95,472)	(29,314)	(27,546)	(33,843)	(436,222)
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	(278)	(72)	109	(83)	(200)	(577)	(182)	144	-	(435)	(133)	(125)	(154)	(1,986)
Interest (2nd QT)	(137)	(35)	54	(41)	(98)	(284)	(90)	71	-	(214)	(66)	(62)	(76)	(979)
Interest (3rd QT)	(285)	(73)	112	(86)	(205)	(592)	(187)	147	-	(446)	(137)	(129)	(158)	(2,039)
Interest (4th QT)	(124)	(32)	49	(37)	(89)	(258)	(82)	64	-	(194)	(60)	(56)	(69)	(888)
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CY Adjs	(823)	(212)	324	(247)	(592)	(1,712)	(541)	426	-	(1,289)	(396)	(372)	(457)	(5,891)
TTL. 9 xs 1	\$ (61,769)	\$ (15,921)	\$ 24,340	\$ (18,572)	\$ (44,431)	\$ (128,439)	\$ (40,603)	\$ 31,971	\$ -	\$ (96,761)	\$ (29,710)	\$ (27,918)	\$ (34,300)	\$ (442,113)

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	\$ (61,769)	\$ (15,921)	\$ 24,340	\$ (18,572)	\$ (44,431)	\$ (128,439)	\$ (40,603)	\$ 31,971	\$ -	\$ (96,761)	\$ (29,710)	\$ (27,918)	\$ (34,300)	\$ (442,113)
ACCEL Reserves (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IBNR (2)	(12,822)	(8,454)	(28,555)	(5,224)	(25,477)	(19,301)	(24,501)	(35,864)	-	(7,907)	(1,929)	(6,061)	(3,153)	(179,247)
Total Net Reserves and IBNR:	\$ (74,591)	\$ (24,375)	\$ (4,215)	\$ (23,797)	\$ (69,908)	\$ (147,740)	\$ (65,104)	\$ (3,893)	\$ -	\$ (104,668)	\$ (31,639)	\$ (33,979)	\$ (37,453)	\$ (621,360)

**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 21 (FY 06/07)
JUNE 30, 2012**

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All % (1)	6%	6%	15%	2%	10%	8%	16%	22%	0%	7%	1%	5%	1%	100%
Prior Years:														
Aud Dep (2)	\$ 485,233	\$ 177,541	\$ 867,123	\$ 460,341	\$ 533,794	\$ 552,162	\$ 484,985	\$ 1,159,833	\$ -	\$ 648,352	\$ 182,390	\$ 335,257	\$ 296,524	\$ 6,183,535
Interest	110,704	40,180	193,612	110,056	115,402	123,121	110,465	262,073	-	141,863	42,737	74,182	63,645	1,388,041
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Adj	(49,067)	(18,945)	(85,153)	(52,172)	(52,234)	(57,389)	(49,439)	(118,195)	-	(60,619)	(19,875)	(31,862)	(26,148)	(621,098)
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance Fwd.	546,870	198,776	975,582	518,225	596,962	617,894	546,011	1,303,711	-	729,596	205,252	377,577	334,021	6,950,478
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	2,490	905	4,442	2,360	2,718	2,814	2,486	5,936	-	3,322	935	1,719	1,521	31,649
Interest (2nd QT)	1,227	446	2,189	1,163	1,339	1,386	1,225	2,825	-	1,637	460	847	749	15,593
Interest (3rd QT)	2,556	929	4,560	2,422	2,790	2,888	2,552	6,093	-	3,410	959	1,765	1,561	32,486
Interest (4th QT)	1,113	404	1,985	1,054	1,215	1,257	1,111	2,653	-	1,484	418	768	680	14,142
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CY Adjs	7,386	2,685	13,176	6,999	8,062	8,345	7,374	17,607	-	9,854	2,772	5,099	4,511	93,870
TTL 9 xs 1	\$ 554,256	\$ 201,461	\$ 988,758	\$ 525,224	\$ 605,024	\$ 626,239	\$ 553,385	\$ 1,321,318	\$ -	\$ 739,450	\$ 208,024	\$ 382,676	\$ 338,532	\$ 7,044,348

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	\$ 554,256	\$ 201,461	\$ 988,758	\$ 525,224	\$ 605,024	\$ 626,239	\$ 553,385	\$ 1,321,318	\$ -	\$ 739,450	\$ 208,024	\$ 382,676	\$ 338,532	\$ 7,044,348
ACCEL Reserves (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IBNR (2)	(19,688)	(18,181)	(50,184)	(6,281)	(33,589)	(27,134)	(51,288)	(70,623)	-	(23,495)	(4,232)	(16,362)	(4,845)	(325,902)
Total Net Reserves and IBNR:	\$ 534,567	\$ 183,280	\$ 938,574	\$ 518,943	\$ 571,435	\$ 599,105	\$ 502,097	\$ 1,250,696	\$ -	\$ 715,955	\$ 203,792	\$ 366,314	\$ 333,687	\$ 6,718,446

**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 22 (FY 07/08)
JUNE 30, 2012**

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All % (1)	8%	3%	14%	8%	9%	9%	8%	19%	0%	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	73,173	26,773	130,762	69,419	80,496	83,466	73,136	174,903	-	82,653	27,505	50,557	44,716	917,558
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Adj	(90,299)	(33,039)	(161,365)	(85,666)	(99,336)	(103,002)	(90,253)	(215,836)	-	(101,998)	(33,941)	(62,389)	(55,182)	(1,132,306)
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance Fwd.	403,409	147,603	720,903	382,715	443,781	460,155	403,204	964,256	-	455,675	151,636	278,723	246,521	5,058,580
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	1,074	393	1,920	1,019	1,182	1,225	1,074	2,568	-	1,214	404	742	657	13,472
Interest (2nd QT)	527	193	942	500	580	601	527	1,260	-	595	198	364	322	6,610
Interest (3rd QT)	1,098	402	1,962	1,042	1,208	1,253	1,098	2,625	-	1,240	413	759	671	13,771
Interest (4th QT)	617	226	1,103	585	679	704	617	1,475	-	697	232	426	377	7,737
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	(100,155)	(36,646)	(178,983)	(95,020)	(110,180)	(114,246)	(100,105)	(239,402)	-	(113,133)	(37,647)	(69,199)	(61,206)	(1,255,922)
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CY Adjs	(96,838)	(35,432)	(173,056)	(91,873)	(106,531)	(110,463)	(96,790)	(231,474)	-	(109,387)	(36,400)	(66,907)	(59,179)	(1,214,333)
TTL 9 xs 1	\$ 306,571	\$ 112,171	\$ 547,847	\$ 290,842	\$ 337,250	\$ 349,692	\$ 306,414	\$ 732,782	\$ -	\$ 346,288	\$ 115,236	\$ 211,816	\$ 187,342	\$ 3,844,247

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	\$ 306,571	\$ 112,171	\$ 547,847	\$ 290,842	\$ 337,250	\$ 349,692	\$ 306,414	\$ 732,782	\$ -	\$ 346,288	\$ 115,236	\$ 211,816	\$ 187,342	\$ 3,844,247
ACCEL Reserves (1)	(59,524)	(21,779)	(106,371)	(56,471)	(65,481)	(67,898)	(59,494)	(142,279)	-	(67,236)	(22,374)	(41,126)	(36,375)	(746,410)
IBNR (2)	(64,568)	(23,625)	(115,385)	(61,256)	(71,030)	(73,651)	(64,535)	(154,335)	-	(72,934)	(24,270)	(44,611)	(39,457)	(809,656)
Total Net Reserves and IBNR:	\$ 182,478	\$ 66,766	\$ 326,091	\$ 173,115	\$ 200,738	\$ 208,144	\$ 182,385	\$ 436,168	\$ -	\$ 206,118	\$ 68,591	\$ 126,078	\$ 111,509	\$ 2,288,181

**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 23 (FY 08/09)
JUNE 30, 2012**

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All % (1)	8%	3%	15%	8%	9%	9%	8%	18%	0%	10%	3%	5%	5%	100%
Prior Years:														
Aud Dep (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	46,582	17,988	85,692	46,017	51,660	53,692	46,045	107,768	-	56,942	18,971	32,258	26,887	590,503
Fnd Transfer (3)	(77)	73	(280)	(46)	(384)	(17)	(273)	(882)	-	1,716	-	-	-	(168)
Clim Adj	(67,610)	(26,101)	(124,383)	(66,789)	(74,999)	(77,925)	(66,844)	(156,461)	-	(82,528)	(27,534)	(46,817)	(39,021)	(857,012)
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance Fwd.	419,534	162,076	771,691	414,467	465,080	483,621	414,576	970,143	-	514,007	170,882	290,565	242,181	5,318,822
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	1,910	738	3,514	1,887	2,118	2,202	1,888	4,418	-	2,341	778	1,323	1,103	24,219
Interest (2st QT)	941	364	1,731	930	1,043	1,085	930	2,176	-	1,153	383	652	543	11,933
Interest (3rd QT)	1,467	567	2,698	1,449	1,626	1,691	1,449	3,391	-	1,799	597	1,016	847	18,596
Interest (4th QT)	638	247	1,174	631	708	736	631	1,476	-	783	260	442	369	8,095
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	(105,732)	(40,819)	(194,519)	(104,447)	(117,289)	(121,864)	(104,534)	(244,683)	-	(129,064)	(43,058)	(73,215)	(61,023)	(1,340,247)
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CY Adjs	(100,775)	(38,904)	(185,402)	(99,550)	(111,795)	(116,150)	(99,636)	(233,222)	-	(122,988)	(41,039)	(69,782)	(58,162)	(1,277,405)
TTL 9 xs 1	\$ 318,759	\$ 123,172	\$ 586,289	\$ 314,917	\$ 353,285	\$ 367,471	\$ 314,940	\$ 736,921	\$ -	\$ 391,019	\$ 129,843	\$ 220,783	\$ 184,019	\$ 4,041,417

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)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Liability Payroll Audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Deposit Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(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. Deposit has been adjusted to match the June 30, 2008 Financial Audit

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

(4) Member's money returned to them.

TOTAL	\$ 318,759	\$ 123,172	\$ 586,289	\$ 314,917	\$ 353,285	\$ 367,471	\$ 314,940	\$ 736,921	\$ -	\$ 391,019	\$ 129,843	\$ 220,783	\$ 184,019	\$ 4,041,417
ACCEL Reserves (1)	(23,667)	(9,137)	(43,541)	(23,379)	(26,254)	(27,278)	(23,399)	(54,770)	-	(28,890)	(9,638)	(16,388)	(13,659)	(300,000)
IBNR (2)	(115,495)	(44,588)	(212,480)	(114,091)	(128,119)	(133,117)	(114,186)	(267,276)	-	(140,981)	(47,034)	(79,975)	(66,658)	(1,464,000)
Total Net Reserves and IBNR:	\$ 179,597	\$ 69,447	\$ 330,268	\$ 177,446	\$ 198,913	\$ 207,076	\$ 177,355	\$ 414,876	\$ -	\$ 221,148	\$ 73,171	\$ 124,420	\$ 103,702	\$ 2,277,417

**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 24 (FY 09/10)
JUNE 30, 2012**

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All % (1)	7%	3%	15%	8%	8%	9%	8%	19%	0%	10%	3%	6%	5%	100%
Prior Years:														
Aud Dep (2)	\$ 438,181	\$ 186,420	\$ 897,688	\$ 476,791	\$ 494,649	\$ 529,664	\$ 462,235	\$ 1,151,925	\$ -	\$ 592,417	\$ 195,535	\$ 339,531	\$ 290,261	\$ 6,055,297
Interest	18,347	7,667	36,670	19,796	20,547	21,849	19,020	46,614	-	24,656	8,054	14,016	11,958	249,194
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Adj	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance Fwd.	456,528	194,087	934,358	496,587	515,196	551,513	481,255	1,198,539	-	617,073	203,589	353,547	302,219	6,304,491
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	2,079	884	4,255	2,261	2,346	2,511	2,191	5,458	-	2,810	927	1,610	1,376	28,707
Interest (2st QT)	1,024	435	2,096	1,114	1,156	1,237	1,080	2,689	-	1,384	457	793	678	14,144
Interest (3rd QT)	2,134	907	4,367	2,321	2,408	2,578	2,249	5,602	-	2,884	952	1,652	1,413	29,467
Interest (4th QT)	929	395	1,901	1,010	1,048	1,122	979	2,439	-	1,256	414	719	615	12,827
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CY Adjs	6,166	2,621	12,619	6,707	6,958	7,448	6,500	16,187	-	8,334	2,750	4,775	4,082	85,145
TTL 9 xs 1	\$ 462,694	\$ 196,708	\$ 946,977	\$ 503,294	\$ 522,154	\$ 558,961	\$ 487,755	\$ 1,214,726	\$ -	\$ 625,407	\$ 206,339	\$ 358,322	\$ 306,301	\$ 6,389,636

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)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Liability Payroll Audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Deposit Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(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. Deposit has been adjusted to match the June 30, 2010 Financial Audit

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

(4) Member's money returned to them.

TOTAL	\$ 462,694	\$ 196,708	\$ 946,977	\$ 503,294	\$ 522,154	\$ 558,961	\$ 487,755	\$ 1,214,726	\$ -	\$ 625,407	\$ 206,339	\$ 358,322	\$ 306,301	\$ 6,389,636
ACCEL Reserves (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IBNR (2)	(162,021)	(68,930)	(331,928)	(176,298)	(182,901)	(195,848)	(170,915)	(425,934)	-	(219,052)	(72,301)	(125,545)	(107,326)	(2,239,000)
Total Net Reserves and IBNR:	\$ 300,672	\$ 127,778	\$ 615,049	\$ 326,996	\$ 339,253	\$ 363,113	\$ 316,839	\$ 788,791	\$ -	\$ 406,355	\$ 134,038	\$ 232,777	\$ 198,974	\$ 4,150,636

**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 25 (FY 10/11)
JUNE 30, 2012**

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All % (1)	7%	3%	15%	8%	8%	9%	8%	19%	0%	10%	3%	6%	5%	100%
Prior Years:														
Aud Dep (2)	\$ 485,800	\$ 207,540	\$ 1,017,744	\$ 515,208	\$ 538,163	\$ 610,569	\$ 510,268	\$ 1,269,562	\$ -	\$ 673,628	\$ 229,351	\$ 385,814	\$ 308,836	\$ 6,752,483
Interest	9,147	3,908	19,162	9,700	10,132	11,496	9,607	23,903	-	12,683	4,318	7,264	5,815	127,134
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Adj	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance Fwd.	494,947	211,448	1,036,906	524,908	548,295	622,065	519,875	1,293,465	-	686,311	233,669	393,078	314,651	6,879,617
Current Year:														
Dep Adjs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest (1st QT)	2,254	963	4,722	2,390	2,497	2,833	2,367	5,890	-	3,125	1,064	1,790	1,433	31,326
Interest (2nd QT)	1,110	474	2,326	1,178	1,230	1,396	1,166	2,902	-	1,540	524	882	706	15,434
Interest (3rd QT)	2,313	988	4,846	2,453	2,563	2,907	2,430	6,046	-	3,208	1,092	1,837	1,471	32,155
Interest (4th QT)	1,007	430	2,110	1,068	1,116	1,266	1,058	2,632	-	1,396	475	800	640	13,998
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CY Adjs	6,685	2,856	14,004	7,089	7,405	8,401	7,021	17,469	-	9,269	3,156	5,309	4,250	92,913
TTL. 9 xs 1	\$ 501,632	\$ 214,304	\$ 1,050,910	\$ 531,997	\$ 555,700	\$ 630,466	\$ 526,896	\$ 1,310,934	\$ -	\$ 695,580	\$ 236,825	\$ 398,387	\$ 318,901	\$ 6,972,530

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

Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less Excess Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pool Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Liability Payroll Audit														
Other Deposit Adjustments														
Net Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(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. Deposit has been adjusted to match the June 30, 2010 Financial Audit

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

(4) Member's money returned to them.

TOTAL	\$ 501,632	\$ 214,304	\$ 1,050,910	\$ 531,997	\$ 555,700	\$ 630,466	\$ 526,896	\$ 1,310,934	\$ -	\$ 695,580	\$ 236,825	\$ 398,387	\$ 318,901	\$ 6,972,530
ACCEL Reserves (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IBNR (2)	(258,782)	(110,555)	(542,145)	(274,448)	(286,676)	(325,246)	(271,816)	(676,287)	-	(358,837)	(122,174)	(205,520)	(164,515)	(3,597,000)
Total Net Reserves and IBNR:	\$ 242,849	\$ 103,749	\$ 508,765	\$ 257,549	\$ 269,024	\$ 305,221	\$ 255,080	\$ 634,647	\$ -	\$ 336,743	\$ 114,651	\$ 192,866	\$ 154,386	\$ 3,375,530

**AUTHORITY FOR CALIFORNIA CITIES EXCESS LIABILITY
SCHEDULE OF RETROSPECTIVELY RATED REFUND LIABILITY BY MEMBER
PROGRAM YEAR 26 (FY 11/12)
JUNE 30, 2012**

	<u>MODESTO</u>	<u>VISALIA</u>	<u>SANTA MONICA</u>	<u>SANTA BARBARA</u>	<u>BAKERSFIELD</u>	<u>PALO ALTO</u>	<u>ONTARIO</u>	<u>ANAHEIM</u>	<u>GARDENA</u>	<u>BURBANK</u>	<u>MONTEREY</u>	<u>MOUNTAIN VIEW</u>	<u>SANTA CRUZ</u>	<u>TOTAL</u>
Excess of \$1,000,000 Layer														
Retros All % (1)	7%	3%	15%	7%	8%	9%	7%	18%	0%	11%	3%	6%	5%	100%
Prior Years:														
Aud Dep (2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Adj	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance Fwd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Year:														
Dep Adjs	\$ 428,095	\$ 195,889	\$ 989,105	\$ 477,859	\$ 509,015	\$ 572,773	\$ 473,885	\$ 1,182,713	\$ -	\$ 703,382	\$ 214,633	\$ 363,501	\$ 292,182	\$ 6,403,032
Interest (1st QT)	1,949	892	4,504	2,176	2,318	2,608	2,158	5,385	-	3,203	977	1,655	1,330	29,156
Interest (2nd QT)	960	439	2,219	1,072	1,142	1,285	1,063	2,653	-	1,578	482	815	655	14,365
Interest (3rd QT)	2,001	916	4,623	2,233	2,379	2,677	2,215	5,528	-	3,288	1,003	1,699	1,366	29,927
Interest (4th QT)	871	399	2,012	972	1,036	1,165	964	2,406	-	1,431	437	740	594	13,028
Fnd Transfer (3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Clim Pd Alloc	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retros (4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CY Adjs	433,877	198,535	1,002,463	484,313	515,890	580,509	480,285	1,198,686	-	712,882	217,532	368,410	296,128	6,489,508
TTL. 9 xs 1	\$ 433,877	\$ 198,535	\$ 1,002,463	\$ 484,313	\$ 515,890	\$ 580,509	\$ 480,285	\$ 1,198,686	\$ -	\$ 712,882	\$ 217,532	\$ 368,410	\$ 296,128	\$ 6,489,508

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

Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less Excess Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Pool Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Liability Payroll Audit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Deposit Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(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. Deposit has been adjusted to match the June 30, 2010 Financial Audit

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

(4) Member's money returned to them.

TOTAL	\$ 433,877	\$ 198,535	\$ 1,002,463	\$ 484,313	\$ 515,890	\$ 580,509	\$ 480,285	\$ 1,198,686	\$ -	\$ 712,882	\$ 217,532	\$ 368,410	\$ 296,128	\$ 6,489,508
ACCEL Reserves (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
IBNR (2)	(156,314)	(71,527)	(361,161)	(174,485)	(185,862)	(209,142)	(173,034)	(431,855)	-	(256,833)	(78,371)	(132,729)	(106,687)	(2,338,000)
Total Net Reserves and IBNR:	\$ 277,562	\$ 127,008	\$ 641,302	\$ 309,828	\$ 330,028	\$ 371,367	\$ 307,251	\$ 766,831	\$ -	\$ 456,049	\$ 139,161	\$ 235,682	\$ 189,441	\$ 4,151,508