



**City of Davenport,
Iowa**

**Actuarial Study of the
Self-Insured Workers Compensation,
Liability and Property Programs
as of June 30, 2009**

December 17, 2009



December 17, 2009

271084

City of Davenport
226 West Fourth Street
Davenport, Iowa 52801

Attn: Mr. Michael Farris
Risk Manager

**Actuarial Study of the
Self-Insured Workers Compensation,
Liability and Property Programs
as of June 30, 2009**

This study has been completed for the City of Davenport for the specific objectives listed in the study. It contains the analysis and conclusions of our work.

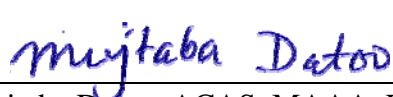
Each section and appendix of the study is an integral part of the whole. We recommend a review of the entire study prior to reliance upon this study.

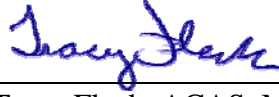
No key personnel have a relationship with the City of Davenport that may impair our objectivity.

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

Respectfully submitted,

ARM TECH

By 
Mujtaba Datoo, ACAS, MAAA, FCA
Actuarial Practice Leader


Tracy Fleck, ACAS, MAAA
Consultant and Actuary

MD/TF:dp

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I. Background

The City of Davenport (the City) is self-insured for workers compensation, liability and property.

A history of workers compensation self-insured retentions is shown in Table I-1.

Table I-1
History of Self-Insured Retentions
Workers Compensation

Claim Period (1)	Self-Insured Retention (2)
July 1, 1985 to June 30, 1987	\$300,000
July 1, 1987 to June 30, 1989	325,000
July 1, 1989 to June 30, 1990	400,000
July 1, 1990 to June 30, 1992	300,000
July 1, 1992 to June 30, 2008	350,000
July 1, 2008 to June 30, 2009	750,000
July 1, 2009 and subsequent	2,000,000

Note: Above information provided by the City.

A self-insured retention of \$2,000,000 is assumed through the year 2010/11.

For liability, the self-insured retention is \$250,000 per occurrence through June 30, 1991. The self-insured retention increased to \$500,000 per occurrence effective July 1, 1991. A self-insured retention of \$500,000 is assumed through the year 2009/10.

The self-insured retention for property is \$100,000. A self-insured retention of \$100,000 is assumed through the year 2009/10.

Prior to 2003, Willis Carroon administered claims for the City's workers compensation, liability and property programs. In 2003, Alternative Services Concepts Risk Management (ASC) purchased Willis Carroon. In 2004, the City purchased claim management software and began administering workers compensation, liability and property claims in house.

The fiscal period runs from July 1 to June 30.

II. Objectives

The specific objectives of this study are:

1. **Estimate Outstanding Losses.** Estimate outstanding losses (including allocated loss adjustment expenses [ALAE]) as of June 30, 2009.

The estimated outstanding losses are the cost of unpaid claims. The estimated outstanding losses include case reserves, the development of known claims and incurred but not reported (IBNR) claims. ALAE are the direct expenses for settling specific claims. The amounts are limited to the self-insured retention.

2. **Project Ultimate Limited Losses.** Project ultimate limited losses (including ALAE) for 2009/10 and 2010/11.

The projected ultimate limited losses are the accrual value of losses with accident dates during 2009/10 and 2010/11, regardless of report or payment date. The amounts are limited to the self-insured retention.

3. **Project Losses Paid.** Project losses paid during 2009/10 and 2010/11.

The projected losses paid are the claim disbursements during 2009/10 and 2010/11, regardless of accident or report date. The amounts are limited to the self-insured retention.

4. **Size of Loss Distribution Analysis.** Analyze the distribution of losses in various layers.

5. **Compare to Previous Actuarial Study.** Compare to the previous actuarial study valued as of June 30, 2008 (report dated October 13, 2008).

6. **Affirm GASB Statement No. 10 Compliance.** Provide a statement affirming the conclusions of this report are consistent with Governmental Accounting Standards Board (GASB) Statement No. 10.

III. Conclusions

We have reached the following conclusions:

1. Estimate Outstanding Losses

We estimate outstanding losses as of June 30, 2009 to be as shown in Table III-1A.

Table III-1A
Estimated Outstanding Losses
at Expected (50%) Confidence Level
June 30, 2009

Program (1)	Estimated Outstanding Losses (2)	Present Value of Estimated Outstanding Losses (at 1.0%) (3)
(A) Workers compensation	\$3,553,950	\$3,391,403
(B) Automobile liability	183,727	180,967
(C) Property	151,090	150,186
(D) Total (A)...(C)	\$3,888,767	\$3,722,556

Note: (A) is from Exhibit WC-11.
(B) is from Exhibit LI-11.
(C) is from Exhibit PR-11.

The estimated outstanding losses decreased by \$1.0 million, compared to our prior estimate as of June 30, 2008 in the amount of \$4,871,162. This change is primarily due to a decrease in the reported case reserves for workers compensation, which decreased by \$944,497 from June 30, 2008 to June 30, 2009.

The present value of the estimated outstanding losses is the estimated outstanding losses discounted to reflect future investment earnings. It is based on a 1.0% annual interest rate, as provided by the City.

Estimated outstanding losses at various confidence levels for June 30, 2009 are as shown in Table III-1B.

Table III-1B
Estimated Outstanding Losses
at Various Confidence Levels
June 30, 2009

Program (1)	At Expected (50%) Confidence Level		At 75% Confidence Level		At 90% Confidence Level	
	Estimated Outstanding Losses (2)	Present Value of Estimated Outstanding Losses (at 1.0%) (3)	Estimated Outstanding Losses (4)	Present Value of Estimated Outstanding Losses (at 1.0%) (5)	Estimated Outstanding Losses (6)	Present Value of Estimated Outstanding Losses (at 1.0%) (7)
(A) Workers compensation	\$3,553,950	\$3,391,403	\$4,087,043	\$3,900,113	\$4,620,135	\$4,408,824
(B) Automobile liability	183,727	180,967	220,472	217,160	275,591	271,451
(C) Property	151,090	150,186	181,308	180,223	211,526	210,260
(D) Total (A)...(C)	\$3,888,767	\$3,722,556	\$4,488,823	\$4,297,497	\$5,107,252	\$4,890,535

Note: (2) and (3) are from Table III-1A.
(4) and (6) are based on (2) and actuarial judgment.
(5) and (7) are based on (3) and actuarial judgment.

2. Project Ultimate Limited Losses

We project ultimate limited losses for 2009/10 and 2010/11 to be as shown in Tables III-2A and III-2B.

Table III-2A
Projected Ultimate Limited Losses
at \$2M WC SIR, \$500k Liability SIR and \$100k Property SIR
2009/10

Program (1)	Projected Ultimate Limited Losses (2)	Present Value of Projected Ultimate Limited Losses (at 1.0%) (3)
(A) Workers compensation	\$1,378,000	\$1,321,000
(B) Automobile liability	330,000	324,000
(C) Property	268,000	265,000
(D) Total (A)...(C)	\$1,976,000	\$1,910,000

Note: (A) is from Exhibit WC-10.
(B) is from Exhibit LI-10.
(C) is from Exhibit PR-10.

Table III-2B
Projected Ultimate Limited Losses
at \$2M WC SIR, \$500k Liability SIR and \$100k Property SIR
2010/11

Program (1)	Projected Ultimate Limited Losses (2)	Present Value of Projected Ultimate Limited Losses (at 1.0%) (3)
(A) Workers compensation	\$1,447,000	\$1,388,000
(B) Automobile liability	347,000	340,000
(C) Property	280,000	277,000
(D) Total (A)...(C)	\$2,074,000	\$2,005,000

Note: (A) is from Exhibit WC-10.
(B) is from Exhibit LI-10.
(C) is from Exhibit PR-10.

The present value of the projected ultimate limited losses is the amount of money, discounted for anticipated investment income, required to meet claims. It is calculated based on a 1.0% annual yield on investments, as provided by the City.

All costs other than claims are additional.

Projected ultimate limited losses at various confidence levels for 2009/10 and 2010/11 are as shown in Tables III-2C and III-2D.

Table III-2C
Projected Ultimate Limited Losses
at Various Confidence Levels
(\$2M WC SIR, \$500k Liability SIR, and \$100k Property SIR)
2009/10

Program (1)	At Expected (50%) Confidence Level		At 75% Confidence Level		At 90% Confidence Level	
	Projected Ultimate Limited Losses (2)	Present Value of Projected Ultimate Limited Losses (at 1.0%) (3)	Projected Ultimate Limited Losses (4)	Present Value of Projected Ultimate Limited Losses (at 1.0%) (5)	Projected Ultimate Limited Losses (6)	Present Value of Projected Ultimate Limited Losses (at 1.0%) (7)
(A) Workers compensation	\$1,378,000	\$1,321,000	\$1,653,600	\$1,585,200	\$2,067,000	\$1,981,500
(B) Automobile liability	330,000	324,000	429,000	421,200	561,000	550,800
(C) Property	268,000	265,000	321,600	318,000	375,200	371,000
(D) Total (A)...(C)	\$1,976,000	\$1,910,000	\$2,404,200	\$2,324,400	\$3,003,200	\$2,903,300

Note: (2) and (3) are from Table III-2A.
(4) and (6) are based on (2) and actuarial judgment.
(5) and (7) are based on (3) and actuarial judgment.

Table III-2D
Projected Ultimate Limited Losses
at Various Confidence Levels
(\$2M WC SIR, \$500k Liability SIR and \$100k Property SIR)
2010/11

Program (1)	At Expected (50%) Confidence Level		At 75% Confidence Level		At 90% Confidence Level	
	Projected Ultimate Limited Losses (2)	Present Value of Projected Ultimate Limited Losses (at 1.0%) (3)	Projected Ultimate Limited Losses (4)	Present Value of Projected Ultimate Limited Losses (at 1.0%) (5)	Projected Ultimate Limited Losses (6)	Present Value of Projected Ultimate Limited Losses (at 1.0%) (7)
(A) Workers compensation	\$1,447,000	\$1,388,000	\$1,736,400	\$1,665,600	\$2,170,500	\$2,082,000
(B) Automobile liability	347,000	340,000	451,100	442,000	589,900	578,000
(C) Property	280,000	277,000	336,000	332,400	392,000	387,800
(D) Total (A)...(C)	\$2,074,000	\$2,005,000	\$2,523,500	\$2,440,000	\$3,152,400	\$3,047,800

Note: (2) and (3) are from Table III-2B.
(4) and (6) are based on (2) and actuarial judgment.
(5) and (7) are based on (3) and actuarial judgment.

3. Project Losses Paid

We project losses paid during 2009/10 and 2010/11 to be as shown in Table III-3.

Table III-3
Projected Losses Paid
2009/10 and 2010/11

Program (1)	2009/10 (2)	2010/11 (3)
(A) Workers compensation	\$1,070,930	\$1,190,687
(B) Automobile liability	180,499	240,134
(C) Property	291,998	277,282
(D) Total (A)...(C)	\$1,543,427	\$1,708,103

Note: (2) is from Exhibits WC-12, LI-12 and PR-12.
(3) is from Exhibits WC-13, LI-13 and PR-13.

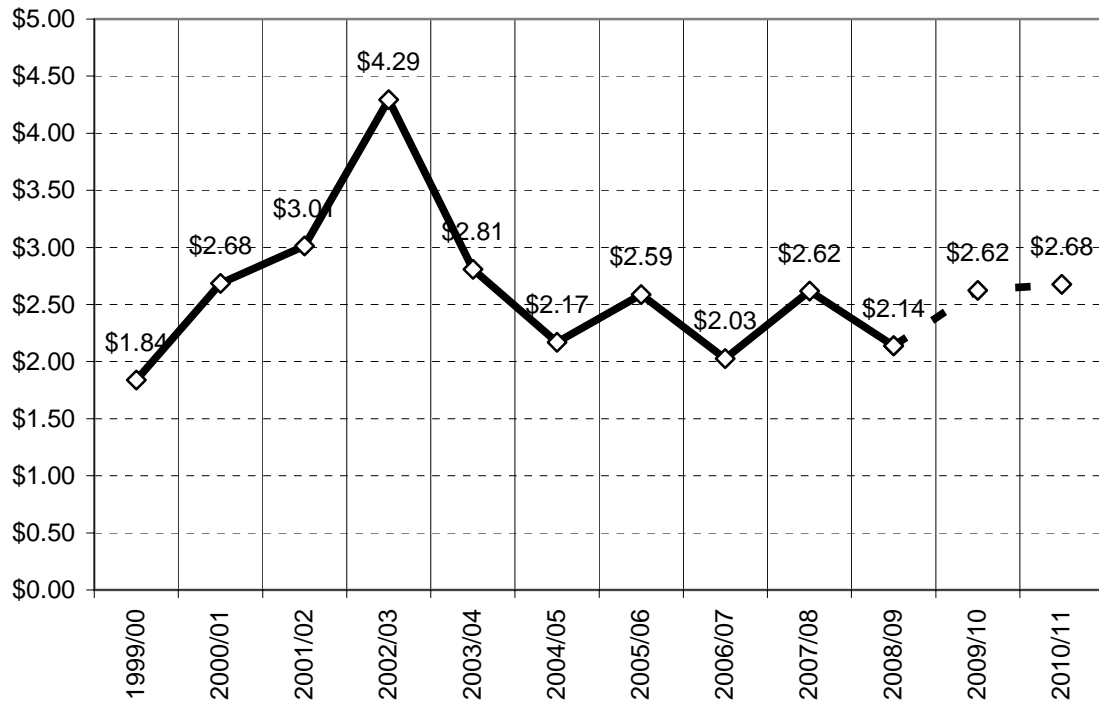
The projected losses paid are limited to the self-insured retentions.

All costs other than claims are additional.

Loss Experience Trends

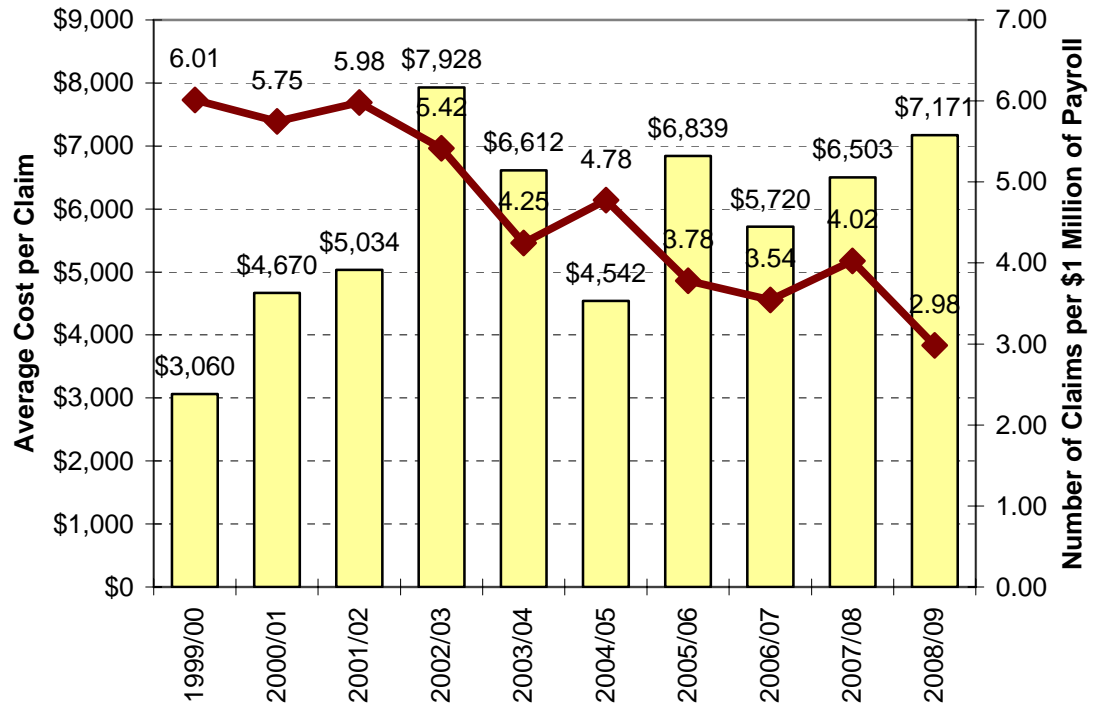
Graphs III-1 and III-2 show loss experience trends for workers compensation as measured by loss rate per \$100 of payroll and frequency and severity, respectively.

Graph III-1
Loss Rate per \$100 of Payroll
(Workers Compensation)



Note: Loss rates per \$100 of payroll are from Exhibit WC-10, columns (4) and (7).

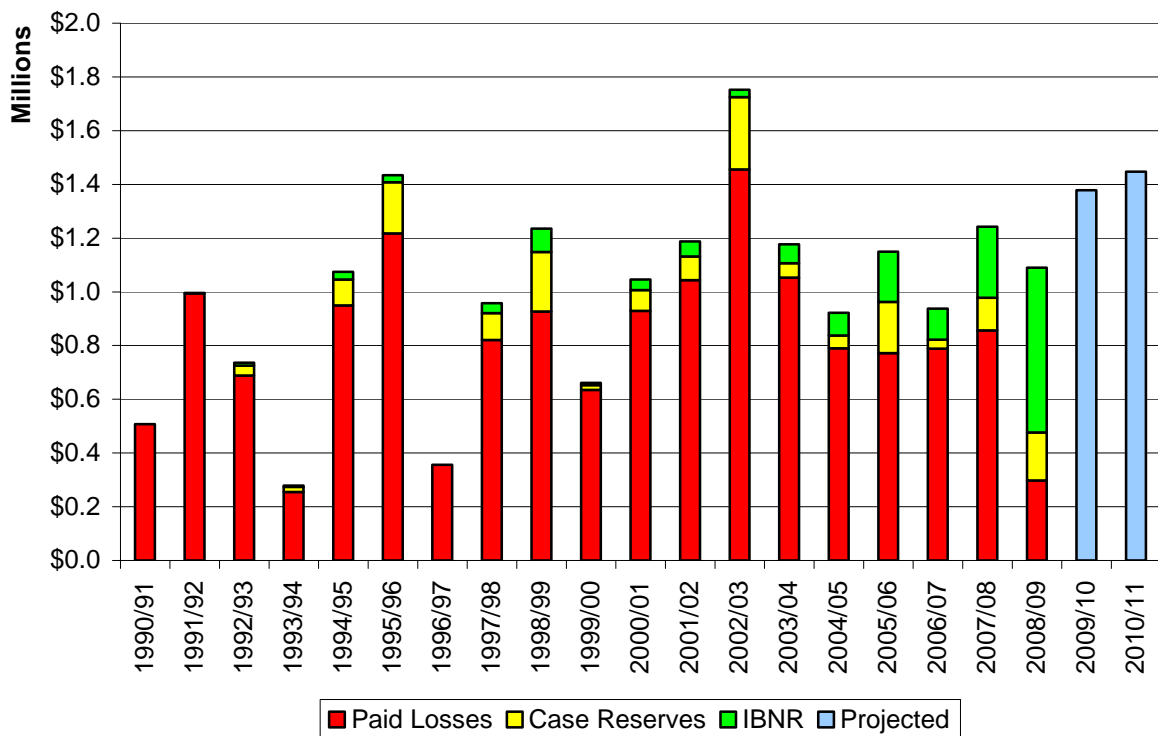
**Graph III-2
Frequency and Severity
(Workers Compensation)**



Note: Frequency amounts are from Exhibit WC-8, Section I, column (7).
Severity amounts are based on Exhibits WC-8 and WC-9.

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

Graph III-3
Composition of Projected Ultimate Limited Losses
(Workers Compensation)



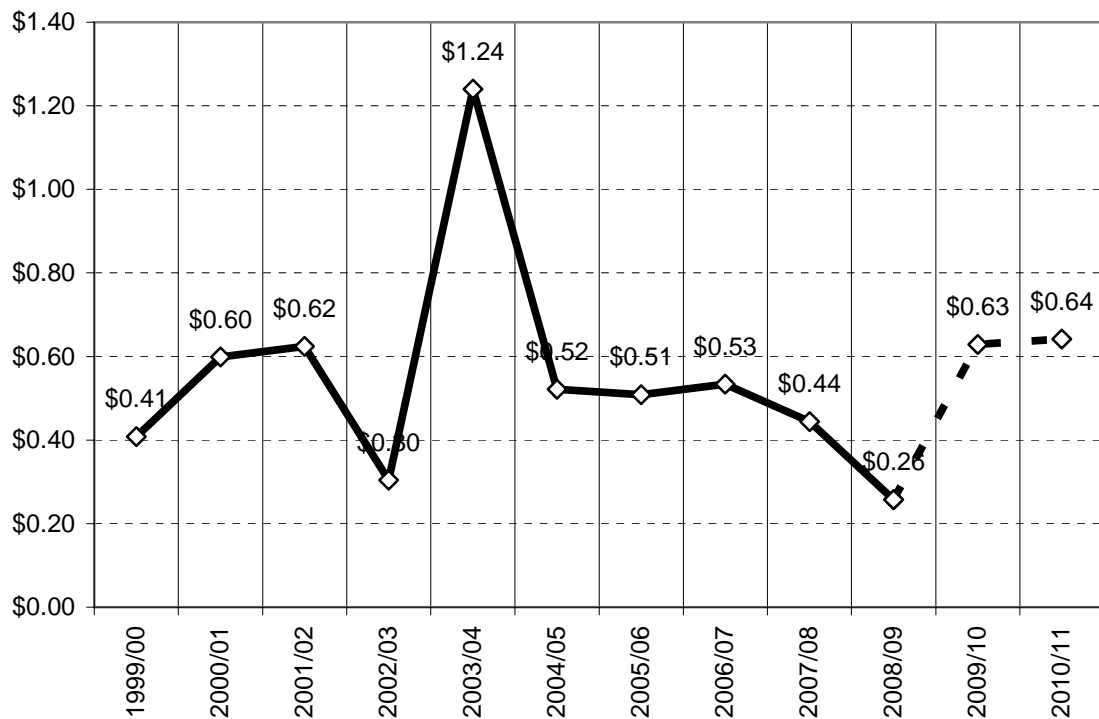
Note: Amounts through 2008/09 are from Exhibit WC-11.
Amounts for 2009/10 and 2010/11 are from Exhibit WC-10.

For 2002/03, we note two large open claims (#038-02-00110-01 and #038-02-00139-01) with reported incurred losses that have been capped to the self-insured retention of \$350,000.

A list of large claims with limited reported incurred losses \$100,000 or greater as of June 30, 2009 is as shown in Exhibit WC-15.

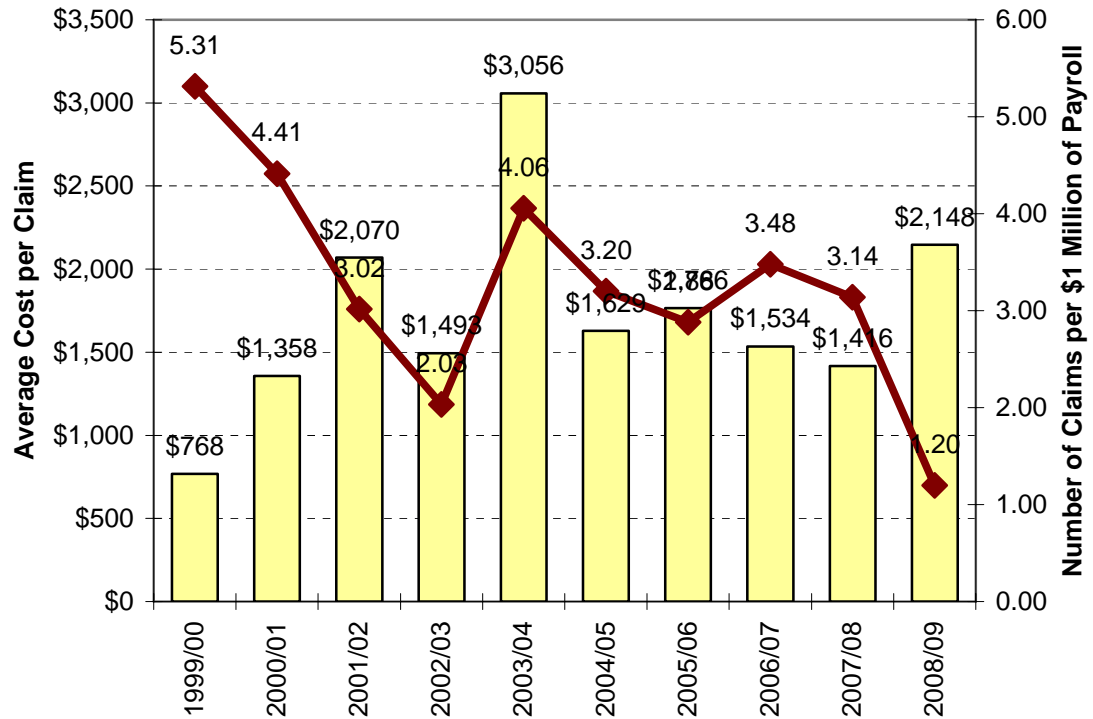
Graphs III-4 and III-5 show loss experience trends for liability as measured by loss rate per \$100 of payroll and frequency and severity, respectively.

Graph III-4
Loss Rate per \$100 of Payroll
(Liability)



Note: Loss rates per \$100 of payroll are from Exhibit LI-10, columns (4) and (7).

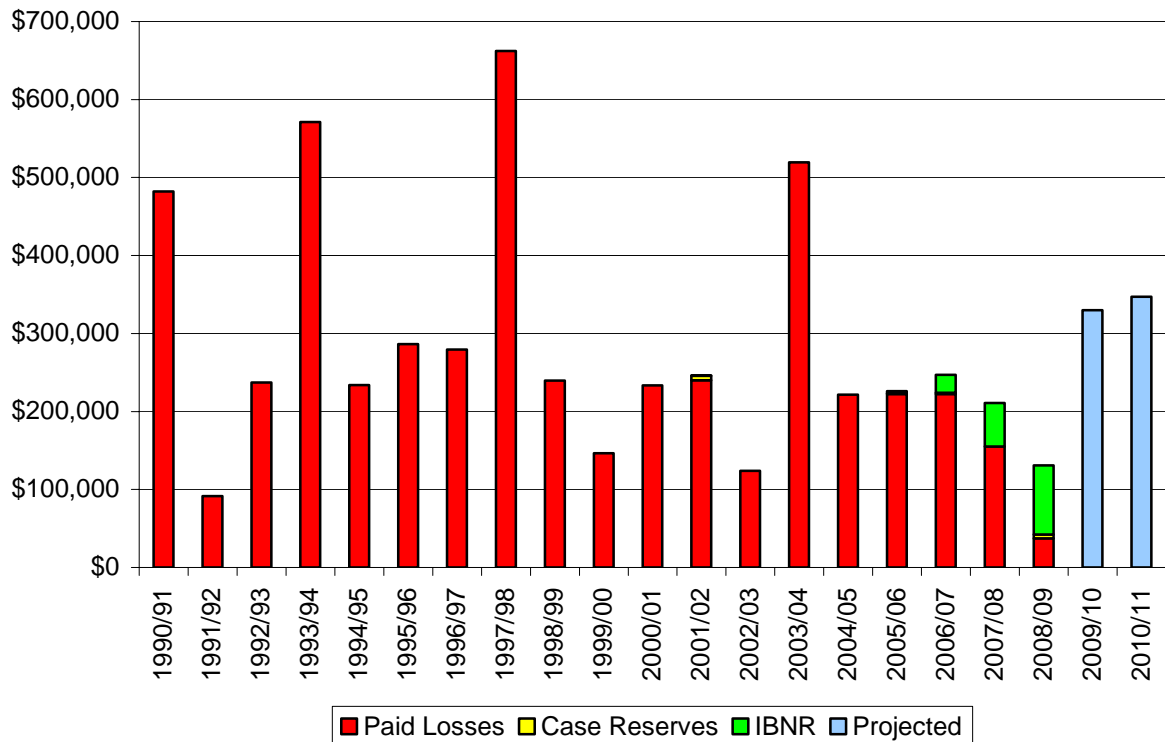
**Graph III-5
Frequency and Severity
(Liability)**



Note: Frequency amounts are from Exhibit LI-8, Section I, column (7).
Severity amounts are based on Exhibits LI-8 and LI-9.

Graph III-6 shows the composition of the projected ultimate limited losses for liability.

Graph III-6
Composition of Projected Ultimate Limited Losses
(Liability)



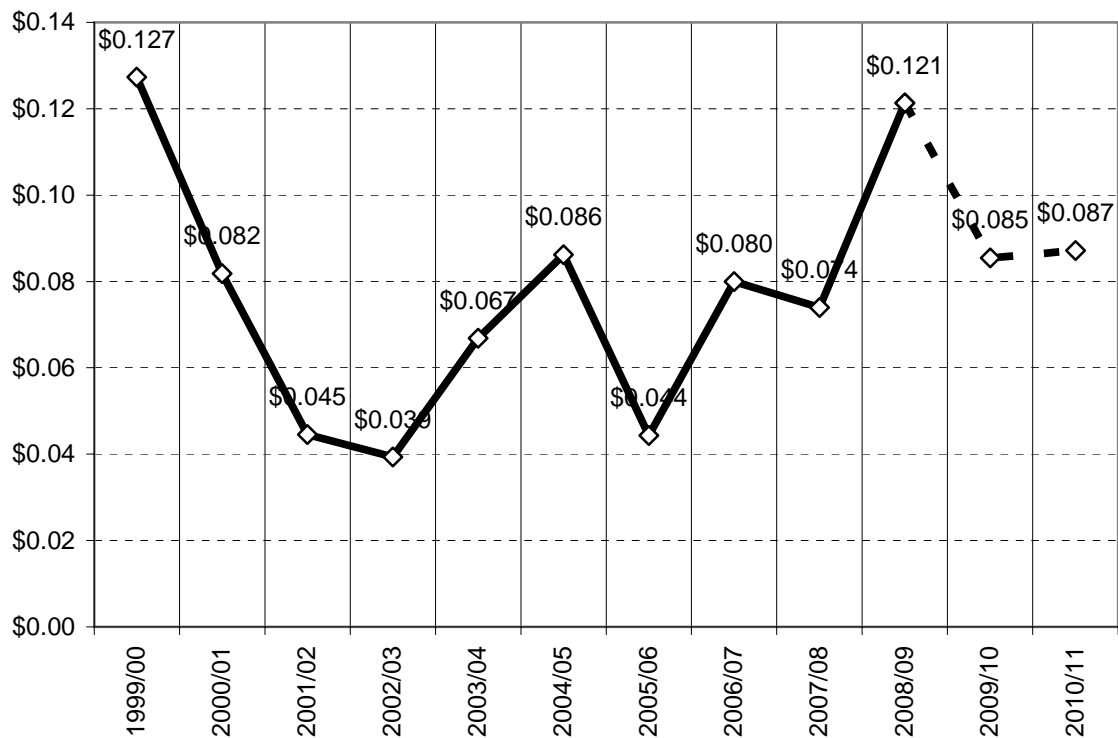
Note: Amounts through 2008/09 are from Exhibit LI-11.
Amounts for 2009/10 and 2010/11 are from Exhibit LI-10.

For 1993/94, we note a large closed claim (#AFC93-00182-01) that settled for \$300,553. For 1997/98, we note a large closed claim (#AFC97-00168-03) that was settled and capped to the self-insured retention of \$500,000. For 2003/04, we note a large closed claim (#RM06-155) that settled for \$294,048.

A list of large claims with limited reported incurred losses \$100,000 or greater as of June 30, 2009 is as shown in Exhibit LI-14.

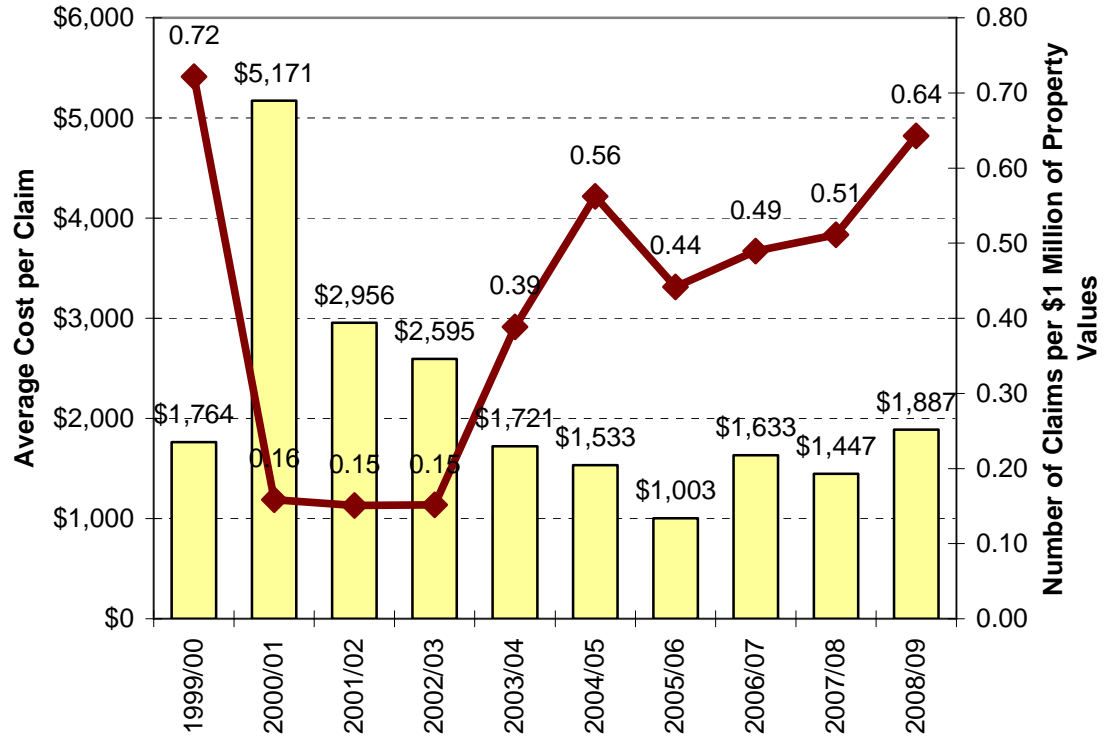
Graphs III-7 and III-8 show loss experience trends for property as measured by loss rate per \$100 of property values and frequency and severity, respectively.

Graph III-7
Loss Rate per \$100 of Property Values
(Property)



Note: Loss rates per \$100 of property values are from Exhibit PR-10, columns (4) and (7).

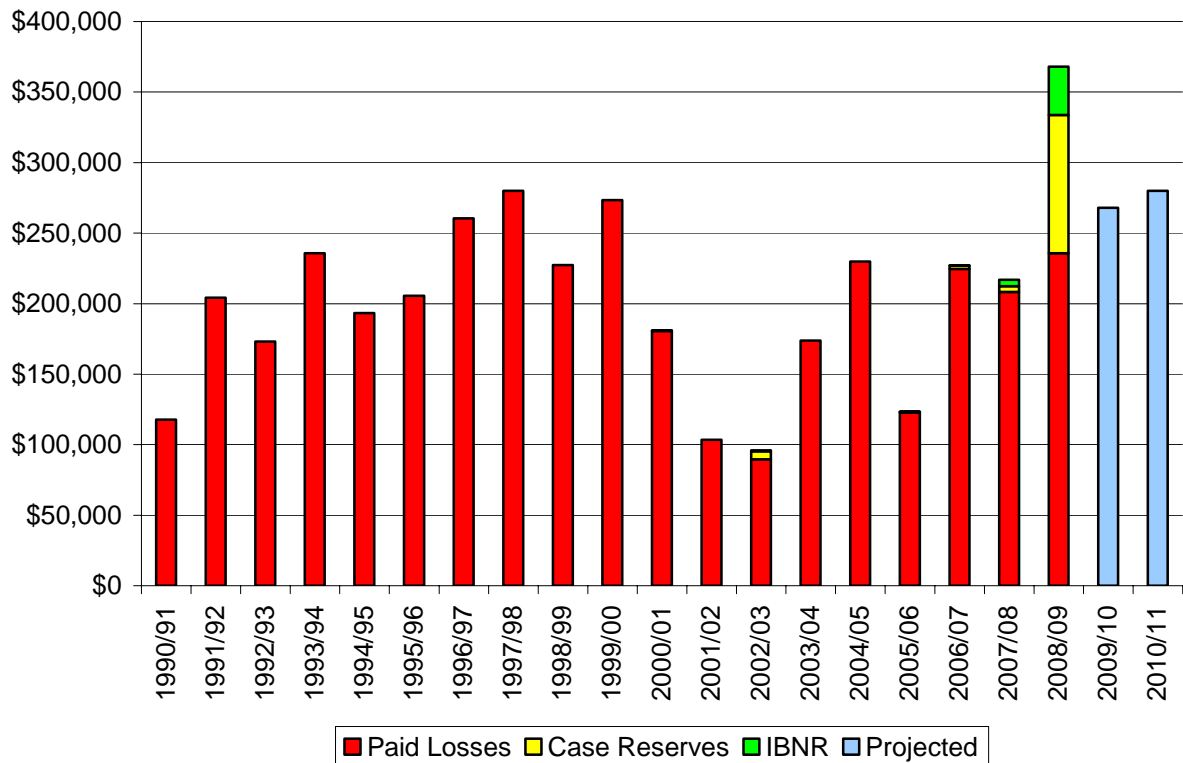
**Graph III-8
Frequency and Severity
(Property)**



Note: Frequency amounts are from Exhibit PR-8, Section I, column (7).
Severity amounts are based on Exhibits PR-8 and PR-9.

Graph III-9 shows the composition of the projected ultimate limited losses for property.

Graph III-9
Composition of Projected Ultimate Limited Losses
(Property)



Note: Amounts through 2008/09 are from Exhibit PR-11.
Amounts for 2009/10 and 2010/11 are from Exhibit PR-10.

A list of large claims with limited reported incurred losses \$25,000 or greater as of June 30, 2009 is as shown in Exhibit PR-14.

4. Size of Loss Distribution Analysis

Table III-4A shows the distribution of losses in various layers for workers compensation.

Table III-4A
Size of Loss Distribution
(Workers Compensation)

Layer (1)	Total Reported Claims (2)	Percent of Total (2)/Total(2) (3)	Cumulative Percent of Total (4)	Total Reported Incurred Losses (5)	Percent of Total (5)/Total(5) (6)	Cumulative Percent of Total (7)
(A) \$0 to \$5,000	4,475	91.3%	91.3%	\$2,387,429	9.6%	9.6%
(B) \$5,000 to \$10,000	148	3.0%	94.3%	1,005,917	4.0%	13.6%
(C) \$10,000 to \$25,000	129	2.6%	96.9%	2,076,430	8.3%	21.9%
(D) \$25,000 to \$50,000	63	1.3%	98.2%	2,279,908	9.1%	31.0%
(E) \$50,000 to \$100,000	46	0.9%	99.1%	3,266,251	13.1%	44.1%
(F) \$100,000 to \$250,000	26	0.5%	99.7%	3,782,733	15.1%	59.3%
(G) \$250,000 to \$500,000	12	0.2%	99.9%	3,799,796	15.2%	74.5%
(H) \$500,000 to \$750,000	1	0.0%	99.9%	515,273	2.1%	76.5%
(I) \$750,000 to \$1,000,000	0	0.0%	99.9%	0	0.0%	76.5%
(J) Over \$1,000,000	3	0.1%	100.0%	5,860,740	23.5%	100.0%
(K) Total (A) ... (J)	4,903	100%		\$24,974,478	100%	

Note: See Exhibit WC-16. Claim counts exclude claims with incurred value of \$0.

For workers' compensation, about 94% of the non-zero claims reported are below \$10,000 and represent about 14% of the incurred amounts. The remaining 6% of the claims consume about 86% of the incurred amounts.

A size of loss distribution by year and loss layer as of June 30, 2009 is as shown in Exhibit WC-16.

Table III-4B shows the distribution of losses in various layers for liability.

Table III-4B
Size of Loss Distribution
(Liability)

Layer (1)	Total Reported Claims (2)	Percent of Total (2)/Total(2) (3)	Cumulative Percent of Total (4)	Total Reported Incurred Losses (5)	Percent of Total (5)/Total(5) (6)	Cumulative Percent of Total (7)
(A) \$0 to \$5,000	1,853	90.3%	90.3%	\$1,572,814	23.8%	23.8%
(B) \$5,000 to \$10,000	95	4.6%	94.9%	686,004	10.4%	34.1%
(C) \$10,000 to \$50,000	86	4.2%	99.1%	1,961,971	29.6%	63.8%
(D) \$50,000 to \$100,000	11	0.5%	99.7%	766,644	11.6%	75.4%
(E) \$100,000 to \$250,000	4	0.2%	99.9%	499,848	7.6%	82.9%
(F) \$250,000 to \$350,000	2	0.1%	100.0%	594,601	9.0%	91.9%
(G) \$350,000 to \$400,000	0	0.0%	100.0%	0	0.0%	91.9%
(H) \$400,000 to \$500,000	0	0.0%	100.0%	0	0.0%	91.9%
(I) \$500,000 to \$1,000,000	1	0.0%	100.0%	536,306	8.1%	100.0%
(J) Over \$1,000,000	0	0.0%	100.0%	0	0.0%	100.0%
(K) Total (A) ... (J)	2,052	100%		\$6,618,188	100%	

Note: See Exhibit LI-15. Claim counts exclude claims with incurred value of \$0.

For liability, about 95% of the non-zero claims reported are below \$10,000 and represent about 34% of the incurred amounts. The remaining 5% of the claims consume about 66% of the incurred amounts.

A size of loss distribution by year and loss layer as of June 30, 2009 is as shown in Exhibit LI-15.

Table III-4C shows the distribution of losses in various layers for property.

Table III-4C
Size of Loss Distribution
(Property)

Layer (1)	Total Reported Claims (2)	Percent of Total (2)/Total(2) (3)	Cumulative Percent of Total (4)	Total Reported Incurred Losses (5)	Percent of Total (5)/Total(5) (6)	Cumulative Percent of Total (7)
(A) \$0 to \$5,000	1,648	89.5%	89.5%	\$1,828,289	43.1%	43.1%
(B) \$5,000 to \$10,000	132	7.2%	96.6%	932,467	22.0%	65.1%
(C) \$10,000 to \$50,000	58	3.1%	99.8%	969,146	22.9%	88.0%
(D) \$50,000 to \$100,000	3	0.2%	99.9%	230,974	5.4%	93.5%
(E) \$100,000 to \$250,000	0	0.0%	99.9%	0	0.0%	93.5%
(F) \$250,000 to \$350,000	1	0.1%	100.0%	277,387	6.5%	100.0%
(G) \$350,000 to \$400,000	0	0.0%	100.0%	0	0.0%	100.0%
(H) \$400,000 to \$500,000	0	0.0%	100.0%	0	0.0%	100.0%
(I) \$500,000 to \$1,000,000	0	0.0%	100.0%	0	0.0%	100.0%
(J) Over \$1,000,000	0	0.0%	100.0%	0	0.0%	100.0%
(K) Total (A) ... (J)	1,842	100%		\$4,238,263	100%	

Note: See Exhibit PR-15. Claim counts exclude claims with incurred value of \$0.

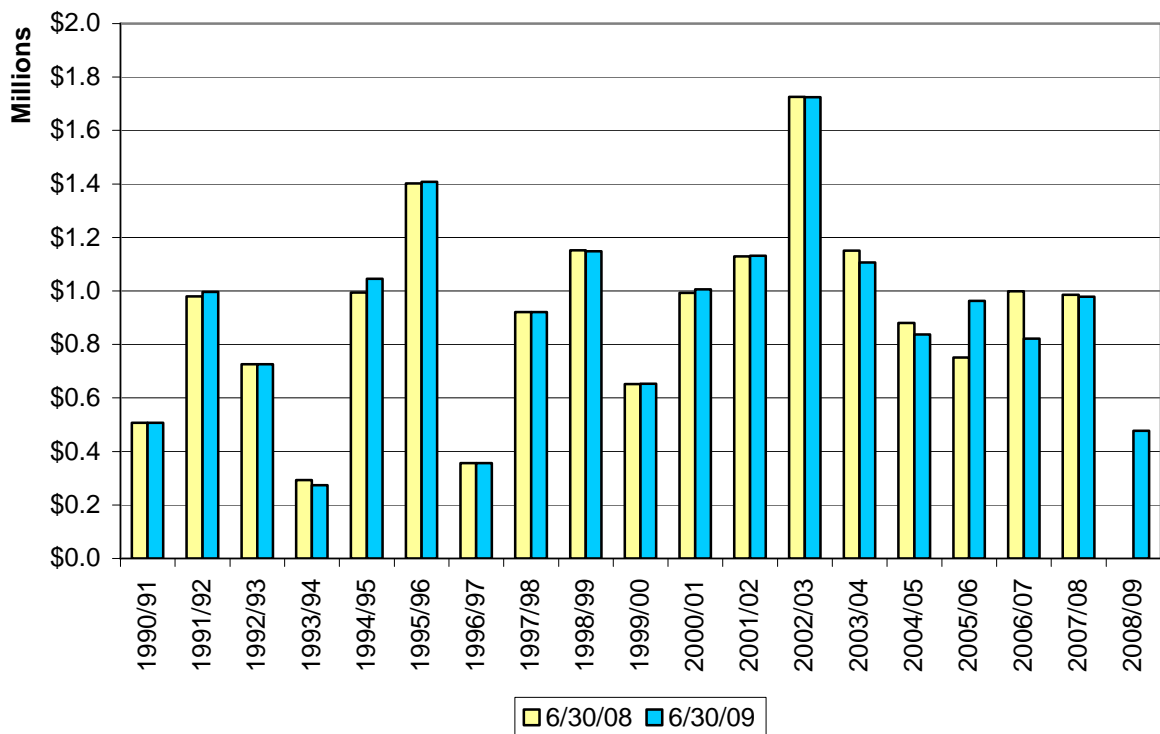
For property, about 97% of the non-zero claims reported are below \$10,000 and represent about 65% of the incurred amounts. The remaining 3% of the claims consume about 35% of the incurred amounts.

A size of loss distribution by year and loss layer as of June 30, 2009 is as shown in Exhibit PR-15.

5. Compare to the Previous Actuarial Study

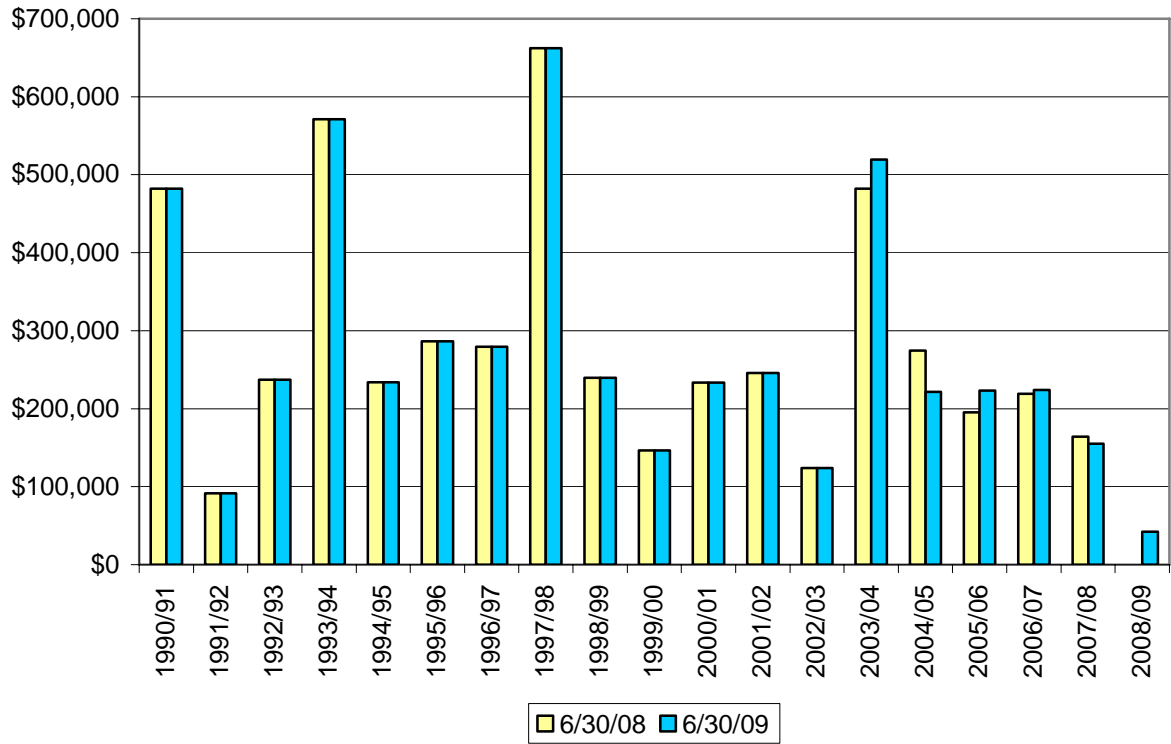
Graphs III-10, III-11 and III-12 are a comparison of the limited reported incurred losses by fiscal year of occurrence of the workers compensation, liability and property programs, respectively, from the previous study (report dated October 13, 2008) to the current study.

Graph III-10
Comparison of Limited Reported Incurred Losses
as of June 30, 2008 and June 30, 2009
(Workers Compensation)



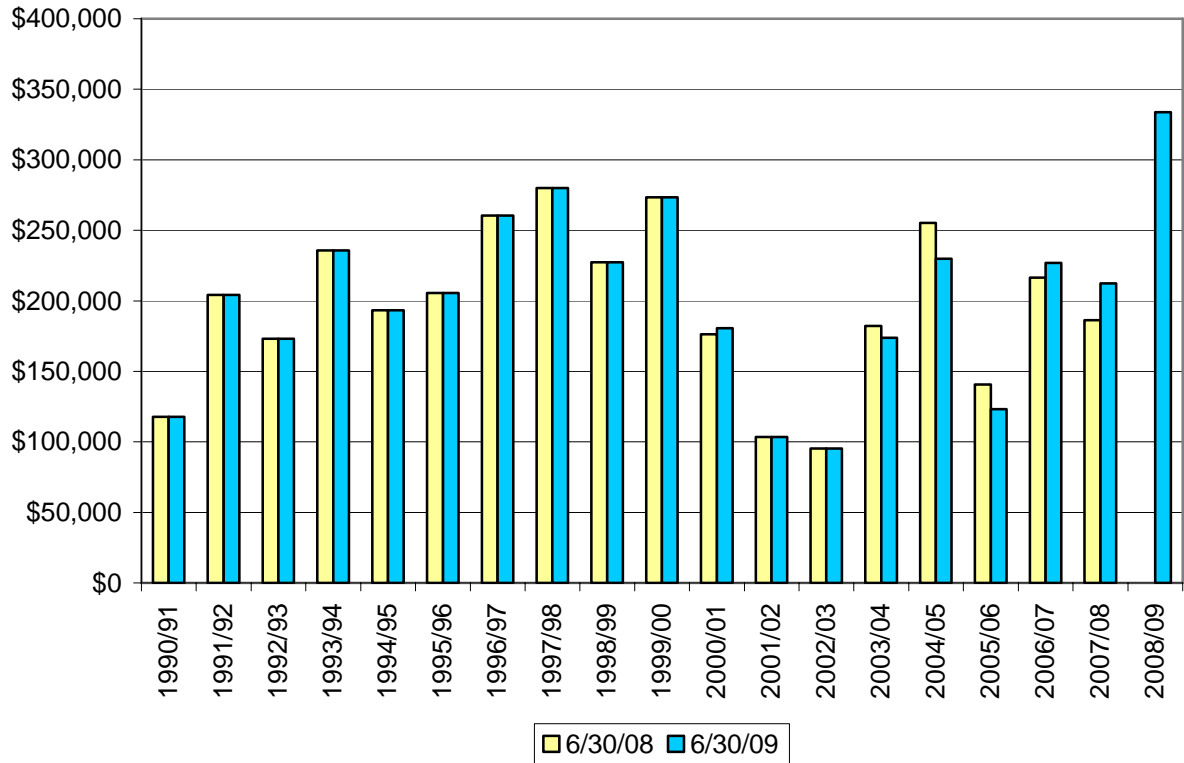
Note: Amounts as of June 30, 2008 are from the previous actuarial study.
Amounts as of June 30, 2009 are from Exhibit WC-1.

Graph III-11
Comparison of Limited Reported Incurred Losses
as of June 30, 2008 and June 30, 2009
(Liability)



Note: Amounts as of June 30, 2008 are from the previous actuarial study.
Amounts as of June 30, 2009 are from Exhibit LI-1.

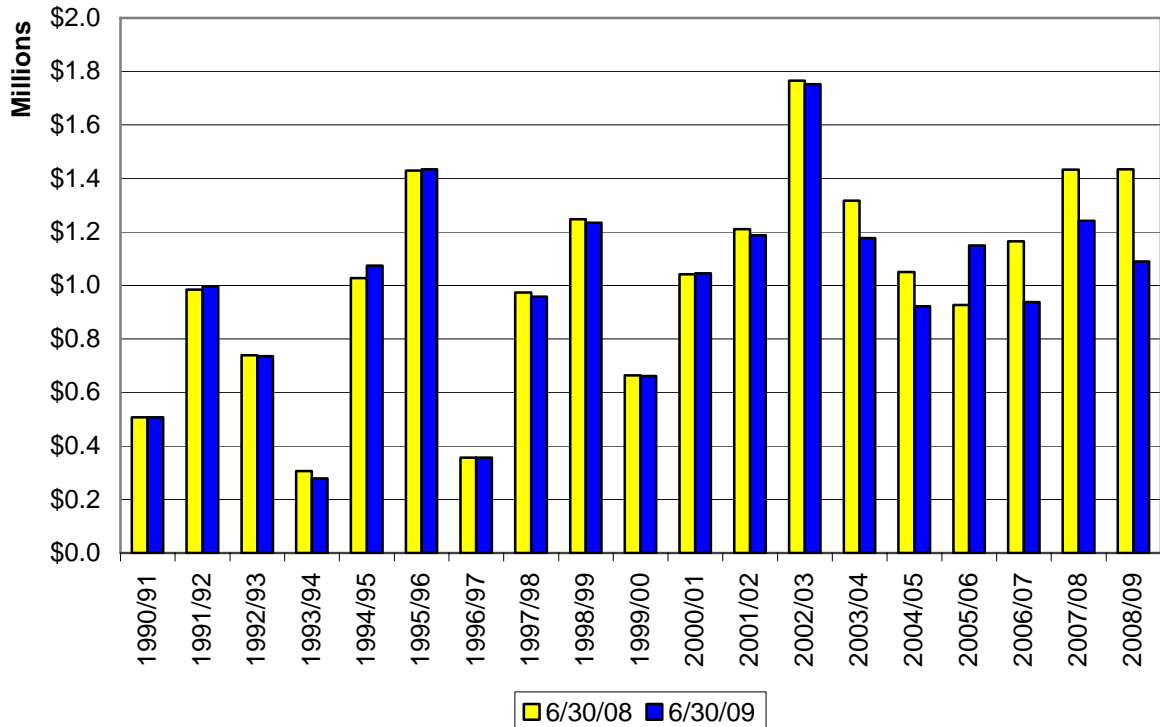
Graph III-12
Comparison of Limited Reported Incurred Losses
as of June 30, 2008 and June 30, 2009
(Property)



Note: Amounts as of June 30, 2008 are from the previous actuarial study.
Amounts as of June 30, 2009 are from Exhibit PR-1.

Graphs III-13, III-14 and III-15 are a comparison of the projected ultimate limited losses by fiscal year of occurrence of the workers compensation, liability and property programs, respectively, from the previous study to the current study.

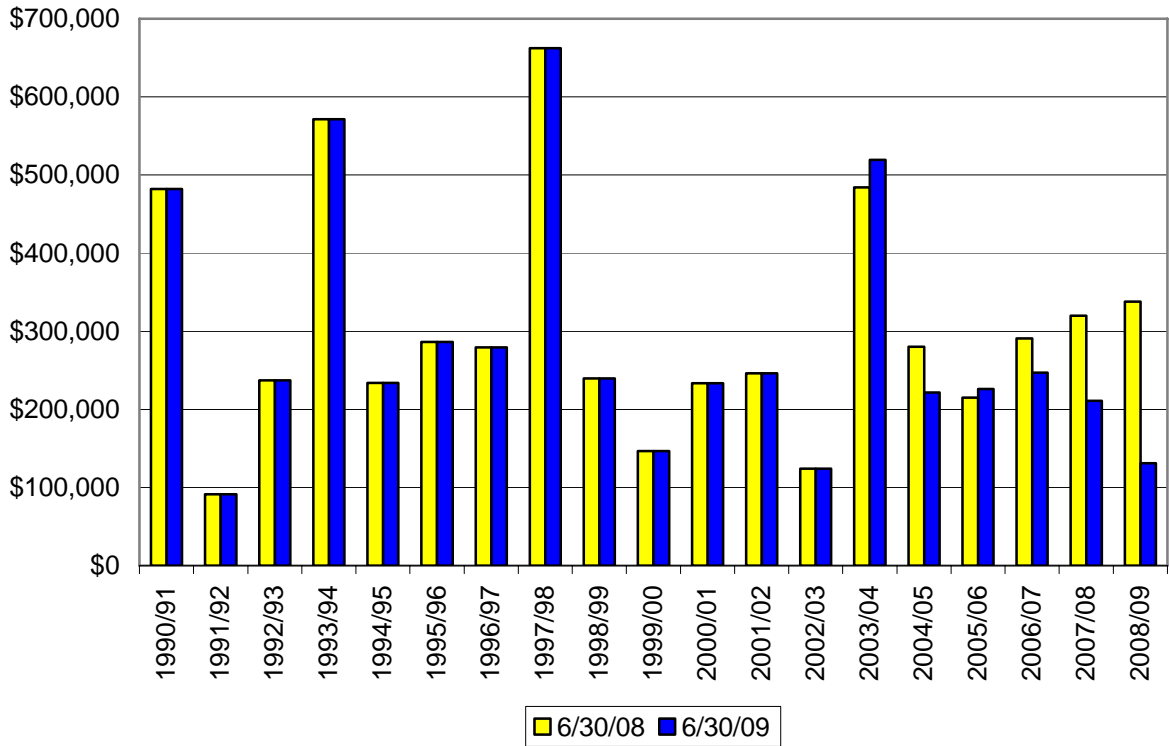
Graph III-13
Comparison of Projected Ultimate Limited Losses
as of June 30, 2008 and June 30, 2009
(Workers Compensation)



Note: Amounts as of June 30, 2008 are from the previous actuarial study.
Amounts as of June 30, 2009 are from Exhibit WC-9.

For all claims through 2007/08, the change in the projected ultimate limited losses from June 30, 2008 to June 30, 2009 was -2.1%.

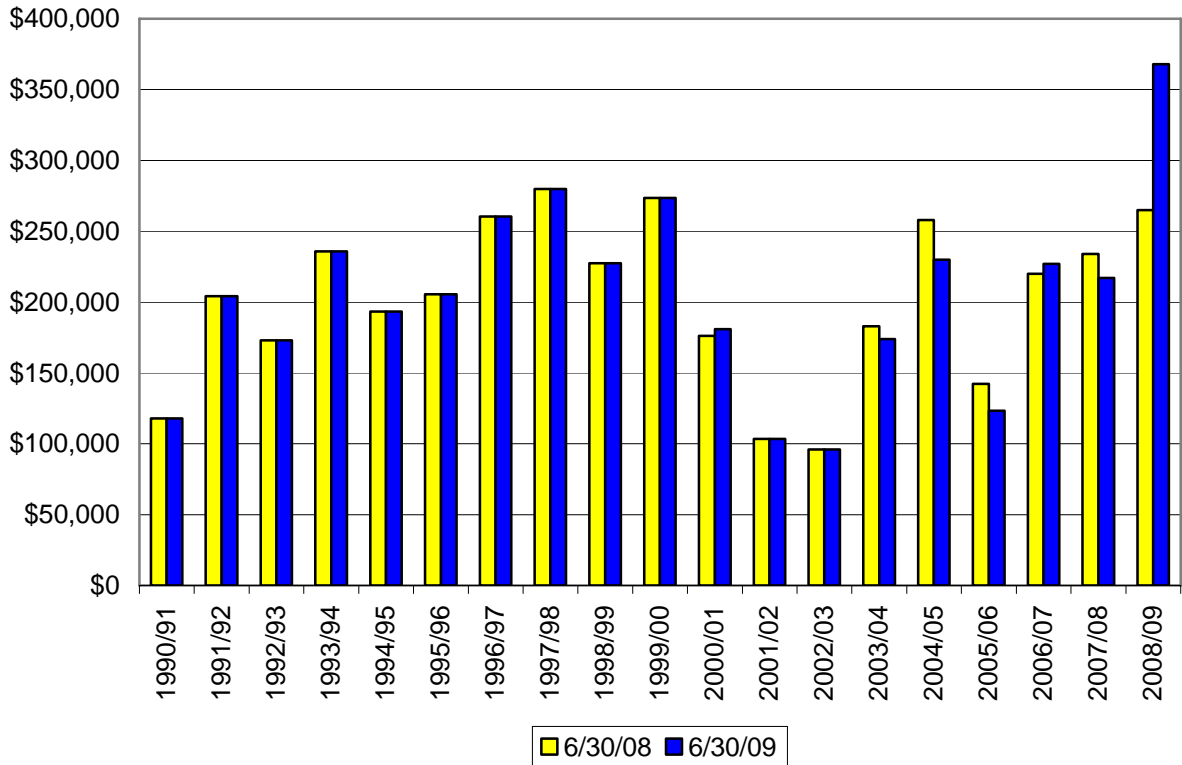
Graph III-14
Comparison of Projected Ultimate Limited Losses
as of June 30, 2008 and June 30, 2009
(Liability)



Note: Amounts as of June 30, 2008 are from the previous actuarial study.
Amounts as of June 30, 2009 are from Exhibit LI-9.

For all claims through 2007/08, the change in the projected ultimate limited losses from June 30, 2008 to June 30, 2009 was -2.3%.

Graph III-15
Comparison of Projected Ultimate Limited Losses
as of June 30, 2008 and June 30, 2009
(Property)



Note: Amounts as of June 30, 2008 are from the previous actuarial study.
Amounts as of June 30, 2009 are from Exhibit PR-9.

For all claims through 2007/08, the change in the projected ultimate limited losses from June 30, 2008 to June 30, 2009 was -1.6%.

7. Affirm GASB Statement No. 10 Compliance

We affirm the conclusions in this actuarial study are consistent with the disclosure requirements of GASB Statement No. 10.

Appendix A

Conditions and Limitations

Conditions and Limitations

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

- **Data Quality.** We relied upon data provided by the organization shown on the transmittal page or its designated agents. The data was used without verification or audit, other than checks for reasonableness. Unless otherwise stated, we assumed the data to be correct and complete.
- **Economic Environment.** Unless otherwise stated, we assumed the current economic conditions will continue in the foreseeable future.
- **Insurance Coverage.** Unless otherwise stated, we assumed no insurance coverage changes (including coverage provided by the organization to others) subsequent to the date this study was prepared. This includes coverage language, self-insured retention, limitations and similar issues.
- **Insurance Solvency.** Unless otherwise stated, we assumed all insurance purchased by the organization is from solvent sources payable in accordance with terms of the coverage document.
- **Interest Rate.** The exhibits specify the annual interest rate used.
- **Methodology.** In this study, different actuarial methods were applied. In some instances, the methods yield significantly disparate results. The estimates, projections and recommendations in this study reflect our judgments as to the best method or combination of methods that are most reliable and reflective of the exposure to loss.
- **Reproduction.** This study may only be reproduced in its entirety.
- **Risk and Variability.** Insurance is an inherently risky enterprise. Actual losses may vary significantly from our estimates, projections and recommendations. They may emerge higher or lower.

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

Appendix B
Glossary of Actuarial Terms

Glossary of Actuarial Terms

Actuarial Methods (Most Common)

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

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

The following describes each method:

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

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

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

The net effect is that total estimated costs are often revised upward over time. This normal process is called “reported incurred loss development.” Actuaries typically

review the development patterns of the recent past to make projections of the expected future loss development and, therefore, estimations of ultimate losses.

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

Actuary

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

Allocated Loss Adjustment Expenses

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

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

American Academy of Actuaries

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

Benefits

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

Casualty Actuarial Society

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

Claim

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

Claims Made

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

Composite Rate

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

Confidence Level

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

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

GASB Statement No. 10 requires public entities to use “expected” amounts as a liability in financial statements. Expected corresponds to approximately a 55% confidence level. Amounts above expected are prudent, but should be considered equity (not a liability).

Coverage

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

Credibility

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

Dates

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

Deductible

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

Disability

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

Dividend (Policyholder)

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

Estimated Outstanding Losses

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

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

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

Experience Rating

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

Exposure Data

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

- **Readily Available.** The exposure data should be easily obtained. It is best if it is a byproduct of other activities, although this is not always possible. If getting data is arduous, it may discourage collection.

- **Vary With Losses.** The exposure data should correlate directly with losses. The ideal situation is where exposure and expected losses move in tandem. The exposure base needs to be fitting to the coverage. For example, the number of employees may vary with property losses (more employees = more office space = more losses), but property value is a clearly superior exposure base for property losses.

Generally Accepted Accounting Principles (GAAP)

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

Incurred But Not Reported

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

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

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

Insurance Services Office (ISO)

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

Investment Income

The return received by entities from their investment portfolios, including interest, dividends and realized capital gains on stocks. Realized capital gains means the profit realized on assets that have actually been sold for more than their purchase price.

Limited

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

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

Loss Development

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

Manual Rates

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

National Council on Compensation Insurance (NCCI)

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

Net

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

Occurrence

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

Pool

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

Premium

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

Present Value

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

Probability

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

Projected Losses Paid

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

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

Projected Ultimate Losses

Projected ultimate losses are the accrual value of claims. They are the total amount that is expected to be paid in a particular claim period after all claims are closed. Projected ultimate

losses are the total loss costs for a particular period. They typically include indemnification and ALAE, but not ULAE.

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

Rate

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

Retrospective Rating

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

Salvage

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

Schedule Rating

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

Self-Insurance Retention (SIR)

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

Society of Actuaries (SOA)

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

Standard Premium

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

State Fund

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

Statutory Accounting Principles (SAP)

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

Unallocated Loss Adjustment Expenses

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

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

Appendix C

Exhibits

Exhibits

The attached exhibits detail our analysis.

CITY OF DAVENPORT, IOWA
WORKERS' COMPENSATION

Exhibit WC-1

Data Summary as of June 30, 2009

Claim Period (1)	Specific Self-Insured Retention (2)	Aggregate Retention (3)	Months of Development 6/30/09 (4)	Payroll (000) (5)	Reported Claims 6/30/09 (6)	Open Claims 6/30/09 (7)	Limited Paid Losses 6/30/09 (8)	Limited Case Reserves 6/30/09 (9)	Limited Reported Incurred Losses 6/30/09 (10)
to 1989/90	See notes	None	240.0	Not Provided	1,082	10	\$2,493,571	\$134,289	\$2,627,861
1990/91	300,000	None	228.0	24,906	190	1	506,942	0	506,942
1991/92	300,000	None	216.0	26,723	214	2	994,073	1,847	995,920
1992/93	350,000	None	204.0	28,047	216	4	688,317	37,360	725,677
1993/94	350,000	None	192.0	30,211	188	3	255,055	18,797	273,852
1994/95	350,000	None	180.0	32,753	243	7	949,928	95,794	1,045,722
1995/96	350,000	None	168.0	34,889	225	5	1,216,804	191,498	1,408,302
1996/97	350,000	None	156.0	32,634	215	0	356,307	0	356,307
1997/98	350,000	None	144.0	33,961	212	4	820,924	99,588	920,512
1998/99	350,000	None	132.0	35,189	174	3	926,542	221,946	1,148,488
1999/00	350,000	None	120.0	35,937	216	4	634,450	18,107	652,557
2000/01	350,000	None	108.0	38,978	224	5	929,511	76,979	1,006,490
2001/02	350,000	None	96.0	39,448	236	6	1,042,959	89,108	1,132,067
2002/03	350,000	None	84.0	40,800	221	2	1,456,017	268,764	1,724,780
2003/04	350,000	None	72.0	41,911	178	4	1,052,833	53,718	1,106,551
2004/05	350,000	None	60.0	42,491	203	4	790,338	46,791	837,129
2005/06	350,000	None	48.0	44,428	168	2	771,293	191,420	962,713
2006/07	350,000	None	36.0	46,277	164	7	789,130	32,196	821,326
2007/08	350,000	None	24.0	47,466	190	25	856,519	121,542	978,061
2008/09	750,000	None	12.0	50,967	144	65	297,892	178,800	476,691
Total					4,903	163	\$17,829,404	\$1,878,545	\$19,707,949

(6) excludes claims with \$0 incurred amounts.

* The retention changes are as follows:

Effective Date	Retention
07/01/85	\$300,000
07/01/87	325,000
07/01/89	400,000

(8), (9) and (10) are net of specific self insured retention.

Data was provided by the City.

Summary of Percent Losses Paid, Losses Reported and Claims Reported

Months of Development (1)	Percent Losses Paid (2)	Percent Losses Reported (3)	Percent Claims Reported (4)	Months of Development (5)	Percent Losses Paid (6)	Percent Losses Reported (7)	Percent Claims Reported (8)
360.0	100.0%	100.0%	100.0%	354.0	100.0%	100.0%	100.0%
348.0	100.0%	100.0%	100.0%	342.0	100.0%	100.0%	100.0%
336.0	99.9%	100.0%	100.0%	330.0	99.9%	100.0%	100.0%
324.0	99.9%	100.0%	100.0%	318.0	99.9%	100.0%	100.0%
312.0	99.9%	100.0%	100.0%	306.0	99.9%	100.0%	100.0%
300.0	99.8%	100.0%	100.0%	294.0	99.8%	100.0%	100.0%
288.0	99.8%	100.0%	100.0%	282.0	99.7%	100.0%	100.0%
276.0	99.7%	100.0%	100.0%	270.0	99.6%	100.0%	100.0%
264.0	99.5%	100.0%	100.0%	258.0	99.4%	100.0%	100.0%
252.0	99.3%	100.0%	100.0%	246.0	99.2%	99.9%	100.0%
240.0	99.0%	99.9%	100.0%	234.0	98.8%	99.8%	100.0%
228.0	98.5%	99.7%	100.0%	222.0	98.0%	99.6%	100.0%
216.0	97.5%	99.5%	100.0%	210.0	97.0%	99.3%	100.0%
204.0	96.5%	99.2%	100.0%	198.0	95.9%	99.1%	100.0%
192.0	95.4%	98.9%	100.0%	186.0	94.8%	98.8%	100.0%
180.0	94.1%	98.7%	100.0%	174.0	93.5%	98.5%	100.0%
168.0	92.8%	98.3%	100.0%	162.0	92.1%	98.0%	100.0%
156.0	91.4%	97.8%	100.0%	150.0	90.6%	97.5%	100.0%
144.0	89.8%	97.2%	100.0%	138.0	88.9%	96.8%	100.0%
132.0	88.0%	96.5%	100.0%	126.0	86.9%	96.0%	100.0%
120.0	85.8%	95.6%	100.0%	114.0	84.6%	94.9%	100.0%
108.0	83.3%	94.3%	100.0%	102.0	82.1%	93.6%	100.0%
96.0	80.9%	92.9%	100.0%	90.0	79.4%	92.0%	100.0%
84.0	77.8%	91.1%	100.0%	78.0	76.1%	90.0%	100.0%
72.0	74.5%	88.9%	100.0%	66.0	72.7%	87.2%	100.0%
60.0	70.9%	85.5%	100.0%	54.0	68.4%	83.8%	100.0%
48.0	66.0%	82.2%	100.0%	42.0	63.5%	80.4%	100.0%
36.0	61.1%	78.6%	100.0%	30.0	56.0%	75.1%	99.8%
24.0	50.9%	71.5%	99.5%	18.0	37.0%	61.3%	97.1%
12.0	23.1%	51.1%	94.8%	6.0	11.6%	25.5%	47.4%

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

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

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

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

CITY OF DAVENPORT, IOWA
WORKERS' COMPENSATION

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

I. Historical Limited Paid Losses (\$000)

Claim Period	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240
Months of Development:																				
to 1989/00																				
1990/01				227	243	\$1,623 #	\$1,662 #	\$1,832 #	\$1,904 #	\$1,806 #	\$1,049 #	\$2,060 #	\$2,088 #	\$2,161 #	\$2,231 #	\$2,276 #	\$2,308 #	\$2,400 #	\$2,420	\$2,494
1991/02			355	413	428	254	472	484	259	263	263	278	281	285	297	307	306	507	507	
1992/03			322	527	585	616	616	620	491	501	538	550	550	692	893	822	860	984		
1993/04		453	176	182	185	187	189	196	196	633	646	657	663	667	663	680	688			
1994/05	124	247	353	376	398	445	461	545	587	204	230	242	246	248	252	255				
1995/06	202	410	551	610	708	969	1,011	1,048	1,095	675	745	813	837	866	950					
1996/07	190	299	329	358	368	358	358	358	356	1,134	1,158	1,167	1,197	1,217						
1997/08	192	355	439	449	530	585	616	651	712	744	789	821	821							
1998/09	306	459	509	574	707	729	766	820	846	891	927									
1999/00	374	536	564	592	583	593	615	620	629	634										
2000/01	289	450	558	550	697	781	813	909	930											
2001/02	309	700	887	914	992	1,000	1,012	1,043												
2002/03	377	831	1,128	1,237	1,279	1,399	1,456													
2003/04	432	715	905	946	996	1,053														
2004/05	378	665	698	755	790															
2005/06	400	595	694	771																
2006/07	236	771	789																	
2007/08	230	857																		
2008/09	298																			

II. Limited Paid Loss Development

Claim Period	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-Ult
Months of Development:																				
to 1989/90																				
1990/91						1,024	1,102	1,039	0,949	0,581	1,964	1,014	1,035	1,032	1,020	1,014	1,040	1,009	1,030	
1991/92			1,163	1,073	1,043	0,999	1,021	1,001	1,015	1,000	1,058	1,008	1,375	1,314	1,000	0,998	1,002	1,000		
1992/93		1,151	1,011	1,038	1,068	1,014	1,023	1,016	1,019	1,074	1,023	1,257	1,038	1,244	1,032	1,041	1,036			
1993/94	1,417	1,035	1,017	1,010	1,035	1,004	1,004	1,020	1,004	1,016	1,017	1,009	1,007	0,984	1,026	1,012				
1994/95	1,432	1,064	1,059	1,116	1,036	1,036	0,987	1,040	1,131	1,024	1,026	1,018	1,007	1,016	1,013					
1995/96	2,031	1,344	1,106	1,161	1,369	1,182	1,077	1,109	1,038	1,103	1,093	1,028	1,035	1,097						
1996/97	1,575	1,099	1,088	1,000	1,000	1,000	1,036	1,045	1,035	1,022	1,008	1,025	1,017							
1997/98	1,847	1,238	1,022	1,180	1,103	1,053	0,995	1,001	1,000	0,999	1,001	1,000								
1998/99	1,499	1,108	1,129	1,232	1,030	1,051	1,057	1,095	1,045	1,060	1,040									
1999/00	1,436	1,051	1,050	0,985	1,017	1,037	1,007	1,032	1,054	1,039										
2000/01	1,558	1,239	0,987	1,266	1,120	1,041	1,119	1,022	1,009											
2001/02	2,266	1,267	1,031	1,085	1,008	1,013	1,030													
2002/03	2,202	1,358	1,096	1,034	1,094	1,041														
2003/04	1,654	1,265	1,046	1,052	1,058															
2004/05	1,761	1,050	1,081	1,047																
2005/06	1,488	1,167	1,111																	
2006/07	3,266	1,024																		
2007/08	3,723																			
2008/09																				

Average
All
Wtd 3
Last 3
Last 5
x-tiltlow

Similar	2,113	1,263	1,114	1,062	1,033	1,019	1,013	1,149	1,030	1,025	1,020	1,018	1,016	1,014	1,013	1,012	1,011	1,010	1,005	1,010
Selected	2,200	1,200	1,080	1,075	1,050	1,045	1,040	1,030	1,030	1,025	1,020	1,018	1,016	1,014	1,013	1,012	1,011	1,010	1,005	1,010
Cumulative	4,322	1,965	1,637	1,516	1,410	1,343	1,285	1,236	1,200	1,165	1,136	1,114	1,095	1,077	1,062	1,049	1,036	1,025	1,015	1,010
Percent	23.1%	50.9%	61.1%	66.0%	70.9%	74.5%	77.8%	80.9%	83.3%	85.8%	88.0%	89.9%	91.4%	92.8%	94.1%	95.4%	96.5%	97.5%	98.5%	99.0%

Amounts are limited (net of excess insurance).

Data was provided by the City.

CITY OF DAVENPORT, IOWA
WORKERS' COMPENSATION

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

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

Claim Period	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240
to 1989/00																				
1990/01				250	257	\$1,652 #	\$1,675 #	\$1,865 #	\$1,933 #	\$1,813 #	\$1,052 #	\$2,082 #	\$2,112 #	\$2,178 #	\$2,259 #	\$2,325 #	\$2,402 #	\$2,470 #	\$2,539 #	\$2,628
1991/02			386	434	431	267	261	259	259	276	263	295	295	394	394	507	506	507	507	
1992/03					611	616	473	805	529	529	560	561	561	838	832	893	972	980	986	
1993/04			608	631	194	196	198	623	643	637	650	677	682	693	693	717	726	726		
1994/05	259			200	401	445	379	197	251	253	258	277	283	287	293	274				
1995/06	389			401	445	463	555	605	669	727	856	870	985	994	1,046					
1996/07	318	474		648	864	1,279	1,303	1,300	1,202	1,374	1,363	1,391	1,402	1,408						
1997/08	282	306	346	368	358	358	358	356	356	356	356	356	356							
1997/08	280	451	465	482	561	655	680	669	818	905	921									
1998/09	525	611	636	694	929	992	1,018	1,053	1,136	1,151	1,148									
1999/00	517	616	611	598	595	608	627	648	652	653										
2000/01	419	504	608	660	707	893	951	993	1,006											
2001/02	417	822	922	973	1,017	1,121	1,129	1,132												
2002/03	1,168	1,527	1,707	1,675	1,919	1,727	1,725													
2003/04	594	917	982	1,270	1,151	1,107														
2004/05	553	719	889	880	837															
2005/06	479	685	751	963																
2006/07	555	999	821																	
2007/08	986	978																		
2008/09	477																			

II. Limited Reported Incurred Loss Development

Claim Period	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-Ult
to 1989/00																				
1990/01						1,014	1,113	1,036	0,938	0,580	1,979	1,015	1,031	1,037	1,029	1,033	1,028	1,028	1,035	
1991/02					1,039	0,978	0,991	1,001	1,064	0,954	1,122	1,000	1,394	1,286	1,000	0,988	1,002	1,000		
1992/03			1,125	0,983	1,065	1,011	1,702	1,067	1,000	1,059	1,000	1,495	0,983	1,074	1,088	1,008	1,017			
1993/04	0,856	1,038	1,000	0,969	1,007	1,004	1,008	1,008	0,990	1,020	1,042	1,021	1,002	1,035	1,034	1,000	1,017			
1994/05		0,902	0,925	1,050	1,006	1,014	0,985	1,270	1,008	1,019	1,076	1,022	1,015	1,052	0,934					
1995/06	1,008	0,943	1,058	1,109	1,042	1,197	1,092	1,106	1,085	1,178	1,017	1,132	1,009	1,062						
1996/07	1,488	1,369	1,027	1,283	1,497	1,019	0,988	0,924	1,143	1,007	1,006	1,000	1,005							
1997/08	1,083	1,132	1,063	0,972	1,000	1,000	0,986	1,000	1,000	0,999	1,001	1,000								
1997/08	1,611	1,032	1,058	1,139	1,168	1,038	1,223	1,107	1,104	0,998										
1998/09	1,165	1,040	1,092	1,338	1,068	1,025	1,034	1,079	1,014											
1999/00	1,193	0,991	0,979	0,995	1,022	1,030	1,034	1,006	1,001											
2000/01	1,201	1,207	1,086	1,072	1,263	1,064	1,044	1,014												
2001/02	1,872	1,122	1,055	1,046	1,102	1,007	1,003													
2002/03	1,308	1,117	1,293	0,906	0,961															
2003/04	1,544	1,071	1,293	0,989																
2004/05	1,301	1,237	0,989	0,951																
2005/06	1,429	1,096	1,282																	
2006/07	1,801	0,822																		
2007/08	0,992																			
2008/09																				

Average
All
Wtd 3
Last 3
Last 5
x-Hi/low

Similar	1,192	1,049	1,020	1,008	1,008	1,008	1,003	1,085	1,013	1,010	1,007	1,006	1,005	1,004 #	1,003	1,003	1,002	1,002	1,002	1,001
Previous	1,400	1,100	1,045	1,040	1,040	1,025	1,020	1,015	1,013	1,010	1,007	1,006	1,005	1,004 #	1,003	1,003	1,002	1,002	1,001	1,001
Selected	1,400	1,100	1,045	1,040	1,040	1,025	1,020	1,015	1,013	1,010	1,007	1,006	1,005	1,004 #	1,003	1,003	1,002	1,002	1,001	1,001
Cumulative	1,958	1,399	1,272	1,217	1,170	1,125	1,098	1,076	1,060	1,047	1,036	1,029	1,023	1,018	1,014	1,011	1,008	1,005	1,003	1,001
Percent	51.1%	71.5%	78.6%	82.2%	85.5%	88.9%	91.1%	92.9%	94.3%	95.6%	96.5%	97.2%	97.8%	98.3%	98.7%	98.9%	99.2%	99.5%	99.7%	99.9%

Amounts are limited (net of excess insurance).

Data was provided by the City.

CITY OF DAVENPORT, IOWA
WORKERS' COMPENSATION

Historical Reported Claims and Reported Claim Development

I. Historical Reported Claims

Claim Period	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240
to 1989/00																				
1990/01				288	288	288	288	288	288	288	288	288	288	288	288	288	288	288	288	288
1991/02			309	306	306	306	306	306	306	306	306	306	306	306	306	306	306	306	306	306
1992/03		306	273	273	273	273	273	273	273	273	273	273	273	273	273	273	273	273	273	273
1993/04	256	325	345	345	345	345	345	345	345	345	345	345	345	345	345	345	345	345	345	345
1994/05	325	342	336	336	336	336	336	336	336	336	336	336	336	336	336	336	336	336	336	336
1995/06	284	295	295	295	295	295	295	295	295	295	295	295	295	295	295	295	295	295	295	295
1996/07	283	288	288	288	288	288	288	288	288	288	288	288	288	288	288	288	288	288	288	288
1997/08	255	268	268	268	268	268	268	268	268	268	268	268	268	268	268	268	268	268	268	268
1998/09	213	213	213	213	213	213	213	213	213	213	213	213	213	213	213	213	213	213	213	213
1999/00	233	214	214	214	214	214	214	214	214	214	214	214	214	214	214	214	214	214	214	214
2000/01	218	220	220	220	220	220	220	220	220	220	220	220	220	220	220	220	220	220	220	220
2001/02	218	220	220	220	220	220	220	220	220	220	220	220	220	220	220	220	220	220	220	220
2002/03	155	177	177	177	177	177	177	177	177	177	177	177	177	177	177	177	177	177	177	177
2003/04	197	201	201	201	201	201	201	201	201	201	201	201	201	201	201	201	201	201	201	201
2004/05	164	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168	168
2005/06	157	163	163	163	163	163	163	163	163	163	163	163	163	163	163	163	163	163	163	163
2006/07	177	190	190	190	190	190	190	190	190	190	190	190	190	190	190	190	190	190	190	190
2007/08																				
2008/09																				

II. Reported Claim Development

Claim Period	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-Ult
to 1989/00																				
1990/01				1.000	1.000	1.000	1.000	1.000	0.856	0.494	2.363	1.000	0.923	0.988	0.988	1.000	1.002	0.999	0.999	
1991/02			1.003	1.000	1.000	1.000	0.987	1.000	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.990	1.000	1.000	
1992/03		1.000	1.000	1.000	1.000	1.000	1.000	0.987	1.000	1.000	1.000	1.000	1.000	0.991	1.000	1.000	1.000	1.000	1.000	
1993/04	1.066	1.000	1.000	1.000	1.000	0.974	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.005	1.000	1.000	1.000	1.000	1.000	
1994/05	1.062	1.000	1.000	1.003	0.936	1.000	1.000	1.000	1.000	1.027	0.995	0.995	1.011	1.000	1.000	1.000	1.000	1.000	1.000	
1995/06	1.065	0.982	1.000	0.967	1.000	1.000	1.000	1.056	0.964	0.982	0.996	1.025	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1996/07	1.039	1.000	0.990	1.000	1.000	1.000	1.024	0.991	1.000	1.005	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1997/08	1.018	0.972	1.000	1.001	1.005	1.044	0.967	1.030	1.034	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1998/09	1.051	1.004	1.000	1.006	1.030	0.977	0.994	1.000	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1999/00	1.016	1.005	1.000	1.005	0.995	1.000	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2000/01	1.094	1.005	1.042	0.973	1.000	1.018	1.009	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2001/02	1.099	1.013	0.992	1.000	1.009	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2002/03	1.009	0.991	1.000	1.014	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2003/04	1.142	1.006	0.989	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2004/05	1.020	1.000	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2005/06	1.024	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2006/07	1.038	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2007/08	1.073																			
2008/09																				

Average	1.051	0.998	1.002	0.999	0.998	1.001	0.999	1.003	0.990	0.943	1.179	1.004	0.991	0.999	1.002	1.000	0.997	0.997	0.999	
All	1.046	1.002	1.000	1.008	1.003	1.006	1.004	1.008	1.013	1.002	1.020	1.009	1.003	1.002	1.003	1.000	1.000	1.000	1.000	
Wtd 3	1.045	1.002	1.000	1.008	1.003	1.006	1.005	1.010	1.013	1.002	1.020	1.008	1.004	1.002	1.003	1.000	0.997	0.997	0.999	
Last 3	1.045	1.002	0.997	1.004	1.000	1.000	1.000	1.000	1.002	0.994	1.000	1.002	1.000	1.000	1.000	1.000	0.997	0.997	0.999	
x-HiLow																				
Similar																				
Previous	1.050	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Selected	1.050	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Cumulative	1.055	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Percent	94.8%	99.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

From 2001/02 and subsequent, claims with \$0 incurred amounts are excluded.

Data was provided by the City.

CITY OF DAVENPORT, IOWA
WORKERS' COMPENSATION

Historical Ratio of Limited Paid Losses and Limited Reported Incurred Losses

I. Ratio of Limited Paid Losses to Limited Reported Incurred Losses

Claim Period	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240
to 1989/00																				
1990/01				90.8%	94.7%	98.3%	99.2%	98.2%	98.5%	99.6%	99.7%	98.9%	98.9%	99.2%	98.7%	97.9%	96.1%	97.1%	95.3%	94.9%
1991/02				95.0%	99.3%	95.0%	97.1%	100.0%	100.0%	95.4%	100.0%	94.3%	95.0%	97.8%	100.0%	100.0%	100.0%	100.0%	100.0%	
1992/03			92.0%	95.0%	97.3%	100.0%	99.8%	60.0%	92.8%	94.6%	96.0%	98.2%	82.6%	86.3%	100.0%	94.9%	96.0%	98.0%	98.0%	
1993/04		74.6%	82.7%	100.0%	97.3%	99.4%	100.0%	99.6%	96.4%	93.7%	94.4%	97.0%	93.6%	96.3%	92.3%	83.7%	94.5%	98.0%	94.5%	
1994/05	47.9%	73.2%	90.9%	99.3%	96.2%	98.5%	98.2%	99.1%	81.2%	91.0%	91.5%	87.2%	86.9%	86.3%	85.9%	83.1%				
1995/06	61.9%	88.0%	99.3%	99.3%	100.0%	99.4%	98.2%	96.9%	97.1%	92.9%	87.0%	93.5%	84.9%	86.3%	85.9%					
1996/07	63.5%	86.6%	85.0%	91.5%	82.9%	75.7%	77.6%	80.6%	91.2%	82.5%	83.8%	83.9%	85.4%	87.1%	90.8%					
1997/08	67.3%	97.9%	95.0%	97.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	86.4%						
1998/09	68.7%	78.8%	94.5%	91.2%	94.5%	89.2%	90.5%	97.3%	87.1%	82.2%	85.7%	89.2%								
1999/00	58.4%	75.1%	80.0%	82.7%	76.1%	73.4%	75.2%	77.8%	74.5%	77.4%	80.7%									
2000/01	72.3%	87.0%	92.3%	99.0%	97.9%	97.5%	98.2%	95.6%	96.4%	97.2%										
2001/02	66.9%	89.4%	91.7%	83.4%	98.5%	87.4%	85.5%	91.6%	92.4%											
2002/03	74.1%	85.2%	96.2%	94.0%	97.5%	89.2%	89.7%	92.1%												
2003/04	32.3%	54.4%	66.1%	73.8%	66.7%	81.0%	84.4%													
2004/05	72.8%	78.0%	92.1%	74.5%	86.5%	95.1%														
2005/06	68.3%	92.5%	78.5%	85.8%	94.4%															
2006/07	83.4%	86.8%	92.5%	80.1%																
2007/08	42.5%	77.1%	96.1%																	
2008/09	23.3%	87.6%																		
2009/10	62.5%																			

Average
All
Last 3
Last 5
x-high

	60.5%	82.4%	89.1%	88.9%	92.2%	91.8%	92.5%	91.5%	92.5%	92.1%	92.4%	93.6%	91.2%	91.4%	94.7%	95.9%	97.2%	96.0%	97.6%	94.9%
	42.8%	83.8%	89.0%	80.1%	82.5%	88.5%	86.5%	93.1%	87.8%	85.6%	88.8%	91.0%	90.1%	86.6%	89.7%	93.9%	97.6%	99.0%		
	57.8%	84.1%	87.7%	80.1%	92.8%	90.6%	86.5%	93.1%	92.0%	87.3%	85.5%	90.0%	89.4%	86.6%	94.4%	95.5%	97.6%			
Implicit	45.3%	71.2%	77.7%	80.3%	83.0%	83.8%	85.4%	87.1%	88.4%	89.8%	91.2%	92.4%	93.5%	94.5%	95.4%	96.4%	97.3%	98.1%	98.8%	99.1%

CITY OF DAVENPORT, IOWA
WORKERS' COMPENSATION

Exhibit WC-3

Developed Limited Paid Losses

Claim Period (1)	Months of Development 6/30/09 (2)	Limited Paid Losses 6/30/09 (3)	Percent Losses Paid (4)	Developed Limited Paid Losses (3)/(4) (5)
to 1989/90	240.0	\$2,493,571	99.0%	\$2,518,507
1990/91	228.0	506,942	98.5%	510,057 *
1991/92	216.0	994,073	97.5%	1,011,565 *
1992/93	204.0	688,317	96.5%	713,321
1993/94	192.0	255,055	95.4%	267,447
1994/95	180.0	949,928	94.1%	1,008,997
1995/96	168.0	1,216,804	92.8%	1,310,957
1996/97	156.0	356,307	91.4%	389,979
1997/98	144.0	820,924	89.8%	914,513
1998/99	132.0	926,542	88.0%	1,052,988
1999/00	120.0	634,450	85.8%	739,059
2000/01	108.0	929,511	83.3%	1,115,254
2001/02	96.0	1,042,959	80.9%	1,288,914
2002/03	84.0	1,456,017	77.8%	1,871,355
2003/04	72.0	1,052,833	74.5%	1,414,053
2004/05	60.0	790,338	70.9%	1,114,572
2005/06	48.0	771,293	66.0%	1,145,708 *
2006/07	36.0	789,130	61.1%	1,068,987 *
2007/08	24.0	856,519	50.9%	1,345,186 *
2008/09	12.0	297,892	23.1%	1,287,626

* - Indicates large claim(s) limited to retention. For details, see Exhibit WC-15.

(3) is from Exhibit WC-1.

(4) is from Exhibit WC-2.

CITY OF DAVENPORT, IOWA
WORKERS' COMPENSATION

Exhibit WC-4

Developed Limited Reported Incurred Losses

Claim Period (1)	Months of Development 6/30/09 (2)	Limited Reported Incurred Losses 6/30/09 (3)	Percent Losses Reported (4)	Developed Limited Reported Incurred Losses (3)/(4) (5)
to 1989/90	240.0	\$2,627,861	99.9%	\$2,630,488
1990/91	228.0	506,942	99.7%	507,586 *
1991/92	216.0	995,920	99.5%	999,684 *
1992/93	204.0	725,677	99.2%	731,417
1993/94	192.0	273,852	98.9%	276,770
1994/95	180.0	1,045,722	98.7%	1,060,025
1995/96	168.0	1,408,302	98.3%	1,427,069 *
1996/97	156.0	356,307	97.8%	364,438
1997/98	144.0	920,512	97.2%	947,168
1998/99	132.0	1,148,488	96.5%	1,190,019
1999/00	120.0	652,557	95.6%	682,916
2000/01	108.0	1,006,490	94.3%	1,067,008
2001/02	96.0	1,132,067	92.9%	1,218,137
2002/03	84.0	1,724,780	91.1%	1,824,748 *
2003/04	72.0	1,106,551	88.9%	1,244,857
2004/05	60.0	837,129	85.5%	979,432
2005/06	48.0	962,713	82.2%	1,171,417
2006/07	36.0	821,326	78.6%	949,311 *
2007/08	24.0	978,061	71.5%	1,228,467 *
2008/09	12.0	476,691	51.1%	933,446

* - Indicates large claim(s) limited to retention. For details, see Exhibit WC-15.

(3) is from Exhibit WC-1.

(4) is from Exhibit WC-2.

CITY OF DAVENPORT, IOWA
WORKERS' COMPENSATION

Exhibit WC-5

Developed Limited Case Reserves

Claim Period (1)	Months of Development 6/30/09 (2)	Percent Losses Paid (3)	Percent Losses Reported (4)	Percent Losses Reserved 6/30/09 [(4)-(3)]/ [100.0%-(3)] (5)	Limited Paid Losses 6/30/09 (6)	Limited Case Reserves 6/30/09 (7)	Developed Limited Case Reserves (6)+(7)/(5) (8)
to 1989/90	240.0	99.0%	99.9%	89.9%	\$2,493,571	\$134,289	\$2,642,931
1990/91	228.0	98.5%	99.7%	79.1%	506,942	0	506,942
1991/92	216.0	97.5%	99.5%	78.1%	994,073	1,847	996,438
1992/93	204.0	96.5%	99.2%	77.6%	688,317	37,360	736,454
1993/94	192.0	95.4%	98.9%	77.3%	255,055	18,797	279,388
1994/95	180.0	94.1%	98.7%	77.0%	949,928	95,794	1,074,415
1995/96	168.0	92.8%	98.3%	75.7%	1,216,804	191,498	1,434,183 *
1996/97	156.0	91.4%	97.8%	74.2%	356,307	0	356,307
1997/98	144.0	89.8%	97.2%	72.5%	820,924	99,588	958,287
1998/99	132.0	88.0%	96.5%	70.9%	926,542	221,946	1,235,030 *
1999/00	120.0	85.8%	95.6%	68.6%	634,450	18,107	660,848
2000/01	108.0	83.3%	94.3%	65.9%	929,511	76,979	1,046,242
2001/02	96.0	80.9%	92.9%	63.0%	1,042,959	89,108	1,184,462
2002/03	84.0	77.8%	91.1%	60.0%	1,456,017	268,764	1,723,432 *
2003/04	72.0	74.5%	88.9%	56.5%	1,052,833	53,718	1,147,897
2004/05	60.0	70.9%	85.5%	50.1%	790,338	46,791	883,817
2005/06	48.0	66.0%	82.2%	47.7%	771,293	191,420	1,131,277 *
2006/07	36.0	61.1%	78.6%	45.1%	789,130	32,196	860,462
2007/08	24.0	50.9%	71.5%	41.9%	856,519	121,542	1,146,258
2008/09	12.0	23.1%	51.1%	36.3%	297,892	178,800	789,907

* - Indicates large claim(s) limited to retention. For details, see Exhibit WC-15.

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

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

CITY OF DAVENPORT, IOWA
WORKERS' COMPENSATION

Exhibit WC-6

Preliminary Projected Ultimate Limited Losses to 2008/09

Claim Period (1)	Developed Limited Paid Losses (2)	Developed Limited Reported Incurred Losses (3)	Developed Limited Case Reserves (4)	Preliminary Projected Ultimate Limited Losses (5)
to 1989/90	\$2,518,507	\$2,630,488	\$2,642,931	\$2,642,931
1990/91	510,057	507,586	506,942	506,942
1991/92	1,011,565	999,684	996,438	996,438
1992/93	713,321	731,417	736,454	736,454
1993/94	267,447	276,770	279,388	279,388
1994/95	1,008,997	1,060,025	1,074,415	1,074,415
1995/96	1,310,957	1,427,069	1,434,183	1,434,183
1996/97	389,979	364,438	356,307	356,307
1997/98	914,513	947,168	958,287	958,287
1998/99	1,052,988	1,190,019	1,235,030	1,235,030
1999/00	739,059	682,916	660,848	660,848
2000/01	1,115,254	1,067,008	1,046,242	1,046,242
2001/02	1,288,914	1,218,137	1,184,462	1,187,830
2002/03	1,871,355	1,824,748	1,723,432	1,751,657
2003/04	1,414,053	1,244,857	1,147,897	1,176,985
2004/05	1,114,572	979,432	883,817	922,063
2005/06	1,145,708	1,171,417	1,131,277	1,148,776
2006/07	1,068,987	949,311	860,462	937,707
2007/08	1,345,186	1,228,467	1,146,258	1,218,927
2008/09	1,287,626	933,446	789,907	1,032,056

(2) is from Exhibit WC-3.

(3) is from Exhibit WC-4.

(4) is from Exhibit WC-5.

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

Bornhuetter - Ferguson Analysis

I. A-priori Loss Rate

Claim Period (1)	Preliminary Projected Ultimate Limited Losses (2)	Payroll (000) (3)	Limited Loss Rate per \$100 of Payroll (2)/(3)/10 (4)	Loss Rate Trend (2009/10 = 1.000) (5)	Trended Limited Loss Rate per \$100 of Payroll (4)X(5) (6)	Projected A-priori Loss Rate per \$100 of Payroll (7)/(5) (8)
1999/00	\$660,848	\$35,937	\$1.84	1.343	\$2.47	\$1.93
2000/01	1,046,242	38,978	2.68	1.316	3.53	1.97
2001/02	1,187,830	39,448	3.01	1.264	3.81	2.05
2002/03	1,751,657	40,800	4.29	1.212	5.20	2.14
2003/04	1,176,985	41,911	2.81	1.187	3.33	2.18
2004/05	922,063	42,491	2.17	1.189	2.58	2.18
2005/06	1,148,776	44,428	2.59	1.171	3.03	2.21
2006/07	937,707	46,277	2.03	1.147	2.32	2.26
2007/08	1,218,927	47,466	2.57	1.124	2.89	2.30
2008/09	1,032,056	50,967	2.02	1.051	2.13	2.46

(7) Projected 2009/10 a-priori loss rate per \$100 of Payroll \$2.59

II. Bornhuetter - Ferguson Analysis Based on Limited Paid Losses

Claim Period (1)	Limited Paid Losses 6/30/09 (2)	Percent Losses Paid (3)	Projected A-priori Loss Rate per \$100 of Payroll (4)	Payroll (000) (5)	B-F Unpaid Losses [100.0%-(3)] X(4)X(5)X10 (6)	B-F Ultimate Limited Paid Losses (2)+(6) (7)
2004/05	\$790,338	70.9%	\$2.18	\$42,491	\$269,103	\$1,059,441
2005/06	771,293	66.0%	2.21	44,428	334,482	1,105,775
2006/07	789,130	61.1%	2.26	46,277	406,592	1,195,722
2007/08	856,519	50.9%	2.30	47,466	536,835	1,393,354
2008/09	297,892	23.1%	2.46	50,967	965,538	1,263,430

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

Claim Period (1)	Limited Reported Incurred Losses 6/30/09 (2)	Percent Losses Reported (3)	Projected A-priori Loss Rate per \$100 of Payroll (4)	Payroll (000) (5)	B-F Unreported Losses [100.0%-(3)] X(4)X(5)X10 (6)	B-F Ultimate Limited Reported Losses (2)+(6) (7)
2004/05	\$837,129	85.5%	\$2.18	\$42,491	\$134,402	\$971,531
2005/06	962,713	82.2%	2.21	44,428	175,078	1,137,791
2006/07	821,326	78.6%	2.26	46,277	223,075	1,044,401
2007/08	978,061	71.5%	2.30	47,466	311,639	1,289,700
2008/09	476,691	51.1%	2.46	50,967	614,659	1,091,350

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

Section I, (3), Section II, (5) and Section III, (5) are from Exhibit WC-10.

Section I, (5) is from Exhibit WC-14 and adjusted for change in retention.

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

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

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

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

Frequency Times Severity Analysis

I. Projected Ultimate Claims

Claim Period (1)	Months of Development 6/30/09 (2)	Reported Claims 6/30/09 (3)	Percent Claims Reported (4)	Projected Ultimate Claims (3)/(4) (5)	Payroll (000) (6)	Frequency (per \$1M of Payroll) (5)/(6)X1,000 (7)
1999/00	120.0	216	100.0%	216	\$35,937	6.01
2000/01	108.0	224	100.0%	224	38,978	5.75
2001/02	96.0	236	100.0%	236	39,448	5.98
2002/03	84.0	221	100.0%	221	40,800	5.42
2003/04	72.0	178	100.0%	178	41,911	4.25
2004/05	60.0	203	100.0%	203	42,491	4.78
2005/06	48.0	168	100.0%	168	44,428	3.78
2006/07	36.0	164	100.0%	164	46,277	3.54
2007/08	24.0	190	99.5%	191	47,466	4.02
2008/09	12.0	144	94.8%	152	50,967	2.98

II. Frequency Times Severity

Claim Period (1)	Preliminary Projected Ultimate Limited Losses (2)	Projected Ultimate Claims (3)	Average Severity (2)/(3) (4)	Severity Trend (2009/10 = 1.000) (5)	Trended Average Claim Severity (4)X(5) (6)	De-Trended Projected 2009/10 Average Claim Severity (7)/(5) (8)	Frequency Times Severity (3)X(8) (9)
1999/00	\$660,848	216	\$3,059	1.804	\$5,520	\$4,145	\$895,411
2000/01	1,046,242	224	4,671	1.717	8,018	4,357	976,048
2001/02	1,187,830	236	5,033	1.601	8,057	4,673	1,102,742
2002/03	1,751,657	221	7,926	1.490	11,813	5,019	1,109,103
2003/04	1,176,985	178	6,612	1.418	9,376	5,275	938,975
2004/05	922,063	203	4,542	1.379	6,263	5,425	1,101,214
2005/06	1,148,776	168	6,838	1.318	9,010	5,677	953,699
2006/07	937,707	164	5,718	1.254	7,167	5,967	978,589
2007/08	1,218,927	191	6,382	1.193	7,611	6,271	1,197,846
2008/09	1,032,056	152	6,790	1.082	7,347	6,912	1,050,636
(7) Projected 2009/10 average claim severity					\$7,480		

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

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

Section I, (6) is from Exhibit WC-10.

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

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

Section II, (5) is from Exhibit WC-14 and adjusted for change in retention.

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

CITY OF DAVENPORT, IOWA
WORKERS' COMPENSATION

Exhibit WC-9

Projected Ultimate Limited Losses to 2008/09

Claim Period (1)	Developed Limited Paid Losses (2)	Developed Limited Reported Incurred Losses (3)	Developed Limited Case Reserves (4)	B-F Ultimate Limited Paid Losses (5)	B-F Ultimate Limited Reported Losses (6)	Frequency Times Severity (7)	Projected Ultimate Limited Losses (8)
to 1989/90	\$2,518,507	\$2,630,488	\$2,642,931				\$2,643,000
1990/91	510,057	507,586	506,942				506,942
1991/92	1,011,565	999,684	996,438				996,105
1992/93	713,321	731,417	736,454				736,000
1993/94	267,447	276,770	279,388				279,000
1994/95	1,008,997	1,060,025	1,074,415				1,074,000
1995/96	1,310,957	1,427,069	1,434,183				1,434,000
1996/97	389,979	364,438	356,307				356,307
1997/98	914,513	947,168	958,287				958,000
1998/99	1,052,988	1,190,019	1,235,030				1,235,000
1999/00	739,059	682,916	660,848				661,000
2000/01	1,115,254	1,067,008	1,046,242				1,046,000
2001/02	1,288,914	1,218,137	1,184,462				1,188,000
2002/03	1,871,355	1,824,748	1,723,432				1,752,000
2003/04	1,414,053	1,244,857	1,147,897				1,177,000
2004/05	1,114,572	979,432	883,817	1,059,441	971,531	1,101,214	922,000
2005/06	1,145,708	1,171,417	1,131,277	1,105,775	1,137,791	953,699	1,149,000
2006/07	1,068,987	949,311	860,462	1,195,722	1,044,401	978,589	938,000
2007/08	1,345,186	1,228,467	1,146,258	1,393,354	1,289,700	1,197,846	1,242,000
2008/09	1,287,626	933,446	789,907	1,263,430	1,091,350	1,050,636	1,090,000

(2) is from Exhibit WC-3.

(3) is from Exhibit WC-4.

(4) is from Exhibit WC-5.

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

(7) is from Exhibit WC-8.

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

CITY OF DAVENPORT, IOWA
WORKERS' COMPENSATION

Exhibit WC-10

Projected Ultimate Limited Losses for 2009/10 and Subsequent

Claim Period (1)	Projected Ultimate Limited Losses (2)	Payroll (000) (3)	Limited Loss Rate per \$100 of Payroll (2)/(3)/10 (4)	Loss Rate Trend (2009/10 = 1.000) (5)	Trended Limited Loss Rate per \$100 of Payroll (4)X(5) (6)
1999/00	\$661,000	\$35,937	\$1.84	1.343	\$2.47
2000/01	1,046,000	38,978	2.68	1.316	3.53
2001/02	1,188,000	39,448	3.01	1.264	3.81
2002/03	1,752,000	40,800	4.29	1.212	5.20
2003/04	1,177,000	41,911	2.81	1.187	3.33
2004/05	922,000	42,491	2.17	1.189	2.58
2005/06	1,149,000	44,428	2.59	1.171	3.03
2006/07	938,000	46,277	2.03	1.147	2.33
2007/08	1,242,000	47,466	2.62	1.124	2.94
2008/09	1,090,000	50,967	2.14	1.051	2.25
Total	\$11,165,000	\$428,702	\$2.60		\$3.15

Claim Period (1)	Projected Limited Loss Rate per \$100 of Payroll (7)	Projected Payroll (000) (8)	Projected Ultimate Limited Losses (7)X(8)X10 (9)	Present Value Factor (10)	Present Value of Projected Limited Loss Rate per \$100 of Payroll (7)X(10) (11)	Present Value of Projected Ultimate Limited Losses (8)X(11)X10 (12)
2009/10	\$2.62	\$52,496	\$1,378,000	0.96	\$2.52	\$1,321,000
2010/11	2.68	54,070	1,447,000	0.96	2.57	1,388,000

(2) is from Exhibit WC-9.

(3) was provided by the City.

(5) is from Exhibit WC-14 and adjusted for change in retention.

(7) for 2009/10 is based on (6) and actuarial judgment.

(7) for 2010/11 and subsequent are based on 2009/10 plus the trend in Exhibit WC-14.

(8) is based on (3) for 2008/09 and a 3% trend.

(10) is based on a 1% interest rate and the payout pattern in Exhibit WC-2.

CITY OF DAVENPORT, IOWA
WORKERS' COMPENSATION

Exhibit WC-11

Estimated Outstanding Losses as of June 30, 2009

Claim Period (1)	Limited Paid Losses 6/30/09 (2)	Limited Case Reserves 6/30/09 (3)	Limited Reported Incurred Losses 6/30/09 (4)	Projected Ultimate Limited Losses (5)	Estimated IBNR 6/30/09 (5)-(4) (6)	Estimated Outstanding Losses 6/30/09 (3)+(6) (7)	Present Value Factor (8)	Present Value of Estimated Outstanding Losses 6/30/09 (7)X(8) (9)
to 1989/90	\$2,493,571	\$134,289	\$2,627,861	\$2,643,000	\$15,139	\$149,428	0.98	\$145,729
1990/91	506,942	0	506,942	506,942	0	0	0.98	0
1991/92	994,073	1,847	995,920	996,105	185	2,032	0.98	1,986
1992/93	688,317	37,360	725,677	736,000	10,323	47,683	0.98	46,543
1993/94	255,055	18,797	273,852	279,000	5,148	23,945	0.97	23,309
1994/95	949,928	95,794	1,045,722	1,074,000	28,278	124,072	0.97	120,392
1995/96	1,216,804	191,498	1,408,302	1,434,000	25,698	217,196	0.97	210,050
1996/97	356,307	0	356,307	356,307	0	0	0.96	0
1997/98	820,924	99,588	920,512	958,000	37,488	137,076	0.96	131,688
1998/99	926,542	221,946	1,148,488	1,235,000	86,512	308,458	0.96	295,403
1999/00	634,450	18,107	652,557	661,000	8,443	26,550	0.96	25,364
2000/01	929,511	76,979	1,006,490	1,046,000	39,510	116,489	0.95	111,043
2001/02	1,042,959	89,108	1,132,067	1,188,000	55,933	145,041	0.95	137,838
2002/03	1,456,017	268,764	1,724,780	1,752,000	27,220	295,984	0.95	280,748
2003/04	1,052,833	53,718	1,106,551	1,177,000	70,449	124,167	0.95	117,521
2004/05	790,338	46,791	837,129	922,000	84,871	131,662	0.94	124,311
2005/06	771,293	191,420	962,713	1,149,000	186,287	377,707	0.94	356,397
2006/07	789,130	32,196	821,326	938,000	116,674	148,870	0.94	140,217
2007/08	856,519	121,542	978,061	1,242,000	263,939	385,481	0.95	364,477
2008/09	297,892	178,800	476,691	1,090,000	613,309	792,109	0.96	758,387
Total	\$17,829,404	\$1,878,545	\$19,707,949	\$21,383,354	\$1,675,406	\$3,553,950		\$3,391,403

(2), (3) and (4) are net of specific self insured retention and aggregate retention.

(5) is from Exhibit WC-9.

(8) is based on a 1% interest rate and the payout pattern in Exhibit WC-2.

CITY OF DAVENPORT, IOWA
WORKERS' COMPENSATION

Exhibit WC-12

Projected Losses Paid July 1, 2009 to June 30, 2010

Claim Period (1)	Months of Development 6/30/09 (2)	Percent Losses Paid (3)	Months of Development 6/30/10 (4)	Percent Losses Paid (5)	Percent Outstanding Losses Paid 7/1/09 to 6/30/10 [(5)-(3)]/ [100.0%-(3)] (6)	Estimated Outstanding Losses 6/30/09 (7)	Projected Losses Paid (6)X(7) (8)	Estimated Outstanding Losses 6/30/10 (7)-(8) (9)	Present Value Factor (10)	Present Value of Estimated Outstanding Losses 6/30/10 (9)X(10) (11)
to 1989/90	240.0	99.0%	252.0	99.3%	30.0%	\$149,428	\$44,828	\$104,600	0.98	\$102,097
1990/91	228.0	98.5%	240.0	99.0%	33.2%	0	0	0	0.98	0
1991/92	216.0	97.5%	228.0	98.5%	39.7%	2,032	806	1,226	0.98	1,196
1992/93	204.0	96.5%	216.0	97.5%	29.9%	47,683	14,242	33,441	0.98	32,692
1993/94	192.0	95.4%	204.0	96.5%	24.3%	23,945	5,830	18,115	0.98	17,682
1994/95	180.0	94.1%	192.0	95.4%	20.9%	124,072	25,873	98,199	0.97	95,590
1995/96	168.0	92.8%	180.0	94.1%	18.5%	217,196	40,155	177,041	0.97	171,790
1996/97	156.0	91.4%	168.0	92.8%	16.8%	0	0	0	0.97	0
1997/98	144.0	89.8%	156.0	91.4%	15.6%	137,076	21,422	115,654	0.96	111,474
1998/99	132.0	88.0%	144.0	89.8%	14.8%	308,458	45,581	262,877	0.96	252,544
1999/00	120.0	85.8%	132.0	88.0%	15.2%	26,550	4,026	22,524	0.96	21,571
2000/01	108.0	83.3%	120.0	85.8%	15.0%	116,489	17,488	99,001	0.96	94,577
2001/02	96.0	80.9%	108.0	83.3%	12.7%	145,041	18,451	126,590	0.95	120,672
2002/03	84.0	77.8%	96.0	80.9%	14.0%	295,984	41,504	254,480	0.95	241,842
2003/04	72.0	74.5%	84.0	77.8%	13.1%	124,167	16,286	107,881	0.95	102,328
2004/05	60.0	70.9%	72.0	74.5%	12.2%	131,662	16,047	115,615	0.95	109,427
2005/06	48.0	66.0%	60.0	70.9%	14.5%	377,707	54,898	322,809	0.94	304,787
2006/07	36.0	61.1%	48.0	66.0%	12.6%	148,870	18,688	130,182	0.94	122,837
2007/08	24.0	50.9%	36.0	61.1%	20.7%	385,481	79,913	305,568	0.94	287,807
2008/09	12.0	23.1%	24.0	50.9%	36.1%	792,109	286,092	506,017	0.95	478,445
2009/10	0.0	0.0%	12.0	23.1%	23.1%	1,378,000	318,800	1,059,200	0.96	1,014,107
Total						\$4,931,950	\$1,070,930	\$3,861,020		\$3,683,465

(3) and (5) are from Exhibit WC-2.

(7) to 2008/09 is from Exhibit WC-11. The amount for 2009/10 is from Exhibit WC-10.

(10) is based on a 1% interest rate and the payout pattern in Exhibit WC-2.

CITY OF DAVENPORT, IOWA
WORKERS' COMPENSATION

Exhibit WC-13

Projected Losses Paid July 1, 2010 to June 30, 2011

Claim Period (1)	Months of Development 6/30/10 (2)	Percent Losses Paid (3)	Months of Development 6/30/11 (4)	Percent Losses Paid (5)	Percent Outstanding Losses Paid 7/1/10 to 6/30/11 [(5)-(3)]/ [100.0%-(3)] (6)	Estimated Outstanding Losses 6/30/10 (7)	Projected Losses Paid (6)X(7) (8)	Estimated Outstanding Losses 6/30/11 (7)-(8) (9)	Present Value Factor (10)	Present Value of Estimated Outstanding Losses 6/30/11 (9)X(10) (11)
to 1989/90	252.0	99.3%	264.0	99.5%	30.0%	\$104,600	\$31,380	\$73,220	0.98	\$71,545
1990/91	240.0	99.0%	252.0	99.3%	30.0%	0	0	0	0.98	0
1991/92	228.0	98.5%	240.0	99.0%	33.2%	1,226	407	819	0.98	799
1992/93	216.0	97.5%	228.0	98.5%	39.7%	33,441	13,272	20,169	0.98	19,676
1993/94	204.0	96.5%	216.0	97.5%	29.9%	18,115	5,411	12,704	0.98	12,419
1994/95	192.0	95.4%	204.0	96.5%	24.3%	98,199	23,908	74,291	0.98	72,514
1995/96	180.0	94.1%	192.0	95.4%	20.9%	177,041	36,919	140,122	0.97	136,399
1996/97	168.0	92.8%	180.0	94.1%	18.5%	0	0	0	0.97	0
1997/98	156.0	91.4%	168.0	92.8%	16.8%	115,654	19,455	96,199	0.97	93,034
1998/99	144.0	89.8%	156.0	91.4%	15.6%	262,877	41,082	221,795	0.96	213,778
1999/00	132.0	88.0%	144.0	89.8%	14.8%	22,524	3,328	19,196	0.96	18,441
2000/01	120.0	85.8%	132.0	88.0%	15.2%	99,001	15,011	83,990	0.96	80,435
2001/02	108.0	83.3%	120.0	85.8%	15.0%	126,590	19,005	107,585	0.96	102,777
2002/03	96.0	80.9%	108.0	83.3%	12.7%	254,480	32,373	222,107	0.95	211,723
2003/04	84.0	77.8%	96.0	80.9%	14.0%	107,881	15,128	92,753	0.95	88,147
2004/05	72.0	74.5%	84.0	77.8%	13.1%	115,615	15,164	100,451	0.95	95,280
2005/06	60.0	70.9%	72.0	74.5%	12.2%	322,809	39,343	283,466	0.95	268,293
2006/07	48.0	66.0%	60.0	70.9%	14.5%	130,182	18,921	111,261	0.94	105,049
2007/08	36.0	61.1%	48.0	66.0%	12.6%	305,568	38,358	267,210	0.94	252,134
2008/09	24.0	50.9%	36.0	61.1%	20.7%	506,017	104,900	401,117	0.94	377,803
2009/10	12.0	23.1%	24.0	50.9%	36.1%	1,059,200	382,559	676,641	0.95	639,772
2010/11	0.0	0.0%	12.0	23.1%	23.1%	1,447,000	334,763	1,112,237	0.96	1,064,886
Total						\$5,308,020	\$1,190,687	\$4,117,333		\$3,924,904

(3) and (5) are from Exhibit WC-2.

(7) to 2009/10 is from Exhibit WC-12, (9). The amount for 2010/11 is from Exhibit WC-10.

(10) is based on a 1% interest rate and the payout pattern in Exhibit WC-2.

Loss Rate and Severity Trend

I. Benefit Level Changes

Effective Date (1)	Benefit Level Change (2)	Cumulative Benefit Level Change (3)
07/01/99	1.001	1.001
07/01/00	1.001	1.001
07/01/01	1.001	1.002
01/01/02	1.018	1.020
01/24/02	1.024	1.044
07/01/02	1.001	1.045
07/01/03	1.001	1.045
07/01/04	1.001	1.046
09/07/04	0.974	1.018
07/01/05	1.001	1.019
07/01/06	1.001	1.019
07/01/07	1.000	1.020
07/01/08	1.001	1.020

II. Loss Rate and Severity Trend

Claim Period (1)	Benefit Trend (2009/10 = 1.000) (2)	Residual Trend (2009/10 = 1.000) (3)	Retention Index (2009/10 = 1.000) (4)	Loss Rate Trend (2009/10 = 1.000) (2)X(3)X(4) (5)	Wage Trend (2009/10 = 1.000) (6)	Severity Trend (2009/10 = 1.000) (5)X(6) (7)
1999/00	1.020	1.219	1.080	1.343	1.344	1.804
2000/01	1.019	1.195	1.080	1.316	1.305	1.717
2001/02	0.999	1.172	1.080	1.264	1.267	1.601
2002/03	0.977	1.149	1.080	1.212	1.230	1.490
2003/04	0.976	1.126	1.080	1.187	1.194	1.418
2004/05	0.997	1.104	1.080	1.189	1.159	1.379
2005/06	1.001	1.082	1.080	1.171	1.126	1.318
2006/07	1.001	1.061	1.080	1.147	1.093	1.254
2007/08	1.001	1.040	1.080	1.124	1.061	1.193
2008/09	1.000	1.020	1.030	1.051	1.030	1.082
2009/10	1.000	1.000	1.000	1.000	1.000	1.000
2010/11	1.000	0.980	1.000	0.980	0.971	0.952

Section I, (2) and (3) reflect NCCI data.

Section II, (2) is based on Section I, (2).

Section II, (3) is based on 2% trend per actuarial judgment.

Section II, (4) is based on industry statistics and actuarial judgment.

Section II, (6) is based on 3% trend.

CITY OF DAVENPORT, IOWA
WORKERS' COMPENSATION

Exhibit WC-15

List of Large Claims
Limited Reported Incurred Losses Greater Than or Equal to \$100,000

Claim Number (1)	Date of Loss (2)	Claim Period (3)	Specific Self-Insured Retention (4)	Limited Paid Losses 6/30/09 (5)	Limited Case Reserves 6/30/09 (6)	Limited Reported Incurred Losses 6/30/09 (7)
038-87-00164-01	3/30/1988	to 1989/90	\$325,000	\$118,947	\$19,169	\$138,116
038-87-00183-01	4/22/1988	to 1989/90	325,000	107,000	0	107,000
038-88-00083-01	12/16/1988	to 1989/90	325,000	212,196	55,888	268,083
038-88-00104-01	1/11/1989	to 1989/90	325,000	148,910	0	148,910
038-88-00200-01	5/8/1989	to 1989/90	325,000	137,571	0	137,571
038-88-00206-01	5/15/1989	to 1989/90	325,000	62,314	47,375	109,688
038-88-00269-01	7/16/1989	to 1989/90	400,000	107,331	637	107,968
038-89-00083-01	12/9/1989	to 1989/90	400,000	168,116	0	168,116
038-89-00229-01	7/9/1990	1990/91	300,000	300,000 *	0	300,000 *
038-91-00005-01	7/7/1991	1991/92	300,000	300,000 *	0	300,000 *
038-91-00249-01	4/22/1992	1991/92	300,000	257,740	1,847	259,587
038-92-00222-01	2/24/1993	1992/93	350,000	171,225	0	171,225
038-94-00102-01	10/14/1994	1994/95	350,000	163,089	21,040	184,129
038-94-00108-01	10/21/1994	1994/95	350,000	326,594	11	326,605
038-95-00015-01	7/25/1995	1995/96	350,000	50,284	55,013	105,297
038-95-00019-01	8/2/1995	1995/96	350,000	89,046	25,392	114,438
038-95-00046-01	8/30/1995	1995/96	350,000	239,299	110,701 *	350,000 *
038-95-00192-01	2/15/1996	1995/96	350,000	270,970	0	270,970
038-97-00269-01	6/15/1998	1997/98	350,000	256,287	50,369	306,656
038-98-00163-01	2/2/1999	1998/99	350,000	243,188	71,571	314,759
038-98-00196-01	4/5/1999	1998/99	350,000	168,022	132,203 *	300,225
038-99-00222-01	3/6/2000	1999/00	350,000	196,475	15,443	211,918
038-00-00077-01	10/4/2000	2000/01	350,000	183,888	70,804	254,692
038-00-00188-01	3/19/2001	2000/01	350,000	259,249	-330	258,919
038-01-00121-01	12/3/2001	2001/02	350,000	102,212	0	102,212
038-01-00150-01	1/13/2002	2001/02	350,000	92,927	16,761	109,688
038-01-00192-01	3/5/2002	2001/02	350,000	167,104	43,797	210,901
038-01-00261-01	6/5/2002	2001/02	350,000	120,000	0	120,000
038-02-00037-01	8/23/2002	2002/03	350,000	110,204	0	110,204
038-02-00110-01	11/18/2002	2002/03	350,000	243,038	106,962 *	350,000 *
038-02-00139-01	1/7/2003	2002/03	350,000	186,180	163,820 *	350,000 *
038-02-00214-01	3/31/2003	2002/03	350,000	119,476	-5	119,472
05-2540-179	4/12/2004	2003/04	350,000	74,466	47,182	121,649
05-2051-037	9/15/2004	2004/05	350,000	107,540	817	108,358
05-3031-125	2/8/2005	2004/05	350,000	73,096	52,252	125,348
06-3031-012	7/19/2005	2005/06	350,000	246,425 *	-3	246,422
06-1975-072	12/11/2005	2005/06	350,000	58,045	159,000 *	217,044
06-2031-074	1/3/2006	2005/06	350,000	115,501	39,630	155,131
07-3031-085	10/10/2006	2006/07	350,000	159,465	23,408	182,873
07-2051-148	6/25/2007	2006/07	350,000	350,000 *	0	350,000 *
08-1976-121	3/4/2008	2007/08	350,000	94,101	54,955	149,056
08-3031-165	6/12/2008	2007/08	350,000	350,000 *	0	350,000 *

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

(1) through (7) were provided by the City.

Size of Loss Distribution

I. Reported Claim Count

Layer (1)	Prior (2)	2004/05 (3)	2005/06 (4)	2006/07 (5)	2007/08 (6)	2008/09 (7)	Total (2)...(7) (8)	Non-Zero Claim Cumulative Total (9)	Non-Zero Claim Cumulative % of Total (10)
0	1,588	1	4	1	2	7	1,603		
0.01 - 5,000	3,710	174	153	149	172	117	4,475	4,475	91.3%
5,000 - 10,000	99	11	8	5	5	20	148	4,623	94.3%
10,000 - 25,000	104	11	2	5	4	3	129	4,752	96.9%
25,000 - 50,000	49	3	0	3	5	3	63	4,815	98.2%
50,000 - 100,000	39	2	2	0	2	1	46	4,861	99.1%
100,000 - 250,000	19	2	3	1	1	0	26	4,887	99.7%
250,000 - 500,000	12	0	0	0	0	0	12	4,899	99.9%
500,000 - 750,000	1	0	0	0	0	0	1	4,900	99.9%
750,000 - 1,000,000	0	0	0	0	0	0	0	4,900	99.9%
Over 1,000,000	1	0	0	1	1	0	3	4,903	100.0%
Total	5,622	204	172	165	192	151	6,506	4,903	

II. Total Reported Incurred Losses

Layer (1)	Prior (2)	2004/05 (3)	2005/06 (4)	2006/07 (5)	2007/08 (6)	2008/09 (7)	Total (2)...(7) (8)	Non-Zero Claim Cumulative Total (9)	Non-Zero Claim Cumulative % of Total (10)
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
0.01 - 5,000	1,785,788	138,757	119,274	78,086	127,685	137,840	2,387,429	2,387,429	9.6%
5,000 - 10,000	706,397	72,839	53,712	34,202	34,036	104,732	1,005,917	3,393,347	13.6%
10,000 - 25,000	1,717,137	142,198	28,682	76,509	62,154	49,750	2,076,430	5,469,776	21.9%
25,000 - 50,000	1,793,851	124,601	0	99,657	147,680	114,120	2,279,908	7,749,684	31.0%
50,000 - 100,000	2,821,074	125,030	142,448	0	107,450	70,250	3,266,251	11,015,936	44.1%
100,000 - 250,000	2,598,501	233,705	618,597	182,873	149,056	0	3,782,733	14,798,669	59.3%
250,000 - 500,000	3,799,796	0	0	0	0	0	3,799,796	18,598,465	74.5%
500,000 - 750,000	515,273	0	0	0	0	0	515,273	19,113,738	76.5%
750,000 - 1,000,000	0	0	0	0	0	0	0	19,113,738	76.5%
Over 1,000,000	1,186,026	0	0	2,218,714	2,456,000	0	5,860,740	24,974,478	100.0%
Total	\$16,923,843	\$837,129	\$962,713	\$2,690,040	\$3,084,061	\$476,691	\$24,974,478	\$24,974,478	

CITY OF DAVENPORT, IOWA
WORKERS' COMPENSATION

Exhibit WC-17

Comparison of Case Reserves from June 30, 2008 to June 30, 2009

Claim Period (1)	Limited Case Reserves 6/30/08 (2)	Limited Case Reserves 6/30/09 (3)	Change (3)-(2) (4)
to 1989/90	\$119,225	\$134,289	\$15,064
1990/91	0	0	0
1991/92	19,687	1,847	(17,840)
1992/93	45,646	37,360	(8,286)
1993/94	41,343	18,797	(22,546)
1994/95	128,576	95,794	(32,783)
1995/96	204,916	191,498	(13,418)
1996/97	0	0	0
1997/98	131,447	99,588	(31,859)
1998/99	259,976	221,946	(38,030)
1999/00	23,172	18,107	(5,065)
2000/01	83,371	76,979	(6,392)
2001/02	116,609	89,108	(27,501)
2002/03	327,475	268,764	(58,711)
2003/04	155,636	53,718	(101,917)
2004/05	124,966	46,791	(78,175)
2005/06	56,666	191,420	134,754
2006/07	228,249	32,196	(196,053)
2007/08	756,081	121,542	(634,539)
2008/09		178,800	178,800
Total	\$2,823,042	\$1,878,545	(\$944,497)

(2) is from Exhibit WC-1.

(3) is from the previous actuarial study as of June 30, 2008 (report dated October 13, 2008).

CITY OF DAVENPORT, IOWA
LIABILITY

Exhibit LI-1

Data Summary as of June 30, 2009

Claim Period (1)	Specific Self-Insured Retention (2)	Aggregate Retention (3)	Months of Development 6/30/09 (4)	Payroll (000) (5)	Reported Claims 6/30/09 (6)	Open Claims 6/30/09 (7)	Limited Paid Losses 6/30/09 (8)	Limited Case Reserves 6/30/09 (9)	Limited Reported Incurred Losses 6/30/09 (10)
to 1989/90	\$250,000	None	240.0	Not Provided	1,199	0	\$1,363,221	\$0	\$1,363,221
1990/91	250,000	None	228.0	24,906	238	0	482,085	0	482,085
1991/92	500,000	None	216.0	26,723	182	0	91,356	0	91,356
1992/93	500,000	None	204.0	28,047	213	0	237,010	0	237,010
1993/94	500,000	None	192.0	30,211	215	0	571,289	0	571,289
1994/95	500,000	None	180.0	32,753	176	0	233,785	0	233,785
1995/96	500,000	None	168.0	34,889	222	0	286,345	0	286,345
1996/97	500,000	None	156.0	32,634	239	0	279,326	0	279,326
1997/98	500,000	None	144.0	33,961	174	0	662,336	0	662,336
1998/99	500,000	None	132.0	35,189	225	0	239,524	0	239,524
1999/00	500,000	None	120.0	35,937	191	0	146,665	0	146,665
2000/01	500,000	None	108.0	38,978	172	0	233,559	0	233,559
2001/02	500,000	None	96.0	39,448	119	1	240,240	5,500	245,740
2002/03	500,000	None	84.0	40,800	83	0	123,939	0	123,939
2003/04	500,000	None	72.0	41,911	170	0	519,570	0	519,570
2004/05	500,000	None	60.0	42,491	136	0	221,503	0	221,503
2005/06	500,000	None	48.0	44,428	128	1	222,530	479	223,009
2006/07	500,000	None	36.0	46,277	160	2	222,373	1,830	224,203
2007/08	500,000	None	24.0	47,466	145	2	155,102	164	155,266
2008/09	500,000	None	12.0	50,967	54	3	37,318	4,834	42,152
Total					4,441	9	\$6,569,074	\$12,807	\$6,581,882

(8), (9) and (10) are net of specific self insured retention.

Data was provided by the City.

Summary of Percent Losses Paid, Losses Reported and Claims Reported

Months of Development (1)	Percent Losses Paid (2)	Percent Losses Reported (3)	Percent Claims Reported (4)	Months of Development (5)	Percent Losses Paid (6)	Percent Losses Reported (7)	Percent Claims Reported (8)
360.0	100.0%	100.0%	100.0%	354.0	100.0%	100.0%	100.0%
348.0	100.0%	100.0%	100.0%	342.0	100.0%	100.0%	100.0%
336.0	100.0%	100.0%	100.0%	330.0	100.0%	100.0%	100.0%
324.0	100.0%	100.0%	100.0%	318.0	100.0%	100.0%	100.0%
312.0	100.0%	100.0%	100.0%	306.0	100.0%	100.0%	100.0%
300.0	100.0%	100.0%	100.0%	294.0	100.0%	100.0%	100.0%
288.0	100.0%	100.0%	100.0%	282.0	100.0%	100.0%	100.0%
276.0	100.0%	100.0%	100.0%	270.0	100.0%	100.0%	100.0%
264.0	100.0%	100.0%	100.0%	258.0	100.0%	100.0%	100.0%
252.0	100.0%	100.0%	100.0%	246.0	100.0%	100.0%	100.0%
240.0	100.0%	100.0%	100.0%	234.0	100.0%	100.0%	100.0%
228.0	100.0%	100.0%	100.0%	222.0	100.0%	100.0%	100.0%
216.0	100.0%	100.0%	100.0%	210.0	100.0%	100.0%	100.0%
204.0	100.0%	100.0%	100.0%	198.0	100.0%	100.0%	100.0%
192.0	100.0%	100.0%	100.0%	186.0	100.0%	100.0%	100.0%
180.0	100.0%	100.0%	100.0%	174.0	100.0%	100.0%	100.0%
168.0	100.0%	100.0%	100.0%	162.0	100.0%	100.0%	100.0%
156.0	100.0%	100.0%	100.0%	150.0	100.0%	100.0%	100.0%
144.0	100.0%	100.0%	100.0%	138.0	100.0%	100.0%	100.0%
132.0	100.0%	100.0%	100.0%	126.0	100.0%	100.0%	100.0%
120.0	100.0%	100.0%	100.0%	114.0	100.0%	100.0%	100.0%
108.0	100.0%	100.0%	100.0%	102.0	99.9%	100.0%	100.0%
96.0	99.8%	100.0%	100.0%	90.0	99.5%	100.0%	100.0%
84.0	99.2%	100.0%	100.0%	78.0	98.8%	100.0%	100.0%
72.0	98.4%	100.0%	100.0%	66.0	97.7%	100.0%	100.0%
60.0	97.0%	100.0%	100.0%	54.0	93.6%	99.5%	100.0%
48.0	90.2%	99.0%	100.0%	42.0	81.2%	96.7%	99.8%
36.0	72.2%	94.3%	99.5%	30.0	63.8%	86.4%	98.5%
24.0	55.5%	78.6%	97.6%	18.0	43.2%	69.5%	93.1%
12.0	30.8%	60.4%	88.7%	6.0	15.4%	30.2%	44.3%

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

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

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

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

CITY OF DAVENPORT, IOWA
LIABILITY

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

I. Historical Limited Paid Losses (\$000)

Claim Period	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240
Months of Development:																				
to 1989/90				474	482	\$1,202	\$1,202	\$1,262	\$1,263	\$1,086	\$925	\$1,263	\$1,263	\$1,263	482	\$734	\$1,263	\$1,268	\$1,353	\$1,363
1990/91			74	90	91	482	482	482	482	91	91	482	482	482	91	91	482	482	482	
1991/92		200	235	237	237	231	231	237	237	237	237	573	571	235	237	237	237	91	91	
1992/93		131	173	516	571	231	231	237	237	237	237	573	571	235	237	237	237	91	91	
1993/94	98	100	132	234	234	234	234	234	234	234	234	234	234	234	234	234	234	234	234	
1994/95	68	134	225	283	285	286	286	286	286	286	286	286	286	286	286	286	286	286	286	
1995/96	67	134	225	283	285	286	286	286	286	286	286	286	286	286	286	286	286	286	286	
1996/97	79	244	257	262	278	278	279	279	279	279	279	279	279	279	279	279	279	279	279	
1997/98	76	105	131	636	699	699	699	662	662	662	662	662	662	662	662	662	662	662	662	
1998/99	98	155	168	217	238	238	240	240	240	240	240	240	240	240	240	240	240	240	240	
1999/00	77	114	132	144	144	144	144	147	147	147	147	147	147	147	147	147	147	147	147	
2000/01	103	158	204	165	225	225	225	234	234	234	234	234	234	234	234	234	234	234	234	
2001/02	50	108	108	124	235	240	240	240	240	240	240	240	240	240	240	240	240	240	240	
2002/03	54	166	87	109	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	
2003/04	13	15	94	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	
2004/05	223	195	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	
2005/06	223	195	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	
2006/07	109	217	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	
2007/08	150	155	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	
2008/09	37	155	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	222	

II. Limited Paid Loss Development

Claim Period	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-Ult
Months of Development:																				
to 1989/90																				
1990/91			1,018	1,017	1,000	1,000	1,050	1,000	0,860	0,759	1,531	1,000	1,000	1,000	1,000	1,720	1,004	1,067	1,007	
1991/92			1,017	1,017	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1992/93		1,176	1,008	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1993/94	1,338	1,320	2,976	1,107	1,000	1,000	1,027	1,000	1,000	1,000	1,000	1,000	1,008	1,000	1,000	1,000	1,000	1,000	1,000	
1994/95	1,469	1,320	1,771	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	0,997	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1995/96	1,987	1,683	1,258	1,008	1,005	1,000	1,000	1,000	1,000	1,000	1,000	0,997	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1996/97	3,082	1,054	1,019	1,061	1,000	1,005	1,000	1,000	1,000	1,000	1,000	0,997	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1997/98	1,383	1,243	4,862	1,099	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1998/99	1,579	1,084	1,288	1,097	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1999/00	1,492	1,154	1,535	1,095	1,000	1,037	1,015	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2000/01	2,181	1,288	1,424	1,424	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2001/02			1,255	1,133	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2002/03			1,058	1,000	1,106	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2003/04		2,668	6,390	2,357	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2004/05	1,171	6,390	2,357	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2005/06	0,873	1,000	1,144	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2006/07	1,992	1,027	1,027	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2007/08	1,034	1,034	1,034	1,034	1,034	1,034	1,034	1,034	1,034	1,034	1,034	1,034	1,034	1,034	1,034	1,034	1,034	1,034	1,034	
2008/09																				

Average
All
Wtd 3
Last 3
Last 5
x-tilt

Similar	2,000	1,575	1,325	1,190	1,100	1,075	1,045	1,030	1,025	1,130	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Previous	1,800	1,300	1,250	1,075	1,015	1,008	1,006	1,002	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Selected	1,800	1,300	1,250	1,075	1,015	1,008	1,006	1,002	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Cumulative	3,243	1,802	1,386	1,109	1,031	1,016	1,008	1,002	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Percent	30.8%	55.5%	72.2%	90.2%	97.0%	98.4%	99.2%	99.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Amounts are limited (net of excess insurance).

Data was provided by the City.

CITY OF DAVENPORT, IOWA
LIABILITY

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

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

Claim Period	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240
to 1989/00																				
1990/01				481	482	482	\$1,202 #	\$1,262 #	\$1,263 #	\$1,086 #	\$925 #	\$1,263 #	\$1,263 #	\$1,263 #	\$529 #	\$734 #	\$1,263 #	\$1,268 #	\$1,353	\$1,363
1991/02			110	114	91	482	482	482	482	482	482	482	482	482	482	482	482	482	482	
1992/03		255	278	237	237	231	91	91	91	91	91	91	91	91	91	91	91	91	91	
1993/04	155	286	367	596	571	571	231	237	237	237	237	237	235	237	237	237	237	237	237	
1994/05	210	230	300	367	234	234	571	571	571	571	571	571	571	571	571	571	571	571	571	
1995/06	302	309	525	446	290	286	234	234	234	286	286	286	286	286	286	286	286	286	286	
1996/07	196	286	294	279	287	282	282	282	279	279	279	279	279	279	279	279	279	279	279	
1997/08	266	151	1,875	719	699	699	662	662	662	662	662	662	662	662	662	662	662	662	662	
1998/09	219	230	255	271	271	144	144	147	147	147	147	147	147	147	147	147	147	147	147	
1999/00	185	165	145	145	225	225	234	234	234	234	234	234	234	234	234	234	234	234	234	
2000/01	235	281	281	247	247	247	246	246	246	246	246	246	246	246	246	246	246	246	246	
2001/02	209	209	281	247	247	247	124	124	124	124	124	124	124	124	124	124	124	124	124	
2002/03	112	112	94	117	482	482	520													
2003/04		195	467	482	482	482	520													
2004/05	26	20	152	274	222															
2005/06	223	202	195	223																
2006/07	164	219	224																	
2007/08	164	155																		
2008/09	42																			

II. Limited Reported Incurred Loss Development

Claim Period	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-Ult
to 1989/00																				
1990/01			1,038	1,002	1,000	1,000	1,050	1,000	0,860	0,759	1,531	1,000	1,000	0,419	1,388	1,720	1,004	1,067	1,007	
1991/02		1,089	0,853	0,800	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1992/03		1,243	1,000	0,974	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1993/04	1,902	1,089	0,853	0,800	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1994/05	1,094	1,305	0,822	0,947	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1995/06	1,024	1,697	0,850	0,650	0,987	1,000	1,000	1,000	1,000	1,000	1,000	0,997	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1996/07	1,464	1,028	0,948	1,027	0,984	1,000	1,000	1,000	1,000	1,000	1,000	0,997	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1997/08	0,570	12,380	0,384	0,971	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1998/09	1,051	1,106	1,064	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1999/00	0,889	0,880	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2000/01	1,195	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2001/02	1,000		1,236	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2002/03			1,032	1,063	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2003/04		2,400	1,032	1,000	1,077	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2004/05	0,771	7,722	1,804	0,807	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2005/06	0,906	0,964	1,143																	
2006/07	1,337	1,024																		
2007/08	0,946																			
2008/09																				

Average	1,088	2,603	1,061	0,940	1,001	1,003	1,008	1,000	0,984	0,970	1,076	0,999	1,002	0,884	1,078	1,180	1,001	1,034	1,007	
All	1,046	1,296	1,203	0,948	1,042	1,014	1,004	1,000	1,000	1,000	1,000	0,999	1,000	1,000	1,000	1,000	1,003	1,000	1,000	
Wtd 3	1,063	3,237	1,326	0,957	1,024	1,012	1,005	1,000	1,000	1,000	1,000	0,999	1,001	1,000	1,000	1,000	1,001	1,000	1,000	
Last 3																				
Last 5																				
x-tilt,low																				
Similar	1,650	1,285	1,165	1,080	1,050	1,040	1,030	1,015	1,012	1,090	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
Previous	1,300	1,200	1,050	1,010	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
Selected	1,300	1,200	1,050	1,010	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
Cumulative	1,654	1,273	1,061	1,010	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
Percent	60.4%	78.6%	94.3%	99.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Amounts are limited (net of excess insurance).

Data was provided by the City.

CITY OF DAVENPORT, IOWA
LIABILITY

Historical Reported Claims and Reported Claim Development

I. Historical Reported Claims

Claim Period	12	24	36	48	Months of Development:	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240
to 1989/00																					
1990/01				250	1,215.0	250	1,215.0	250	1,215.0	1,215.0	993.0	557.0	1,181.0	1,181.0	1,180.0	844.0	336.0	1,181.0	1,187.0	1,198.0	1,199.0
1991/02			188	189	188	189	188	188	188	183	183	183	236	236	182	238	182	238	238	238	238
1992/03		230	231	231	225	225	225	225	216	216	216	216	183	183	182	182	182	182	182	182	182
1993/04	194	220	224	224	225	225	225	225	216	216	216	216	213	213	213	213	213	213	213	213	213
1994/05	181	203	206	205	205	205	205	177	176	176	176	176	215	215	215	215	215	215	215	215	215
1995/06	198	227	231	231	228	228	228	243	225	225	222	222	222	222	222	222	222	222	222	222	222
1996/07	247	264	266	241	243	243	243	174	174	174	174	174	239	239	239	239	239	239	239	239	239
1997/08	159	176	175	175	175	175	175	186	186	186	186	186	191	191	191	191	191	191	191	191	191
1998/09	216	225	228	227	227	227	227	167	167	167	167	167	172	172	172	172	172	172	172	172	172
1999/00	166	183	184	185	185	185	185	186	186	186	186	186	191	191	191	191	191	191	191	191	191
2000/01	147	164	168	168	168	168	168	171	171	171	171	171	172	172	172	172	172	172	172	172	172
2001/02	96	113	113	113	113	113	113	119	119	119	119	119	119	119	119	119	119	119	119	119	119
2002/03	59	72	74	74	74	74	74	83	83	83	83	83	83	83	83	83	83	83	83	83	83
2003/04		144	145	170	170	170	170	170	170	170	170	170	170	170	170	170	170	170	170	170	170
2004/05	48	52	135	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136	136
2005/06	98	126	127	128	128	128	128	128	128	128	128	128	128	128	128	128	128	128	128	128	128
2006/07	151	159	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160
2007/08	144	145	145	145	145	145	145	145	145	145	145	145	145	145	145	145	145	145	145	145	145
2008/09	54	54	54	54	54	54	54	54	54	54	54	54	54	54	54	54	54	54	54	54	54

II. Reported Claim Development

Claim Period	12-24	24-36	36-48	48-60	Months of Development:	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-Ult
to 1989/00																					
1990/01				1,000	1,000	1,000	1,000	1,000	1,000	0.817	0.561	2,120	1,000	0.999	0.715	0.398	3,515	1,005	1,009	1,001	
1991/02			1,005	1,000	1,000	1,000	1,000	1,000	1,000	0.940	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1992/03		1,004	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1993/04	1,134	1,018	1,004	0.991	1,004	0.974	1,000	0.960	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1994/05	1,122	1,015	0.995	1,000	0.863	1,000	0.960	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1995/06	1,146	1,018	1,000	0.987	1,000	0.863	1,000	0.960	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1996/07	1,069	1,008	0.906	1,008	1,000	0.987	1,000	0.984	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1997/08	1,107	0.994	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1998/09	1,042	1,013	0.996	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
1999/00	1,102	1,005	1,005	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2000/01	1,116	1,024	1,005	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2001/02	1,177	1,028	1,005	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2002/03		1,007	1,172	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2003/04	1,083	2,596	1,007	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2004/05	1,286	1,008	1,008	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2005/06	1,053	1,006	1,008	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
2006/07	1,007	1,007	1,007	1,007	1,007	1,007	1,007	1,007	1,007	1,007	1,007	1,007	1,007	1,007	1,007	1,007	1,007	1,007	1,007	1,007	
2007/08																					
2008/09																					

Average	1,111	1,132	1,010	1,008	0.991	0.997	0.997	0.999	0.997	0.973	0.945	1,160	0.999	1,001	0.943	0.880	1,629	1,002	1,005	1,001	
All	1,094	1,252	1,086	1,024	1,016	1,011	1,011	1,013	1,000	1,000	1,000	1,000	0.998	1,002	1,000	1,000	1,000	1,004	1,004	1,001	
Wtd 3	1,115	1,537	1,063	1,041	1,018	1,008	1,008	1,011	1,000	1,000	1,000	1,000	0.998	1,002	1,000	1,000	1,000	1,002	1,002	1,001	
Last 3																					
Last 5																					
x-tilt																					
Similar																					
Previous	1,100	1,020	1,005	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
Selected	1,100	1,020	1,005	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
Cumulative	1,128	1,025	1,005	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
Percent	88.7%	97.6%	99.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

Data was provided by the City.

CITY OF DAVENPORT, IOWA
LIABILITY

Historical Ratio of Limited Paid Losses and Limited Reported Incurred Losses

I. Ratio of Limited Paid Losses to Limited Reported Incurred Losses

Claim Period	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240
to 1989/00																				
1990/01				98.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1991/02			67.3%	78.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1992/03		78.4%	84.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1993/04	63.2%	44.4%	47.2%	86.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1994/05	32.3%	43.4%	43.9%	94.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1995/06	22.3%	43.2%	42.9%	63.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1996/07	40.5%	85.2%	87.4%	93.9%	98.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1997/08	28.6%	69.4%	7.0%	88.4%	97.0%	98.6%	99.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1998/09	44.8%	67.3%	66.0%	80.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1999/00	41.3%	69.4%	91.0%	99.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2000/01	43.9%	56.4%	91.0%	99.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2001/02	23.8%	51.8%	72.7%	66.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2002/03	48.4%		92.4%	93.8%	95.1%	97.8%	97.8%	97.8%	97.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2003/04			95.0%	97.4%	97.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2004/05	49.1%	85.4%	61.8%	80.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2005/06	99.8%	96.1%	99.7%	99.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2006/07	66.4%	99.9%	99.2%	99.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2007/08	91.4%	99.9%																		
2008/09	88.5%																			

Average

All

Last 3

Last 5

x-high

x-low

Implicit

52.3%	70.9%	70.5%	88.1%	98.2%	99.7%	99.8%	99.8%	99.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
82.1%	98.3%	86.9%	92.6%	99.1%	99.3%	99.3%	99.3%	99.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
82.1%	93.5%	95.5%	90.6%	99.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
51.0%	70.6%	76.5%	91.1%	97.0%	98.4%	99.2%	99.2%	99.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

CITY OF DAVENPORT, IOWA
LIABILITY

Exhibit LI-3

Developed Limited Paid Losses

Claim Period (1)	Months of Development 6/30/09 (2)	Limited Paid Losses 6/30/09 (3)	Percent Losses Paid (4)	Developed Limited Paid Losses (3)/(4) (5)
to 1989/90	240.0	\$1,363,221	100.0%	\$1,363,221
1990/91	228.0	482,085	100.0%	482,085
1991/92	216.0	91,356	100.0%	91,356
1992/93	204.0	237,010	100.0%	237,010
1993/94	192.0	571,289	100.0%	571,289
1994/95	180.0	233,785	100.0%	233,785
1995/96	168.0	286,345	100.0%	286,345
1996/97	156.0	279,326	100.0%	279,326
1997/98	144.0	662,336	100.0%	662,336
1998/99	132.0	239,524	100.0%	239,524
1999/00	120.0	146,665	100.0%	146,665
2000/01	108.0	233,559	100.0%	233,559
2001/02	96.0	240,240	99.8%	240,721
2002/03	84.0	123,939	99.2%	124,932
2003/04	72.0	519,570	98.4%	527,922
2004/05	60.0	221,503	97.0%	228,440
2005/06	48.0	222,530	90.2%	246,711
2006/07	36.0	222,373	72.2%	308,171
2007/08	24.0	155,102	55.5%	279,429
2008/09	12.0	37,318	30.8%	121,016

(3) is from Exhibit LI-1.

(4) is from Exhibit LI-2.

Developed Limited Reported Incurred Losses

Claim Period (1)	Months of Development 6/30/09 (2)	Limited Reported Incurred Losses 6/30/09 (3)	Percent Losses Reported (4)	Developed Limited Reported Incurred Losses (3)/(4) (5)
to 1989/90	240.0	\$1,363,221	100.0%	\$1,363,221
1990/91	228.0	482,085	100.0%	482,085
1991/92	216.0	91,356	100.0%	91,356
1992/93	204.0	237,010	100.0%	237,010
1993/94	192.0	571,289	100.0%	571,289
1994/95	180.0	233,785	100.0%	233,785
1995/96	168.0	286,345	100.0%	286,345
1996/97	156.0	279,326	100.0%	279,326
1997/98	144.0	662,336	100.0%	662,336
1998/99	132.0	239,524	100.0%	239,524
1999/00	120.0	146,665	100.0%	146,665
2000/01	108.0	233,559	100.0%	233,559
2001/02	96.0	245,740	100.0%	245,740
2002/03	84.0	123,939	100.0%	123,939
2003/04	72.0	519,570	100.0%	519,570
2004/05	60.0	221,503	100.0%	221,503
2005/06	48.0	223,009	99.0%	225,239
2006/07	36.0	224,203	94.3%	237,767
2007/08	24.0	155,266	78.6%	197,592
2008/09	12.0	42,152	60.4%	69,735

(3) is from Exhibit LI-1.

(4) is from Exhibit LI-2.

CITY OF DAVENPORT, IOWA
LIABILITY

Exhibit LI-5

Developed Limited Case Reserves

Claim Period (1)	Months of Development 6/30/09 (2)	Percent Losses Paid (3)	Percent Losses Reported (4)	Percent Losses Reserved 6/30/09 [(4)-(3)]/ [100.0%-(3)] (5)	Limited Paid Losses 6/30/09 (6)	Limited Case Reserves 6/30/09 (7)	Developed Limited Case Reserves (6)+(7)/(5) (8)
to 1989/90	240.0	100.0%	100.0%	100.0%	\$1,363,221	\$0	\$1,363,221
1990/91	228.0	100.0%	100.0%	100.0%	482,085	0	482,085
1991/92	216.0	100.0%	100.0%	100.0%	91,356	0	91,356
1992/93	204.0	100.0%	100.0%	100.0%	237,010	0	237,010
1993/94	192.0	100.0%	100.0%	100.0%	571,289	0	571,289
1994/95	180.0	100.0%	100.0%	100.0%	233,785	0	233,785
1995/96	168.0	100.0%	100.0%	100.0%	286,345	0	286,345
1996/97	156.0	100.0%	100.0%	100.0%	279,326	0	279,326
1997/98	144.0	100.0%	100.0%	100.0%	662,336	0	662,336
1998/99	132.0	100.0%	100.0%	100.0%	239,524	0	239,524
1999/00	120.0	100.0%	100.0%	100.0%	146,665	0	146,665
2000/01	108.0	100.0%	100.0%	100.0%	233,559	0	233,559
2001/02	96.0	99.8%	100.0%	100.0%	240,240	5,500	245,740
2002/03	84.0	99.2%	100.0%	100.0%	123,939	0	123,939
2003/04	72.0	98.4%	100.0%	100.0%	519,570	0	519,570
2004/05	60.0	97.0%	100.0%	100.0%	221,503	0	221,503
2005/06	48.0	90.2%	99.0%	89.9%	222,530	479	223,063
2006/07	36.0	72.2%	94.3%	79.5%	222,373	1,830	224,675
2007/08	24.0	55.5%	78.6%	51.9%	155,102	164	155,419
2008/09	12.0	30.8%	60.4%	42.8%	37,318	4,834	48,609

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

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

CITY OF DAVENPORT, IOWA
LIABILITY

Exhibit LI-6

Preliminary Projected Ultimate Limited Losses to 2008/09

Claim Period (1)	Developed Limited Paid Losses (2)	Developed Limited Reported Incurred Losses (3)	Developed Limited Case Reserves (4)	Preliminary Projected Ultimate Limited Losses (5)
to 1989/90	\$1,363,221	\$1,363,221	\$1,363,221	\$1,363,221
1990/91	482,085	482,085	482,085	482,085
1991/92	91,356	91,356	91,356	91,356
1992/93	237,010	237,010	237,010	237,010
1993/94	571,289	571,289	571,289	571,289
1994/95	233,785	233,785	233,785	233,785
1995/96	286,345	286,345	286,345	286,345
1996/97	279,326	279,326	279,326	279,326
1997/98	662,336	662,336	662,336	662,336
1998/99	239,524	239,524	239,524	239,524
1999/00	146,665	146,665	146,665	146,665
2000/01	233,559	233,559	233,559	233,559
2001/02	240,721	245,740	245,740	246,290
2002/03	124,932	123,939	123,939	123,939
2003/04	527,922	519,570	519,570	519,570
2004/05	228,440	221,503	221,503	221,503
2005/06	246,711	225,239	223,063	226,298
2006/07	308,171	237,767	224,675	246,611
2007/08	279,429	197,592	155,419	197,090
2008/09	121,016	69,735	48,609	71,541

(2) is from Exhibit LI-3.

(3) is from Exhibit LI-4.

(4) is from Exhibit LI-5.

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

Bornhuetter - Ferguson Analysis

I. A-priori Loss Rate

Claim Period (1)	Preliminary Projected Ultimate Limited Losses (2)	Payroll (000) (3)	Limited Loss Rate per \$100 of Payroll (2)/(3)/10 (4)	Loss Rate Trend (2009/10 = 1.000) (5)	Trended Limited Loss Rate per \$100 of Payroll (4)X(5) (6)	Projected A-priori Loss Rate per \$100 of Payroll (7)/(5) (8)
1999/00	\$146,665	\$35,937	\$0.41	1.219	\$0.50	\$0.51
2000/01	233,559	38,978	0.60	1.195	0.72	0.52
2001/02	246,290	39,448	0.62	1.172	0.73	0.53
2002/03	123,939	40,800	0.30	1.149	0.35	0.54
2003/04	519,570	41,911	1.24	1.126	1.40	0.55
2004/05	221,503	42,491	0.52	1.104	0.58	0.56
2005/06	226,298	44,428	0.51	1.082	0.55	0.57
2006/07	246,611	46,277	0.53	1.061	0.57	0.58
2007/08	197,090	47,466	0.42	1.040	0.43	0.60
2008/09	71,541	50,967	0.14	1.020	0.14	0.61

(7) Projected 2009/10 a-priori loss rate per \$100 of Payroll \$0.62

II. Bornhuetter - Ferguson Analysis Based on Limited Paid Losses

Claim Period (1)	Limited Paid Losses 6/30/09 (2)	Percent Losses Paid (3)	Projected A-priori Loss Rate per \$100 of Payroll (4)	Payroll (000) (5)	B-F Unpaid Losses [100.0%-(3)] X(4)X(5)X10 (6)	B-F Ultimate Limited Paid Losses (2)+(6) (7)
2004/05	\$221,503	97.0%	\$0.56	\$42,491	\$7,241	\$228,744
2005/06	222,530	90.2%	0.57	44,428	24,926	247,456
2006/07	222,373	72.2%	0.58	46,277	75,225	297,598
2007/08	155,102	55.5%	0.60	47,466	125,772	280,874
2008/09	37,318	30.8%	0.61	50,967	214,125	251,442

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

Claim Period (1)	Limited Reported Incurred Losses 6/30/09 (2)	Percent Losses Reported (3)	Projected A-priori Loss Rate per \$100 of Payroll (4)	Payroll (000) (5)	B-F Unreported Losses [100.0%-(3)] X(4)X(5)X10 (6)	B-F Ultimate Limited Reported Losses (2)+(6) (7)
2004/05	\$221,503	100.0%	\$0.56	\$42,491	\$0	\$221,503
2005/06	223,009	99.0%	0.57	44,428	2,518	225,527
2006/07	224,203	94.3%	0.58	46,277	15,414	239,617
2007/08	155,266	78.6%	0.60	47,466	60,551	215,817
2008/09	42,152	60.4%	0.61	50,967	122,458	164,610

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

Section I, (3), Section II, (5) and Section III, (5) are from Exhibit LI-10.

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

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

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

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

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

Frequency Times Severity Analysis

I. Projected Ultimate Claims

Claim Period (1)	Months of Development 6/30/09 (2)	Reported Claims 6/30/09 (3)	Percent Claims Reported (4)	Projected Ultimate Claims (3)/(4) (5)	Payroll (000) (6)	Frequency (per \$1M of Payroll) (5)/(6)X1,000 (7)
1999/00	120.0	191	100.0%	191	\$35,937	5.31
2000/01	108.0	172	100.0%	172	38,978	4.41
2001/02	96.0	119	100.0%	119	39,448	3.02
2002/03	84.0	83	100.0%	83	40,800	2.03
2003/04	72.0	170	100.0%	170	41,911	4.06
2004/05	60.0	136	100.0%	136	42,491	3.20
2005/06	48.0	128	100.0%	128	44,428	2.88
2006/07	36.0	160	99.5%	161	46,277	3.48
2007/08	24.0	145	97.6%	149	47,466	3.14
2008/09	12.0	54	88.7%	61	50,967	1.20

II. Frequency Times Severity

Claim Period (1)	Preliminary Projected Ultimate Limited Losses (2)	Projected Ultimate Claims (3)	Average Severity (2)/(3) (4)	Severity Trend (2009/10 = 1.000) (5)	Trended Average Claim Severity (4)X(5) (6)	De-Trended Projected 2009/10 Average Claim Severity (7)/(5) (8)	Frequency Times Severity (3)X(8) (9)
1999/00	\$146,665	191	\$768	1.638	\$1,258	\$1,334	\$254,746
2000/01	233,559	172	1,358	1.559	2,117	1,401	241,013
2001/02	246,290	119	2,070	1.484	3,072	1,472	175,185
2002/03	123,939	83	1,493	1.413	2,110	1,547	128,370
2003/04	519,570	170	3,056	1.345	4,110	1,625	276,231
2004/05	221,503	136	1,629	1.280	2,085	1,707	232,167
2005/06	226,298	128	1,768	1.218	2,154	1,793	229,567
2006/07	246,611	161	1,532	1.160	1,776	1,884	303,363
2007/08	197,090	149	1,323	1.104	1,460	1,980	294,958
2008/09	71,541	61	1,173	1.051	1,232	2,080	126,865
(7) Projected 2009/10 average claim severity					\$2,185		

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

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

Section I, (6) is from Exhibit LI-10.

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

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

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

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

CITY OF DAVENPORT, IOWA
LIABILITY

Exhibit LI-9

Projected Ultimate Limited Losses to 2008/09

Claim Period (1)	Developed Limited Paid Losses (2)	Developed Limited Reported Incurred Losses (3)	Developed Limited Case Reserves (4)	B-F Ultimate Limited Paid Losses (5)	B-F Ultimate Limited Reported Losses (6)	Frequency Times Severity (7)	Projected Ultimate Limited Losses (8)
to 1989/90	\$1,363,221	\$1,363,221	\$1,363,221				\$1,363,221
1990/91	482,085	482,085	482,085				482,085
1991/92	91,356	91,356	91,356				91,356
1992/93	237,010	237,010	237,010				237,010
1993/94	571,289	571,289	571,289				571,289
1994/95	233,785	233,785	233,785				233,785
1995/96	286,345	286,345	286,345				286,345
1996/97	279,326	279,326	279,326				279,326
1997/98	662,336	662,336	662,336				662,336
1998/99	239,524	239,524	239,524				239,524
1999/00	146,665	146,665	146,665				146,665
2000/01	233,559	233,559	233,559				233,559
2001/02	240,721	245,740	245,740				246,290
2002/03	124,932	123,939	123,939				123,939
2003/04	527,922	519,570	519,570				519,570
2004/05	228,440	221,503	221,503	228,744	221,503	232,167	221,503
2005/06	246,711	225,239	223,063	247,456	225,527	229,567	226,000
2006/07	308,171	237,767	224,675	297,598	239,617	303,363	247,000
2007/08	279,429	197,592	155,419	280,874	215,817	294,958	211,000
2008/09	121,016	69,735	48,609	251,442	164,610	126,865	131,000

(2) is from Exhibit LI-3.

(3) is from Exhibit LI-4.

(4) is from Exhibit LI-5.

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

(7) is from Exhibit LI-8.

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

CITY OF DAVENPORT, IOWA
LIABILITY

Exhibit LI-10

Projected Ultimate Limited Losses for 2009/10 and Subsequent

Claim Period (1)	Projected Ultimate Limited Losses (2)	Payroll (000) (3)	Limited Loss Rate per \$100 of Payroll (2)/(3)/10 (4)	Loss Rate Trend (2009/10 = 1.000) (5)	Trended Limited Loss Rate per \$100 of Payroll (4)X(5) (6)
1999/00	\$146,665	\$35,937	\$0.41	1.219	\$0.50
2000/01	233,559	38,978	0.60	1.195	0.72
2001/02	246,290	39,448	0.62	1.172	0.73
2002/03	123,939	40,800	0.30	1.149	0.35
2003/04	519,570	41,911	1.24	1.126	1.40
2004/05	221,503	42,491	0.52	1.104	0.58
2005/06	226,000	44,428	0.51	1.082	0.55
2006/07	247,000	46,277	0.53	1.061	0.57
2007/08	211,000	47,466	0.44	1.040	0.46
2008/09	131,000	50,967	0.26	1.020	0.26
Total	\$2,306,526	\$428,702	\$0.54		\$0.61

Claim Period (1)	Projected Limited Loss Rate per \$100 of Payroll (7)	Projected Payroll (000) (8)	Projected Ultimate Limited Losses (7)X(8)X10 (9)	Present Value Factor (10)	Present Value of Projected Limited Loss Rate per \$100 of Payroll (7)X(10) (11)	Present Value of Projected Ultimate Limited Losses (8)X(11)X10 (12)
2009/10	\$0.63	\$52,496	\$330,000	0.98	\$0.62	\$324,000
2010/11	0.64	54,070	347,000	0.98	0.63	340,000

(2) is from Exhibit LI-9.

(3) was provided by the City.

(5) is based on a 2% trend.

(7) for 2009/10 is based on (6) and actuarial judgment.

(7) for 2010/11 and subsequent are based on 2009/10 plus a 2% trend.

(8) is based on (3) for 2008/09 and a 3% trend.

(10) is based on a 1% interest rate and the payout pattern in Exhibit LI-2.

CITY OF DAVENPORT, IOWA
LIABILITY

Exhibit LI-11

Estimated Outstanding Losses as of June 30, 2009

Claim Period (1)	Limited Paid Losses 6/30/09 (2)	Limited Case Reserves 6/30/09 (3)	Limited Reported Incurred Losses 6/30/09 (4)	Projected Ultimate Limited Losses (5)	Estimated IBNR 6/30/09 (5)-(4) (6)	Estimated Outstanding Losses 6/30/09 (3)+(6) (7)	Present Value Factor (8)	Present Value of Estimated Outstanding Losses 6/30/09 (7)X(8) (9)
to 1989/90	\$1,363,221	\$0	\$1,363,221	\$1,363,221	\$0	\$0	1.00	\$0
1990/91	482,085	0	482,085	482,085	0	0	1.00	0
1991/92	91,356	0	91,356	91,356	0	0	1.00	0
1992/93	237,010	0	237,010	237,010	0	0	1.00	0
1993/94	571,289	0	571,289	571,289	0	0	1.00	0
1994/95	233,785	0	233,785	233,785	0	0	1.00	0
1995/96	286,345	0	286,345	286,345	0	0	1.00	0
1996/97	279,326	0	279,326	279,326	0	0	1.00	0
1997/98	662,336	0	662,336	662,336	0	0	1.00	0
1998/99	239,524	0	239,524	239,524	0	0	1.00	0
1999/00	146,665	0	146,665	146,665	0	0	1.00	0
2000/01	233,559	0	233,559	233,559	0	0	1.00	0
2001/02	240,240	5,500	245,740	246,290	550	6,050	1.00	6,020
2002/03	123,939	0	123,939	123,939	0	0	0.99	0
2003/04	519,570	0	519,570	519,570	0	0	0.99	0
2004/05	221,503	0	221,503	221,503	0	0	0.99	0
2005/06	222,530	479	223,009	226,000	2,991	3,470	0.99	3,433
2006/07	222,373	1,830	224,203	247,000	22,797	24,627	0.99	24,371
2007/08	155,102	164	155,266	211,000	55,734	55,898	0.99	55,088
2008/09	37,318	4,834	42,152	131,000	88,848	93,682	0.98	92,055
Total	\$6,569,074	\$12,807	\$6,581,882	\$6,752,802	\$170,920	\$183,727		\$180,967

(2), (3) and (4) are net of specific self insured retention and aggregate retention.

(5) is from Exhibit LI-9.

(8) is based on a 1% interest rate and the payout pattern in Exhibit LI-2.

CITY OF DAVENPORT, IOWA
LIABILITY

Exhibit LI-12

Projected Losses Paid July 1, 2009 to June 30, 2010

Claim Period (1)	Months of Development 6/30/09 (2)	Percent Losses Paid (3)	Months of Development 6/30/10 (4)	Percent Losses Paid (5)	Percent Outstanding Losses Paid 7/1/09 to 6/30/10 [(5)-(3)]/ [100.0%-(3)] (6)	Estimated Outstanding Losses 6/30/09 (7)	Projected Losses Paid (6)X(7) (8)	Estimated Outstanding Losses 6/30/10 (7)-(8) (9)	Present Value Factor (10)	Present Value of Estimated Outstanding Losses 6/30/10 (9)X(10) (11)
to 1989/90	240.0	100.0%	252.0	100.0%	100.0%	\$0	\$0	\$0	1.00	\$0
1990/91	228.0	100.0%	240.0	100.0%	100.0%	0	0	0	1.00	0
1991/92	216.0	100.0%	228.0	100.0%	100.0%	0	0	0	1.00	0
1992/93	204.0	100.0%	216.0	100.0%	100.0%	0	0	0	1.00	0
1993/94	192.0	100.0%	204.0	100.0%	100.0%	0	0	0	1.00	0
1994/95	180.0	100.0%	192.0	100.0%	100.0%	0	0	0	1.00	0
1995/96	168.0	100.0%	180.0	100.0%	100.0%	0	0	0	1.00	0
1996/97	156.0	100.0%	168.0	100.0%	100.0%	0	0	0	1.00	0
1997/98	144.0	100.0%	156.0	100.0%	100.0%	0	0	0	1.00	0
1998/99	132.0	100.0%	144.0	100.0%	100.0%	0	0	0	1.00	0
1999/00	120.0	100.0%	132.0	100.0%	100.0%	0	0	0	1.00	0
2000/01	108.0	100.0%	120.0	100.0%	100.0%	0	0	0	1.00	0
2001/02	96.0	99.8%	108.0	100.0%	100.0%	6,050	6,050	0	1.00	0
2002/03	84.0	99.2%	96.0	99.8%	74.9%	0	0	0	1.00	0
2003/04	72.0	98.4%	84.0	99.2%	49.8%	0	0	0	0.99	0
2004/05	60.0	97.0%	72.0	98.4%	47.9%	0	0	0	0.99	0
2005/06	48.0	90.2%	60.0	97.0%	69.0%	3,470	2,395	1,075	0.99	1,061
2006/07	36.0	72.2%	48.0	90.2%	64.8%	24,627	15,957	8,670	0.99	8,578
2007/08	24.0	55.5%	36.0	72.2%	37.4%	55,898	20,920	34,978	0.99	34,615
2008/09	12.0	30.8%	24.0	55.5%	35.7%	93,682	33,415	60,267	0.99	59,394
2009/10	0.0	0.0%	12.0	30.8%	30.8%	330,000	101,762	228,238	0.98	224,274
Total						\$513,727	\$180,499	\$333,228		\$327,922

(3) and (5) are from Exhibit LI-2.

(7) to 2008/09 is from Exhibit LI-11. The amount for 2009/10 is from Exhibit LI-10.

(10) is based on a 1% interest rate and the payout pattern in Exhibit LI-2.

CITY OF DAVENPORT, IOWA
LIABILITY

Exhibit LI-13

Projected Losses Paid July 1, 2010 to June 30, 2011

Claim Period (1)	Months of Development 6/30/10 (2)	Percent Losses Paid (3)	Months of Development 6/30/11 (4)	Percent Losses Paid (5)	Percent Outstanding Losses Paid 7/1/10 to 6/30/11 [(5)-(3)]/ [100.0%-(3)] (6)	Estimated Outstanding Losses 6/30/10 (7)	Projected Losses Paid (6)X(7) (8)	Estimated Outstanding Losses 6/30/11 (7)-(8) (9)	Present Value Factor (10)	Present Value of Estimated Outstanding Losses 6/30/11 (9)X(10) (11)
to 1989/90	252.0	100.0%	264.0	100.0%	100.0%	\$0	\$0	\$0	1.00	\$0
1990/91	240.0	100.0%	252.0	100.0%	100.0%	0	0	0	1.00	0
1991/92	228.0	100.0%	240.0	100.0%	100.0%	0	0	0	1.00	0
1992/93	216.0	100.0%	228.0	100.0%	100.0%	0	0	0	1.00	0
1993/94	204.0	100.0%	216.0	100.0%	100.0%	0	0	0	1.00	0
1994/95	192.0	100.0%	204.0	100.0%	100.0%	0	0	0	1.00	0
1995/96	180.0	100.0%	192.0	100.0%	100.0%	0	0	0	1.00	0
1996/97	168.0	100.0%	180.0	100.0%	100.0%	0	0	0	1.00	0
1997/98	156.0	100.0%	168.0	100.0%	100.0%	0	0	0	1.00	0
1998/99	144.0	100.0%	156.0	100.0%	100.0%	0	0	0	1.00	0
1999/00	132.0	100.0%	144.0	100.0%	100.0%	0	0	0	1.00	0
2000/01	120.0	100.0%	132.0	100.0%	100.0%	0	0	0	1.00	0
2001/02	108.0	100.0%	120.0	100.0%	100.0%	0	0	0	1.00	0
2002/03	96.0	99.8%	108.0	100.0%	100.0%	0	0	0	1.00	0
2003/04	84.0	99.2%	96.0	99.8%	74.9%	0	0	0	1.00	0
2004/05	72.0	98.4%	84.0	99.2%	49.8%	0	0	0	0.99	0
2005/06	60.0	97.0%	72.0	98.4%	47.9%	1,075	515	560	0.99	554
2006/07	48.0	90.2%	60.0	97.0%	69.0%	8,670	5,984	2,686	0.99	2,650
2007/08	36.0	72.2%	48.0	90.2%	64.8%	34,978	22,664	12,314	0.99	12,184
2008/09	24.0	55.5%	36.0	72.2%	37.4%	60,267	22,556	37,711	0.99	37,319
2009/10	12.0	30.8%	24.0	55.5%	35.7%	228,238	81,410	146,828	0.99	144,701
2010/11	0.0	0.0%	12.0	30.8%	30.8%	347,000	107,005	239,995	0.98	235,827
Total						\$680,228	\$240,134	\$440,094		\$433,235

(3) and (5) are from Exhibit LI-2.

(7) to 2009/10 is from Exhibit LI-12, (9). The amount for 2010/11 is from Exhibit LI-10.

(10) is based on a 1% interest rate and the payout pattern in Exhibit LI-2.

List of Large Claims
Limited Reported Incurred Losses Greater Than or Equal to \$100,000

Claim Number (1)	Date of Loss (2)	Claim Period (3)	Specific Self-Insured Retention (4)	Limited Paid Losses 6/30/09 (5)	Limited Case Reserves 6/30/09 (6)	Limited Reported Incurred Losses 6/30/09 (7)
AFC89-00137-01	1/16/1990	to 1989/90	\$250,000	\$120,000	\$0	\$120,000
AFC89-00257-01	5/21/1990	to 1989/90	250,000	107,500	0	107,500
AFC90-00171-02	3/18/1991	1990/91	250,000	120,500	0	120,500
AFC90-00197-01	4/17/1991	1990/91	250,000	151,848	0	151,848
AFC93-00182-01	1/9/1994	1993/94	500,000	300,553	0	300,553
AFC97-00168-03	12/24/1997	1997/98	500,000	500,000	0	500,000
RM06-155	8/1/2003	2003/04	500,000	294,048	0	294,048

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

(1) through (7) were provided by the City.

Size of Loss Distribution

I. Reported Claim Count

Layer (1)	Prior (2)	2004/05 (3)	2005/06 (4)	2006/07 (5)	2007/08 (6)	2008/09 (7)	Total (2)...(7) (8)	Non-Zero Claim Cumulative Total (9)	Non-Zero Claim Cumulative % of Total (10)
0	2,035	83	77	75	80	39	2,389		
0.01 - 5,000	1,612	45	45	79	59	13	1,853	1,853	90.3%
5,000 - 10,000	82	4	1	5	3	0	95	1,948	94.9%
10,000 - 50,000	75	2	4	0	3	2	86	2,034	99.1%
50,000 - 100,000	7	2	1	1	0	0	11	2,045	99.7%
100,000 - 250,000	4	0	0	0	0	0	4	2,049	99.9%
250,000 - 350,000	2	0	0	0	0	0	2	2,051	100.0%
350,000 - 400,000	0	0	0	0	0	0	0	2,051	100.0%
400,000 - 500,000	0	0	0	0	0	0	0	2,051	100.0%
500,000 - 1,000,000	1	0	0	0	0	0	1	2,052	100.0%
Over 1,000,000	0	0	0	0	0	0	0	2,052	100.0%
Total	3,818	136	128	160	145	54	4,441	2,052	

II. Total Reported Incurred Losses

Layer (1)	Prior (2)	2004/05 (3)	2005/06 (4)	2006/07 (5)	2007/08 (6)	2008/09 (7)	Total (2)...(7) (8)	Non-Zero Claim Cumulative Total (9)	Non-Zero Claim Cumulative % of Total (10)
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
0.01 - 5,000	1,319,054	35,845	47,647	99,641	60,976	9,652	1,572,814	1,572,814	23.8%
5,000 - 10,000	595,937	24,475	10,000	31,887	23,705	0	686,004	2,258,818	34.1%
10,000 - 50,000	1,737,512	21,011	100,362	0	70,585	32,500	1,961,971	4,220,789	63.8%
50,000 - 100,000	468,796	140,173	65,000	92,675	0	0	766,644	4,987,432	75.4%
100,000 - 250,000	499,848	0	0	0	0	0	499,848	5,487,280	82.9%
250,000 - 350,000	594,601	0	0	0	0	0	594,601	6,081,882	91.9%
350,000 - 400,000	0	0	0	0	0	0	0	6,081,882	91.9%
400,000 - 500,000	0	0	0	0	0	0	0	6,081,882	91.9%
500,000 - 1,000,000	536,306	0	0	0	0	0	536,306	6,618,188	100.0%
Over 1,000,000	0	0	0	0	0	0	0	6,618,188	100.0%
Total	\$5,752,055	\$221,503	\$223,009	\$224,203	\$155,266	\$42,152	\$6,618,188	\$6,618,188	

Comparison of Case Reserves from June 30, 2008 to June 30, 2009

Claim Period (1)	Limited Case Reserves 6/30/08 (2)	Limited Case Reserves 6/30/09 (3)	Change (3)-(2) (4)
to 1989/90	\$0	\$0	\$0
1990/91	0	0	0
1991/92	0	0	0
1992/93	0	0	0
1993/94	0	0	0
1994/95	0	0	0
1995/96	0	0	0
1996/97	0	0	0
1997/98	0	0	0
1998/99	0	0	0
1999/00	0	0	0
2000/01	0	0	0
2001/02	5,500	5,500	0
2002/03	0	0	0
2003/04	12,751	0	(12,751)
2004/05	52,976	0	(52,976)
2005/06	621	479	(142)
2006/07	2,340	1,830	(510)
2007/08	14,081	164	(13,917)
2008/09		4,834	4,834
Total	\$88,269	\$12,807	(\$75,462)

(2) is from Exhibit LI-1.

(3) is from the previous actuarial study as of June 30, 2008 (report dated October 19, 2006).

CITY OF DAVENPORT, IOWA
PROPERTY

Exhibit PR-1

Data Summary as of June 30, 2009

Claim Period (1)	Specific Self-Insured Retention (2)	Aggregate Retention (3)	Months of Development 6/30/09 (4)	Property Values (000) (5)	Reported Claims 6/30/09 (6)	Open Claims 6/30/09 (7)	Limited Paid Losses 6/30/09 (8)	Limited Case Reserves 6/30/09 (9)	Limited Reported Incurred Losses 6/30/09 (10)
to 1989/90	\$100,000	None	240.0	Not Provided	251	0	\$210,601	\$0	\$210,601
1990/91	100,000	None	228.0	101,837	83	0	117,835	0	117,835
1991/92	100,000	None	216.0	107,792	131	0	204,226	0	204,226
1992/93	100,000	None	204.0	114,171	146	0	173,037	0	173,037
1993/94	100,000	None	192.0	149,078	153	0	235,716	0	235,716
1994/95	100,000	None	180.0	154,314	175	0	193,334	0	193,334
1995/96	100,000	None	168.0	174,867	172	0	205,464	0	205,464
1996/97	100,000	None	156.0	190,355	293	0	260,442	0	260,442
1997/98	100,000	None	144.0	193,611	186	0	279,940	0	279,940
1998/99	100,000	None	132.0	208,535	204	0	227,390	0	227,390
1999/00	100,000	None	120.0	Not Provided	155	0	273,472	0	273,472
2000/01	100,000	None	108.0	221,121	35	1	180,506	180	180,686
2001/02	100,000	None	96.0	Not Provided	35	0	103,476	0	103,476
2002/03	100,000	None	84.0	243,836	37	2	89,631	5,651	95,282
2003/04	100,000	None	72.0	260,090	101	0	173,803	0	173,803
2004/05	100,000	None	60.0	266,772	150	0	229,875	0	229,875
2005/06	100,000	None	48.0	278,404	123	2	122,666	622	123,288
2006/07	100,000	None	36.0	283,949	139	3	224,532	2,255	226,787
2007/08	100,000	None	24.0	293,370	149	12	208,253	4,121	212,374
2008/09	100,000	None	12.0	303,296	189	10	235,685	98,162	333,847
Total					2,907	30	\$3,949,883	\$110,992	\$4,060,875

(8), (9) and (10) are net of specific self insured retention.

Data was provided by the City.

Summary of Percent Losses Paid, Losses Reported and Claims Reported

Months of Development (1)	Percent Losses Paid (2)	Percent Losses Reported (3)	Percent Claims Reported (4)	Months of Development (5)	Percent Losses Paid (6)	Percent Losses Reported (7)	Percent Claims Reported (8)
360.0	100.0%	100.0%	100.0%	354.0	100.0%	100.0%	100.0%
348.0	100.0%	100.0%	100.0%	342.0	100.0%	100.0%	100.0%
336.0	100.0%	100.0%	100.0%	330.0	100.0%	100.0%	100.0%
324.0	100.0%	100.0%	100.0%	318.0	100.0%	100.0%	100.0%
312.0	100.0%	100.0%	100.0%	306.0	100.0%	100.0%	100.0%
300.0	100.0%	100.0%	100.0%	294.0	100.0%	100.0%	100.0%
288.0	100.0%	100.0%	100.0%	282.0	100.0%	100.0%	100.0%
276.0	100.0%	100.0%	100.0%	270.0	100.0%	100.0%	100.0%
264.0	100.0%	100.0%	100.0%	258.0	100.0%	100.0%	100.0%
252.0	100.0%	100.0%	100.0%	246.0	100.0%	100.0%	100.0%
240.0	100.0%	100.0%	100.0%	234.0	100.0%	100.0%	100.0%
228.0	100.0%	100.0%	100.0%	222.0	100.0%	100.0%	100.0%
216.0	100.0%	100.0%	100.0%	210.0	100.0%	100.0%	100.0%
204.0	100.0%	100.0%	100.0%	198.0	100.0%	100.0%	100.0%
192.0	100.0%	100.0%	100.0%	186.0	100.0%	100.0%	100.0%
180.0	100.0%	100.0%	100.0%	174.0	100.0%	100.0%	100.0%
168.0	100.0%	100.0%	100.0%	162.0	100.0%	100.0%	100.0%
156.0	100.0%	100.0%	100.0%	150.0	100.0%	100.0%	100.0%
144.0	100.0%	100.0%	100.0%	138.0	100.0%	100.0%	100.0%
132.0	100.0%	100.0%	100.0%	126.0	100.0%	100.0%	100.0%
120.0	100.0%	100.0%	100.0%	114.0	100.0%	100.0%	100.0%
108.0	100.0%	100.0%	100.0%	102.0	100.0%	100.0%	100.0%
96.0	100.0%	100.0%	100.0%	90.0	100.0%	100.0%	100.0%
84.0	100.0%	100.0%	100.0%	78.0	100.0%	100.0%	100.0%
72.0	100.0%	100.0%	100.0%	66.0	100.0%	100.0%	100.0%
60.0	100.0%	100.0%	100.0%	54.0	100.0%	100.0%	100.0%
48.0	100.0%	100.0%	100.0%	42.0	99.8%	100.0%	100.0%
36.0	99.5%	100.0%	100.0%	30.0	97.1%	99.3%	99.8%
24.0	94.8%	98.5%	99.5%	18.0	77.0%	94.0%	98.3%
12.0	59.2%	89.6%	97.1%	6.0	29.6%	44.8%	48.5%

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

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

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

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

CITY OF DAVENPORT, IOWA
PROPERTY

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

I. Historical Limited Paid Losses (\$000)

Claim Period	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240
to 1989/90																				
1990/91				118	118															
1991/92			189	189	192	193	193	194	196	198	198	197	197	204	204	204	204	204	204	
1992/93		165	170	170	171	172	172	173	173	173	173	173	173	173	173	173	173	173	173	
1993/94	133	227	235	236	235	235	236	236	236	236	236	236	236	236	236	236	236	236	236	
1994/95	142	191	193	193	193	193	193	193	193	193	193	193	193	193	193	193	193	193	193	
1995/96	178	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	205	
1996/97	198	259	260	260	260	260	260	260	260	260	260	260	260	260	260	260	260	260	260	
1997/98	169	272	278	280	280	280	280	280	280	280	280	280	280	280	280	280	280	280	280	
1998/99	179	227	227	227	227	227	227	227	227	227	227	227	227	227	227	227	227	227	227	
1999/00	155	453	453	453	453	453	453	453	453	453	453	453	453	453	453	453	453	453	453	
2000/01	56	180	183	183	184	184	184	176	176	176	176	176	176	176	176	176	176	176	176	
2001/02	76	98	98	98	98	98	98	103	103	103	103	103	103	103	103	103	103	103	103	
2002/03	60	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	
2003/04	195	174	174	174	174	174	174	174	174	174	174	174	174	174	174	174	174	174	174	
2004/05	244	230	230	230	230	230	230	230	230	230	230	230	230	230	230	230	230	230	230	
2005/06	123	123	123	123	123	123	123	123	123	123	123	123	123	123	123	123	123	123	123	
2006/07	195	207	225	225	225	225	225	225	225	225	225	225	225	225	225	225	225	225	225	
2007/08	169	208																		
2008/09	236																			

II. Limited Paid Loss Development

Claim Period	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-Ult
to 1989/90																				
1990/91				1.001	1.000	1.000	1.000	0.973	0.951	0.817	0.750	1.000	1.000	1.000	0.577	2.646	0.982	0.712	1.000	
1991/92			1.004	1.014	1.004	1.003	1.006	1.007	1.003	1.002	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1992/93		1.029	1.003	1.005	1.003	1.003	1.009	1.009	1.009	1.002	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1993/94	1.699	1.039	1.001	0.998	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1994/95	1.345	1.012	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1995/96	1.152	0.997	1.000	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1996/97	1.306	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1997/98	1.607	1.022	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1998/99	1.266	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1999/00	2.925	1.000	1.000	1.000	1.000	1.000	0.992	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2000/01	3.242	1.016	1.000	1.000	1.000	0.956	1.000	1.025	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2001/02	1.282		1.000	1.000	1.000	1.000	1.000													
2002/03			1.000	0.860	1.000	1.000	1.000													
2003/04		1.051	0.846	1.000	1.000	1.000														
2004/05	1.202	0.783	1.000	1.000	1.000															
2005/06	0.817	1.000	1.000																	
2006/07	1.060	1.085																		
2007/08	1.229																			
2008/09																				

Average
All
Wtd 3
Last 3
Last 5
x-high

Similar	1.600	1.050	1.005	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Previous																				
Selected	1.600	1.050	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	1.688	1.055	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent	59.2%	94.8%	99.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Amounts are limited (net of excess insurance).

Data was provided by the City.

CITY OF DAVENPORT, IOWA
PROPERTY

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

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

Claim Period	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240
to 1989/90																				
1990/91				118	118	\$317 #	\$319 #	\$312 #	\$303 #	\$288 #	\$178 #	\$311 #	\$311 #	\$311 #	\$197 #	\$114 #	\$301 #	\$296 #	\$211	\$211
1991/92			189	189	192	193	193	194	196	197	199	199	118	204	204	118	118	118	118	
1992/93		216	237	236	235	235	236	236	236	236	236	236	236	173	173	173	204	204	204	
1993/94		177	189	197	194	194	194	194	193	205	193	236	236	173	173	236	173	173	173	
1994/95		180	205	205	205	205	205	205	205	205	205	205	205	205	205	205	204	204	204	
1995/96		215	261	261	260	260	260	260	260	260	260	260	260	260	260	260	260	260	260	
1996/97		252	281	283	283	280	280	280	280	280	280	280	280	280	280	280	280	280	280	
1997/98		255	297	299	228	228	227	276	273	273	227	227	227	227	227	227	227	227	227	
1998/99		214	234	229	228	228	227	276	273	273	227	227	227	227	227	227	227	227	227	
1999/00		491	455	453	453	184	276	276	273	273	273	273	273	273	273	273	273	273	273	
2000/01		186	190	186	186	186	176	176	176	181	103	103	103	103	103	103	103	103	103	
2001/02		115	99	98	98	98	103	103	103	95	95	95	95	95	95	95	95	95	95	
2002/03		97		110	110	110	103	103	103	103	103	103	103	103	103	103	103	103	103	
2003/04		209	209	219	182	182	174	174	174	174	174	174	174	174	174	174	174	174	174	
2004/05		434	451	328	255	230														
2005/06		180	141	141	123															
2006/07		255	217	227																
2007/08		186	212																	
2008/09		334																		

II. Limited Reported Incurred Loss Development

Claim Period	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-Ult
to 1989/90																				
1990/91			1.004	1.004	1.004	1.006	1.006	1.000	1.001	0.817	1.750	1.000	1.000	0.634	0.577	2.646	0.982	0.712	1.000	
1991/92			1.004	1.009	1.004	1.003	1.003	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1992/93		0.794	1.000	1.009	1.004	1.003	1.006	1.007	1.005	1.013	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1993/94	1.330	1.010	0.993	0.983	1.000	1.002	1.009	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1994/95	1.097	0.999	1.001	0.982	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1995/96	0.969	0.984	1.000	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1996/97	1.033	1.003	1.000	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1997/98	1.164	0.987	0.966	0.990	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1998/99	1.095	0.979	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1999/00	0.926	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2000/01	1.022	0.977	1.000	1.000	1.000	1.000	1.000	1.026	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2001/02	0.859		1.000	1.000	1.055	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2002/03			1.000	0.867	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2003/04		1.048	0.833	1.000	0.954	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2004/05	1.040	0.727	0.778	0.901																
2005/06	0.780	1.000	0.877																	
2006/07	0.849	1.048																		
2007/08	1.140																			
2008/09																				

Average
All
Wtd 3
Last 3
Last 5
x-til low

Similar	1.100	1.015	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Previous																				
Selected	1.100	1.015	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	1.117	1.015	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent	89.6%	98.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Amounts are limited (net of excess insurance).

Data was provided by the City.

CITY OF DAVENPORT, IOWA
PROPERTY

Historical Reported Claims and Reported Claim Development

I. Historical Reported Claims

Claim Period	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240
to 1989/90																				
1990/91				84	84	271.0	279.0	271.0	263.0	257.0	178.0	270.0	270.0	270.0	170.0	100.0	269.0	263.0	251	251
1991/92			139	139	140	140	140	140	131	131	131	131	131	131	131	131	131	131	131	83
1992/93		148	149	149	149	148	148	150	150	150	150	150	150	150	146	146	146	146	146	146
1993/94	143	156	157	157	155	155	158	158	157	157	157	153	153	153	153	153	153	153	153	153
1994/95	175	186	186	186	186	176	176	176	176	176	175	175	175	175	175	175	175	175	175	175
1995/96	167	179	178	178	175	175	173	173	293	293	293	293	293	293	293	293	293	293	293	293
1996/97	316	333	333	308	308	295	295	186	186	186	186	186	186	186	186	186	186	186	186	186
1997/98	173	190	190	190	189	189	204	204	204	204	204	204	204	204	204	204	204	204	204	204
1998/99	194	211	211	206	206	160	160	155	155	155	155	155	155	155	155	155	155	155	155	155
1999/00	158	162	161	161	46	46	34	35	35	35	35	35	35	35	35	35	35	35	35	35
2000/01	44	66	67	43	44	35	37	37	37	37	37	37	37	37	37	37	37	37	37	37
2001/02	50	54	54	43	44	35	37	37	37	37	37	37	37	37	37	37	37	37	37	37
2002/03	83	134	135	100	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101	101
2003/04																				
2004/05	224	229	229	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150	150
2005/06	148	123	123	123	123	123	123	123	123	123	123	123	123	123	123	123	123	123	123	123
2006/07	136	139	139	139	139	139	139	139	139	139	139	139	139	139	139	139	139	139	139	139
2007/08	146	149	149	149	149	149	149	149	149	149	149	149	149	149	149	149	149	149	149	149
2008/09	189																			

II. Reported Claim Development

Claim Period	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-Ult
to 1989/90																				
1990/91				1.000	1.000	1.000	1.000	0.970	0.977	0.863	1.517	1.000	1.000	0.630	0.588	2.690	0.978	0.954	1.000	1.000
1991/92			1.000	1.007	1.000	1.000	1.000	1.000	0.986	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992/93		1.007	1.000	1.000	0.983	1.000	1.000	0.936	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993/94	1.091	1.006	1.000	1.000	1.000	1.019	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994/95	1.063	1.000	1.000	1.000	0.946	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995/96	1.072	1.000	1.000	1.000	0.983	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996/97	1.054	1.000	1.000	1.000	0.925	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1997/98	1.098	1.000	1.000	1.000	0.995	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1998/99	1.088	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1999/00	1.025	0.994	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000/01	1.500	1.015	1.000	1.023	1.000	0.739	1.029	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001/02	1.080		1.000	1.000	0.785	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002/03			1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003/04	1.007	0.741	1.000	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004/05	1.022	0.655	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2005/06	0.831	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2006/07	1.022	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2007/08	1.021																			
2008/09																				

Average	1.074	0.975	0.972	0.976	0.974	0.981	0.998	0.990	0.996	0.962	1.073	1.000	1.000	1.000	0.926	0.918	1.423	0.993	0.977	1.000
All	0.956	0.839	0.914	0.947	0.951	0.898	0.983	1.000	1.000	1.000	0.998	1.000	1.000	1.000	1.000	1.000	1.000	0.988	1.000	1.000
Wtd 3	0.958	0.885	0.914	0.898	0.932	0.913	0.999	1.000	1.000	1.000	0.998	1.000	1.000	1.000	1.000	1.000	1.000	0.993	0.977	1.000
Last 3																				
Last 5																				
x-high																				
Similar																				
Previous	1.075	1.008	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.025	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	1.030	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Percent	97.1%	99.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Data was provided by the City.

CITY OF DAVENPORT, IOWA
PROPERTY

Historical Ratio of Limited Paid Losses and Limited Reported Incurred Losses

I. Ratio of Limited Paid Losses to Limited Reported Incurred Losses

Claim Period	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240
to 1989/00																				
1990/01				99.9%	100.0%	98.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1991/02				100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1992/03		76.5%	100.0%	99.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1993/04			98.1%	100.0%	99.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1994/05	76.7%	96.4%	97.8%	100.0%	99.6%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1995/06	83.1%	98.5%	97.8%	100.0%	99.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1996/07	76.6%	98.4%	100.0%	100.0%	100.0%	100.0%	100.0%	99.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1997/08	66.4%	91.6%	94.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1998/09	83.8%	96.9%	99.2%	99.0%	99.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1999/00	31.5%	99.7%	100.0%	100.0%	99.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2000/01	30.0%	95.0%	98.8%	100.0%	99.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2001/02	66.3%	95.0%	98.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2002/03	61.3%	98.9%	94.7%	94.0%	94.0%	100.0%	100.0%	100.0%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2003/04				95.4%	95.4%	94.1%	94.1%	100.0%												
2004/05	56.3%	93.7%	94.0%	90.1%	90.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2005/06	83.2%	87.3%	70.1%	99.5%	99.5%	94.0%	94.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2006/07	76.6%	87.3%	87.3%	99.0%	99.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2007/08	90.9%	98.1%																		
2008/09	70.6%																			

Average

All	66.9%	92.6%	95.6%	98.3%	99.1%	99.4%	99.5%	100.0%	100.0%	100.0%	99.9%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Last 3	79.4%	93.6%	85.5%	95.0%	96.5%	98.0%	98.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Last 5	76.8%	92.2%	92.0%	96.5%	98.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
x-high																				
Implicit	66.1%	96.2%	99.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Developed Limited Paid Losses

Claim Period (1)	Months of Development 6/30/09 (2)	Limited Paid Losses 6/30/09 (3)	Percent Losses Paid (4)	Developed Limited Paid Losses (3)/(4) (5)
to 1989/90	240.0	\$210,601	100.0%	\$210,601
1990/91	228.0	117,835	100.0%	117,835
1991/92	216.0	204,226	100.0%	204,226
1992/93	204.0	173,037	100.0%	173,037
1993/94	192.0	235,716	100.0%	235,716
1994/95	180.0	193,334	100.0%	193,334
1995/96	168.0	205,464	100.0%	205,464
1996/97	156.0	260,442	100.0%	260,442
1997/98	144.0	279,940	100.0%	279,940
1998/99	132.0	227,390	100.0%	227,390
1999/00	120.0	273,472	100.0%	273,472
2000/01	108.0	180,506	100.0%	180,506
2001/02	96.0	103,476	100.0%	103,476
2002/03	84.0	89,631	100.0%	89,631
2003/04	72.0	173,803	100.0%	173,803
2004/05	60.0	229,875	100.0%	229,875
2005/06	48.0	122,666	100.0%	122,666
2006/07	36.0	224,532	99.5%	225,654
2007/08	24.0	208,253	94.8%	219,759
2008/09	12.0	235,685	59.2%	397,931

(3) is from Exhibit PR-1.

(4) is from Exhibit PR-2.

Developed Limited Reported Incurred Losses

Claim Period (1)	Months of Development 6/30/09 (2)	Limited Reported Incurred Losses 6/30/09 (3)	Percent Losses Reported (4)	Developed Limited Reported Incurred Losses (3)/(4) (5)
to 1989/90	240.0	\$210,601	100.0%	\$210,601
1990/91	228.0	117,835	100.0%	117,835
1991/92	216.0	204,226	100.0%	204,226
1992/93	204.0	173,037	100.0%	173,037
1993/94	192.0	235,716	100.0%	235,716
1994/95	180.0	193,334	100.0%	193,334
1995/96	168.0	205,464	100.0%	205,464
1996/97	156.0	260,442	100.0%	260,442
1997/98	144.0	279,940	100.0%	279,940
1998/99	132.0	227,390	100.0%	227,390
1999/00	120.0	273,472	100.0%	273,472
2000/01	108.0	180,686	100.0%	180,686
2001/02	96.0	103,476	100.0%	103,476
2002/03	84.0	95,282	100.0%	95,282
2003/04	72.0	173,803	100.0%	173,803
2004/05	60.0	229,875	100.0%	229,875
2005/06	48.0	123,288	100.0%	123,288
2006/07	36.0	226,787	100.0%	226,787
2007/08	24.0	212,374	98.5%	215,560
2008/09	12.0	333,847	89.6%	372,740

(3) is from Exhibit PR-1.

(4) is from Exhibit PR-2.

CITY OF DAVENPORT, IOWA
PROPERTY

Exhibit PR-5

Developed Limited Case Reserves

Claim Period (1)	Months of Development 6/30/09 (2)	Percent Losses Paid (3)	Percent Losses Reported (4)	Percent Losses Reserved 6/30/09 [(4)-(3)]/ [100.0%-(3)] (5)	Limited Paid Losses 6/30/09 (6)	Limited Case Reserves 6/30/09 (7)	Developed Limited Case Reserves (6)+(7)/(5) (8)
to 1989/90	240.0	100.0%	100.0%	100.0%	\$210,601	\$0	\$210,601
1990/91	228.0	100.0%	100.0%	100.0%	117,835	0	117,835
1991/92	216.0	100.0%	100.0%	100.0%	204,226	0	204,226
1992/93	204.0	100.0%	100.0%	100.0%	173,037	0	173,037
1993/94	192.0	100.0%	100.0%	100.0%	235,716	0	235,716
1994/95	180.0	100.0%	100.0%	100.0%	193,334	0	193,334
1995/96	168.0	100.0%	100.0%	100.0%	205,464	0	205,464
1996/97	156.0	100.0%	100.0%	100.0%	260,442	0	260,442
1997/98	144.0	100.0%	100.0%	100.0%	279,940	0	279,940
1998/99	132.0	100.0%	100.0%	100.0%	227,390	0	227,390
1999/00	120.0	100.0%	100.0%	100.0%	273,472	0	273,472
2000/01	108.0	100.0%	100.0%	100.0%	180,506	180	180,686
2001/02	96.0	100.0%	100.0%	100.0%	103,476	0	103,476
2002/03	84.0	100.0%	100.0%	100.0%	89,631	5,651	95,282
2003/04	72.0	100.0%	100.0%	100.0%	173,803	0	173,803
2004/05	60.0	100.0%	100.0%	100.0%	229,875	0	229,875
2005/06	48.0	100.0%	100.0%	100.0%	122,666	622	123,288
2006/07	36.0	99.5%	100.0%	100.0%	224,532	2,255	226,787
2007/08	24.0	94.8%	98.5%	71.8%	208,253	4,121	213,995
2008/09	12.0	59.2%	89.6%	74.4%	235,685	98,162	367,609

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

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

CITY OF DAVENPORT, IOWA
PROPERTY

Exhibit PR-6

Preliminary Projected Ultimate Limited Losses to 2008/09

Claim Period (1)	Developed Limited Paid Losses (2)	Developed Limited Reported Incurred Losses (3)	Developed Limited Case Reserves (4)	Preliminary Projected Ultimate Limited Losses (5)
to 1989/90	\$210,601	\$210,601	\$210,601	\$210,601
1990/91	117,835	117,835	117,835	117,835
1991/92	204,226	204,226	204,226	204,226
1992/93	173,037	173,037	173,037	173,037
1993/94	235,716	235,716	235,716	235,716
1994/95	193,334	193,334	193,334	193,334
1995/96	205,464	205,464	205,464	205,464
1996/97	260,442	260,442	260,442	260,442
1997/98	279,940	279,940	279,940	279,940
1998/99	227,390	227,390	227,390	227,390
1999/00	273,472	273,472	273,472	273,472
2000/01	180,506	180,686	180,686	180,704
2001/02	103,476	103,476	103,476	103,476
2002/03	89,631	95,282	95,282	95,847
2003/04	173,803	173,803	173,803	173,803
2004/05	229,875	229,875	229,875	229,875
2005/06	122,666	123,288	123,288	123,350
2006/07	225,654	226,787	226,787	227,013
2007/08	219,759	215,560	213,995	215,774
2008/09	397,931	372,740	367,609	375,726

(2) is from Exhibit PR-3.

(3) is from Exhibit PR-4.

(4) is from Exhibit PR-5.

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

Bornhuetter - Ferguson Analysis

I. A-priori Loss Rate

Claim Period (1)	Preliminary Projected Ultimate Limited Losses (2)	Property Values (000) (3)	Limited Loss Rate per \$100 of Property Values (2)/(3)/10 (4)	Loss Rate Trend (2009/10 = 1.000) (5)	Trended Limited Loss Rate per \$100 of Property Values (4)X(5) (6)	Projected A-priori Loss Rate per \$100 of Property Values (7)/(5) (8)
1999/00	\$273,472	\$214,738	\$0.127	1.219	\$0.155	\$0.070
2000/01	180,704	221,121	0.082	1.195	0.098	0.072
2001/02	103,476	232,269	0.045	1.172	0.052	0.073
2002/03	95,847	243,836	0.039	1.149	0.045	0.075
2003/04	173,803	260,090	0.067	1.126	0.075	0.076
2004/05	229,875	266,772	0.086	1.104	0.095	0.078
2005/06	123,350	278,404	0.044	1.082	0.048	0.079
2006/07	227,013	283,949	0.080	1.061	0.085	0.081
2007/08	215,774	293,370	0.074	1.040	0.077	0.082
2008/09	375,726	303,296	0.124	1.020	0.126	0.084

(7) Projected 2009/10 a-priori loss rate per \$100 of Property Values \$0.086

II. Bornhuetter - Ferguson Analysis Based on Limited Paid Losses

Claim Period (1)	Limited Paid Losses 6/30/09 (2)	Percent Losses Paid (3)	Projected A-priori Loss Rate per \$100 of Property Values (4)	Property Values (000) (5)	B-F Unpaid Losses [100.0%-(3)] X(4)X(5)X10 (6)	B-F Ultimate Limited Paid Losses (2)+(6) (7)
2004/05	\$229,875	100.0%	\$0.078	\$266,772	\$0	\$229,875
2005/06	122,666	100.0%	0.079	278,404	0	122,666
2006/07	224,532	99.5%	0.081	283,949	1,140	225,672
2007/08	208,253	94.8%	0.082	293,370	12,642	220,895
2008/09	235,685	59.2%	0.084	303,296	103,818	339,503

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

Claim Period (1)	Limited Reported Incurred Losses 6/30/09 (2)	Percent Losses Reported (3)	Projected A-priori Loss Rate per \$100 of Property Values (4)	Property Values (000) (5)	B-F Unreported Losses [100.0%-(3)] X(4)X(5)X10 (6)	B-F Ultimate Limited Reported Losses (2)+(6) (7)
2004/05	\$229,875	100.0%	\$0.078	\$266,772	\$0	\$229,875
2005/06	123,288	100.0%	0.079	278,404	0	123,288
2006/07	226,787	100.0%	0.081	283,949	0	226,787
2007/08	212,374	98.5%	0.082	293,370	3,568	215,943
2008/09	333,847	89.6%	0.084	303,296	26,569	360,416

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

Section I, (3), Section II, (5) and Section III, (5) are from Exhibit PR-10.

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

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

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

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

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

Frequency Times Severity Analysis

I. Projected Ultimate Claims

Claim Period (1)	Months of Development 6/30/09 (2)	Reported Claims 6/30/09 (3)	Percent Claims Reported (4)	Projected Ultimate Claims (3)/(4) (5)	Property Values (000) (6)	Frequency (per \$1M of Property Values) (5)/(6)X1,000 (7)
1999/00	120.0	155	100.0%	155	\$214,738	0.72
2000/01	108.0	35	100.0%	35	221,121	0.16
2001/02	96.0	35	100.0%	35	232,269	0.15
2002/03	84.0	37	100.0%	37	243,836	0.15
2003/04	72.0	101	100.0%	101	260,090	0.39
2004/05	60.0	150	100.0%	150	266,772	0.56
2005/06	48.0	123	100.0%	123	278,404	0.44
2006/07	36.0	139	100.0%	139	283,949	0.49
2007/08	24.0	149	99.5%	150	293,370	0.51
2008/09	12.0	189	97.1%	195	303,296	0.64

II. Frequency Times Severity

Claim Period (1)	Preliminary Projected Ultimate Limited Losses (2)	Projected Ultimate Claims (3)	Average Severity (2)/(3) (4)	Severity Trend (2009/10 = 1.000) (5)	Trended Average Claim Severity (4)X(5) (6)	De-Trended Projected 2009/10 Average Claim Severity (7)/(5) (8)	Frequency Times Severity (3)X(8) (9)
1999/00	\$273,472	155	\$1,764	1.219	\$2,151	\$2,024	\$313,702
2000/01	180,704	35	5,163	1.195	6,170	2,064	72,253
2001/02	103,476	35	2,956	1.172	3,464	2,106	73,698
2002/03	95,847	37	2,590	1.149	2,976	2,148	79,467
2003/04	173,803	101	1,721	1.126	1,938	2,191	221,263
2004/05	229,875	150	1,533	1.104	1,692	2,235	335,180
2005/06	123,350	123	1,003	1.082	1,086	2,279	280,345
2006/07	227,013	139	1,633	1.061	1,733	2,325	323,148
2007/08	215,774	150	1,438	1.040	1,497	2,371	355,696
2008/09	375,726	195	1,927	1.020	1,965	2,419	471,653
(7) Projected 2009/10 average claim severity					\$2,467		

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

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

Section I, (6) is from Exhibit PR-10.

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

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

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

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

CITY OF DAVENPORT, IOWA
PROPERTY

Exhibit PR-9

Projected Ultimate Limited Losses to 2008/09

Claim Period (1)	Developed Limited Paid Losses (2)	Developed Limited Reported Incurred Losses (3)	Developed Limited Case Reserves (4)	B-F Ultimate Limited Paid Losses (5)	B-F Ultimate Limited Reported Losses (6)	Frequency Times Severity (7)	Projected Ultimate Limited Losses (8)
to 1989/90	\$210,601	\$210,601	\$210,601				\$210,601
1990/91	117,835	117,835	117,835				117,835
1991/92	204,226	204,226	204,226				204,226
1992/93	173,037	173,037	173,037				173,037
1993/94	235,716	235,716	235,716				235,716
1994/95	193,334	193,334	193,334				193,334
1995/96	205,464	205,464	205,464				205,464
1996/97	260,442	260,442	260,442				260,442
1997/98	279,940	279,940	279,940				279,940
1998/99	227,390	227,390	227,390				227,390
1999/00	273,472	273,472	273,472				273,472
2000/01	180,506	180,686	180,686				181,000
2001/02	103,476	103,476	103,476				103,476
2002/03	89,631	95,282	95,282				96,000
2003/04	173,803	173,803	173,803				173,803
2004/05	229,875	229,875	229,875	229,875	229,875	335,180	229,875
2005/06	122,666	123,288	123,288	122,666	123,288	280,345	123,350
2006/07	225,654	226,787	226,787	225,672	226,787	323,148	227,013
2007/08	219,759	215,560	213,995	220,895	215,943	355,696	217,000
2008/09	397,931	372,740	367,609	339,503	360,416	471,653	368,000

(2) is from Exhibit PR-3.

(3) is from Exhibit PR-4.

(4) is from Exhibit PR-5.

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

(7) is from Exhibit PR-8.

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

Projected Ultimate Limited Losses for 2009/10 and Subsequent

Claim Period (1)	Projected Ultimate Limited Losses (2)	Property Values (000) (3)	Limited Loss Rate per \$100 of Property Values (2)/(3)/10 (4)	Loss Rate Trend (2009/10 = 1.000) (5)	Trended Limited Loss Rate per \$100 of Property Values (4)X(5) (6)
1999/00	\$273,472	\$214,738	\$0.127	1.219	\$0.155
2000/01	181,000	221,121	0.082	1.195	0.098
2001/02	103,476	232,269	0.045	1.172	0.052
2002/03	96,000	243,836	0.039	1.149	0.045
2003/04	173,803	260,090	0.067	1.126	0.075
2004/05	229,875	266,772	0.086	1.104	0.095
2005/06	123,350	278,404	0.044	1.082	0.048
2006/07	227,013	283,949	0.080	1.061	0.085
2007/08	217,000	293,370	0.074	1.040	0.077
2008/09	368,000	303,296	0.121	1.020	0.124
Total	\$1,992,988	\$2,597,844	\$0.077		\$0.085

Claim Period (1)	Projected Limited Loss Rate per \$100 of Property Values (7)	Projected Property Values (000) (8)	Projected Ultimate Limited Losses (7)X(8)X10 (9)	Present Value Factor (10)	Present Value of Projected Limited Loss Rate per \$100 of Property Values (7)X(10) (11)	Present Value of Projected Ultimate Limited Losses (8)X(11)X10 (12)
2009/10	\$0.085	\$313,298	\$268,000	0.99	\$0.085	\$265,000
2010/11	0.087	321,130	280,000	0.99	0.086	277,000

(2) is from Exhibit PR-9.

(3) for 2000/01, 2002/03, 2003/04, 2004/05, 2005/06, 2006/07, 2007/08 and 2008/09 were provided by the City. Other periods assume a 2.5% trend.

(5) is based on a 2% trend.

(7) for 2009/10 is based on (6) and actuarial judgment.

(7) for 2010/11 and subsequent are based on 2009/10 plus a 2% trend.

(8) to 2009/10 was provided by the City. Other claim periods are based on a 2.5% trend.

(10) is based on a 1% interest rate and the payout pattern in Exhibit PR-2.

CITY OF DAVENPORT, IOWA
PROPERTY

Exhibit PR-11

Estimated Outstanding Losses as of June 30, 2009

Claim Period (1)	Limited Paid Losses 6/30/09 (2)	Limited Case Reserves 6/30/09 (3)	Limited Reported Incurred Losses 6/30/09 (4)	Projected Ultimate Limited Losses (5)	Estimated IBNR 6/30/09 (5)-(4) (6)	Estimated Outstanding Losses 6/30/09 (3)+(6) (7)	Present Value Factor (8)	Present Value of Estimated Outstanding Losses 6/30/09 (7)X(8) (9)
to 1989/90	\$210,601	\$0	\$210,601	\$210,601	\$0	\$0	1.00	\$0
1990/91	117,835	0	117,835	117,835	0	0	1.00	0
1991/92	204,226	0	204,226	204,226	0	0	1.00	0
1992/93	173,037	0	173,037	173,037	0	0	1.00	0
1993/94	235,716	0	235,716	235,716	0	0	1.00	0
1994/95	193,334	0	193,334	193,334	0	0	1.00	0
1995/96	205,464	0	205,464	205,464	0	0	1.00	0
1996/97	260,442	0	260,442	260,442	0	0	1.00	0
1997/98	279,940	0	279,940	279,940	0	0	1.00	0
1998/99	227,390	0	227,390	227,390	0	0	1.00	0
1999/00	273,472	0	273,472	273,472	0	0	1.00	0
2000/01	180,506	180	180,686	181,000	314	494	1.00	494
2001/02	103,476	0	103,476	103,476	0	0	1.00	0
2002/03	89,631	5,651	95,282	96,000	718	6,369	1.00	6,369
2003/04	173,803	0	173,803	173,803	0	0	1.00	0
2004/05	229,875	0	229,875	229,875	0	0	1.00	0
2005/06	122,666	622	123,288	123,350	62	684	1.00	684
2006/07	224,532	2,255	226,787	227,013	226	2,481	1.00	2,469
2007/08	208,253	4,121	212,374	217,000	4,626	8,747	0.99	8,695
2008/09	235,685	98,162	333,847	368,000	34,153	132,315	0.99	131,475
Total	\$3,949,883	\$110,992	\$4,060,875	\$4,100,973	\$40,099	\$151,090		\$150,186

(2), (3) and (4) are net of specific self insured retention and aggregate retention.

(5) is from Exhibit PR-9.

(8) is based on a 1% interest rate and the payout pattern in Exhibit PR-2.

CITY OF DAVENPORT, IOWA
PROPERTY

Exhibit PR-12

Projected Losses Paid July 1, 2009 to June 30, 2010

Claim Period (1)	Months of Development 6/30/09 (2)	Percent Losses Paid (3)	Months of Development 6/30/10 (4)	Percent Losses Paid (5)	Percent Outstanding Losses Paid 7/1/09 to 6/30/10 [(5)-(3)]/ [100.0%-(3)] (6)	Estimated Outstanding Losses 6/30/09 (7)	Projected Losses Paid (6)X(7) (8)	Estimated Outstanding Losses 6/30/10 (7)-(8) (9)	Present Value Factor (10)	Present Value of Estimated Outstanding Losses 6/30/10 (9)X(10) (11)
to 1989/90	240.0	100.0%	252.0	100.0%	100.0%	\$0	\$0	\$0	1.00	\$0
1990/91	228.0	100.0%	240.0	100.0%	100.0%	0	0	0	1.00	0
1991/92	216.0	100.0%	228.0	100.0%	100.0%	0	0	0	1.00	0
1992/93	204.0	100.0%	216.0	100.0%	100.0%	0	0	0	1.00	0
1993/94	192.0	100.0%	204.0	100.0%	100.0%	0	0	0	1.00	0
1994/95	180.0	100.0%	192.0	100.0%	100.0%	0	0	0	1.00	0
1995/96	168.0	100.0%	180.0	100.0%	100.0%	0	0	0	1.00	0
1996/97	156.0	100.0%	168.0	100.0%	100.0%	0	0	0	1.00	0
1997/98	144.0	100.0%	156.0	100.0%	100.0%	0	0	0	1.00	0
1998/99	132.0	100.0%	144.0	100.0%	100.0%	0	0	0	1.00	0
1999/00	120.0	100.0%	132.0	100.0%	100.0%	0	0	0	1.00	0
2000/01	108.0	100.0%	120.0	100.0%	100.0%	494	494	0	1.00	0
2001/02	96.0	100.0%	108.0	100.0%	100.0%	0	0	0	1.00	0
2002/03	84.0	100.0%	96.0	100.0%	100.0%	6,369	6,369	0	1.00	0
2003/04	72.0	100.0%	84.0	100.0%	100.0%	0	0	0	1.00	0
2004/05	60.0	100.0%	72.0	100.0%	100.0%	0	0	0	1.00	0
2005/06	48.0	100.0%	60.0	100.0%	100.0%	684	684	0	1.00	0
2006/07	36.0	99.5%	48.0	100.0%	100.0%	2,481	2,481	0	1.00	0
2007/08	24.0	94.8%	36.0	99.5%	90.5%	8,747	7,916	831	1.00	827
2008/09	12.0	59.2%	24.0	94.8%	87.2%	132,315	115,324	16,991	0.99	16,891
2009/10	0.0	0.0%	12.0	59.2%	59.2%	268,000	158,730	109,270	0.99	108,576
Total						\$419,090	\$291,998	\$127,092		\$126,294

(3) and (5) are from Exhibit PR-2.

(7) to 2008/09 is from Exhibit PR-11. The amount for 2009/10 is from Exhibit PR-10.

(10) is based on a 1% interest rate and the payout pattern in Exhibit PR-2.

CITY OF DAVENPORT, IOWA
PROPERTY

Exhibit PR-13

Projected Losses Paid July 1, 2010 to June 30, 2011

Claim Period (1)	Months of Development 6/30/10 (2)	Percent Losses Paid (3)	Months of Development 6/30/11 (4)	Percent Losses Paid (5)	Percent Outstanding Losses Paid 7/1/10 to 6/30/11 [(5)-(3)]/ [100.0%-(3)] (6)	Estimated Outstanding Losses 6/30/10 (7)	Projected Losses Paid (6)X(7) (8)	Estimated Outstanding Losses 6/30/11 (7)-(8) (9)	Present Value Factor (10)	Present Value of Estimated Outstanding Losses 6/30/11 (9)X(10) (11)
to 1989/90	252.0	100.0%	264.0	100.0%	100.0%	\$0	\$0	\$0	1.00	\$0
1990/91	240.0	100.0%	252.0	100.0%	100.0%	0	0	0	1.00	0
1991/92	228.0	100.0%	240.0	100.0%	100.0%	0	0	0	1.00	0
1992/93	216.0	100.0%	228.0	100.0%	100.0%	0	0	0	1.00	0
1993/94	204.0	100.0%	216.0	100.0%	100.0%	0	0	0	1.00	0
1994/95	192.0	100.0%	204.0	100.0%	100.0%	0	0	0	1.00	0
1995/96	180.0	100.0%	192.0	100.0%	100.0%	0	0	0	1.00	0
1996/97	168.0	100.0%	180.0	100.0%	100.0%	0	0	0	1.00	0
1997/98	156.0	100.0%	168.0	100.0%	100.0%	0	0	0	1.00	0
1998/99	144.0	100.0%	156.0	100.0%	100.0%	0	0	0	1.00	0
1999/00	132.0	100.0%	144.0	100.0%	100.0%	0	0	0	1.00	0
2000/01	120.0	100.0%	132.0	100.0%	100.0%	0	0	0	1.00	0
2001/02	108.0	100.0%	120.0	100.0%	100.0%	0	0	0	1.00	0
2002/03	96.0	100.0%	108.0	100.0%	100.0%	0	0	0	1.00	0
2003/04	84.0	100.0%	96.0	100.0%	100.0%	0	0	0	1.00	0
2004/05	72.0	100.0%	84.0	100.0%	100.0%	0	0	0	1.00	0
2005/06	60.0	100.0%	72.0	100.0%	100.0%	0	0	0	1.00	0
2006/07	48.0	100.0%	60.0	100.0%	100.0%	0	0	0	1.00	0
2007/08	36.0	99.5%	48.0	100.0%	100.0%	831	831	0	1.00	0
2008/09	24.0	94.8%	36.0	99.5%	90.5%	16,991	15,376	1,615	1.00	1,607
2009/10	12.0	59.2%	24.0	94.8%	87.2%	109,270	95,238	14,032	0.99	13,949
2010/11	0.0	0.0%	12.0	59.2%	59.2%	280,000	165,837	114,163	0.99	113,438
Total						\$407,092	\$277,282	\$129,810		\$128,994

(3) and (5) are from Exhibit PR-2.

(7) to 2009/10 is from Exhibit PR-12, (9). The amount for 2010/11 is from Exhibit PR-10.

(10) is based on a 1% interest rate and the payout pattern in Exhibit PR-2.

List of Large Claims
Limited Reported Incurred Losses Greater Than or Equal to \$25,000

Claim Number (1)	Date of Loss (2)	Claim Period (3)	Specific Self-Insured Retention (4)	Limited Paid Losses 6/30/09 (5)	Limited Case Reserves 6/30/09 (6)	Limited Reported Incurred Losses 6/30/09 (7)
AFC91-00188-02	2/1/1992	1991/92	\$100,000	\$27,512	\$0	\$27,512
AFC96-00381-10	4/5/1997	1996/97	100,000	26,794	0	26,794
AFC97-00236-01	3/2/1998	1997/98	100,000	27,456	0	27,456
AFC99-00308-01	6/3/2000	1999/00	100,000	100,000	0	100,000
AFC00-00109-03	1/5/2001	2000/01	100,000	90,361	0	90,361
RM05-183	1/28/2005	2004/05	100,000	44,140	0	44,140
RM07-065	9/27/2006	2006/07	100,000	65,613	0	65,613
RM09-175	3/7/2009	2008/09	100,000	2,536	72,464	75,000

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

(1) through (7) were provided by the City.

Size of Loss Distribution

I. Reported Claim Count

Layer (1)	Prior (2)	2004/05 (3)	2005/06 (4)	2006/07 (5)	2007/08 (6)	2008/09 (7)	Total (2)...(7) (8)	Non-Zero Claim Cumulative Total (9)	Non-Zero Claim Cumulative % of Total (10)
0	669	88	65	80	75	88	1,065		
0.01 - 5,000	1,346	51	52	48	64	87	1,648	1,648	89.5%
5,000 - 10,000	95	8	6	8	6	9	132	1,780	96.6%
10,000 - 50,000	45	3	0	2	4	4	58	1,838	99.8%
50,000 - 100,000	1	0	0	1	0	1	3	1,841	99.9%
100,000 - 250,000	0	0	0	0	0	0	0	1,841	99.9%
250,000 - 350,000	1	0	0	0	0	0	1	1,842	100.0%
350,000 - 400,000	0	0	0	0	0	0	0	1,842	100.0%
400,000 - 500,000	0	0	0	0	0	0	0	1,842	100.0%
500,000 - 1,000,000	0	0	0	0	0	0	0	1,842	100.0%
Over 1,000,000	0	0	0	0	0	0	0	1,842	100.0%
Total	2,157	150	123	139	149	189	2,907	1,842	

II. Total Reported Incurred Losses

Layer (1)	Prior (2)	2004/05 (3)	2005/06 (4)	2006/07 (5)	2007/08 (6)	2008/09 (7)	Total (2)...(7) (8)	Non-Zero Claim Cumulative Total (9)	Non-Zero Claim Cumulative % of Total (10)
0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
0.01 - 5,000	1,355,882	81,475	76,006	79,554	109,252	126,121	1,828,289	1,828,289	43.1%
5,000 - 10,000	669,096	63,698	47,282	51,170	39,369	61,852	932,467	2,760,755	65.1%
10,000 - 50,000	719,365	84,703	0	30,450	63,754	70,874	969,146	3,729,902	88.0%
50,000 - 100,000	90,361	0	0	65,613	0	75,000	230,974	3,960,875	93.5%
100,000 - 250,000	0	0	0	0	0	0	0	3,960,875	93.5%
250,000 - 350,000	277,387	0	0	0	0	0	277,387	4,238,263	100.0%
350,000 - 400,000	0	0	0	0	0	0	0	4,238,263	100.0%
400,000 - 500,000	0	0	0	0	0	0	0	4,238,263	100.0%
500,000 - 1,000,000	0	0	0	0	0	0	0	4,238,263	100.0%
Over 1,000,000	0	0	0	0	0	0	0	4,238,263	100.0%
Total	\$3,112,091	\$229,875	\$123,288	\$226,787	\$212,374	\$333,847	\$4,238,263	\$4,238,263	

Comparison of Case Reserves from June 30, 2008 to June 30, 2009

Claim Period (1)	Limited Case Reserves 6/30/08 (2)	Limited Case Reserves 6/30/09 (3)	Change (3)-(2) (4)
to 1989/90	\$0	\$0	\$0
1990/91	0	0	0
1991/92	0	0	0
1992/93	0	0	0
1993/94	0	0	0
1994/95	0	0	0
1995/96	0	0	0
1996/97	0	0	0
1997/98	0	0	0
1998/99	0	0	0
1999/00	0	0	0
2000/01	0	180	180
2001/02	0	0	0
2002/03	5,651	5,651	0
2003/04	8,406	0	(8,406)
2004/05	25,323	0	(25,323)
2005/06	17,908	622	(17,286)
2006/07	9,489	2,255	(7,234)
2007/08	16,956	4,121	(12,834)
2008/09		98,162	98,162
Total	\$83,734	\$110,992	\$27,258

(2) is from Exhibit PR-1.

(3) is from the previous actuarial study as of June 30, 2008 (report dated October 19, 2006).