



Bickmore — Actuarial

Actuarial Review of the Self-Insured Excess Liability Program

Funding guidelines for program year 2025-26
Outstanding Liabilities as of June 30, 2025

Presented to
Authority for California Cities Excess Liability

March 24, 2025





Monday, March 24, 2025

Authority for California Cities Excess Liability
c/o Alliant Insurance Services
Attn: Conor Boughey, Pool Administrator
560 Mission Street, 6th Floor
San Francisco, California 94105

Re: Actuarial Review of the Funding Requirements for the Excess Liability Program

Dear Mr. Boughey:

As you requested, we have completed our actuarial review of the funding requirements for the Authority for California Cities Excess Liability's (ACCEL, the Authority) excess liability program. Our conclusions are documented in the text and exhibits that follow.

At the undiscounted expected level, we estimate the program's liability for outstanding loss and allocated loss adjustment expenses (ALAE) to be approximately \$88,918,000 as of June 30, 2025. We understand the Authority has chosen to record its liability with recognition of investment income at 3.0% per year. Discounted for anticipated investment income, we estimate the program's liability for outstanding loss and ALAE will be \$80,351,000 as of that date. Further, we recommend the Authority fund a risk margin for potential adverse experience. Including a margin for adverse experience at the 90% confidence level, the required assets for outstanding loss and ALAE as of June 30, 2025 is projected to be \$125,862,000.

The unallocated loss adjustment expenses (ULAE) associated with open claims should be recognized as part of the program's claims liability. ULAE is the additional cost to administer all claims to final settlement, which may be years into the future (e.g. claims adjusters' salaries, taxes, etc.). At the undiscounted expected level, our expected estimate of unpaid ULAE is \$2,434,000 as of June 30, 2025. Discounted for anticipated investment income, we estimate the program's liability for unpaid ULAE will be \$2,200,000 as of that date. Including a margin for adverse experience at the 90% confidence level, the required assets for outstanding ULAE as of June 30, 2025 is projected to be \$3,446,000.

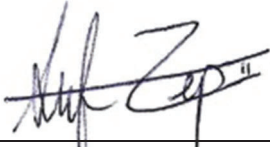
The analysis which made it possible for us to draw our conclusions is based on the data provided by the Authority's program manager Alliant Insurance Services (Alliant). We have accepted all of this information without audit.

The first section of the attached report outlines the scope of our study, its background, and our conclusions, recommendations, detailed funding recommendations, assumptions, and approach to the project. The entire report has been developed for the internal use of the ACCEL, its auditors, and the representatives of its members. It is not intended for general circulation.

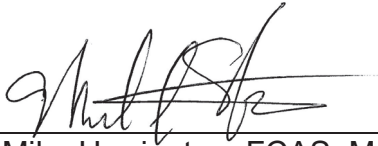
We appreciate the opportunity to be of service to ACCEL in preparing this report. Please feel free to call Stefan Zepernick at (279) 895-1461 or Mike Harrington at (916) 244-1162 with any questions you may have concerning this report.

Sincerely,

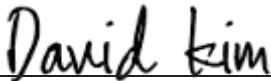
Bickmore Actuarial



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I. BACKGROUND AND PURPOSE OF STUDY

The Authority for California Cities Excess Liability (ACCEL, the Authority) began operations on April 1, 1986. Its purpose is to provide excess liability coverage and to purchase commercial excess insurance on a group basis for California cities. The Authority provides coverage above each member's self-insured retention (SIR), subject to an upper pool limit.

The program currently includes thirteen members: Anaheim, Bakersfield, Burbank, Modesto, Monterey, Mountain View, Ontario, Palo Alto, Salinas, Santa Barbara, Santa Cruz, Santa Monica, and Visalia.

Prior to July 1, 1990, the Authority pooled losses incurred by its members up to \$10,000,000 through two separate pools.

- The first pool was optional and covered the layer from \$500,000 to \$1,000,000 per occurrence (the \$500K pool) and operated during program years 1986-87 to 1989-90. This pool was funded by those members with \$500,000 self-insured retentions during that period. This coverage is no longer available. All claims for this pool have been closed and there are no unpaid losses remaining.
- The second pool was for the layer above \$1,000,000 per occurrence (the \$1M pool) and is funded by all members.

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 an SIR of \$500,000 purchased additional coverage of \$500,000 excess of \$500,000. On July 1, 2000, nine members purchased insurance of \$19,500,000 excess of \$500,000 and two members had coverage of \$19,000,000 excess of \$1,000,000. The ACCEL layer was fully insured with these limits through June 30, 2003.

Effective July 1, 2003, ACCEL purchased reinsurance 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 had an SIR of \$1,000,000. Effective July 1, 2004, ACCEL pooled losses in the layer \$2,000,000 excess of \$1,000,000. ACCEL pooled losses in the layer \$4,000,000 excess of \$1,000,000 for the period between 2005-06 and 2015-16 years. For the 2016-17 year, ACCEL pooled losses in the layer \$2,000,000 excess of \$1,000,000.

For the 2020-21 program year, ACCEL created a corridor deductible of \$2,000,000 on top of their retention whereby the pool retains the first \$2,000,000 of any amounts that would normally be ceded to their reinsurers. As of the 2021-22 program year, ACCEL pools losses in the layer \$9,000,000 excess of \$1,000,000.

II. CONCLUSIONS AND RECOMMENDATIONS

A. LIABILITY FOR OUTSTANDING CLAIMS

At the undiscounted expected level, we estimate the program's liability for outstanding loss and allocated loss adjustment expenses (ALAE) to be approximately \$88,919,000 as of June 30, 2025. We understand the Authority has chosen to record its liability with recognition of investment income at 3.0% per year. Discounted for anticipated investment income, we estimate the program's liability for outstanding loss and ALAE will be \$80,351,000 as of that date. Further, we recommend the Authority fund a risk margin for potential adverse experience. Including a margin for adverse experience at the 90% confidence level, the required assets for outstanding loss and ALAE as of June 30, 2025 is projected to be \$125,862,000.

The unallocated loss adjustment expenses (ULAE) associated with open claims should be recognized as part of the program's claims liability. ULAE is the additional cost to administer all claims to final settlement, which may be years into the future (e.g. claims adjusters' salaries, taxes, etc.). At the undiscounted expected level, our undiscounted expected estimate of unpaid ULAE is \$2,434,000 as of June 30, 2025. Discounted for anticipated investment income, we estimate the program's liability for unpaid ULAE will be \$2,200,000 as of that date. Including a margin for adverse experience at the 90% confidence level, the required assets for outstanding ULAE as of June 30, 2025 is projected to be \$3,446,000.

The tables below show our estimates of the program’s claims liabilities as of December 31, 2024 and June 30, 2025, on both undiscounted and discounted bases for various confidence levels:

**Outstanding Liability as of December 31, 2024
For Unpaid Loss and LAE**

Confidence Level	Loss and ALAE Undiscounted	Loss and ALAE Discounted	ULAE Undiscounted	ULAE Discounted
Expected	\$83,702,000	\$76,776,000	\$2,210,000	\$2,027,000
70%	97,563,000	89,490,000	2,576,000	2,363,000
75%	103,589,000	95,018,000	2,735,000	2,509,000
80%	110,721,000	101,559,000	2,923,000	2,681,000
85%	119,459,000	109,575,000	3,154,000	2,893,000
90%	131,110,000	120,262,000	3,462,000	3,175,000
95%	150,094,000	137,675,000	3,963,000	3,635,000
98%	193,368,000	177,369,000	5,106,000	4,683,000

**Outstanding Liability as of June 30, 2025
For Unpaid Loss and LAE**

Confidence Level	Loss and ALAE Undiscounted	Loss and ALAE Discounted	ULAE Undiscounted	ULAE Discounted
Expected	\$88,919,000	\$80,351,000	\$2,434,000	\$2,200,000
70%	103,643,000	93,658,000	2,837,000	2,564,000
75%	110,046,000	99,444,000	3,012,000	2,723,000
80%	117,621,000	106,290,000	3,220,000	2,910,000
85%	126,905,000	114,678,000	3,474,000	3,140,000
90%	139,282,000	125,862,000	3,813,000	3,446,000
95%	159,449,000	144,087,000	4,365,000	3,945,000
98%	205,420,000	185,630,000	5,623,000	5,082,000

Discounted amounts in the tables above assume a 3.0% discount rate. Results at various alternative discount rates are shown in the supporting exhibits.

The outstanding liabilities presented in this section, including ALAE and ULAE, comply with the requirements promulgated by GASB #10. GASB #10 does not address an actual asset requirement for the program, but only speaks to the liability to be recorded on ACCEL’s financial statements. Because actuarial estimates of claims costs are subject to some uncertainty, we recommend that an amount in addition to the discounted expected loss costs be set aside as a risk margin for contingencies.

We generally recommend that risk pools maintain assets for historical liabilities at no less than the 90% confidence level. However, we understand that each entity is unique, and that proper funding levels can vary based on issues such as the organization’s risk tolerance and financial circumstances. All of these items need to be considered when determining a surplus target, which may significantly exceed the 90% confidence level. A detailed assessment of an appropriate surplus target is beyond the scope of this study.

Our estimates of the program's expected claims liabilities, on both undiscounted and discounted bases, by program year are displayed in the following tables as of December 31, 2024 and June 30, 2025:

**Outstanding Liability at the Expected Level
as of December 31, 2024**

Program Year	Loss and ALAE Undiscounted	Loss and ALAE Discounted
Prior	\$0	\$0
2013-2014	0	0
2014-2015	0	0
2015-2016	161,318	144,380
2016-2017	268,337	244,455
2017-2018	2,653,264	2,441,003
2018-2019	1,017,707	940,870
2019-2020	1,789,310	1,664,953
2020-2021	8,460,953	7,902,530
2021-2022	13,986,752	13,028,659
2022-2023	21,893,000	20,196,293
2023-2024	20,886,000	19,068,918
2024-2025	12,585,000	11,144,018
All Years	\$83,701,640	\$76,776,079

**Outstanding Liability at the Expected Level
as of June 30, 2025**

Program Year	Undiscounted	Discounted
Prior	\$0	\$0
2013-2014	0	0
2014-2015	0	0
2015-2016	141,799	128,044
2016-2017	222,183	204,186
2017-2018	2,236,702	2,060,002
2018-2019	845,714	784,823
2019-2020	1,451,130	1,353,904
2020-2021	6,912,598	6,463,279
2021-2022	12,154,487	11,279,364
2022-2023	19,813,165	18,168,672
2023-2024	20,071,446	18,024,159
2024-2025	25,069,320	21,885,516
All Years	\$88,918,544	\$80,351,949

B. FUNDING RATES FOR FUTURE CLAIMS

We present funding guidelines for claims incurred during program year 2025-26 at several confidence levels in the table below. Our recommendations are displayed as rates per \$100 of payroll for various layers. The recommended funding includes anticipated investment income at 3.0% per year.

Funding Guidelines for Discounted Claims Incurred in 2025-26

Layer	Expected	75%	80%	85%	90%
\$1M-2M	\$0.431	\$0.548	\$0.589	\$0.641	\$0.709
\$1M-3M	0.709	0.901	0.969	1.054	1.166
\$1M-4M	0.865	1.100	1.183	1.286	1.422
\$1M-5M	1.012	1.286	1.384	1.505	1.664
\$1M-\$10M	1.436	1.825	1.963	2.136	2.361
\$5M-\$10M	0.424	0.539	0.580	0.631	0.697
\$1M-\$15M	1.708	2.171	2.335	2.540	2.809
\$10M-\$15M	0.272	0.346	0.372	0.405	0.447

The following table details the calculation of our funding guidelines in dollars at various confidence levels for the program's 2025-26 claims by different layers:

Funding Amount Guidelines for Discounted Claims Incurred in 2025-26

Layer	Expected	75%	80%	85%	90%
\$1M-2M	\$7,760,000	\$9,866,000	\$10,604,000	\$11,541,000	\$12,765,000
\$1M-3M	12,765,000	16,222,000	17,446,000	18,976,000	20,993,000
\$1M-4M	15,573,000	19,804,000	21,299,000	23,153,000	25,602,000
\$1M-5M	18,220,000	23,153,000	24,918,000	27,096,000	29,959,000
\$1M-\$10M	25,854,000	32,857,000	35,342,000	38,457,000	42,507,000
\$5M-\$10M	7,634,000	9,704,000	10,442,000	11,361,000	12,549,000
\$1M-\$15M	30,751,000	39,087,000	42,039,000	45,730,000	50,573,000
\$10M-\$15M	4,897,000	6,229,000	6,697,000	7,292,000	8,048,000

We have assumed that payrolls for 2025-26 will be approximately \$1,800,402,000 based upon information provided by ACCEL.

The estimated program costs shown above do not include any provision for reinsurance premiums, claims administration fees, and other administrative costs associated with the ACCEL program. As with the program's outstanding claims, the Authority should fund a margin for adverse experience in addition to the expected cost of claims. We would recommend funding annual costs for excess liability programs in the 80% to 90% confidence level range.

C. COMPARISON WITH PRIOR RESULTS

The following tables detail the changes in our estimates of the Authority's ultimate losses by program year from those of the prior report based upon losses valued as of 12/31/23:

Comparison with Prior Undiscounted Estimated Ultimate Losses (Prior Based upon Losses Valued at December 31, 2023)			
Program Year	Prior Report 12/31/23	Current Report	Change
Prior	\$57,077,000	\$57,077,000	\$0
2010-2011	375,000	375,000	0
2011-2012	2,000	2,000	0
2012-2013	4,207,000	4,207,000	0
2013-2014	12,963,000	12,963,000	0
2014-2015	6,569,000	5,957,000	(612,000)
2015-2016	3,304,000	3,094,000	(210,000)
2016-2017	13,781,000	13,686,000	(95,000)
2017-2018	15,944,000	18,488,000	2,544,000
2018-2019	15,901,000	11,743,000	(4,158,000)
2019-2020	12,610,000	12,610,000	0
2020-2021	15,789,000	16,201,000	412,000
2021-2022	19,760,000	18,786,000	(974,000)
2022-2023	17,052,000	21,893,000	4,841,000
2023-2024	15,750,000	20,886,000	5,136,000
2024-2025	25,170,000	25,170,000	0
All Years	\$236,254,000	\$243,138,000	\$6,884,000

As shown, overall we have increased our estimates of the program's ultimate losses by \$6,884,000 from those displayed in our prior actuarial report dated March 13, 2024. The increase is mainly due to adverse loss development in the 2022-23 and 2023-24 program years.

At the time of the prior report (based upon losses valued at 12/31/23), we estimated the liability for outstanding claims as of June 30, 2024 to be \$76,699,000 at the discounted, expected level. Our current estimate as of June 30, 2025, is \$80,352,000, an increase in our assessment of the Authority's outstanding liabilities, as shown below:

**Comparison with Prior
Outstanding Claim Liabilities for Loss and ALAE
(Prior Based upon Losses Valued at December 31, 2023)**

	Prior Report at June 30, 2024	Current Report at June 30, 2025	Change
Case Reserves:	\$41,707,000	\$38,728,000	(\$2,979,000)
IBNR Reserves:	41,977,000	50,190,000	8,213,000
Total Reserves:	\$83,684,000	\$88,918,000	\$5,234,000
Offset for Investment Income: (Prior at 2.75%, Current at 3.0%)	(6,985,000)	(8,566,000)	(1,581,000)
Total Outstanding Claim Liabilities:	\$76,699,000	\$80,352,000	\$3,653,000

As shown, our estimate of outstanding claims liabilities at the discounted, expected level has increased between June 30, 2024 and June 30, 2025 as reflected in our prior and current reports respectively.

Estimated case reserves have decreased by \$2,979,000 since the prior evaluation while our estimate of IBNR reserves have increased by \$8,213,000. The overall result is an increase of \$5,234,000 in total claim reserves. The offset for investment income is greater with greater total reserves and higher investment rate assumption. The net change due to the above factors is an overall increase of \$3,653,000 in our estimate of outstanding claim liabilities for loss and ALAE.

The following tables detail the changes in our estimates of the Authority's ultimate losses by program year from those of the prior report based upon losses valued as of 6/30/24:

**Comparison with Prior
Undiscounted Estimated Ultimate Losses
(Prior Based upon Losses Valued at June 30, 2024)**

Program Year	Prior Report 6/30/24	Current Report	Change
Prior	\$57,577,000	\$57,077,000	\$0
2011-2012	375,000	375,000	0
2012-2013	2,000	2,000	0
2013-2014	4,207,000	4,207,000	0
2014-2015	12,963,000	12,963,000	0
2015-2016	6,552,000	5,957,000	(595,000)
2016-2017	3,265,000	3,094,000	(171,000)
2017-2018	13,723,000	13,686,000	(37,000)
2018-2019	17,523,000	18,488,000	965,000
2019-2020	11,333,000	11,743,000	410,000
2020-2021	12,237,000	12,610,000	373,000
2021-2022	14,635,000	16,201,000	1,566,000
2022-2023	18,525,000	18,786,000	261,000
2023-2024	17,986,000	21,893,000	3,907,000
2024-2025	14,766,000	20,886,000	6,120,000
All Years	\$205,669,000	\$217,968,000	\$12,799,000

As shown, overall we have increased our estimates of the program's ultimate losses by \$12,799,000 from those displayed in our prior actuarial report dated October 9, 2024. The increase is mainly due to adverse loss development in the recent five program years.

At the time of the prior report (based upon losses valued at 6/30/24), we estimated the liability for outstanding claims as of June 30, 2024 to be \$68,721,000 at the discounted, expected level. Our current estimate as of June 30, 2025, is \$80,352,000, an increase in our assessment of the Authority's outstanding liabilities, as shown below:

**Comparison with Prior
Outstanding Claim Liabilities for Loss and ALAE
(Prior Based upon Losses Valued at June 30, 2024)**

	Prior Report at June 30, 2024	Current Report at June 30, 2025	Change
Case Reserves:	\$37,105,000	\$38,728,000	\$1,623,000
IBNR Reserves:	38,061,000	50,190,000	12,129,000
Total Reserves:	\$75,166,000	\$88,918,000	\$13,752,000
Offset for Investment Income: (Prior at 2.75%, Current at 3.0%)	(6,445,000)	(8,566,000)	(2,121,000)
Total Outstanding Claim Liabilities:	\$68,721,000	\$80,352,000	\$11,631,000

As shown, our estimate of outstanding claims liabilities at the discounted, expected level has increased between June 30, 2024 and June 30, 2025 as reflected in our prior and current reports respectively.

Estimated case reserves have increased by \$1,623,000 while our estimate of IBNR reserves increased by \$12,129,000. The overall result is an increase of \$13,792,000 in total claim reserves. The offset for investment income is greater with greater total reserves and a higher investment rate assumption. The net change due to the above factors is an overall increase of \$11,631,000 in our estimate of outstanding claim liabilities for loss and ALAE.

The following tables display a comparison of the Authority’s projected funding rates from current and prior reports valued at 12/31/23 by various layers and confidence levels. The assumed investment rate assumption is 3.0% for the current report and 2.75% for the prior report.

**Comparison with Prior
Undiscounted Expected Funding Rates**

Layer	Prior Report 2024-25	Current Report 2025-26	Percent Change
\$1M-2M	\$0.459	\$0.487	6.1%
\$1M-3M	0.750	0.800	6.7%
\$1M-4M	0.912	0.976	7.0%
\$1M-5M	1.053	1.142	8.5%
\$1M-10M	1.488	1.621	8.9%
\$5M-10M	0.435	0.479	10.1%
\$1M-\$15M	1.750	1.928	10.2%
\$10M-\$15M	0.262	0.307	17.2%

**Comparison with Prior
Discounted Expected Funding Rates**

Layer	Prior Report 2024-25	Current Report 2025-26	Percent Change
\$1M-2M	\$0.410	\$0.431	5.1%
\$1M-3M	0.671	\$0.709	5.7%
\$1M-4M	0.815	\$0.865	6.1%
\$1M-5M	0.941	\$1.012	7.5%
\$1M-10M	1.330	\$1.436	8.0%
\$5M-10M	0.389	\$0.424	9.0%
\$1M-\$15M	1.565	\$1.708	9.1%
\$10M-\$15M	0.234	\$0.272	16.2%

**Comparison with Prior
Discounted 80% Confidence Level Funding Rates**

Layer	Prior Report 2024-25	Current Report 2025-26	Percent Change
\$1M-2M	\$0.560	\$0.589	5.2%
\$1M-3M	\$0.916	\$0.969	5.8%
\$1M-4M	\$1.113	\$1.183	6.3%
\$1M-5M	\$1.285	\$1.384	7.7%
\$1M-10M	\$1.816	\$1.963	8.1%
\$5M-10M	\$0.531	\$0.580	9.2%
\$1M-\$15M	\$2.136	\$2.335	9.3%
\$10M-\$15M	\$0.319	\$0.372	16.6%

**Comparison with Prior
Discounted 90% Confidence Level Funding Rates**

Layer	Prior Report 2024-25	Current Report 2025-26	Percent Change
\$1M-2M	\$0.672	\$0.709	5.5%
\$1M-3M	1.100	\$1.166	6.0%
\$1M-4M	1.337	\$1.422	6.4%
\$1M-5M	1.543	\$1.664	7.8%
\$1M-10M	2.181	\$2.361	8.3%
\$5M-10M	0.638	\$0.697	9.2%
\$1M-\$15M	2.567	\$2.809	9.4%
\$10M-\$15M	0.384	\$0.447	16.4%

**Comparison with Prior
Discounted Pool Funding Rates**

Layer	Prior Report 2024-25	Current Report 2025-26	Percent Change
\$1M-5M*	\$1.543	\$1.664	7.8%
\$5M-10M*	\$0.494	\$0.580	17.4%
Pool Funding Rate	\$2.074	\$2.244	10.2%

* \$1M-\$5M layer is funded at 90% CL. \$5M-\$10M layer is funded at 75% CL for prior and 80% CL for current.

As you can see, our projected funding rates for the 2025-26 program year have increased for all layers.

These increases are driven by the experience of the Authority over the past year. This is very similar to the increases other excess pools in the industry are receiving.

D. ASSUMPTIONS AND LIMITATIONS

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

- Our analysis is based on loss experience, exposure data, and other general and specific information you have provided to us. We have accepted all of this information without audit and relied on its accuracy in preparing our estimates for this report. As always, the accuracy and relevance of our conclusions and recommendations are highly dependent on the accuracy and relevance of the underlying data.
- In ACCEL's case, we were provided a list of claims with incurred losses greater than \$25,000 as of December 31, 2024 from individual member cities. This file included ground up losses and allocated loss adjustment expenses reported separately for each claimant. We were also provided with pool loss runs as of December 31, 2024.
- We were provided with payrolls by City for the 1986-87 through 2025-26 program years.
- We have assumed that the future development of incurred and paid losses can be reasonably predicted on the basis of the development of such losses in the recent past. We have also assumed that the historical development patterns for a large group of California public entities with a self-insured excess liability program in the aggregate form a reasonable basis of comparison to the patterns from the Authority's data.
- We have assumed that there is a continuing relationship between past and future loss costs and between loss costs and payroll. These assumptions can be tenuous in a changing legal and social environment such as we face today.
- It is not possible to predict future claims costs precisely. Most of the cost of liability claims arises from a small number of incidents involving serious injury. Thus, changes in the circumstances surrounding these claims can have large effects on total costs. Therefore, the actual costs of the covered liability claims could differ significantly from our estimates.
- We cannot predict and have not attempted to predict the impact of future law changes and court rulings on liability claims costs. This is one major reason

why we believe our funding recommendations are reasonable now, but should not be extrapolated into the future.

- At your instruction, we have assumed that funds held for investment will generate an annual return of 3.0% in the long run. It should be noted that actual future investment returns may vary significantly from this assumption, depending upon the prevailing investment market conditions.
- We estimate that the costs associated with liability claims in the \$100,000 to \$1,000,000 per occurrence layer are increasing at 4% per year after changes in exposure.
- The claims costs we have estimated include indemnity payments and allocated loss adjustment expenses. We have not provided estimates for claims adjustment expenses not allocated to particular cases, reinsurance premiums, and Authority administrative expenses.
- We have assumed that all reinsurance coverage purchased by the Authority will prove to be valid and fully collectible.
- Our funding recommendations do not include provision for catastrophic events not in the program's history, such as earthquakes, flooding, fire or mass civil disorder.

E. OVERALL ANALYTICAL APPROACH

The approach we have taken in developing this analysis is firmly grounded in the Authority's loss and exposure data. Our approach to the problem of estimating the program's ultimate pooled loss costs is a multi-step process. We estimated the cost of the \$100,000 to \$1 million layer. We then constructed a mathematical equation for the distribution of the Authority's losses by size by trending and developing the Authority's individual claims.

Next, using the loss distribution, the \$100,000 – \$1,000,000 ultimate loss rate, and our selected loss development patterns, we then estimated the ultimate losses of the excess layers for which the Authority is responsible.

The following actuarial techniques were applied to ACCEL's loss data to estimate the ultimate cost of claims in the \$100,000 - \$1,000,000 layer:

- ◆ Incurred Loss Development
- ◆ Paid Loss Development
- ◆ Bornhuetter-Ferguson Based on Incurred Losses
- ◆ Bornhuetter-Ferguson Based on Paid Losses
- ◆ Frequency Times Severity

Actuarial judgment was used to select among the ultimate losses indicated by the above methods.

The following actuarial techniques were applied to ACCEL's loss data to estimate the ultimate losses in the program's actual pooled layers:

- ◆ Incurred Loss Development
- ◆ Paid Loss Development
- ◆ Bornhuetter-Ferguson

Again, actuarial judgment was used to select among the ultimate losses indicated by the above methods, with heavy emphasis applied to the two methods based on incurred losses.

ULAE is calculated as 3.5% of the sum of all IBNR reserves and half of case reserves.

Authority for California Cities Excess Liability
ACCEL Pooled Layer

Outstanding Liabilities as of December 31, 2024

Loss and Allocated Loss Adjustment Expenses (ALAE)

		Undiscounted	2.50% Discounted 0.930	2.75% Discounted 0.923	<u>3.00% Discounted 0.917</u>	3.25% Discounted 0.911	3.50% Discounted 0.905
Discount Factor							
Confidence Level	CL Factor						
Expected	1.000	83,702,000	77,845,000	77,263,000	<u>76,776,000</u>	76,228,000	75,739,000
70%	1.166	97,563,000	90,736,000	90,058,000	<u>89,491,000</u>	88,851,000	88,282,000
75%	1.238	103,589,000	96,340,000	95,620,000	<u>95,018,000</u>	94,339,000	93,734,000
80%	1.323	110,721,000	102,973,000	102,204,000	<u>101,560,000</u>	100,834,000	100,188,000
85%	1.427	119,459,000	111,100,000	110,269,000	<u>109,575,000</u>	108,792,000	108,094,000
90%	1.566	131,110,000	121,935,000	121,024,000	<u>120,262,000</u>	119,403,000	118,637,000
95%	1.793	150,094,000	139,591,000	138,548,000	<u>137,675,000</u>	136,692,000	135,815,000
98%	2.310	193,368,000	179,837,000	178,493,000	<u>177,369,000</u>	176,101,000	174,972,000

Unallocated Loss Adjustment Expenses (ULAE)

		Undiscounted	2.50% Discounted 0.930	2.75% Discounted 0.923	<u>3.00% Discounted 0.917</u>	3.25% Discounted 0.911	3.50% Discounted 0.905
Discount Factor							
Confidence Level	CL Factor						
Expected	1.000	2,210,000	2,055,000	2,040,000	<u>2,027,000</u>	2,013,000	2,000,000
70%	1.166	2,576,000	2,396,000	2,378,000	<u>2,363,000</u>	2,346,000	2,331,000
75%	1.238	2,735,000	2,544,000	2,525,000	<u>2,509,000</u>	2,491,000	2,475,000
80%	1.323	2,923,000	2,718,000	2,698,000	<u>2,681,000</u>	2,662,000	2,645,000
85%	1.427	3,154,000	2,933,000	2,911,000	<u>2,893,000</u>	2,872,000	2,854,000
90%	1.566	3,462,000	3,220,000	3,196,000	<u>3,176,000</u>	3,153,000	3,133,000
95%	1.793	3,963,000	3,686,000	3,658,000	<u>3,635,000</u>	3,609,000	3,586,000
98%	2.310	5,106,000	4,749,000	4,713,000	<u>4,684,000</u>	4,650,000	4,620,000

Authority for California Cities Excess Liability
ACCEL Pooled Layer

Outstanding Liabilities as of June 30, 2025

Loss and Allocated Loss Adjustment Expenses (ALAE)

		Undiscounted	2.50% Discounted 0.918	2.75% Discounted 0.910	<u>3.00% Discounted 0.904</u>	3.25% Discounted 0.896	3.50% Discounted 0.889
Discount Factor							
Confidence Level	CL Factor						
Expected	1.000	88,919,000	81,668,000	80,957,000	<u>80,352,000</u>	79,686,000	79,081,000
70%	1.166	103,643,000	95,191,000	94,363,000	<u>93,658,000</u>	92,881,000	92,176,000
75%	1.238	110,046,000	101,072,000	100,192,000	<u>99,444,000</u>	98,619,000	97,870,000
80%	1.323	117,621,000	108,030,000	107,089,000	<u>106,289,000</u>	105,408,000	104,607,000
85%	1.427	126,905,000	116,557,000	115,542,000	<u>114,679,000</u>	113,728,000	112,864,000
90%	1.566	139,282,000	127,924,000	126,810,000	<u>125,863,000</u>	124,819,000	123,872,000
95%	1.793	159,449,000	146,447,000	145,172,000	<u>144,087,000</u>	142,892,000	141,807,000
98%	2.310	205,420,000	188,669,000	187,026,000	<u>185,629,000</u>	184,090,000	182,692,000

Unallocated Loss Adjustment Expenses (ULAE)

		Undiscounted	2.50% Discounted 0.918	2.75% Discounted 0.910	<u>3.00% Discounted 0.904</u>	3.25% Discounted 0.896	3.50% Discounted 0.889
Discount Factor							
Confidence Level	CL Factor						
Expected	1.000	2,434,000	2,236,000	2,216,000	<u>2,200,000</u>	2,181,000	2,165,000
70%	1.166	2,837,000	2,606,000	2,583,000	<u>2,564,000</u>	2,542,000	2,523,000
75%	1.238	3,012,000	2,766,000	2,742,000	<u>2,722,000</u>	2,699,000	2,679,000
80%	1.323	3,220,000	2,957,000	2,932,000	<u>2,910,000</u>	2,886,000	2,864,000
85%	1.427	3,474,000	3,191,000	3,163,000	<u>3,139,000</u>	3,113,000	3,090,000
90%	1.566	3,813,000	3,502,000	3,472,000	<u>3,446,000</u>	3,417,000	3,391,000
95%	1.793	4,365,000	4,009,000	3,974,000	<u>3,944,000</u>	3,912,000	3,882,000
98%	2.310	5,623,000	5,164,000	5,120,000	<u>5,081,000</u>	5,039,000	5,001,000

Authority for California Cities Excess Liability
ACCEL Pooled Layer

Discounted Funding Rates and Amounts for 2025-26
Discount Rate = 2.50%

Funding Rates per \$100 of Payroll						
CL Factor	Expected	Confidence Level				
		70%	75%	80%	85%	90%
CL Factor	1.000	1.188	1.271	1.367	1.487	1.644
Loss Layer						
\$1M-2M	0.440	0.523	0.559	0.602	0.654	0.724
\$1M-3M	0.722	0.858	0.918	0.987	1.074	1.187
\$1M-4M	0.881	1.047	1.120	1.205	1.310	1.449
\$1M-5M	1.031	1.225	1.311	1.410	1.533	1.695
\$1M-10M	1.464	1.740	1.861	2.002	2.177	2.407
\$5M-\$10M	0.433	0.515	0.550	0.592	0.644	0.712
\$1M-15M	1.741	2.069	2.213	2.380	2.589	2.863

Indicated Funding Amounts*						
CL Factor	Expected	Confidence Level				
		70%	75%	80%	85%	90%
CL Factor	1.000	1.188	1.271	1.367	1.487	1.644
Loss Layer						
\$1M-2M	7,921,769	9,416,102	10,064,247	10,838,420	11,774,629	13,034,910
\$1M-3M	12,998,902	15,447,449	16,527,690	17,769,968	19,336,317	21,370,772
\$1M-4M	15,861,542	18,850,209	20,164,502	21,694,844	23,585,266	26,087,825
\$1M-5M	18,562,145	22,054,925	23,603,270	25,385,668	27,600,163	30,516,814
\$1M-10M	26,357,885	31,326,995	33,505,481	36,044,048	39,194,752	43,335,676
\$5M-\$10M	7,795,741	9,272,070	9,902,211	10,658,380	11,594,589	12,818,862
\$1M-15M	31,344,999	37,250,317	39,842,896	42,849,568	46,612,408	51,545,509

* Assumes 2025-26 Payroll of \$1,800,402,000

Authority for California Cities Excess Liability
ACCEL Pooled Layer

Discounted Funding Rates and Amounts for 2025-26
Discount Rate = 2.75%

Funding Rates per \$100 of Payroll						
CL Factor	Expected	Confidence Level				
		70%	75%	80%	85%	90%
CL Factor	1.000	1.188	1.271	1.367	1.487	1.644
Loss Layer						
\$1M-2M	0.431	0.512	0.548	0.589	0.641	0.709
\$1M-3M	0.709	0.843	0.901	0.969	1.054	1.166
\$1M-4M	0.865	1.028	1.100	1.183	1.286	1.422
\$1M-5M	1.012	1.203	1.286	1.384	1.505	1.664
\$1M-10M	1.436	1.707	1.825	1.963	2.136	2.361
\$5M-\$10M	0.424	0.504	0.539	0.580	0.631	0.697
\$1M-15M	1.708	2.030	2.171	2.335	2.540	2.809
Indicated Funding Amounts*						
CL Factor	Expected	70%	75%	80%	85%	90%
CL Factor	1.000	1.188	1.271	1.367	1.487	1.644
Loss Layer						
\$1M-2M	7,759,733	9,218,058	9,866,203	10,604,368	11,540,577	12,764,850
\$1M-3M	12,764,850	15,177,389	16,221,622	17,445,895	18,976,237	20,992,687
\$1M-4M	15,573,477	18,508,133	19,804,422	21,298,756	23,153,170	25,601,716
\$1M-5M	18,220,068	21,658,836	23,153,170	24,917,564	27,096,050	29,958,689
\$1M-10M	25,853,773	30,732,862	32,857,337	35,341,891	38,456,587	42,507,491
\$5M-\$10M	7,633,704	9,074,026	9,704,167	10,442,332	11,360,537	12,548,802
\$1M-15M	30,750,866	36,548,161	39,086,727	42,039,387	45,730,211	50,573,292

* Assumes 2025-26 Payroll of \$1,800,402,000

Authority for California Cities Excess Liability
ACCEL Pooled Layer

Discounted Funding Rates and Amounts for 2025-26
Discount Rate = 3.00%

Funding Rates per \$100 of Payroll						
CL Factor	Expected	Confidence Level				
		70%	75%	80%	85%	90%
CL Factor	1.000	1.188	1.271	1.367	1.487	1.644
Loss Layer						
\$1M-2M	0.431	0.512	0.548	0.589	0.641	0.709
\$1M-3M	0.709	0.843	0.901	0.969	1.054	1.166
\$1M-4M	0.865	1.028	1.100	1.183	1.286	1.422
\$1M-5M	1.012	1.203	1.286	1.384	1.505	1.664
\$1M-10M	1.436	1.707	1.825	1.963	2.136	2.361
\$5M-\$10M	0.424	0.504	0.539	0.580	0.631	0.697
\$1M-15M	1.708	2.030	2.171	2.335	2.540	2.809
Indicated Funding Amounts*						
CL Factor	Expected	Confidence Level				
		70%	75%	80%	85%	90%
CL Factor	1.000	1.188	1.271	1.367	1.487	1.644
Loss Layer						
\$1M-2M	7,759,733	9,218,058	9,866,203	10,604,368	11,540,577	12,764,850
\$1M-3M	12,764,850	15,177,389	16,221,622	17,445,895	18,976,237	20,992,687
\$1M-4M	15,573,477	18,508,133	19,804,422	21,298,756	23,153,170	25,601,716
\$1M-5M	18,220,068	21,658,836	23,153,170	24,917,564	27,096,050	29,958,689
\$1M-10M	25,853,773	30,732,862	32,857,337	35,341,891	38,456,587	42,507,491
\$5M-\$10M	7,633,704	9,074,026	9,704,167	10,442,332	11,360,537	12,548,802
\$1M-15M	30,750,866	36,548,161	39,086,727	42,039,387	45,730,211	50,573,292

* Assumes 2025-26 Payroll of \$1,800,402,000

Authority for California Cities Excess Liability
ACCEL Pooled Layer

Discounted Funding Rates and Amounts for 2025-26
Discount Rate = 3.25%

Funding Rates per \$100 of Payroll						
CL Factor	Expected	Confidence Level				
		70%	75%	80%	85%	90%
CL Factor	1.000	1.188	1.271	1.367	1.487	1.644
Loss Layer						
\$1M-2M	0.427	0.507	0.543	0.584	0.635	0.702
\$1M-3M	0.702	0.834	0.892	0.960	1.044	1.154
\$1M-4M	0.856	1.017	1.088	1.170	1.273	1.408
\$1M-5M	1.001	1.190	1.272	1.369	1.489	1.646
\$1M-10M	1.421	1.689	1.806	1.943	2.113	2.337
\$5M-\$10M	0.420	0.499	0.534	0.574	0.625	0.691
\$1M-15M	1.691	2.010	2.150	2.312	2.515	2.781
Indicated Funding Amounts*						
CL Factor	Expected	70%	75%	80%	85%	90%
CL Factor	1.000	1.188	1.271	1.367	1.487	1.644
Loss Layer						
\$1M-2M	7,687,717	9,128,038	9,776,183	10,514,348	11,432,553	12,638,822
\$1M-3M	12,638,822	15,015,353	16,059,586	17,283,859	18,796,197	20,776,639
\$1M-4M	15,411,441	18,310,088	19,588,374	21,064,703	22,919,117	25,349,660
\$1M-5M	18,022,024	21,424,784	22,901,113	24,647,503	26,807,986	29,634,617
\$1M-10M	25,583,712	30,408,790	32,515,260	34,981,811	38,042,494	42,075,395
\$5M-\$10M	7,561,688	8,984,006	9,614,147	10,334,307	11,252,513	12,440,778
\$1M-15M	30,444,798	36,188,080	38,708,643	41,625,294	45,280,110	50,069,180

* Assumes 2025-26 Payroll of \$1,800,402,000

Authority for California Cities Excess Liability
ACCEL Pooled Layer

Discounted Funding Rates and Amounts for 2025-26
Discount Rate = 3.50%

Funding Rates per \$100 of Payroll						
CL Factor	Expected	Confidence Level				
		70%	75%	80%	85%	90%
CL Factor	1.000	1.188	1.271	1.367	1.487	1.644
Loss Layer						
\$1M-2M	0.423	0.503	0.538	0.578	0.629	0.696
\$1M-3M	0.695	0.826	0.883	0.950	1.034	1.143
\$1M-4M	0.848	1.008	1.078	1.159	1.261	1.394
\$1M-5M	0.992	1.179	1.261	1.356	1.475	1.631
\$1M-10M	1.408	1.673	1.790	1.925	2.094	2.315
\$5M-\$10M	0.416	0.494	0.529	0.569	0.619	0.684
\$1M-15M	1.675	1.991	2.129	2.290	2.491	2.754
Indicated Funding Amounts*						
CL Factor	Expected	70%	75%	80%	85%	90%
CL Factor	1.000	1.188	1.271	1.367	1.487	1.644
Loss Layer						
\$1M-2M	7,615,700	9,056,022	9,686,163	10,406,324	11,324,529	12,530,798
\$1M-3M	12,512,794	14,871,321	15,897,550	17,103,819	18,616,157	20,578,595
\$1M-4M	15,267,409	18,148,052	19,408,334	20,866,659	22,703,069	25,097,604
\$1M-5M	17,859,988	21,226,740	22,703,069	24,413,451	26,555,930	29,364,557
\$1M-10M	25,349,660	30,120,725	32,227,196	34,657,739	37,700,418	41,679,306
\$5M-\$10M	7,489,672	8,893,986	9,524,127	10,244,287	11,144,488	12,314,750
\$1M-15M	30,156,734	35,846,004	38,330,559	41,229,206	44,848,014	49,583,071

* Assumes 2025-26 Payroll of \$1,800,402,000

Authority for California Cities Excess Liability

Projected 2025-26 Funding Guidelines

Layer	Estimated 2025-26 Payroll (A)	Expected Ultimate Losses (B)	Discount Factor (C)	Discounted Expected Ultimate Losses (D)	70% Confidence Level (E)	75% Confidence Level (E)	80% Confidence Level (E)	85% Confidence Level (E)	90% Confidence Level (E)	95% Confidence Level (E)
\$1M-2M	\$18,004,020	\$8,767,958	88.6%	\$7,759,733	\$9,218,058	\$9,866,203	\$10,604,368	\$11,540,577	\$12,764,850	\$14,781,300
\$1M-3M	18,004,020	14,403,216	88.6%	12,764,850	15,177,389	16,221,622	17,445,895	18,976,237	20,992,687	24,323,431
\$1M-4M	18,004,020	17,571,924	88.6%	15,573,477	18,508,133	19,804,422	21,298,756	23,153,170	25,601,716	29,670,625
\$1M-5M	18,004,020	20,560,591	88.6%	18,220,068	21,658,836	23,153,170	24,917,564	27,096,050	29,958,689	34,711,751
\$1M-\$10M	18,004,020	29,184,516	88.6%	25,853,773	30,732,862	32,857,337	35,341,891	38,456,587	42,507,491	49,240,995
\$5M-\$10M	18,004,020	8,623,926	88.6%	7,633,704	9,074,026	9,704,167	10,442,332	11,360,537	12,548,802	14,547,248
\$1M-15M	18,004,020	34,711,751	88.6%	30,750,866	36,548,161	39,086,727	42,039,387	45,730,211	50,573,292	58,567,077
\$10M-15M	18,004,020	5,527,234	88.6%	4,897,093	5,815,298	6,229,391	6,697,495	7,291,628	8,047,797	9,326,082

- (A) Provided by ACCEL.
- (B) (A) times funding rates from Exhibit 1, Page 2, (A).
- (C) From Exhibit 3.
- (D) (A) times funding rates from Exhibit 1, Page 2, (C).
- (E) (A) times funding rates from Exhibit 1, Page 2, (D).

Authority for California Cities Excess Liability

Projected 2025-26 Funding Guidelines
Loss Rates per \$100 of Payroll

Layer	Expected Loss Rate Per \$100 of Payroll (A)	Discount Factor (B)	Discounted Expected Loss Rate Per \$100 of Payroll (C)	70%	75%	80%	85%	90%	95%
				Confidence Level (D)	Confidence Level (D)	Confidence Level (D)	Confidence Level (D)	Confidence Level (D)	Confidence Level (D)
\$1M-2M	\$0.487	88.6%	\$0.431	\$0.512	\$0.548	\$0.589	\$0.641	\$0.709	\$0.821
\$1M-3M	0.800	88.6%	0.709	0.843	0.901	0.969	1.054	1.166	1.351
\$1M-4M	0.976	88.6%	0.865	1.028	1.100	1.183	1.286	1.422	1.648
\$1M-5M	1.142	88.6%	1.012	1.203	1.286	1.384	1.505	1.664	1.928
\$1M-\$10M	1.621	88.6%	1.436	1.707	1.825	1.963	2.136	2.361	2.735
\$5M-\$10M	0.479	88.6%	0.424	0.504	0.539	0.580	0.631	0.697	0.808
\$1M-15M	1.928	88.6%	1.708	2.030	2.171	2.335	2.540	2.809	3.253
\$10M-15M	0.307	88.6%	0.272	0.323	0.346	0.372	0.405	0.447	0.518

Notes:

- (A) From Exhibit 1, Page 3 and members' loss distribution.
- (B) From Exhibit 3.
- (C) (A) * (B)
- (D) (C) times Confidence Level Factor from Exhibit 4.

Authority for California Cities Excess Liability
ACCEL Pooled Layer

Selected Base Loss Rate (\$100K - \$1M Layer)

(A) Estimated based on \$1M Ultimate Less \$100K Ultimate	N/A
(B) Estimated based on \$100K - \$1M Analysis:	\$1.680
(C) Selected Base Loss Rate (\$100K - \$1M Layer):	\$1.680

Authority for California Cities Excess Liability
ACCEL Pooled Layer

Funding Guidelines for Outstanding Losses
as of December 31, 2023 and June 30, 2024

	<u>December 31, 2023</u>	<u>June 30, 2024</u>
(A) Estimated Ultimate Losses Incurred as of:	\$231,053,000	\$243,638,000
(B) Estimated Paid Losses as of:	147,351,000	154,720,000
(C) Estimated Liability for Claims Outstanding as of:	\$83,702,000	\$88,918,000
(D) Outstanding Liability Discount Factor:	91.7%	90.4%
(E) Discounted Outstanding Liability for Claims as of:	\$76,776,000	\$80,351,000
(F) Risk Margin at 90% Confidence Level:	43,486,000	45,511,000
(G) Required Funding at the 90% confidence Level:	\$120,262,000	\$125,862,000

Notes:

- (A) From Appendix A, Page 1, Column (A).
- (B) Provided by ACCEL
- (C) (A) - (B)
- (D) From Exhibit 3
- (E) (C) * (D)
- (F) (E) * Confidence Level Factor from Exhibit 4
- (G) (E) + (F)

Authority for California Cities Excess Liability
ACCEL Pooled Layer

Discount Factors

Accident Year	Age	Accident Year		Full Value Reserve	3.00% Discounted Reserve	Discount Factor
		Paid Loss Development Factor	Payment Pattern			
1990-1992	34.0	1.000	0.0%	0.0%	0.0%	100.0%
1992-1993	33.0	1.000	0.0%	0.0%	0.0%	100.0%
1993-1994	32.0	1.000	0.0%	0.0%	0.0%	100.0%
1994-1995	31.0	1.000	0.0%	0.0%	0.0%	100.0%
1995-1996	30.0	1.000	0.0%	0.0%	0.0%	100.0%
1996-1997	29.0	1.000	0.0%	0.0%	0.0%	100.0%
1997-1998	28.0	1.000	0.0%	0.0%	0.0%	100.0%
1998-1999	27.0	1.000	0.0%	0.0%	0.0%	92.6%
1999-2000	26.0	1.000	0.0%	0.0%	0.0%	83.4%
2000-2001	25.0	1.000	0.0%	0.1%	0.1%	83.4%
2001-2002	24.0	1.001	0.0%	0.1%	0.1%	90.1%
2002-2003	23.0	1.001	0.0%	0.1%	0.1%	90.1%
2003-2004	22.0	1.001	0.1%	0.2%	0.2%	95.2%
2004-2005	21.0	1.002	0.1%	0.3%	0.3%	93.6%
2005-2006	20.0	1.003	0.1%	0.4%	0.4%	92.9%
2006-2007	19.0	1.004	0.2%	0.6%	0.6%	92.2%
2007-2008	18.0	1.006	0.3%	0.9%	0.8%	93.1%
2008-2009	17.0	1.009	0.4%	1.3%	1.2%	92.7%
2009-2010	16.0	1.013	0.5%	1.8%	1.6%	92.3%
2010-2011	15.0	1.018	0.2%	2.0%	1.8%	90.3%
2011-2012	14.0	1.020	0.0%	2.0%	1.7%	87.7%
2012-2013	13.0	1.020	0.0%	2.0%	1.7%	85.2%
2013-2014	12.0	1.020	1.0%	2.9%	2.6%	87.9%
2014-2015	11.0	1.030	0.9%	3.8%	3.4%	88.7%
2015-2016	10.0	1.040	1.9%	5.7%	5.2%	90.3%
2016-2017	9.0	1.061	3.6%	9.3%	8.6%	91.9%
2017-2018	8.0	1.103	4.3%	13.6%	12.6%	92.1%
2018-2019	7.0	1.158	7.9%	21.5%	20.0%	92.8%
2019-2020	6.0	1.274	13.1%	34.6%	32.3%	93.3%
2020-2021	5.0	1.529	20.0%	54.6%	51.0%	93.5%
2021-2022	4.0	2.202	19.5%	74.1%	68.7%	92.8%
2022-2023	3.0	3.854	17.3%	91.4%	83.8%	91.7%
2023-2024	2.0	11.562	7.8%	99.1%	89.0%	89.8%
2024-2025	1.0	115.620	0.9%	100.0%	87.3%	87.3%

Discount Factor for Future Funding: 0.886

Accident Year	Accident Year Paid Loss Development Factor	Full Value Reserve	3.0% Discounted Reserve	12/31/23 Outstanding Loss	Discount Factor	12/31/23		6/30/24	
						Discounted Outstanding Loss	Outstanding Loss	Discount Factor	Discounted Outstanding Loss
1986-1991	1.000	0.00%	0.00%	0	100.0%	0	0	100.0%	0
1991-1992	1.000	0.00%	0.00%	0	100.0%	0	0	100.0%	0
1992-1993	1.000	0.00%	0.00%	0	100.0%	0	0	100.0%	0
1993-1994	1.000	0.00%	0.00%	0	96.3%	0	0	92.6%	0
1986-1991	1.000	0.00%	0.00%	0	100.0%	0	0	100.0%	0
1991-1992	1.000	0.00%	0.00%	0	100.0%	0	0	100.0%	0
1992-1993	1.000	0.00%	0.01%	0	100.0%	0	0	100.0%	0
1993-1994	1.000	0.01%	0.01%	0	96.3%	0	0	92.6%	0
1994-1995	1.000	0.01%	0.01%	0	88.0%	0	0	83.4%	0
1995-1996	1.000	0.02%	0.02%	0	83.4%	0	0	83.4%	0
1996-1997	1.000	0.04%	0.03%	0	86.8%	0	0	90.1%	0
1997-1998	1.001	0.06%	0.06%	0	90.1%	0	0	90.1%	0
2003-2004	1.001	0.10%	0.10%	0	92.7%	0	0	95.2%	0
2004-2005	1.001	0.10%	0.09%	0	94.4%	0	0	93.6%	0
2005-2006	1.002	0.20%	0.19%	0	93.3%	0	0	92.9%	0
2006-2007	1.003	0.30%	0.28%	0	92.6%	0	0	92.2%	0
2007-2008	1.004	0.40%	0.37%	0	92.7%	0	0	93.1%	0
2008-2009	1.006	0.60%	0.55%	0	92.9%	0	0	92.7%	0
2009-2010	1.009	0.89%	0.83%	0	92.5%	0	0	92.3%	0
2010-2011	1.018	1.77%	1.67%	0	91.3%	0	0	90.3%	0
2011-2012	1.020	1.96%	1.81%	0	89.0%	0	0	87.7%	0
2012-2013	1.020	1.96%	1.76%	0	86.5%	0	0	85.2%	0
2013-2014	1.020	1.96%	1.71%	0	86.6%	0	0	87.9%	0
2014-2015	1.030	2.91%	2.59%	0	88.3%	0	0	88.7%	0
2015-2016	1.040	3.85%	3.44%	161,318	89.5%	144,380	141,799	90.3%	128,044
2016-2017	1.061	5.75%	5.21%	268,337	91.1%	244,455	222,183	91.9%	204,186
2017-2018	1.103	9.34%	8.60%	2,653,264	92.0%	2,441,003	2,236,702	92.1%	2,060,002
2018-2019	1.158	13.64%	12.59%	1,017,707	92.5%	940,870	845,714	92.8%	784,823
2019-2020	1.274	21.51%	19.97%	1,789,310	93.1%	1,664,953	1,451,130	93.3%	1,353,904
2020-2021	1.529	34.60%	32.29%	8,460,953	93.4%	7,902,530	6,912,598	93.5%	6,463,279
2021-2022	2.202	54.59%	51.04%	13,986,752	93.2%	13,028,659	12,154,487	92.8%	11,279,364
2022-2023	3.854	74.05%	68.73%	21,893,000	92.3%	20,196,293	19,813,165	91.7%	18,168,672
2023-2024	11.562	91.35%	83.77%	20,886,000	91.3%	19,068,918	20,071,446	89.8%	18,024,159
2024-2025	115.620	99.14%	89.00%	12,585,000	88.6%	11,144,018	25,069,320	87.3%	21,885,516
Total				83,701,640		76,776,079	88,918,544		80,351,949

Discount Factor for Outstanding: 91.7% 90.4%

Authority for California Cities Excess Liability
ACCEL Pooled Layer

Confidence Level Factors

Probability	Projected Funding Factor	Outstanding Liability Factor
95	1.905	1.793
90	1.644	1.566
85	1.487	1.427
80	1.367	1.323
75	1.271	1.238
70	1.188	1.166
65	1.115	1.102
60	1.048	1.043
55	0.990	0.991
50	0.941	0.948
45	0.895	0.908
40	0.849	0.867
35	0.803	0.827
30	0.757	0.787
25	0.709	0.744

Authority for California Cities Excess Liability
ACCEL Layer

Outstanding Liability at December 31, 2024

Accident Year	Ultimate Losses With Corridor (A)	12/31/24 Reported Loss (B)	12/31/24 IBNR (C)	12/31/24 Paid Loss (D)	12/31/24 Case Reserves (E)	12/31/24 Outstanding Loss (F)
1986-1987	0	0	0	0	0	0
1987-1988	500,000	500,000	0	500,000	0	0
1988-1989	0	0	0	0	0	0
1989-1990	0	0	0	0	0	0
Totals	\$500,000	\$500,000	\$0	\$500,000	\$0	\$0
1986-1991	9,724,542	9,724,542	0	9,724,542	0	0
1991-1992	2,501,191	2,501,191	0	2,501,191	0	0
1992-1993	10,538,558	10,538,558	0	10,538,558	0	0
1993-1994	877,168	877,168	0	877,168	0	0
1994-1995	1,439,192	1,439,192	0	1,439,192	0	0
1995-1996	912,141	912,141	0	912,141	0	0
1996-1997	2,388,970	2,388,970	0	2,388,970	0	0
1997-1998	2,083,463	2,083,463	0	2,083,463	0	0
2003-2004	3,526,085	3,526,085	0	3,526,085	0	0
2004-2005	9,967,624	9,967,624	0	9,967,624	0	0
2005-2006	4,457,753	4,457,753	0	4,457,753	0	0
2006-2007	621,098	621,098	0	621,098	0	0
2007-2008	4,851,132	4,851,132	0	4,851,132	0	0
2008-2009	3,187,935	3,187,935	0	3,187,935	0	0
2009-2010	0	0	0	0	0	0
2010-2011	375,159	375,159	0	375,159	0	0
2011-2012	2,274	2,274	0	2,274	0	0
2012-2013	4,206,743	4,206,743	0	4,206,743	0	0
2013-2014	12,963,065	12,963,065	0	12,963,065	0	0
2014-2015	5,957,013	5,957,013	0	5,957,013	0	0
2015-2016	3,094,000	2,932,682	161,318	2,932,682	0	161,318
2016-2017	13,686,000	13,417,663	268,337	13,417,663	0	268,337
2017-2018	18,488,000	18,184,736	303,264	15,834,736	2,350,000	2,653,264
2018-2019	11,743,000	10,725,293	1,017,707	10,725,293	0	1,017,707
2019-2020	12,610,000	10,920,690	1,689,310	10,820,690	100,000	1,789,310
2020-2021	16,201,000	11,740,047	4,460,953	7,740,047	4,000,000	8,460,953
2021-2022	18,786,000	14,799,248	3,986,752	4,799,248	10,000,000	13,986,752
2022-2023	21,893,000	15,675,000	6,218,000	0	15,675,000	21,893,000
2023-2024	20,886,000	9,000,000	11,886,000	0	9,000,000	20,886,000
2024-2025	12,585,000	0	12,585,000	0	0	12,585,000
Totals	\$230,553,106	\$187,976,466	\$42,576,640	\$146,851,466	\$41,125,000	\$83,701,640
Grand Totals	\$231,053,106	\$188,476,466	\$42,576,640	\$147,351,466	\$41,125,000	\$83,701,640

Notes:

- (A) From Appendix A, Page 3, Column (G).
- (B) Provided by ACCEL
- (C) (A) - (B)
- (D) Provided by ACCEL
- (F) (B) - (D)
- (F) (D) - (A)

Authority for California Cities Excess Liability
ACCEL Layer

Outstanding Liability at June 30, 2025

Accident Year	Ultimate Losses (A)	6/30/2025 Reported Loss (B)	6/30/2025 IBNR (C)	6/30/2025 Paid Loss (D)	6/30/2025 Case Reserves (E)	6/30/2025 Outstanding Loss (F)
1986-1987	0	0	0	0	0	0
1987-1988	500,000	500,000	0	500,000	0	0
1988-1989	0	0	0	0	0	0
1989-1990	0	0	0	0	0	0
Totals	\$500,000	\$500,000	\$0	\$500,000	\$0	\$0
1986-1991	9,724,542	9,724,542	0	9,724,542	0	0
1991-1992	2,501,191	2,501,191	0	2,501,191	0	0
1992-1993	10,538,558	10,538,558	0	10,538,558	0	0
1993-1994	877,168	877,168	0	877,168	0	0
1994-1995	1,439,192	1,439,192	0	1,439,192	0	0
1995-1996	912,141	912,141	0	912,141	0	0
1996-1997	2,388,970	2,388,970	0	2,388,970	0	0
1997-1998	2,083,463	2,083,463	0	2,083,463	0	0
2003-2004	3,526,085	3,526,085	0	3,526,085	0	0
2004-2005	9,967,624	9,967,624	0	9,967,624	0	0
2005-2006	4,457,753	4,457,753	0	4,457,753	0	0
2006-2007	621,098	621,098	0	621,098	0	0
2007-2008	4,851,132	4,851,132	0	4,851,132	0	0
2008-2009	3,187,935	3,187,935	0	3,187,935	0	0
2009-2010	0	0	0	0	0	0
2010-2011	375,159	375,159	0	375,159	0	0
2011-2012	2,274	2,274	0	2,274	0	0
2012-2013	4,206,743	4,206,743	0	4,206,743	0	0
2013-2014	12,963,065	12,963,065	0	12,963,065	0	0
2014-2015	5,957,013	5,957,013	0	5,957,013	0	0
2015-2016	3,094,000	2,952,201	141,799	2,952,201	0	141,799
2016-2017	13,686,000	13,463,817	222,183	13,463,817	0	222,183
2017-2018	18,488,000	18,233,258	254,742	16,251,298	1,981,960	2,236,702
2018-2019	11,743,000	10,897,286	845,714	10,897,286	0	845,714
2019-2020	12,610,000	11,194,358	1,415,642	11,158,870	35,489	1,451,130
2020-2021	16,201,000	12,538,558	3,662,442	9,288,402	3,250,156	6,912,598
2021-2022	18,786,000	15,608,559	3,177,441	6,631,513	8,977,046	12,154,487
2022-2023	21,893,000	16,719,624	5,173,376	2,079,835	14,639,789	19,813,165
2023-2024	20,886,000	10,331,232	10,554,768	814,554	9,516,678	20,071,446
2024-2025	25,170,000	427,890	24,742,110	100,680	327,210	25,069,320
Totals	\$243,138,106	\$192,947,890	\$50,190,216	\$154,219,562	\$38,728,328	\$88,918,544
Grand Totals	\$243,638,106	\$193,447,890	\$50,190,216	\$154,719,562	\$38,728,328	\$88,918,544

Notes:

- (A) From Appendix A, Page 3, Column (G).
- (B) Projected based on Appendix A, Page 4, Column (B).
- (C) (A) - (B)
- (D) Projected based on Appendix A, Page 5, Column (B).
- (F) (B) - (D)
- (F) (D) - (A)

Authority for California Cities Excess Liability
ACCEL Layer

Estimated Ultimate Losses

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Expected Loss Method (C)	Prior Estimate of Ultimate Losses (D)	Selected Estimate of Ultimate Losses (E)	Selected Corridor Deductible Ultimate (F)	Selected Estimate of Ultimate Losses w/ Corridor (G)
1986-1987	0	0		0	0	0	0
1987-1988	500,000	500,000		500,000	500,000	0	500,000
1988-1989	0	0		0	0	0	0
1989-1990	0	0		0	0	0	0
Totals	\$500,000	\$500,000		\$500,000	\$500,000	\$0	\$500,000
1986-1991	9,724,542	9,724,542		9,724,542	9,724,542	0	9,724,542
1991-1992	2,501,191	2,501,191		2,501,191	2,501,191	0	2,501,191
1992-1993	10,538,558	10,538,558		10,538,558	10,538,558	0	10,538,558
1993-1994	877,168	877,168		877,168	877,168	0	877,168
1994-1995	1,439,192	1,439,192		1,439,192	1,439,192	0	1,439,192
1995-1996	912,141	913,053		912,141	912,141	0	912,141
1996-1997	2,388,970	2,391,359		2,388,970	2,388,970	0	2,388,970
1997-1998	2,083,463	2,085,546		2,083,463	2,083,463	0	2,083,463
2003-2004	3,526,085	3,529,611		3,526,085	3,526,085	0	3,526,085
2004-2005	9,967,624	9,977,591		9,967,624	9,967,624	0	9,967,624
2005-2006	4,457,753	4,475,584		4,457,753	4,457,753	0	4,457,753
2006-2007	621,719	624,825		621,098	621,098	0	621,098
2007-2008	4,860,834	4,894,792	4,861,000	4,851,132	4,851,132	0	4,851,132
2008-2009	3,200,687	3,229,378	3,210,000	3,187,935	3,187,935	0	3,187,935
2009-2010	0	0	52,000	0	0	0	0
2010-2011	378,911	382,662	436,000	375,159	375,159	0	375,159
2011-2012	2,308	2,319	97,000	2,274	2,274	0	2,274
2012-2013	4,290,878	4,290,878	4,337,000	4,206,743	4,206,743	0	4,206,743
2013-2014	13,287,142	13,351,957	13,136,000	12,963,065	12,963,065	0	12,963,065
2014-2015	6,135,724	6,195,294	6,182,000	6,552,000	5,957,013	0	5,957,013
2015-2016	3,049,989	3,111,575	3,256,000	3,265,000	3,094,000	0	3,094,000
2016-2017	14,236,140	14,799,682	13,954,000	13,723,000	13,686,000	0	13,686,000
2017-2018	19,875,917	18,336,624	18,792,000	17,523,000	18,488,000	0	18,488,000
2018-2019	12,312,637	13,664,024	12,179,000	11,333,000	11,743,000	0	11,743,000
2019-2020	13,476,132	16,544,835	13,297,000	12,237,000	12,610,000	0	12,610,000
2020-2021	16,659,127	17,043,585	15,505,000	14,634,750	14,201,000	2,000,000	16,201,000
2021-2022	29,406,107	18,496,303	24,489,000	18,525,000	18,786,000	0	18,786,000
2022-2023	62,292,450	0	32,549,000	17,986,000	21,893,000	0	21,893,000
2023-2024	250,362,000	0	33,901,000	14,765,500	20,886,000	0	20,886,000
2024-2025	0	0	27,731,000	25,170,219	25,170,000	0	25,170,000
Totals	\$502,865,389	\$183,422,128	\$227,964,000	\$230,338,562	\$241,138,106	\$2,000,000	\$243,138,106
Grand Totals	\$503,365,389	\$183,922,128		\$230,838,562	\$241,638,106	\$2,000,000	\$243,638,106

Notes:

- (A) From Appendix A, Page 4, Column (C).
- (B) From Appendix A, Page 5, Column (C).
- (C) From Appendix A, Page 6, Column (K).
- (D) From prior actuarial study.
- (E) Selected based on (A) through (D).
- (F) Based on Monte Carlo simulation.
- (G) (E) + (F)

Authority for California Cities Excess Liability
ACCEL Layer

Reported Loss Development

Accident Year	Reported Losses as of 12/31/24 (A)	Reported Loss Development Factor (B)	Estimated Ultimate Losses (C)
1986-1987	0	1.000	0
1987-1988	500,000	1.000	500,000
1988-1989	0	1.000	0
1989-1990	0	1.000	0
Totals	\$500,000		\$500,000
1986-1991	9,724,542	1.000	9,724,542
1991-1992	2,501,191	1.000	2,501,191
1992-1993	10,538,558	1.000	10,538,558
1993-1994	877,168	1.000	877,168
1994-1995	1,439,192	1.000	1,439,192
1995-1996	912,141	1.000	912,141
1996-1997	2,388,970	1.000	2,388,970
1997-1998	2,083,463	1.000	2,083,463
2003-2004	3,526,085	1.000	3,526,085
2004-2005	9,967,624	1.000	9,967,624
2005-2006	4,457,753	1.000	4,457,753
2006-2007	621,098	1.001	621,719
2007-2008	4,851,132	1.002	4,860,834
2008-2009	3,187,935	1.004	3,200,687
2009-2010	0	1.009	0
2010-2011	375,159	1.010	378,911
2011-2012	2,274	1.015	2,308
2012-2013	4,206,743	1.020	4,290,878
2013-2014	12,963,065	1.025	13,287,142
2014-2015	5,957,013	1.030	6,135,724
2015-2016	2,932,682	1.040	3,049,989
2016-2017	13,417,663	1.061	14,236,140
2017-2018	18,184,736	1.093	19,875,917
2018-2019	10,725,293	1.148	12,312,637
2019-2020	10,920,690	1.234	13,476,132
2020-2021	11,740,047	1.419	16,659,127
2021-2022	14,799,248	1.987	29,406,107
2022-2023	15,675,000	3.974	62,292,450
2023-2024	9,000,000	27.818	250,362,000
2024-2025	0	417.270	0
Totals	\$187,976,466		\$502,865,389
Grand Totals	\$188,476,466		\$503,365,389

Notes:

- (A) Provided by ACCEL
- (B) (C) from Appendix B, Page 3.
- (C) (A) x (B).

Authority for California Cities Excess Liability
ACCEL Layer

Paid Loss Development

Accident Year	Paid Losses as of 12/31/24 (A)	Paid Loss Development Factor (B)	Estimated Ultimate Losses (C)
1986-1987	0	1.000	0
1987-1988	500,000	1.000	500,000
1988-1989	0	1.000	0
1989-1990	0	1.000	0
Totals	\$500,000		\$500,000
1986-1991	9,724,542	1.000	9,724,542
1991-1992	2,501,191	1.000	2,501,191
1992-1993	10,538,558	1.000	10,538,558
1993-1994	877,168	1.000	877,168
1994-1995	1,439,192	1.000	1,439,192
1995-1996	912,141	1.001	913,053
1996-1997	2,388,970	1.001	2,391,359
1997-1998	2,083,463	1.001	2,085,546
2003-2004	3,526,085	1.001	3,529,611
2004-2005	9,967,624	1.001	9,977,591
2005-2006	4,457,753	1.004	4,475,584
2006-2007	621,098	1.006	624,825
2007-2008	4,851,132	1.009	4,894,792
2008-2009	3,187,935	1.013	3,229,378
2009-2010	0	1.018	0
2010-2011	375,159	1.020	382,662
2011-2012	2,274	1.020	2,319
2012-2013	4,206,743	1.020	4,290,878
2013-2014	12,963,065	1.030	13,351,957
2014-2015	5,957,013	1.040	6,195,294
2015-2016	2,932,682	1.061	3,111,575
2016-2017	13,417,663	1.103	14,799,682
2017-2018	15,834,736	1.158	18,336,624
2018-2019	10,725,293	1.274	13,664,024
2019-2020	10,820,690	1.529	16,544,835
2020-2021	7,740,047	2.202	17,043,585
2021-2022	4,799,248	3.854	18,496,303
2022-2023	0	11.562	0
2023-2024	0	115.620	0
2024-2025	0	2,312.400	0
Totals	\$146,851,466		\$183,422,128
Grand Totals	\$147,351,466		\$183,922,128

Notes:

- (A) Provided by ACCEL
- (B) (C) from Appendix B, Page 4.
- (C) (A) x (B).

Authority for California Cities Excess Liability
ACCEL Layer

Expected Loss Methods

Program Year	Program Year 2025-2026 \$100K-\$1M Base Rate (A)	Trend Factor Program Year (B)	Program Year \$100K-\$1M Base Rate (C)	Factor to Self-Insured Layer (D)	Program Year Self-Insured Expected Rate (E)	Program Year Payroll (F)	Program Year Preliminary Ultimate Losses (G)	Percent of Ultimate Losses Not Reported (H)	Estimated Program Year IBNR at 12/31/24 (I)	Program Year Reported Losses at 12/31/24 (J)	Program Year Estimated Ultimate Losses (K)
2007-2008	\$1.680	0.416	0.698	0.680	0.475	\$10,609,082	\$5,036,000	0.2%	\$10,052	\$4,851,132	\$4,861,000
2008-2009	1.680	0.436	0.733	0.680	0.498	11,307,152	5,636,000	0.4%	22,454	3,187,935	3,210,000
2009-2010	1.680	0.458	0.770	0.680	0.523	11,075,957	5,797,000	0.9%	51,682	0	52,000
2010-2011	1.680	0.481	0.808	0.680	0.550	11,097,108	6,098,000	1.0%	60,376	375,159	436,000
2011-2012	1.680	0.505	0.849	0.680	0.577	11,095,468	6,402,000	1.5%	94,611	2,274	97,000
2012-2013	1.680	0.530	0.891	0.680	0.606	10,966,401	6,644,000	2.0%	130,275	4,206,743	4,337,000
2013-2014	1.680	0.557	0.935	0.680	0.636	11,164,240	7,102,000	2.4%	173,220	12,963,065	13,136,000
2014-2015	1.680	0.585	0.982	0.680	0.668	11,556,443	7,719,000	2.9%	224,825	5,957,013	6,182,000
2015-2016	1.680	0.614	1.031	0.680	0.701	11,986,752	8,407,000	3.8%	323,346	2,932,682	3,256,000
2016-2017	1.680	0.645	1.083	0.680	0.736	12,662,643	9,325,000	5.7%	536,122	13,417,663	13,954,000
2017-2018	1.680	0.677	1.137	0.476	0.541	13,177,894	7,133,000	8.5%	606,925	18,184,736	18,792,000
2018-2019	1.680	0.711	1.194	0.680	0.812	13,884,423	11,273,000	12.9%	1,453,314	10,725,293	12,179,000
2019-2020	1.680	0.746	1.254	0.680	0.852	14,699,647	12,531,000	19.0%	2,376,219	10,920,690	13,297,000
2020-2021	1.680	0.784	1.316	0.680	0.895	14,245,854	12,751,000	29.5%	3,765,094	11,740,047	15,505,000
2021-2022	1.680	0.823	1.382	0.965	1.334	14,625,633	19,507,000	49.7%	9,689,687	14,799,248	24,489,000
2022-2023	1.680	0.864	1.451	0.965	1.400	16,100,399	22,548,000	74.8%	16,874,120	15,675,000	32,549,000
2023-2024	1.680	0.907	1.524	0.965	1.470	17,564,897	25,829,000	96.4%	24,900,500	9,000,000	33,901,000
2024-2025	1.680	0.952	1.600	0.965	1.544	18,004,020	27,798,000	99.8%	27,731,381	0	27,731,000

Authority for California Cities Excess Liability
ACCEL Layer

Expected Loss Rates

Accident Year	Program Year Payroll	Ultimate Loss	On-Level Losses	Loss Rate	Loss Rate Trend	Trended Loss Rate
1986-1987	1,008,086	0	0	0.000	2.925	0.000
1987-1988	998,109	500,000	500,000	0.501	2.786	1.396
1988-1989	1,146,083	0	0	0.000	2.653	0.000
1989-1990	1,208,157	0	0	0.000	2.527	0.000
Totals	\$4,360,436	\$500,000	\$500,000	0.115		0.349
1986-1991	4,030,134	9,724,542	9,724,542	2.413	6.389	15.417
1991-1992	4,399,059	2,501,191	2,501,191	0.569	6.085	3.462
1992-1993	4,875,491	10,538,558	10,538,558	2.162	5.795	12.529
1993-1994	5,277,443	877,168	877,168	0.166	5.519	0.916
1994-1995	5,310,299	1,439,192	1,439,192	0.271	5.256	1.424
1995-1996	5,635,666	912,141	912,141	0.162	5.006	0.811
1996-1997	6,004,411	2,388,970	2,388,970	0.398	4.768	1.898
1997-1998	6,102,690	2,083,463	2,083,463	0.341	4.541	1.548
2003-2004	6,502,472	3,526,085	3,526,085	0.542	4.325	2.344
2004-2005	6,972,985	9,967,624	9,967,624	1.429	4.119	5.886
2005-2006	9,103,267	4,457,753	4,457,753	0.490	2.655	1.301
2006-2007	9,374,402	621,098	621,098	0.066	2.529	0.167
2007-2008	9,850,045	4,851,132	4,851,132	0.492	2.409	1.185
2008-2009	10,305,894	3,187,935	3,187,935	0.309	2.294	0.709
2009-2010	10,609,082	0	0	0.000	2.185	0.000
2010-2011	11,307,152	375,159	375,159	0.033	2.081	0.069
2011-2012	11,075,957	2,274	2,274	0.000	1.982	0.000
2012-2013	11,097,108	4,206,743	4,206,743	0.379	1.888	0.716
2013-2014	11,095,468	12,963,065	12,963,065	1.168	1.798	2.100
2014-2015	10,966,401	5,957,013	5,957,013	0.543	1.712	0.930
2015-2016	11,164,240	3,094,000	3,094,000	0.277	1.630	0.452
2016-2017	11,556,443	13,686,000	13,686,000	1.184	1.552	1.838
2017-2018	11,986,752	18,488,000	18,488,000	1.542	1.478	2.279
2018-2019	12,662,643	11,743,000	11,743,000	0.927	1.408	1.305
2019-2020	13,177,894	12,610,000	12,610,000	0.957	1.341	1.283
2020-2021	13,884,423	16,201,000	16,201,000	1.167	1.277	1.490
2021-2022	14,699,647	18,786,000	18,786,000	1.278	1.216	1.554
2022-2023	14,245,854	21,893,000	21,893,000	1.537	1.158	1.780
2023-2024	14,625,633	20,886,000	20,886,000	1.428	1.103	1.575
2024-2025	16,100,399	25,170,000	25,170,000	1.563	1.050	1.641
Totals	\$293,999,355	\$243,138,106	\$243,138,106	0.827		2.287
86/87-97/98	55,110,650	43,958,934	43,958,934	0.798		4.624

Selected Trend: 1.050

Authority for California Cities Excess Liability - Liability (\$100K - \$1M Analysis)

Estimated Loss Rates for the \$100,000 - \$1,000,000 Layer

Accident Year	Estimated Ultimate \$100K - \$1M Losses (C)	Payroll (\$00's) (D)	Loss Trend Factor (E)	Loss Rate at 2024-2025 Level (F)
2015-2016	12,680,000	14,971,453	1.551	1.314
2016-2017	21,694,000	15,435,762	1.477	2.076
2017-2018	16,719,000	15,668,516	1.407	1.501
2018-2019	14,603,000	16,105,931	1.340	1.215
2019-2020	16,015,000	16,640,000	1.276	1.228
2020-2021	21,291,000	15,727,423	1.216	1.646
2021-2022	21,862,000	15,751,807	1.158	1.607
2022-2023	25,968,000	16,921,519	1.103	1.693
2023-2024	26,158,000	18,004,019	1.050	1.526
Average 2015-16 - 2021-22:				1.512
Average 2016-17 - 2022-23:				1.567
Average 2017-18 - 2023-24:				1.488
Prior 2023-2024 Rate :				1.540
Selected 2024-2025 Rate :				1.600
Trend Factor to 2025-2026 :				1.050
Selected 2025-2026 Rate :				\$1.680

Authority for California Cities Excess Liability - Liability (\$100K - \$1M Analysis)

Estimated Ultimate Losses for the \$100,000 to \$1,000,000 Layer

Accident Year	Reported Loss Development Method (A)	Paid Loss Development Method (B)	Exposure Method Based on Reported Losses (C)	Exposure Method Based on Paid Losses (D)	Frequency-Severity Method (E)	Selected Ultimate Limited Losses (F)
2015-2016	12,519,264	12,839,954	12,524,462	12,828,802	12,680,000	12,680,000
2016-2017	21,182,409	22,204,607	21,200,813	22,166,298	21,694,010	21,694,000
2017-2018	16,122,508	17,314,603	16,137,751	17,250,778	16,719,022	16,719,000
2018-2019	14,582,588	14,623,484	14,576,826	14,620,811	14,602,995	14,603,000
2019-2020	14,808,075	15,616,606	15,290,935	16,739,166	19,435,760	16,015,000
2020-2021	20,500,980	23,333,932	20,481,722	22,100,734	19,407,873	21,291,000
2021-2022	22,575,236	21,409,820	22,277,009	21,447,473	26,942,994	21,862,000
2022-2023	26,801,586	33,610,295	25,770,485	26,165,632	31,550,289	25,968,000
2023-2024	22,775,249	15,909,910	25,973,071	26,342,491	31,999,968	26,158,000
Totals						\$176,990,000

Notes:

- (A) From Appendix B, Page 3, Column (D).
- (B) From Appendix B, Page 4, Column (D).
- (C) Based on results in Appendix B, Page 5.
- (D) Based on results in Appendix B, Page 6.
- (E) Based on results in Appendix B, Page 8.
- (F) Selected averages of (A), (B), (C), (D), and (E).

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

Authority for California Cities Excess Liability - Liability (\$100K - \$1M Analysis)

Reported Loss Development

Accident Year (A)	\$100K - \$1M Reported Losses as of 12/31/24 (B)	Reported Loss Development Factor (C)	Ultimate \$100K - \$1M Losses (D)	\$100K - \$1M Reported Losses of 12/31/24 (E)	Reported Loss Development Factor (F)	Ultimate \$100K - \$1M Losses (G)
2015-2016	12,334,250	1.015	12,519,264	12,334,250	1.015	12,519,264
2016-2017	20,767,068	1.020	21,182,409	20,767,068	1.020	21,182,409
2017-2018	15,652,920	1.030	16,122,508	15,652,920	1.030	16,122,508
2018-2019	14,021,719	1.040	14,582,588	14,021,719	1.040	14,582,588
2019-2020	13,560,508	1.092	14,808,075	13,560,508	1.092	14,808,075
2020-2021	17,069,925	1.201	20,500,980	17,069,925	1.201	20,500,980
2021-2022	16,347,021	1.381	22,575,236	16,347,021	1.381	22,575,236
2022-2023	16,174,765	1.657	26,801,586	16,174,765	1.657	26,801,586
2023-2024	5,976,187	3.811	22,775,249	5,976,187	3.811	22,775,249
Totals	\$131,904,363		\$171,867,895	\$131,904,363		\$171,867,895

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Authority. These losses exclude amount over the SIR.
- (C) Based upon Industry Loss Development Factors.
- (D) (B) x (C). These estimated losses exclude amount over the SIR.
- (E) Losses capped at the Authority's SIR. Amounts are provided by the Authority.
- (F) Based upon Industry Loss Development Factors.
- (G) (E) x (F).

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

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

Authority for California Cities Excess Liability - Liability (\$100K - \$1M Analysis)

Paid Loss Development

Accident Year (A)	\$100K - \$1M Paid Losses as of 12/31/24 (B)	Paid Loss Development Factor (C)	Ultimate \$100K - \$1M Losses (D)	\$100K - \$1M Paid Losses of 12/31/24 (E)	Paid Loss Development Factor (F)	Ultimate \$100K - \$1M Losses (G)
2015-2016	12,334,250	1.041	12,839,954	12,334,250	1.041	12,839,954
2016-2017	20,713,253	1.072	22,204,607	20,713,253	1.072	22,204,607
2017-2018	15,528,792	1.115	17,314,603	15,528,792	1.115	17,314,603
2018-2019	12,488,031	1.171	14,623,484	12,488,031	1.171	14,623,484
2019-2020	12,124,694	1.288	15,616,606	12,124,694	1.288	15,616,606
2020-2021	13,418,017	1.739	23,333,932	13,418,017	1.739	23,333,932
2021-2022	8,792,534	2.435	21,409,820	8,792,534	2.435	21,409,820
2022-2023	6,901,498	4.870	33,610,295	6,901,498	4.870	33,610,295
2023-2024	1,088,974	14.610	15,909,910	1,088,974	14.610	15,909,910
Totals	\$103,390,043		\$176,863,211	\$103,390,043		\$176,863,211

Notes:

- (A) Years are 7/1 to 6/30.
- (B) Provided by the Authority. These losses exclude amount over the SIR.
- (C) Based upon Industry Loss Development Factors.
- (D) (B) x (C). These estimated losses exclude amount over the SIR.
- (E) Losses capped at the Authority's SIR. Amounts are provided by the Authority.
- (F) Based upon Industry Loss Development Factors.
- (G) (E) x (F).

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

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

Authority for California Cities Excess Liability - Liability (\$100K - \$1M Analysis)

Exposure and Development Method
Based on Reported Losses

Accident Year	Composite Exposure (A)	Reported Losses as of 12/31/24 (B)	Loss Development Factor (C)	Percentage of Losses Yet to Be Reported (D)	Program Rate (E)	Incurred but not Reported (IBNR) (F)	Ultimate Program Losses (G)
2015-2016	14,971,453	12,334,250	1.015	0.015	0.847	190,212	12,524,462
2016-2017	15,435,762	20,767,068	1.020	0.020	1.405	433,745	21,200,813
2017-2018	15,668,516	15,652,920	1.030	0.029	1.067	484,831	16,137,751
2018-2019	16,105,931	14,021,719	1.040	0.038	0.907	555,107	14,576,826
2019-2020	16,640,000	13,560,508	1.092	0.084	1.238	1,730,427	15,290,935
2020-2021	15,727,423	17,069,925	1.201	0.167	1.299	3,411,797	20,481,722
2021-2022	15,751,807	16,347,021	1.381	0.276	1.364	5,929,988	22,277,009
2022-2023	16,921,519	16,174,765	1.657	0.396	1.432	9,595,720	25,770,485
2023-2024	18,004,019	5,976,187	3.811	0.738	1.505	19,996,884	25,973,071
Totals	\$145,226,430	\$131,904,363				\$42,328,711	\$174,233,074

Notes:

- (A) Provided by the Authority.
- (B) Provided by the Authority. These losses exclude amounts incurred above the Authority's SIR for each year.
- (C) From Appendix B, Page 3, Column (F).
- (D) $1 - 1/(C)$.
- (E) From Appendix B, Page 7, Column (H).
- (F) $(A) \times (D) \times (E)$.
- (G) $(B) + (F)$.

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

Authority for California Cities Excess Liability - Liability (\$100K - \$1M Analysis)

Exposure and Development Method
Based on Paid Losses

Accident Year	Composite Exposure (A)	Paid Losses as of 12/31/24 (B)	Loss Development Factor (C)	Percentage of Losses Yet to Be Paid (D)	Program Rate (E)	Incurred but not Paid (F)	Ultimate Program Losses (G)
2014-2015	14,792,247		1.021	0.021	0.970	301,318	
2015-2016	14,971,453	12,334,250	1.041	0.039	0.847	494,552	12,828,802
2016-2017	15,435,762	20,713,253	1.072	0.067	1.405	1,453,045	22,166,298
2017-2018	15,668,516	15,528,792	1.115	0.103	1.067	1,721,986	17,250,778
2018-2019	16,105,931	12,488,031	1.171	0.146	0.907	2,132,780	14,620,811
2019-2020	16,640,000	12,124,694	1.288	0.224	1.238	4,614,472	16,739,166
2020-2021	15,727,423	13,418,017	1.739	0.425	1.299	8,682,717	22,100,734
2021-2022	15,751,807	8,792,534	2.435	0.589	1.364	12,654,939	21,447,473
2022-2023	16,921,519	6,901,498	4.870	0.795	1.432	19,264,134	26,165,632
2023-2024	18,004,019	1,088,974	14.610	0.932	1.505	25,253,517	26,342,491
Totals	\$160,018,677	\$103,390,043				\$76,573,460	\$179,662,185

Notes:

- (A) Provided by the Authority.
- (B) Provided by the Authority. These losses exclude amounts paid above the Authority's SIR for each year.
- (C) From Appendix B, Page 4, Column (F).
- (D) $1 - 1/(C)$.
- (E) From Appendix B, Page 7, Column (H).
- (F) $(A) \times (D) \times (E)$.
- (G) $(B) + (F)$.

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

Authority for California Cities Excess Liability - Liability (\$100K - \$1M Analysis)

Exposure and Development Method

Accident Year	Composite Exposure (A)	Ultimate \$100K - \$1M Losses (B)	Trend Factor (C)	Trended \$100K - \$1M Losses (D)	Trended \$100K - \$1M:100K - \$1M Loss Rate (E)	Trended 100K - \$1M Loss Rate (F)	Factor to SIR (G)	Program Loss Rate (H)
2014-2015	14,792,247		1.629			0.970	1.000	0.970
2015-2016	14,971,453	12,680,000	1.551	19,666,680	1.314	0.847	1.000	0.847
2016-2017	15,435,762	21,694,000	1.477	32,042,038	2.076	1.405	1.000	1.405
2017-2018	15,668,516	16,719,000	1.407	23,523,633	1.501	1.067	1.000	1.067
2018-2019	16,105,931	14,603,000	1.340	19,568,020	1.215	0.907	1.000	0.907
2019-2020	16,640,000	15,212,000	1.276	19,410,512	1.166	1.238	1.000	1.238
2020-2021	15,727,423	20,501,000	1.216	24,929,216	1.585	1.299	1.000	1.299
2021-2022	15,751,807	21,993,000	1.158	25,467,894	1.617	1.364	1.000	1.364
2022-2023	16,921,519	29,071,000	1.103	32,065,313	1.895	1.432	1.000	1.432
2023-2024	18,004,019	22,775,000	1.050	23,913,750	1.328	1.505	1.000	1.505
Total/Avg	\$160,018,677	\$175,248,000		\$220,587,056	\$1.519			
15/16-21/22	110,300,892	123,402,000		164,607,993	\$1.492			
16/17-22/23	112,250,958	139,793,000		177,006,626	\$1.577			
17/18-23/24	114,819,215	140,874,000		168,878,338	\$1.471			
				Selected \$100K - \$1M Rate:	\$1.580			
				Prior:	\$1.580			

0.0%

Notes:

- (A) Provided by the Authority.
- (B) Selected average of results from Appendices B and B.
- (C) From Appendix E, Column (B).
- (D) (B) x (C).
- (E) (D) / (A).
- (F) Selected \$100K - \$1M Rate / (C). For 2018-2019 and prior (B) / (A).
- (G) Based on a Burr distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

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

Authority for California Cities Excess Liability - Liability (\$100K - \$1M An

Frequency and Severity Method

Accident Year	Ultimate Program Severity (A)	Ultimate Claims (B)	Ultimate Program Losses (C)
2015-2016	317,000	40	12,680,000
2016-2017	333,754	65	21,694,010
2017-2018	288,259	58	16,719,022
2018-2019	265,509	55	14,602,995
2019-2020	313,480	62	19,435,760
2020-2021	328,947	59	19,407,873
2021-2022	345,423	78	26,942,994
2022-2023	362,647	87	31,550,289
2023-2024	380,952	84	31,999,968
Total		588	\$195,032,911

Notes:

- (A) From Appendix B, Page 9, Column (H).
- (B) From Appendix B, Page 9, Column (B).
- (C) (A) x (B).

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

Authority for California Cities Excess Liability - Liability (\$100K - \$1M Analysis)

Frequency and Severity Method

Accident Year	Ultimate	Ultimate Claims (B)	Ultimate	Trend Factor (D)	Trended		Factor to SIR (G)	Program Severity (H)
	\$100K - \$1M Losses (A)		\$100K - \$1M Severity (C)		\$100K - \$1M Severity (E)	\$100K - \$1M Severity (F)		
2015-2016	12,680,000	40	317,000	1.551	491,667	317,000	1.000	317,000
2016-2017	21,694,000	65	333,754	1.477	492,955	333,754	1.000	333,754
2017-2018	16,719,000	58	288,259	1.407	405,580	288,259	1.000	288,259
2018-2019	14,603,000	55	265,509	1.340	355,782	265,509	1.000	265,509
2019-2020	16,015,000	62	258,306	1.276	329,598	313,480	1.000	313,480
2020-2021	21,291,000	59	360,864	1.216	438,811	328,947	1.000	328,947
2021-2022	21,862,000	78	280,282	1.158	324,567	345,423	1.000	345,423
2022-2023	25,968,000	87	298,483	1.103	329,227	362,647	1.000	362,647
2023-2024	26,158,000	84	311,405	1.050	326,975	380,952	1.000	380,952

Average \$100K - \$1M Severity: \$388,351
Average 15/16-21/22 \$100K - \$1M Severity: \$405,566
Average 15/16-22/23 \$100K - \$1M Severity: \$396,023

Selected \$100K - \$1M Severity: \$400,000
Prior: \$395,000

Notes:

- (A) Selected average of results from Appendices B, B, and B.
- (B) Appendix B, Page 10, Column (C).
- (C) (A) / (B).
- (D) From Appendix E, Column (J).
- (E) (C) x (D).
- (F) Selected Limited Severity / (D).
- (G) Based on a Burr distribution, a mathematical model of claim sizes.
- (H) (F) x (G).

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

Authority for California Cities Excess Liability - Liability (\$100K - \$1M Analysis)

Frequency and Severity Method
Projection of Ultimate Claims

Accident Year	Reported Claim Development (A)	Closed Claim Development (B)	Selected Ultimate Claims (C)	Composite Exposure (10,000s) (D)	Claim Frequency (E)	Trend Factor (F)	Trended Claim Frequency (G)
2015-2016	40	41	40	1,497.145	0.027	1.000	0.027
2016-2017	65	67	65	1,543.576	0.042	1.000	0.042
2017-2018	58	57	58	1,566.852	0.037	1.000	0.037
2018-2019	55	55	55	1,610.593	0.034	1.000	0.034
2019-2020	62	59	62	1,664.000	0.037	1.000	0.037
2020-2021	59	50	59	1,572.742	0.038	1.000	0.038
2021-2022	78	48	78	1,575.181	0.050	1.000	0.050
2022-2023	87	88	87	1,692.152	0.051	1.000	0.051
2023-2024	84	32	84	1,800.402	0.047	1.000	0.047
Total	588	497	588	14,522.643			0.040

(H) Selected 2024-2025 Frequency: 0.043
Prior: 0.045

Program Year:	2024-2025	2025-2026
(I) Trend Factor:	1.000	1.000
(J) Selected Frequency:	0.043	0.043
(K) Composite Exposure:	1,800.402	1,845.411
(L) Ultimate Claims:	77	79

Notes:

- (A) From Appendix B, Page 11, (C).
- (B) From Appendix B, Page 12, (C).
- (C) Selected from (A) and (B).
- (D) From Appendix N, Page 2, (G).
- (E) (C) / (D).
- (F) From Appendix E.
- (G) (E) x (F).
- (H) The selected frequency of .043 is based on (G).
- (I) From Appendix E.
- (J) (H) x (I).
- (K) From Appendix N, Page 2, (G).
- (L) (J) x (K).

This exhibit summarizes the estimated numbers of claims and shows the estimated frequencies per 10,000 units of composite exposure, Appendix E, page2, Item (G).

Authority for California Cities Excess Liability - Liability (\$100K - \$1M Analysis)

Frequency and Severity Method
Reported Claim Count Development

Accident Year	Claims Reported as of 12/31/2024 (A)	Reported Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
2015-2016	39	1.022	40	0.027
2016-2017	63	1.032	65	0.042
2017-2018	56	1.042	58	0.037
2018-2019	52	1.052	55	0.034
2019-2020	58	1.063	62	0.037
2020-2021	55	1.074	59	0.038
2021-2022	69	1.128	78	0.050
2022-2023	70	1.241	87	0.051
2023-2024	34	2.482	84	0.047
Total	496		588	0.040

Notes:

- (A) Provided by the Authority.
- (B) From Appendix B, Page 15.
- (C) (A) x (B).
- (D) (C) / [Appendix B, Page 10, (D)] x [Appendix B, Page 10, (F)].

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

Authority for California Cities Excess Liability - Liability (\$100K - \$1M Analysis)

Frequency and Severity Method
Closed Claim Count Development

Accident Year	Claims Closed as of 12/31/2024 (A)	Closed Claim Development Factor (B)	Ultimate Claims (C)	Trended Claim Frequency (D)
2015-2016	38	1.082	41	0.027
2016-2017	60	1.109	67	0.043
2017-2018	49	1.164	57	0.036
2018-2019	45	1.222	55	0.034
2019-2020	44	1.344	59	0.035
2020-2021	30	1.680	50	0.032
2021-2022	19	2.520	48	0.030
2022-2023	14	6.300	88	0.052
2023-2024	1	31.500	32	0.018
Total	300		497	0.034

Notes:

- (A) Provided by the Authority.
- (B) From Appendix B, Page 16.
- (C) (A) x (B).
- (D) (C) / [Appendix B, Page 10, (D)] x [Appendix B, Page 10, (F)].

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

Authority for California Cities Excess Liability - Liability (\$100K - \$1M Analysis)

Loss Rate Trend

Accident Year	Payroll	Preliminary Ultimate Loss	Untrended Loss Rate	Trended Loss Rate
2015-2016	14,971,453	14,068,000	0.940	1.458
2016-2017	15,435,762	12,728,000	0.825	1.218
2017-2018	15,668,516	22,050,000	1.407	1.980
2018-2019	16,105,931	16,437,000	1.021	1.368
2019-2020	16,640,000	16,480,000	0.990	1.264
2020-2021	15,727,423	19,299,000	1.227	1.492
2021-2022	15,751,807	23,473,000	1.490	1.725
2022-2023	16,921,519	21,183,000	1.252	1.380
2023-2024	18,004,019	25,659,000	1.425	1.496

Exponential Trends

Years	R-square	Fitted Trend
15/16-21/22	0.412	1.067
18/19-23/24	0.671	1.076
19/20-23/24	0.548	1.078
15/16-23/24	0.488	1.055
	Prior Trend:	1.045
	Selected Trend:	1.050

Authority for California Cities Excess Liability

Historical Payroll by Member

Member	1988-89 Payroll (\$00)	1989-90 Payroll (\$00)	1990-91 Payroll (\$00)	1991-92 Payroll (\$00)	1992-93 Payroll (\$00)	1993-94 Payroll (\$00)	1994-95 Payroll (\$00)	1995-96 Payroll (\$00)	1996-97 Payroll (\$00)	1997-98 Payroll (\$00)	1998-99 Payroll (\$00)	1999-00 Payroll (\$00)	2000-01 Payroll (\$00)
Anaheim	945,634	887,693	997,604	1,032,792	1,017,556	1,106,327	1,138,132	1,159,649	1,186,315	1,183,599	1,221,632	1,347,535	1,393,423
Bakersfield	385,888	427,532	456,470	479,556	490,078	463,172	544,562	558,232	592,428	626,800	656,309	672,981	679,346
Burbank	435,541	517,034	546,240	570,952	606,092	612,781	633,112	651,359	628,837	665,202	0	0	0
Gardena	150,116	155,950	167,690	183,626	0	0	0	0	0	0	0	0	0
Modesto	340,582	340,582	403,120	486,797	492,189	479,750	496,562	535,022	533,981	596,710	599,204	621,472	656,651
Monterey	0	150,186	167,555	177,538	176,550	181,500	206,054	212,611	225,039	235,554	246,524	262,721	284,379
Mountain View	0	0	0	0	310,326	292,142	307,338	325,808	341,322	360,295	409,155	408,020	434,816
Ontario	325,401	368,037	425,392	459,269	440,000	517,000	518,010	524,206	574,396	582,744	589,308	605,886	637,469
Palo Alto	409,895	441,571	469,616	500,629	526,146	552,171	606,885	575,477	607,900	677,305	722,355	727,013	771,366
Salinas	0	0	0	0	0	0	0	0	0	0	0	0	0
Santa Barbara	342,392	355,513	393,889	438,230	421,442	464,065	494,001	496,728	525,742	562,649	587,051	644,650	658,205
Santa Cruz	0	0	0	0	0	0	0	0	164,906	327,837	330,666	368,019	383,500
Santa Monica	556,978	610,936	682,891	758,378	657,800	770,000	856,975	863,634	912,836	943,294	997,024	1,028,662	1,156,953
Visalia	137,709	144,025	165,025	189,676	172,119	196,757	202,780	199,965	208,770	210,996	218,084	237,134	256,559
Total	4,030,134	4,399,059	4,875,491	5,277,443	5,310,299	5,635,666	6,004,411	6,102,690	6,502,472	6,972,985	6,577,313	6,924,094	7,312,668
Member	2001-02 Payroll (\$00)	2002-03 Payroll (\$00)	2003-04 Payroll (\$00)	2004-05 Payroll (\$00)	2005-06 Payroll (\$00)	2006-07 Payroll (\$00)	2007-08 Payroll (\$00)	2008-09 Payroll (\$00)	2009-10 Payroll (\$00)	2010-11 Payroll (\$00)	2011-12 Payroll (\$00)	2012-13 Payroll (\$00)	2013-14 Payroll (\$00)
Anaheim	1,497,038	1,571,861	1,686,921	1,702,110	1,874,760	1,933,055	1,936,850	2,133,195	2,081,250	2,049,763	1,963,200	1,975,427	2,031,900
Bakersfield	710,898	746,845	769,039	775,782	828,105	889,657	928,430	916,017	882,235	882,175	913,612	974,793	981,145
Burbank	0	0	0	963,640	961,084	1,080,588	1,021,641	1,190,705	1,104,309	1,219,034	1,095,927	1,080,687	1,058,814
Gardena	0	0	0	0	0	0	0	0	0	0	0	0	0
Modesto	711,909	761,554	745,169	757,072	777,859	808,720	836,950	811,447	796,393	741,932	730,670	723,669	721,682
Monterey	307,684	320,894	313,632	313,439	315,127	303,985	340,838	362,102	375,986	371,980	362,541	361,402	362,125
Mountain View	470,177	517,208	479,749	474,925	505,565	558,760	579,550	628,761	632,482	629,984	618,793	624,667	633,130
Ontario	683,592	692,474	710,686	732,721	783,778	808,309	827,467	855,991	836,504	821,292	837,165	724,834	734,451
Palo Alto	875,829	907,965	976,695	964,635	910,388	920,271	964,648	980,859	1,000,933	992,673	1,041,460	919,927	996,990
Salinas	0	0	0	0	0	0	0	0	0	0	0	0	0
Santa Barbara	688,383	715,412	731,380	739,835	827,558	767,235	826,778	882,947	844,604	828,178	824,422	865,528	881,841
Santa Cruz	421,614	414,665	404,596	405,476	415,167	494,206	483,045	537,520	506,288	506,381	511,940	521,594	544,821
Santa Monica	1,234,923	1,274,089	1,221,506	1,263,241	1,350,510	1,445,204	1,539,768	1,662,386	1,668,433	1,714,221	1,851,043	1,830,595	1,850,554
Visalia	257,861	290,675	269,603	281,525	300,145	295,903	323,116	345,222	346,541	339,496	344,696	363,276	366,787
Total	7,859,909	8,213,644	8,308,977	9,374,402	9,850,045	10,305,894	10,609,082	11,307,152	11,075,957	11,097,108	11,095,468	10,966,401	11,164,240
Member	2014-15 Payroll (\$00)	2015-16 Payroll (\$00)	2016-17 Payroll (\$00)	2017-18 Payroll (\$00)	2018-19 Payroll (\$00)	2019-20 Payroll (\$00)	2020-21 Payroll (\$00)	2021-22 Payroll (\$00)	2022-23 Payroll (\$00)	2023-24 Payroll (\$00)	Projected 2024-25 Payroll (\$00)	Projected 2025-26 Payroll (\$00)	
Anaheim	2,106,346	2,269,090	2,503,567	2,510,955	2,541,363	2,644,993	2,467,744	2,524,502	2,752,139	3,043,162	3,119,240	3,197,220	
Bakersfield	1,007,547	1,032,898	1,023,381	1,047,246	1,056,662	1,119,015	1,175,926	1,383,385	1,537,148	1,612,991	1,653,320	1,694,650	
Burbank	1,050,336	1,057,419	1,084,724	1,113,654	1,099,703	1,144,989	1,187,912	1,264,103	1,264,596	1,470,914	1,507,690	1,545,380	
Gardena	0	0	0	0	0	0	0	0	0	0	0	0	
Modesto	711,912	761,798	799,877	845,531	874,961	900,948	907,122	957,590	1,098,928	1,093,209	1,120,540	1,148,550	
Monterey	367,532	374,195	386,413	418,860	427,155	438,191	378,567	383,729	408,539	431,828	442,620	453,690	
Mountain View	660,314	684,770	734,551	765,191	812,882	842,032	853,958	843,718	977,194	1,036,596	1,062,510	1,089,070	
Ontario	774,343	825,770	890,589	995,163	1,065,971	1,161,650	1,137,193	1,132,120	1,281,217	1,521,660	1,559,700	1,598,690	
Palo Alto	1,064,558	981,613	1,041,359	1,166,441	1,221,880	1,260,264	1,231,253	1,212,621	1,302,848	1,512,615	1,550,430	1,589,190	
Salinas	0	0	0	0	325,886	645,800	650,909	655,678	694,910	714,314	732,170	750,470	
Santa Barbara	905,611	929,442	977,924	990,759	997,851	1,013,615	987,542	1,011,556	1,132,001	1,215,482	1,245,870	1,277,020	
Santa Cruz	579,725	607,172	638,596	660,528	675,872	696,569	683,903	707,306	754,883	819,336	839,820	860,820	
Santa Monica	1,902,819	2,007,425	2,106,921	2,176,626	2,274,811	2,301,342	2,062,191	1,985,583	2,275,585	2,440,181	2,501,190	2,563,720	
Visalia	425,402	455,159	474,743	486,940	509,425	530,238	521,633	563,741	620,411	652,608	668,920	685,640	
Total	11,556,443	11,986,752	12,662,643	13,177,894	13,884,423	14,699,647	14,245,854	14,625,633	16,100,399	17,564,897	18,004,020	18,454,110	

Data provided by ACCEL.

Authority for California Cities Excess Liability

Outstanding Liabilities for ULAE

	12/31/2024	6/30/2025
(A) Selected ULAE Factor	3.5%	3.5%
(B) Provision for Unpaid ULAE :		
IBNR at 6/30/25	\$42,577,000	\$50,190,000
Half of Case Reserves at 6/30/25	20,563,000	19,364,000
Computation Base	\$63,140,000	\$69,554,000
Provision for Unpaid ULAE at 6/30/25	\$2,210,000	\$2,434,000
(C) Discount factor at 3.0%:	0.917	0.904
(D) Discounted Unpaid ULAE:	\$2,027,000	\$2,200,000
(E) 90% Confidence Level Factor:	1.566	1.566
(F) Discounted Unpaid ULAE at 90% Confidence Level:	3,175,000	3,446,000