

***Southwest Washington
Risk Management
Insurance Cooperative***

**Actuarial Review
As of August 31, 2017**





Mr. Loy B. Dale
Executive Director, School and Agency Operations
Educational Service District 112
2500 NE 65th Avenue
Vancouver, WA 98661-6812

January 17, 2018

Dear Mr. Dale:

Please find attached a copy of PricewaterhouseCoopers LLP's actuarial review of Southwest Washington Risk Management Insurance Cooperative ("the Co-op") as of August 31, 2017. This analysis updates our prior valuation study dated November 10, 2016.

Please refer to the "Key Findings" section of our report for the major results of our study.

We appreciate the opportunity to provide our services to Southwest Washington Risk Management Insurance Cooperative and we look forward to your review of our report. If you have any questions or comments regarding the study, please call Kevin Wick at (206) 398-3518 or Steve Higgins at (206) 398-3567.

Sincerely,

A handwritten signature in blue ink that reads "Kevin Wick".

Kevin L. Wick, FCAS, MAAA
Managing Director

A handwritten signature in black ink that reads "Stephen J. Higgins, Jr.".

Stephen J. Higgins, Jr., ACAS, MAAA
Manager

A handwritten signature in black ink that reads "Mark W. Littmann".

Mark Littmann, FCAS, MAAA
Principal

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Purpose

Southwest Washington Risk Management Insurance Cooperative has retained PricewaterhouseCoopers LLP (“PwC”) to provide an actuarial review of its self-insurance program. In this report, we provide estimates of:

1. Outstanding claim liability as of August 31, 2017;
2. Adequacy of current funding;
3. Unallocated loss adjustment expense reserves;
4. Ceded ultimate losses; and
5. Projected future payments (cash flow requirements).

Each of these issues is estimated as of the August 31, 2017 accounting date based on data valued as of August 31, 2017. We continued to receive information and supplemental data from the Co-op through December 15, 2017; none of this additional information and data reflects activity between the valuation date of the data and the date it was provided. The estimates in this report are actuarial central estimates which represent the expected value over the range of reasonably possible outcomes. As such these estimates are subject to variability. Actual results may differ substantially. This report and supporting work-papers document the procedures and results of PwC’s analysis.

Key Findings

Outstanding claim liability

The Co-op's outstanding claim obligations net of self-insured retentions and aggregate stop loss coverage as of August 31, 2017 are estimated to be approximately \$998,000. This amount is approximately 7% (\$74,000) lower than that of the August 2016 fiscal year-end. The current reserve level for general liability is presented in the following table along with the other components of the aggregate reserve. The prior year-end reserve levels are also presented for comparison purposes.

Summary of Net Outstanding Claim Liability (000s)		
Coverage	8/31/16	8/31/17
General Liability	\$908	\$680
Automobile Liability	41	52
Property	49	170
Auto Physical Damage	7	32
ULAE	<u>67</u>	<u>64</u>
Total Outstanding Claim Liability	1,072	998

The outstanding claim liabilities in the above table represent the undiscounted outstanding claim obligations as of the August 31, 2016 and 2017 reserve dates, for self-insured claims incurred on or before those dates. The components of the change in unpaid claim liability since the prior year-end are summarized in the table below.

Change in Outstanding Claim Obligations Aug-16 to Aug-17 (000s)	
Beginning Unpaid Claim Liability (Aug-16)	\$1,072
Payments During Period	-812
New Losses Incurred	+811
Change in Prior Year Loss Estimates	-70
<u>Change in ULAE Reserve</u>	<u>-3</u>
Ending Unpaid Claim Liability (Aug-17)	998

The reserves for outstanding claim liability include a provision for outstanding loss and loss adjustment expenses. Allocated loss adjustment expenses ("ALAE") are those that can be associated directly with specific claims, such as legal fees. Unallocated loss adjustment expenses ("ULAE") are expenses that are

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normally associated with the overhead costs of administering claims. In this report, ULAE reserves have been estimated separately from the loss and ALAE reserves. The estimated ULAE reserve is approximately \$64,000; the ULAE reserve calculation is presented on Exhibit 2.

The loss and ALAE reserves are presented on Exhibit 1-2 by fiscal year and by coverage. The outstanding claim liability for each of the four coverages has a case reserve and an IBNR reserve component. The case reserve component is the estimated amount on existing known claims. The IBNR reserve component is a provision for potential adverse development on known claims as well as incurred but not reported (IBNR) claims.

Underlying trends

- Prior year losses have developed somewhat favorably since the August 2016 fiscal year-end. Accordingly, prior year ultimate loss estimates are roughly \$70,000 lower than the August 2016 estimates. Most of this decrease is due to better than expected experience in general liability. Changes in ultimate loss estimates in aggregate and by coverage, are presented by year in Appendix A of this report.
- The following table shows a breakout of the outstanding case loss reserves and IBNR loss reserves as of each fiscal year-end since 2009. The current level of case reserves is similar to that of the prior fiscal year-end. However, as can be seen from the table, there has been much variation in outstanding case reserves since 2009. On the other hand, IBNR reserves appear to be much more stable.

Historical Loss Reserves				
<u>Fiscal Year-end</u>	<u>Case Loss Reserves</u>	<u>IBNR Reserves</u>	<u>Open Claims</u>	<u>Average Case Reserves</u> <u>(1) / (3)</u>
	(1)	(2)	(3)	(4)
2009	776,443	437,717	40	19,411
2010	598,880	386,675	41	14,607
2011	627,306	407,484	33	19,009
2012	904,128	350,698	28	32,290
2013	1,227,409	345,993	48	25,571
2014	881,811	344,893	34	25,936
2015	289,056	330,413	20	14,453
2016	645,755	359,321	24	26,906
2017	614,551	319,220	35	17,559

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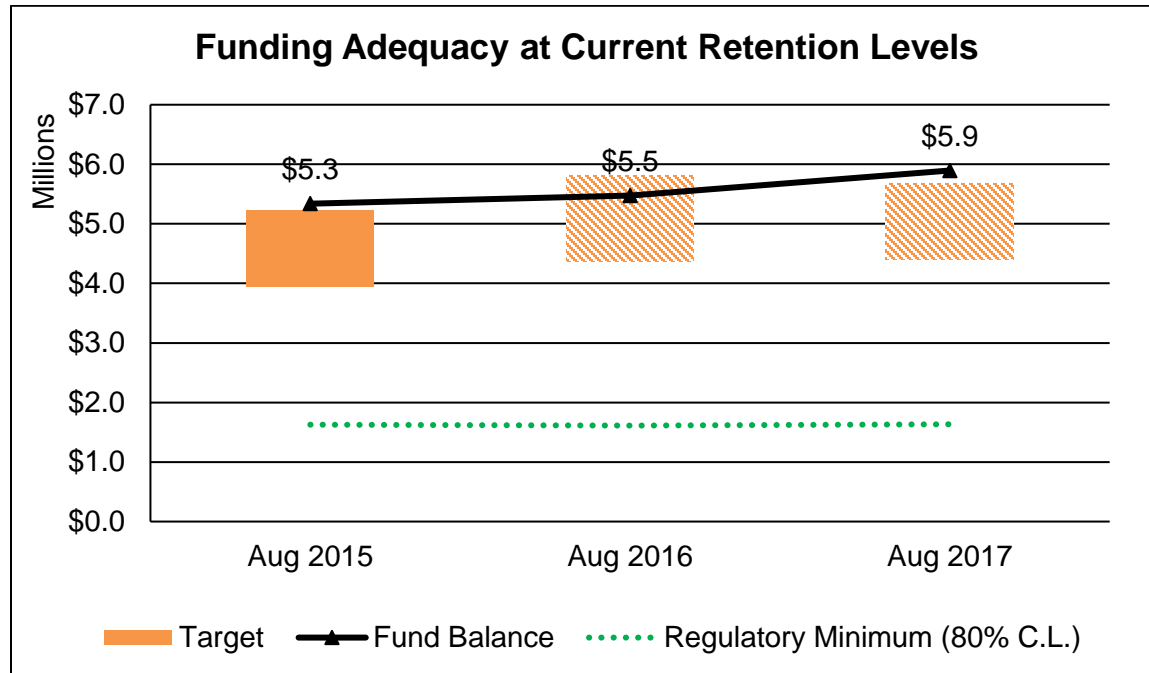
- As can be seen from the following table, 63% of the claims reported during the first twelve months of fiscal year 2017 were settled in 2017. This is consistent with the Co-op's most recent claim settlement rates.

Initial Claim Settlement Ratios at 12 Months of Development			
<u>Fiscal Year</u>	<u>Reported Claims</u> (1)	<u>Closed Claims</u> (2)	<u>Settlement Rate</u> <u>(2) / (1)</u> (3)
2004	60	40	67%
2005	44	17	39%
2006	59	31	53%
2007	53	29	55%
2008	52	34	65%
2009	62	39	63%
2010	54	30	56%
2011	52	34	65%
2012	46	31	67%
2013	48	23	48%
2014	50	32	64%
2015	35	24	69%
2016	40	24	60%
2017	60	38	63%

Funding adequacy

In August 2015, PwC provided an updated Target Fund Balance Review for the Co-op. In this study various target funding ranges were estimated based on the Co-op's risk profile. To date, the Board has not adopted a specific target funding policy. For purposes of illustration, a target funding range with a lower range defined as the funding needed to address the possibility of a 1-in-100 year event and an upper range defined as the funding needed to address the possibility of a 1-in-250 year event is used.

Using the results of this study, the 2017 year-end target funding range is estimated to be between \$4.4 million and \$5.7 million. The estimated fund balance for the 2017 year-end of \$5.9 million falls above this range. The following chart presents a comparison of the Co-op's current estimated year-end fund balance with their prior year-end fund balances and the respective target surplus ranges. For 2015, the target range is slightly below the fund balance. The 2016 fund balance is in the upper portion of the target range; and for 2017 the estimated fund balance is above the upper end of the target range. For comparison purposes, the Washington State regulatory minimum is also shown.



The target range for the 2017 FYE has decreased since the prior year end. This is mostly due to decreased reserving risk. The estimate of unpaid claim liability decreased by 7% (as noted above) since last year. Thus, there is less uncertainty and a lower capital need due to the lower unpaid estimate.

Financial ratio trends

As part of its financial monitoring, the Co-op also regularly reviews various financial ratios.

Self-Insured Retention to Equity: This ratio is a measure of the maximum percentage that equity could decline due to a single loss. A low ratio is desirable.

Annual Retained Losses to Equity: The Annual Retained Losses to Equity ratio is a measure of how equity is leveraged against possible pricing inaccuracies. A low ratio is desirable.

Net Reserves to Equity: This ratio is a measure of how equity is leveraged against possible reserve inaccuracies. A low ratio is desirable.

Change in Equity: A reduction in equity suggests that current rates are being subsidized by the depletion of equity. This cannot continue indefinitely.

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Actuarial Review as of August 31, 2017

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The following table summarizes some of the Co-op's recent year-end results for these ratios:

Ratio	As of August 2013	As of August 2014	As of August 2015	As of August 2016	As of August 2017
Max. SIR/Equity	6.3%	5.6%	4.7%	4.6%	4.2%
Annual Losses/Equity	0.22	0.19	0.15	0.15	0.14
Net Reserves/Equity	0.42	0.29	0.12	0.20	0.17
Change in Equity	1.9%	11.5%	19.8%	2.5%	10.4%
Equity Level (000's)	3,996	4,457	5,338	5,472	5,895

As can be seen from the table, the 2017 ratios represent an improvement relative to those of the prior years.

Regulatory minimum

The revised Washington Administrative Code (WAC) 200-100 includes various solvency standards for risk pools in Washington State. Specifically, WAC 200-100-03001 requires pools to obtain an annual actuarial review which provides estimates of the unpaid claims measured at the expected and eighty percent confidence level.

Under the defined solvency standard, the unpaid claims estimate at the expected level is compared to primary assets, which are defined as cash and investments less non-claims liabilities. The second test compares the unpaid claims estimate at the 80% confidence level with primary and secondary assets. Secondary assets mean insurance receivables, real estate or other assets, the value of which can be independently verified by the state risk manager. In each case, the requirement to pass the test is to have more assets than unpaid claims. The following table presents the results of the defined solvency tests for Southwest Washington Risk Management Insurance Cooperative as of August 31, 2017.

Defined Solvency Standard Test Results per WAC 200-100-03001 As of August 31, 2017 (000s)	
Test 1	
(1) Primary Assets	\$7,195
(2) Unpaid Claims - Expected Level	<u>998</u>
(3) Test 1 Result	PASS
Test 2	
(4) Secondary Assets	0
(5) Primary + Secondary Assets	7,195
(6) Unpaid Claims - 80% Confidence Level	<u>2,632</u>
(7) Test 2 Result	PASS

Please note that the primary and secondary assets presented in the table above were provided by the Co-op and have not been audited.

Variability of the unpaid claim estimate

The actual reserve requirements will vary from the estimated net outstanding claim liability of \$1.0 million. The following table presents the \$1.0 million estimate and a variety of risk margins at various confidence levels, which provide a measure of the uncertainty in this estimate. Please note that the confidence levels presented below are estimated using a method that is consistent with what was used in prior reports. The method used in the capital model study to estimate the reserving risk would result in lower risk margins.

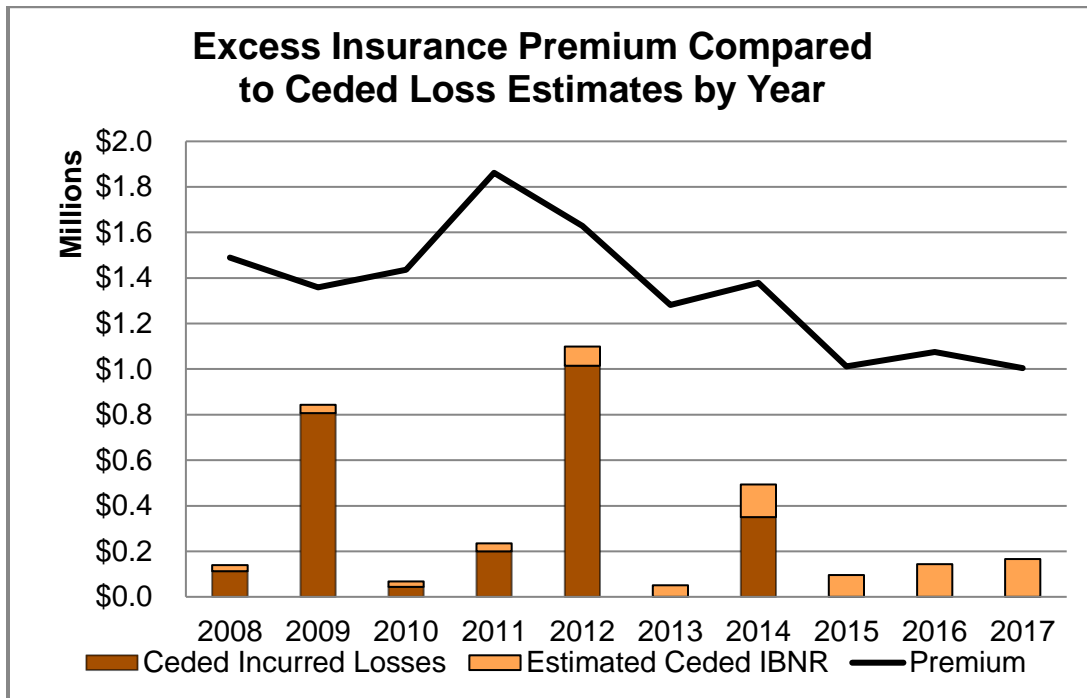
Estimated Outstanding Claim Liability With Risk Margins at Various Confidence Levels As of August 31, 2017 (000s)	
Estimated Outstanding Claim Liability	\$998
Risk Margin at the 70% Confidence Level	886
Risk Margin at the 80% Confidence Level	1,634
Risk Margin at the 90% Confidence Level	2,743
Risk Margin at the 95% Confidence Level	3,720

Projected future payments

The estimated future payments to be made during fiscal year 2018 are approximately \$856,000. A schedule of actual and estimated payments by fiscal payment year appears on Exhibit 3-1. Please note that these payments exclude unallocated loss adjustment expense. In addition, these estimates are highly variable due to the timing and volatility of potential settlement amounts.

Ceded ultimate loss estimates

Estimates of the Co-op's ceded ultimate loss (claim costs above the self-insured retention level) by year and by coverage are included in Appendix D-2 through D-5 of this report. The excess loss estimates may be compared with the Co-op's excess premium by year to gain a better understanding of the extent of the Co-op's reliance upon excess insurance for its current cost structure; this comparison is presented on the table in Appendix D-1 and graphically in the chart below. Large property claims exceeded the self-insured retention limits in 2009 and 2012.



Summary financial data

We have included four exhibits in Appendix B which are intended to help the Co-op to complete the Annual Report to be filed with the State Auditor's Office per RCW 43.09.230. The information presented in Appendix B is based on data provided to PwC by the Co-op. Before relying on any of these figures, we recommend the underlying data upon which they are based be tested and audited.

Disclosures and Methodology

Background

Southwest Washington Risk Management Insurance Cooperative was formed in 1985 and currently consists of twenty-eight school districts, the KWRL Transportation Co-op and Educational Service District 112. The following table shows the dates when each member joined (and left) the Coop.

District	Membership Date	District	Membership Date
Battle Ground	9/1/85 to 8/31/96	Mill A	1/1/86
Camas	9/1/85	Wishram	1/1/86
Castle Rock	9/1/85	ESD 112	9/1/86
Kelso	9/1/85	Klickitat	9/1/86
Mount Pleasant	9/1/85	Naselle-Grays River	9/1/86
Ocean Beach	9/1/85	Trout Lake	9/1/86
Ridgefield	9/1/85 to 9/1/13	Green Mountain	11/1/86
Toutle Lake	9/1/85	KWRL Co-op	9/1/87
Wahkiakum	9/1/85	Hockinson	10/1/88 to 9/1/15
Washougal	9/1/85	LaCenter	10/1/89
Glenwood	10/1/85	Kalama	10/1/90
Roosevelt	11/1/85	Woodland	4/16/91
White Salmon	11/1/85	Bickleton	9/1/03
Skamania	12/1/85	East Valley	9/1/03
Stevenson-Carson	12/1/85	Mabton	9/1/03
Centerville	1/1/86	West Valley	9/1/03 to 9/1/12
Lyle	1/1/86	WSPIC	9/1/03

The purpose of the Co-op is to provide group self-funding, claims control and risk management for property/casualty liabilities to the member school districts and ESD's.

Oversight responsibility for the Co-op's operations is vested with the Board comprised of one representative from each member district. The Co-op is governed by an Executive Committee consisting of five members.

The Co-op has historically purchased per occurrence reinsurance protection. Coverage includes both loss and ALAE. The following table outlines the reinsurance protection of the Co-op.

Reinsurance Protection	
Loss Period	Amount Retained
9/1/85 – 8/31/86	\$0
9/1/86 – 8/31/94	25,000
9/1/94 – 8/31/95	50,000
9/1/95 – 8/31/98	100,000
9/1/98 – 8/31/02 Liability	50,000
9/1/98 – 8/31/02 Property	100,000
9/1/02 – 8/31/03	100,000
9/1/03 – 8/31/07 Liability	200,000
9/1/03 – 8/31/07 Property	100,000
9/1/07 – Present	250,000

Distribution and use

This report was prepared for internal use by the management of the Co-op, and not for any other party. Distribution of this report to the Co-op's external auditors is permitted with the understanding that the report will be distributed in its entirety and that the furnishing of this report is not a substitute for the auditor's own due diligence. Judgments as to the conditions, methods, and data contained in this report should be made only after studying the report in its entirety and understanding the reliance and limitations inherent in our analysis, as described in the subsequent sections. The use of parts of this report in isolation may result in erroneous or misleading conclusions. The Actuarial Services staff of PwC is available to explain or elaborate upon the findings presented in this report, and it is assumed that users of this report will seek out such explanation on any matter in question. Further distribution of this report is not permitted without the written permission of PwC. Other use or further distribution of this report will not result in the creation of any duty or liability by PwC to a third party, and third parties should place

no reliance on this report or data contained herein that would result in the creation of any duty or liability by PwC to the third party.

Reliance on data

The data used in this analysis was prepared by and are the responsibility of the Co-op. PwC assumes no responsibility and makes no representations with respect to the accuracy or completeness of the information provided. While our work involved reviewing the data for reasonableness and consistency, our actuarial engagement does not include an audit in accordance with generally accepted auditing standards. To the extent that any changes are noted that could potentially have a material impact on our analysis, it is the responsibility of the Co-op to notify us of these changes so that they may be properly reflected.

Data provided by the Co-op included the following:

- Loss and claims data valued as of August 31, 2017
- Self-insured retentions and excess insurance limits
- Preliminary summary financial statements of the Co-op as of August 31, 2017
- Exposures (vehicle counts, FTE's and insured property values)
- Current investment yield

The loss data compiled from the Co-op's database included paid loss, incurred loss, accident date, claims status (open and closed), as well as other specific information for each reported claim. The data was summarized and reconciled with Co-op management. Prior paid and incurred loss valuations used in this report were taken directly from prior actuarial reports.

Fiscal years run September through August. Throughout this report, fiscal years are often identified by the year in which they end (for example, fiscal year 2005-06 is referred to as fiscal year 2006).

References to the term "loss" should be understood to mean loss and allocated loss adjustment expense (ALAE). These expenses would include the costs of adjusting claims, such as legal expense, that are assigned to specific cases.

Qualifications of the actuaries

Kevin Wick is a Managing Director with PricewaterhouseCoopers LLP and is a Fellow of the Casualty Actuarial Society. Steve Higgins is a Manager with PricewaterhouseCoopers LLP and is an Associate of

the Casualty Actuarial Society. Mark Littmann is a Principal with PricewaterhouseCoopers LLP and is a Fellow of the Casualty Actuarial Society. All three are members in good standing and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Limitations

The projected ultimate liabilities and associated reserves for loss shown in this report are actuarial central estimates. As estimates, these values are subject to variability. The possibility of this variability arises from the fact that all factors affecting the ultimate liability for loss and loss adjustment expenses have not taken place and cannot be evaluated with absolute certainty. Reserve estimates and projections of future loss costs are subject to significant variation due to the potential for large claims, the long periods between accident date and claim settlement, and their vulnerability to the effects of changes in the legal, social, and economic environments. Changes in claims handling and adjustment procedures can also have a significant impact on such estimates. Our projection of liabilities is based on the Co-op's historical experience, and we have not anticipated any extraordinary changes to the various factors that might impact the future cost of claims. We have, however, used methods of estimating reserve requirements that we believe produce reasonable results given current information.

The variability is particularly high for the Co-op due to the small volume of self-insured claims experience and the volatile loss experience in the higher layers. In limiting losses to \$100,000, PwC noted incomplete claim information for claims incurred during some older fiscal years that had retention limits of \$25,000. In situations such as this, it is necessary to rely to some degree on relevant insurance industry statistics. The use of this data, however, introduces additional uncertainty because of the difficulties associated with finding and interpreting analogous external data. As such, no guarantee, either express or implied, should be inferred that losses will develop as shown in this report.

PwC completed a target fund balance review for the Co-op using data valued as of August 31, 2015. Target funding ranges used in this report are based on that study; we have assumed that much of the Co-op's projected risk profile is comparable to their risk profile as of the 2015 year-end.

Analysis

The actuarial analysis was divided into the following major work steps:

- Ultimate Losses Limited to \$100,000
- Ultimate Losses and Reserves at Actual Co-op Retention

- Unallocated Loss Adjustment Expense
- Cash Flow Analysis
- Future Losses and Loss Rates
- Benchmarking Based on “Peer” Regulated Insurance Companies
- Confidence Levels

Ultimate loss limited to \$100,000

The first step of the analysis was to project paid and incurred losses limited to \$100,000 (basic limits) to estimated ultimate values for each fiscal year through August 31, 2017. A large portion of the total cost of insurance claims that occur in each year is paid in subsequent years. This normal delay in payments creates a need to set aside funds each year to pay the future costs of already incurred claims. However, it is difficult to determine the exact amount of losses incurred during a year until sometime after the end of that year. One reason is that it is difficult to estimate ultimate costs for many claims when they are first reported. The claims adjuster makes estimates of the ultimate cost of individual claims based on the information available about each case. The unpaid amount estimated for an individual claim is called a "case reserve."

In most insurance programs, case reserves somewhat understate the ultimate cost of claims because the reserves are generally based only on the most currently available information about the circumstances surrounding each known claim. The result is that total estimated costs for claims incurred in a year are often revised upward over time. Though many claims settle for less than originally expected, decreases in estimated costs are more than offset by newly reported claims and by increases in case reserves for other claims about which new information emerges. This phenomenon of progressively revising reserves is called “loss development.”

Loss development is a normal and expected part of most insurance programs. Even if it is substantial, loss development does not necessarily imply that claims are being administered improperly. For financial purposes, however, it is important to estimate the amount of future loss development to recognize the entire liability.

The application of several actuarial techniques is important in order to estimate the ultimate costs of claims. Each technique relies on a specific set of assumptions about the stability of the claims environment and thus provides additional insight into trends in claims costs. These methods will also give inapplicable results when the important assumptions on which they rely are violated. Thus, the

methods applied act as checks and balances against each other, and, within reason, the more methods applied, the more likely it is that accurate loss estimates will be obtained.

Some methods may provide accurate results in some years and inaccurate results in others, depending on the situation in the local claims environment. Knowledge of the local environment and experience with the actuarial estimation methods is required to select the best results in each set of circumstances.

The actuarial methods used to estimate ultimate loss included the following:

- Paid loss development
- Incurred loss development
- Bornhuetter-Ferguson using exposures and paid loss
- Bornhuetter-Ferguson using exposures and incurred loss

Paid loss development assumes that the ratio of losses paid in one period to losses paid in an earlier period is approximately constant over time. For example, if, on average, paid losses at 24 months after the start of the year were 150% of losses at 12 months, loss development from 12 to 24 months is projected to be 50%. Similarly if losses at 36 months were 120% of losses at 24 months, then the combined loss development from 12 to 36 months is projected to be 80% ($1.50 \times 1.20 = 1.80$). The process of estimating period-to-period development factors is normally continued until a level of maturity is reached at which point no additional movement is expected.

Incurred loss development is similar to paid loss development but uses incurred losses (paid loss plus case loss reserves) instead of paid losses.

The Bornhuetter-Ferguson technique based on exposures and paid loss is a variation on the traditional development approach. The basic premise underlying this technique is that loss varies proportionately with exposures. Losses per exposures are selected based on historical loss experience and resulting trends. This is balanced by assuming that only future losses will develop at this rate. The percent of paid loss to ultimate loss implied from the paid loss development method is used to determine what percentage of ultimate loss is yet to be developed. Current losses are added to losses yet to be developed, yielding an estimate of ultimate loss for each year. This method is also performed using incurred losses instead of paid losses.

The Bornhuetter-Ferguson approach is particularly useful for the more recent years because of their relative stability compared with that of development techniques. Paid loss development factors, in

particular, can be very large for the most recent years; a relatively small change in the reporting or payment pattern could significantly distort the calculated result.

Based on a review of the results of the actuarial methods, the basic limits ultimate loss was selected for each fiscal year.

Ultimate losses and reserves at actual Co-op retention

Basic limits ultimate losses were brought to actual Co-op retention levels based on an increased limits analysis. Losses limited to the various retentions were compared to basic limits losses in order to estimate increased limits factors. Industry information was also used to supplement the size-of-loss analysis. These increased limits factors were then applied to basic limits ultimate losses to yield initial expected ultimate losses at the Co-op retention. A Bornhuetter-Ferguson method was used to estimate the remaining emergence of these initial expected net losses. Based on the expected losses and actual incurred losses to date, ultimate losses at the Co-op's retentions were selected. Loss reserves were calculated as ultimate losses minus paid losses to date. The ultimate loss estimates, both limited to \$100,000 and between \$100,000 and the retention level are presented on Exhibit 1-3.

The estimation of ceded ultimate losses is presented in Appendix D. PwC used a form of the Bornhuetter-Ferguson method in this estimation. For general and automobile liability losses, net ultimate losses were multiplied by increased limits factors to yield initial expected ceded ultimate loss. The increased limits factors were based on both Co-op size-of-loss experience and industry size-of-loss experience. Industry ceded incurred development patterns were used to estimate the percent of ceded loss yet to be developed. The initial expected ceded ultimate loss was multiplied by the percentage of ceded loss yet to be developed and then added to ceded incurred loss to yield the ceded ultimate loss estimate. For the property and auto physical damage coverages, net incurred loss development (instead of industry ceded incurred loss development estimates) was used in the estimation.

Unallocated loss adjustment expense estimation

Unallocated loss adjustment expense (ULAE) reserves were estimated using a method based on the historical fiscal year ratio of paid ULAE to paid loss and ALAE. A selected ULAE to loss and ALAE ratio is applied to loss and ALAE reserves, making the assumption that some of ULAE payments are made when a claim is reported and the remaining part as the claim is paid. Therefore, the whole ratio is applied to "pure" IBNR reserves, while only a portion of the ratio is applied to development on reported claims. Two scenarios were constructed using the assumptions that 0% and 100% of the estimated IBNR loss reserves

is attributable to IBNR claims. Based on the range of estimates provided, a total ULAE reserve was selected. The estimate of ULAE is presented on Exhibit 2.

Cash flow analysis

The cash flow analysis provides useful information regarding the timing and level of expected future payments. The timing of future payments was based on a payment pattern established by reviewing the historical relationship between cumulative paid loss and estimated ultimate loss. A summary of the Co-op's expected cash flow is presented on Exhibit 3-1. The supporting payment information, arranged by fiscal payment year is presented on Exhibits 3-2 and 3-3.

Future losses and loss rates

The projected ultimate losses for fiscal year 2018 were estimated based on projections of historical loss rates (where loss rates are losses divided by the appropriate exposure base). The exposure bases used were: FTEs for general liability, vehicle counts for automobile liability and APD, and total insured values for property. Historical loss rates were calculated based on the current estimates of ultimate loss. These loss rates were then trended to 2018 cost levels. The loss trends were based on recent experience from the state of Washington. The following trends were used: a 4% trend for general liability and auto liability, and a 3% trend for APD. No trend was used for property because it was assumed that future losses would be consistent with expected future property values. In addition, the loss rates were adjusted to the 2018 retention level. Based on these indications and trends, estimated loss rates were selected for fiscal year 2018. Multiplying the projected loss rates by the projected exposures to loss results in the estimates of ultimate loss for fiscal year 2018.

Confidence levels

Reserving risk is the risk that eventual losses and expenses may exceed the loss reserve liability that the Co-op is booking as of the current fiscal year-end. Variability of the reserving risk margin was measured using a simulation model. The model measures the interaction between the Co-op's number of claims and the size of claim distributions. The number of claims estimate was assumed to follow a Poisson distribution. Industry increased limit factors were used to supplement the Co-op loss experience as a basis for the size-of-loss distribution assumption. The confidence level indications are the result of the various simulated aggregate distributions resulting from this model.

Southwest Washington Risk Management Insurance Cooperative
All Coverages Combined

Summary of Results
As of August 31, 2017

1. Estimated Assets (unaudited)	7,194,651
2. Outstanding Claim Liability	933,771
3. ULAE Reserves	64,000
4. Other Liabilities (unaudited)	299,617
5. Total Liabilities [(2)+(3)+(4)]	1,297,388
6. Deferred Outflows of Resources - GASB 68 Pensions (unaudited)	20,874
7. Deferred Inflows of Resources - GASB 68 Pensions (unaudited)	(22,862)
8. Estimated Member Fund Balance [(1)-(5)+(6)+(7)]	5,895,274
9. Lower Bound of Target Range	4,402,093
10. Upper Bound of Target Range	5,678,386

1. Lines (1), (4), (6) and (7) are based on numbers provided by the Co-op. These amounts have not been audited by PwC.
2. Line (2) is from Exhibit 1-2, total column (5).
3. Line (3) is from Exhibit 2, line (8).
4. Lines (9) and (10) are based on the results of the August 2015 PwC Capital Modeling study.

Southwest Washington Risk Management Insurance Cooperative

Summary of Reserves
As of August 31, 2017

<u>Fiscal Year</u>	<u>General Liability</u> (1)	<u>Automobile Liability</u> (2)	<u>Property</u> (3)	<u>Auto Physical Damage</u> (4)	<u>Total</u> (5)
1986-87	\$620	\$0	\$0	\$0	\$620
1987-88	605	0	0	0	605
1988-89	763	0	1,238	0	2,001
1989-90	848	0	0	0	848
1990-91	426	0	0	0	426
1991-92	691	0	0	0	691
1992-93	660	0	0	0	660
1993-94	621	0	0	0	621
1994-95	596	0	0	0	596
1995-96	823	0	0	0	823
1996-97	25,696	0	0	0	25,696
1997-98	562	0	0	0	562
1998-99	657	0	0	0	657
1999-00	789	0	0	0	789
2000-01	686	0	0	0	686
2001-02	757	0	0	0	757
2002-03	838	0	0	0	838
2003-04	1,896	0	0	0	1,896
2004-05	1,982	0	645	0	2,627
2005-06	2,076	0	0	0	2,076
2006-07	2,459	0	0	0	2,459
2007-08	3,462	0	0	0	3,462
2008-09	3,836	0	0	0	3,836
2009-10	5,742	0	0	0	5,742
2010-11	9,337	0	0	0	9,337
2011-12	82,044	0	0	0	82,044
2012-13	8,387	0	0	620	9,007
2013-14	196,364	2,142	0	0	198,506
2014-15	83,313	5,656	0	0	88,969
2015-16	81,185	9,387	9,167	1,359	101,098
2016-17	160,954	34,884	159,146	29,852	384,836
Total	\$679,675	\$52,069	\$170,196	\$31,831	\$933,771

1. Amounts exclude unallocated loss adjustment expense (ULAE).

Southwest Washington Risk Management Insurance Cooperative

Summary of Ultimate Losses through Fiscal Year 2017-18
As of August 31, 2017

Ultimate Loss Estimates Limited to \$100,000					
Fiscal Year	General Liability	Automobile Liability	Property	Auto Physical Damage	Total
	(1)	(2)	(3)	(4)	(5)
1986-87	\$124,608	\$674	\$0	\$0	\$125,282
1987-88	121,532	3,247	43,375	245	168,399
1988-89	153,456	0	28,408	23,047	204,911
1989-90	170,505	7,803	41,656	0	219,964
1990-91	85,635	23,594	100,905	14,092	224,226
1991-92	167,700	17,238	42,172	14,525	241,635
1992-93	144,000	32,173	77,911	16,812	270,896
1993-94	120,100	502	94,753	31,525	246,880
1994-95	102,700	61,593	98,566	22,725	285,584
1995-96	217,600	78,630	226,846	19,479	541,555
1996-97	171,000	41,059	151,351	33,029	396,439
1997-98	106,700	16,942	191,883	92,207	407,732
1998-99	10,300	25,187	153,190	29,908	218,585
1999-00	168,700	30,054	97,333	25,184	321,271
2000-01	126,500	41,654	143,303	23,158	334,615
2001-02	119,500	103,981	44,897	8,410	276,788
2002-03	152,900	29,991	103,555	11,291	297,737
2003-04	33,000	35,943	191,505	13,316	273,764
2004-05	648,000	75,622	241,415	39,258	1,004,295
2005-06	302,000	43,316	87,605	39,794	472,715
2006-07	74,000	48,393	46,082	6,734	175,209
2007-08	249,000	53,020	214,354	139,770	656,144
2008-09	342,000	101,964	308,308	122,830	875,102
2009-10	217,000	70,987	357,826	33,755	679,568
2010-11	241,000	40,887	278,809	18,805	579,501
2011-12	396,000	57,471	487,993	73,189	1,014,653
2012-13	191,000	115,781	63,505	39,596	409,882
2013-14	405,000	25,000	198,551	90,052	718,603
2014-15	255,000	58,000	139,228	139,436	591,664
2015-16	285,000	51,000	95,090	37,211	468,301
2016-17	225,000	77,000	290,000	100,177	692,177
2017-18	301,058	70,720	221,662	86,528	679,968
Total	\$6,427,494	\$1,439,426	\$4,861,037	\$1,346,088	\$14,074,045

Ultimate Loss Estimates Between \$100,000 and Retention					
Fiscal Year	General Liability	Automobile Liability	Property	Auto Physical Damage	Total
	(6)	(7)	(8)	(9)	(10)
1994-95	\$0	\$0	\$0	\$0	\$0
1995-96	0	0	544	0	544
1996-97	0	0	0	0	0
1997-98	0	0	0	0	0
1998-99	0	0	0	0	0
1999-00	0	0	0	0	0
2000-01	0	0	0	0	0
2001-02	0	0	0	0	0
2002-03	0	0	0	0	0
2003-04	0	0	0	0	0
2004-05	314,116	0	0	0	314,116
2005-06	0	0	0	0	0
2006-07	0	0	0	0	0
2007-08	150,000	0	0	53,900	203,900
2008-09	134,264	0	53,843	16,873	204,980
2009-10	1,000	0	263,109	0	264,109
2010-11	1,000	0	144,856	0	145,856
2011-12	152,000	0	150,000	0	302,000
2012-13	1,000	144,999	0	0	145,999
2013-14	155,000	0	469	0	155,469
2014-15	6,000	1,000	83,826	0	90,826
2015-16	14,000	1,000	0	0	15,000
2016-17	13,000	4,000	101,716	0	118,716
2017-18	70,448	12,480	78,355	4,992	166,274
Total	\$1,011,828	\$163,479	\$876,718	\$75,765	\$2,127,789

Ultimate Loss Estimates at Retention					
Fiscal Year	General Liability	Automobile Liability	Property	Auto Physical Damage	Total
	(11)	(12)	(13)	(14)	(15)
1986-87	\$124,608	\$674	\$0	\$0	\$125,282
1987-88	121,532	3,247	43,375	245	168,399
1988-89	153,456	0	28,408	23,047	204,911
1989-90	170,505	7,803	41,656	0	219,964
1990-91	85,635	23,594	100,905	14,092	224,226
1991-92	167,700	17,238	42,172	14,525	241,635
1992-93	144,000	32,173	77,911	16,812	270,896
1993-94	120,100	502	94,753	31,525	246,880
1994-95	102,700	61,593	98,566	22,725	285,584
1995-96	217,600	78,630	226,390	19,479	542,099
1996-97	171,000	41,059	151,351	33,029	396,439
1997-98	106,700	16,942	191,883	92,207	407,732
1998-99	10,300	25,187	153,190	29,908	218,585
1999-00	168,700	30,054	97,333	25,184	321,271
2000-01	126,500	41,654	143,303	23,158	334,615
2001-02	119,500	103,981	44,897	8,410	276,788
2002-03	152,900	29,991	103,555	11,291	297,737
2003-04	33,000	35,943	191,505	13,316	273,764
2004-05	962,116	75,622	241,415	39,258	1,318,411
2005-06	302,000	43,316	87,605	39,794	472,715
2006-07	74,000	48,393	46,082	6,734	175,209
2007-08	399,000	53,020	214,354	193,670	860,044
2008-09	476,264	101,964	362,151	139,703	1,080,082
2009-10	218,000	70,987	620,935	33,755	943,677
2010-11	242,000	40,887	423,665	18,805	725,357
2011-12	548,000	57,471	637,993	73,189	1,316,653
2012-13	192,000	260,780	63,505	39,596	555,881
2013-14	560,000	25,000	199,020	90,052	874,072
2014-15	261,000	59,000	223,054	139,436	682,490
2015-16	299,000	52,000	95,090	37,211	483,301
2016-17	238,000	81,000	391,716	100,177	810,893
2017-18	371,506	83,200	300,017	91,520	846,242
Total	\$7,439,322	\$1,602,905	\$5,737,755	\$1,421,853	\$16,201,834

1. A \$250,000 retention is assumed for all lines for fiscal year 2017-18.
2. Ultimate loss estimates for fiscal year 2017-18 are from Exhibits 3-4 through 3-7.

Southwest Washington Risk Management Insurance Cooperative
All Coverages Combined

Summary of Losses and Reserves
Based on Actual Self-Insured Retentions
As of August 31, 2017

Fiscal Year	Paid Loss (1)	Case Loss Reserves (2)	Incurred Loss (1)+(2) (3)	Indicated	Selected Ultimate Loss (5)	Total
				IBNR Loss Reserves (5)-(3) (4)		Loss Reserves (2)+(4) (6)
1987	\$124,662	\$0	\$124,662	\$620	\$125,282	\$620
1988	167,794	0	167,794	605	168,399	605
1989	202,910	1,238	204,148	763	204,911	2,001
1990	219,116	0	219,116	848	219,964	848
1991	223,800	0	223,800	426	224,226	426
1992	240,944	0	240,944	691	241,635	691
1993	270,236	0	270,236	660	270,896	660
1994	246,259	0	246,259	621	246,880	621
1995	284,988	0	284,988	596	285,584	596
1996	541,276	0	541,276	823	542,099	823
1997	370,743	25,000	395,743	696	396,439	25,696
1998	407,170	0	407,170	562	407,732	562
1999	217,928	0	217,928	657	218,585	657
2000	320,482	0	320,482	789	321,271	789
2001	333,929	0	333,929	686	334,615	686
2002	276,031	0	276,031	757	276,788	757
2003	296,899	0	296,899	838	297,737	838
2004	271,868	0	271,868	1,896	273,764	1,896
2005	1,315,784	645	1,316,429	1,982	1,318,411	2,627
2006	470,639	0	470,639	2,076	472,715	2,076
2007	172,750	0	172,750	2,459	175,209	2,459
2008	856,582	0	856,582	3,462	860,044	3,462
2009	1,076,246	0	1,076,246	3,836	1,080,082	3,836
2010	937,935	0	937,935	5,742	943,677	5,742
2011	716,020	2,500	718,520	6,837	725,357	9,337
2012	1,234,609	74,068	1,308,677	7,976	1,316,653	82,044
2013	546,874	620	547,494	8,387	555,881	9,007
2014	675,566	171,391	846,957	27,115	874,072	198,506
2015	593,521	46,600	640,121	42,369	682,490	88,969
2016	382,203	33,782	415,985	67,316	483,301	101,098
2017	426,057	258,707	684,764	126,129	810,893	384,836
Total	\$14,421,821	\$614,551	\$15,036,372	\$319,220	\$15,355,592	\$933,771

1. Fiscal years end 8/31.

2. Columns (1), (2) and (5) are the sum of columns (1), (2) and (5), respectively, from Exhibits 4-1, 5-1, 6-1 and 7-1.

Southwest Washington Risk Management Insurance Cooperative
All Coverages Combined

Unallocated Loss Adjustment Expense Analysis
As of August 31, 2017

	<u>0% IBNR</u>	<u>100% IBNR</u>
(1) Selected ULAE to Loss & ALAE Ratio	0.115	0.115
(2) Estimated Total Loss & ALAE Reserves	\$933,771	\$933,771
(3) Estimated Loss & ALAE Reserves for Known Claims	933,771	614,551
(4) Estimated Loss & ALAE Reserves for IBNR Claims [(2)-(3)]	-	319,220
(5) Estimated ULAE Reserve for Known Claims [(1)x(3)x(.5)]	53,692	35,337
(6) Estimated ULAE Reserve for IBNR Claims [(1)x(4)]	-	36,710
(7) Estimated Total ULAE Reserve [(5)+(6)]	53,692	72,047
(8) Selected Total ULAE Reserve	64,000	
(9) Ratio [(8)/(2)]	0.069	

1. ULAE is unallocated loss adjustment expense.
2. "0% IBNR" column assumes all of estimated IBNR is for development on known claims.
3. "100% IBNR" column assumes all of estimated IBNR is for "true" IBNR claims.
4. Line (1) is based on industry statistics.

Southwest Washington Risk Management Insurance Cooperative
All Coverages Combined

Summary of Payments by Fiscal Payment Year
As of August 31, 2017

<u>Fiscal Payment Year</u>	<u>Payments</u>
1991-92	\$255,777
1992-93	222,876
1993-94	243,217
1994-95	245,878
1995-96	458,069
1996-97	275,868
1997-98	415,164
1998-99	514,992
1999-00	220,066
2000-01	432,680
2001-02	126,615
2002-03	242,771
2003-04	493,712
2004-05	532,684
2005-06	461,518
2006-07	581,740
2007-08	667,687
2008-09	481,728
2009-10	1,047,999
2010-11	1,066,190
2011-12	773,373
2012-13	830,879
2013-14	835,748
2014-15	1,158,397
2015-16	384,477
2016-17	812,383
2017-18 (Est.)	855,691

1. Estimated payments are from Exhibit 3-2, total column (4).

Southwest Washington Risk Management Insurance Cooperative
All Coverages Combined

Estimated Payments for Fiscal Year 2017-18
As of August 31, 2017

Fiscal Year	Estimated Ultimate Loss (1)	Paid Loss (2)	Unpaid Losses <u>(1)-(2)</u> (3)	Estimated Payments During FY 2017-18 (4)
1986-87	\$125,282	\$124,662	\$620	\$620
1987-88	168,399	167,794	605	302
1988-89	204,911	202,910	2,001	1,492
1989-90	219,964	219,116	848	212
1990-91	224,226	223,800	426	85
1991-92	241,635	240,944	691	115
1992-93	270,896	270,236	660	94
1993-94	246,880	246,259	621	78
1994-95	285,584	284,988	596	119
1995-96	542,099	541,276	823	412
1996-97	396,439	370,743	25,696	8,565
1997-98	407,732	407,170	562	141
1998-99	218,585	217,928	657	131
1999-00	321,271	320,482	789	132
2000-01	334,615	333,929	686	98
2001-02	276,788	276,031	757	95
2002-03	297,737	296,899	838	93
2003-04	273,764	271,868	1,896	190
2004-05	1,318,411	1,315,784	2,627	825
2005-06	472,715	470,639	2,076	173
2006-07	175,209	172,750	2,459	189
2007-08	860,044	856,582	3,462	649
2008-09	1,080,082	1,076,246	3,836	767
2009-10	943,677	937,935	5,742	1,148
2010-11	725,357	716,020	9,337	1,556
2011-12	1,316,653	1,234,609	82,044	32,818
2012-13	555,881	546,874	9,007	3,765
2013-14	874,072	675,566	198,506	115,112
2014-15	682,490	593,521	88,969	35,078
2015-16	483,301	382,203	101,098	43,189
2016-17	810,893	426,057	384,836	226,066
2017-18	846,242		846,242	381,380
Total	\$16,201,834	\$14,421,821	\$1,780,013	\$855,691

1. Column (1) is from Exhibit 1-3, column (15).
2. Column (2) is from Exhibit 1-4, column (1).
3. Column (4) is based on the payment patterns on Exhibit 3-3. The calculation of the expected payments for each loss year are also a function of the maturity and the historical experience of each year.

Southwest Washington Risk Management Insurance Cooperative

Payment Patterns
As of August 31, 2017

<u>Months of Development</u>	General Liability Cumulative Payment Pattern (1)	Auto Liability Cumulative Payment Pattern (2)	Property Cumulative Payment Pattern (3)	APD Cumulative Payment Pattern (4)
12	27.00%	57.00%	55.00%	75.00%
24	49.00%	75.00%	95.00%	93.00%
36	69.00%	88.00%	98.00%	98.00%
48	81.00%	94.00%	99.00%	99.00%
60	92.00%	98.00%	99.50%	99.50%
72	95.00%	99.00%	100.00%	100.00%
84	97.00%	99.50%		
96	97.50%	99.70%		
108	98.00%	99.90%		
120	98.40%	100.00%		
132	98.70%			
144	98.80%			
156	98.90%			
168	99.00%			
180	99.10%			
192	99.20%			
204	99.30%			
216	99.40%			
228	99.50%			
240	99.60%			
252	99.70%			
264	99.80%			
276	99.90%			
288	99.92%			
300	99.93%			
312	99.94%			
324	99.95%			
336	99.96%			
348	99.97%			
360	99.98%			
372	99.99%			
384	100.00%			

1. The estimated payment patterns are based on a review of the historical relationship between cumulative paid loss and ultimate loss.

Southwest Washington Risk Management Insurance Cooperative
General Liability
As of August 31, 2017

Projected Loss and Loss Rate for Fiscal Year 2017-2018

Fiscal Year	Selected Ultimate Loss		Loss Rate <u>(1)/(2)</u>	4% Trend to 2017-18 <u>(4)</u>	On-Level Loss Rate <u>(3)x(4)</u>
	Limited to \$100,000 <u>(1)</u>	FTE's <u>(2)</u>			
1987	\$124,608	-	\$-	3.37	\$-
1988	121,532	-	-	3.24	-
1989	153,456	-	-	3.12	-
1990	170,505	-	-	3.00	-
1991	85,635	27,514	3.1	2.88	8.97
1992	167,700	29,685	5.6	2.77	15.66
1993	144,000	30,867	4.7	2.67	12.44
1994	120,100	31,944	3.8	2.56	9.64
1995	102,700	33,089	3.1	2.46	7.65
1996	217,600	34,273	6.3	2.37	15.05
1997	171,000	25,370	6.7	2.28	15.36
1998	106,700	25,664	4.2	2.19	9.11
1999	10,300	25,888	0.4	2.11	0.84
2000	168,700	25,840	6.5	2.03	13.23
2001	126,500	25,882	4.9	1.95	9.52
2002	119,500	26,765	4.5	1.87	8.36
2003	152,900	26,699	5.7	1.80	10.31
2004	33,000	34,484	1.0	1.73	1.66
2005	648,000	37,100	17.5	1.67	29.08
2006	302,000	35,729	8.5	1.60	13.53
2007	74,000	36,570	2.0	1.54	3.12
2008	249,000	37,437	6.7	1.48	9.85
2009	342,000	37,533	9.1	1.42	12.97
2010	217,000	37,455	5.8	1.37	7.93
2011	241,000	37,660	6.4	1.32	8.42
2012	396,000	37,605	10.5	1.27	13.32
2013	191,000	32,854	5.8	1.22	7.07
2014	405,000	31,091	13.0	1.17	15.24
2015	255,000	31,422	8.1	1.12	9.13
2016	285,000	29,736	9.6	1.08	10.37
2017	225,000	29,309	7.7	1.04	7.98

(6) Averages:

10 Year Volume Weighted Average:	\$10.25
9 Year Volume Weighted Average:	10.30
8 Year Volume Weighted Average:	9.92
7 Year Volume Weighted Average:	10.25
6 Year Volume Weighted Average:	10.60
5 Year Volume Weighted Average:	9.94
4 Year Volume Weighted Average:	10.72
3 Year Volume Weighted Average:	9.16

(7) Selected Loss Rate at \$100,000 Limits: \$10.00

(8) Increased Limits Factor to \$250,000: 1.234

(9) Indicated Loss Rate at \$250,000 Limits [(7)x(8)]: \$12.34

(10) Estimated FTEs: 30,106

(11) Estimated Ultimate Loss at \$250,000 Limits [(9) x (10)]: \$371,506

- Column (1) is from Exhibit 4-3, column (5).
- Column (2) and line (10) were provided by the Co-op.
- The ILF on line (8) is based on the Co-op's historical loss experience supplemented with industry information.

Southwest Washington Risk Management Insurance Cooperative
Auto Liability
As of August 31, 2017

Projected Loss and Loss Rate for Fiscal Year 2017-2018

Fiscal Year	Selected Ultimate Loss	Vehicle Count	Loss Rate <u>(1)/(2)</u>	4%	On-Level
	Limited to \$100,000			Trend to	Loss Rate
	(1)	(2)	(3)	2017-18 (4)	(3)x(4) (5)
1987	\$674	-	\$-	3.37	\$-
1988	3,247	-	-	3.24	-
1989	0	-	-	3.12	-
1990	7,803	-	-	3.00	-
1991	23,594	501	47	2.88	136
1992	17,238	501	34	2.77	95
1993	32,173	561	57	2.67	153
1994	502	558	1	2.56	2
1995	61,593	593	104	2.46	256
1996	78,630	610	129	2.37	305
1997	41,059	589	70	2.28	159
1998	16,942	582	29	2.19	64
1999	25,187	594	42	2.11	89
2000	30,054	615	49	2.03	99
2001	41,654	640	65	1.95	127
2002	103,981	652	159	1.87	299
2003	29,991	663	45	1.80	81
2004	35,943	816	44	1.73	76
2005	75,622	846	89	1.67	149
2006	43,316	874	50	1.60	79
2007	48,393	879	55	1.54	85
2008	53,020	849	62	1.48	92
2009	101,964	893	114	1.42	163
2010	70,987	916	77	1.37	106
2011	40,887	950	43	1.32	57
2012	57,471	929	62	1.27	78
2013	115,781	852	136	1.22	165
2014	25,000	841	30	1.17	35
2015	58,000	832	70	1.12	78
2016	51,000	829	62	1.08	67
2017	77,000	827	93	1.04	97

(6) Averages:

10 Year Volume Weighted Average:	\$94
9 Year Volume Weighted Average:	94
8 Year Volume Weighted Average:	85
7 Year Volume Weighted Average:	82
6 Year Volume Weighted Average:	87
5 Year Volume Weighted Average:	89
4 Year Volume Weighted Average:	69
3 Year Volume Weighted Average:	81

(7) Selected Loss Rate at \$100,000 Limits: \$85

(8) Increased Limits Factor to \$250,000: 1.179

(9) Indicated Loss Rate at \$250,000 Limits [(7)x(8)]: \$100

(10) Estimated Vehicles: 832

(11) Estimated Ultimate Loss at \$250,000 Limits [(9) x (10)]: \$83,200

- Column (1) is from Exhibit 5-3, column (5).
- Column (2) and line (10) were provided by the Co-op.
- The ILF on line (8) is based on the Co-op's historical loss experience supplemented with industry information.

Southwest Washington Risk Management Insurance Cooperative
Property
As of August 31, 2017

Projected Loss and Loss Rate for Fiscal Year 2017-2018

Fiscal Year	Selected	Total	Loss Rate <u>(1)/(2)</u>	0%	On-Level
	Ultimate Loss Limited to <u>\$100,000</u>	Insured Value <u>(000's)</u>		Trend to	Loss Rate
	<u>(1)</u>	<u>(2)</u>	<u>(3)</u>	<u>2017-18</u> <u>(4)</u>	<u>(3)x(4)</u> <u>(5)</u>
1987	\$0	-	\$-	1.00	\$-
1988	43,375	-	-	1.00	-
1989	28,408	-	-	1.00	-
1990	41,656	-	-	1.00	-
1991	100,905	317,825	0.317	1.00	0.317
1992	42,172	355,933	0.118	1.00	0.118
1993	77,911	380,546	0.205	1.00	0.205
1994	94,753	419,722	0.226	1.00	0.226
1995	98,566	425,251	0.232	1.00	0.232
1996	225,846	453,655	0.498	1.00	0.498
1997	151,351	381,976	0.396	1.00	0.396
1998	191,883	397,255	0.483	1.00	0.483
1999	153,190	399,259	0.384	1.00	0.384
2000	97,333	430,342	0.226	1.00	0.226
2001	143,303	456,144	0.314	1.00	0.314
2002	44,897	513,022	0.088	1.00	0.088
2003	103,555	538,345	0.192	1.00	0.192
2004	191,505	760,658	0.252	1.00	0.252
2005	241,415	818,831	0.295	1.00	0.295
2006	87,605	885,305	0.099	1.00	0.099
2007	46,082	919,514	0.050	1.00	0.050
2008	214,354	977,547	0.219	1.00	0.219
2009	308,308	1,012,471	0.305	1.00	0.305
2010	357,826	1,118,441	0.320	1.00	0.320
2011	278,809	1,153,790	0.242	1.00	0.242
2012	487,993	1,163,412	0.419	1.00	0.419
2013	63,505	1,008,044	0.063	1.00	0.063
2014	198,551	995,616	0.199	1.00	0.199
2015	139,228	953,074	0.146	1.00	0.146
2016	95,090	953,751	0.100	1.00	0.100
2017	290,000	979,909	0.296	1.00	0.296

(6) Averages:

10 Year Volume Weighted Average:	\$0.236
9 Year Volume Weighted Average:	0.238
8 Year Volume Weighted Average:	0.230
7 Year Volume Weighted Average:	0.215
6 Year Volume Weighted Average:	0.211
5 Year Volume Weighted Average:	0.161
4 Year Volume Weighted Average:	0.186
3 Year Volume Weighted Average:	0.182

(7) Selected Loss Rate at \$100,000 Limits: \$0.215

(8) Increased Limits Factor to \$250,000: 1.354

(9) Indicated Loss Rate at \$250,000 Limits [(7)x(8)]: \$0.291

(10) Estimated Property Values: 1,030,985

(11) Estimated Ultimate Loss at \$250,000 Limits [(9) x (10)]: \$300,017

1. Column (1) is from Exhibit 6-3, column (5).
2. Column (2) and line (10) were provided by the Co-op.
3. The ILF on line (8) is based on the Co-op's historical loss experience supplemented with industry information.

Southwest Washington Risk Management Insurance Cooperative
Auto Physical Damage
As of August 31, 2017

Projected Loss and Loss Rate for Fiscal Year 2017-2018

Fiscal Year	Selected Ultimate Loss	Vehicle Count	Loss Rate <u>(1)/(2)</u>	3%	On-Level
	Limited to \$100,000			Trend to 2017-18	Loss Rate <u>(3)x(4)</u>
	(1)	(2)	(3)	(4)	(5)
1987	\$0	-	\$-	2.50	\$-
1988	245	-	-	2.43	-
1989	23,047	-	-	2.36	-
1990	0	-	-	2.29	-
1991	14,092	501	28	2.22	62
1992	14,525	501	29	2.16	63
1993	16,812	561	30	2.09	63
1994	31,525	558	56	2.03	115
1995	22,725	593	38	1.97	76
1996	19,479	610	32	1.92	61
1997	33,029	589	56	1.86	104
1998	92,207	582	158	1.81	286
1999	29,908	594	50	1.75	88
2000	25,184	615	41	1.70	70
2001	23,158	640	36	1.65	60
2002	8,410	652	13	1.60	21
2003	11,291	663	17	1.56	27
2004	13,316	816	16	1.51	25
2005	39,258	846	46	1.47	68
2006	39,794	874	46	1.43	65
2007	6,734	879	8	1.38	11
2008	139,770	849	165	1.34	221
2009	122,830	893	138	1.30	179
2010	33,755	916	37	1.27	47
2011	18,805	950	20	1.23	24
2012	73,189	929	79	1.19	94
2013	39,596	852	46	1.16	54
2014	90,052	841	107	1.13	121
2015	139,436	832	168	1.09	183
2016	37,211	829	45	1.06	48
2017	100,177	827	121	1.03	125

(6) Averages:

10 Year Volume Weighted Average:	\$108
9 Year Volume Weighted Average:	96
8 Year Volume Weighted Average:	85
7 Year Volume Weighted Average:	91
6 Year Volume Weighted Average:	104
5 Year Volume Weighted Average:	106
4 Year Volume Weighted Average:	119
3 Year Volume Weighted Average:	119

(7) Selected Loss Rate at \$100,000 Limits: \$104

(8) Increased Limits Factor to \$250,000: 1.057

(9) Indicated Loss Rate at \$250,000 Limits [(7)x(8)]: \$110

(10) Estimated Vehicles: 832

(11) Estimated Ultimate Loss at \$250,000 Limits [(9) x (10)]: \$91,520

- Column (1) is from Exhibit 7-3, column (5).
- Column (2) and line (10) were provided by the Co-op.
- The ILF on line (8) is based on the Co-op's historical loss experience supplemented with industry information.

Southwest Washington Risk Management Insurance Cooperative
General Liability

Summary of Losses and Reserves
Based on Actual Self-Insured Retentions
As of August 31, 2017

Fiscal Year	Paid Loss (1)	Case Loss Reserves (2)	Incurred Loss (1)+(2) (3)	Indicated IBNR Loss Reserves (5)-(3) (4)	Selected Ultimate Loss (5)	Total Loss Reserves (2)+(4) (6)
1987	\$123,988	\$0	\$123,988	\$620	\$124,608	\$620
1988	120,927	0	120,927	605	121,532	605
1989	152,693	0	152,693	763	153,456	763
1990	169,657	0	169,657	848	170,505	848
1991	85,209	0	85,209	426	85,635	426
1992	167,009	0	167,009	691	167,700	691
1993	143,340	0	143,340	660	144,000	660
1994	119,479	0	119,479	621	120,100	621
1995	102,104	0	102,104	596	102,700	596
1996	216,777	0	216,777	823	217,600	823
1997	145,304	25,000	170,304	696	171,000	25,696
1998	106,138	0	106,138	562	106,700	562
1999	9,643	0	9,643	657	10,300	657
2000	167,911	0	167,911	789	168,700	789
2001	125,814	0	125,814	686	126,500	686
2002	118,743	0	118,743	757	119,500	757
2003	152,062	0	152,062	838	152,900	838
2004	31,104	0	31,104	1,896	33,000	1,896
2005	960,134	0	960,134	1,982	962,116	1,982
2006	299,924	0	299,924	2,076	302,000	2,076
2007	71,541	0	71,541	2,459	74,000	2,459
2008	395,538	0	395,538	3,462	399,000	3,462
2009	472,428	0	472,428	3,836	476,264	3,836
2010	212,258	0	212,258	5,742	218,000	5,742
2011	232,663	2,500	235,163	6,837	242,000	9,337
2012	465,956	74,068	540,024	7,976	548,000	82,044
2013	183,613	0	183,613	8,387	192,000	8,387
2014	363,636	171,391	535,027	24,973	560,000	196,364
2015	177,687	46,600	224,287	36,713	261,000	83,313
2016	217,815	23,256	241,071	57,929	299,000	81,185
2017	77,046	71,229	148,275	89,725	238,000	160,954
Total	\$6,388,141	\$414,044	\$6,802,185	\$265,631	\$7,067,816	\$679,675

1. Fiscal years end 8/31.

2. Column (5) is from Exhibit 4-2, column (7).

Southwest Washington Risk Management Insurance Cooperative
General Liability

Ultimate Loss Limited to the Co-op Self-Insured Retention
As of August 31, 2017

Fiscal Year	Co-op SIR (1)	Ultimate Loss Limited to \$100,000 (2)	ILF to Co-op SIR (3)	Losses in Excess of \$100,000 but Limited to Co-op SIR			Selected Ultimate Loss Limited to Co-op SIR (2)+(6) (7)
				Expected (2)x(3)-1 (4)	Incurred Loss (5)	Selected (6)	
1987	\$25,000	\$124,608		\$0	\$0	\$0	\$124,608
1988	25,000	121,532		0	0	0	121,532
1989	25,000	153,456		0	0	0	153,456
1990	25,000	170,505		0	0	0	170,505
1991	25,000	85,635		0	0	0	85,635
1992	25,000	167,700		0	0	0	167,700
1993	25,000	144,000		0	0	0	144,000
1994	25,000	120,100		0	0	0	120,100
1995	50,000	102,700		0	0	0	102,700
1996	100,000	217,600		0	0	0	217,600
1997	100,000	171,000		0	0	0	171,000
1998	100,000	106,700		0	0	0	106,700
1999	50,000	10,300		0	0	0	10,300
2000	50,000	168,700		0	0	0	168,700
2001	50,000	126,500		0	0	0	126,500
2002	50,000	119,500		0	0	0	119,500
2003	100,000	152,900		0	0	0	152,900
2004	200,000	33,000	1.159	5,232	0	0	33,000
2005	200,000	648,000	1.160	103,462	314,116	314,116	962,116
2006	200,000	302,000	1.161	48,552	0	0	302,000
2007	200,000	74,000	1.162	11,979	0	0	74,000
2008	250,000	249,000	1.223	55,642	150,000	150,000	399,000
2009	250,000	342,000	1.225	76,823	134,264	134,264	476,264
2010	250,000	217,000	1.226	48,998	0	1,000	218,000
2011	250,000	241,000	1.227	54,699	0	1,000	242,000
2012	250,000	396,000	1.228	90,341	150,000	152,000	548,000
2013	250,000	191,000	1.229	43,797	0	1,000	192,000
2014	250,000	405,000	1.230	93,343	150,000	155,000	560,000
2015	250,000	255,000	1.232	59,071	0	6,000	261,000
2016	250,000	285,000	1.233	66,355	3,072	14,000	299,000
2017	250,000	225,000	1.234	52,650	0	13,000	238,000
Total		\$6,126,436		\$810,944	\$901,452	\$941,380	\$7,067,816

1. Column (2) is from Exhibit 4-3, column (5).
2. Factors in column (3) are based on the Co-op's historical loss experience.
3. Column (6) is based on the actual loss experience in column (5) combined with the expected loss in column (4) using a Bornhuetter-Ferguson method. The loss development factors used in this Bornhuetter-Ferguson method are the Pool's loss development factors limited to \$100,000.

Southwest Washington Risk Management Insurance Cooperative
General Liability

Comparison of Ultimate Loss Estimates
As of August 31, 2017

Fiscal Year	Paid Loss Development	Incurred Loss Development	Bornhuetter- Ferguson Using Exposures and Paid Loss	Bornhuetter- Ferguson Using Exposures and Incurred Loss	Ultimate Loss
(1)	(2)	(3)	(4)	(5)	
1987	\$ 125,228	\$ 124,608			\$ 124,608
1988	122,136	121,532			121,532
1989	154,220	153,456			153,456
1990	171,354	170,505			170,505
1991	86,061	85,635	86,162	85,688	85,635
1992	168,679	167,844	168,079	167,547	167,700
1993	144,773	144,057	144,496	143,921	144,000
1994	120,674	120,076	120,723	120,104	120,100
1995	103,125	102,615	103,444	102,778	102,700
1996	218,945	217,861	218,224	217,504	217,600
1997	146,757	171,156	146,418	170,864	171,000
1998	107,199	106,669	107,308	106,726	106,700
1999	9,739	9,691	10,871	10,260	10,300
2000	169,590	168,751	169,183	168,550	168,700
2001	127,072	126,443	127,142	126,481	126,500
2002	119,930	119,337	120,173	119,462	119,500
2003	153,583	152,822	153,542	152,806	152,900
2004	31,415	31,260	33,095	32,105	33,000
2005	652,478	649,248	648,244	647,137	648,000
2006	302,923	301,424	302,151	301,043	302,000
2007	72,473	71,899	74,625	72,734	74,000
2008	249,484	246,766	249,572	246,807	249,000
2009	344,629	340,535	343,151	340,015	342,000
2010	217,397	214,815	218,792	215,547	217,000
2011	240,918	239,186	242,571	240,026	241,000
2012	335,018	398,679	333,007	396,530	396,000
2013	200,142	188,626	206,137	190,861	191,000
2014	450,673	406,614	415,410	399,259	405,000
2015	258,094	249,652	265,435	252,904	255,000
2016	407,678	284,784	345,882	283,522	285,000
2017	266,646	198,358	279,135	220,035	225,000
Total	\$ 6,279,033	\$ 6,084,904	\$ 5,632,972	\$ 5,531,216	\$6,126,436

1. Losses are limited to \$100,000.
2. Column (1) is from Exhibit 4-4, column (4).
3. Column (2) is from Exhibit 4-7, column (4).
4. Column (3) is from Exhibit 4-10, column (10).
5. Column (4) is from Exhibit 4-11, column (10).

Southwest Washington Risk Management Insurance Cooperative
General Liability

Ultimate Loss Based on Paid Loss Development
As of August 31, 2017

Fiscal Year	Cumulative Paid Loss	Selected Development Factors	Cumulative Development Factors	Ultimate Loss (1) x (3)
	(1)	(2)	(3)	(4)
1987	\$ 123,988	1.010	1.010	\$ 125,228
1988	120,927	1.000	1.010	122,136
1989	152,693	1.000	1.010	154,220
1990	169,657	1.000	1.010	171,354
1991	85,209	1.000	1.010	86,061
1992	167,009	1.000	1.010	168,679
1993	143,340	1.000	1.010	144,773
1994	119,479	1.000	1.010	120,674
1995	102,104	1.000	1.010	103,125
1996	216,777	1.000	1.010	218,945
1997	145,304	1.000	1.010	146,757
1998	106,138	1.000	1.010	107,199
1999	9,643	1.000	1.010	9,739
2000	167,911	1.000	1.010	169,590
2001	125,814	1.000	1.010	127,072
2002	118,743	1.000	1.010	119,930
2003	152,062	1.000	1.010	153,583
2004	31,104	1.000	1.010	31,415
2005	646,018	1.000	1.010	652,478
2006	299,924	1.000	1.010	302,923
2007	71,541	1.003	1.013	72,473
2008	245,538	1.003	1.016	249,484
2009	338,164	1.003	1.019	344,629
2010	212,258	1.005	1.024	217,397
2011	232,663	1.011	1.035	240,918
2012	315,956	1.024	1.060	335,018
2013	183,613	1.028	1.090	200,142
2014	363,636	1.137	1.239	450,673
2015	177,687	1.172	1.453	258,094
2016	214,743	1.307	1.898	407,678
2017	77,046	1.823	3.461	266,646
Total	\$5,636,689			\$6,279,033

Southwest Washington Risk Management Insurance Cooperative
General Liability

Cumulative Paid Loss
As of August 31, 2017

Fiscal Year	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324	336	348	360	372			
1987																																		
1988																123,988	123,988	123,988	123,988	123,988	123,988	123,988	123,988	123,988	123,988	123,988	123,988	123,988	123,988	123,988	123,988			
1989															121,725	121,724	121,724	121,724	121,724	121,724	121,724	121,724	121,724	121,724	120,927	120,927	120,927	120,927	120,927	120,927	120,927			
1990													169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657			
1991												85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209			
1992											152,926	163,885	166,819	166,960	167,009	167,009	167,009	167,009	167,009	167,009	167,009	167,009	167,009	167,009	167,009	167,009	167,009	167,009	167,009	167,009	167,009	167,009		
1993													143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340		
1994											122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923		
1995										102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	
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2017																																		

1. Losses are limited to \$100,000.

Southwest Washington Risk Management Insurance Cooperative
General Liability

Ultimate Loss Based on Incurred Loss Development
As of August 31, 2017

Fiscal Year	Cumulative Incurred Loss	Selected Development Factors	Cumulative Development Factors	Ultimate Loss (1) x (3)
	(1)	(2)	(3)	(4)
1987	\$ 123,988	1.005	1.005	\$ 124,608
1988	120,927	1.000	1.005	121,532
1989	152,693	1.000	1.005	153,456
1990	169,657	1.000	1.005	170,505
1991	85,209	1.000	1.005	85,635
1992	167,009	1.000	1.005	167,844
1993	143,340	1.000	1.005	144,057
1994	119,479	1.000	1.005	120,076
1995	102,104	1.000	1.005	102,615
1996	216,777	1.000	1.005	217,861
1997	170,304	1.000	1.005	171,156
1998	106,138	1.000	1.005	106,669
1999	9,643	1.000	1.005	9,691
2000	167,911	1.000	1.005	168,751
2001	125,814	1.000	1.005	126,443
2002	118,743	1.000	1.005	119,337
2003	152,062	1.000	1.005	152,822
2004	31,104	1.000	1.005	31,260
2005	646,018	1.000	1.005	649,248
2006	299,924	1.000	1.005	301,424
2007	71,541	1.000	1.005	71,899
2008	245,538	1.000	1.005	246,766
2009	338,164	1.002	1.007	340,535
2010	212,258	1.005	1.012	214,815
2011	235,163	1.005	1.017	239,186
2012	390,024	1.005	1.022	398,679
2013	183,613	1.005	1.027	188,626
2014	385,027	1.028	1.056	406,614
2015	224,287	1.054	1.113	249,652
2016	237,999	1.075	1.197	284,784
2017	148,275	1.118	1.338	198,358
Total	\$ 5,900,733			\$ 6,084,904

Southwest Washington Risk Management Insurance Cooperative General Liability

Cumulative Incurred Loss As of August 31, 2017

Fiscal Year	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324	336	348	360	372					
1987																																				
1988																123,988	123,988	123,988	123,988	123,988	123,988	123,988	123,988	123,988	123,988	123,988	123,988	123,988	123,988	123,988	123,988					
1989															121,724	121,724	121,724	121,724	121,724	121,724	121,724	121,724	121,724	121,724	121,724	121,724	121,724	121,724	121,724	121,724	121,724					
1990															152,595	154,795	154,795	152,693	152,693	152,693	152,693	152,693	152,693	152,693	152,693	152,693	152,693	152,693	152,693	152,693	152,693					
1991													169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657	169,657					
1992													85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209	85,209					
1993													152,926	168,026	176,819	179,426	167,009	167,009	167,009	167,009	167,009	167,009	167,009	167,009	167,009	167,009	167,009	167,009	167,009	167,009	167,009	167,009				
1994													145,840	145,840	145,840	143,704	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340	143,340				
1995													122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923	122,923				
1996													102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204	102,204			
1997													216,777	230,277	222,777	216,777	216,777	216,777	216,777	216,777	216,777	216,777	216,777	216,777	216,777	216,777	216,777	216,777	216,777	216,777	216,777	216,777	216,777			
1998													146,741	146,741	145,841	145,304	145,304	145,304	145,304	145,304	145,304	145,304	145,304	145,304	145,304	145,304	145,304	145,304	145,304	145,304	145,304	145,304	145,304			
1999													94,365	94,365	106,138	106,138	106,138	106,138	106,138	106,138	106,138	106,138	106,138	106,138	106,138	106,138	106,138	106,138	106,138	106,138	106,138	106,138	106,138			
2000													8,593	8,593	8,593	8,593	8,593	8,593	8,593	8,593	8,593	8,593	8,593	8,593	8,593	8,593	8,593	8,593	8,593	8,593	8,593	8,593	8,593			
2001													159,879	174,659	171,035	171,035	171,035	171,035	171,035	171,035	171,035	171,035	171,035	171,035	171,035	171,035	171,035	171,035	171,035	171,035	171,035	171,035	171,035	171,035		
2002													67,521	115,801	133,185	132,238	135,873	137,778	137,778	137,778	137,778	137,778	137,778	137,778	137,778	137,778	137,778	137,778	137,778	137,778	137,778	137,778	137,778	137,778	137,778	
2003													42,763	101,449	136,565	156,868	255,406	157,306	157,306	156,572	115,762	115,762	115,762	115,762	115,762	115,762	115,762	115,762	115,762	115,762	115,762	115,762	115,762	115,762	115,762	
2004													48,534	44,650	80,042	127,150	152,062	152,062	152,062	152,062	152,062	152,062	152,062	152,062	152,062	152,062	152,062	152,062	152,062	152,062	152,062	152,062	152,062	152,062	152,062	
2005													62,903	54,482	46,929	33,609	33,609	28,525	43,525	36,025	31,104	31,104	31,104	31,104	31,104	31,104	31,104	31,104	31,104	31,104	31,104	31,104	31,104	31,104	31,104	
2006													354,480	458,244	659,686	646,018	646,018	646,018	646,018	646,018	646,018	646,018	646,018	646,018	646,018	646,018	646,018	646,018	646,018	646,018	646,018	646,018	646,018	646,018	646,018	
2007													226,900	253,353	217,186	295,916	262,556	262,556	262,556	299,924	299,924	299,924	299,924	299,924	299,924	299,924	299,924	299,924	299,924	299,924	299,924	299,924	299,924	299,924	299,924	
2008													107,144	90,121	87,667	85,541	85,541	87,845	73,041	73,041	71,541	71,541	71,541	71,541	71,541	71,541	71,541	71,541	71,541	71,541	71,541	71,541	71,541	71,541	71,541	
2009													207,561	194,012	150,329	224,480	245,538	245,538	245,538	245,538	245,538	245,538	245,538	245,538	245,538	245,538	245,538	245,538	245,538	245,538	245,538	245,538	245,538	245,538	245,538	
2010													176,588	259,075	299,591	364,591	364,591	338,164	338,164	338,164	338,164	338,164	338,164	338,164	338,164	338,164	338,164	338,164	338,164	338,164	338,164	338,164	338,164	338,164	338,164	
2011													228,922	227,786	212,258	212,258	212,258	212,258	212,258	212,258	212,258	212,258	212,258	212,258	212,258	212,258	212,258	212,258	212,258	212,258	212,258	212,258	212,258	212,258	212,258	212,258
2012													195,977	142,108	150,676	173,192	232,663	232,663	235,163																	
2013													398,917	307,897	370,024	377,524	377,524	390,024																		
2014													273,738	234,221	185,387	185,387	185,387	183,613																		
2015													262,694	243,200	385,027	385,027																				
2016													170,749	292,088	224,287																					
2017													164,534	237,999																						
2017													148,275																							

1. Losses are limited to \$100,000.

Southwest Washington Risk Management Insurance Cooperative
General Liability

Ultimate Loss Based on Bornhuetter-Ferguson Using Exposures and Paid Loss
As of August 31, 2017

Fiscal Year	Exposures	Selected Loss Rate	Expected Ultimate Loss (1) x (2)	Selected Development Factors	Cumulative Development Factors	Ratio of Cumulative Paid Loss to Ultimate Loss 1 / (5)	Ratio of Undeveloped Paid Loss to Ultimate Loss 1 - (6)	Undeveloped Paid Loss (3) x (7)	Cumulative Paid Loss	Ultimate Loss (8) + (9)	Calculated Loss Rate (10) / (1)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1987				1.010	1.010	0.990	0.010		\$ 123,988		
1988				1.000	1.010	0.990	0.010		120,927		
1989				1.000	1.010	0.990	0.010		152,693		
1990				1.000	1.010	0.990	0.010		169,657		
1991	275	350.000	96,250	1.000	1.010	0.990	0.010	953	85,209	86,162	313.316
1992	297	364.000	108,108	1.000	1.010	0.990	0.010	1,070	167,009	168,079	565.924
1993	309	378.000	116,802	1.000	1.010	0.990	0.010	1,156	143,340	144,496	467.626
1994	319	394.000	125,686	1.000	1.010	0.990	0.010	1,244	119,479	120,723	378.443
1995	331	409.000	135,379	1.000	1.010	0.990	0.010	1,340	102,104	103,444	312.521
1996	343	426.000	146,118	1.000	1.010	0.990	0.010	1,447	216,777	218,224	636.221
1997	254	443.000	112,522	1.000	1.010	0.990	0.010	1,114	145,304	146,418	576.449
1998	257	460.000	118,220	1.000	1.010	0.990	0.010	1,170	106,138	107,308	417.543
1999	259	479.000	124,061	1.000	1.010	0.990	0.010	1,228	9,643	10,871	41.974
2000	258	498.000	128,484	1.000	1.010	0.990	0.010	1,272	167,911	169,183	655.749
2001	259	518.000	134,162	1.000	1.010	0.990	0.010	1,328	125,814	127,142	490.897
2002	268	539.000	144,452	1.000	1.010	0.990	0.010	1,430	118,743	120,173	448.408
2003	267	560.000	149,520	1.000	1.010	0.990	0.010	1,480	152,062	153,542	575.065
2004	345	583.000	201,135	1.000	1.010	0.990	0.010	1,991	31,104	33,095	95.929
2005	371	606.000	224,826	1.000	1.010	0.990	0.010	2,226	646,018	648,244	1,747.288
2006	357	630.000	224,910	1.000	1.010	0.990	0.010	2,227	299,924	302,151	846.361
2007	366	655.000	239,730	1.003	1.013	0.987	0.013	3,084	71,541	74,625	203.892
2008	374	682.000	255,068	1.003	1.016	0.984	0.016	4,034	245,538	249,572	667.305
2009	375	709.000	265,875	1.003	1.019	0.981	0.019	4,987	338,164	343,151	915.071
2010	375	737.000	276,375	1.005	1.024	0.976	0.024	6,534	212,258	218,792	583.444
2011	377	767.000	289,159	1.011	1.035	0.966	0.034	9,908	232,663	242,571	643.423
2012	376	797.000	299,672	1.024	1.060	0.943	0.057	17,051	315,956	333,007	885.656
2013	329	829.000	272,741	1.028	1.090	0.917	0.083	22,524	183,613	206,137	626.558
2014	311	862.000	268,082	1.137	1.239	0.807	0.193	51,774	363,636	415,410	1,335.723
2015	314	897.000	281,658	1.172	1.453	0.688	0.312	87,748	177,687	265,435	845.335
2016	297	933.000	277,101	1.307	1.898	0.527	0.473	131,139	214,743	345,882	1,164.586
2017	293	970.000	284,210	1.823	3.461	0.289	0.711	202,089	77,046	279,135	952.679
Total	8,556		\$ 5,300,306					\$ 563,548	\$5,636,689	\$ 5,632,972	

1. Exposures are FTE's in hundreds.

Southwest Washington Risk Management Insurance Cooperative
General Liability

Ultimate Loss Based on Bornhuetter-Ferguson Using Exposures and Incurred Loss
As of August 31, 2017

Fiscal Year	Exposures	Selected Loss Rate	Expected Ultimate Loss (1) x (2)	Selected Development Factors	Cumulative Development Factors	Ratio of Cumulative Incurred Loss to Ultimate Loss 1 / (5)	Ratio of Undeveloped Incurred Loss to Ultimate Loss 1 - (6)	Undeveloped Incurred Loss (3) x (7)	Cumulative Incurred Loss	Ultimate Loss (8) + (9)	Calculated Loss Rate (10) / (1)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1987				1.005	1.005	0.995	0.005		\$ 123,988		
1988				1.000	1.005	0.995	0.005		120,927		
1989				1.000	1.005	0.995	0.005		152,693		
1990				1.000	1.005	0.995	0.005		169,657		
1991	275	350.000	96,250	1.000	1.005	0.995	0.005	479	85,209	85,688	311.592
1992	297	364.000	108,108	1.000	1.005	0.995	0.005	538	167,009	167,547	564.131
1993	309	378.000	116,802	1.000	1.005	0.995	0.005	581	143,340	143,921	465.764
1994	319	394.000	125,686	1.000	1.005	0.995	0.005	625	119,479	120,104	376.503
1995	331	409.000	135,379	1.000	1.005	0.995	0.005	674	102,104	102,778	310.506
1996	343	426.000	146,118	1.000	1.005	0.995	0.005	727	216,777	217,504	634.122
1997	254	443.000	112,522	1.000	1.005	0.995	0.005	560	170,304	170,864	672.692
1998	257	460.000	118,220	1.000	1.005	0.995	0.005	588	106,138	106,726	415.277
1999	259	479.000	124,061	1.000	1.005	0.995	0.005	617	9,643	10,260	39.615
2000	258	498.000	128,484	1.000	1.005	0.995	0.005	639	167,911	168,550	653.295
2001	259	518.000	134,162	1.000	1.005	0.995	0.005	667	125,814	126,481	488.345
2002	268	539.000	144,452	1.000	1.005	0.995	0.005	719	118,743	119,462	445.752
2003	267	560.000	149,520	1.000	1.005	0.995	0.005	744	152,062	152,806	572.307
2004	345	583.000	201,135	1.000	1.005	0.995	0.005	1,001	31,104	32,105	93.057
2005	371	606.000	224,826	1.000	1.005	0.995	0.005	1,119	646,018	647,137	1,744.303
2006	357	630.000	224,910	1.000	1.005	0.995	0.005	1,119	299,924	301,043	843.258
2007	366	655.000	239,730	1.000	1.005	0.995	0.005	1,193	71,541	72,734	198.726
2008	374	682.000	255,068	1.000	1.005	0.995	0.005	1,269	245,538	246,807	659.912
2009	375	709.000	265,875	1.002	1.007	0.993	0.007	1,851	338,164	340,015	906.706
2010	375	737.000	276,375	1.005	1.012	0.988	0.012	3,289	212,258	215,547	574.793
2011	377	767.000	289,159	1.005	1.017	0.983	0.017	4,863	235,163	240,026	636.674
2012	376	797.000	299,672	1.005	1.022	0.978	0.022	6,506	390,024	396,530	1,054.600
2013	329	829.000	272,741	1.005	1.027	0.973	0.027	7,248	183,613	190,861	580.126
2014	311	862.000	268,082	1.028	1.056	0.947	0.053	14,232	385,027	399,259	1,283.792
2015	314	897.000	281,658	1.054	1.113	0.898	0.102	28,617	224,287	252,904	805.428
2016	297	933.000	277,101	1.075	1.197	0.836	0.164	45,523	237,999	283,522	954.618
2017	293	970.000	284,210	1.118	1.338	0.748	0.252	71,760	148,275	220,035	750.972
Total	8,556		\$ 5,300,306					\$ 197,748	\$ 5,900,733	\$ 5,531,216	

1. Exposures are FTE's in hundreds.

Southwest Washington Risk Management Insurance Cooperative
General Liability

Bornhuetter-Ferguson Seed Calculation
As of August 31, 2017

Fiscal Year	Paid Loss Limited to \$100,000	Incurred Loss Limited to \$100,000	FTE Exposures (in Hundreds)	Cumulative Paid Loss Dev. Factor	Cumulative Incurred Loss Dev. Factor	Paid Burned Exposures (3)/(4)	Incurred Burned Exposures (3)/(5)	4% On-Level Factor to 2017	On-Level Paid Loss (1)x(8)	On-Level Incurred Loss (2)x(8)	Paid Loss Per Exposure (9)/(6)	Incurred Loss Per Exposure (10)/(7)	Selected Loss per Exposure
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1987	123,988	123,988	-	1.010	1.005	-	-	3.243	402,142	402,142	-	-	
1988	120,927	120,927	-	1.010	1.005	-	-	3.119	377,129	377,129	-	-	
1989	152,693	152,693	-	1.010	1.005	-	-	2.999	457,881	457,881	-	-	
1990	169,657	169,657	-	1.010	1.005	-	-	2.883	489,184	489,184	-	-	
1991	85,209	85,209	275	1.010	1.005	272	274	2.772	236,239	236,239	868	863	350
1992	167,009	167,009	297	1.010	1.005	294	296	2.666	445,219	445,219	1,514	1,507	364
1993	143,340	143,340	309	1.010	1.005	306	307	2.563	367,424	367,424	1,201	1,195	378
1994	119,479	119,479	319	1.010	1.005	316	317	2.465	294,482	294,482	932	928	394
1995	102,104	102,104	331	1.010	1.005	328	329	2.370	241,978	241,978	738	735	409
1996	216,777	216,777	343	1.010	1.005	340	341	2.279	493,985	493,985	1,455	1,447	426
1997	145,304	170,304	254	1.010	1.005	251	253	2.191	318,379	373,157	1,266	1,476	443
1998	106,138	106,138	257	1.010	1.005	254	256	2.107	223,617	223,617	879	874	460
1999	9,643	9,643	259	1.010	1.005	256	258	2.026	19,535	19,535	76	76	479
2000	167,911	167,911	258	1.010	1.005	255	257	1.948	327,074	327,074	1,280	1,274	498
2001	125,814	125,814	259	1.010	1.005	256	258	1.873	235,647	235,647	919	914	518
2002	118,743	118,743	268	1.010	1.005	265	267	1.801	213,849	213,849	806	802	539
2003	152,062	152,062	267	1.010	1.005	264	266	1.732	263,322	263,322	996	991	560
2004	31,104	31,104	345	1.010	1.005	342	343	1.665	51,790	51,790	152	151	583
2005	646,018	646,018	371	1.010	1.005	367	369	1.601	1,034,296	1,034,296	2,816	2,802	606
2006	299,924	299,924	357	1.010	1.005	353	355	1.539	461,719	461,719	1,306	1,300	630
2007	71,541	71,541	366	1.013	1.005	361	364	1.480	105,898	105,898	293	291	655
2008	245,538	245,538	374	1.016	1.005	368	372	1.423	349,477	349,477	949	939	682
2009	338,164	338,164	375	1.019	1.007	368	372	1.369	462,801	462,801	1,258	1,243	709
2010	212,258	212,258	375	1.024	1.012	366	371	1.316	279,317	279,317	763	754	737
2011	232,663	235,163	377	1.035	1.017	364	371	1.265	294,393	297,556	809	803	767
2012	315,956	390,024	376	1.060	1.022	355	368	1.217	384,409	474,524	1,084	1,290	797
2013	183,613	183,613	329	1.090	1.027	302	320	1.170	214,801	214,801	712	671	829
2014	363,636	385,027	311	1.239	1.056	251	294	1.125	409,041	433,103	1,630	1,471	862
2015	177,687	224,287	314	1.453	1.113	216	282	1.082	192,186	242,589	889	860	897
2016	214,743	237,999	297	1.898	1.197	156	248	1.040	223,333	247,519	1,428	997	933
2017	77,046	148,275	293	3.461	1.338	85	219	1.000	77,046	148,275	910	677	970
Total	5,636,689	5,900,733	8,556			7,914	8,327		9,947,594	10,265,530			
10 Yr	2,361,304	2,600,348	3,421			2,831	3,218		2,886,804	3,149,962	1,020	979	
9 Yr	2,115,766	2,354,810	3,047			2,463	2,845		2,537,327	2,800,485	1,030	984	
8 Yr	1,777,602	2,016,646	2,672			2,095	2,473		2,074,526	2,337,684	990	945	
7 Yr	1,565,344	1,804,388	2,297			1,729	2,103		1,795,209	2,058,367	1,038	979	
6 Yr	1,332,681	1,569,225	1,920			1,365	1,732		1,500,816	1,760,811	1,100	1,017	
5 Yr	1,016,725	1,179,201	1,544			1,010	1,364		1,116,407	1,286,287	1,105	943	
4 Yr	833,112	995,588	1,215			708	1,044		901,606	1,071,486	1,273	1,027	
3 Yr	469,476	610,561	904			457	749		492,565	638,383	1,077	852	

Selected Loss per Exposure: 970

- Columns (1) through (3) were provided by Coop Management.
- Columns (4) and (5) are from Exhibits 4-4 and 4-7, respectively.
- Loss rates in column (13) are the selected loss rates based on the averages in columns (11) and (12) divided by the loss trend in column (8).

Southwest Washington Risk Management Insurance Cooperative
Automobile Liability

Summary of Losses and Reserves
Based on Actual Self-Insured Retentions
As of August 31, 2017

<u>Fiscal Year</u>	<u>Paid Loss</u>	<u>Case Loss Reserves</u>	<u>Incurred Loss (1)+(2)</u>	<u>Indicated IBNR Loss Reserves (5)-(3)</u>	<u>Selected Ultimate Loss (5)</u>	<u>Total Loss Reserves (2)+(4)</u>
(1)	(2)	(3)	(4)	(5)	(6)	(6)
1987	\$674	\$0	\$674	\$0	\$674	\$0
1988	3,247	0	3,247	0	3,247	0
1989	-	0	-	0	0	0
1990	7,803	0	7,803	0	7,803	0
1991	23,594	0	23,594	0	23,594	0
1992	17,238	0	17,238	0	17,238	0
1993	32,173	0	32,173	0	32,173	0
1994	502	0	502	0	502	0
1995	61,593	0	61,593	0	61,593	0
1996	78,630	0	78,630	0	78,630	0
1997	41,059	0	41,059	0	41,059	0
1998	16,942	0	16,942	0	16,942	0
1999	25,187	0	25,187	0	25,187	0
2000	30,054	0	30,054	0	30,054	0
2001	41,654	0	41,654	0	41,654	0
2002	103,981	0	103,981	0	103,981	0
2003	29,991	0	29,991	0	29,991	0
2004	35,943	0	35,943	0	35,943	0
2005	75,622	0	75,622	0	75,622	0
2006	43,316	0	43,316	0	43,316	0
2007	48,393	0	48,393	0	48,393	0
2008	53,020	0	53,020	0	53,020	0
2009	101,964	0	101,964	0	101,964	0
2010	70,987	0	70,987	0	70,987	0
2011	40,887	0	40,887	0	40,887	0
2012	57,471	0	57,471	0	57,471	0
2013	260,780	0	260,780	0	260,780	0
2014	22,858	0	22,858	2,142	25,000	2,142
2015	53,344	0	53,344	5,656	59,000	5,656
2016	42,613	0	42,613	9,387	52,000	9,387
2017	46,116	13,395	59,511	21,489	81,000	34,884
Total	\$1,467,636	\$13,395	\$1,481,031	\$38,674	\$1,519,705	\$52,069

1. Fiscal years end 8/31.

2. Column (5) is from Exhibit 5-2, column (7).

Southwest Washington Risk Management Insurance Cooperative
Automobile Liability

Ultimate Loss Limited to the Co-op Self-Insured Retention
As of August 31, 2017

Fiscal Year	Co-op SIR (1)	Ultimate Loss Limited to \$100,000 (2)	ILF to Co-op SIR (3)	Losses in Excess of \$100,000 but Limited to Co-op SIR			Selected Ultimate Loss Limited to Co-op SIR (2)+(6) (7)
				Expected (2)x(3)-1 (4)	Incurred Loss (5)	Selected (6)	
1987	\$25,000	\$674		\$0	\$0	\$0	\$674
1988	25,000	3,247		0	0	0	3,247
1989	25,000	0		0	0	0	0
1990	25,000	7,803		0	0	0	7,803
1991	25,000	23,594		0	0	0	23,594
1992	25,000	17,238		0	0	0	17,238
1993	25,000	32,173		0	0	0	32,173
1994	25,000	502		0	0	0	502
1995	50,000	61,593		0	0	0	61,593
1996	100,000	78,630		0	0	0	78,630
1997	100,000	41,059		0	0	0	41,059
1998	100,000	16,942		0	0	0	16,942
1999	50,000	25,187		0	0	0	25,187
2000	50,000	30,054		0	0	0	30,054
2001	50,000	41,654		0	0	0	41,654
2002	50,000	103,981		0	0	0	103,981
2003	100,000	29,991		0	0	0	29,991
2004	200,000	35,943	1.107	3,853	0	0	35,943
2005	200,000	75,622	1.108	8,186	0	0	75,622
2006	200,000	43,316	1.109	4,735	0	0	43,316
2007	200,000	48,393	1.110	5,341	0	0	48,393
2008	250,000	53,020	1.169	8,957	0	0	53,020
2009	250,000	101,964	1.170	17,339	0	0	101,964
2010	250,000	70,987	1.171	12,150	0	0	70,987
2011	250,000	40,887	1.172	7,044	0	0	40,887
2012	250,000	57,471	1.173	9,965	0	0	57,471
2013	250,000	115,781	1.175	20,206	144,999	144,999	260,780
2014	250,000	25,000	1.176	4,391	0	0	25,000
2015	250,000	58,000	1.177	10,252	0	1,000	59,000
2016	250,000	51,000	1.178	9,072	0	1,000	52,000
2017	250,000	77,000	1.179	13,783	0	4,000	81,000
Total		\$1,368,706		\$135,274	\$144,999	\$150,999	\$1,519,705

1. Column (2) is from Exhibit 5-3, column (5).
2. Factors in column (3) are based on the Co-op's historical loss experience.
3. Column (6) is based on the actual loss experience in column (5) combined with the expected loss in column (4) using a Bornhuetter-Ferguson method. The loss development factors used in this Bornhuetter-Ferguson method are the Pool's loss development factors limited to \$100,000.

Southwest Washington Risk Management Insurance Cooperative
Automobile Liability

Comparison of Ultimate Loss Estimates
As of August 31, 2017

Fiscal Year	Paid Loss Development	Incurred Loss Development	Bornhuetter- Ferguson Using Exposures and Paid Loss	Bornhuetter- Ferguson Using Exposures and Incurred Loss	Ultimate Loss
(1)	(2)	(3)	(4)	(5)	
1987	\$ 674	\$ 674			\$ 674
1988	3,247	3,247			3,247
1989	-	-			-
1990	7,803	7,803			7,803
1991	23,594	23,594	23,594	23,594	23,594
1992	17,238	17,238	17,238	17,238	17,238
1993	32,173	32,173	32,173	32,173	32,173
1994	502	502	502	502	502
1995	61,593	61,593	61,593	61,593	61,593
1996	78,630	78,630	78,630	78,630	78,630
1997	41,059	41,059	41,059	41,059	41,059
1998	16,942	16,942	16,942	16,942	16,942
1999	25,187	25,187	25,187	25,187	25,187
2000	30,054	30,054	30,054	30,054	30,054
2001	41,654	41,654	41,654	41,654	41,654
2002	103,981	103,981	103,981	103,981	103,981
2003	29,991	29,991	29,991	29,991	29,991
2004	35,943	35,943	35,943	35,943	35,943
2005	75,622	75,622	75,622	75,622	75,622
2006	43,316	43,316	43,316	43,316	43,316
2007	48,393	48,393	48,393	48,393	48,393
2008	53,020	53,020	53,020	53,020	53,020
2009	101,964	101,964	101,964	101,964	101,964
2010	70,987	70,987	70,987	70,987	70,987
2011	40,887	40,887	40,887	40,887	40,887
2012	57,471	57,471	57,471	57,471	57,471
2013	118,097	115,781	116,967	115,781	115,781
2014	24,411	23,315	26,817	24,078	25,000
2015	60,386	56,859	60,815	57,305	58,000
2016	60,105	48,601	61,914	50,784	51,000
2017	83,519	81,651	76,856	78,123	77,000
Total	\$ 1,388,443	\$ 1,368,132	\$ 1,373,570	\$ 1,356,272	\$1,368,706

1. Losses are limited to \$100,000.
2. Column (1) is from Exhibit 5-4, column (4).
3. Column (2) is from Exhibit 5-7, column (4).
4. Column (3) is from Exhibit 5-10, column (10).
5. Column (4) is from Exhibit 5-11, column (10).

Southwest Washington Risk Management Insurance Cooperative
Automobile Liability

Ultimate Loss Based on Paid Loss Development
As of August 31, 2017

Fiscal Year	Cumulative Paid Loss	Selected Development Factors	Cumulative Development Factors	Ultimate Loss (1) x (3)
	(1)	(2)	(3)	(4)
1987	\$ 674	1.000	1.000	\$ 674
1988	3,247	1.000	1.000	3,247
1989	-	1.000	1.000	-
1990	7,803	1.000	1.000	7,803
1991	23,594	1.000	1.000	23,594
1992	17,238	1.000	1.000	17,238
1993	32,173	1.000	1.000	32,173
1994	502	1.000	1.000	502
1995	61,593	1.000	1.000	61,593
1996	78,630	1.000	1.000	78,630
1997	41,059	1.000	1.000	41,059
1998	16,942	1.000	1.000	16,942
1999	25,187	1.000	1.000	25,187
2000	30,054	1.000	1.000	30,054
2001	41,654	1.000	1.000	41,654
2002	103,981	1.000	1.000	103,981
2003	29,991	1.000	1.000	29,991
2004	35,943	1.000	1.000	35,943
2005	75,622	1.000	1.000	75,622
2006	43,316	1.000	1.000	43,316
2007	48,393	1.000	1.000	48,393
2008	53,020	1.000	1.000	53,020
2009	101,964	1.000	1.000	101,964
2010	70,987	1.000	1.000	70,987
2011	40,887	1.000	1.000	40,887
2012	57,471	1.000	1.000	57,471
2013	115,781	1.020	1.020	118,097
2014	22,858	1.047	1.068	24,411
2015	53,344	1.060	1.132	60,386
2016	42,613	1.246	1.410	60,105
2017	46,116	1.284	1.811	83,519
Total	\$1,322,637			\$1,388,443

Southwest Washington Risk Management Insurance Cooperative
Automobile Liability

Cumulative Paid Loss
As of August 31, 2017

Fiscal Year	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324	336	348	360	372		
1987																																	
1988															3,492	3,492	3,492	3,492	3,492	3,492	3,492	3,492	3,492	3,247	3,247	3,247	3,247	3,247	3,247	3,247	674	674	
1989														0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1990													7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	
1991												23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	
1992											17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	
1993										32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	
1994								502		502	502	502	502	502	502	502	502	502	502	502	502	502	502	502	502	502	502	502	502	502	502	502	
1995							78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	
1996							41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059
1997							16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	
1998				25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	
1999				30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	30,734	
2000		25,986	25,985	29,136	41,309	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	
2001	30,109	52,163	57,007	57,942	108,147	108,434	108,434	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	
2002	16,702	32,585	32,585	32,585	32,585	32,585	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	
2003	35,571	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	
2004	21,544	23,331	23,331	23,331	38,760	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	
2005	43,179	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	
2006	44,407	45,893	45,893	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	
2007	38,501	35,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	
2008	98,382	99,524	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	
2009	27,410	37,085	37,085	49,034	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	70,987	
2010	40,314	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	
2011	6,611	52,246	57,511	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	
2012	35,265	35,265	114,876	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	
2013	6,333	20,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	
2014	18,344	18,344	53,344																														
2015	16,470	42,613																															
2016	46,116																																
2017																																	

1. Losses are limited to \$100,000.

Southwest Washington Risk Management Insurance Cooperative
Automobile Liability

Ultimate Loss Based on Incurred Loss Development
As of August 31, 2017

Fiscal Year	Cumulative Incurred Loss	Selected Development Factors	Cumulative Development Factors	Ultimate Loss (1) x (3)
	(1)	(2)	(3)	(4)
1987	\$ 674	1.000	1.000	\$ 674
1988	3,247	1.000	1.000	3,247
1989	-	1.000	1.000	-
1990	7,803	1.000	1.000	7,803
1991	23,594	1.000	1.000	23,594
1992	17,238	1.000	1.000	17,238
1993	32,173	1.000	1.000	32,173
1994	502	1.000	1.000	502
1995	61,593	1.000	1.000	61,593
1996	78,630	1.000	1.000	78,630
1997	41,059	1.000	1.000	41,059
1998	16,942	1.000	1.000	16,942
1999	25,187	1.000	1.000	25,187
2000	30,054	1.000	1.000	30,054
2001	41,654	1.000	1.000	41,654
2002	103,981	1.000	1.000	103,981
2003	29,991	1.000	1.000	29,991
2004	35,943	1.000	1.000	35,943
2005	75,622	1.000	1.000	75,622
2006	43,316	1.000	1.000	43,316
2007	48,393	1.000	1.000	48,393
2008	53,020	1.000	1.000	53,020
2009	101,964	1.000	1.000	101,964
2010	70,987	1.000	1.000	70,987
2011	40,887	1.000	1.000	40,887
2012	57,471	1.000	1.000	57,471
2013	115,781	1.000	1.000	115,781
2014	22,858	1.020	1.020	23,315
2015	53,344	1.045	1.066	56,859
2016	42,613	1.070	1.141	48,601
2017	59,511	1.203	1.372	81,651
Total	\$ 1,336,032			\$ 1,368,132

Southwest Washington Risk Management Insurance Cooperative
Automobile Liability

Cumulative Incurred Loss
As of August 31, 2017

Fiscal Year	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324	336	348	360	372	
1987																																
1988															3,492	3,492	3,492	3,492	3,492	3,492	3,492	3,492	3,492	3,247	3,247	3,247	3,247	3,247	3,247	3,247	674	
1989														0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1990													7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	
1991												23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	
1992											17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	
1993											32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	
1994											502	502	502	502	502	502	502	502	502	502	502	502	502	502	502	502	502	502	502	502	502	502
1995								61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593
1996							78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630
1997							41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059
1998					16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942
1999				25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187
2000			30,734	30,734	30,734	30,684	30,734	30,734	30,734	30,734	30,054	30,054	30,054	30,054	30,054	30,054	30,054	30,054	30,054	30,054	30,054	30,054	30,054	30,054	30,054	30,054	30,054	30,054	30,054	30,054	30,054	30,054
2001		63,382	26,710	57,210	45,485	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654
2002	35,385	56,084	72,327	92,327	123,467	123,754	123,754	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981
2003	17,232	32,585	32,585	32,585	32,585	32,585	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991
2004	38,240	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943
2005	27,005	27,145	27,145	38,345	68,481	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622
2006	43,481	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316	43,316
2007	56,206	52,892	45,893	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393	48,393
2008	60,973	56,960	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020	53,020
2009	104,785	104,037	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964	101,964
2010	34,403	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085	47,085
2011	40,314	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887	40,887
2012	10,804	71,254	59,094	58,094	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471	57,471
2013	46,967	115,266	115,266	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781	115,781
2014	81,257	20,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858	22,858
2015	21,825	18,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344	53,344
2016	17,327	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613	42,613
2017	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511	59,511

1. Losses are limited to \$100,000.

Southwest Washington Risk Management Insurance Cooperative
Automobile Liability

Ultimate Loss Based on Bornhuetter-Ferguson Using Exposures and Paid Loss
As of August 31, 2017

Fiscal Year	Exposures	Selected Loss Rate	Expected Ultimate Loss (1) x (2)	Selected Development Factors	Cumulative Development Factors	Ratio of Cumulative Paid Loss to Ultimate Loss 1 / (5)	Ratio of Undeveloped Paid Loss to Ultimate Loss 1 - (6)	Undeveloped Paid Loss (3) x (7)	Cumulative Paid Loss	Ultimate Loss (8) + (9)	Calculated Loss Rate (10) / (1)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1987				1.000	1.000	1.000	0.000		\$ 674		
1988				1.000	1.000	1.000	0.000		3,247		
1989				1.000	1.000	1.000	0.000		-		
1990				1.000	1.000	1.000	0.000		7,803		
1991	501	30.000	15,030	1.000	1.000	1.000	0.000	-	23,594	23,594	47.094
1992	501	31.000	15,531	1.000	1.000	1.000	0.000	-	17,238	17,238	34.407
1993	561	32.000	17,952	1.000	1.000	1.000	0.000	-	32,173	32,173	57.349
1994	558	34.000	18,972	1.000	1.000	1.000	0.000	-	502	502	0.900
1995	593	35.000	20,755	1.000	1.000	1.000	0.000	-	61,593	61,593	103.867
1996	610	36.000	21,960	1.000	1.000	1.000	0.000	-	78,630	78,630	128.902
1997	589	38.000	22,382	1.000	1.000	1.000	0.000	-	41,059	41,059	69.710
1998	582	39.000	22,698	1.000	1.000	1.000	0.000	-	16,942	16,942	29.110
1999	594	41.000	24,354	1.000	1.000	1.000	0.000	-	25,187	25,187	42.402
2000	615	43.000	26,445	1.000	1.000	1.000	0.000	-	30,054	30,054	48.868
2001	640	44.000	28,160	1.000	1.000	1.000	0.000	-	41,654	41,654	65.084
2002	652	46.000	29,992	1.000	1.000	1.000	0.000	-	103,981	103,981	159.480
2003	663	48.000	31,824	1.000	1.000	1.000	0.000	-	29,991	29,991	45.235
2004	816	50.000	40,800	1.000	1.000	1.000	0.000	-	35,943	35,943	44.048
2005	846	52.000	43,992	1.000	1.000	1.000	0.000	-	75,622	75,622	89.388
2006	874	54.000	47,196	1.000	1.000	1.000	0.000	-	43,316	43,316	49.561
2007	879	56.000	49,224	1.000	1.000	1.000	0.000	-	48,393	48,393	55.055
2008	849	58.000	49,242	1.000	1.000	1.000	0.000	-	53,020	53,020	62.450
2009	893	61.000	54,473	1.000	1.000	1.000	0.000	-	101,964	101,964	114.181
2010	916	63.000	57,708	1.000	1.000	1.000	0.000	-	70,987	70,987	77.497
2011	950	66.000	62,700	1.000	1.000	1.000	0.000	-	40,887	40,887	43.039
2012	929	68.000	63,172	1.000	1.000	1.000	0.000	-	57,471	57,471	61.863
2013	852	71.000	60,492	1.020	1.020	0.980	0.020	1,186	115,781	116,967	137.285
2014	841	74.000	62,234	1.047	1.068	0.936	0.064	3,959	22,858	26,817	31.887
2015	832	77.000	64,064	1.060	1.132	0.883	0.117	7,471	53,344	60,815	73.095
2016	829	80.000	66,320	1.246	1.410	0.709	0.291	19,301	42,613	61,914	74.685
2017	827	83.000	68,641	1.284	1.811	0.552	0.448	30,740	46,116	76,856	92.934
Total	19,792		\$ 1,086,313					\$ 62,657	\$1,322,637	\$ 1,373,570	

1. Exposures are vehicle counts.

Southwest Washington Risk Management Insurance Cooperative
Automobile Liability

Ultimate Loss Based on Bornhuetter-Ferguson Using Exposures and Incurred Loss
As of August 31, 2017

Fiscal Year	Exposures	Selected Loss Rate	Expected Ultimate Loss (1) x (2)	Selected Development Factors	Cumulative Development Factors	Ratio of Cumulative Incurred Loss to Ultimate Loss 1 / (5)	Ratio of Undeveloped Incurred Loss to Ultimate Loss 1 - (6)	Undeveloped Incurred Loss (3) x (7)	Cumulative Incurred Loss	Ultimate Loss (8) + (9)	Calculated Loss Rate (10) / (1)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1987				1.000	1.000	1.000	0.000		\$ 674		
1988				1.000	1.000	1.000	0.000		3,247		
1989				1.000	1.000	1.000	0.000		-		
1990				1.000	1.000	1.000	0.000		7,803		
1991	501	30.000	15,030	1.000	1.000	1.000	0.000	-	23,594	23,594	47.094
1992	501	31.000	15,531	1.000	1.000	1.000	0.000	-	17,238	17,238	34.407
1993	561	32.000	17,952	1.000	1.000	1.000	0.000	-	32,173	32,173	57.349
1994	558	34.000	18,972	1.000	1.000	1.000	0.000	-	502	502	0.900
1995	593	35.000	20,755	1.000	1.000	1.000	0.000	-	61,593	61,593	103.867
1996	610	36.000	21,960	1.000	1.000	1.000	0.000	-	78,630	78,630	128.902
1997	589	38.000	22,382	1.000	1.000	1.000	0.000	-	41,059	41,059	69.710
1998	582	39.000	22,698	1.000	1.000	1.000	0.000	-	16,942	16,942	29.110
1999	594	41.000	24,354	1.000	1.000	1.000	0.000	-	25,187	25,187	42.402
2000	615	43.000	26,445	1.000	1.000	1.000	0.000	-	30,054	30,054	48.868
2001	640	44.000	28,160	1.000	1.000	1.000	0.000	-	41,654	41,654	65.084
2002	652	46.000	29,992	1.000	1.000	1.000	0.000	-	103,981	103,981	159.480
2003	663	48.000	31,824	1.000	1.000	1.000	0.000	-	29,991	29,991	45.235
2004	816	50.000	40,800	1.000	1.000	1.000	0.000	-	35,943	35,943	44.048
2005	846	52.000	43,992	1.000	1.000	1.000	0.000	-	75,622	75,622	89.388
2006	874	54.000	47,196	1.000	1.000	1.000	0.000	-	43,316	43,316	49.561
2007	879	56.000	49,224	1.000	1.000	1.000	0.000	-	48,393	48,393	55.055
2008	849	58.000	49,242	1.000	1.000	1.000	0.000	-	53,020	53,020	62.450
2009	893	61.000	54,473	1.000	1.000	1.000	0.000	-	101,964	101,964	114.181
2010	916	63.000	57,708	1.000	1.000	1.000	0.000	-	70,987	70,987	77.497
2011	950	66.000	62,700	1.000	1.000	1.000	0.000	-	40,887	40,887	43.039
2012	929	68.000	63,172	1.000	1.000	1.000	0.000	-	57,471	57,471	61.863
2013	852	71.000	60,492	1.000	1.000	1.000	0.000	-	115,781	115,781	135.893
2014	841	74.000	62,234	1.020	1.020	0.980	0.020	1,220	22,858	24,078	28.631
2015	832	77.000	64,064	1.045	1.066	0.938	0.062	3,961	53,344	57,305	68.876
2016	829	80.000	66,320	1.070	1.141	0.877	0.123	8,171	42,613	50,784	61.259
2017	827	83.000	68,641	1.203	1.372	0.729	0.271	18,612	59,511	78,123	94.466
Total	19,792		\$ 1,086,313					\$ 31,964	\$ 1,336,032	\$ 1,356,272	

1. Exposures are vehicle counts.

Southwest Washington Risk Management Insurance Cooperative
Automobile Liability

Bornhuetter-Ferguson Seed Calculation
As of August 31, 2017

Fiscal Year	Paid Loss Limited to \$100,000	Incurred Loss Limited to \$100,000	Exposures (Vehicle Counts)	Cumulative Paid Loss Dev. Factor	Cumulative Incurred Loss Dev. Factor	Paid Burned Exposures (3)/(4)	Incurred Burned Exposures (3)/(5)	4% On-Level Factor to 2017	On-Level Paid Loss (1)x(8)	On-Level Incurred Loss (2)x(8)	Paid Loss Per Exposure (9)/(6)	Incurred Loss Per Exposure (10)/(7)	Selected Loss per Exposure
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1987	674	674	-	1.000	1.000	-	-	3.243	2,186	2,186	-	-	
1988	3,247	3,247	-	1.000	1.000	-	-	3.119	10,126	10,126	-	-	
1989	-	-	-	1.000	1.000	-	-	2.999	-	-	-	-	
1990	7,803	7,803	-	1.000	1.000	-	-	2.883	22,499	22,499	-	-	
1991	23,594	23,594	501	1.000	1.000	501	501	2.772	65,414	65,414	131	131	30
1992	17,238	17,238	501	1.000	1.000	501	501	2.666	45,954	45,954	92	92	31
1993	32,173	32,173	561	1.000	1.000	561	561	2.563	82,469	82,469	147	147	32
1994	502	502	558	1.000	1.000	558	558	2.465	1,237	1,237	2	2	34
1995	61,593	61,593	593	1.000	1.000	593	593	2.370	145,970	145,970	246	246	35
1996	78,630	78,630	610	1.000	1.000	610	610	2.279	179,180	179,180	294	294	36
1997	41,059	41,059	589	1.000	1.000	589	589	2.191	89,965	89,965	153	153	38
1998	16,942	16,942	582	1.000	1.000	582	582	2.107	35,694	35,694	61	61	39
1999	25,187	25,187	594	1.000	1.000	594	594	2.026	51,024	51,024	86	86	41
2000	30,054	30,054	615	1.000	1.000	615	615	1.948	58,542	58,542	95	95	43
2001	41,654	41,654	640	1.000	1.000	640	640	1.873	78,017	78,017	122	122	44
2002	103,981	103,981	652	1.000	1.000	652	652	1.801	187,264	187,264	287	287	46
2003	29,991	29,991	663	1.000	1.000	663	663	1.732	51,935	51,935	78	78	48
2004	35,943	35,943	816	1.000	1.000	816	816	1.665	59,848	59,848	73	73	50
2005	75,622	75,622	846	1.000	1.000	846	846	1.601	121,073	121,073	143	143	52
2006	43,316	43,316	874	1.000	1.000	874	874	1.539	66,683	66,683	76	76	54
2007	48,393	48,393	879	1.000	1.000	879	879	1.480	71,633	71,633	81	81	56
2008	53,020	53,020	849	1.000	1.000	849	849	1.423	75,464	75,464	89	89	58
2009	101,964	101,964	893	1.000	1.000	893	893	1.369	139,545	139,545	156	156	61
2010	70,987	70,987	916	1.000	1.000	916	916	1.316	93,414	93,414	102	102	63
2011	40,887	40,887	950	1.000	1.000	950	950	1.265	51,735	51,735	54	54	66
2012	57,471	57,471	929	1.000	1.000	929	929	1.217	69,922	69,922	75	75	68
2013	115,781	115,781	852	1.020	1.000	835	852	1.170	135,447	135,447	162	159	71
2014	22,858	22,858	841	1.068	1.020	787	825	1.125	25,712	25,712	33	31	74
2015	53,344	53,344	832	1.132	1.066	735	781	1.082	57,697	57,697	79	74	77
2016	42,613	42,613	829	1.410	1.141	588	727	1.040	44,318	44,318	75	61	80
2017	46,116	59,511	827	1.811	1.372	457	603	1.000	46,116	59,511	101	99	83
Total	1,322,637	1,336,032	19,792			19,013	19,398		2,166,084	2,179,479			
10 Yr	605,041	618,436	8,718			7,939	8,324		739,370	752,765	93	90	
9 Yr	552,021	565,416	7,869			7,090	7,475		663,906	677,301	94	91	
8 Yr	450,057	463,452	6,976			6,197	6,582		524,361	537,756	85	82	
7 Yr	379,070	392,465	6,060			5,281	5,666		430,947	444,342	82	78	
6 Yr	338,183	351,578	5,110			4,331	4,716		379,212	392,607	88	83	
5 Yr	280,712	294,107	4,181			3,402	3,787		309,290	322,685	91	85	
4 Yr	164,931	178,326	3,329			2,567	2,935		173,843	187,238	68	64	
3 Yr	142,073	155,468	2,488			1,779	2,110		148,130	161,525	83	77	

Selected Loss per Exposure: 83

- Columns (1) through (3) were provided by Coop Management.
- Columns (4) and (5) are from Exhibits 5-4 and 5-7, respectively.
- Loss rates in column (13) are the selected loss rates based on the averages in columns (11) and (12) divided by the loss trend in column (8).

Southwest Washington Risk Management Insurance Cooperative
Property

Summary of Losses and Reserves
Based on Actual Self-Insured Retentions
As of August 31, 2017

<u>Fiscal Year</u>	<u>Paid Loss</u> (1)	<u>Case Loss Reserves</u> (2)	<u>Incurred Loss (1)+(2)</u> (3)	<u>Indicated IBNR Loss Reserves (5)-(3)</u> (4)	<u>Selected Ultimate Loss</u> (5)	<u>Total Loss Reserves (2)+(4)</u> (6)
1987	\$0	\$0	\$0	\$0	\$0	\$0
1988	43,375	0	43,375	0	43,375	0
1989	27,170	1,238	28,408	0	28,408	1,238
1990	41,656	0	41,656	0	41,656	0
1991	100,905	0	100,905	0	100,905	0
1992	42,172	0	42,172	0	42,172	0
1993	77,911	0	77,911	0	77,911	0
1994	94,753	0	94,753	0	94,753	0
1995	98,566	0	98,566	0	98,566	0
1996	226,390	0	226,390	0	226,390	0
1997	151,351	0	151,351	0	151,351	0
1998	191,883	0	191,883	0	191,883	0
1999	153,190	0	153,190	0	153,190	0
2000	97,333	0	97,333	0	97,333	0
2001	143,303	0	143,303	0	143,303	0
2002	44,897	0	44,897	0	44,897	0
2003	103,555	0	103,555	0	103,555	0
2004	191,505	0	191,505	0	191,505	0
2005	240,770	645	241,415	0	241,415	645
2006	87,605	0	87,605	0	87,605	0
2007	46,082	0	46,082	0	46,082	0
2008	214,354	0	214,354	0	214,354	0
2009	362,151	0	362,151	0	362,151	0
2010	620,935	0	620,935	0	620,935	0
2011	423,665	0	423,665	0	423,665	0
2012	637,993	0	637,993	0	637,993	0
2013	63,505	0	63,505	0	63,505	0
2014	199,020	0	199,020	0	199,020	0
2015	223,054	0	223,054	0	223,054	0
2016	85,923	9,167	95,090	0	95,090	9,167
2017	232,570	144,231	376,801	14,915	391,716	159,146
Total	\$5,267,542	\$155,281	\$5,422,823	\$14,915	\$5,437,738	\$170,196

1. Fiscal years end 8/31.
2. Column (5) is from Exhibit 6-2, column (7).

Southwest Washington Risk Management Insurance Cooperative
Property

Ultimate Loss Limited to the Co-op Self-Insured Retention
As of August 31, 2017

Fiscal Year	Co-op SIR (1)	Ultimate Loss Limited to \$100,000 (2)	ILF to Co-op SIR (3)	Losses in Excess of \$100,000 but Limited to Co-op SIR			Selected Ultimate Loss Limited to Co-op SIR (2)+(6) (7)
				Expected (2)x(3)-1 (4)	Incurred Loss (5)	Selected (6)	
1987	\$25,000	\$0		\$0	\$0	\$0	\$0
1988	25,000	43,375		0	0	0	43,375
1989	25,000	28,408		0	0	0	28,408
1990	25,000	41,656		0	0	0	41,656
1991	25,000	100,905		0	0	0	100,905
1992	25,000	42,172		0	0	0	42,172
1993	25,000	77,911		0	0	0	77,911
1994	25,000	94,753		0	0	0	94,753
1995	50,000	98,566		0	0	0	98,566
1996	100,000	225,846		0	544	544	226,390
1997	100,000	151,351		0	0	0	151,351
1998	100,000	191,883		0	0	0	191,883
1999	100,000	153,190		0	0	0	153,190
2000	100,000	97,333		0	0	0	97,333
2001	100,000	143,303		0	0	0	143,303
2002	100,000	44,897		0	0	0	44,897
2003	100,000	103,555		0	0	0	103,555
2004	100,000	191,505		0	0	0	191,505
2005	100,000	241,415		0	0	0	241,415
2006	100,000	87,605		0	0	0	87,605
2007	100,000	46,082		0	0	0	46,082
2008	250,000	214,354	1.342	73,403	0	0	214,354
2009	250,000	308,308	1.344	105,971	53,843	53,843	362,151
2010	250,000	357,826	1.345	123,450	263,109	263,109	620,935
2011	250,000	278,809	1.346	96,546	144,856	144,856	423,665
2012	250,000	487,993	1.348	169,609	150,000	150,000	637,993
2013	250,000	63,505	1.349	22,154	0	0	63,505
2014	250,000	198,551	1.350	69,520	469	469	199,020
2015	250,000	139,228	1.351	48,928	83,826	83,826	223,054
2016	250,000	95,090	1.353	33,539	0	0	95,090
2017	250,000	290,000	1.354	102,660	95,000	101,716	391,716
Total		\$4,639,375		\$845,780	\$791,647	\$798,363	\$5,437,738

- Column (2) is from Exhibit 6-3, column (5).
- Factors in column (3) are based on the Co-op's historical loss experience.
- Column (6) is based on the actual loss experience in column (5) combined with the expected loss in column (4) using a Bornhuetter-Ferguson method. The loss development factors used in this Bornhuetter-Ferguson method are the Pool's loss development factors limited to \$100,000.

Southwest Washington Risk Management Insurance Cooperative
Property

Comparison of Ultimate Loss Estimates
As of August 31, 2017

Fiscal Year	Paid Loss Development	Incurred Loss Development	Bornhuetter- Ferguson Using Exposures and Paid Loss	Bornhuetter- Ferguson Using Exposures and Incurred Loss	Ultimate Loss
(1)	(2)	(3)	(4)	(5)	
1987	\$ -	\$ -			\$ -
1988	43,375	43,375			43,375
1989	27,170	28,408			28,408
1990	41,656	41,656			41,656
1991	100,905	100,905	100,905	100,905	100,905
1992	42,172	42,172	42,172	42,172	42,172
1993	77,911	77,911	77,911	77,911	77,911
1994	94,753	94,753	94,753	94,753	94,753
1995	98,566	98,566	98,566	98,566	98,566
1996	225,846	225,846	225,846	225,846	225,846
1997	151,351	151,351	151,351	151,351	151,351
1998	191,883	191,883	191,883	191,883	191,883
1999	153,190	153,190	153,190	153,190	153,190
2000	97,333	97,333	97,333	97,333	97,333
2001	143,303	143,303	143,303	143,303	143,303
2002	44,897	44,897	44,897	44,897	44,897
2003	103,555	103,555	103,555	103,555	103,555
2004	191,505	191,505	191,505	191,505	191,505
2005	240,770	241,415	240,770	241,415	241,415
2006	87,605	87,605	87,605	87,605	87,605
2007	46,082	46,082	46,082	46,082	46,082
2008	214,354	214,354	214,354	214,354	214,354
2009	308,308	308,308	308,308	308,308	308,308
2010	357,826	357,826	357,826	357,826	357,826
2011	278,809	278,809	278,809	278,809	278,809
2012	487,993	487,993	487,993	487,993	487,993
2013	63,505	63,505	63,505	63,505	63,505
2014	198,551	198,551	198,551	198,551	198,551
2015	139,228	139,228	139,228	139,228	139,228
2016	86,782	95,090	87,765	95,090	95,090
2017	264,569	301,527	232,572	294,303	290,000
Total	\$ 4,603,753	\$ 4,650,902	\$ 4,460,538	\$ 4,530,239	\$4,639,375

1. Losses are limited to \$100,000.
2. Column (1) is from Exhibit 6-4, column (4).
3. Column (2) is from Exhibit 6-7, column (4).
4. Column (3) is from Exhibit 6-10, column (10).
5. Column (4) is from Exhibit 6-11, column (10).

Southwest Washington Risk Management Insurance Cooperative
Property

Ultimate Loss Based on Paid Loss Development
As of August 31, 2017

Fiscal Year	Cumulative Paid Loss	Selected Development Factors	Cumulative Development Factors	Ultimate Loss (1) x (3)
	(1)	(2)	(3)	(4)
1987	\$ -	1.000	1.000	\$ -
1988	43,375	1.000	1.000	43,375
1989	27,170	1.000	1.000	27,170
1990	41,656	1.000	1.000	41,656
1991	100,905	1.000	1.000	100,905
1992	42,172	1.000	1.000	42,172
1993	77,911	1.000	1.000	77,911
1994	94,753	1.000	1.000	94,753
1995	98,566	1.000	1.000	98,566
1996	225,846	1.000	1.000	225,846
1997	151,351	1.000	1.000	151,351
1998	191,883	1.000	1.000	191,883
1999	153,190	1.000	1.000	153,190
2000	97,333	1.000	1.000	97,333
2001	143,303	1.000	1.000	143,303
2002	44,897	1.000	1.000	44,897
2003	103,555	1.000	1.000	103,555
2004	191,505	1.000	1.000	191,505
2005	240,770	1.000	1.000	240,770
2006	87,605	1.000	1.000	87,605
2007	46,082	1.000	1.000	46,082
2008	214,354	1.000	1.000	214,354
2009	308,308	1.000	1.000	308,308
2010	357,826	1.000	1.000	357,826
2011	278,809	1.000	1.000	278,809
2012	487,993	1.000	1.000	487,993
2013	63,505	1.000	1.000	63,505
2014	198,551	1.000	1.000	198,551
2015	139,228	1.000	1.000	139,228
2016	85,923	1.010	1.010	86,782
2017	149,344	1.754	1.772	264,569
Total	\$4,487,669			\$4,603,753

Southwest Washington Risk Management Insurance Cooperative
Property

Ultimate Loss Based on Incurred Loss Development
As of August 31, 2017

Fiscal Year	Cumulative Incurred Loss	Selected Development Factors	Cumulative Development Factors	Ultimate Loss (1) x (3)
	(1)	(2)	(3)	(4)
1987	\$ -	1.000	1.000	\$ -
1988	43,375	1.000	1.000	43,375
1989	28,408	1.000	1.000	28,408
1990	41,656	1.000	1.000	41,656
1991	100,905	1.000	1.000	100,905
1992	42,172	1.000	1.000	42,172
1993	77,911	1.000	1.000	77,911
1994	94,753	1.000	1.000	94,753
1995	98,566	1.000	1.000	98,566
1996	225,846	1.000	1.000	225,846
1997	151,351	1.000	1.000	151,351
1998	191,883	1.000	1.000	191,883
1999	153,190	1.000	1.000	153,190
2000	97,333	1.000	1.000	97,333
2001	143,303	1.000	1.000	143,303
2002	44,897	1.000	1.000	44,897
2003	103,555	1.000	1.000	103,555
2004	191,505	1.000	1.000	191,505
2005	241,415	1.000	1.000	241,415
2006	87,605	1.000	1.000	87,605
2007	46,082	1.000	1.000	46,082
2008	214,354	1.000	1.000	214,354
2009	308,308	1.000	1.000	308,308
2010	357,826	1.000	1.000	357,826
2011	278,809	1.000	1.000	278,809
2012	487,993	1.000	1.000	487,993
2013	63,505	1.000	1.000	63,505
2014	198,551	1.000	1.000	198,551
2015	139,228	1.000	1.000	139,228
2016	95,090	1.000	1.000	95,090
2017	281,801	1.070	1.070	301,527
Total	\$ 4,631,176			\$ 4,650,902

Southwest Washington Risk Management Insurance Cooperative
Property

Ultimate Loss Based on Bornhuetter-Ferguson Using Exposures and Paid Loss
As of August 31, 2017

Fiscal Year	Exposures	Selected Loss Rate	Expected Ultimate Loss (1) x (2)	Selected Development Factors	Cumulative Development Factors	Ratio of Cumulative Paid Loss to Ultimate Loss 1 / (5)	Ratio of Undeveloped Paid Loss to Ultimate Loss 1 - (6)	Undeveloped Paid Loss (3) x (7)	Cumulative Paid Loss	Ultimate Loss (8) + (9)	Calculated Loss Rate (10) / (1)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1987				1.000	1.000	1.000	0.000	\$ -			
1988				1.000	1.000	1.000	0.000	43,375			
1989				1.000	1.000	1.000	0.000	27,170			
1990				1.000	1.000	1.000	0.000	41,656			
1991	318	195.000	62,010	1.000	1.000	1.000	0.000	-	100,905	100,905	317.311
1992	356	195.000	69,420	1.000	1.000	1.000	0.000	-	42,172	42,172	118.461
1993	381	195.000	74,295	1.000	1.000	1.000	0.000	-	77,911	77,911	204.491
1994	420	195.000	81,900	1.000	1.000	1.000	0.000	-	94,753	94,753	225.602
1995	425	195.000	82,875	1.000	1.000	1.000	0.000	-	98,566	98,566	231.920
1996	454	195.000	88,530	1.000	1.000	1.000	0.000	-	225,846	225,846	497.458
1997	382	195.000	74,490	1.000	1.000	1.000	0.000	-	151,351	151,351	396.207
1998	397	195.000	77,415	1.000	1.000	1.000	0.000	-	191,883	191,883	483.332
1999	399	195.000	77,805	1.000	1.000	1.000	0.000	-	153,190	153,190	383.935
2000	430	195.000	83,850	1.000	1.000	1.000	0.000	-	97,333	97,333	226.356
2001	456	195.000	88,920	1.000	1.000	1.000	0.000	-	143,303	143,303	314.261
2002	513	195.000	100,035	1.000	1.000	1.000	0.000	-	44,897	44,897	87.519
2003	538	195.000	104,910	1.000	1.000	1.000	0.000	-	103,555	103,555	192.481
2004	761	195.000	148,395	1.000	1.000	1.000	0.000	-	191,505	191,505	251.649
2005	819	195.000	159,705	1.000	1.000	1.000	0.000	-	240,770	240,770	293.980
2006	885	195.000	172,575	1.000	1.000	1.000	0.000	-	87,605	87,605	98.989
2007	920	195.000	179,400	1.000	1.000	1.000	0.000	-	46,082	46,082	50.089
2008	978	195.000	190,710	1.000	1.000	1.000	0.000	-	214,354	214,354	219.176
2009	1,012	195.000	197,340	1.000	1.000	1.000	0.000	-	308,308	308,308	304.652
2010	1,118	195.000	218,010	1.000	1.000	1.000	0.000	-	357,826	357,826	320.059
2011	1,154	195.000	225,030	1.000	1.000	1.000	0.000	-	278,809	278,809	241.602
2012	1,163	195.000	226,785	1.000	1.000	1.000	0.000	-	487,993	487,993	419.598
2013	1,008	195.000	196,560	1.000	1.000	1.000	0.000	-	63,505	63,505	63.001
2014	996	195.000	194,220	1.000	1.000	1.000	0.000	-	198,551	198,551	199.348
2015	953	195.000	185,835	1.000	1.000	1.000	0.000	-	139,228	139,228	146.094
2016	954	195.000	186,030	1.010	1.010	0.990	0.010	1,842	85,923	87,765	91.997
2017	980	195.000	191,100	1.754	1.772	0.564	0.436	83,228	149,344	232,572	237.318
Total	19,170		\$ 3,738,150					\$ 85,070	\$ 4,487,669	\$ 4,460,538	

1. Exposures are total insured value (including vehicles) in millions of dollars.

Southwest Washington Risk Management Insurance Cooperative
Property

Ultimate Loss Based on Bornhuetter-Ferguson Using Exposures and Incurred Loss
As of August 31, 2017

Fiscal Year	Exposures	Selected Loss Rate	Expected Ultimate Loss (1) x (2)	Selected Development Factors	Cumulative Development Factors	Ratio of Cumulative Incurred Loss to Ultimate Loss 1 / (5)	Ratio of Undeveloped Incurred Loss to Ultimate Loss 1 - (6)	Undeveloped Incurred Loss (3) x (7)	Cumulative Incurred Loss	Ultimate Loss (8) + (9)	Calculated Loss Rate (10) / (1)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1987				1.000	1.000	1.000	0.000		\$ -		
1988				1.000	1.000	1.000	0.000		43,375		
1989				1.000	1.000	1.000	0.000		28,408		
1990				1.000	1.000	1.000	0.000		41,656		
1991	318	195.000	62,010	1.000	1.000	1.000	0.000	-	100,905	100,905	317.311
1992	356	195.000	69,420	1.000	1.000	1.000	0.000	-	42,172	42,172	118.461
1993	381	195.000	74,295	1.000	1.000	1.000	0.000	-	77,911	77,911	204.491
1994	420	195.000	81,900	1.000	1.000	1.000	0.000	-	94,753	94,753	225.602
1995	425	195.000	82,875	1.000	1.000	1.000	0.000	-	98,566	98,566	231.920
1996	454	195.000	88,530	1.000	1.000	1.000	0.000	-	225,846	225,846	497.458
1997	382	195.000	74,490	1.000	1.000	1.000	0.000	-	151,351	151,351	396.207
1998	397	195.000	77,415	1.000	1.000	1.000	0.000	-	191,883	191,883	483.332
1999	399	195.000	77,805	1.000	1.000	1.000	0.000	-	153,190	153,190	383.935
2000	430	195.000	83,850	1.000	1.000	1.000	0.000	-	97,333	97,333	226.356
2001	456	195.000	88,920	1.000	1.000	1.000	0.000	-	143,303	143,303	314.261
2002	513	195.000	100,035	1.000	1.000	1.000	0.000	-	44,897	44,897	87.519
2003	538	195.000	104,910	1.000	1.000	1.000	0.000	-	103,555	103,555	192.481
2004	761	195.000	148,395	1.000	1.000	1.000	0.000	-	191,505	191,505	251.649
2005	819	195.000	159,705	1.000	1.000	1.000	0.000	-	241,415	241,415	294.768
2006	885	195.000	172,575	1.000	1.000	1.000	0.000	-	87,605	87,605	98.989
2007	920	195.000	179,400	1.000	1.000	1.000	0.000	-	46,082	46,082	50.089
2008	978	195.000	190,710	1.000	1.000	1.000	0.000	-	214,354	214,354	219.176
2009	1,012	195.000	197,340	1.000	1.000	1.000	0.000	-	308,308	308,308	304.652
2010	1,118	195.000	218,010	1.000	1.000	1.000	0.000	-	357,826	357,826	320.059
2011	1,154	195.000	225,030	1.000	1.000	1.000	0.000	-	278,809	278,809	241.602
2012	1,163	195.000	226,785	1.000	1.000	1.000	0.000	-	487,993	487,993	419.598
2013	1,008	195.000	196,560	1.000	1.000	1.000	0.000	-	63,505	63,505	63.001
2014	996	195.000	194,220	1.000	1.000	1.000	0.000	-	198,551	198,551	199.348
2015	953	195.000	185,835	1.000	1.000	1.000	0.000	-	139,228	139,228	146.094
2016	954	195.000	186,030	1.000	1.000	1.000	0.000	-	95,090	95,090	99.675
2017	980	195.000	191,100	1.070	1.070	0.935	0.065	12,502	281,801	294,303	300.309
Total	19,170		\$ 3,738,150					\$ 12,502	\$ 4,631,176	\$ 4,530,239	

1. Exposures are total insured value (including vehicles) in millions of dollars.

Southwest Washington Risk Management Insurance Cooperative
Property

Bornhuetter-Ferguson Seed Calculation
As of August 31, 2017

Fiscal Year	Paid Loss Limited to \$100,000	Incurred Loss Limited to \$100,000	Exposures (Total Insured Values in millions)	Cumulative Paid Loss Dev. Factor	Cumulative Incurred Loss Dev. Factor	Paid Burned Exposures (3)/(4)	Incurred Burned Exposures (3)/(5)	0% On-Level Factor to 2017	On-Level Paid Loss (1)x(8)	On-Level Incurred Loss (2)x(8)	Paid Loss Per Exposure (9)/(6)	Incurred Loss Per Exposure (10)/(7)	Selected Loss per Exposure (13)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
1987	-	-	-	1.000	1.000	-	-	1.000	-	-	-	-	-
1988	43,375	43,375	-	1.000	1.000	-	-	1.000	43,375	43,375	-	-	-
1989	27,170	28,408	-	1.000	1.000	-	-	1.000	27,170	28,408	-	-	-
1990	41,656	41,656	-	1.000	1.000	-	-	1.000	41,656	41,656	-	-	-
1991	100,905	100,905	318	1.000	1.000	318	318	1.000	100,905	100,905	317	317	195
1992	42,172	42,172	356	1.000	1.000	356	356	1.000	42,172	42,172	118	118	195
1993	77,911	77,911	381	1.000	1.000	381	381	1.000	77,911	77,911	204	204	195
1994	94,753	94,753	420	1.000	1.000	420	420	1.000	94,753	94,753	226	226	195
1995	98,566	98,566	425	1.000	1.000	425	425	1.000	98,566	98,566	232	232	195
1996	225,846	225,846	454	1.000	1.000	454	454	1.000	225,846	225,846	497	497	195
1997	151,351	151,351	382	1.000	1.000	382	382	1.000	151,351	151,351	396	396	195
1998	191,883	191,883	397	1.000	1.000	397	397	1.000	191,883	191,883	483	483	195
1999	153,190	153,190	399	1.000	1.000	399	399	1.000	153,190	153,190	384	384	195
2000	97,333	97,333	430	1.000	1.000	430	430	1.000	97,333	97,333	226	226	195
2001	143,303	143,303	456	1.000	1.000	456	456	1.000	143,303	143,303	314	314	195
2002	44,897	44,897	513	1.000	1.000	513	513	1.000	44,897	44,897	88	88	195
2003	103,555	103,555	538	1.000	1.000	538	538	1.000	103,555	103,555	192	192	195
2004	191,505	191,505	761	1.000	1.000	761	761	1.000	191,505	191,505	252	252	195
2005	240,770	241,415	819	1.000	1.000	819	819	1.000	240,770	241,415	294	295	195
2006	87,605	87,605	885	1.000	1.000	885	885	1.000	87,605	87,605	99	99	195
2007	46,082	46,082	920	1.000	1.000	920	920	1.000	46,082	46,082	50	50	195
2008	214,354	214,354	978	1.000	1.000	978	978	1.000	214,354	214,354	219	219	195
2009	308,308	308,308	1,012	1.000	1.000	1,012	1,012	1.000	308,308	308,308	305	305	195
2010	357,826	357,826	1,118	1.000	1.000	1,118	1,118	1.000	357,826	357,826	320	320	195
2011	278,809	278,809	1,154	1.000	1.000	1,154	1,154	1.000	278,809	278,809	242	242	195
2012	487,993	487,993	1,163	1.000	1.000	1,163	1,163	1.000	487,993	487,993	420	420	195
2013	63,505	63,505	1,008	1.000	1.000	1,008	1,008	1.000	63,505	63,505	63	63	195
2014	198,551	198,551	996	1.000	1.000	996	996	1.000	198,551	198,551	199	199	195
2015	139,228	139,228	953	1.000	1.000	953	953	1.000	139,228	139,228	146	146	195
2016	85,923	95,090	954	1.010	1.000	945	954	1.000	85,923	95,090	91	100	195
2017	149,344	281,801	980	1.772	1.070	553	916	1.000	149,344	281,801	270	308	195
Total	4,487,669	4,631,176	19,170			18,734	19,106		4,487,669	4,631,176			
10 Yr	2,283,841	2,425,465	10,316			9,880	10,252		2,283,841	2,425,465	231	237	
9 Yr	2,069,487	2,211,111	9,338			8,902	9,274		2,069,487	2,211,111	232	238	
8 Yr	1,761,179	1,902,803	8,326			7,890	8,262		1,761,179	1,902,803	223	230	
7 Yr	1,403,353	1,544,977	7,208			6,772	7,144		1,403,353	1,544,977	207	216	
6 Yr	1,124,544	1,266,168	6,054			5,618	5,990		1,124,544	1,266,168	200	211	
5 Yr	636,551	778,175	4,891			4,455	4,827		636,551	778,175	143	161	
4 Yr	573,046	714,670	3,883			3,447	3,819		573,046	714,670	166	187	
3 Yr	374,495	516,119	2,887			2,451	2,823		374,495	516,119	153	183	

Selected Loss per Exposure: 195

- Columns (1) through (3) were provided by Coop Management.
- Columns (4) and (5) are from Exhibits 6-4 and 6-7, respectively.
- Loss rates in column (13) are the selected loss rates based on the averages in columns (11) and (12); there is no trend as we have assumed losses move with insured values.

Southwest Washington Risk Management Insurance Cooperative
Auto Physical Damage

Summary of Losses and Reserves
Based on Actual Self-Insured Retentions
As of August 31, 2017

Fiscal Year	Paid Loss (1)	Case Loss Reserves (2)	Incurred Loss (1)+(2) (3)	Indicated	Selected Ultimate Loss (5)	Total
				IBNR Loss Reserves (5)-(3) (4)		Loss Reserves (2)+(4) (6)
1987	\$0	\$0	\$0	\$0	\$0	\$0
1988	245	0	245	0	245	0
1989	23,047	0	23,047	0	23,047	0
1990	-	0	-	0	0	0
1991	14,092	0	14,092	0	14,092	0
1992	14,525	0	14,525	0	14,525	0
1993	16,812	0	16,812	0	16,812	0
1994	31,525	0	31,525	0	31,525	0
1995	22,725	0	22,725	0	22,725	0
1996	19,479	0	19,479	0	19,479	0
1997	33,029	0	33,029	0	33,029	0
1998	92,207	0	92,207	0	92,207	0
1999	29,908	0	29,908	0	29,908	0
2000	25,184	0	25,184	0	25,184	0
2001	23,158	0	23,158	0	23,158	0
2002	8,410	0	8,410	0	8,410	0
2003	11,291	0	11,291	0	11,291	0
2004	13,316	0	13,316	0	13,316	0
2005	39,258	0	39,258	0	39,258	0
2006	39,794	0	39,794	0	39,794	0
2007	6,734	0	6,734	0	6,734	0
2008	193,670	0	193,670	0	193,670	0
2009	139,703	0	139,703	0	139,703	0
2010	33,755	0	33,755	0	33,755	0
2011	18,805	0	18,805	0	18,805	0
2012	73,189	0	73,189	0	73,189	0
2013	38,976	620	39,596	0	39,596	620
2014	90,052	0	90,052	0	90,052	0
2015	139,436	0	139,436	0	139,436	0
2016	35,852	1,359	37,211	0	37,211	1,359
2017	70,325	29,852	100,177	0	100,177	29,852
Total	\$1,298,502	\$31,831	\$1,330,333	\$0	\$1,330,333	\$31,831

1. Fiscal years end 8/31.
2. Column (5) is from Exhibit 7-2, column (7).

Southwest Washington Risk Management Insurance Cooperative
Auto Physical Damage

Ultimate Loss Limited to the Co-op Self-Insured Retention
As of August 31, 2017

Fiscal Year	Co-op SIR	Losses in Excess of \$100,000 but Limited to Co-op SIR					Selected
		Ultimate Loss Limited to \$100,000	ILF to Co-op SIR	Expected (2)x{(3)-1}	Incurred Loss	Selected	Ultimate Loss Limited to Co-op SIR (2)+(6)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1987	\$25,000	\$0		\$0	\$0	\$0	\$0
1988	25,000	245		0	0	0	245
1989	25,000	23,047		0	0	0	23,047
1990	25,000	0		0	0	0	0
1991	25,000	14,092		0	0	0	14,092
1992	25,000	14,525		0	0	0	14,525
1993	25,000	16,812		0	0	0	16,812
1994	25,000	31,525		0	0	0	31,525
1995	50,000	22,725		0	0	0	22,725
1996	100,000	19,479		0	0	0	19,479
1997	100,000	33,029		0	0	0	33,029
1998	100,000	92,207		0	0	0	92,207
1999	100,000	29,908		0	0	0	29,908
2000	100,000	25,184		0	0	0	25,184
2001	100,000	23,158		0	0	0	23,158
2002	100,000	8,410		0	0	0	8,410
2003	100,000	11,291		0	0	0	11,291
2004	100,000	13,316		0	0	0	13,316
2005	100,000	39,258		0	0	0	39,258
2006	100,000	39,794		0	0	0	39,794
2007	100,000	6,734		0	0	0	6,734
2008	250,000	139,770	1.048	6,705	53,900	53,900	193,670
2009	250,000	122,830	1.049	6,015	16,873	16,873	139,703
2010	250,000	33,755	1.050	1,687	0	0	33,755
2011	250,000	18,805	1.051	959	0	0	18,805
2012	250,000	73,189	1.052	3,804	0	0	73,189
2013	250,000	39,596	1.053	2,098	0	0	39,596
2014	250,000	90,052	1.054	4,861	0	0	90,052
2015	250,000	139,436	1.055	7,667	0	0	139,436
2016	250,000	37,211	1.056	2,084	0	0	37,211
2017	250,000	100,177	1.057	5,710	0	0	100,177
Total		\$1,259,560		\$41,590	\$70,773	\$70,773	\$1,330,333

- Column (2) is from Exhibit 7-3, column (5).
- Factors in column (3) are based on the Co-op's historical loss experience.
- Column (6) is based on the actual loss experience in column (5) combined with the expected loss in column (4) using a Bornhuetter-Ferguson method. The loss development factors used in this Bornhuetter-Ferguson method are the Pool's loss development factors limited to \$100,000.

Southwest Washington Risk Management Insurance Cooperative
Auto Physical Damage

Comparison of Ultimate Loss Estimates
As of August 31, 2017

Fiscal Year	Paid Loss Development	Incurred Loss Development	Bornhuetter- Ferguson Using Exposures and Paid Loss	Bornhuetter- Ferguson Using Exposures and Incurred Loss	Ultimate Loss
	(1)	(2)	(3)	(4)	(5)
1987	\$ -	\$ -			\$ -
1988	245	245			245
1989	23,047	23,047			23,047
1990	-	-			-
1991	14,092	14,092	14,092	14,092	14,092
1992	14,525	14,525	14,525	14,525	14,525
1993	16,812	16,812	16,812	16,812	16,812
1994	31,525	31,525	31,525	31,525	31,525
1995	22,725	22,725	22,725	22,725	22,725
1996	19,479	19,479	19,479	19,479	19,479
1997	33,029	33,029	33,029	33,029	33,029
1998	92,207	92,207	92,207	92,207	92,207
1999	29,908	29,908	29,908	29,908	29,908
2000	25,184	25,184	25,184	25,184	25,184
2001	23,158	23,158	23,158	23,158	23,158
2002	8,410	8,410	8,410	8,410	8,410
2003	11,291	11,291	11,291	11,291	11,291
2004	13,316	13,316	13,316	13,316	13,316
2005	39,258	39,258	39,258	39,258	39,258
2006	39,794	39,794	39,794	39,794	39,794
2007	6,734	6,734	6,734	6,734	6,734
2008	139,770	139,770	139,770	139,770	139,770
2009	122,830	122,830	122,830	122,830	122,830
2010	33,755	33,755	33,755	33,755	33,755
2011	18,805	18,805	18,805	18,805	18,805
2012	73,189	73,189	73,189	73,189	73,189
2013	38,976	39,596	38,976	39,596	39,596
2014	90,052	90,052	90,052	90,052	90,052
2015	142,225	139,436	140,969	139,436	139,436
2016	38,580	37,211	41,539	37,211	37,211
2017	92,553	100,177	90,186	100,177	100,177
Total	\$ 1,255,474	\$ 1,259,560	\$ 1,231,518	\$ 1,236,268	\$1,259,560

1. Losses are limited to \$100,000.
2. Column (1) is from Exhibit 7-4, column (4).
3. Column (2) is from Exhibit 7-7, column (4).
4. Column (3) is from Exhibit 7-10, column (10).
5. Column (4) is from Exhibit 7-11, column (10).

Southwest Washington Risk Management Insurance Cooperative
Auto Physical Damage

Ultimate Loss Based on Paid Loss Development
As of August 31, 2017

Fiscal Year	Cumulative Paid Loss	Selected Development Factors	Cumulative Development Factors	Ultimate Loss (1) x (3)
	(1)	(2)	(3)	(4)
1987	\$ -	1.000	1.000	\$ -
1988	245	1.000	1.000	245
1989	23,047	1.000	1.000	23,047
1990	-	1.000	1.000	-
1991	14,092	1.000	1.000	14,092
1992	14,525	1.000	1.000	14,525
1993	16,812	1.000	1.000	16,812
1994	31,525	1.000	1.000	31,525
1995	22,725	1.000	1.000	22,725
1996	19,479	1.000	1.000	19,479
1997	33,029	1.000	1.000	33,029
1998	92,207	1.000	1.000	92,207
1999	29,908	1.000	1.000	29,908
2000	25,184	1.000	1.000	25,184
2001	23,158	1.000	1.000	23,158
2002	8,410	1.000	1.000	8,410
2003	11,291	1.000	1.000	11,291
2004	13,316	1.000	1.000	13,316
2005	39,258	1.000	1.000	39,258
2006	39,794	1.000	1.000	39,794
2007	6,734	1.000	1.000	6,734
2008	139,770	1.000	1.000	139,770
2009	122,830	1.000	1.000	122,830
2010	33,755	1.000	1.000	33,755
2011	18,805	1.000	1.000	18,805
2012	73,189	1.000	1.000	73,189
2013	38,976	1.000	1.000	38,976
2014	90,052	1.000	1.000	90,052
2015	139,436	1.020	1.020	142,225
2016	35,852	1.055	1.076	38,580
2017	70,325	1.223	1.316	92,553
Total	\$1,227,729			\$1,255,474

Southwest Washington Risk Management Insurance Cooperative
Auto Physical Damage

Cumulative Paid Loss
As of August 31, 2017

Fiscal Year	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324	336	348	360	372			
1987																																		
1988																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
1989																																		
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1. Losses are limited to \$100,000.

Southwest Washington Risk Management Insurance Cooperative
Auto Physical Damage

Ultimate Loss Based on Incurred Loss Development
As of August 31, 2017

Fiscal Year	Cumulative Incurred Loss	Selected Development Factors	Cumulative Development Factors	Ultimate Loss (1) x (3)
	(1)	(2)	(3)	(4)
1987	\$ -	1.000	1.000	\$ -
1988	245	1.000	1.000	245
1989	23,047	1.000	1.000	23,047
1990	-	1.000	1.000	-
1991	14,092	1.000	1.000	14,092
1992	14,525	1.000	1.000	14,525
1993	16,812	1.000	1.000	16,812
1994	31,525	1.000	1.000	31,525
1995	22,725	1.000	1.000	22,725
1996	19,479	1.000	1.000	19,479
1997	33,029	1.000	1.000	33,029
1998	92,207	1.000	1.000	92,207
1999	29,908	1.000	1.000	29,908
2000	25,184	1.000	1.000	25,184
2001	23,158	1.000	1.000	23,158
2002	8,410	1.000	1.000	8,410
2003	11,291	1.000	1.000	11,291
2004	13,316	1.000	1.000	13,316
2005	39,258	1.000	1.000	39,258
2006	39,794	1.000	1.000	39,794
2007	6,734	1.000	1.000	6,734
2008	139,770	1.000	1.000	139,770
2009	122,830	1.000	1.000	122,830
2010	33,755	1.000	1.000	33,755
2011	18,805	1.000	1.000	18,805
2012	73,189	1.000	1.000	73,189
2013	39,596	1.000	1.000	39,596
2014	90,052	1.000	1.000	90,052
2015	139,436	1.000	1.000	139,436
2016	37,211	1.000	1.000	37,211
2017	100,177	1.000	1.000	100,177
Total	\$ 1,259,560			\$ 1,259,560

Southwest Washington Risk Management Insurance Cooperative
Auto Physical Damage

Cumulative Incurred Loss
As of August 31, 2017

Fiscal Year	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264	276	288	300	312	324	336	348	360	372		
1987																																	
1988																0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
1989																																	
1990													0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
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1. Losses are limited to \$100,000.

Southwest Washington Risk Management Insurance Cooperative
Auto Physical Damage

Ultimate Loss Based on Bornhuetter-Ferguson Using Exposures and Paid Loss
As of August 31, 2017

Fiscal Year	Exposures	Selected Loss Rate	Expected Ultimate Loss (1) x (2)	Selected Development Factors	Cumulative Development Factors	Ratio of Cumulative Paid Loss to Ultimate Loss 1 / (5)	Ratio of Undeveloped Paid Loss to Ultimate Loss 1 - (6)	Undeveloped Paid Loss (3) x (7)	Cumulative Paid Loss	Ultimate Loss (8) + (9)	Calculated Loss Rate (10) / (1)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1987				1.000	1.000	1.000	0.000		\$ -		
1988				1.000	1.000	1.000	0.000		245		
1989				1.000	1.000	1.000	0.000		23,047		
1990				1.000	1.000	1.000	0.000		-		
1991	501	46.000	23,046	1.000	1.000	1.000	0.000	-	14,092	14,092	28.128
1992	501	48.000	24,048	1.000	1.000	1.000	0.000	-	14,525	14,525	28.992
1993	561	49.000	27,489	1.000	1.000	1.000	0.000	-	16,812	16,812	29.968
1994	558	51.000	28,458	1.000	1.000	1.000	0.000	-	31,525	31,525	56.496
1995	593	52.000	30,836	1.000	1.000	1.000	0.000	-	22,725	22,725	38.322
1996	610	54.000	32,940	1.000	1.000	1.000	0.000	-	19,479	19,479	31.933
1997	589	55.000	32,395	1.000	1.000	1.000	0.000	-	33,029	33,029	56.076
1998	582	57.000	33,174	1.000	1.000	1.000	0.000	-	92,207	92,207	158.431
1999	594	59.000	35,046	1.000	1.000	1.000	0.000	-	29,908	29,908	50.350
2000	615	61.000	37,515	1.000	1.000	1.000	0.000	-	25,184	25,184	40.950
2001	640	62.000	39,680	1.000	1.000	1.000	0.000	-	23,158	23,158	36.184
2002	652	64.000	41,728	1.000	1.000	1.000	0.000	-	8,410	8,410	12.899
2003	663	66.000	43,758	1.000	1.000	1.000	0.000	-	11,291	11,291	17.030
2004	816	68.000	55,488	1.000	1.000	1.000	0.000	-	13,316	13,316	16.319
2005	846	70.000	59,220	1.000	1.000	1.000	0.000	-	39,258	39,258	46.404
2006	874	72.000	62,928	1.000	1.000	1.000	0.000	-	39,794	39,794	45.531
2007	879	74.000	65,046	1.000	1.000	1.000	0.000	-	6,734	6,734	7.661
2008	849	77.000	65,373	1.000	1.000	1.000	0.000	-	139,770	139,770	164.629
2009	893	79.000	70,547	1.000	1.000	1.000	0.000	-	122,830	122,830	137.548
2010	916	81.000	74,196	1.000	1.000	1.000	0.000	-	33,755	33,755	36.850
2011	950	84.000	79,800	1.000	1.000	1.000	0.000	-	18,805	18,805	19.795
2012	929	86.000	79,894	1.000	1.000	1.000	0.000	-	73,189	73,189	78.783
2013	852	89.000	75,828	1.000	1.000	1.000	0.000	-	38,976	38,976	45.746
2014	841	92.000	77,372	1.000	1.000	1.000	0.000	-	90,052	90,052	107.077
2015	832	94.000	78,208	1.020	1.020	0.980	0.020	1,533	139,436	140,969	169.434
2016	829	97.000	80,413	1.055	1.076	0.929	0.071	5,687	35,852	41,539	50.107
2017	827	100.000	82,700	1.223	1.316	0.760	0.240	19,861	70,325	90,186	109.052
Total	19,792		\$ 1,437,126					\$ 27,081	\$ 1,227,729	\$ 1,231,518	

1. Exposures are vehicle counts.

Southwest Washington Risk Management Insurance Cooperative
Auto Physical Damage

Ultimate Loss Based on Bornhuetter-Ferguson Using Exposures and Incurred Loss
As of August 31, 2017

Fiscal Year	Exposures	Selected Loss Rate	Expected Ultimate Loss (1) x (2)	Selected Development Factors	Cumulative Development Factors	Ratio of Cumulative Incurred Loss to Ultimate Loss 1 / (5)	Ratio of Undeveloped Incurred Loss to Ultimate Loss 1 - (6)	Undeveloped Incurred Loss (3) x (7)	Cumulative Incurred Loss	Ultimate Loss (8) + (9)	Calculated Loss Rate (10) / (1)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1987				1.000	1.000	1.000	0.000		\$ -		
1988				1.000	1.000	1.000	0.000		245		
1989				1.000	1.000	1.000	0.000		23,047		
1990				1.000	1.000	1.000	0.000		-		
1991	501	46.000	23,046	1.000	1.000	1.000	0.000	-	14,092	14,092	28.128
1992	501	48.000	24,048	1.000	1.000	1.000	0.000	-	14,525	14,525	28.992
1993	561	49.000	27,489	1.000	1.000	1.000	0.000	-	16,812	16,812	29.968
1994	558	51.000	28,458	1.000	1.000	1.000	0.000	-	31,525	31,525	56.496
1995	593	52.000	30,836	1.000	1.000	1.000	0.000	-	22,725	22,725	38.322
1996	610	54.000	32,940	1.000	1.000	1.000	0.000	-	19,479	19,479	31.933
1997	589	55.000	32,395	1.000	1.000	1.000	0.000	-	33,029	33,029	56.076
1998	582	57.000	33,174	1.000	1.000	1.000	0.000	-	92,207	92,207	158.431
1999	594	59.000	35,046	1.000	1.000	1.000	0.000	-	29,908	29,908	50.350
2000	615	61.000	37,515	1.000	1.000	1.000	0.000	-	25,184	25,184	40.950
2001	640	62.000	39,680	1.000	1.000	1.000	0.000	-	23,158	23,158	36.184
2002	652	64.000	41,728	1.000	1.000	1.000	0.000	-	8,410	8,410	12.899
2003	663	66.000	43,758	1.000	1.000	1.000	0.000	-	11,291	11,291	17.030
2004	816	68.000	55,488	1.000	1.000	1.000	0.000	-	13,316	13,316	16.319
2005	846	70.000	59,220	1.000	1.000	1.000	0.000	-	39,258	39,258	46.404
2006	874	72.000	62,928	1.000	1.000	1.000	0.000	-	39,794	39,794	45.531
2007	879	74.000	65,046	1.000	1.000	1.000	0.000	-	6,734	6,734	7.661
2008	849	77.000	65,373	1.000	1.000	1.000	0.000	-	139,770	139,770	164.629
2009	893	79.000	70,547	1.000	1.000	1.000	0.000	-	122,830	122,830	137.548
2010	916	81.000	74,196	1.000	1.000	1.000	0.000	-	33,755	33,755	36.850
2011	950	84.000	79,800	1.000	1.000	1.000	0.000	-	18,805	18,805	19.795
2012	929	86.000	79,894	1.000	1.000	1.000	0.000	-	73,189	73,189	78.783
2013	852	89.000	75,828	1.000	1.000	1.000	0.000	-	39,596	39,596	46.474
2014	841	92.000	77,372	1.000	1.000	1.000	0.000	-	90,052	90,052	107.077
2015	832	94.000	78,208	1.000	1.000	1.000	0.000	-	139,436	139,436	167.591
2016	829	97.000	80,413	1.000	1.000	1.000	0.000	-	37,211	37,211	44.887
2017	827	100.000	82,700	1.000	1.000	1.000	0.000	-	100,177	100,177	121.133
Total	19,792		\$ 1,437,126					\$ -	\$ 1,259,560	\$ 1,236,268	

1. Exposures are vehicle counts.

Southwest Washington Risk Management Insurance Cooperative
Auto Physical Damage

Bornhuetter-Ferguson Seed Calculation
As of August 31, 2017

Fiscal Year	Paid Loss	Incurred Loss	Exposures (Vehicle Counts)	Cumulative		Paid Burned	Incurred Burned	3%	On-Level	On-Level	Paid Loss	Incurred Loss	Selected Loss per Exposure
	Limited to	Limited to		Paid Loss	Incurred Loss	Exposures	Exposures	On-Level	Paid Loss	Incurred Loss	Per Exposure	Per Exposure	
	\$100,000	\$100,000		Dev. Factor	Dev. Factor	(3)/(4)	(3)/(5)	Factor to 2017	(1)x(8)	(2)x(8)	(9)/(6)	(10)/(7)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
1987	-	-	-	1.000	1.000	-	-	2.427	-	-	-	-	-
1988	245	245	-	1.000	1.000	-	-	2.357	577	577	-	-	-
1989	23,047	23,047	-	1.000	1.000	-	-	2.288	52,730	52,730	-	-	-
1990	-	-	-	1.000	1.000	-	-	2.221	-	-	-	-	-
1991	14,092	14,092	501	1.000	1.000	501	501	2.157	30,391	30,391	61	61	46
1992	14,525	14,525	501	1.000	1.000	501	501	2.094	30,412	30,412	61	61	48
1993	16,812	16,812	561	1.000	1.000	561	561	2.033	34,175	34,175	61	61	49
1994	31,525	31,525	558	1.000	1.000	558	558	1.974	62,217	62,217	112	112	51
1995	22,725	22,725	593	1.000	1.000	593	593	1.916	43,543	43,543	73	73	52
1996	19,479	19,479	610	1.000	1.000	610	610	1.860	36,237	36,237	59	59	54
1997	33,029	33,029	589	1.000	1.000	589	589	1.806	59,654	59,654	101	101	55
1998	92,207	92,207	582	1.000	1.000	582	582	1.754	161,686	161,686	278	278	57
1999	29,908	29,908	594	1.000	1.000	594	594	1.702	50,916	50,916	86	86	59
2000	25,184	25,184	615	1.000	1.000	615	615	1.653	41,625	41,625	68	68	61
2001	23,158	23,158	640	1.000	1.000	640	640	1.605	37,162	37,162	58	58	62
2002	8,410	8,410	652	1.000	1.000	652	652	1.558	13,103	13,103	20	20	64
2003	11,291	11,291	663	1.000	1.000	663	663	1.513	17,079	17,079	26	26	66
2004	13,316	13,316	816	1.000	1.000	816	816	1.469	19,555	19,555	24	24	68
2005	39,258	39,258	846	1.000	1.000	846	846	1.426	55,973	55,973	66	66	70
2006	39,794	39,794	874	1.000	1.000	874	874	1.384	55,084	55,084	63	63	72
2007	6,734	6,734	879	1.000	1.000	879	879	1.344	9,050	9,050	10	10	74
2008	139,770	139,770	849	1.000	1.000	849	849	1.305	182,368	182,368	215	215	77
2009	122,830	122,830	893	1.000	1.000	893	893	1.267	155,597	155,597	174	174	79
2010	33,755	33,755	916	1.000	1.000	916	916	1.230	41,514	41,514	45	45	81
2011	18,805	18,805	950	1.000	1.000	950	950	1.194	22,454	22,454	24	24	84
2012	73,189	73,189	929	1.000	1.000	929	929	1.159	84,846	84,846	91	91	86
2013	38,976	39,596	852	1.000	1.000	852	852	1.126	43,868	44,566	51	52	89
2014	90,052	90,052	841	1.000	1.000	841	841	1.093	98,402	98,402	117	117	92
2015	139,436	139,436	832	1.020	1.000	816	832	1.061	147,928	147,928	181	178	94
2016	35,852	37,211	829	1.076	1.000	770	829	1.030	36,928	38,327	48	46	97
2017	70,325	100,177	827	1.316	1.000	628	827	1.000	70,325	100,177	112	121	100
Total	1,227,729	1,259,560	19,792			19,518	19,792		1,695,399	1,727,349			
10 Yr	762,990	794,821	8,718			8,444	8,718		884,230	916,180	105	105	
9 Yr	623,220	655,051	7,869			7,595	7,869		701,862	733,812	92	93	
8 Yr	500,390	532,221	6,976			6,702	6,976		546,265	578,215	82	83	
7 Yr	466,635	498,466	6,060			5,786	6,060		504,751	536,700	87	89	
6 Yr	447,830	479,661	5,110			4,836	5,110		482,296	514,246	100	101	
5 Yr	374,641	406,472	4,181			3,907	4,181		397,450	429,400	102	103	
4 Yr	335,665	366,876	3,329			3,055	3,329		353,582	384,834	116	116	
3 Yr	245,613	276,824	2,488			2,214	2,488		255,180	286,432	115	115	

Selected Loss per Exposure: 100

- Columns (1) through (3) were provided by Coop Management.
- Columns (4) and (5) are from Exhibits 7-4 and 7-7, respectively.
- Loss rates in column (13) are the selected loss rates based on the averages in columns (11) and (12) divided by the loss trend in column (8).

Southwest Washington Risk Management Insurance Cooperative
All Coverages Combined

Comparison of Ultimate Loss Estimates
Limited to the Retention
As of August 31, 2017

Fiscal Year	Review as of 8/07 (1)	Review as of 8/08 (2)	Review as of 8/09 (3)	Review as of 8/10 (4)	Review as of 8/11 (5)	Review as of 8/12 (6)	Review as of 8/13 (7)	Review as of 8/14 (8)	Review as of 8/15 (9)	Review as of 8/16 (10)	Review as of 8/17 (11)
1986-87	\$125,904	\$125,904	\$125,282	\$125,282	\$125,282	\$125,282	\$125,282	\$125,282	\$125,282	\$125,282	\$125,282
1987-88	168,931	168,931	168,403	168,399	168,399	168,399	168,399	168,399	168,399	168,399	168,399
1988-89	205,821	205,607	204,911	204,911	204,911	204,911	204,911	204,911	204,911	204,911	204,911
1989-90	220,459	220,459	219,964	219,964	219,964	219,964	219,964	219,964	219,964	219,964	219,964
1990-91	225,591	225,591	224,291	224,291	224,291	224,226	224,226	224,227	224,227	224,227	224,226
1991-92	242,935	242,935	241,535	241,535	241,535	241,535	241,535	241,535	241,635	241,635	241,635
1992-93	271,896	271,896	270,896	270,896	270,896	270,896	270,896	270,896	270,896	270,896	270,896
1993-94	247,680	247,578	247,436	247,380	247,380	247,380	247,380	246,880	246,880	246,880	246,880
1994-95	286,784	286,784	285,884	285,684	285,684	285,684	285,684	285,684	285,584	285,584	285,584
1995-96	543,499	543,499	542,199	542,099	542,099	542,099	542,099	542,099	542,099	542,099	542,099
1996-97	372,439	372,439	371,539	371,439	371,439	371,439	371,439	371,439	371,439	371,439	396,439
1997-98	409,032	409,032	408,132	407,832	407,832	407,832	407,832	407,832	407,732	407,732	407,732
1998-99	219,285	219,285	219,285	218,585	218,585	218,585	218,585	218,585	218,485	218,585	218,585
1999-00	324,159	323,159	346,571	346,071	321,171	321,171	321,171	321,171	321,171	321,171	321,271
2000-01	338,115	337,115	337,152	335,115	336,115	334,615	334,615	334,615	334,565	334,615	334,615
2001-02	294,347	292,347	277,478	275,288	275,288	274,288	276,788	276,788	276,688	276,788	276,788
2002-03	306,837	302,837	300,837	299,837	299,837	298,837	297,837	297,837	297,837	297,737	297,737
2003-04	295,821	282,764	277,964	289,764	280,764	274,764	273,764	273,764	272,764	273,764	273,764
2004-05	1,333,132	1,320,809	1,336,654	1,322,295	1,325,295	1,321,295	1,320,295	1,318,411	1,318,411	1,318,411	1,318,411
2005-06	537,399	463,399	501,099	451,399	441,715	438,715	687,715	473,715	472,715	472,715	472,715
2006-07	471,496	284,816	243,816	214,816	206,209	195,209	179,209	177,709	176,209	175,209	175,209
2007-08		633,019	617,107	637,107	697,044	779,044	865,044	863,044	861,044	860,044	860,044
2008-09			958,100	985,601	958,446	1,071,854	1,134,818	1,085,818	1,083,818	1,081,818	1,080,082
2009-10				860,339	1,067,690	982,690	972,690	948,677	945,677	944,677	943,677
2010-11					898,583	763,596	722,150	672,325	725,357	723,357	725,357
2011-12						1,070,453	1,291,492	1,302,684	1,309,162	1,306,182	1,316,653
2012-13							598,398	653,224	595,101	578,101	555,881
2013-14								765,653	647,336	894,072	874,072
2014-15									679,142	729,833	682,490
2015-16										498,287	483,301
2016-17											810,893
Total	\$7,441,562	\$7,780,205	\$8,726,535	\$9,545,929	\$10,661,354	\$11,654,763	\$12,804,218	\$13,293,268	\$13,844,430	\$14,614,514	\$15,355,592
Fiscal Year	Change (2)-(1) (11)	Change (3)-(2) (12)	Change (4)-(3) (13)	Change (5)-(4) (14)	Change (6)-(5) (15)	Change (7)-(6) (16)	Change (8)-(7) (17)	Change (9)-(8) (18)	Change (10)-(9) (19)	Change (11)-(10) (20)	
1986-87	\$0	(\$622)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
1987-88	0	(528)	(4)	0	0	0	0	0	0	0	
1988-89	(214)	(696)	0	0	0	0	0	0	0	0	
1989-90	0	(495)	0	0	0	0	0	0	0	0	
1990-91	0	(1,300)	0	0	(65)	0	1	0	0	(1)	
1991-92	0	(1,400)	0	0	0	0	0	100	0	0	
1992-93	0	(1,000)	0	0	0	0	0	0	0	0	
1993-94	(102)	(142)	(56)	0	0	0	(500)	0	0	0	
1994-95	0	(900)	(200)	0	0	0	0	(100)	0	0	
1995-96	0	(1,300)	(100)	0	0	0	0	0	0	0	
1996-97	0	(900)	(100)	0	0	0	0	0	0	25,000	
1997-98	0	(900)	(300)	0	0	0	0	(100)	0	0	
1998-99	0	(0)	(700)	0	0	0	0	(100)	100	0	
1999-00	(1,000)	23,412	(500)	0	(24,900)	0	100	0	0	0	
2000-01	(1,000)	37	(2,037)	1,000	(1,500)	0	0	(50)	50	0	
2001-02	(2,000)	(14,869)	(2,190)	0	(1,000)	2,500	0	(100)	100	0	
2002-03	(4,000)	(2,000)	(1,000)	0	(1,000)	(1,000)	0	(200)	100	0	
2003-04	(13,057)	(4,800)	11,800	(9,000)	(6,000)	(1,000)	0	(1,000)	1,000	0	
2004-05	(12,323)	15,845	(14,359)	3,000	(4,000)	(1,000)	(1,884)	0	0	0	
2005-06	(74,000)	37,700	(49,700)	(9,684)	(3,000)	249,000	(214,000)	(1,000)	0	0	
2006-07	(186,680)	(41,000)	(29,000)	(8,607)	(11,000)	(16,000)	(1,500)	(1,500)	(1,000)	0	
2007-08		(15,912)	20,000	59,937	82,000	86,000	(2,000)	(2,000)	(1,000)	0	
2008-09			27,501	(27,155)	113,408	62,964	(49,000)	(2,000)	(2,000)	(1,736)	
2009-10				207,351	(85,000)	(10,000)	(24,013)	(3,000)	(1,000)	(1,000)	
2010-11					(134,987)	(41,446)	(49,825)	53,032	(2,000)	2,000	
2011-12						221,039	11,192	6,478	(2,980)	10,471	
2012-13							54,826	(58,123)	(17,000)	(22,220)	
2013-14								(118,317)	246,736	(20,000)	
2014-15									50,691	(47,343)	
2015-16										(14,986)	
Total		(\$294,375)	(\$11,770)	(\$40,945)	\$216,842	(\$77,044)	\$551,057	(\$276,603)	(\$127,980)	\$271,797	(\$69,815)

Southwest Washington Risk Management Insurance Cooperative
Auto Liability

Comparison of Ultimate Loss Estimates
Limited to the Retention
As of August 31, 2017

<u>Fiscal Year</u>	<u>Review as of 8/07</u> (1)	<u>Review as of 8/08</u> (2)	<u>Review as of 8/09</u> (3)	<u>Review as of 8/10</u> (4)	<u>Review as of 8/11</u> (5)	<u>Review as of 8/12</u> (6)	<u>Review as of 8/13</u> (7)	<u>Review as of 8/14</u> (8)	<u>Review as of 8/15</u> (9)	<u>Review as of 8/16</u> (10)	<u>Review as of 8/17</u> (11)
1986-87	\$674	\$674	\$674	\$674	\$674	\$674	\$674	\$674	\$674	\$674	\$674
1987-88	3,492	3,492	3,247	3,247	3,247	3,247	3,247	3,247	3,247	3,247	3,247
1988-89	0	0	0	0	0	0	0	0	0	0	0
1989-90	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803	7,803
1990-91	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594	23,594
1991-92	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238	17,238
1992-93	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173	32,173
1993-94	502	502	502	502	502	502	502	502	502	502	502
1994-95	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593	61,593
1995-96	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630	78,630
1996-97	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059	41,059
1997-98	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942	16,942
1998-99	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187	25,187
1999-00	30,734	30,734	30,054	30,054	30,054	30,054	30,054	30,054	30,054	30,054	30,054
2000-01	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654
2001-02	124,492	124,492	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981	103,981
2002-03	35,585	33,585	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991	29,991
2003-04	42,000	37,943	37,143	35,943	35,943	35,943	35,943	35,943	35,943	35,943	35,943
2004-05	36,000	43,000	70,981	75,622	75,622	75,622	75,622	75,622	75,622	75,622	75,622
2005-06	70,000	55,000	48,700	44,000	43,316	43,316	43,316	43,316	43,316	43,316	43,316
2006-07	91,000	71,000	55,000	52,000	48,393	48,393	48,393	48,393	48,393	48,393	48,393
2007-08		81,000	73,000	63,000	53,020	53,020	53,020	53,020	53,020	53,020	53,020
2008-09			131,000	122,000	101,964	104,000	101,964	101,964	101,964	101,964	101,964
2009-10				61,000	60,000	50,000	74,000	70,987	70,987	70,987	70,987
2010-11					66,000	52,000	47,000	43,000	40,887	40,887	40,887
2011-12						30,000	82,000	66,000	60,500	58,000	57,471
2012-13							68,000	181,000	268,000	263,000	260,780
2013-14								116,000	36,000	28,000	25,000
2014-15									47,000	31,000	59,000
2015-16										37,000	52,000
2016-17											81,000
Total	\$780,352	\$827,295	\$930,146	\$967,887	\$998,580	\$1,006,616	\$1,143,580	\$1,349,567	\$1,395,954	\$1,401,454	\$1,519,705
<u>Fiscal Year</u>	<u>Change (2)-(1)</u> (11)	<u>Change (3)-(2)</u> (12)	<u>Change (4)-(3)</u> (13)	<u>Change (5)-(4)</u> (14)	<u>Change (6)-(5)</u> (15)	<u>Change (7)-(6)</u> (16)	<u>Change (8)-(7)</u> (17)	<u>Change (9)-(8)</u> (18)	<u>Change (10)-(9)</u> (19)	<u>Change (11)-(10)</u> (20)	
1986-87	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
1987-88	0	(245)	0	0	0	0	0	0	0	0	
1988-89	0	0	0	0	0	0	0	0	0	0	
1989-90	0	0	0	0	0	0	0	0	0	0	
1990-91	0	0	0	0	0	0	0	0	0	0	
1991-92	0	0	0	0	0	0	0	0	0	0	
1992-93	0	0	0	0	0	0	0	0	0	0	
1993-94	0	0	0	0	0	0	0	0	0	0	
1994-95	0	0	0	0	0	0	0	0	0	0	
1995-96	0	0	0	0	0	0	0	0	0	0	
1996-97	0	0	0	0	0	0	0	0	0	0	
1997-98	0	0	0	0	0	0	0	0	0	0	
1998-99	0	0	0	0	0	0	0	0	0	0	
1999-00	0	(680)	0	0	0	0	0	0	0	0	
2000-01	0	0	0	0	0	0	0	0	0	0	
2001-02	0	(20,511)	0	0	0	0	0	0	0	0	
2002-03	(2,000)	(3,594)	0	0	0	0	0	0	0	0	
2003-04	(4,057)	(800)	(1,200)	0	0	0	0	0	0	0	
2004-05	7,000	27,981	4,641	0	0	0	0	0	0	0	
2005-06	(15,000)	(6,300)	(4,700)	(684)	0	0	0	0	0	0	
2006-07	(20,000)	(16,000)	(3,000)	(3,607)	0	0	0	0	0	0	
2007-08		(8,000)	(10,000)	(9,980)	0	0	0	0	0	0	
2008-09			(9,000)	(20,036)	2,036	(2,036)	0	0	0	0	
2009-10				(1,000)	(10,000)	24,000	(3,013)	0	0	0	
2010-11					(14,000)	(5,000)	(4,000)	(2,113)	0	0	
2011-12						52,000	(16,000)	(5,500)	(2,500)	(529)	
2012-13							113,000	87,000	(5,000)	(2,220)	
2013-14								(80,000)	(8,000)	(3,000)	
2014-15									(16,000)	28,000	
2015-16										15,000	
Total		(\$34,057)	(\$28,149)	(\$23,259)	(\$35,307)	(\$21,964)	\$68,964	\$89,987	(\$613)	(\$31,500)	\$37,251

Southwest Washington Risk Management Insurance Cooperative
Auto Physical Damage

Comparison of Ultimate Loss Estimates
Limited to the Retention
As of August 31, 2017

<u>Fiscal Year</u>	<u>Review as of 8/07</u> (1)	<u>Review as of 8/08</u> (2)	<u>Review as of 8/09</u> (3)	<u>Review as of 8/10</u> (4)	<u>Review as of 8/11</u> (5)	<u>Review as of 8/12</u> (6)	<u>Review as of 8/13</u> (7)	<u>Review as of 8/14</u> (8)	<u>Review as of 8/15</u> (9)	<u>Review as of 8/16</u> (10)	<u>Review as of 8/17</u> (11)
1986-87	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1987-88	0	0	245	245	245	245	245	245	245	245	245
1988-89	23,047	23,047	23,047	23,047	23,047	23,047	23,047	23,047	23,047	23,047	23,047
1989-90	0	0	0	0	0	0	0	0	0	0	0
1990-91	14,092	14,092	14,092	14,092	14,092	14,092	14,092	14,092	14,092	14,092	14,092
1991-92	14,525	14,525	14,525	14,525	14,525	14,525	14,525	14,525	14,525	14,525	14,525
1992-93	16,812	16,812	16,812	16,812	16,812	16,812	16,812	16,812	16,812	16,812	16,812
1993-94	31,525	31,525	31,525	31,525	31,525	31,525	31,525	31,525	31,525	31,525	31,525
1994-95	22,725	22,725	22,725	22,725	22,725	22,725	22,725	22,725	22,725	22,725	22,725
1995-96	19,479	19,479	19,479	19,479	19,479	19,479	19,479	19,479	19,479	19,479	19,479
1996-97	33,029	33,029	33,029	33,029	33,029	33,029	33,029	33,029	33,029	33,029	33,029
1997-98	92,207	92,207	92,207	92,207	92,207	92,207	92,207	92,207	92,207	92,207	92,207
1998-99	29,908	29,908	29,908	29,908	29,908	29,908	29,908	29,908	29,908	29,908	29,908
1999-00	24,504	24,504	25,184	25,184	25,184	25,184	25,184	25,184	25,184	25,184	25,184
2000-01	23,158	23,158	23,158	23,158	23,158	23,158	23,158	23,158	23,158	23,158	23,158
2001-02	3,958	3,958	8,410	8,410	8,410	8,410	8,410	8,410	8,410	8,410	8,410
2002-03	8,697	8,697	11,291	11,291	11,291	11,291	11,291	11,291	11,291	11,291	11,291
2003-04	13,316	13,316	13,316	13,316	13,316	13,316	13,316	13,316	13,316	13,316	13,316
2004-05	34,394	34,394	39,258	39,258	39,258	39,258	39,258	39,258	39,258	39,258	39,258
2005-06	39,794	39,794	39,794	39,794	39,794	39,794	39,794	39,794	39,794	39,794	39,794
2006-07	9,496	6,734	6,734	6,734	6,734	6,734	6,734	6,734	6,734	6,734	6,734
2007-08		45,582	39,771	151,771	193,670	193,670	193,670	193,670	193,670	193,670	193,670
2008-09			149,213	144,213	139,703	139,703	139,703	139,703	139,703	139,703	139,703
2009-10				41,984	33,755	33,755	33,755	33,755	33,755	33,755	33,755
2010-11					26,751	26,251	18,805	18,805	18,805	18,805	18,805
2011-12						72,038	75,589	73,189	73,189	73,189	73,189
2012-13							55,202	42,646	42,596	42,596	39,596
2013-14								109,072	91,640	90,052	90,052
2014-15									122,723	64,436	139,436
2015-16										51,585	37,211
2016-17											100,177
Total	\$454,666	\$497,486	\$653,723	\$802,707	\$858,618	\$930,156	\$981,463	\$1,075,579	\$1,180,820	\$1,172,530	\$1,330,333
<u>Fiscal Year</u>	<u>Change (2)-(1)</u> (11)	<u>Change (3)-(2)</u> (12)	<u>Change (4)-(3)</u> (13)	<u>Change (5)-(4)</u> (14)	<u>Change (6)-(5)</u> (15)	<u>Change (7)-(6)</u> (16)	<u>Change (8)-(7)</u> (17)	<u>Change (9)-(8)</u> (18)	<u>Change (10)-(9)</u> (19)	<u>Change (11)-(10)</u> (20)	
1986-87	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
1987-88	0	245	0	0	0	0	0	0	0	0	
1988-89	0	0	0	0	0	0	0	0	0	0	
1989-90	0	0	0	0	0	0	0	0	0	0	
1990-91	0	0	0	0	0	0	0	0	0	0	
1991-92	0	0	0	0	0	0	0	0	0	0	
1992-93	0	0	0	0	0	0	0	0	0	0	
1993-94	0	0	0	0	0	0	0	0	0	0	
1994-95	0	0	0	0	0	0	0	0	0	0	
1995-96	0	0	0	0	0	0	0	0	0	0	
1996-97	0	0	0	0	0	0	0	0	0	0	
1997-98	0	0	0	0	0	0	0	0	0	0	
1998-99	0	0	0	0	0	0	0	0	0	0	
1999-00	0	680	0	0	0	0	0	0	0	0	
2000-01	0	0	0	0	0	0	0	0	0	0	
2001-02	0	4,452	0	0	0	0	0	0	0	0	
2002-03	0	2,594	0	0	0	0	0	0	0	0	
2003-04	0	0	0	0	0	0	0	0	0	0	
2004-05	0	4,864	0	0	0	0	0	0	0	0	
2005-06	0	0	0	0	0	0	0	0	0	0	
2006-07	(2,762)	0	0	0	0	0	0	0	0	0	
2007-08		(5,811)	112,000	41,899	0	0	0	0	0	0	
2008-09			(5,000)	(4,510)	0	0	0	0	0	0	
2009-10				(8,229)	0	0	0	0	0	0	
2010-11					(500)	(7,446)	0	0	0	0	
2011-12						3,551	(2,400)	0	0	0	
2012-13							(12,556)	(50)	0	(3,000)	
2013-14								(17,432)	(1,588)	0	
2014-15									(58,287)	75,000	
2015-16										(14,374)	
Total	(\$2,762)	\$7,024	\$107,000	\$29,160	(\$500)	(\$3,895)	(\$14,956)	(\$17,482)	(\$59,875)	\$57,626	

Southwest Washington Risk Management Insurance Cooperative
General Liability

Comparison of Ultimate Loss Estimates
Limited to the Retention
As of August 31, 2017

Fiscal Year	Review as of 8/07 (1)	Review as of 8/08 (2)	Review as of 8/09 (3)	Review as of 8/10 (4)	Review as of 8/11 (5)	Review as of 8/12 (6)	Review as of 8/13 (7)	Review as of 8/14 (8)	Review as of 8/15 (9)	Review as of 8/16 (10)	Review as of 8/17 (11)
1986-87	\$125,230	\$125,230	\$124,608	\$124,608	\$124,608	\$124,608	\$124,608	\$124,608	\$124,608	\$124,608	\$124,608
1987-88	122,064	122,064	121,536	121,532	121,532	121,532	121,532	121,532	121,532	121,532	121,532
1988-89	154,098	154,098	153,456	153,456	153,456	153,456	153,456	153,456	153,456	153,456	153,456
1989-90	171,000	171,000	170,505	170,505	170,505	170,505	170,505	170,505	170,505	170,505	170,505
1990-91	87,000	87,000	85,700	85,700	85,700	85,635	85,635	85,636	85,636	85,636	85,635
1991-92	169,000	169,000	167,600	167,600	167,600	167,600	167,600	167,600	167,700	167,700	167,700
1992-93	145,000	145,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000
1993-94	121,000	121,000	120,156	120,100	120,100	120,100	120,100	120,100	120,100	120,100	120,100
1994-95	104,000	104,000	103,000	102,800	102,800	102,800	102,800	102,800	102,700	102,700	102,700
1995-96	219,000	219,000	217,700	217,600	217,600	217,600	217,600	217,600	217,600	217,600	217,600
1996-97	147,000	147,000	146,100	146,000	146,000	146,000	146,000	146,000	146,000	146,000	171,000
1997-98	108,000	108,000	107,100	106,800	106,800	106,800	106,800	106,800	106,700	106,700	106,700
1998-99	11,000	11,000	11,000	10,300	10,300	10,300	10,300	10,300	10,200	10,300	10,300
1999-00	175,000	174,000	194,000	193,500	193,500	168,600	168,600	168,700	168,700	168,700	168,700
2000-01	130,000	129,000	129,037	127,000	128,000	126,500	126,500	126,500	126,450	126,500	126,500
2001-02	121,000	119,000	120,190	118,000	118,000	117,000	119,500	119,500	119,400	119,500	119,500
2002-03	159,000	157,000	156,000	155,000	155,000	153,000	153,000	153,000	152,800	152,900	152,900
2003-04	49,000	40,000	36,000	49,000	40,000	34,000	33,000	33,000	32,000	33,000	33,000
2004-05	1,034,000	1,002,000	985,000	966,000	969,000	965,000	964,000	962,116	962,116	962,116	962,116
2005-06	340,000	281,000	325,000	280,000	271,000	268,000	517,000	303,000	302,000	302,000	302,000
2006-07	231,000	161,000	136,000	110,000	105,000	94,000	78,000	76,500	75,000	74,000	74,000
2007-08		332,000	290,000	212,000	236,000	318,000	404,000	402,000	400,000	399,000	399,000
2008-09			317,000	345,000	350,000	466,000	531,000	482,000	480,000	478,000	476,264
2009-10				332,000	353,000	278,000	244,000	223,000	220,000	219,000	218,000
2010-11					335,000	224,000	195,000	189,000	242,000	240,000	242,000
2011-12						607,000	539,000	559,000	538,000	537,000	548,000
2012-13							396,000	340,000	221,000	209,000	192,000
2013-14								397,000	321,000	577,000	560,000
2014-15									278,000	412,000	261,000
2015-16										295,000	299,000
2016-17											238,000
Total	\$3,922,392	\$4,078,392	\$4,360,688	\$4,558,501	\$4,924,501	\$5,491,036	\$6,139,536	\$6,205,253	\$6,309,203	\$6,975,553	\$7,067,816
Fiscal Year	Change (2)-(1) (11)	Change (3)-(2) (12)	Change (4)-(3) (13)	Change (5)-(4) (14)	Change (6)-(5) (15)	Change (7)-(6) (16)	Change (8)-(7) (17)	Change (9)-(8) (18)	Change (10)-(9) (19)	Change (11)-(10) (20)	
1986-87	\$0	(\$622)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
1987-88	0	(528)	(4)	0	0	0	0	0	0	0	
1988-89	0	(642)	0	0	0	0	0	0	0	0	
1989-90	0	(495)	0	0	0	0	0	0	0	0	
1990-91	0	(1,300)	0	0	(65)	0	1	0	0	(1)	
1991-92	0	(1,400)	0	0	0	0	0	100	0	0	
1992-93	0	(1,000)	0	0	0	0	0	0	0	0	
1993-94	0	(844)	(56)	0	0	0	0	0	0	0	
1994-95	0	(1,000)	(200)	0	0	0	0	(100)	0	0	
1995-96	0	(1,300)	(100)	0	0	0	0	0	0	0	
1996-97	0	(900)	(100)	0	0	0	0	0	0	25,000	
1997-98	0	(900)	(300)	0	0	0	0	(100)	0	0	
1998-99	0	0	(700)	0	0	0	0	(100)	100	0	
1999-00	(1,000)	20,000	(500)	0	(24,900)	0	100	0	0	0	
2000-01	(1,000)	37	(2,037)	1,000	(1,500)	0	0	(50)	50	0	
2001-02	(2,000)	1,190	(2,190)	0	(1,000)	2,500	0	(100)	100	0	
2002-03	(2,000)	(1,000)	(1,000)	0	(1,000)	(1,000)	0	(200)	100	0	
2003-04	(9,000)	(4,000)	13,000	(9,000)	(6,000)	(1,000)	0	(1,000)	1,000	0	
2004-05	(32,000)	(17,000)	(19,000)	3,000	(4,000)	(1,000)	(1,884)	0	0	0	
2005-06	(59,000)	44,000	(45,000)	(9,000)	(3,000)	249,000	(214,000)	(1,000)	0	0	
2006-07	(70,000)	(25,000)	(26,000)	(5,000)	(11,000)	(16,000)	(1,500)	(1,500)	(1,000)	0	
2007-08		(42,000)	(78,000)	24,000	82,000	86,000	(2,000)	(2,000)	(1,000)	0	
2008-09			28,000	5,000	116,000	65,000	(49,000)	(2,000)	(2,000)	(1,736)	
2009-10				21,000	(75,000)	(34,000)	(21,000)	(3,000)	(1,000)	(1,000)	
2010-11					(111,000)	(29,000)	(6,000)	53,000	(2,000)	2,000	
2011-12						(68,000)	20,000	(21,000)	(1,000)	11,000	
2012-13							(56,000)	(119,000)	(12,000)	(17,000)	
2013-14								(76,000)	256,000	(17,000)	
2014-15									134,000	(151,000)	
2015-16										4,000	
Total		(\$176,000)	(\$34,704)	(\$134,187)	\$31,000	(\$40,465)	\$252,500	(\$331,283)	(\$174,050)	\$371,350	(\$145,737)

Southwest Washington Risk Management Insurance Cooperative
Property

Comparison of Ultimate Loss Estimates
Limited to the Retention
As of August 31, 2017

<u>Fiscal Year</u>	<u>Review as of 8/07</u> (1)	<u>Review as of 8/08</u> (2)	<u>Review as of 8/09</u> (3)	<u>Review as of 8/10</u> (4)	<u>Review as of 8/11</u> (5)	<u>Review as of 8/12</u> (6)	<u>Review as of 8/13</u> (7)	<u>Review as of 8/14</u> (8)	<u>Review as of 8/15</u> (9)	<u>Review as of 8/16</u> (10)	<u>Review as of 8/17</u> (11)
1986-87	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1987-88	43,375	43,375	43,375	43,375	43,375	43,375	43,375	43,375	43,375	43,375	43,375
1988-89	28,676	28,462	28,408	28,408	28,408	28,408	28,408	28,408	28,408	28,408	28,408
1989-90	41,656	41,656	41,656	41,656	41,656	41,656	41,656	41,656	41,656	41,656	41,656
1990-91	100,905	100,905	100,905	100,905	100,905	100,905	100,905	100,905	100,905	100,905	100,905
1991-92	42,172	42,172	42,172	42,172	42,172	42,172	42,172	42,172	42,172	42,172	42,172
1992-93	77,911	77,911	77,911	77,911	77,911	77,911	77,911	77,911	77,911	77,911	77,911
1993-94	94,653	94,551	95,253	95,253	95,253	95,253	95,253	94,753	94,753	94,753	94,753
1994-95	98,466	98,466	98,566	98,566	98,566	98,566	98,566	98,566	98,566	98,566	98,566
1995-96	226,390	226,390	226,390	226,390	226,390	226,390	226,390	226,390	226,390	226,390	226,390
1996-97	151,351	151,351	151,351	151,351	151,351	151,351	151,351	151,351	151,351	151,351	151,351
1997-98	191,883	191,883	191,883	191,883	191,883	191,883	191,883	191,883	191,883	191,883	191,883
1998-99	153,190	153,190	153,190	153,190	153,190	153,190	153,190	153,190	153,190	153,190	153,190
1999-00	93,921	93,921	97,333	97,333	97,333	97,333	97,333	97,333	97,333	97,333	97,333
2000-01	143,303	143,303	143,303	143,303	143,303	143,303	143,303	143,303	143,303	143,303	143,303
2001-02	44,897	44,897	44,897	44,897	44,897	44,897	44,897	44,897	44,897	44,897	44,897
2002-03	103,555	103,555	103,555	103,555	103,555	103,555	103,555	103,555	103,555	103,555	103,555
2003-04	191,505	191,505	191,505	191,505	191,505	191,505	191,505	191,505	191,505	191,505	191,505
2004-05	228,738	241,415	241,415	241,415	241,415	241,415	241,415	241,415	241,415	241,415	241,415
2005-06	87,605	87,605	87,605	87,605	87,605	87,605	87,605	87,605	87,605	87,605	87,605
2006-07	140,000	46,082	46,082	46,082	46,082	46,082	46,082	46,082	46,082	46,082	46,082
2007-08		174,437	214,336	210,336	214,354	214,354	214,354	214,354	214,354	214,354	214,354
2008-09			360,887		374,388	366,779	362,151	362,151	362,151	362,151	362,151
2009-10				425,355	620,935	620,935	620,935	620,935	620,935	620,935	620,935
2010-11					470,832	461,345	461,345	421,520	423,665	423,665	423,665
2011-12						361,415	594,903	604,495	637,473	637,993	637,993
2012-13							79,196	89,578	63,505	63,505	63,505
2013-14								143,581	198,696	199,020	199,020
2014-15									231,419	222,397	223,054
2015-16										114,702	95,090
2016-17											391,716
Total	\$2,284,152	\$2,377,032	\$2,781,978	\$3,216,834	\$3,879,655	\$4,226,955	\$4,539,639	\$4,662,869	\$4,958,453	\$5,064,977	\$5,437,738
<u>Fiscal Year</u>	<u>Change (2)-(1)</u> (11)	<u>Change (3)-(2)</u> (12)	<u>Change (4)-(3)</u> (13)	<u>Change (5)-(4)</u> (14)	<u>Change (6)-(5)</u> (15)	<u>Change (7)-(6)</u> (16)	<u>Change (8)-(7)</u> (17)	<u>Change (9)-(8)</u> (18)	<u>Change (10)-(9)</u> (19)	<u>Change (11)-(10)</u> (20)	
1986-87	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
1987-88	0	0	0	0	0	0	0	0	0	0	
1988-89	(214)	(54)	0	0	0	0	0	0	0	0	
1989-90	0	0	0	0	0	0	0	0	0	0	
1990-91	0	0	0	0	0	0	0	0	0	0	
1991-92	0	0	0	0	0	0	0	0	0	0	
1992-93	0	0	0	0	0	0	0	0	0	0	
1993-94	(102)	702	0	0	0	0	(500)	0	0	0	
1994-95	0	100	0	0	0	0	0	0	0	0	
1995-96	0	0	0	0	0	0	0	0	0	0	
1996-97	0	0	0	0	0	0	0	0	0	0	
1997-98	0	0	0	0	0	0	0	0	0	0	
1998-99	0	(0)	0	0	0	0	0	0	0	0	
1999-00	0	3,412	0	0	0	0	0	0	0	0	
2000-01	0	0	0	0	0	0	0	0	0	0	
2001-02	0	0	0	0	0	0	0	0	0	0	
2002-03	0	0	0	0	0	0	0	0	0	0	
2003-04	0	(0)	0	0	0	0	0	0	0	0	
2004-05	12,677	0	0	0	0	0	0	0	0	0	
2005-06	0	0	0	0	0	0	0	0	0	0	
2006-07	(93,918)	0	0	0	0	0	0	0	0	0	
2007-08		39,899	(4,000)	4,018	0	0	0	0	0	0	
2008-09			13,501	(7,609)	(4,628)	0	0	0	0	0	
2009-10				195,580	0	0	0	0	0	0	
2010-11					(9,487)	0	(39,825)	2,145	0	0	
2011-12						233,488	9,592	32,978	520	0	
2012-13							10,382	(26,073)	0	0	
2013-14								55,115	324	0	
2014-15									(9,022)	657	
2015-16										(19,612)	
Total		(\$81,556)	\$44,059	\$9,501	\$191,989	(\$14,115)	\$233,488	(\$20,351)	\$64,165	(\$8,178)	(\$18,955)

Southwest Washington Risk Management Insurance Cooperative

Summary Financial Data
As of August 31, 20172016-17 Claim Costs

A. Current Year Losses		
Claims Paid	426,057	Exhibit 1-4, column (1), 2017 line
Case Reserves	258,707	Exhibit 1-4, column (2), 2017 line
IBNR Reserves	126,129	Exhibit 1-4, column (4), 2017 line
B. Change in Provision for Prior Year Losses	(69,815)	Appendix B-2, line (6)
C. ULAE Incurred	(3,000)	Exhibit 2, line (8) of current report minus Exhibit 2, line (8) from our prior report. This amount is typically calculated as cumulative paid ULAE plus the change in ULAE reserves. Since the Co-op records their ULAE payments as part of their administrative budget, we have only presented the change in ULAE reserves.

August 31, 2017 Claim Liabilities

A. Case Reserves		
Current Year Losses	258,707	Exhibit 1-4, column (2), 2017 line
Prior Year Losses	355,844	Exhibit 1-4, total column (2) minus Exhibit 1-4, column (2), 2017 line
B. IBNR Reserves		
Current Year Losses	126,129	Exhibit 1-4, column (4), 2017 line
Prior Year Losses	193,091	Exhibit 1-4, total column (4) minus Exhibit 1-4, column (4), 2017 line
C. ULAE Reserves	64,000	Exhibit 2, line (8) of current report.

1. This information is based on data provided to PricewaterhouseCoopers by the Co-op. Before relying on any of these figures we recommend the underlying data upon which they are based be tested and audited.

Southwest Washington Risk Management Insurance Cooperative

Summary Financial Data
As of August 31, 2017

	<u>Paid Loss</u>	<u>Case Loss Reserves</u>	<u>Incurred Loss</u>	<u>IBNR Loss Reserves</u>	<u>Ultimate Loss</u>
1. Totals as of August 31, 2016	13,609,438	645,755	14,255,193	359,321	14,614,514
2. Change in Prior Years' Paid Loss [(7)-(1)]	386,326				
3. Change in Prior Years' Case Res. [(7)-(1)]		(289,911)			
4. Change in Prior Years' Incurred Loss [(7)-(1)]			96,415		
5. Change in Prior Years' IBNR Res. [(7)-(1)]				(166,230)	
6. Change in Prior Years' Ultimate Loss [(7)-(1)]					(69,815)
7. Total for Prior Years as of August 31, 2017	13,995,764	355,844	14,351,608	193,091	14,544,699
8. Current Fiscal Year (2016-17) Losses	426,057	258,707	684,764	126,129	810,893
9. Totals as of August 31, 2017 [(7) + (8)]	14,421,821	614,551	15,036,372	319,220	15,355,592

Southwest Washington Risk Management Insurance Cooperative
 Claims Development Information for Fiscal Year Ending August 31, 2017

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
(1) Required Contribution & Investment Revenue:										
Earned	3,175,375	3,184,350	3,260,088	3,322,027	3,260,959	2,976,838	2,949,353	2,845,370	2,813,543	2,884,192
Ceded	1,489,622	1,358,576	1,435,897	1,861,825	1,628,803	1,281,592	1,378,879	1,011,515	1,074,516	1,004,318
Net Earned	1,685,753	1,825,774	1,824,191	1,460,202	1,632,156	1,695,246	1,570,474	1,833,855	1,739,027	1,879,874
(2) Unallocated Expenses (ESD Admin)	353,785	396,339	357,809	358,608	365,257	343,608	464,949	445,016	588,201	560,382
(3) Estimated Claims & Expenses End of Policy Year:										
Incurred	633,019	958,100	1,251,483	1,701,304	1,660,057	1,011,221	1,049,257	861,535	679,850	976,873
Ceded *	0	0	391,144	802,721	589,604	412,823	283,604	182,393	181,563	165,980
Net Incurred	633,019	958,100	860,339	898,583	1,070,453	598,398	765,653	679,142	498,287	810,893
(4) Net Paid (Cumulative) as of:										
End of policy year	331,685	314,239	386,235	312,911	390,972	181,780	290,204	381,620	230,280	426,057
One year later	395,572	761,004	893,404	622,000	709,917	274,480	539,519	466,872	382,203	
Two years later	483,837	843,632	904,033	648,377	1,051,953	516,638	604,991	593,521		
Three years later	623,956	887,723	915,982	608,635	1,224,014	516,159	675,566			
Four years later	642,861	948,479	937,935	716,020	1,228,073	546,874				
Five years later	856,582	1,076,246	937,935	716,020	1,234,609					
Six years later	856,582	1,076,246	937,935	716,020						
Seven years later	856,582	1,076,246	937,935							
Eight years later	856,582	1,076,246								
Nine years later	856,582									
(5) Reestimated Net Ceded Claims and Expenses *	138,992	843,630	67,388	234,742	1,099,572	51,096	493,945	95,749	143,854	165,980
(6) Reestimated Net Incurred Claims and Expenses:										
End of policy year	633,019	958,100	860,339	898,583	1,070,453	598,398	765,653	679,142	498,287	810,893
One year later	617,107	985,601	1,067,690	763,596	1,291,492	654,224	647,336	729,833	483,301	
Two years later	637,107	958,446	982,690	722,150	1,302,684	595,101	894,072	682,490		
Three years later	697,044	1,071,854	972,690	672,325	1,309,162	578,101	874,072			
Four years later	779,044	1,134,818	948,677	725,357	1,306,182	555,881				
Five years later	865,044	1,085,818	945,677	723,357	1,316,653					
Six years later	863,044	1,083,818	944,677	725,357						
Seven years later	861,044	1,081,818	943,677							
Eight years later	860,044	1,080,082								
Nine years later	860,044									
(7) Increase (Decrease) in Estimated Net Incurred Claims & Expenses from End of Policy Year	227,025	121,982	83,338	(173,226)	246,200	(42,517)	108,419	3,348	(14,986)	0
	35.9%	12.7%	9.7%	-19.3%	23.0%	-7.1%	14.2%	0.5%	-3.0%	0.0%

* Estimates were not done for years prior to 2009-10

Southwest Washington Risk Management Insurance Cooperative
 Reconciliation of Claims Liabilities by Type of Contract
 As of August 31, 2017

	Year Ended <u>8/31/2017</u>	Year Ended <u>8/31/2016</u>
(1) Unpaid Claims and Claim Adjustment Expenses at Beginning of the Fiscal Year	1,072,076	661,469
<u>Incurring Claims and Claim Adjustment Expenses</u>		
(2) Provision for Insured Events of the Current Fiscal Year	810,893	498,287
(3) Increases (Decreases) in Provision for Insured Events of Prior Years	(69,815)	271,797
(4) Changes in Provision for ULAE	(3,000)	25,000
(5) Total Incurred Claims and Claim Adjustment Expenses	738,078	795,084
<u>Payments</u>		
(6) Claim Expenses Attributable to Insured Events of the Current Year	426,057	230,280
(7) Claim Expenses Attributable to Insured Events of Prior Years	386,326	154,197
(8) Total Payments	812,383	384,477
(9) Total Unpaid Claims and Claim Adjustment Expenses at the End of the Year [(1)+(6)-(10)]	997,771	1,072,076
<u>Components:</u>		
(10) Reserve for Open Claims	614,551	645,755
(11) Claims Incurred But Not Reported (IBNR)	319,220	359,321
(12) Unallocated Loss Adjustment Expense (ULAE)	64,000	67,000
(13) Total Claim Liabilities	997,771	1,072,076
<u>Current and Non-Current Liabilities</u>		
(14) Current Portion	506,820	446,134
(15) Non-Current Portion	490,951	625,942
(16) Total Claim Liabilities	997,771	1,072,076

1. The Current Portion of the Total Claims Liabilities is calculated as:

[the estimated loss payments during 2017-18] / [total unpaid losses] x [Total Claim Liabilities].

The estimated loss payments during 2017-18 and total unpaid losses are presented in Exhibit 3-2. The Current Portion of the Total Claims Liabilities for the 8/31/2016 evaluation is calculated similarly but uses paid loss and loss reserve estimates from the prior study.

Southwest Washington Risk Management Insurance Cooperative
As of August 31, 2017
Claims with Incurred Values over \$25,000

Table with columns: Claim Group, Claim #, Gross Paid, Gross Incurred, Recoveries, Paid Net of Recoveries, Incurred Net of Recoveries, SIR, Paid Limited to \$100,000, Incurred Limited to \$100,000, Status, Excess Paid Net of Recoveries, Excess Incurred Net of Recoveries, Net Paid In Excess of \$100,000 Limit, Net Incurred In Excess of \$100,000 Limit, Ceded Incurred.

DATA ASSUMPTIONS

- 1. If the claim is closed, losses net of recoveries are net of the SIR.
2. If the claim is open and the incurred loss is greater than the SIR, then column (16) = column (4) - column (8); otherwise column (16) = column (5) for claims where the incurred loss is greater than the SIR.

Southwest Washington Risk Management Insurance Cooperative

Comparison of Excess Insurance Premium to Ceded Losses
As of August 31, 2017

Fiscal Year	Excess Insurance Premium (1)	Ceded Incurred Loss (2)	Ceded IBNR Loss Reserves (4) - (2) (3)	Ceded Ultimate Loss (4)
2008	\$1,489,622	\$112,899	\$26,093	\$138,992
2009	1,358,576	807,070	36,560	843,630
2010	1,435,897	43,569	23,819	67,388
2011	1,861,825	200,035	34,707	234,742
2012	1,628,803	1,014,683	84,889	1,099,572
2013	1,281,592	0	51,096	51,096
2014	1,378,879	350,000	143,945	493,945
2015	1,011,515	0	95,749	95,749
2016	1,074,516	0	143,854	143,854
2017	1,004,318	0	165,980	165,980

1. Columns (1) and (2) were provided by the Co-op.
2. Column (4) is the sum of the ceded ultimate loss estimates from Appendix D-2 through D-5.

Southwest Washington Risk Management Insurance Cooperative
General Liability

Estimated Ceded Ultimate Loss
As of August 31, 2017

Fiscal Year	Retention (1)	Policy Limit (2)	Net Ultimate Loss (3)	Increased Limits Factor (4)	Initial Expected Ceded Ultimate Loss (3) x [(4)-1] (5)	Percent of Loss Yet to be Developed (6)	Ceded Incurred Loss (7)	Estimated Ceded Ultimate Loss [(5) x (6)] + (7) (8)
2008	\$250,000	20,000,000	\$399,000	1.725	\$289,275	8.80%	\$112,899	\$138,355
2009	250,000	20,000,000	476,264	1.726	345,768	10.10%	0	34,923
2010	250,000	20,000,000	218,000	1.728	158,704	14.00%	0	22,219
2011	250,000	20,000,000	242,000	1.730	176,660	18.90%	0	33,389
2012	250,000	20,000,000	548,000	1.731	400,588	20.60%	289,132	371,654
2013	250,000	20,000,000	192,000	1.733	140,736	25.50%	0	35,888
2014	250,000	20,000,000	560,000	1.735	411,600	34.40%	350,000	491,590
2015	250,000	20,000,000	261,000	1.736	192,096	45.20%	0	86,827
2016	250,000	20,000,000	299,000	1.738	220,662	59.20%	0	130,632
2017	250,000	20,000,000	238,000	1.740	176,120	72.90%	0	128,391
			\$3,433,264		\$2,512,209		\$752,032	\$1,473,868

1. Columns (1), (2) and (7) were provided by the Co-op.
2. Column (3) is from Exhibit 4-1.
3. Column (4) is based on an increased limits analysis of Co-op claims and is supplemented by industry size-of-loss information.
4. Column (6) is based on industry ceded incurred development patterns.

Southwest Washington Risk Management Insurance Cooperative
Automobile Liability

Estimated Ceded Ultimate Loss
As of August 31, 2017

<u>Fiscal Year</u>	<u>Retention</u> (1)	<u>Policy Limit</u> (2)	<u>Net Ultimate Loss</u> (3)	<u>Increased Limits Factor</u> (4)	<u>Initial Expected Ceded Ultimate Loss</u> (3) x [(4)-1] (5)	<u>Percent of Loss Yet to be Developed</u> (6)	<u>Ceded Incurred Loss</u> (7)	<u>Estimated Ceded Ultimate Loss</u> [(5) x (6)] + (7) (8)
2008	\$250,000	20,000,000	\$53,020	1.801	\$42,469	1.5%	\$0	\$637
2009	250,000	20,000,000	101,964	1.803	81,877	2.0%	0	1,638
2010	250,000	20,000,000	70,987	1.805	57,145	2.8%	0	1,600
2011	250,000	20,000,000	40,887	1.806	32,955	4.0%	0	1,318
2012	250,000	20,000,000	57,471	1.808	46,437	5.1%	0	2,368
2013	250,000	20,000,000	260,780	1.810	211,232	7.2%	0	15,209
2014	250,000	20,000,000	25,000	1.812	20,300	11.6%	0	2,355
2015	250,000	20,000,000	59,000	1.813	47,967	18.6%	0	8,922
2016	250,000	20,000,000	52,000	1.815	42,380	31.2%	0	13,223
2017	250,000	20,000,000	81,000	1.817	66,177	56.8%	0	37,589
			\$802,109		\$648,938		\$0	\$84,858

1. Columns (1), (2) and (7) were provided by the Co-op.
2. Column (3) is from Exhibit 5-1.
3. Column (4) is based on an increased limits analysis of Co-op claims and is supplemented by industry size-of-loss information.
4. Column (6) is based on industry ceded incurred development patterns.

Southwest Washington Risk Management Insurance Cooperative
Property

Estimated Ceded Ultimate Loss
As of August 31, 2017

Fiscal Year	Retention (1)	Net Incurred Loss (2)	Ceded Incurred Loss (3)	Gross Incurred Loss (2) + (3) (4)	Net Ultimate Loss (5)	Implied Loss Development Factor (5) / (2) (6)	Estimated Gross Ultimate Loss (4) x (6) (7)	Estimated Ceded Ultimate Loss (7) - (5) (8)
2008	\$250,000	\$214,354	\$0	\$214,354	\$214,354	1.000	\$214,354	\$0
2009	250,000	362,151	807,070	1,169,221	362,151	1.000	1,169,221	807,070
2010	250,000	620,935	43,569	664,504	620,935	1.000	664,504	43,569
2011	250,000	423,665	200,035	623,700	423,665	1.000	623,700	200,035
2012	250,000	637,993	725,550	1,363,543	637,993	1.000	1,363,543	725,550
2013	250,000	63,505	0	63,505	63,505	1.000	63,505	0
2014	250,000	199,020	0	199,020	199,020	1.000	199,020	0
2015	250,000	223,054	0	223,054	223,054	1.000	223,054	0
2016	250,000	95,090	0	95,090	95,090	1.000	95,090	0
2017	250,000	376,801	0	376,801	391,716	1.040	391,716	0
		\$3,216,568	\$1,776,224	\$4,992,792	\$3,231,483		\$5,007,707	\$1,776,224

1. Columns (1) and (3) were provided by the Co-op.
2. Columns (2) and (5) are from Exhibit 6-1.

Southwest Washington Risk Management Insurance Cooperative
Auto Physical Damage

Estimated Ceded Ultimate Loss
As of August 31, 2017

Fiscal Year	Retention (1)	Net Incurred Loss (2)	Ceded Incurred Loss (3)	Gross Incurred Loss (2) + (3) (4)	Net Ultimate Loss (5)	Implied Loss Development Factor (5) / (2) (6)	Estimated Gross Ultimate Loss (4) x (6) (7)	Estimated Ceded Ultimate Loss (7) - (5) (8)
2008	\$250,000	\$193,670	\$0	\$193,670	\$193,670	1.000	\$193,670	\$0
2009	250,000	139,703	0	139,703	139,703	1.000	139,703	0
2010	250,000	33,755	0	33,755	33,755	1.000	33,755	0
2011	250,000	18,805	0	18,805	18,805	1.000	18,805	0
2012	250,000	73,189	0	73,189	73,189	1.000	73,189	0
2013	250,000	39,596	0	39,596	39,596	1.000	39,596	0
2014	250,000	90,052	0	90,052	90,052	1.000	90,052	0
2015	250,000	139,436	0	139,436	139,436	1.000	139,436	0
2016	250,000	37,211	0	37,211	37,211	1.000	37,211	0
2017	250,000	100,177	0	100,177	100,177	1.000	100,177	0
		865,594	\$0	\$865,594	\$865,594		\$865,594	\$0

- Columns (1) and (3) were provided by the Co-op.
- Columns (2) and (5) are from Exhibit 7-1.