

COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN

WORKERS COMPENSATION

ACTUARIAL REPORT
Estimated Reserves for
12/15/95-11/30/09 as of 11/30/09

RECEIVED
WORKERS' COMPENSATION
MAR 31 2010

SELF INSURANCE OFFICE

By The Numbers
Actuarial Consulting, Inc.

March 30, 2010

Mr. Edward A. Sorenson
Executive Vice President
Program Risk Management, Inc.
900 Watervliet-Shaker Road
Albany, NY 12205

Dear Mr. Sorenson:

Enclosed are two bound and one unbound copies of the actuarial report prepared for Community Residence Insurance Savings Plan (CRISP) at your request. This report estimates the required reserves as of 11/30/09 for claims incurred from 12/15/95 through 11/30/09.

The estimates contained in this report are based on data provided by Program Risk Management, Inc (PRM). These data and the associated assumptions should be reviewed for their consistency with the internal records of CRISP. Any discrepancy in the completeness, interpretation, or accuracy of the information used may require a revision to this report.

If you have any questions, please call or write. It is a pleasure to be of service to PRM and CRISP.

Sincerely,



Katie Wilson
Actuarial Analyst



Lisa Dennison, FCAS, FCA, MAAA
President and Consulting Actuary

enclosure

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**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
ACTUARIAL REPORT**

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COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN

ACTUARIAL REPORT

PURPOSE

By the Numbers Actuarial Consulting, Inc. (BYNAC) prepared this actuarial report to present a professional analysis of the required reserves retained by Community Residence Insurance Savings Plan (CRISP) as of 11/30/09 for claims incurred from 12/15/95 through 11/30/09. CRISP, a New York self-insurance trust, was established October 31, 1995 and is engaged in providing group self-insurance to employers in the fields of community residence services, community mental hygiene treatment, rehabilitation services, special needs educational services programs and other social services programs.

The required reserves are estimated excluding and including the effects of anticipated investment income earned on the reserves until they are paid. The required reserves estimated in this report represent the total unpaid claim estimate. The unpaid claim estimate is an estimate of the obligation for future payment from claims due to past events. Ultimate incurred losses are defined to be the amounts that will be paid to settle all claims occurring during a policy period. These estimates include a provision for the subsequent development of known claims and for claims incurred but not yet reported. Incurred but not reported (IBNR) losses are defined throughout this report to include the additional development on known claims in addition to claims incurred but not yet reported. The estimated required reserves at the expected level represent the actuarial central estimate. The actuarial central estimate is an expected value over the range of reasonably possible outcomes shown by the low to high estimates in this report.

FINDINGS

The findings are the product of loss experience, actuarial assumptions, quantitative analysis, and professional judgment. The estimated required reserves are expressed in terms of ranges that indicate the reliance on assumptions believed to be reasonable and are subject to all the limitations expressed herein.

ESTIMATED REQUIRED RESERVES

The required reserves shown in the following tables should be used for financial statement reporting as of that date. These estimates reflect the terms of the specific and aggregate excess insurance purchased for the policy periods reviewed. However, until all the claims that occurred on or before 11/30/09 are closed, the actual reserve need remains an estimate. While the experience of CRISP indicates that the required reserves will fall within the range established in this report, the possibility exists that extraordinary or unexpected circumstances could cause the actual reserve need to be less than or greater than the range. Therefore, the findings cannot be warranted or guaranteed.

ESTIMATED LOSS AND ALAE RESERVES
INCLUDING IBNR FOR 12/15/95-11/30/09 AS OF 11/30/09
(Limited to Specific and Aggregate Retentions)

	<u>Low</u>	<u>Expected</u>	<u>High</u>
Undiscounted for Investment Income	\$14,430,000	\$16,440,000	\$18,810,000
Discounted at 5.0% per Annum	12,550,000	14,300,000	16,360,000

**ESTIMATED ULAE RESERVES
FOR 12/15/95-11/30/09 AS OF 11/30/09**

	<u>Low</u>	<u>Expected</u>	<u>High</u>
Undiscounted for Investment Income	\$ 730,000	\$ 830,000	\$ 950,000
Discounted at 5.0% per Annum	640,000	730,000	830,000

The low and high figures are judgmental and not intended to establish absolute minimums or maximums on the estimates, but rather to depict a reasonable range for the establishment of loss reserves in this particular situation. Figure 1 contains a graphical representation of the estimated retained loss experience as of 11/30/09 including the undiscounted expected loss reserves for CRISP.

As noted, the reserves are estimated on both undiscounted and discounted for investment income bases. Program Risk Management, Inc. (PRM) provided the discount rate of 5.0% per year. Establishing loss reserves on a discounted basis requires that future investment income earned on the loss reserves be added to the reserves to strengthen them rather than recognized as net income. It also assumes that assets equal to the present value of the reserves are available for investment as of the 11/30/09 evaluation date. The accuracy of discounted reserves depends upon the accuracy of the undiscounted estimates, the estimated payout schedule, and the interest rate assumption used to discount the loss payout schedule. If the discounted estimate is used, the management of CRISP should carefully review each of these assumptions to assure that they are in agreement with them.

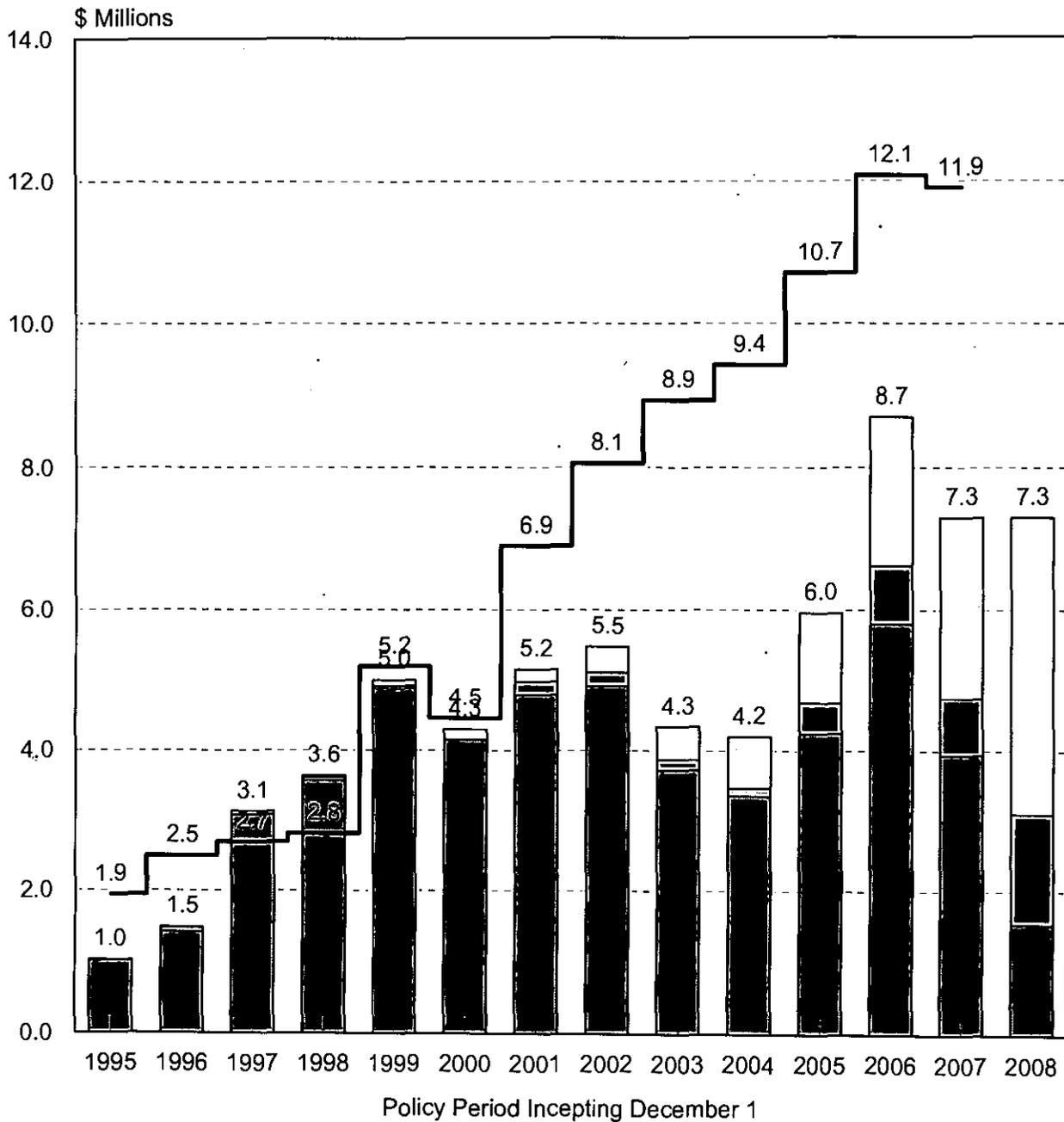
Figure 1

COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN

WORKERS COMPENSATION

ESTIMATED ULTIMATE RETAINED LOSSES
(Limited to Specific Retention)

■ Paid □ Case □ Estimated IBNR — Aggregate



COMPARISON TO PRIOR REPORT

The ultimate incurred losses estimated in this report are compared to the 4/2/09 actuarial report in the following table and Figure 2. As shown, the estimates increased \$1,776,945 or 3.1% from the prior report. The increase in the 12/1/99-00 period is due to incurred losses as of 11/30/09 greater than the prior estimate of ultimate incurred losses. The increases in the 12/1/06-07 and 12/1/07-08 policy periods are due to the judgmental selection made for those periods in the prior report.

COMPARISON OF ESTIMATED ULTIMATE INCURRED LOSSES TO PRIOR REPORT (Limited to Specific and Aggregate Retentions)

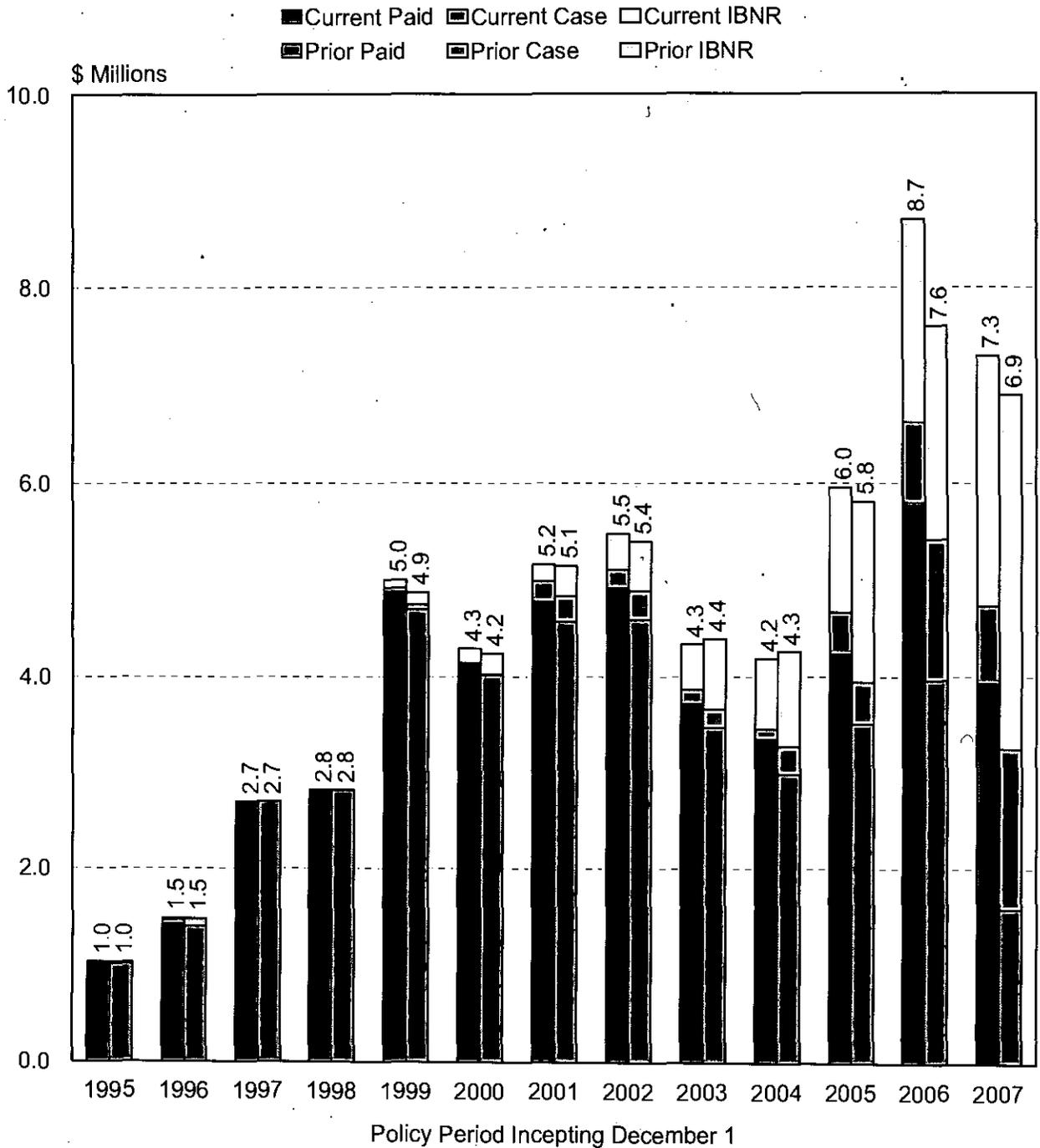
Policy Period	Current Report (Section A of Table 8)	4/2/09 Report (Section A of Table 8)	Change	Percent Change
12/15/95-96	\$ 1,008,719	\$ 1,005,804	\$ 2,915	0.3%
12/1/96-97	1,475,990	1,471,553	4,437	0.3%
12/1/97-98	2,700,000	2,700,000	0	0.0%
12/1/98-99	2,821,506	2,821,506	0	0.0%
12/1/99-00	5,003,476	4,873,788	129,688	2.7%
12/1/00-01	4,275,253	4,246,576	28,677	0.7%
12/1/01-02	5,158,468	5,144,937	13,531	0.3%
12/1/02-03	5,480,075	5,398,935	81,140	1.5%
12/1/03-04	4,340,992	4,396,781	(55,789)	(1.3%)
12/1/04-05	4,195,144	4,268,038	(72,894)	(1.7%)
12/1/05-06	5,957,680	5,812,440	145,240	2.5%
12/1/06-07	8,700,000	7,600,000	1,100,000	14.5%
12/1/07-08	7,300,000	6,900,000	400,000	5.8%
Total	\$58,417,303	\$56,640,358	\$1,776,945	3.1%

Figure 2

COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN

WORKERS COMPENSATION

COMPARISON OF ESTIMATED ULTIMATE INCURRED LOSSES TO PRIOR REPORT
(Limited to Specific and Aggregate Retentions)



ASSUMPTIONS

DEFINITIONS

Losses in this report include allocated loss adjustment expense (ALAE). ALAE are those expenses that can be directly attributed to a specific claim, such as litigation costs. Loss adjustment expenses that cannot be directly associated with an individual claim are known as unallocated loss adjustment expense (ULAE). Reserves for unearned premiums, unpaid administrative expenses, contingencies, catastrophes, or future premium deficiencies are not included in the estimates.

HISTORICAL INFORMATION

For the periods under review, CRISP has assumed its members' losses according to the New York workers compensation statutes. CRISP's unique development patterns are used in conjunction with industry experience to estimate the ultimate losses expected to be incurred by CRISP for the periods analyzed in this report. The industry data includes experience of other New York self-insured workers compensation groups. This methodology assumes that the historical and industry development patterns are indicative of the future development expected for the periods considered.

All data are based on information provided by PRM. The unpaid claim estimate as of 11/30/09 is based on data evaluated as of 11/30/09 and additional information provided through 1/28/10. These data are reviewed for reasonableness and used without audit. It is assumed that all data provided is complete and accurate.

RETENTIONS

CRISP's specific retentions are summarized in the following table. As of 11/30/09, five claims are reported in excess of the specific retention. The aggregate retention is expected to be exceeded in the 12/1/97-98 and 12/1/98-99 policy periods. All specific and aggregate recoverable amounts for claims prior to 12/1/99 estimated in this report are with Reliance, an insolvent carrier. CRISP has filed for reimbursement for claims on these policies with the New York State Liquidation Bureau. At CRISP's request, these amounts are shown as recoverable in this report. The current estimate of excess insurance collectible on the Reliance policies is \$179,353 as shown in Appendix C, Exhibit III.

EXCESS INSURANCE SUMMARY

Policy Period	Specific Retention	Specific Limit	Aggregate Retention	Aggregate Limit	Carrier
12/15/95-96	\$ 250,000	Statutory	\$ 1,943,620	\$ 1,000,000	Reliance
12/1/96-97	250,000	Statutory	2,500,000	1,000,000	Reliance
12/1/97-98	250,000	Statutory	2,700,000	1,000,000	Reliance
12/1/98-99	250,000	Statutory	2,821,506	2,000,000	Reliance
12/1/99-11/30/01	250,000	Statutory	9,653,168	Statutory	Safety National
12/1/01-02	300,000	Statutory	6,899,203	5,000,000	Safety National
12/1/02-03	400,000	Statutory	8,057,384	5,000,000	Safety National
12/1/03-04	500,000	Statutory	8,930,000	5,000,000	Safety National
12/1/04-05	500,000	Statutory	9,417,392	5,000,000	Safety National
12/1/05-06	500,000	Statutory	10,711,515	5,000,000	Safety National
12/1/06-07	500,000	Statutory	12,083,892	5,000,000	Safety National
12/1/07-08	500,000	Statutory	11,897,438	5,000,000	Safety National
12/1/08-09	500,000	Statutory	N/A	N/A	Safety National

It is assumed that the excess insurance including the Reliance coverage will be collectable on all claims that ultimately develop beyond the retentions. *An analysis of the collectability of the excess insurance is beyond the scope of this report.*

RESERVE ANALYSIS

OVERVIEW

To estimate the required reserves, it is first necessary to estimate the ultimate value of the prior periods based on the current evaluation of loss after limiting the losses to the appropriate retention. Required reserves are estimated as the difference between the ultimate incurred and paid losses. The historical payment pattern is analyzed and quantified to determine a unique payout schedule for CRISP. This schedule is used to predict when the required reserves will be paid so that the losses may be discounted to their present value.

Four procedures are used to estimate the ultimate incurred losses to provide a check for reasonableness and consistency. Following is a brief description of each method and the circumstances under which each works best.

Inurred loss development is the most widely used method of estimating ultimate incurred losses. By using the reserves on a claim-by-claim basis, the most recent claims adjusters' estimates are included in the analysis in addition to the cumulative paid losses. Inherent in the incurred loss development technique is the assumption that there are no changes in reserving practices.

A paid loss approach attempts to eliminate distortions that can occur in incurred methods when there is a suspected change in reserving procedures. Inherent in the paid loss development technique is the assumption that there are no changes in claims settlement practices.

The incurred Bornhuetter-Ferguson technique estimates ultimate incurred losses based on the expected losses and reporting pattern of incurred losses. This method is dependent on the

accuracy of these two parameters in addition to the considerations discussed for the incurred method.

The last method, the paid Bornhuetter-Ferguson approach, estimates ultimate incurred losses based on the expected losses and payment pattern. Similar to the incurred Bornhuetter-Ferguson method, this approach is dependent on the accuracy of these two parameters in addition to the considerations for the paid method.

INCURRED LOSS DEVELOPMENT

The ultimate cost of claims incurred for a specific time period is usually not known until several years after the close of that period. Loss development factors project the additional cost expected on claims. These factors quantify the late developing aspects of certain losses, such as claims involving medical complications not recognized in the early stages of treatment or verdict values for litigated claims that are different than the amount previously reserved to pay the claims. They also account for losses that occurred during the policy period but are not reported until a later date.

The calculation and selection of development factors to be applied to incurred losses are shown in Table 1, beginning with CRISP's losses including ALAE limited to the specific retention as of different evaluation dates. For example, Section A of the table shows losses incurred during the 12/1/01-02 period evaluated as of 12, 24, 36, 48, 60, 72, 84, and 96 months after the inception of the period. In general, the value of incurred losses increases from one evaluation to the next as a result of IBNR.

Table 1

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

INCURRED LOSS DEVELOPMENT FACTORS
(Losses Including ALAE Limited to Specific Retention)

A. INCURRED LOSSES NET OF EXPECTED RECOVERIES

Policy Period	Age of Policy Period														
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months	
12/15/95-96	347,205	519,387	573,424	635,216	951,068	1,014,976	1,041,135	1,011,039	999,687	1,001,789	993,607	992,579	1,005,804	1,008,719	
12/1/96-97	637,676	801,676	1,091,561	1,437,123	1,538,969	1,569,822	1,533,755	1,483,936	1,479,665	1,497,615	1,438,715	1,467,187	1,473,045		
12/1/97-98	826,573	1,254,891	2,057,575	2,485,705	2,611,200	2,649,458	2,824,900	2,888,619	2,956,864	3,055,612	3,067,772	3,021,852			
12/1/98-99	1,058,077	2,029,220	2,494,295	3,054,483	3,168,869	3,245,690	3,340,204	3,298,006	3,512,626	3,558,308	3,615,139				
12/1/99-00	1,627,553	2,974,669	3,372,967	3,433,583	3,722,115	3,992,835	4,357,642	4,643,079	4,749,070	4,919,914					
12/1/00-01	2,033,773	2,602,024	3,027,717	3,532,947	3,689,442	3,904,963	3,973,410	4,025,705	4,127,393						
12/1/01-02	2,016,416	3,145,699	3,812,484	4,229,918	4,536,385	4,786,981	4,835,742	4,987,125							
12/1/02-00	2,033,319	2,875,029	3,354,401	4,000,695	4,534,602	4,889,368	5,112,067								
12/1/03-04	1,901,501	2,471,493	3,081,357	3,419,008	3,669,850	3,869,734									
12/1/04-05	1,466,919	2,550,687	2,919,549	3,281,260	3,465,619										
12/1/05-05	2,078,394	3,184,646	3,948,111	4,670,748											
12/1/06-07	3,615,839	5,419,869	6,621,950												
12/1/07-08	3,261,221	4,736,016													
12/1/08-09	3,104,965														

B. AGE-TO-AGE FACTORS

Policy Period	12 to 24 Months	24 to 36 Months	36 to 48 Months	48 to 60 Months	60 to 72 Months	72 to 84 Months	84 to 96 Months	96 to 108 Months	108 to 120 Months	120 to 132 Months	132 to 144 Months	144 to 156 Months	156 to 168 Months	168 to Ultimate
12/15/95-96	1.496	1.104	1.108	1.497	1.057	1.026	0.971	0.989	1.002	0.992	0.999	1.013	1.003	
12/1/96-97	1.257	1.362	1.317	1.071	1.020	0.977	0.968	0.997	1.012	0.961	1.020	1.004		
12/1/97-98	1.518	1.648	1.202	1.050	1.015	1.066	1.023	1.024	1.033	1.004	0.985			
12/1/98-99	1.918	1.229	1.225	1.037	1.024	1.029	0.987	1.065	1.013	1.016				
12/1/99-00	1.828	1.134	1.018	1.084	1.073	1.091	1.066	1.023	1.036					
12/1/00-01	1.279	1.164	1.167	1.044	1.058	1.018	1.013	1.025						
12/1/01-02	1.560	1.212	1.109	1.072	1.055	1.010	1.031							
12/1/02-00	1.414	1.167	1.193	1.133	1.078	1.046								
12/1/03-04	1.300	1.247	1.110	1.073	1.054									
12/1/04-05	1.739	1.145	1.124	1.056										
12/1/05-05	1.532	1.240	1.183											
12/1/06-07	1.499	1.222												
12/1/07-08	1.452													
Average	1.522	1.240	1.160	1.112	1.049	1.033	1.008	1.021	1.019	0.993	1.001	1.009	1.003	
Wtd Avg	1.509	1.219	1.149	1.081	1.053	1.037	1.020	1.027	1.024	1.000	0.997	1.008	1.003	
3-Yr Avg	1.494	1.202	1.139	1.087	1.062	1.025	1.037	1.038	1.027	0.994	1.001			
5-Yr Mid Avg	1.494	1.210	1.139	1.067	1.062	1.031	1.022	1.024	1.019					
NY SIGs	1.500	1.240	1.130	1.100	1.075	1.060	1.045	1.035	1.025	1.014	1.011	1.010	1.008	1.007
Prior	1.500	1.210	1.130	1.080	1.050	1.030	1.020	1.015	1.010	1.005	1.005	1.002	1.001	1.000
Selected	1.500	1.210	1.130	1.070	1.050	1.030	1.020	1.015	1.010	1.005	1.003	1.002	1.001	1.001

C. INCURRED LOSS DEVELOPMENT FACTORS

12 to Ultimate	24 to Ultimate	36 to Ultimate	48 to Ultimate	60 to Ultimate	72 to Ultimate	84 to Ultimate	96 to Ultimate	108 to Ultimate	120 to Ultimate	132 to Ultimate	144 to Ultimate	156 to Ultimate	168 to Ultimate
2.513	1.675	1.384	1.225	1.145	1.090	1.058	1.037	1.022	1.012	1.007	1.004	1.002	1.001

Section B displays age-to-age factors, the rates by which losses develop from year to year. For example, the 12 to 24 age-to-age factor for the 12/1/04-05 period is 1.739. This is the 24 month incurred amount of \$2,550,687 divided by the 12 month incurred amount of \$1,466,919. The age-to-age factor of 1.739 means that losses incurred during the 12/1/04-05 period increased by 73.9% during the 12 to 24 month interval. A loss development factor less than 1.000 indicates that the value of incurred losses declined, possibly due to claims settling for amounts less than previously reserved.

Averages of the age-to-age factors are shown at the bottom of Section B. The average is the mean of all the age-to-age factors. The weighted average weights the factors for individual years by the magnitude of losses for that given year, giving more weight to periods with higher losses. The weighted average is the sum of the losses from one age divided by the sum of the losses from the previous age for corresponding periods. The three-year average is the average of the three most recent factors. The five-year mid-average is the average of the five most recent age-to-age factors excluding the high and low. The NY SIG factor is based on experience of other New York workers compensation self-insured groups. The prior factor is the factor selected in the 4/2/09 actuarial report. The averages are evaluated, and the factors selected as most representative of CRISP's expected loss development are shown. The historical and expected loss development patterns are graphically illustrated in Figure 3 by thick and thin lines, respectively.

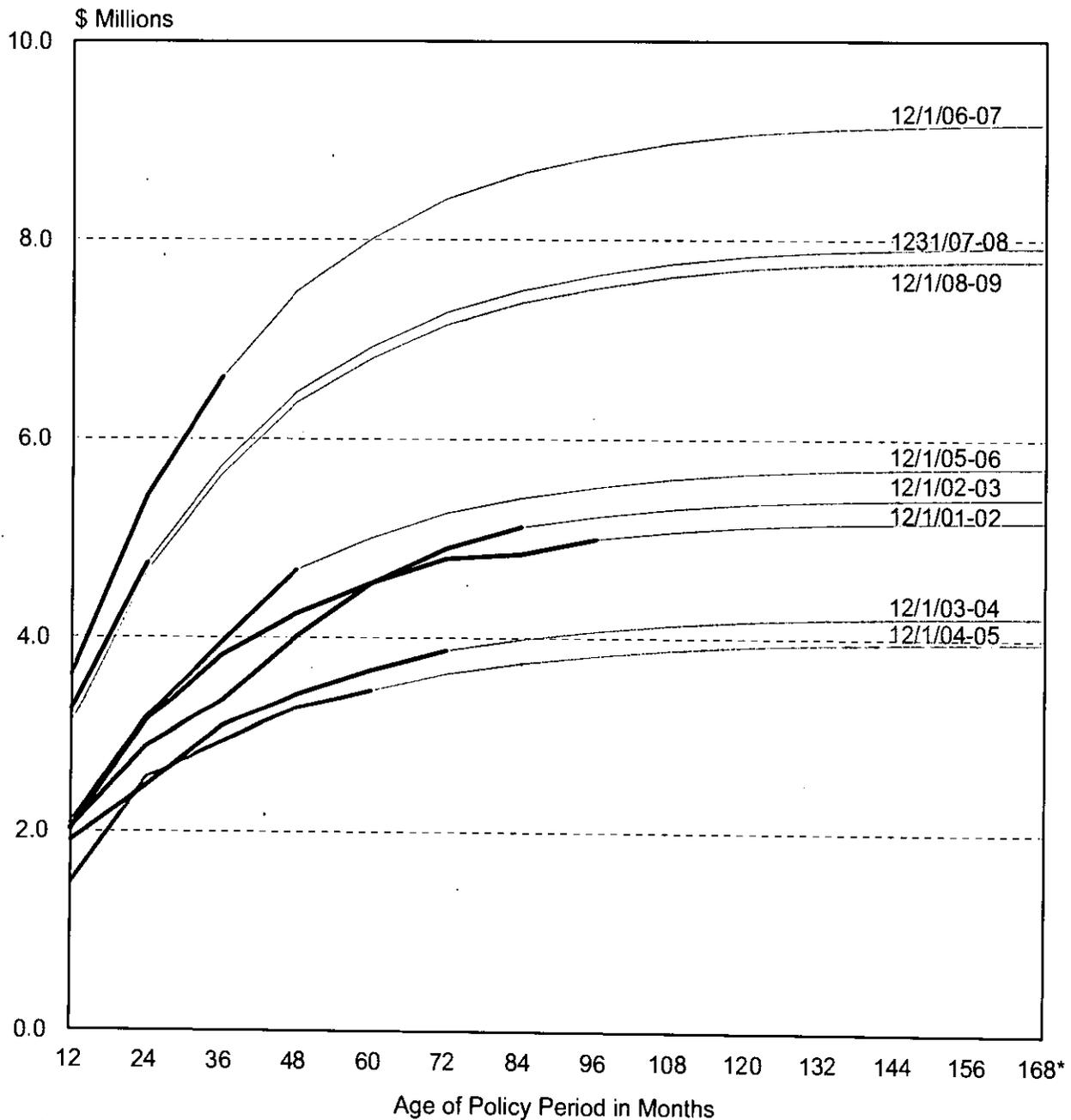
Computation of the loss development factors in Section C is based on the selected age-to-age factors. For instance, the 12 to ultimate factor is calculated by multiplying the 12 to 24 month age-to-age factor by the 24 to ultimate loss development factor ($2.513 = 1.500 \times 1.675$).

Figure 3

COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN

WORKERS COMPENSATION

HISTORICAL AND EXPECTED DEVELOPMENT OF INCURRED LOSSES
(Losses Including ALAE Limited to Specific Retention)



* Additional development of 0.1% is expected after 168 months.

In Section A of Table 2, incurred losses are limited to the specific retentions. As shown, five claims are currently reported excess of the retention. Ultimate incurred losses are estimated in Section B by multiplying the limited incurred losses by the loss development factors. For example, limited incurred losses for the 12/1/08-09 period evaluated at \$3,104,965 on 11/30/09 are estimated to ultimately cost \$6,762,614 ($\$3,104,965 \times 2.178$). The loss development factor of 2.178 means that the losses are expected to ultimately cost 117.8% more than incurred losses evaluated on 11/30/09.

PAID LOSS DEVELOPMENT

The paid loss procedure employs an analysis similar to the previous method, but based on paid loss data. This estimation technique is not influenced by changes in the loss reserve estimates of the adjusters. However, larger development factors are required at a given age than the incurred method. This analysis is shown in Table 3, Figure 4, and Table 4.

INCURRED BORNHUETTER-FERGUSON

The incurred Bornhuetter-Ferguson method for developing an estimate of ultimate incurred losses requires two parameters, the expected losses and reporting pattern. The accuracy of this method depends on these parameters.

The incurred Bornhuetter-Ferguson method involves two calculation steps. In Section A of Table 5, IBNR is estimated by multiplying the expected losses by the expected percent of unreported losses implied by the incurred loss development factor. Ultimate incurred losses are estimated in Section B by adding the estimated IBNR to the incurred losses as of 11/30/09.

Table 2

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

**ESTIMATED ULTIMATE INCURRED LOSSES
INCURRED LOSS DEVELOPMENT**

A. LOSSES LIMITED TO SPECIFIC RETENTION

Policy Period	Unlimited Incurred Losses as of 11/30/09#	Specific Retention	Number of Claims in Excess of Retention	Incurred in Excess of Retention	Limited Incurred Losses as of 11/30/09
12/15/95-96	\$ 1,008,719	\$ 250,000	0	\$ 0	\$ 1,008,719
12/1/96-97	1,473,045	250,000	0	0	1,473,045
12/1/97-98	3,227,987	250,000	3	206,134	3,021,853
12/1/98-99	3,793,150	250,000	1	178,011	3,615,139
12/1/99-00	4,971,716	250,000	1	51,802	4,919,914
12/1/00-01	4,127,393	250,000	0	0	4,127,393
12/1/01-02	4,987,125	300,000	0	0	4,987,125
12/1/02-03	5,112,067	400,000	0	0	5,112,067
12/1/03-04	3,869,734	500,000	0	0	3,869,734
12/1/04-05	3,465,619	500,000	0	0	3,465,619
12/1/05-06	4,670,748	500,000	0	0	4,670,748
12/1/06-07	6,621,950	500,000	0	0	6,621,950
12/1/07-08	4,736,016	500,000	0	0	4,736,016
12/1/08-09	<u>3,104,965</u>	<u>500,000</u>	<u>0</u>	<u>0</u>	<u>3,104,965</u>
Total	\$55,170,234		5	\$ 435,947	\$54,734,287

B. ESTIMATED ULTIMATE INCURRED LOSSES

Policy Period	Limited Incurred Losses as of 11/30/09	Age of Policy Period in Months	Incurred Loss Development Factor	Estimated Ultimate Incurred Losses
12/15/95-96	\$ 1,008,719	168.0	1.001	\$ 1,009,728
12/1/96-97	1,473,045	156.0	1.002	1,475,991
12/1/97-98	3,021,853	144.0	1.004	3,033,940
12/1/98-99	3,615,139	132.0	1.007	3,640,445
12/1/99-00	4,919,914	120.0	1.012	4,978,953
12/1/00-01	4,127,393	108.0	1.022	4,218,196
12/1/01-02	4,987,125	96.0	1.037	5,171,649
12/1/02-03	5,112,067	84.0	1.058	5,408,567
12/1/03-04	3,869,734	72.0	1.090	4,218,010
12/1/04-05	3,465,619	60.0	1.145	3,968,134
12/1/05-06	4,670,748	48.0	1.225	5,721,666
12/1/06-07	6,621,950	38.5*	1.343	8,893,279
12/1/07-08	4,736,016	29.0*	1.524	7,217,688
12/1/08-09	<u>3,104,965</u>	<u>15.0*</u>	<u>2.178</u>	<u>6,762,614</u>
Total	\$54,734,287			\$65,718,860

Net of expected non-excess recoveries provided by PRM.

* Adjusted age to reflect changes in claims closure rates and New York statutes.

Table 3

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

PAID LOSS DEVELOPMENT FACTORS
(Losses Including ALAE Limited to Specific Retention)

A. PAID LOSSES NET OF EXPECTED RECOVERIES

Policy Period	Age of Policy Period														
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months	
12/15/95-96	121,020	340,871	471,290	530,102	635,622	827,500	894,992	1,026,447	970,651	976,452	969,230	976,937	995,631	1,008,472	
12/1/96-97	249,717	617,632	807,371	912,212	1,049,643	1,165,333	1,350,626	1,377,487	1,310,468	1,330,785	1,369,606	1,394,841	1,414,792		
12/1/97-98	336,546	902,465	1,483,294	2,005,748	2,304,800	2,536,059	2,798,401	3,005,883	3,152,655	2,988,618	3,040,487	3,079,862			
12/1/98-98	386,589	1,167,893	1,675,938	2,231,131	2,691,597	2,923,942	3,168,928	3,293,291	3,475,250	3,533,988	3,573,405				
12/1/99-00	710,219	1,648,995	2,448,218	2,999,244	3,474,552	3,842,778	4,174,653	4,442,843	4,698,904	4,884,341					
12/1/00-01	673,026	1,762,046	2,450,706	3,130,363	3,474,750	3,658,770	3,933,046	4,019,846	4,146,404						
12/1/01-02	869,125	2,334,230	3,193,500	3,746,673	4,097,883	4,519,647	4,571,788	4,780,630							
12/1/02-03	922,597	2,123,471	2,965,849	3,540,742	4,100,321	4,592,123	4,921,054								
12/1/03-04	798,277	1,906,737	2,684,886	3,193,420	3,482,078	3,724,214									
12/1/04-05	680,273	1,983,892	2,545,909	2,993,546	3,354,696										
12/1/05-05	929,300	2,397,270	3,523,064	4,239,585											
12/1/06-07	1,495,623	3,969,611	5,803,569												
12/1/07-09	1,583,759	3,938,730													
12/1/08-09	1,538,027														

B. AGE-TO-AGE FACTORS

Policy Period	12 to 24 Months	24 to 36 Months	36 to 48 Months	48 to 60 Months	60 to 72 Months	72 to 84 Months	84 to 96 Months	96 to 108 Months	108 to 120 Months	120 to 132 Months	132 to 144 Months	144 to 156 Months	156 to 168 Months	168 to Ultimate
12/15/95-96	2.817	1.383	1.125	1.199	1.302	1.082	1.147	0.946	1.006	0.993	1.008	1.019	1.013	
12/1/96-97	2.473	1.307	1.130	1.151	1.110	1.159	1.020	0.951	1.016	1.029	1.018	1.014		
12/1/97-98	2.682	1.644	1.352	1.149	1.100	1.103	1.075	1.048	0.951	1.014	1.013			
12/1/98-99	3.021	1.435	1.331	1.206	1.086	1.084	1.039	1.055	1.017	1.011				
12/1/99-00	2.322	1.485	1.225	1.158	1.106	1.086	1.064	1.058	1.039					
12/1/00-01	2.618	1.391	1.277	1.110	1.053	1.075	1.022	1.031						
12/1/01-02	2.686	1.368	1.173	1.094	1.103	1.012	1.046							
12/1/02-03	2.302	1.397	1.194	1.158	1.120	1.072								
12/1/03-04	2.389	1.408	1.189	1.090	1.070									
12/1/04-05	2.916	1.283	1.176	1.121										
12/1/05-06	2.580	1.470	1.203											
12/1/06-07	2.654	1.462												
12/1/07-09	2.487													
Average	2.611	1.419	1.216	1.144	1.117	1.084	1.059	1.015	1.006	1.012	1.013	1.017	1.013	
Wtd Avg	2.572	1.421	1.217	1.134	1.098	1.073	1.050	1.034	1.009	1.013	1.013	1.016	1.013	
3-Yr Avg	2.574	1.405	1.189	1.123	1.098	1.053	1.044	1.048	1.002	1.018	1.013			
5-Yr Mid Avg	2.574	1.422	1.186	1.108	1.093	1.077	1.050	1.045	1.013					
NY SlGs	2.420	1.440	1.240	1.150	1.100	1.070	1.050	1.040	1.035	1.024	1.021	1.018	1.016	1.064
Prior	2.580	1.400	1.190	1.130	1.100	1.060	1.050	1.030	1.015	1.010	1.010	1.005	1.002	1.000
Selected	2.580	1.410	1.190	1.120	1.100	1.060	1.050	1.030	1.015	1.010	1.010	1.005	1.003	1.002

C. PAID LOSS DEVELOPMENT FACTORS

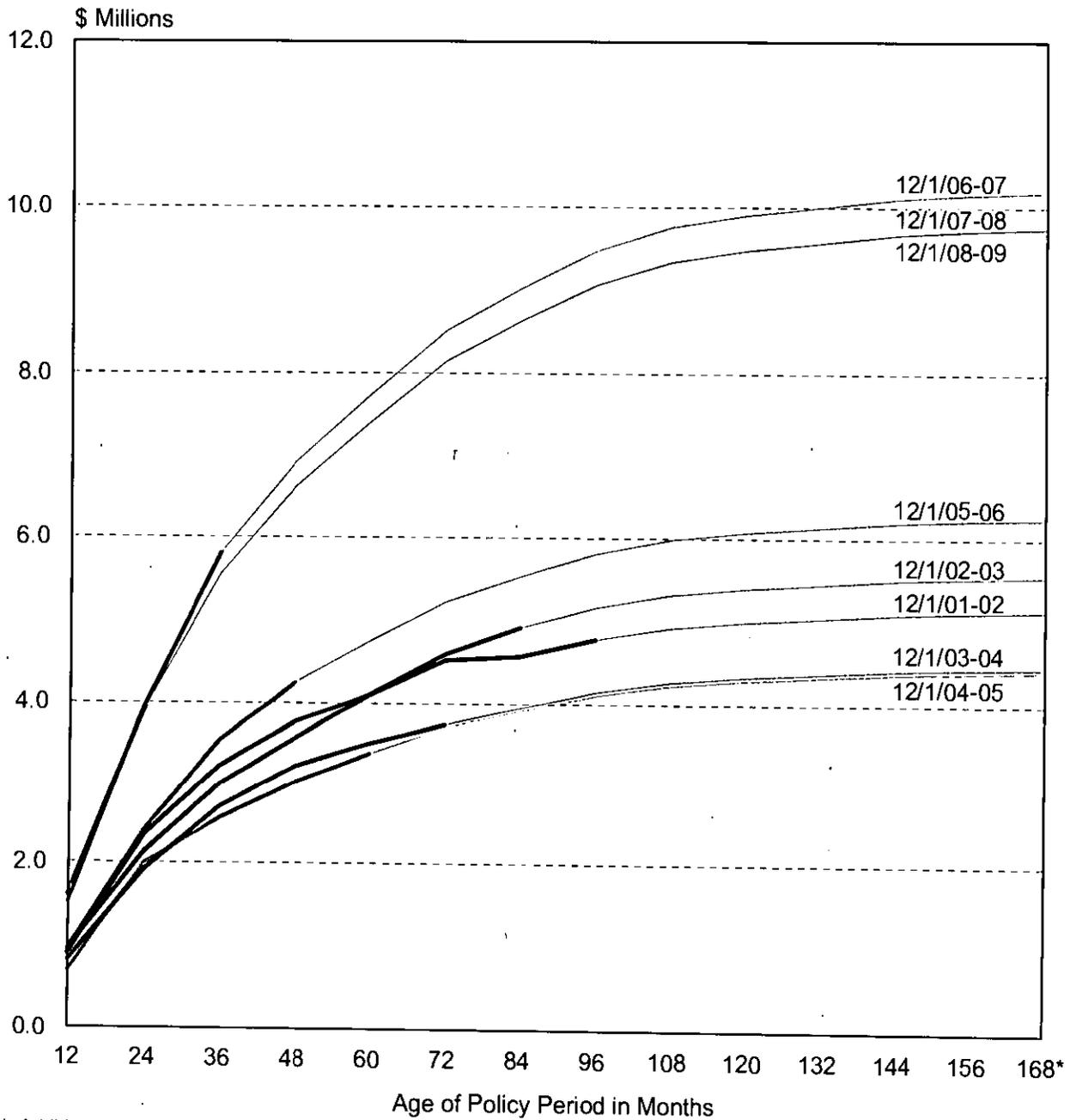
	12 to Ultimate	24 to Ultimate	36 to Ultimate	48 to Ultimate	60 to Ultimate	72 to Ultimate	84 to Ultimate	96 to Ultimate	108 to Ultimate	120 to Ultimate	132 to Ultimate	144 to Ultimate	156 to Ultimate	168 to Ultimate
	6.339	2.476	1.756	1.476	1.318	1.198	1.130	1.076	1.045	1.030	1.020	1.010	1.005	1.002

Figure 4

COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN

WORKERS COMPENSATION

HISTORICAL AND EXPECTED DEVELOPMENT OF PAID LOSSES
(Losses Including ALAE Limited to Specific Retention)



* Additional development of 0.2% is expected after 168 months.

Table 4

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

**ESTIMATED ULTIMATE INCURRED LOSSES
PAID LOSS DEVELOPMENT**

A. LOSSES LIMITED TO SPECIFIC RETENTION

Policy Period	Unlimited Paid Losses as of 11/30/09	Specific Retention	Number of Claims in Excess of Retention	Paid in Excess of Retention	Limited Paid Losses as of 11/30/09
12/15/95-96	\$ 1,008,472	\$ 250,000	0	\$ 0	\$ 1,008,472
12/1/96-97	1,414,792	250,000	0	0	1,414,792
12/1/97-98	3,173,469	250,000	2	93,606	3,079,863
12/1/98-99	3,751,416	250,000	1	178,011	3,573,405
12/1/99-00	4,884,341	250,000	0	0	4,884,341
12/1/00-01	4,146,404	250,000	0	0	4,146,404
12/1/01-02	4,780,630	300,000	0	0	4,780,630
12/1/02-03	4,921,054	400,000	0	0	4,921,054
12/1/03-04	3,724,214	500,000	0	0	3,724,214
12/1/04-05	3,354,696	500,000	0	0	3,354,696
12/1/05-06	4,239,585	500,000	0	0	4,239,585
12/1/05-07	5,803,569	500,000	0	0	5,803,569
12/1/07-08	3,938,730	500,000	0	0	3,938,730
12/1/08-09	<u>1,538,027</u>	500,000	<u>0</u>	<u>0</u>	<u>1,538,027</u>
Total	\$50,679,399		3	\$ 271,617	\$50,407,782

B. ESTIMATED ULTIMATE INCURRED LOSSES

Policy Period	Limited Paid Losses as of 11/30/09	Age of Policy Period in Months	Paid Loss Development Factor	Estimated Ultimate Incurred Losses
12/15/95-96	\$ 1,008,472	168.0	1.002	\$ 1,010,489
12/1/96-97	1,414,792	156.0	1.005	1,421,666
12/1/97-98	3,079,863	144.0	1.010	3,110,662
12/1/98-99	3,573,405	132.0	1.020	3,644,873
12/1/99-00	4,884,341	120.0	1.030	5,030,871
12/1/00-01	4,146,404	108.0	1.045	4,332,992
12/1/01-02	4,780,630	96.0	1.076	5,143,958
12/1/02-03	4,921,054	84.0	1.130	5,560,791
12/1/03-04	3,724,214	72.0	1.198	4,461,608
12/1/04-05	3,354,696	60.0	1.318	4,421,489
12/1/05-06	4,239,585	48.0	1.476	6,257,627
12/1/06-07	5,803,569	38.5*	1.683	9,767,407
12/1/07-08	3,938,730	29.0*	2.104	8,287,088
12/1/08-09	<u>1,538,027</u>	15.0*	4.794	<u>7,373,301</u>
Total	\$50,407,782			\$69,825,022

* Adjusted age to reflect changes in claims closure rates and New York statutes.

Table 5

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

**ESTIMATED ULTIMATE INCURRED LOSSES
INCURRED BORNHUETT-FERGUSON
(Limited to Specific Retention)**

A. ESTIMATED IBNR

<u>Policy Period</u>	<u>Expected Losses*</u>	<u>Incurred Loss Development Factor</u>	<u>Expected Ratio Unreported</u>	<u>Estimated IBNR</u>
12/15/95-96	\$ 1,005,804	1.001	0.001	\$ 1,006
12/1/96-97	1,471,553	1.002	0.002	2,943
12/1/97-98	3,092,437	1.004	0.004	12,370
12/1/98-99	3,616,351	1.007	0.007	25,314
12/1/99-00	4,873,788	1.012	0.012	58,485
12/1/00-01	4,246,576	1.022	0.022	93,425
12/1/01-02	5,144,937	1.037	0.036	185,218
12/1/02-03	5,398,935	1.058	0.065	296,941
12/1/03-04	4,396,781	1.090	0.083	364,933
12/1/04-05	4,268,038	1.145	0.127	542,041
12/1/05-06	5,812,440	1.225	0.184	1,069,489
12/1/06-07	7,600,000	1.343	0.255	1,938,000
12/1/07-08	6,900,000	1.524	0.344	2,373,600
12/1/08-09	<u>7,420,000 #</u>	2.178	0.541	<u>4,014,220</u>
Total	\$65,247,640			\$10,977,985

B. ESTIMATED ULTIMATE INCURRED LOSSES

<u>Policy Period</u>	<u>Incurred Losses as of 11/30/09</u>	<u>Estimated IBNR</u>	<u>Estimated Ultimate Incurred Losses</u>
12/15/95-96	\$ 1,008,719	\$ 1,006	\$ 1,009,725
12/1/96-97	1,473,045	2,943	1,475,988
12/1/97-98	3,021,853	12,370	3,034,223
12/1/98-99	3,615,139	25,314	3,640,453
12/1/99-00	4,919,914	58,485	4,978,399
12/1/00-01	4,127,393	93,425	4,220,818
12/1/01-02	4,987,125	185,218	5,172,343
12/1/02-03	5,112,067	296,941	5,409,008
12/1/03-04	3,869,734	364,933	4,234,667
12/1/04-05	3,465,619	542,041	4,007,660
12/1/05-06	4,670,748	1,069,489	5,740,237
12/1/06-07	6,621,950	1,938,000	8,559,950
12/1/07-08	4,736,016	2,373,600	7,109,616
12/1/08-09	<u>3,104,965</u>	<u>4,014,220</u>	<u>7,119,185</u>
Total	\$54,734,287	\$10,977,985	\$65,712,272

* From Section A of Table 7 of the 4/2/09 actuarial report.

Based on the selected pure loss rate of \$0.95 from Section A of Table 7 of the 9/26/09 actuarial report, adjusted to the appropriate level.

PAID BORNHUETTER-FERGUSON

The paid Bornhuetter-Ferguson method also uses two parameters to estimate ultimate incurred losses. These parameters are the expected losses and payment pattern. In Section A of Table 6, outstanding losses are estimated by multiplying the expected losses by the expected ratio of outstanding losses implied by the paid loss development factor. Ultimate incurred losses are estimated in Section B by adding paid losses and the estimate of outstanding losses.

SELECTED ESTIMATED ULTIMATE INCURRED LOSSES

The results of the methods are compared in Section A of Table 7, and the ultimate incurred losses are selected for each period. Incurred losses are selected for 12/15/95-96 since only one claim remains open. Judgmental selections are made for 12/1/06-07, 12/1/07-08, and 12/1/08-09 due to the acceleration in the claims disposed ratios. An average is selected for the remaining periods unless otherwise noted. If a paid estimate is less than incurred losses, the corresponding incurred method is substituted in the average. The implied assumption is that it is unlikely that ultimate incurred losses will be less than incurred losses. The selection procedure is depicted in Figure 5.

The estimated ultimate incurred losses selected are compared to the aggregate retention in Section B. As shown, the aggregate retention is expected to be exceeded in the 12/1/97-98 and 12/1/98-99 policy periods.

ESTIMATED REQUIRED RESERVES

The required reserves are estimated in Table 8. The estimated ultimate incurred, incurred, and paid losses retained by CRISP are summarized in Section A. In Section B, the case reserves are shown as the difference between the incurred and paid losses. IBNR is estimated as the

Table 6

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

**ESTIMATED ULTIMATE INCURRED LOSSES
PAID BORNHUETTER-FERGUSON
(Limited to Specific Retention)**

A. ESTIMATED OUTSTANDING LOSSES

<u>Policy Period</u>	<u>Expected Losses</u>	<u>Paid Loss Development Factor</u>	<u>Expected Ratio Outstanding</u>	<u>Estimated Outstanding Losses</u>
12/15/95-96	\$ 1,005,804	1.002	0.002	\$ 2,012
12/1/96-97	1,471,563	1.005	0.005	7,358
12/1/97-98	3,092,437	1.010	0.010	30,924
12/1/98-99	3,616,351	1.020	0.020	72,327
12/1/99-00	4,873,788	1.030	0.029	141,340
12/1/00-01	4,246,576	1.045	0.043	182,603
12/1/01-02	5,144,937	1.076	0.071	365,291
12/1/02-03	5,398,935	1.130	0.115	620,878
12/1/03-04	4,396,781	1.198	0.165	725,469
12/1/04-05	4,268,008	1.318	0.241	1,028,597
12/1/05-06	5,812,440	1.476	0.322	1,871,606
12/1/06-07	7,600,000	1.683	0.406	3,085,600
12/1/07-08	6,900,000	2.104	0.525	3,622,500
12/1/08-09	<u>7,420,000</u>	4.794	0.791	<u>5,869,220</u>
Total	\$65,247,640			\$17,625,725

B. ESTIMATED ULTIMATE INCURRED LOSSES

<u>Policy Period</u>	<u>Paid Losses as of 11/30/09</u>	<u>Estimated Outstanding Losses</u>	<u>Estimated Ultimate Incurred Losses</u>
12/15/95-96	\$ 1,008,472	\$ 2,012	\$ 1,010,484
12/1/96-97	1,414,792	7,358	1,422,150
12/1/97-98	3,079,863	30,924	3,110,787
12/1/98-99	3,573,405	72,327	3,645,732
12/1/99-00	4,884,341	141,340	5,025,681
12/1/00-01	4,146,404	182,603	4,329,007
12/1/01-02	4,780,630	365,291	5,145,921
12/1/02-03	4,921,054	620,878	5,541,932
12/1/03-04	3,724,214	725,469	4,449,683
12/1/04-05	3,354,696	1,028,597	4,383,293
12/1/05-06	4,239,585	1,871,606	6,111,191
12/1/06-07	5,803,569	3,085,600	8,889,169
12/1/07-08	3,938,730	3,622,500	7,561,230
12/1/08-09	<u>1,538,027</u>	<u>5,869,220</u>	<u>7,407,247</u>
Total	\$50,407,782	\$17,625,725	\$68,003,507

Table 7

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

**SELECTED ESTIMATED ULTIMATE INCURRED LOSSES
(Limited to Specific Retention)**

A. PRIOR TO AGGREGATE RETENTION

Policy Period	Incurred Loss Development	Paid Loss Development	Incurred Bornhuetter-Ferguson	Paid Bornhuetter-Ferguson	Selected Estimated Ultimate Incurred Losses*
12/15/95-96	\$ 1,009,728	\$ 1,010,489	\$ 1,009,725	\$ 1,010,484	\$ 1,008,719 [^]
12/1/96-97	1,475,991	1,421,866 <	1,475,988	1,422,150 <	1,475,990
12/1/97-98	3,033,940	3,110,662	3,034,223	3,110,787	3,072,403
12/1/98-99	3,640,445	3,644,873	3,640,453	3,645,732	3,642,876
12/1/99-00	4,978,953	5,030,871	4,978,399	5,025,681	5,003,476
12/1/00-01	4,218,196	4,332,992	4,220,818	4,329,007	4,275,253
12/1/01-02	5,171,649	5,143,958	5,172,343	5,145,921	5,158,468
12/1/02-03	5,408,567	5,560,791	5,409,008	5,541,932	5,460,075
12/1/03-04	4,218,010	4,461,608	4,234,667	4,449,683	4,340,992
12/1/04-05	3,968,134	4,421,489	4,007,660	4,383,293	4,195,144
12/1/05-06	5,721,666	6,257,627	5,740,237	6,111,191	5,957,680
12/1/06-07	8,893,279	9,767,407	8,559,950	8,889,169	8,700,000 **
12/1/07-08	7,217,688	8,287,088	7,109,616	7,561,230	7,300,000 **
12/1/08-09	<u>6,762,614</u>	<u>7,373,301</u>	<u>7,119,185</u>	<u>7,407,247</u>	<u>7,300,000 **</u>
Total	\$65,718,860	\$69,825,022	\$65,712,272	\$68,033,507	\$66,911,076

B. LIMITED BY AGGREGATE RETENTION

Policy Period	Estimated Ultimate Losses Prior to Aggregate	Aggregate Retention	Estimated Ultimate Losses Limited to Aggregate	Aggregate Recoverable
12/15/95-96	\$ 1,008,719	\$ 1,943,620	\$ 1,008,719	\$ 0
12/1/96-97	1,475,990	2,500,000	1,475,990	0
12/1/97-98	3,072,400	2,700,000	2,700,000 @	372,403
12/1/98-99	3,642,876	2,821,506	2,821,506 @	821,370
12/1/99-11/30/01	9,278,729	9,653,168	9,278,729	0
12/1/01-02	5,158,468	6,899,203	5,158,468	0
12/1/02-03	5,480,075	8,057,384	5,480,075	0
12/1/03-04	4,340,992	8,930,000	4,340,992	0
12/1/04-05	4,195,144	9,417,392	4,195,144	0
12/1/05-06	5,957,680	10,711,515	5,957,680	0
12/1/06-07	8,700,000	12,083,892	8,700,000	0
12/1/07-08	7,300,000	11,897,438	7,300,000	0
12/1/08-09	<u>7,300,000</u>	<u>N/A</u>	<u>7,300,000</u>	<u>0</u>
Total	\$66,911,076	\$87,615,118	\$65,717,303	\$ 1,193,773

* Selected the average unless otherwise noted.

[^] Selected incurred losses since only one claim is open.

< Substituted the corresponding incurred method in the average since this estimate is less than incurred losses.

** Selected judgmentally equal to the average of the Bornhuetter-Ferguson methods due to the acceleration in claims disposed ratios and the changes in the New York workers compensation statutes.

@ Limited by the aggregate.

Figure 5

COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN

WORKERS COMPENSATION

SELECTED ESTIMATED ULTIMATE INCURRED LOSSES
(Losses Limited to Specific Retentions)

Incurred Development
 Paid Development
 Incurred B-F
 Paid B-F
 Selected

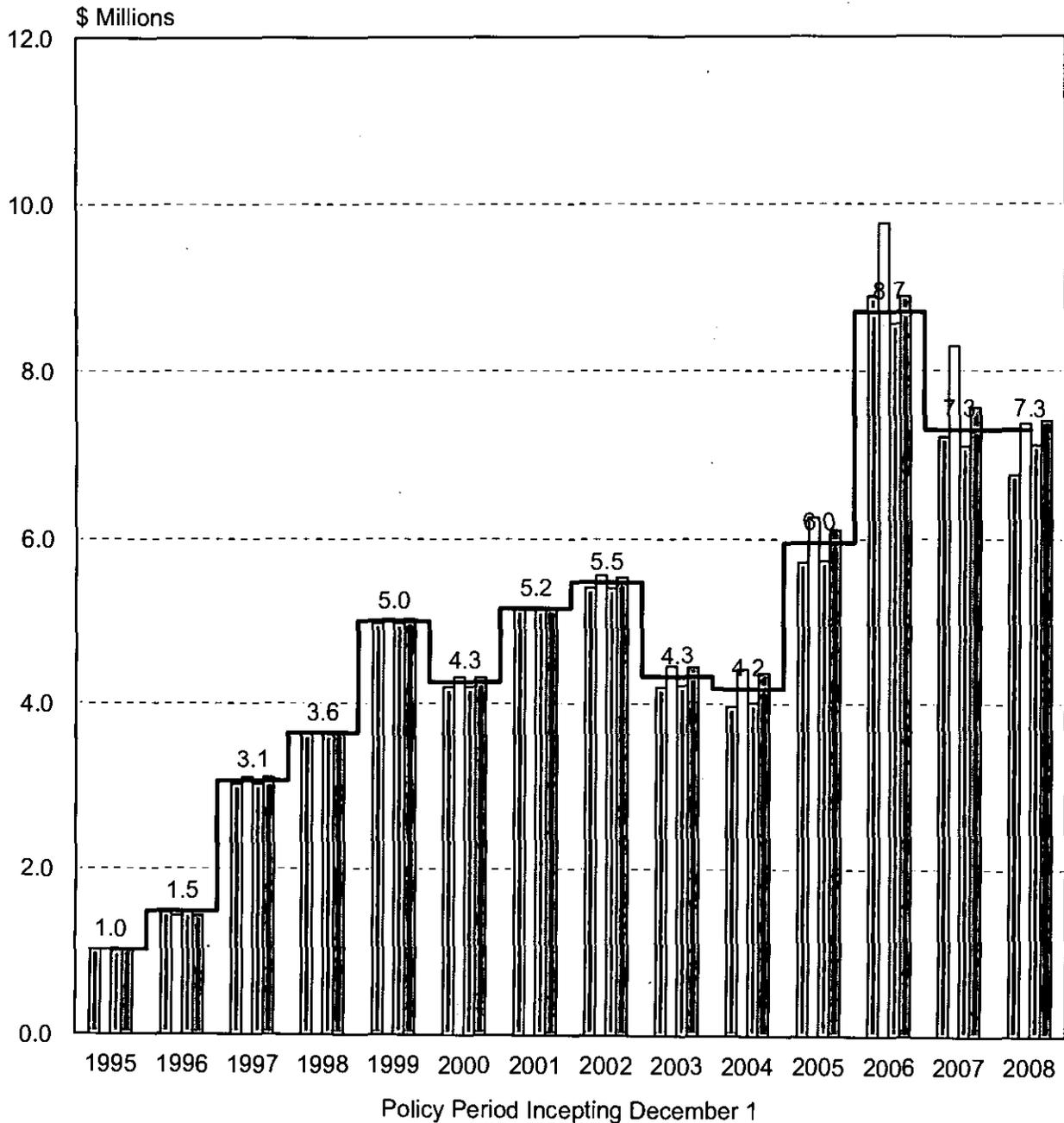


Table 8

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

ESTIMATED REQUIRED RESERVES AS OF 11/30/09
(Limited to Specific and Aggregate Retentions)

A. LOSS SUMMARY

<u>Policy Period</u>	<u>Estimated Ultimate Incurred Losses</u>	<u>Incurred Losses as of 11/30/09</u>	<u>Paid Losses as of 11/30/09</u>
12/15/95-96	\$ 1,008,719	\$ 1,008,719	\$ 1,008,472
12/1/96-97	1,475,990	1,473,045	1,414,792
12/1/97-98	2,700,000 @	2,700,000 @	2,700,000 @
12/1/98-99	2,821,506 @	2,821,506 @	2,821,506 @
12/1/99-00	5,003,476	4,919,914	4,884,341
12/1/00-01	4,275,253	4,127,393	4,146,404
12/1/01-02	5,158,468	4,987,125	4,780,630
12/1/02-03	5,480,075	5,112,067	4,921,054
12/1/03-04	4,340,992	3,869,734	3,724,214
12/1/04-05	4,195,144	3,465,619	3,354,696
12/1/05-06	5,957,680	4,670,748	4,239,585
12/1/06-07	8,700,000	6,621,950	5,803,569
12/1/07-08	7,300,000	4,736,016	3,938,730
12/1/08-09	<u>7,300,000</u>	<u>3,104,965</u>	<u>1,538,027</u>
Total	\$65,717,303	\$53,618,801	\$49,276,020

B. ESTIMATED REQUIRED RESERVES AS OF 11/30/09

<u>Policy Period</u>	<u>Case Reserves as of 11/30/09</u>	<u>Estimated IBNR as of 11/30/09</u>	<u>Estimated Required Reserves as of 11/30/09</u>
12/15/95-96	\$ 247	\$ 0	\$ 247
12/1/96-97	58,253	2,945	61,198
12/1/97-98	0	0	0
12/1/98-99	0	0	0
12/1/99-00	35,573	83,562	119,135
12/1/00-01	(19,011) ^	147,860	128,849
12/1/01-02	206,495	171,343	377,838
12/1/02-03	191,013	368,008	559,021
12/1/03-04	145,520	471,258	616,778
12/1/04-05	110,923	729,525	840,448
12/1/05-06	431,163	1,286,932	1,718,095
12/1/06-07	818,381	2,078,050	2,896,431
12/1/07-08	797,286	2,563,984	3,361,270
12/1/08-09	<u>1,566,938</u>	<u>4,195,035</u>	<u>5,761,973</u>
Total	\$4,342,781	\$12,098,502	\$16,441,283

@ Limited by the aggregate.

^ Negative case reserves due to anticipated recoveries.

difference between the estimated ultimate incurred losses and incurred losses. The total required reserves as of 11/30/09 are then estimated by adding the case reserves and IBNR or by subtracting paid losses from the estimated ultimate incurred losses.

DISCOUNTED ESTIMATED REQUIRED RESERVES

Two types of paid to incurred ratios that check the reasonableness of the estimates are calculated in Table 9. Section A shows paid losses divided by incurred losses as of different ages. This analysis assists in detecting changes in reserving and settlement practices. If payment and reserving procedures are consistent between periods, the numbers within each column should be relatively consistent.

Section B compares paid losses with the estimates of ultimate incurred losses. These ratios serve two purposes. First, they test the reasonableness of the selected estimated ultimate incurred losses. If losses are paid at a consistent rate, there is a sufficient volume of losses, and there are no distorting effects from large claims, the ratios of paid losses to estimated ultimate incurred losses are expected to be relatively consistent within each column. The second purpose of Section B is to provide an estimate of the payout schedule to allocate the reserves to the period in which they are expected to be paid. The selected payout schedule is shown at the bottom of Section B.

In Section A of Table 10, the undiscounted reserves are assigned to the period in which they are expected to be paid based on the selected schedule. In Section B, the payments expected during the future periods are discounted at a rate of 5.0% per annum. The payments are assumed to be in the middle of each period. The investment income expected to be earned on the loss reserves is estimated in Section C.

Table 9

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

PAID TO INCURRED RATIOS
(Losses Including ALAE Limited to Specific Retention)

A. PAID / INCURRED LOSSES

Policy Period	Age of Policy Period													
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months
12/15/95-96	0.349	0.656	0.822	0.835	0.668	0.815	0.860	1.015	0.971	0.975	0.975	0.984	0.990	1.000
12/1/96-97	0.392	0.770	0.740	0.635	0.682	0.742	0.881	0.928	0.886	0.889	0.952	0.951	0.960	
12/1/97-98	0.407	0.719	0.717	0.807	0.883	0.957	0.991	1.041	1.066	0.981	0.991	1.019		
12/1/98-99	0.365	0.576	0.672	0.730	0.849	0.901	0.949	0.999	0.989	0.993	0.988			
12/1/99-00	0.436	0.554	0.726	0.874	0.933	0.962	0.958	0.957	0.989	0.993				
12/1/00-01	0.331	0.677	0.809	0.886	0.942	0.937	0.990	0.999	1.005					
12/1/01-02	0.431	0.742	0.838	0.886	0.903	0.944	0.945	0.959						
12/1/02-03	0.454	0.739	0.884	0.885	0.904	0.939	0.963							
12/1/03-04	0.420	0.771	0.871	0.934	0.949	0.962								
12/1/04-05	0.464	0.778	0.872	0.912	0.968									
12/1/05-06	0.447	0.753	0.892	0.908										
12/1/06-07	0.414	0.732	0.876											
12/1/07-08	0.486	0.832												
12/1/08-09	0.495													
Average	0.421	0.715	0.810	0.845	0.868	0.907	0.942	0.985	0.984	0.966	0.977	0.985	0.975	1.000
3-Yr Avg	0.465	0.772	0.880	0.918	0.940	0.948	0.966	0.972	0.994	0.989	0.977	0.985		

B. PAID / ESTIMATED ULTIMATE INCURRED LOSSES

Policy Period	Age of Policy Period														Estimated Ultimate Losses
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months	
12/15/95-96	0.120	0.338	0.467	0.526	0.630	0.820	0.887	1.018	0.962	0.968	0.961	0.968	0.987	1.000	\$1,008,719
12/1/96-97	0.169	0.418	0.547	0.618	0.711	0.790	0.915	0.933	0.888	0.902	0.928	0.945	0.959		1,475,990
12/1/97-98	0.110	0.294	0.483	0.653	0.750	0.825	0.911	0.979	1.026	0.976	0.990	1.002			3,072,403
12/1/98-99	0.106	0.321	0.460	0.612	0.739	0.803	0.870	0.904	0.954	0.970	0.981				3,642,876
12/1/99-00	0.142	0.330	0.489	0.599	0.694	0.768	0.834	0.888	0.939	0.976					5,003,476
12/1/00-01	0.157	0.412	0.573	0.732	0.813	0.856	0.920	0.940	0.970						4,275,253
12/1/01-02	0.168	0.453	0.619	0.726	0.794	0.876	0.886	0.927							5,158,468
12/1/02-03	0.168	0.387	0.541	0.646	0.748	0.838	0.898								5,480,075
12/1/03-04	0.184	0.439	0.618	0.736	0.802	0.858									4,340,992
12/1/04-05	0.162	0.473	0.607	0.714	0.800										4,195,144
12/1/05-06	0.156	0.402	0.591	0.712											5,957,680
12/1/06-07	0.172	0.456	0.667												8,700,000
12/1/07-08	0.217	0.540													7,300,000
12/1/08-09	0.211														7,300,000
Average	0.160	0.405	0.555	0.661	0.748	0.826	0.890	0.941	0.957	0.958	0.965	0.972	0.973	1.000	\$66,911,076
3-Yr Avg	0.200	0.466	0.622	0.721	0.783	0.857	0.901	0.918	0.954	0.974	0.966	0.972			
NY NCCI	9.416	3.812	2.627	2.134	1.848	1.677	1.569	1.491	1.400	1.327	1.268	1.218	1.176	1.140	
NY SIGs	0.132	0.318	0.458	0.568	0.654	0.719	0.769	0.808	0.840	0.870	0.890	0.910	0.930	0.940	
Prior Selected	0.180	0.420	0.580	0.680	0.770	0.840	0.890	0.920	0.930	0.940	0.960	0.960	0.970	0.980	
Selected	0.180	0.430	0.590	0.700	0.780	0.840	0.900	0.920	0.940	0.950	0.960	0.970	0.980	0.990	

Table 10

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

DISCOUNTED ESTIMATED REQUIRED RESERVES AS OF 11/30/09
(Limited to Specific and Aggregate Retentions)

A. ESTIMATED AMOUNT PAID IN INTERVAL*

Policy Period	12/1/09 - 11/30/10	12/1/10 - 11/30/11	12/1/11 - 11/30/12	12/1/12 - 11/30/13	12/1/13 - 11/30/14	12/1/14 - 11/30/15	12/1/15 - 11/30/16	12/1/16 - 11/30/17	12/1/17 - 11/30/18	12/1/18 - 11/30/19	12/1/19 - 11/30/20	12/1/20 - 11/30/21	12/1/21 - 11/30/22	12/1/22 - 11/30/23	Total
12/15/95-96	\$ 247														\$ 247
12/1/96-97	30,599	\$ 30,599													61,198
12/1/97-98	0														0
12/1/98-99	0														0
12/1/99-00	23,827	23,827	\$ 23,827	\$ 23,827	\$ 23,827										119,135
12/1/00-01	21,475	21,475	21,475	21,475	21,475	\$ 21,475									128,849
12/1/01-02	94,459	47,230	47,230	47,230	47,230	47,230	\$ 47,230								377,838
12/1/02-03	111,804	111,804	55,902	55,902	55,902	55,902	55,902	\$ 55,902							559,021
12/1/03-04	231,292	77,097	77,097	38,549	38,549	38,549	38,549	38,549	\$ 38,549						616,778
12/1/04-05	229,213	229,213	76,404	76,404	38,202	38,202	38,202	38,202	38,202	\$ 38,202					840,448
12/1/05-06	458,159	343,619	343,619	114,540	114,540	57,270	57,270	57,270	57,270	57,270	\$ 57,270				1,718,095
12/1/06-07	777,091	565,157	423,868	423,868	141,289	141,289	70,645	70,645	70,645	70,645	70,645	\$ 70,645			2,896,431
12/1/07-08	943,514	648,666	471,757	353,818	353,818	117,939	117,939	58,970	58,970	58,970	58,970	58,970	\$ 58,970		3,361,270
12/1/08-09	1,756,699	1,124,287	772,948	562,144	421,608	421,608	140,536	140,536	70,268	70,268	70,268	70,268	70,268	\$ 70,268	5,761,973
Total	\$4,678,380	\$3,222,975	\$2,314,127	\$1,717,756	\$1,255,439	\$ 939,464	\$ 565,272	\$ 460,073	\$ 333,903	\$ 295,354	\$ 257,152	\$ 199,882	\$ 129,238	\$ 70,268	\$16,441,283

B. ESTIMATED AMOUNT PAID IN INTERVAL DISCOUNTED

Discount Rate	12/1/09 - 11/30/10	12/1/10 - 11/30/11	12/1/11 - 11/30/12	12/1/12 - 11/30/13	12/1/13 - 11/30/14	12/1/14 - 11/30/15	12/1/15 - 11/30/16	12/1/16 - 11/30/17	12/1/17 - 11/30/18	12/1/18 - 11/30/19	12/1/19 - 11/30/20	12/1/20 - 11/30/21	12/1/21 - 11/30/22	12/1/22 - 11/30/23	Total
5.0%	\$4,565,631	\$2,995,525	\$2,048,396	\$1,448,101	\$1,008,764	\$ 718,355	\$ 412,377	\$ 319,085	\$ 220,552	\$ 185,800	\$ 154,064	\$ 114,051	\$ 70,230	\$ 36,367	\$14,297,298

C. ESTIMATED INVESTMENT INCOME EARNED ON THE LOSS RESERVES

Discount Rate	12/1/09 - 11/30/10	12/1/10 - 11/30/11	12/1/11 - 11/30/12	12/1/12 - 11/30/13	12/1/13 - 11/30/14	12/1/14 - 11/30/15	12/1/15 - 11/30/16	12/1/16 - 11/30/17	12/1/17 - 11/30/18	12/1/18 - 11/30/19	12/1/19 - 11/30/20	12/1/20 - 11/30/21	12/1/21 - 11/30/22	12/1/22 - 11/30/23	Total
5.0%	\$ 112,749	\$ 227,450	\$ 265,731	\$ 269,655	\$ 247,675	\$ 221,109	\$ 153,895	\$ 140,988	\$ 113,351	\$ 109,554	\$ 103,088	\$ 85,831	\$ 59,008	\$ 33,901	\$ 2,143,985

* Reflects aggregate retention.

HISTORICAL PROFITABILITY ANALYSIS

When evaluating the estimates contained in this report, it is important to review the underwriting results of each period to evaluate the program's direction. Section A of Table 11 and Figure 6 present a comparison of the funds available to pay claims to the estimated ultimate incurred losses. In the 12/1/08-09 period, it is estimated that CRISP will show underwriting income of \$1,026,796.

In Section B, investment income is combined with the underwriting results to estimate net income by policy period. As shown, the estimated net income for 12/1/08-09 is \$2,006,075. The estimated net income for 12/15/95 through 11/30/09 is \$1,088,959. This estimate does not include investment income expected to be earned on the loss reserves from Section C of Table 10.

The underwriting results per \$100 payroll are shown in Section C and Figure 7. The underwriting income is expected to increase \$0.11 (\$0.13 - \$0.02) from 12/1/07-08 to 12/1/08-09 due to an increase of \$0.09 (\$1.29 - \$1.20) in premium and a decrease of \$0.02 (\$0.92 - \$0.94) in estimated ultimate incurred losses offset by a decrease of \$0.00 (\$0.24 - \$0.24) in expenses.

Paid, incurred, estimated ultimate incurred, and permissible loss ratios are shown in Table 12 to further illustrate CRISP's underwriting results. Also shown are combined ratios.

Table 11

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

HISTORICAL PROFITABILITY ANALYSIS

A. ESTIMATED UNDERWRITING INCOME

Policy Period	Audited Premium*	Operating Expenses*	Funds Available for Claims	Estimated Ultimate Incurred Losses	Estimated Underwriting Income
12/15/95-96	\$ 901,744	\$ 332,157	\$ 569,587	\$1,008,719	(\$ 439,132)
12/1/96-97	1,802,987	417,011	1,385,976	1,475,990	(90,014)
12/1/97-98	1,971,498	460,508	1,510,990	2,700,000	(1,189,010)
12/1/98-99	2,273,574	248,671	2,024,903	2,821,506	(796,603)
12/1/99-00	2,852,958	769,870	2,083,088	5,003,476	(2,920,388)
12/1/00-01	5,713,281	1,341,276	4,372,005	4,275,253	96,752
12/1/01-02	5,745,970	1,995,310	3,750,660	5,158,468	(1,407,808)
12/1/02-03	6,520,446	1,634,002	4,886,444	5,480,075	(593,631)
12/1/03-04	8,863,728	2,048,377	6,815,351	4,340,992	2,474,359
12/1/04-05	7,325,496	1,424,246	5,901,250	4,195,144	1,706,106
12/1/05-06	9,595,620	2,904,528	6,691,092	5,957,680	733,412
12/1/06-07	9,453,647	1,664,418	7,789,229	8,700,000	(910,771)
12/1/07-08	9,376,772	1,835,045	7,541,727	7,300,000	241,727
12/1/08-09	10,200,428 [^]	1,873,632 [^]	8,326,796	7,300,000	1,026,796
Total	\$82,598,149	\$18,949,051	\$63,649,098	\$65,717,303	(\$2,068,205)

B. NET INCOME AFTER DIVIDENDS

Policy Period	Estimated Underwriting Income	Investment and Other Income*	Estimated Net Income Before Dividends	Dividends Paid*	Estimated Net Income After Dividends
12/15/95-96	(\$ 439,132)	\$ 29,248	(\$ 409,884)	\$ 0	(\$ 409,884)
12/1/96-97	(90,014)	84,818	(5,196)	0	(5,196)
12/1/97-98	(1,189,010)	85,743	(1,103,267)	0	(1,103,267)
12/1/98-99	(796,603)	89,205	(707,398)	0	(707,398)
12/1/99-00	(2,920,388)	104,051	(2,816,337)	0	(2,816,337)
12/1/00-01	96,752	122,855	219,607	0	219,607
12/1/01-02	(1,407,808)	164,990	(1,242,818)	0	(1,242,818)
12/1/02-03	(593,631)	198,770	(394,861)	0	(394,861)
12/1/03-04	2,474,359	347,000	2,821,359	0	2,821,359
12/1/04-05	1,706,106	261,542	1,967,648	0	1,967,648
12/1/05-06	733,412	608,384	1,341,796	0	1,341,796
12/1/06-07	(910,771)	702,374	(208,397)	0	(208,397)
12/1/07-08	241,727	(621,095)	(379,368)	0	(379,368)
12/1/08-09	1,026,796	979,279 [^]	2,006,075	0 [^]	2,006,075
Total	(\$2,068,205)	\$3,157,164	\$1,088,959	\$ 0	\$1,088,959

* From the audited financial statements.

[^] From the preliminary, unaudited financial statement.

Table 11 (Continued)

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

HISTORICAL PROFITABILITY ANALYSIS

C. ESTIMATED UNDERWRITING INCOME PER \$100 PAYROLL

<u>Policy Period</u>	<u>Audited Premium</u>	<u>Operating Expenses</u>	<u>Funds Available for Claims</u>	<u>Estimated Ultimate Incurred Losses</u>	<u>Estimated Underwriting Income</u>
12/15/95-96	\$1.13	\$0.42	\$0.71	\$1.26	(\$0.55)
12/1/96-97	1.08	0.25	0.83	0.89	(0.06)
12/1/97-98	0.90	0.21	0.69	1.23	(0.54)
12/1/98-99	0.78	0.09	0.69	0.97	(0.28)
12/1/99-00	0.93	0.25	0.68	1.63	(0.95)
12/1/00-01	1.45	0.34	1.11	1.08	0.03
12/1/01-02	1.42	0.49	0.93	1.28	(0.35)
12/1/02-03	1.38	0.35	1.03	1.16	(0.13)
12/1/03-04	1.70	0.39	1.31	0.83	0.48
12/1/04-05	1.36	0.26	1.10	0.78	0.32
12/1/05-06	1.53	0.46	1.07	0.95	0.12
12/1/06-07	1.34	0.24	1.10	1.23	(0.13)
12/1/07-08	1.20	0.24	0.96	0.94	0.02
12/1/08-09	1.29	0.24	1.05	0.92	0.13

D. PAYROLL

<u>Policy Period</u>	<u>Earned Payroll (100)</u>
12/15/95-96	\$ 799,371
12/1/96-97	1,664,852
12/1/97-98	2,201,030
12/1/98-99	2,896,948
12/1/99-00	3,074,357
12/1/00-01	3,942,118
12/1/01-02	4,032,581
12/1/02-03	4,711,921
12/1/03-04	5,222,222
12/1/04-05	5,383,728
12/1/05-06	6,264,044
12/1/06-07	7,066,993
12/1/07-08	7,786,337
12/1/08-09	7,919,081

Figure 6

COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN

WORKERS COMPENSATION

HISTORICAL PROFITABILITY ANALYSIS

(Excluding Investment Income)

■ Estimated Ultimate Losses □ Operating Expenses — Premium

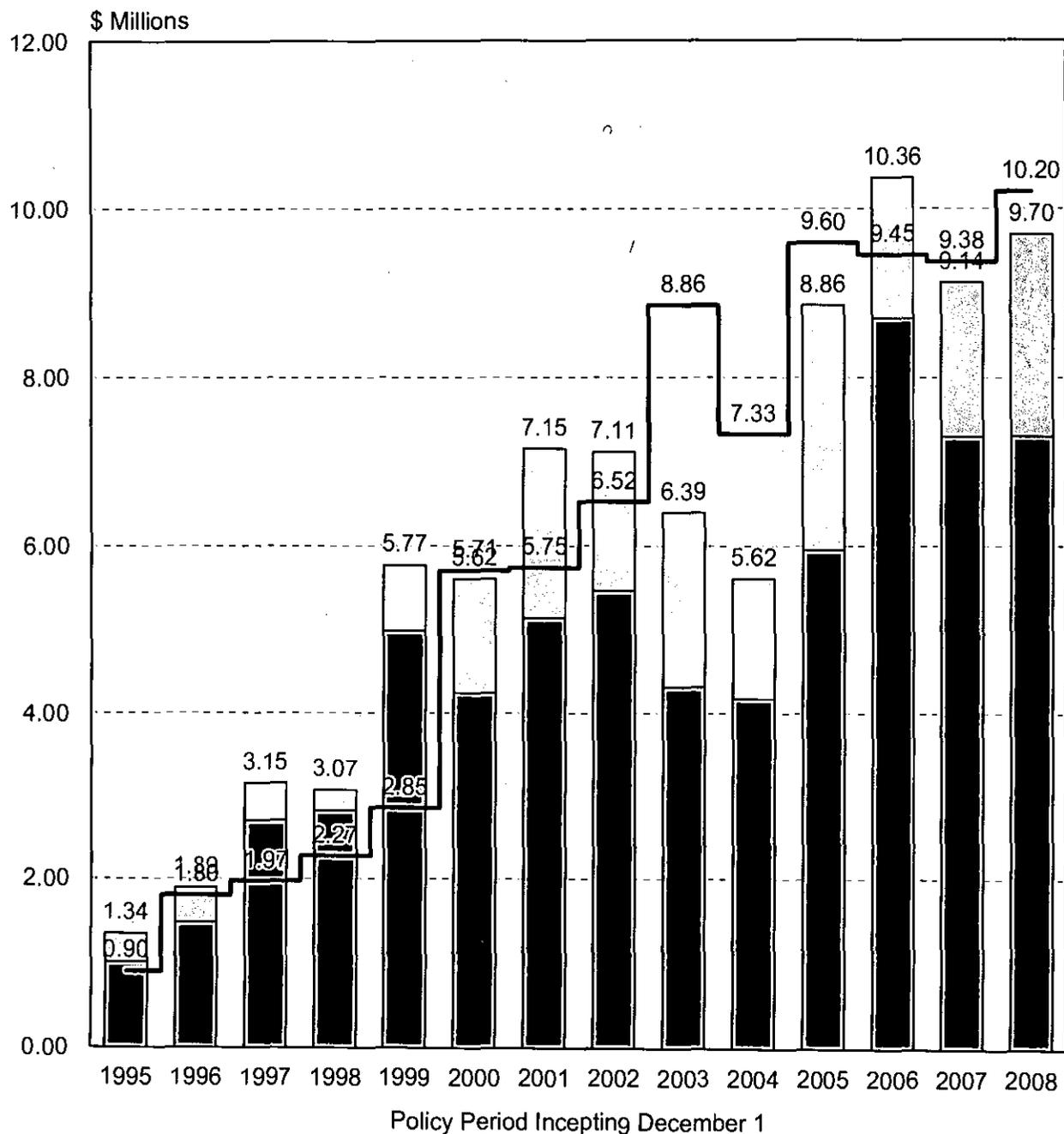


Figure 7

COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN

WORKERS COMPENSATION

HISTORICAL PROFITABILITY ANALYSIS
(Excluding Investment Income)

▣ Estimated Ultimate Losses □ Operating Expenses — Premium

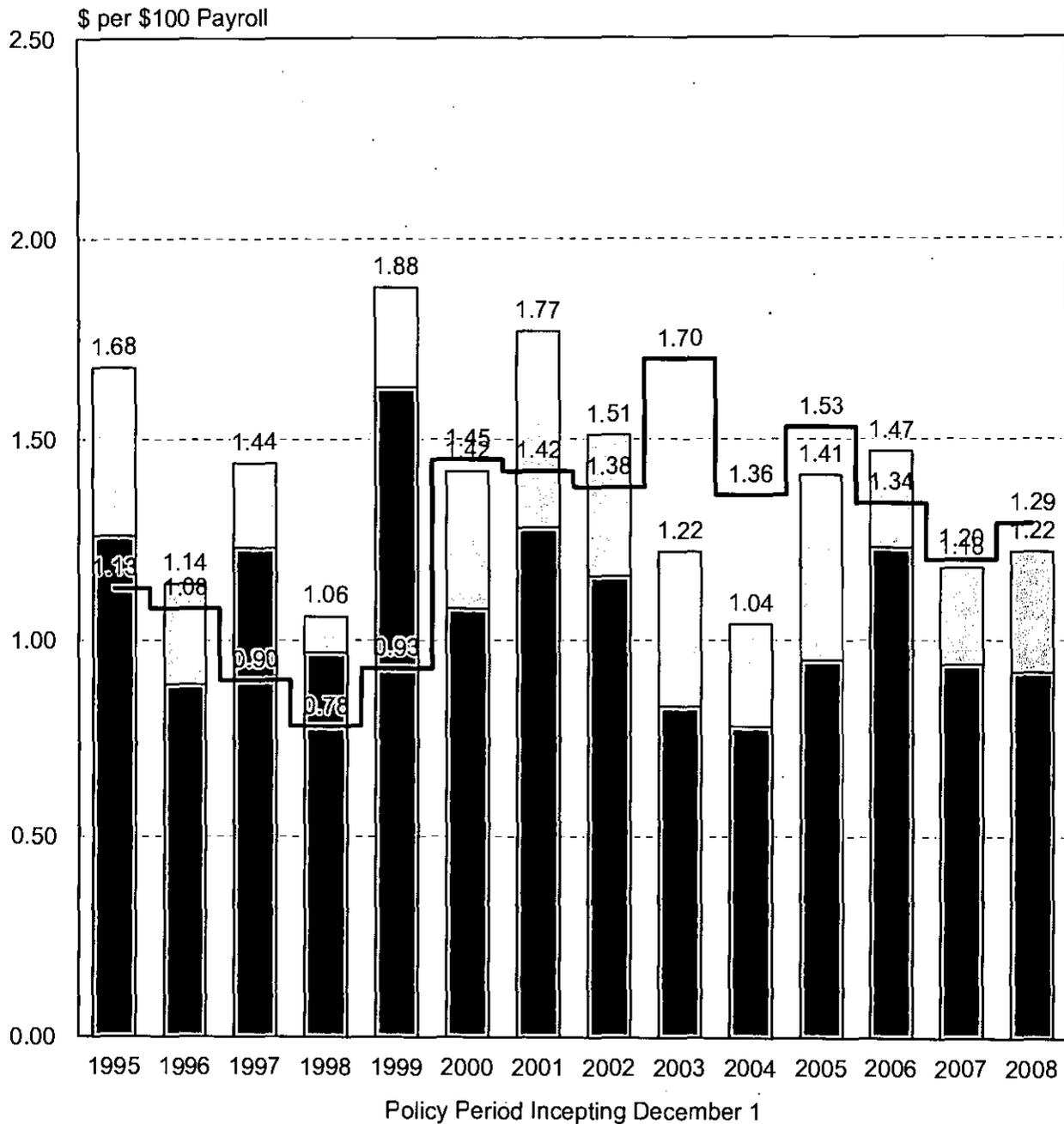


Table 12

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

LOSS RATIOS

(Limited to Specific and Aggregate Retentions)

<u>Policy Period</u>	<u>Paid Loss Ratio as of 11/30/09</u>	<u>Incurred Incurred Loss Ratio as of 11/30/09</u>	<u>Estimated Ultimate Incurred Loss Ratio</u>	<u>Permissible Loss Ratio (Funds Available/ Premium)</u>	<u>Combined Ratio [(Losses+ Expenses)/ Premium]</u>
12/15/95-96	1.118	1.119	1.119	0.632	1.487
12/1/96-97	0.785	0.817	0.819	0.769	1.050
12/1/97-98	1.370	1.370	1.370	0.766	1.603
12/1/98-99	1.241	1.241	1.241	0.891	1.350
12/1/99-00	1.712	1.724	1.754	0.730	2.024
12/1/00-01	0.726	0.722	0.748	0.765	0.983
12/1/01-02	0.832	0.868	0.898	0.653	1.245
12/1/02-03	0.755	0.784	0.840	0.749	1.091
12/1/03-04	0.420	0.437	0.490	0.769	0.721
12/1/04-05	0.458	0.473	0.573	0.806	0.767
12/1/05-06	0.442	0.487	0.621	0.697	0.924
12/1/06-07	0.614	0.700	0.920	0.824	1.096
12/1/07-08	0.420	0.505	0.779	0.804	0.974
12/1/08-09	0.151	0.304	0.716	0.816	0.899
Total			0.796	0.771	1.025

QUALIFICATIONS AND LIMITATIONS

The estimates contained in this report depend upon the following:

- the actuarial assumptions, quantitative analysis, and professional judgment expressed in this report;
- the reliability of loss experience to serve as an indicator of future losses;
- the completeness and accuracy of data provided by PRM;
- the completeness and accuracy of the discussion of CRISP's excess insurance expressed in this report; and
- the appropriateness of the discount rate.

While estimates are shown for each year, the actual losses incurred for a particular year may be lower or higher than the amounts shown. However, the amount shown for the total of all years is expected to be reasonable.

The information used in this report should be reviewed for its consistency and accuracy with the internal records of CRISP. Material changes in any of the assumptions or information upon which the findings are based will require a re-evaluation of the results of this report and a possible revision of those findings.

The quantitative methodologies and actuarial factors used in this report are specifically developed for the losses and time periods described above and may not be appropriate for any other losses or periods. As CRISP's loss experience matures and new business is written, it is

important to update this analysis at least annually. Such a report should review changes in the prior periods' losses as well as any new information that might become available.

This report is intended for the use of CRISP and its auditors, service providers, and regulators. If the report is released to any third party, it should be released in its entirety. Please advise BYNAC if this report is distributed to any other third party.

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WORKERS' COMPENSATION

MAR 31 2010

SELF INSURANCE OFFICE

CONSULTATION

The professional opinion given in this report is based on the judgment and experience of BYNAC. An analysis by another actuary may not arrive at the same conclusion. In the event that another actuary is consulted regarding the findings of this report, both actuaries should make themselves available for supplemental advice and consultation.

COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN

APPENDIX A

INCURRED LOSSES \$200,000 AND GREATER

Appendix A

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

INCURRED LOSSES \$200,000 AND GREATER

Policy Period	Claim Number	Accident Date	Status	Incurred Loss and ALAE as of				Paid Loss and ALAE as of 11/30/09
				5/31/07	11/30/07	11/30/08	11/30/09	
12/15/95-96				-- None --				
12/1/96-97		4/7/97	Open	\$ 234,325	\$ 173,592	\$ 186,135	\$ 188,838	\$ 136,993
12/1/97-98		1/18/98	Closed	\$ 210,614	\$ 210,614	\$ 210,614	\$ 210,614	\$ 210,614
		2/10/98	Closed	311,714	311,714	311,714	311,714	311,714
		6/24/98	Open	277,422	228,750	240,814	283,922	281,892
		8/31/98	Open	421,052	354,469	357,519	360,498	249,974
				<u>\$1,220,802</u>	<u>\$1,105,547</u>	<u>\$1,120,661</u>	<u>\$1,166,749</u>	<u>\$1,054,195</u>
12/1/98-99		5/25/99	Open	\$ 214,889	\$ 214,889	\$ 214,889	\$ 214,889	\$ 180,323
		9/17/99	Open	<	<	<	217,174	165,357
		11/25/99	Closed	275,430	322,512	425,429	428,011	428,011
				<u>\$ 490,319</u>	<u>\$ 537,401</u>	<u>\$ 640,318</u>	<u>\$ 860,074</u>	<u>\$ 773,691</u>
12/1/99-00		2/10/00	Open	<	<	\$ 199,580	\$ 199,580	\$ 154,640
		5/15/00	Open	<	\$ 298,244	299,004	301,802	211,937
		9/20/00	Open	<	<	202,572	220,631	217,545
		9/25/00	Open	<	<	<	238,444	238,295
		11/24/00	Open	<u>\$ 209,476</u>	<u>223,657</u>	<u>239,115</u>	<u>169,905</u>	<u>169,460</u>
				<u>\$ 209,476</u>	<u>\$ 521,901</u>	<u>\$ 940,271</u>	<u>\$1,130,361</u>	<u>\$ 991,877</u>
12/1/00-01		6/22/01	Closed	\$ 212,381	\$ 212,381	\$ 212,381	\$ 212,579	\$ 212,579
12/1/01-02				-- None --				
12/1/02-03		2/24/03	Open	\$ 201,816	\$ 212,282	\$ 328,575	\$ 363,423	\$ 252,756
		3/3/03	Open	<	<	<	234,693	234,580
				<u>\$ 201,816</u>	<u>\$ 212,282</u>	<u>\$ 328,575</u>	<u>\$ 598,116</u>	<u>\$ 487,336</u>
12/1/03-04				-- None --				
12/1/04-05				-- None --				
12/1/05-06				-- None --				
12/1/06-07				-- None --				
12/1/07-08				-- None --				
12/1/08-09				-- None --				

< Less than \$200,000.

COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN

APPENDIX B

SUPPORTING EXHIBITS

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

**CLAIM COUNT DEVELOPMENT FACTORS
(Excluding Incidents)**

A. REPORTED CLAIMS

Policy Period	Age of Policy Period													
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months
12/15/95-96							132	132	133	133	133	133	133	133
12/1/96-97						273	273	274	275	275	275	275	275	275
12/1/97-98					351	351	353	353	353	353	353	353	353	353
12/1/98-99				427	427	428	428	428	428	428	428	428	428	428
12/1/99-00			541	542	542	542	542	542	542	542	542	542	542	542
12/1/00-01		564	566	561	561	561	561	561	561	561	561	561	561	561
12/1/01-02	528	579	574	575	575	575	575	575	575	575	575	575	575	575
12/1/02-03	590	618	618	619	619	619	619	619	619	619	619	619	619	619
12/1/03-04	547	579	584	584	585	585	585	585	585	585	585	585	585	585
12/1/04-05	524	552	555	555	555	555	555	555	555	555	555	555	555	555
12/1/05-06	741	786	787	788	788	788	788	788	788	788	788	788	788	788
12/1/06-07	885	935	937	937	937	937	937	937	937	937	937	937	937	937
12/1/07-08	905	972	972	972	972	972	972	972	972	972	972	972	972	972
12/1/08-09	970	970	970	970	970	970	970	970	970	970	970	970	970	970

B. AGE-TO-AGE FACTORS

Policy Period	12 to 24 Months	24 to 36 Months	36 to 48 Months	48 to 60 Months	60 to 72 Months	72 to 84 Months	84 to 96 Months	96 to 108 Months	108 to 120 Months	120 to 132 Months	132 to 144 Months	144 to 156 Months	156 to 168 Months	168 to Ultimate
12/15/95-96							1.000	1.008	1.000	1.000	1.000	1.000	1.000	1.000
12/1/96-97						1.000	1.004	1.004	1.000	1.000	1.000	1.000	1.000	1.000
12/1/97-98					1.000	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12/1/98-99				1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12/1/99-00			1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12/1/00-01		1.004	0.991	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12/1/01-02	1.097	0.991	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12/1/02-03	1.047	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12/1/03-04	1.059	1.009	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12/1/04-05	1.053	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
12/1/05-06	1.061	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
12/1/06-07	1.056	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002	1.002
12/1/07-08	1.074	1.074	1.074	1.074	1.074	1.074	1.074	1.074	1.074	1.074	1.074	1.074	1.074	1.074
Average	1.064	1.002	1.000	1.000	1.000	1.001	1.001	1.002	1.000	1.000	1.000	1.000	1.000	1.000
Wtd Avg	1.064	1.002	1.000	1.000	1.000	1.001	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000
3-Yr Avg	1.064	1.003	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5-Yr Mid Avg	1.059	1.003	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
NY SIGs	1.095	1.007	1.002	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
Prior	1.060	1.004	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
Selected	1.060	1.003	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001

C. CLAIM COUNT DEVELOPMENT FACTORS

12 to Ultimate	24 to Ultimate	36 to Ultimate	48 to Ultimate	60 to Ultimate	72 to Ultimate	84 to Ultimate	96 to Ultimate	108 to Ultimate	120 to Ultimate	132 to Ultimate	144 to Ultimate	156 to Ultimate	168 to Ultimate
1.066	1.006	1.003	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

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WORKERS' COMPENSATION
MAR 31 2010
SELF INSURANCE OFFICE

Appendix B, Exhibit II

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

ESTIMATED ULTIMATE CLAIM COUNT AND AVERAGE SEVERITY
(Unlimited Losses Including ALAE)
(Excluding Incidents)

A. ESTIMATED ULTIMATE CLAIMS WITH COST

Policy Period	Reported Claims as of 11/30/09	Age of Policy Period in Months	Claim Count Development Factor	Estimated Ultimate Claims
12/15/95-96	133	168	1.000	133
12/1/96-97	275	156	1.000	275
12/1/97-98	353	144	1.000	353
12/1/98-99	428	132	1.000	428
12/1/99-00	542	120	1.000	542
12/1/00-01	561	108	1.000	561
12/1/01-02	575	96	1.000	575
12/1/02-03	619	84	1.000	619
12/1/03-04	585	72	1.000	585
12/1/04-05	555	60	1.001	556
12/1/05-06	788	48	1.002	790
12/1/06-07	937	36	1.003	940
12/1/07-08	972	24	1.006	978
12/1/08-09	970	12	1.066	1,034
Total	8,293			8,369

B. ESTIMATED ULTIMATE AVERAGE SEVERITY

Policy Period	Estimated Ultimate Incurred Losses*	Estimated Ultimate Claims	Estimated Ultimate Average Severity
12/15/95-96	\$1,008,719	133	\$ 7,584
12/1/96-97	1,475,990	275	5,367
12/1/97-98	3,281,985	353	9,297
12/1/98-99	3,822,253	428	8,930
12/1/99-00	5,056,158	542	9,329
12/1/00-01	4,275,253	561	7,621
12/1/01-02	5,158,468	575	8,971
12/1/02-03	5,480,075	619	8,853
12/1/03-04	4,340,992	585	7,420
12/1/04-05	4,195,144	556	7,545
12/1/05-06	5,957,680	790	7,541
12/1/06-07	8,700,000	940	9,255
12/1/07-08	7,300,000	978	7,464
12/1/08-09	7,300,000	1,034	7,060
Total	\$67,352,717	8,369	

* See Appendix C, Exhibit I.

Appendix B, Exhibit III

COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION

AVERAGE SEVERITIES

(Losses Including ALAE Limited to Specific Retention)
(Excluding Incidents)

A. AVERAGE INCURRED SEVERITY

Policy Period	Age of Policy Period													
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months
12/15/95-96							\$ 7,887	\$ 7,659	\$ 7,516	\$ 7,532	\$ 7,472	\$ 7,463	\$ 7,562	\$ 7,584
12/1/96-97						\$ 5,750	5,618	5,416	5,381	5,446	5,232	5,335	5,357	
12/1/97-98					\$ 7,439	7,548	8,003	8,183	8,376	8,656	8,691	8,560		
12/1/98-99				\$ 7,153	7,421	7,583	7,804	7,706	8,207	8,314	8,447			
12/1/99-00			\$ 6,235	6,335	6,867	7,367	8,040	8,567	8,762	9,077				
12/1/00-01		\$ 4,614	5,349	6,298	6,577	6,961	7,083	7,176	7,357					
12/1/01-02	\$ 3,819	5,433	6,642	7,356	7,889	8,325	8,410	8,673						
12/1/02-03	3,446	4,652	5,428	6,463	7,326	7,899	8,259							
12/1/03-04	3,476	4,269	5,276	5,854	6,273	6,615								
12/1/04-05	2,799	4,621	5,260	5,912	6,244									
12/1/05-06	2,805	4,052	5,017	5,927										
12/1/06-07	4,086	5,797	7,067											
12/1/07-08	3,604	4,872												
12/1/08-09	3,201													

B. AVERAGE PAID SEVERITY

Policy Period	Age of Policy Period													
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months
12/15/95-96							\$ 6,780	\$ 7,776	\$ 7,298	\$ 7,342	\$ 7,287	\$ 7,345	\$ 7,486	\$ 7,582
12/1/96-97						\$ 4,269	4,947	5,027	4,765	4,839	4,980	5,072	5,145	
12/1/97-98					\$ 6,566	7,225	7,927	8,518	8,931	8,495	8,613	8,725		
12/1/98-99				\$ 5,225	6,304	6,832	7,404	7,695	8,120	8,257	8,349			
12/1/99-00			\$ 4,525	5,534	6,411	7,090	7,702	8,197	8,670	9,012				
12/1/00-01		\$ 3,124	4,330	5,580	6,194	6,522	7,011	7,166	7,391					
12/1/01-02	\$ 1,646	4,031	5,564	6,516	7,127	7,860	7,951	8,314						
12/1/02-03	1,564	3,436	4,799	5,720	6,624	7,419	7,950							
12/1/03-04	1,459	3,293	4,597	5,468	5,952	6,366								
12/1/04-05	1,298	3,594	4,567	5,394	6,044									
12/1/05-06	1,254	3,050	4,477	5,380										
12/1/06-07	1,690	4,246	6,194											
12/1/07-08	1,750	4,052												
12/1/08-09	1,586													

C. AVERAGE CASE RESERVE PER OPEN CLAIM

Policy Period	Age of Policy Period													
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months
12/15/95-96							\$20,878	(\$ 7,704)	\$29,036	\$25,337	\$24,577	\$15,642	\$10,173	\$ 247
12/1/96-97						\$31,115	20,348	21,290	28,200	41,708	23,036	18,087	19,418	
12/1/97-98					\$10,566	8,100	2,038	(13,140)	(27,970)	8,142	3,898	(8,287)		
12/1/98-99				\$20,082	15,396	11,491	9,515	295	2,875	2,027	3,478			
12/1/99-00			\$15,944	10,858	8,842	6,252	10,166	11,779	3,135	2,541				
12/1/00-01		\$ 8,571	9,617	10,323	8,257	11,191	2,691	419	(1,462)					
12/1/01-02	\$ 4,517	7,584	9,984	13,807	25,794	19,095	15,527	14,750						
12/1/02-03	3,791	6,061	8,267	13,528	19,740	16,514	14,693							
12/1/03-04	3,740	5,763	9,440	12,533	13,412	9,701								
12/1/04-05	3,085	6,095	10,989	13,078	7,923									
12/1/05-06	3,410	9,374	7,728	9,581										
12/1/06-07	6,093	9,933	11,059											
12/1/07-08	4,301	6,328												
12/1/08-09	4,341													

Appendix B, Exhibit IV

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

**CLAIMS DISPOSED RATIOS
(Excluding Incidents)**

A. CLOSED CLAIMS

Policy Period	Age of Policy Period														
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months	
12/15/95-96							125	130	132	132	132	132	132	132	
12/1/96-97						260	264	269	269	271	272	271	272		
12/1/97-98					322	337	340	344	346	346	346	346			
12/1/98-99				386	396	400	410	412	415	416	416				
12/1/99-00			483	502	514	518	524	525	526	528					
12/1/00-01		466	506	522	535	539	546	547	548						
12/1/01-02	274	472	512	540	558	561	558	561							
12/1/02-03	297	494	571	585	597	601	606								
12/1/03-04	252	481	542	566	571	570									
12/1/04-05	269	459	521	533	541										
12/1/05-06	404	702	732	743											
12/1/06-07	537	789	863												
12/1/07-08	515	846													
12/1/08-09	609														

B. CLOSED / ESTIMATED ULTIMATE CLAIMS

Policy Period	Age of Policy Period															Estimated Ultimate Losses
	12 Months	24 Months	36 Months	48 Months	60 Months	72 Months	84 Months	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months		
12/15/95-96							0.940	0.977	0.992	0.992	0.992	0.992	0.992	0.992	0.992	133
12/1/96-97						0.945	0.960	0.978	0.978	0.985	0.989	0.985	0.989		275	
12/1/97-98					0.912	0.955	0.963	0.975	0.980	0.980	0.980	0.980		353		
12/1/98-99				0.902	0.925	0.935	0.958	0.963	0.970	0.972	0.972		428			
12/1/99-00			0.891	0.926	0.948	0.956	0.967	0.969	0.970	0.974			542			
12/1/00-01		0.831	0.902	0.930	0.954	0.961	0.973	0.975	0.977				561			
12/1/01-02	0.477	0.821	0.890	0.939	0.970	0.976	0.970	0.976					575			
12/1/02-03	0.480	0.798	0.922	0.945	0.964	0.971	0.979						619			
12/1/03-04	0.431	0.822	0.926	0.968	0.976	0.974							585			
12/1/04-05	0.484	0.826	0.937	0.959	0.973								556			
12/1/05-06	0.511	0.889	0.927	0.941									790			
12/1/06-07	0.571	0.839	0.918										940			
12/1/07-08	0.527	0.865											978			
12/1/08-09	0.589												1,034			
													8,369			
Average	0.509	0.836	0.914	0.939	0.953	0.959	0.964	0.973	0.978	0.981	0.983	0.986	0.991	0.992		
3-Yr Avg	0.562	0.864	0.927	0.956	0.971	0.974	0.974	0.973	0.972	0.975	0.980	0.986				

COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN

APPENDIX C

UNLIMITED ESTIMATES

Appendix C, Exhibit I

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

SELECTED ESTIMATED ULTIMATE INCURRED LOSSES
(Unlimited Losses Including ALAE)

<u>Policy Period</u>	<u>Limited Estimated Ultimate Incurred Losses</u>	<u>Limited Incurred Losses as of 11/30/09</u>	<u>Unlimited Incurred Losses as of 11/30/09</u>	<u>Unlimited Estimated Ultimate Incurred Losses*</u>
12/15/95-96	\$ 1,008,719	\$ 1,008,719	\$ 1,008,719	\$ 1,008,719
12/1/96-97	1,475,990	1,473,045	1,473,045	1,475,990
12/1/97-98	3,072,403	3,021,853	3,227,987	3,281,985
12/1/98-99	3,642,876	3,615,139	3,793,150	3,822,253
12/1/99-00	5,003,476	4,919,914	4,971,716	5,056,158
12/1/00-01	4,275,253	4,127,393	4,127,393	4,275,253
12/1/01-02	5,158,468	4,987,125	4,987,125	5,158,468
12/1/02-03	5,480,075	5,112,067	5,112,067	5,480,075
12/1/03-04	4,340,992	3,869,734	3,869,734	4,340,992
12/1/04-05	4,195,144	3,465,619	3,465,619	4,195,144
12/1/05-06	5,957,680	4,670,748	4,670,748	5,957,680
12/1/06-07	8,700,000	6,621,950	6,621,950	8,700,000
12/1/07-08	7,300,000	4,736,016	4,736,016	7,300,000
12/1/08-09	7,300,000	3,104,965	3,104,965	7,300,000
Total	\$66,911,076	\$54,734,287	\$55,170,234	\$67,352,717

* Equal to the ratio of limited estimated ultimate incurred losses to incurred losses multiplied by unlimited incurred losses.

Appendix C, Exhibit II

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

**ESTIMATED REQUIRED RESERVES AS OF 11/30/09
(Unlimited Losses Including ALAE)**

A. LOSS SUMMARY

Policy Period	Estimated Ultimate Incurred Losses	Incurred Losses as of 11/30/09	Paid Losses as of 11/30/09
12/15/95-96	\$ 1,008,719	\$ 1,008,719	\$ 1,008,472
12/1/96-97	1,475,990	1,473,045	1,414,792
12/1/97-98	3,281,985	3,227,987	3,173,469
12/1/98-99	3,822,253	3,793,150	3,751,416
12/1/99-00	5,056,158	4,971,716	4,884,341
12/1/00-01	4,275,253	4,127,393	4,146,404
12/1/01-02	5,158,468	4,987,125	4,780,630
12/1/02-03	5,480,075	5,112,067	4,921,054
12/1/03-04	4,340,992	3,869,734	3,724,214
12/1/04-05	4,195,144	3,465,619	3,354,696
12/1/05-06	5,957,680	4,670,748	4,239,585
12/1/06-07	8,700,000	6,621,950	5,803,569
12/1/07-08	7,300,000	4,736,016	3,938,730
12/1/08-09	7,300,000	3,104,965	1,538,027
Total	\$67,352,717	\$55,170,234	\$50,679,399

B. ESTIMATED REQUIRED RESERVES AS OF 11/30/09

Policy Period	Case Reserves as of 11/30/09	Estimated IBNR as of 11/30/09	Estimated Required Reserves as of 11/30/09
12/15/95-96	\$ 247	\$ 0	\$ 247
12/1/96-97	58,253	2,945	61,198
12/1/97-98	54,518	53,998	108,516
12/1/98-99	41,734	29,103	70,837
12/1/99-00	87,375	84,442	171,817
12/1/00-01	(19,011)	147,860	128,849
12/1/01-02	206,495	171,343	377,838
12/1/02-03	191,013	368,008	559,021
12/1/03-04	145,520	471,258	616,778
12/1/04-05	110,923	729,525	840,448
12/1/05-06	431,163	1,286,932	1,718,095
12/1/06-07	818,381	2,078,050	2,896,431
12/1/07-08	797,286	2,563,984	3,361,270
12/1/08-09	1,566,938	4,195,035	5,761,973
Total	\$4,490,835	\$12,182,483	\$16,673,318

Appendix C, Exhibit III

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

RECOVERABLE ESTIMATED REQUIRED RESERVES AS OF 11/30/09

A. LOSS SUMMARY

<u>Policy Period</u>	<u>Estimated Ultimate Incurred Losses</u>	<u>Incurred Losses as of 11/30/09</u>	<u>Paid Losses as of of 11/30/09</u>
12/15/95-96	\$ 0	\$ 0	\$ 0
12/1/96-97	0	0	0
12/1/97-98	581,985	527,987	473,469
12/1/98-99	1,000,747	971,644	929,910
12/1/99-00	52,682	51,802	0
12/1/00-01	0	0	0
12/1/01-02	0	0	0
12/1/02-03	0	0	0
12/1/03-04	0	0	0
12/1/04-05	0	0	0
12/1/05-06	0	0	0
12/1/06-07	0	0	0
12/1/07-08	0	0	0
12/1/08-09	0	0	0
Total	\$1,635,414	\$1,551,433	\$1,403,379

B. RECOVERABLE ESTIMATED REQUIRED RESERVES AS OF 11/30/09

<u>Policy Period</u>	<u>Case Reserves as of 11/30/09</u>	<u>Estimated IBNR as of 11/30/09</u>	<u>Estimated Required Reserves as of 11/30/09</u>
12/15/95-96	\$ 0	\$ 0	\$ 0
12/1/96-97	0	0	0
12/1/97-98	54,518	53,998	108,516
12/1/98-99	41,734	29,103	70,837
12/1/99-00	51,802	880	52,682
12/1/00-01	0	0	0
12/1/01-02	0	0	0
12/1/02-03	0	0	0
12/1/03-04	0	0	0
12/1/04-05	0	0	0
12/1/05-06	0	0	0
12/1/06-07	0	0	0
12/1/07-08	0	0	0
12/1/08-09	0	0	0
Total	\$ 148,054	\$ 83,981	\$ 232,035

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

RECOVERABLE ESTIMATED REQUIRED RESERVES AS OF 11/30/09

C. RECOVERABLE CASE RESERVES

<u>Policy Period</u>	<u>Case Reserves as of 11/30/09</u>	<u>Specific Recoverable</u>	<u>Aggregate Recoverable</u>
12/15/95-96	\$ 0	\$ 0	\$ 0
12/1/96-97	0	0	0
12/1/97-98	54,518	112,528	(58,010) ^
12/1/98-99	41,734	0	41,734
12/1/99-00	51,802	51,802	0
12/1/00-01	0	0	0
12/1/01-02	0	0	0
12/1/02-03	0	0	0
12/1/03-04	0	0	0
12/1/04-05	0	0	0
12/1/05-06	0	0	0
12/1/06-07	0	0	0
12/1/07-08	0	0	0
12/1/08-09	0	0	0
Total	\$ 148,054	\$ 164,330	(\$ 16,276)

D. RECOVERABLE IBNR

<u>Policy Period</u>	<u>Estimated IBNR as of 11/30/09</u>	<u>Specific Recoverable</u>	<u>Aggregate Recoverable</u>
12/15/95-96	\$ 0	\$ 0	\$ 0
12/1/96-97	0	0	0
12/1/97-98	53,998	3,448	50,550
12/1/98-99	29,103	1,366	27,737
12/1/99-00	880	880	0
12/1/00-01	0	0	0
12/1/01-02	0	0	0
12/1/02-03	0	0	0
12/1/03-04	0	0	0
12/1/04-05	0	0	0
12/1/05-06	0	0	0
12/1/06-07	0	0	0
12/1/07-08	0	0	0
12/1/08-09	0	0	0
Total	\$ 83,981	\$ 5,694	\$ 78,287

^ Negative reserves due to anticipated recoveries.

COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN

APPENDIX D

ESTIMATED ULAE AND ASSESSMENT RESERVES

RECEIVED
WORKERS' COMPENSATION
MAR 31 2010

Appendix D, Exhibit I

**COMMUNITY RESIDENCE INSURANCE SAVINGS PLAN
WORKERS COMPENSATION**

ESTIMATED MEDICAL, INDEMNITY, ALAE, AND ULAE RESERVES

A. ESTIMATED MEDICAL, INDEMNITY, AND ALAE RESERVES

Policy Period	Limited Estimated Required Reserves as of 11/30/09	Estimated Medical Reserves 43%~	Estimated Indemnity Reserves 45%~	Estimated ALAE Reserves 12%~
12/15/95-96	\$ 247	\$ 106	\$ 111	\$ 30
12/1/96-97	61,198	26,315	27,539	7,344
12/1/97-98	0	0	0	0
12/1/98-99	0	0	0	0
12/1/99-00	119,135	51,228	53,611	14,296
12/1/00-01	128,849	55,405	57,982	15,462
12/1/01-02	377,838	162,470	170,027	45,341
12/1/02-03	559,021	240,379	251,559	67,083
12/1/03-04	616,778	265,215	277,550	74,013
12/1/04-05	840,448	361,393	378,202	100,854
12/1/05-06	1,718,095	738,781	773,143	206,171
12/1/06-07	2,896,431	1,245,465	1,303,394	347,572
12/1/07-08	3,361,270	1,445,346	1,512,572	403,352
12/1/08-09	5,761,973	2,477,648	2,592,888	691,437
Total	\$16,441,283	\$ 7,069,751	\$ 7,398,578	\$1,972,955

B. ESTIMATED ULAE RESERVE

Reserve	Estimated Reserve as of 11/30/09#	Estimated ULAE Ratio~	Estimated ULAE Reserve
Case	\$ 4,490,835	0.050	\$ 224,542
Estimated IBNR	12,182,483	0.050	609,124
Total	\$16,673,318		\$ 833,666

~ Selected judgmentally.

Based on unlimited losses.

RECEIVED
WORKERS' COMPENSATION
MAR 31 2010

SELF INSURANCE OFFICE

RECEIVED
WORKERS' COMPENSATION

MAR 31 2010

SELF INSURANCE OFFICE