

# **MVRMA**

**Miami Valley Risk Management Association**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT YEAR ENDED DECEMBER 31, 2005**

**Serving the Cities of Southwest Ohio since 1988  
Headquartered in Kettering, Ohio**





**Auditor of State  
Betty Montgomery**

Board of Trustees  
Miami Valley Risk Management Association  
4625 Presidential Way  
Kettering, Ohio 45429

We have reviewed the *Independent Auditors' Report* of the Miami Valley Risk Management Association, Montgomery County, prepared by Clark, Schaefer, Hackett & Co. for the audit period January 1, 2005 through December 31, 2005. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Miami Valley Risk Management Association is responsible for compliance with these laws and regulations.

A handwritten signature in cursive script that reads "Betty Montgomery".

BETTY MONTGOMERY  
Auditor of State

July 24, 2006

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**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**

Headquartered in Kettering, Ohio

**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

Year Ended December 31, 2005

Published June 24, 2006

Prepared by:

Kathy St. Pierre, Administrative Assistant

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MIAMI VALLEY RISK MANAGEMENT ASSOCIATION  
Year Ended December 31, 2005

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June 24, 2006

Ms. Sue Knight, MVRMA President & the Board of Trustees  
of the MIAMI VALLEY RISK MANAGEMENT ASSOCIATION

Re: MVRMA CAFR for the Period Ended December 31, 2005

Dear MVRMA President and Members of the MVRMA Board of Trustees:

The Comprehensive Annual Financial Report of the Miami Valley Risk Management Association for the year ended December 31, 2005 is submitted herewith.

The preparation of this report reflects the efforts of the MVRMA Administrative Assistant under the general direction of the MVRMA Executive Director and Board of Trustees. The purpose of this report is to provide complete and reliable information as a basis for making management decisions, as a means for determining compliance with legal requirements, as a means for determining funding adequacy including funding for losses and loss adjustment expense reserves and as a means for demonstrating responsible stewardship over the assets contributed by MVRMA's member cities.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Clark, Schaefer, Hackett & Co., Certified Public Accountants, have issued an unqualified ("clean") opinion on MVRMA's financial statements for the year ended December 31, 2005. The independent auditor's report is included at the front of the Financial Section, which immediately follows the Introductory Section of this report. The financial statements for the year ended December 31, 2004 were audited by Deloitte & Touche LLP.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Following the Introductory and Financial sections of the Comprehensive Annual Financial Report are the Actuarial and Statistical sections. The Actuarial Section includes the independent actuary's opinion on the

unpaid loss and loss adjustment expense reserves, including incurred but not reported (IBNR) claims and related exhibits. The Statistical Section includes selected demographic, financial and loss information presented over the period of MVRMA's existence.

### **Profile of the Reporting Entity**

MVRMA is a consortium of municipalities located in southwest Ohio which formed an Association under Section 2744.081 of the Ohio Revised Code (ORC) to act collectively in addressing its members' risk management and risk financing needs. It was incorporated on December 1, 1988, with six (6) charter members, including the cities of Beavercreek, Kettering, Miamisburg, Vandalia, West Carrollton and Wilmington. As of December 31, 2005, MVRMA had grown to twenty (20) members, with Troy joining in 1989, Montgomery joining in 1990, Springdale joining in 1991, Blue Ash and Wyoming joining in 1992, Indian Hill and Sidney joining in 1993, Madeira joining in 1994, Tipp City joining in 1996, Mason joining in 1997, Piqua joining in 2002 and the Cities of Englewood, Bellbrook and Centerville joining in 2004. The Association provides a combination of self-insurance, insurance and reinsurance for its members' property/casualty exposures; provides a companion workers' compensation group rating program for qualified members; administers a claims/litigation management program; provides extensive safety/loss control consulting and training; and acts as a clearing house for risk-related information and financial reporting services for its members.

MVRMA management, under the direction of the Board of Trustees' Finance Committee, annually prepares a budget to provide for operating expenses and loss funding for the upcoming year. All loss funds are segregated by loss year, and claims are paid from the funds collected for the corresponding occurrence date. Each year's loss funding contribution is determined by an actuarial study conducted by an independent actuary. Should any year's operating expenses or losses exceed that particular year's contributions, the Board of Trustees may call for supplementary payments from members, including withdrawn or expelled members, for the years of their membership.

### **Economic Condition and Outlook**

MVRMA members are generally situated along the "I-75 Corridor" in the southwest quadrant of the state of Ohio. With core cities of Cincinnati and Dayton, the area is considered a diversified industrial metropolitan area. From 2000 until 2003, the unemployment rate for the entire region was on par or better than the national average. However, in 2003, the area in and around Dayton began experiencing a downturn in employment, and rates hovered around 6.2% for the next three years. The Cincinnati metropolitan area continued on par or better than the national average until 2005, when, for the first time since 1984, its jobless percentage (5.4%) exceeded the national rate.

The Dayton regional economy has a strong foundation built on manufacturing, aerospace, transportation and information industries. There is also a large educational services and healthcare workforce. Unfortunately, local manufacturing has fallen on hard times. Because of cost cutting measures by General Motors, the area will lose approximately 1,100 workers when the local Moraine plant closes its third shift. Another 5,700 jobs are at risk because of Delphi Corporation's Chapter 11 bankruptcy filing. Other companies that will be contributing to unemployment in the area are MeadWestvaco, which is moving its headquarters to Virginia (500 jobs) and the UPS hub, which will close in 2006, causing the loss of 1,400 jobs. On a more positive note, Wright-Patterson Air Force Base, the largest employer in the area, will remain open and is expected to add an additional 2,000 jobs. Relizon, recently purchased by Workflow Management Inc., currently employs approximately 450 local workers and may add another 150+ positions. The area is supported by many government contractors in research and technology. The Boeing Co., Lockheed Martin Corp. and IBM are some of the businesses coming to the area to work on research and development projects. The Dayton region is also a leader in information technology. NCR, Lexis-Nexis and Reynolds & Reynolds maintain world headquarters here. The healthcare workforce will



increase in 2007 with the completion of Miami Valley Hospital's \$80 million emergency and outpatient center in Centerville, and with the \$28 million gift to Wright State University's medical school, expansion is likely. Educational opportunities abound, with 26 institutions of higher learning, including law and medical schools, within a 35 mile radius of Dayton. Overall, local companies, which are traded publicly and headquartered in Dayton, experienced positive results in 2005, with nine of fifteen ending the year with a higher stock price. While new home construction declined in 2005, sales of existing homes rose 12%. Because interest rates are rising, and the area has a record high 70% homeownership, both new and existing home sales are expected to slow in 2006. Attracted to the stability of the Midwest real estate market, several outside investors have made sizable commercial real estate commitments in the region. Dayton's largest office building, the 30-story Kettering Tower, was purchased for \$21 million. American Honda Motor Co. bought land for a new distribution hub in Troy, and a Houston-based group paid \$36 million for four Dayton-area apartment complexes.

The Cincinnati area's diversified economy, competitive cost structure, skilled workforce, international airport and easy access to national and regional markets continue to provide a strong foundation for future growth. Unfortunately, manufacturing, which is still the number one component of the regional economy, continues to decline. In order to remain competitive in the global marketplace, manufacturing enterprises are learning to produce more with fewer people. Diversification is becoming a key factor in local employment. Procter & Gamble has lead the way for the chemicals and plastics industry. The local employment base provides support for more than 200 different companies in this segment. A positive aspect of this region is its transportation network. Access to foreign markets through the airport and having major firms such as Toyota's North American Manufacturing Headquarters located here have attracted other businesses to the area, especially in the auto parts industry. Ten Fortune 500 companies, including The Kroger Co., The Procter & Gamble Co., Federated Dept. Stores Inc. and Fifth Third Bankcorp, are located in this region. In addition to Cincinnati's heavy reliance on declining manufacturing, a sluggish population growth and the exodus of young college graduates are also contributing to the loss of thousands of jobs at major employers like Delta and the Ford Motor Co. The bankruptcy of Delta and the announced layoffs of up to 1,000 employees could impact an additional 2,300 jobs spread across the economy, according to one local economist. The closing of the Ford transmission plant in 2008 will cost the area another 1,745 jobs. Currently, commercial construction activity is flat except in food service, retail stores, educational facilities and health services. Future growth will be determined by population migration trends and the expansion of the economy. As in the Dayton area, outside real estate investors favor purchases in Cincinnati. Unlike the East and West coasts, this region has had no drastic rise in property values. With regard to the housing market, greater Cincinnati just completed its sixth consecutive record year for homes sold, 26,534 and total sales value of \$4.75 billion. But, in the fourth quarter last year, sales of existing homes began tapering off, and new home construction is expected to decline further because of the uncertain economy and the high unemployment rate. Even with the loss of thousands of manufacturing jobs, bankruptcy of Delta and low population growth, economists are optimistic the region will rebound. Because of its low cost of business, its world class international airport, an above average number of college graduates and recent expansions at many local businesses, including Basco Manufacturing Co., Sam Adams, Luxottica Group, Citigroup and Sara Lee (distribution center), the area is poised for a return to a more prosperous economy.

### Reinsurance Market Outlook

As of January 1, 2006, the reinsurance market is divided into two sectors, property and liability. Property reinsurers, reacting to 2005 windstorm and flood losses, have had dramatic decreases in capacity with the overall effect being a hardening trend which should continue through 2006. The hardening is especially concentrated in a group of reinsurers and carriers that have specialized in excess property limits and catastrophic perils. The hardening is also being influenced by rating agencies and their questioning of the reliability of property rating models. Until models are updated and revalidated, it's anticipated the capacity

approach from these carriers will be very conservative. For the liability market, two new carriers have emerged in the public entity marketplace since the beginning of the year, one with \$10 million in capacity. This emergence of new carriers would seem to signal a slight softening of this market, and it is anticipated this trend will continue through 2006.

### **Long-term Financial Planning**

In 1996, as the cost of stop loss insurance escalated, MVRMA's Shock Loss Fund (SLF) was established. The Board of Trustees determined it would be wiser to invest their funds in an internal funding mechanism than to purchase stop loss insurance. The SLF has a moving target equivalent to the current year's annual loss fund. Contributions to the SLF are recorded with separate accounting designed to preserve each member municipality's percentage ownership. Special assessments, which qualify for payment from this fund, are determined by a majority vote of the MVRMA Board of Trustees.

Effective for 2003, MVRMA increased its liability self-insured retention (SIR) from \$500,000 to \$1,000,000 and became an associate member of the insurance captive Government Entities Mutual (GEM). These decisions were a direct result of the projected increase in commercial liability premiums. Although increasing the SIR required an increase in loss funding, the Board agreed banking additional funds was preferable to spending more on premiums. Participating in GEM allowed MVRMA to distance itself somewhat from the commercial liability insurance market and the projected increase in premiums. Subsequently, MVRMA became a founding member of GEM by making a capital contribution of \$500,000. In 2005, MVRMA made an additional capital contribution of \$250,000. For loss year 18, 2006, GEM totally reinsures MVRMA for liability coverage \$9 million excess MVRMA's \$1 million SIR.

In 2003, MVRMA recognized the need for more expertise with regard to investments. After a great deal of scrutiny by staff and the Finance Committee, the Board approved an agreement with Bond-Tech to manage MVRMA's investments. The initial investment target of \$3 million has been increased twice to its current maximum of \$8 million, effective in 2006.

Having added three new members the previous year, in 2005, the membership questioned the feasibility of further growth. To determine the impact of adding new members, a consultant was selected to prepare a business growth plan, which was presented to the Board in March 2006. The plan addressed the economics of adding new members, including a group of cities in the Columbus area.

### **Relevant Financial Policies**

The Amended Agreement and Bylaws of MVRMA provide the fiscal requirements of the association including: requiring approval of the preliminary budget by September 30 each year and the final budget by December 31; identifying the underwriting information used to establish each member's pool contribution factor; and defining when supplementary payments shall be required and when and how surplus funds may be distributed to the membership.

MVRMA adopted its Cash and Investment Policy in 1991 to indicate a conscious, formal effort to develop, implement and monitor the investment of all MVRMA funds. It has been reviewed regularly and was last amended in 2003. The policy permits MVRMA to invest in the type of securities described in the Ohio Revised Code or permitted by the Ohio Uniform Depository Act.

### **Major MVRMA Initiatives During 2005**

The fiscal period ending December 31, 2005, was a busy and productive year for MVRMA. Among the Association's achievements were the following:

- GFOA Award for Excellence in Financial Reporting: The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Miami Valley Risk Management Association for its comprehensive annual financial report for the fiscal year ended December 31, 2004.
- Additional Capital Contribution to GEM: MVRMA reaffirmed its commitment to GEM, the insurance captive that provides MVRMA's liability coverage, by making an additional \$250,000 capital contribution.
- Certification of Driver Trainers: MVRMA reaffirmed its commitment to the driver training program by recertifying ten current trainers and certifying seven new instructors.
- Completion of an Analysis of Losses: In 2005, staff completed an analysis of each member's losses by type of loss, departments where losses were occurring and frequency of losses. Site visits were conducted with the five members whose loss to premium ratio exceeded the industry standard of 60%.
- Completion of the RFP process for financial auditing services through the Auditor of State's Office: As now required, MVRMA conducted its first RFP for financial auditing services through the Auditor of State's Office.
- Approval of the Agreement with Driver Alliant Insurance Services to provide Brokerage Services: The MVRMA Board agreed not to renew its agreement for brokerage services with Marsh and instead approved Driver Alliant Insurance Services as its broker of record.
- Increase in the Investment Target for Bond-Tech: Having reviewed the 2004 results of MVRMA's investment consultant Bond-Tech, the Board increased the investment target from \$3 million to \$5 million in March and to a maximum \$8 million in December 2005.
- Strategic Planning Retreat: The Board of Trustees met in May 2005 as part of a comprehensive strategic planning process. This process resulted in the development of the 2006 work plan, establishing the basis for MVRMA's 2006 budget.
- Business Growth Study: In December 2005, the Board contracted for a business growth study to determine the economic impact of increasing membership.
- Formation of the 2005 Workers Compensation Group Rating Program: During August, 2005 ten member cities made re-application to the Ohio Bureau of Workers' Compensation to form a Workers' Compensation Group Rating Program for 2006. The 2005 Group Rating Program resulted in savings of \$548,442 for its participants.
- Development of the Records Retention and Disposition Policy: MVRMA had not disposed of any documents since its inception in 1988. In March 2005, MVRMA adopted a Record Retention and Disposition Policy, which must comply with the applicable provisions of State Law governing political subdivisions and the applicable rules and regulations established by the Ohio Historical Society. MVRMA had its first disposal of records December 1, 2005.
- An Amended Safety Performance Evaluation Checklist (SPEC) Program: The SPEC program was amended, effective in 2007, to require an improvement plan (which includes quarterly loss control

visits from MVRMA) for a period of two years if the member has a loss to premium ratio exceeding 60% and an average SPEC compliance for the last three years that is less than 80%.

**Awards and Acknowledgements**


The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to MVRMA for its comprehensive annual financial report for the fiscal year ended December 31, 2004. This was the thirteenth consecutive year that MVRMA has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

MVRMA was awarded AGRIP (Association of Governmental Risk Pools) Recognition for being in general compliance with AGRIP's Advisory Standards for public entity pools. This recognition is effective for three years beginning May 1, 2004. MVRMA has held this recognition continuously since 1994, when it was conferred by PRIMA's Pooling Section, which later became AGRIP.

I would like to express my appreciation for the help and assistance provided by other members of the MVRMA Staff, the MVRMA Board of Trustees and Alternate Trustees, the various Board Committee Chairpersons and Committee Members, and each employee of our member Cities for their dedication to the principles of risk management, loss control and governmental pooling.

Submitted by:  
MIAMI VALLEY RISK MANAGEMENT ASSOCIATION

  
\_\_\_\_\_  
Kathy St. Pierre, MVRMA Administrative Assistant

MIAMI VALLEY RISK MANAGEMENT ASSOCIATION

MEMBERS OF THE BOARD OF TRUSTEES

As of

December 31, 2005

<u>Member City</u>	<u>Trustee</u>	<u>Alternate</u>
Beavercreek	Terry Klein	Jack Haney
Bellbrook	David A. Helling	Kimberly A. Poorman
Blue Ash	James Pfeffer	Sherry Poppe
Centerville	Mark Schlagheck	Gregory Horn
Englewood	Eric A. Smith	Janine Cooper
Indian Hill	Michael W. Burns	David M. Couch
Kettering	Nancy Gregory	Estelle Gibson
Madeira	Thomas Moeller	Kimberly Lapensee
Mason	Eric Hansen	Bruce Snell
Miamisburg	John Weithofer	Doris Bruck
Montgomery	Wayne Davis	Cheryl Hilvert
Piqua	Gary Lucas	Elaine G. Barton
Sidney	Thomas Judy	Ginger Adams
Springdale	Derrick Parham	Cecil Osborn
Tipp City	Richard Drennen	David A. Collinsworth
Troy	David Anderson	Sue Knight
Vandalia	Julie Trick	Lori R. Koch
West Carrollton	Thomas Reilly	G. Tracy Williams
Wilmington	Laura A. Curliss	Mary Kay McMillan
Wyoming	Robert W. Harrison	Jenny Chavarria

MIAMI VALLEY RISK MANAGEMENT ASSOCIATION

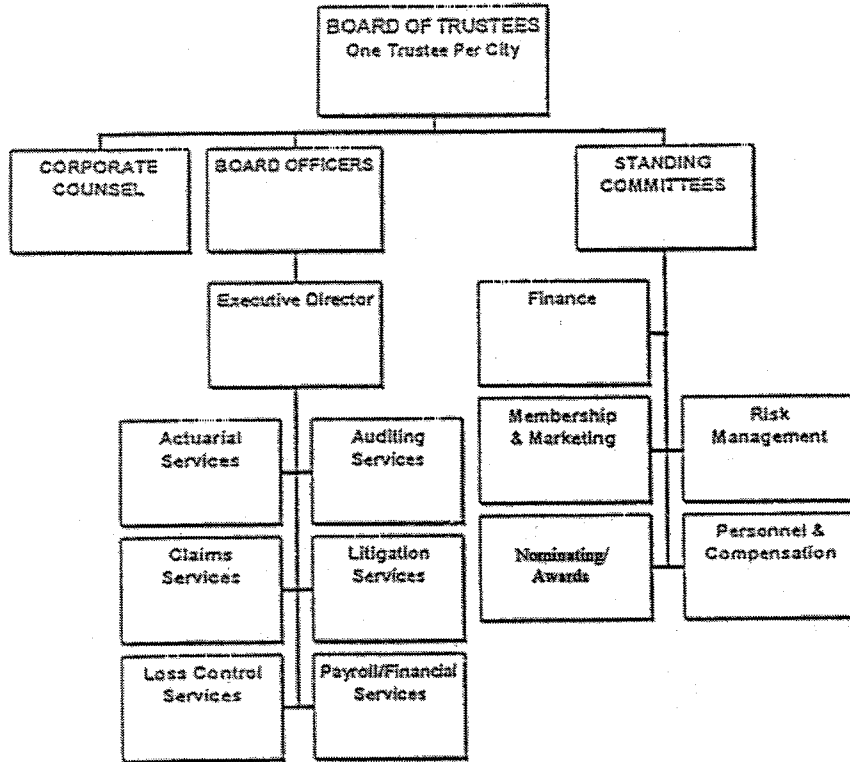
OFFICERS OF THE MVRMA BOARD OF TRUSTEES

January 1, 2005 through December 31, 2005

<u>Board Officer</u>	<u>Board Member</u>	<u>City</u>
MVRMA President	Thomas Judy through 9/19/05 Board Meeting Sue Knight assumed position at 12/19/05 Board Meeting	Sidney Troy
MVRMA Vice-President	Sue Knight	Troy
MVRMA Treasurer	Thomas Reilly	West Carrollton
MVRMA Secretary	Julie Trick	Vandalia

# MIAMI VALLEY RISK MANAGEMENT ASSOCIATION

## Organization Chart



### 2005 MVRMA Membership

December 31, 2005

Beavercreek	Montgomery
Bellbrook	Piqua
Blue Ash	Sidney
Centerville	Springdale
Englewood	Tipp City
Indian Hill	Troy
Kettering	Vandalia
Madeira	West Carrollton
Mason	Wilmington
Miamisburg	Wyoming

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Miami Valley  
Risk Management Association,  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2004

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Carla E. Perry*

President

*Jeffrey R. Emer*

Executive Director



Clark, Schaefer, Hackett & Co.  
CERTIFIED PUBLIC ACCOUNTANTS  
BUSINESS CONSULTANTS

Independent Auditors' Report

Board of Trustees  
Miami Valley Risk Management Association  
Kettering, Ohio

We have audited the accompanying financial statements of the Miami Valley Risk Management Association (the Association), as of and for the year ended December 31, 2005, which collectively comprise the Association's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the Association as of December 31, 2004, were audited by other auditors whose report dated June 10, 2005, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Association, as of December 31, 2005, and the respective changes in financial position and cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 2 of the notes to the financial statements, the Association has implemented for the year ended December 31, 2005, Governmental Accounting Standards Board Statement No. 40, *Deposit and Investment Risk Disclosures*.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 10, 2006 on our consideration of the Association's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered on assessing the results of our audit.

The Management's Discussion and Analysis on pages 13 – 17 and claim information on pages 35 – 37 are not required parts of the basic financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of

Clark, Schaefer, Hackett & Co.  
CERTIFIED PUBLIC ACCOUNTANTS  
BUSINESS CONSULTANTS

measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Association's basic financial statements. The introductory section on pages 1 – 10, the actuary report on pages 39 – 165 and the statistical data on pages 167 – 194 are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the Association. Such additional information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

*Clark, Schaefer, Hackett & Co.*

Springfield, Ohio  
May 10, 2006

## MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.

Management's Discussion And Analysis  
For The Years Ended December 31, 2005 And 2004

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The management of the Miami Valley Risk Management Association (MVRMA or Association) provides the following introduction, overview and analysis of MVRMA's financial statements for the years ended December 31, 2005 and December 31, 2004. This discussion and analysis is designed to assist the reader in focusing on significant financial issues and activities and to identify any significant changes in financial position. We encourage the reader to consider the information presented here in conjunction with the basic financial statements taken as a whole.

### **The Association**

MVRMA is a consortium of municipalities located in southwest Ohio, which formed an Association under Section 2744.081 of the Ohio Revised Code (ORC) to act collectively in addressing its members' risk management and risk financing needs. It became operational in December 1988 with six charter members and now has twenty members.

### **Basic Financial Statements and Presentation**

Effective January 1, 2004, MVRMA implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments.

The financial statements presented by the Association are the Statement of Net Assets, the Statement of Revenues, Expenses and Changes in Net Assets, and the Statements of Cash Flows. These statements are presented using the accrual basis of accounting. Revenues are recognized when earned and measurable, not when received. Expenses are recognized when they are incurred, not when paid. Capital assets are capitalized and depreciated over their estimated useful lives. The Association is structured with one enterprise fund.

### **The Statement of Net Assets**

The Statement of Net Assets presents information on all of the Association's assets and liabilities. Assets consist mainly of cash and investments. Liabilities consist mainly of claims reserves and members' refunds.

Claims reserves are liabilities carried for net unpaid losses and loss adjustment expenses. They are established annually with the assistance of an outside actuary based on statistical models. In 2005, claims reserves decreased \$134,386 or 2.86% because prior years matured favorably. In 2004, claims reserves increased 27.15% or \$1,001,999. This escalation was due mainly to the increase in the liability of self-insured retention (SIR) during the last two years, from \$500,000 in 2002 to \$1 million in 2003 and 2004, and the addition of three new members.

For 2005, members' refunds are the funds being held in MVRMA's General Reserve Fund (GRF). For 2004, members' refunds are the total of funds in MVRMA's GRF and closed loss year 12 (2000). The General Reserve Fund was established with surplus loss funds from closed loss years. Its accounting is designed to preserve each member's percentage ownership. Funds are available to be paid to members upon request. The funds in closed loss year 12 were used to

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**Management's Discussion And Analysis  
For The Years Ended December 31, 2005 And 2004

make an additional surplus contribution to the Government Entities Mutual, Inc. (GEM), a captive insurance company that reinsures MVRMA and other public entity risk pools.

Net assets are divided into two categories, invested in capital assets and unrestricted. The net assets invested in capital assets represent the net book value of property and equipment, while the remaining net asset amount is unrestricted for future use by the Association. Net assets, which decreased .07% or \$1,655 from 2003 to 2004, are used to self-insure certain levels of risk. Net assets increased \$2,029,929 or 83 percent from 2004 to 2005.

**Net Assets**

	<u>2005</u>	<u>2004</u>	<u>2003</u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ 4,569,319	\$ 5,703,365	\$ 4,713,988
Accounts receivable:			
Claims deductibles	64,753	44,786	49,147
Interest and other	33,607	35,894	37,746
Prepaid Expenses	124,700	7,965	7,152
<b>NONCURRENT ASSETS</b>			
Investments	5,714,456	3,002,580	2,633,493
Property and Equipment less depreciation	<u>19,278</u>	<u>24,215</u>	<u>21,408</u>
Total assets	<u>10,526,113</u>	<u>8,818,805</u>	<u>7,462,934</u>
<b>CURRENT LIABILITIES</b>			
Claims reserve	4,558,196	4,692,582	3,690,583
Members' refunds	1,348,854	1,604,466	1,179,659
Members' credits	111,749	49,999	86,001
Accounts payable and accrued liabilities	31,469	25,842	30,125
Notes Payable	-	-	28,995
Total current liabilities	<u>6,050,268</u>	<u>6,372,889</u>	<u>5,015,363</u>
<b>TOTAL NET ASSETS</b>			
Invested in capital assets	19,278	24,215	21,408
Unrestricted	<u>4,456,567</u>	<u>2,421,701</u>	<u>2,426,163</u>
Total net assets	<u>\$ 4,475,845</u>	<u>\$ 2,445,916</u>	<u>\$ 2,447,571</u>

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**

Management's Discussion And Analysis  
For The Years Ended December 31, 2005 And 2004

**% of Claims Reserves by Line of Business**

As of December 31,

<b>Line of Business</b>	<b>2005</b>	<b>2004</b>
Auto Liability	36.411%	25.242%
General Liability	47.577%	54.055%
Property	16.012%	20.703%

**The Statements of Revenues, Expenses and Changes in Net Assets**

The Statement of Revenues, Expenses and Changes in Net Assets present information showing how the Association's net assets changed during the year. As noted previously, MVRMA's net assets decreased slightly (.07%) from 2003 to 2004 and increased 83% from 2004 to 2005.

Member contributions make up 90% of the Association's total revenue for 2005. Total operating revenues increased 9.18% from 2004 to 2005. The increase was the result of a \$250,000 capital contribution to GEM. Total operating revenues decreased 8.84% or \$363,764 from 2003 to 2004. This decrease was due in large part to member contributions which decreased 7.73% or \$299,234 in 2004. However, in 2003, member contributions included a \$500,000 capital contribution to GEM. Otherwise, member contributions in 2004 would have increased 5.95% or \$200,655, attributable, in large part, to the addition of three new members.

Members' contributions are tracked so that each year may be evaluated independently. When preparing its annual budget, MVRMA determines the total amount needed to fund its operations and collects the amount needed from members in proportion to the risk they bring to the pool. Each member's allocation is determined by the sum of its percentages for each of the following pool categories divided by the number of factors considered: population as of most recent census, number of sworn full-time police, number of other full-time employees, number of titled vehicles, insurable property values, net operating expenses, and average annual adjusted losses for the last four years (weighted three times).

$$\frac{\% \text{ Population} + \% \text{ FT Police} + \% \text{ FT Other} + \% \text{ Vehicles} + \% \text{ IPV} + \% \text{ NOE} + (3 \times \% \text{ AAAL})}{9}$$

9

Claims deductibles are the members' share of claims. Members pay the first \$2,500 for each claim and are billed quarterly for this expense. This figure will fluctuate from year to year depending on the number and severity of claims. Claims deductibles decreased 24.97% or \$57,630 from 2003 to 2004 while increasing \$41,701 or 24.08% from 2004 to 2005.

Total operating expenses decreased 41% or \$1,615,420 from 2004 to 2005. In 2005, the Association did not close any loss years which decreased operating expenses \$689,818. Also incurred claims and claim adjustment expenses decreased \$779,480 as a result of lower claim amounts during 2005. Total operating expenses decreased 7.26% or \$304,746 from 2003 to 2004. Although various expense items decreased or increased from one year to the next, the

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**

Management's Discussion And Analysis

For The Years Ended December 31, 2005 And 2004

biggest change occurred in closed loss year refunds which decreased 34.57% or \$364,407 from 2003 to 2004. It should be noted that in 2004, \$250,000 from the closure of loss year 12 (2000) is not reflected in the refund total because, as previously mentioned, it was held and contributed to GEM during 2005.

Interest income will fluctuate from year to year depending on the rate of return and amount invested. In 2005, MVRMA's average weighted yield for all deposits was 3.35%. In 2004, MVRMA's average weighted yield for all deposits was 1.72%.

	<u>2005</u>	<u>2004</u>	<u>2003</u>
REVENUES:			
Operating revenues:			
Members' contributions	\$ 3,878,229	\$ 3,571,708	\$ 3,871,053
Claims deductibles	214,846	173,145	230,775
Other	4,821	8,511	15,300
Total operating revenues	<u>4,097,896</u>	<u>3,753,364</u>	<u>4,117,128</u>
Non-operating revenues:			
Interest Income	<u>210,038</u>	<u>138,406</u>	<u>99,018</u>
Total revenues	<u>4,307,934</u>	<u>3,891,770</u>	<u>4,216,146</u>
EXPENSES:			
Claim expenses:			
Incurred claims and claim adjustment expenses	947,024	1,726,504	1,736,813
Reinsurance/insurance premiums	763,651	922,317	899,070
Closed loss year refunds	<u>-</u>	<u>689,818</u>	<u>1,054,225</u>
Total claim expenses	1,710,675	3,338,639	3,690,108
Total general and administrative expenses	<u>567,330</u>	<u>554,786</u>	<u>508,063</u>
Total operating expenses	<u>2,278,005</u>	<u>3,893,425</u>	<u>4,198,171</u>
Increase (decrease) in net assets	2,029,929	(1,655)	17,975
Net assets beginning of year	<u>2,445,916</u>	<u>2,447,571</u>	<u>2,429,596</u>
Net assets end of year	<u>\$ 4,475,845</u>	<u>\$ 2,445,916</u>	<u>\$ 2,447,571</u>

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**

Management's Discussion And Analysis  
For The Years Ended December 31, 2005 And 2004

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**The Statement of Cash Flows**

The Statement of Cash Flows allows readers of the financial statements to assess the Association's adequacy or ability to generate sufficient cash flow to meet its obligations in a timely manner. MVRMA's net cash and cash equivalents decreased 19.88% in 2005. MVRMA's net cash and cash equivalents increased 20.99% in 2004.

	<u>2005</u>	<u>2004</u>	<u>2003</u>
Cash flows from operating activities	\$1,329,891	\$1,260,591	\$716,948
Cash flows from capital and related financing activities	(5,556)	(42,385)	22,473
Cash flows from investing activities	<u>(2,458,381)</u>	<u>(228,829)</u>	<u>(1,424,048)</u>
Net change in cash and cash equivalents	(1,134,046)	989,377	(684,627)
Cash and Cash Equivalents - Beginning of year	<u>5,703,365</u>	<u>4,713,988</u>	<u>5,398,615</u>
Cash and Cash Equivalents - End of year	<u><u>\$4,569,319</u></u>	<u><u>\$5,703,365</u></u>	<u><u>\$4,713,988</u></u>

**2005 Projects and Future Plans**

One of the biggest challenges facing MVRMA in the future is related to the uncertainty in the commercial insurance market. During a hard market, it is increasingly more difficult to place the coverage needed at an affordable price. In an attempt to distance itself somewhat from the commercial liability insurance market, MVRMA became a founding member of GEM in 2003. In the future, GEM has the potential to offer additional liability limits as well as property coverage, which effectively allows MVRMA, as a capital contributor, to invest in itself while further distancing itself from the commercial insurance market.

**Contacting MVRMA**

This financial report is designed to provide members, creditors and investors with a general overview of MVRMA's finances and to show MVRMA's accountability for the monies it receives. If you have any questions about this report or need additional information, contact Kathy St. Pierre by writing 4625 Presidential Way, Kettering, OH 45429 or calling (937) 438-8878.

MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.

Statements of Net Assets  
December 31, 2005 and 2004

	<u>2005</u>	<u>2004</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 4,569,319	5,703,365
Accounts receivable:		
Claims deductibles	64,753	44,786
Interest and other	33,607	35,894
Prepaid Items	<u>124,700</u>	<u>7,965</u>
Total current assets	4,792,379	5,792,010
<b>NONCURRENT ASSETS:</b>		
Investments	<u>5,714,456</u>	<u>3,002,580</u>
<b>Capital assets:</b>		
Audio-visual material	46,022	42,590
Equipment	64,809	69,267
Office furniture	12,281	21,809
Leasehold improvements	<u>21,906</u>	<u>12,281</u>
Total capital assets	145,018	145,947
Accumulated depreciation	<u>(125,740)</u>	<u>(121,732)</u>
Capital assets - net	<u>19,278</u>	<u>24,215</u>
Total noncurrent assets	<u>5,733,734</u>	<u>3,026,795</u>
Total Assets	\$ <u>10,526,113</u>	<u>8,818,805</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Claims reserve	\$ 4,558,196	4,692,582
Members' deposits	1,348,854	1,604,466
Members' credits	111,749	49,999
Accounts payable and accrued liabilities	<u>31,469</u>	<u>25,842</u>
Total liabilities	<u>6,050,268</u>	<u>6,372,889</u>
<b>NET ASSETS:</b>		
Invested in capital assets	19,278	24,215
Unrestricted	<u>4,456,567</u>	<u>2,421,701</u>
Total net assets	<u>4,475,845</u>	<u>2,445,916</u>
Total liabilities and net assets	\$ <u>10,526,113</u>	<u>8,818,805</u>

See notes to the basic financial statements.



**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**

Statements of Revenues and Expenses and Changes In Net Assets

For The Years Ended December 31, 2005 and 2004

	<u>2005</u>	<u>2004</u>
<b>OPERATING REVENUES:</b>		
Members' contributions	\$ 3,878,229	3,571,708
Claim deductibles	214,846	173,145
Other	<u>4,821</u>	<u>8,511</u>
Total operating revenues	4,097,896	3,753,364
<b>OPERATING EXPENSES:</b>		
Claim expenses:		
Incurred claims and claim adjustment expenses	947,024	1,726,504
Reinsurance/insurance premiums	763,651	922,317
Closed loss year refunds	<u>-</u>	<u>689,818</u>
Total claim expenses	1,710,675	3,338,639
General and administrative expenses:		
Professional fees	118,480	117,754
Salaries and benefits	347,661	326,001
Depreciation	10,493	10,583
Rent	42,884	40,938
Other	<u>47,812</u>	<u>59,510</u>
Total general and administrative fees	<u>567,330</u>	<u>554,786</u>
Total operating expenses	<u>2,278,005</u>	<u>3,893,425</u>
OPERATING INCOME (LOSS)	1,819,891	(140,061)
<b>NON-OPERATING REVENUE:</b>		
Interest income	<u>210,038</u>	<u>138,406</u>
CHANGE IN NET ASSETS	2,029,929	(1,655)
<b>NET ASSETS</b>		
Beginning of year	<u>2,445,916</u>	<u>2,447,571</u>
End of year	\$ <u>4,475,845</u>	<u>2,445,916</u>

See notes to the basic financial statements.

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**

## Statements of Cash Flows

For the Years Ended December 31, 2005 and 2004

	<u>2005</u>	<u>2004</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash received for contributions	\$ 3,939,979	3,535,706
Cash received for deductibles	194,879	177,506
Cash received to be reimbursed to members	97,663	46,700
Cash payments for claims	(1,466,910)	(724,505)
Cash payments for reinsurance premiums	(880,094)	(922,317)
Cash payments for closed loss year refunds	-	(311,711)
Cash payments for professional fees	(117,911)	(117,754)
Cash payments for employment expenses	(344,284)	(330,284)
Cash payments for rent	(42,887)	(40,938)
Cash payments for other expenses	<u>(50,544)</u>	<u>(51,812)</u>
Net cash provided by operating activities	<u>1,329,891</u>	<u>1,260,591</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Purchase of capital assets	(5,556)	(13,390)
Proceeds from issuance of (payments on) note payable	<u>-</u>	<u>(28,995)</u>
Net cash used in capital and related financing activities	<u>(5,556)</u>	<u>(42,385)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of investments	(2,743,831)	(369,087)
Interest and dividends on investments	<u>285,450</u>	<u>140,258</u>
Net cash used in investing activities	<u>(2,458,381)</u>	<u>(228,829)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(1,134,046)	989,377
<b>CASH AND CASH EQUIVALENTS:</b>		
Beginning of Year	<u>5,703,365</u>	<u>4,713,988</u>
End of Year	\$ <u>4,569,319</u>	<u>5,703,365</u>

(Continued)

See notes to the basic financial statements.

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**

Statements of Cash Flows (Continued)

For the Years Ended December 31, 2005 and 2004

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RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH  
PROVIDED BY OPERATING ACTIVITIES

Operating Income (Loss)	\$	1,819,891	(140,061)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:			
Depreciation		10,493	10,583
Change in operating assets and liabilities:			
Accounts receivable		(19,967)	4,361
Prepaid Items		(116,735)	(813)
Claims reserve		(134,386)	1,001,999
Accounts payable, accrued liabilities, members' credits and members' deposits		<u>(229,405)</u>	<u>384,522</u>
Net cash provided by operating activities	\$	<u>1,329,891</u>	<u>1,260,591</u>

NON-CASH INVESTING ACTIVITIES:

Miami Valley Risk Management Association, Inc. had a decrease  
in the fair value of investments in the amount \$31,955 during 2005.

(Concluded)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**

Notes to the Basic Financial Statements  
For The Years Ended December 31, 2005 And 2004

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**NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

Miami Valley Risk Management Association, Inc. (the “Association”) is an Ohio not-for-profit Corporation organized for the public purpose of enabling its member political subdivisions to obtain insurance coverage. It provides methods for paying claims, and provides a formalized, joint administered self-insurance pool. In addition to the self-insurance pool, the Association provides risk management services, loss prevention programs, and other educational programs and materials. The members of the Association include the following cities within the State of Ohio: Beavercreek, Bellbrook, Blue Ash, Centerville, Englewood, Kettering, Maderia, Mason, Miamisburg, Montgomery, Piqua, Sidney, Springdale, Tipp City, Troy, Vandalia, the Village of Indian Hill, West Carrollton, Wilmington and Wyoming.

***Basis of Accounting*** – The Association follows the accrual basis of accounting as required by enterprise funds and is not legally required to adopt a budget. All transactions are accounted for in a single enterprise fund. In accordance with Governmental Accounting Standards Board (“GASB”) Statement No. 20, *Accounting and Financial Reporting for Proprietary funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the Association has elected not to apply the provisions for the Statements and Interpretations of the Financial Accounting Standards Board issued after November 30, 1989. The Association will continue applying all applicable pronouncements issued by the GASB.

***Member and Supplemental Contributions*** – The Association has classified its revenues as either operating or non-operating. Non-operating revenue is the result of receipt of interest income. Member and supplemental contributions are recognized on the accrual basis and are recorded as revenue in the period earned. Member contributions are estimated and collected annually to produce a sum of money within the self-insurance pool adequate to fund administrative expenses and claims of the Associations and to create adequate reserves for claims and unallocated loss adjustment expenses.

Under the terms of membership, should annual member contributions not be sufficient to fund ultimate losses, establish adequate reserves and cover administrative expenses, the Board of Trustees may require supplemental contributions. Supplemental contributions may be assessed during the entire life of the Association and any later period when claims or expenses, which are attributable to any membership year during which the event or claim occurred, need to be paid. Upon approval of the Board of Trustees, transfers from the Shock Loss Fund (“SLF”) (see note 6) may occur, in lieu of supplemental contributions. There were no supplemental contributions in 2005 or 2004.

***Cash and cash equivalents*** consist of deposits with financial institutions, and a State of Ohio depository institution, having an original maturity of 90 days or less.

***Claims deductibles*** represent the first \$2,500 of any claim paid by the Association which is reimbursed by Association members.

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**

Notes to the Basic Financial Statements  
For The Years Ended December 31, 2005 And 2004

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**Investments** are stated at fair value. Realized gains and losses are determined on the identified cost basis. Unrealized gain/(losses) are included in interest and other income.

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for at year-end.

The Association's investment policy authorizes the Association to invest in the following:

- 1.) United States treasury bills, notes, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal and interest by the United States;
- 2.) Bonds, notes, debentures, or any other obligations or securities issued by any federal agency or instrumentality, including government sponsored enterprises. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
- 3.) Deposits in eligible financial institutions;
- 4.) Bonds, notes, or other obligations of the State of Ohio and its political subdivisions;
- 5.) The State Treasury Asset Reserve of Ohio (STAR Ohio) or such successor investment pools operated or managed by the Treasurer of the State of Ohio; and
- 6.) No-load money market mutual funds consisting exclusively of obligations described in 1 or 2 above.

**Capital assets** are carried at cost. Depreciation is provided on the straight-line basis at rates which are expected to amortize the costs of the assets over their estimated useful lives. All major classes of depreciable assets have a useful live of five years, except audio-visual material which is three years.

**Claim Reserves and Unallocated Loss Adjustment Expenses** – Provision for claims reserves and claims adjustment expenses are based on information reported by members and are calculated by the Association's claims administrator and actuary. These amounts represent an estimate of reported, unpaid claims, plus a provision for claims incurred but not reported. The Association's management believes that the estimate of the liability for claims reserves is reasonable and supported by valid actuarial calculations; however, actual incurred losses and loss adjustment expenses may not conform to the assumptions inherent in the determination of the liability. Accordingly, the ultimate settlement of losses and related loss adjustment expenses may vary from the estimated amounts included in the accompanying financial statements. Should the

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**

Notes to the Basic Financial Statements  
For The Years Ended December 31, 2005 And 2004

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provision for claims reserves not be sufficient, supplemental contributions as discussed above may be assessed subsequent to Board approval.

**Member Credits** – The bylaws of the Association provide that surplus operating funds may be used to credit future annual contributions at the discretion of the Board of Trustees. For the years ended December 31, 2005 and 2004, member contributions are presented net of a credit of \$111,749 and \$49,999, respectively.

**Member Deposits** – Closed loss year refunds were \$0 for 2005. Closed loss year refunds for 2004 were \$689,818 (net of \$500,000 which was transferred to the SLF as mentioned in note 5). In addition to the closed loss year refunds, amounts relating to refunds of prior year's insurance premiums can be credited to members. In 2005, the Association received \$86,906 that can be attributed to premium refunds. In February 2004, the Association received a payment of \$24,856 from that program

**Net assets** represent the excess of revenues over expenses since inception. It is displayed in three components as follows:

Invested in capital assets consists of capital assets, net of accumulated depreciation.

Restricted consists of net assets that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

As of December 31, 2005 and 2004, the Association does not have any "restricted" net assets. Under certain conditions, the Association may distribute all or part of the net assets to those members who constituted the self-insurance pool during the years when such surplus member funds were earned, provided that such members must also be members of the Association in the year in which said distribution is made.

In the event of termination of the Association, all members of the Association, past and present, are obligated for any necessary supplemental contributions attributable to the years during which they were members. After all claims and related expenses have been properly paid or reserves established for the payment of any such claims, any surplus member funds shall be distributed to members in proportion to their interest in such surplus member funds.

**Income taxes** – The Internal Revenue Service has ruled that premiums and investment income with respect to premium receipts are excluded from taxable income of the Association under Section 115 of the Internal Revenue Code of 1986. Therefore, the Association is not subject to tax.

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**

Notes to the Basic Financial Statements  
For The Years Ended December 31, 2005 And 2004

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***Use of Estimates*** – The preparation of financial statements in conformity with accounting principles generally accepted in the United State of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

***New Accounting Pronouncements*** – Effective January 1, 2005, the Association adopted the provisions of GASB Statement No. 40, Deposit and Investment Risk Disclosures. This statement modifies and expands existing disclosure requirements for deposits and investments. These additional disclosures can be found in Note 2. The Association has also adopted the provisions of Technical Bulletin 2004-2, Recognition of Pension and Other Postemployment Benefit Expenditures/Expenses and Liabilities by Cost Sharing Employers. This bulletin had no effect on net assets of the Association. Finally for 2005, the Association adopted the provisions of GASB Statement No. 42, Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries. This statement establishes accounting and financial reporting standards for the impairment of capital assets. This statement had no effect on net assets.

Effective January 1, 2004, the Association adopted the provisions of GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments, No. 37, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus, and No. 38, Certain Financial Statement Note Disclosures. These statements revise accounting and reporting standards for general purpose external financial reporting by government units. These statements change the Association's presentation of net assets and require the inclusion of management's discussion and analysis. In connection with this adoption, the Association concluded that they operate as one enterprise fund.

**NOTE 2 – DEPOSITS AND INVESTMENTS**

***Deposits as of December 31, 2005***

Custodial credit risk is the potential for loss of the government's deposits in the event of bank failure. Protection of the Association's cash and deposits is provided by the Federal Deposit Insurance Corporation as well as qualified securities pledged by the institution holding the assets. By law, financial institutions must collateralize all public deposits. The face value of the pooled collateral must equal at least 105% of public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third parties of the financial institution.

At December 31, 2005, the carrying amount of the Association's deposits was \$3,529,005 and the bank balance was \$3,542,900. \$100,000 of the Association's deposits was insured by federal depository insurance. Based on the criteria described in GASB Statement No. 40, Deposit and Investment Risk Disclosures, \$3,442,900 of the Association's bank balance was exposed to custodial risk and was uninsured and uncollateralized.

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**

Notes to the Basic Financial Statements  
For The Years Ended December 31, 2005 And 2004

***Investments as of December 31, 2005***

At December 31, 2005, the Association had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>
Star Ohio	30 days	\$ 1,040,314
Federal Home Loan Mortgage Corp MTN Step	2009	545,220
Federal Home Loan Bank Bonds	2007	496,250
Federal Home Loan Bank Bonds	2008	1,635,751
Federal Home Loan Bank Bonds	2009	993,205
Federal Home Loan Bank Bonds	2010	1,294,030
Government Equity Mutual, Inc. (See Note 5)	N/A	750,000
Total		<u>\$ 6,754,770</u>

*Interest Rate Risk* – The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. The Association’s investment policy further limits that investments shall not be made that will cause the average duration of the portfolio to exceed three years.

*Credit Risk* – The Association’s investment policy does not further limit investment choices. The Association’s investment in STAR Ohio is rated AAAM by Standard and Poor’s. The Association’s investments with the Federal Home Loan Mortgage Corporation and Federal Home Loan Bank are rated AAA by Standard and Poor’s. The Association’s investment in GEM is not rated.

*Concentration of Credit Risk* – The Association’s investment policy states “no more than 25% of the total investment portfolio shall be invested with any one eligible financial institution as a time deposit at the time a deposit is made, exclusive of United States Treasury securities, all Federal Agency securities, and STAR Ohio.” Five percent or more of the Association’s investments are in the following at December 31, 2005:

<u>Investment</u>	<u>Percent</u>
Star Ohio	16%
Federal Home Loan Mortgage Corp MTN Step	8%
Federal Home Loan Bank Bonds	65%
GEM	11%



**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**

Notes to the Basic Financial Statements  
For The Years Ended December 31, 2005 And 2004

***Deposits and Investments as of December 31, 2004***

The GASB has established risk categories for deposits and investments pursuant to GASB Statement No. 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Purchase Agreements are as follows:

- Category 1: Insured or collateralized with securities held by the Association or by its agent in the Association's name.
- Category 2: Collateralized with the securities held by the pledging financial institution's trust department or agent in the Association's name.
- Category 3: Uncollateralized, including any bank balance that is collateralized with securities held by the pledging financial institution or by its trust department or agent, but not in the Association's name.

The credit risk attached to cash and cash equivalents and investments are as follows:

	<u>Category 1</u>	<u>Category 3</u>	<u>Bank Balance</u>	<u>Fair/ Carrying Value</u>
Cash and cash equivalents	\$ 100,000	\$ 4,601,092	\$ 4,701,092	\$ 4,694,451
Non-categorized investments - Investment in State of Ohio Treasurer's Investment Pool (STAR Ohio)				<u>1,008,914</u>
Total cash and cash equivalents per balance sheet				<u><u>\$ 5,703,365</u></u>

The difference between the carrying amount and bank balance was due to outstanding checks. Amounts in pooled funds, such as STAR Ohio, are not required to be categorized by GASB 3. The \$1,008,914 deposit at Star Ohio is valued at the Pool's share price which is the price for which the investment could be sold at year-end and is equal to the value of the Pool's shares. STAR Ohio is offered to Ohio political subdivisions and is regulated by the Ohio Revised Code Section 135.143.

The Association's investments held as of December 31, 2004, are as follows:

Description	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>	<u>Reported/ Fair Value</u>
U.S. treasury notes and federal agency obligations	\$ 2,502,580	\$ -	\$ -	\$ 2,502,580

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**

Notes to the Basic Financial Statements

For The Years Ended December 31, 2005 And 2004

The Association maintained \$500,000 in GEM (see Note 5), which is accounted for on the cost basis.

**NOTE 3 – CAPITAL ASSETS**

Capital assets activity for the year ended December 31, 2005, was as follows:

	<u>Balance</u> <u>01/01/05</u>	<u>Additions</u>	<u>Transfers/ Disposals</u>	<u>Balance</u> <u>12/31/05</u>
<b>Capital Assets Being Depreciated:</b>				
Audio-Visual	\$ 42,590	\$ 3,432	\$ -	\$ 46,022
Equipment	69,267	1,020	(5,478)	64,809
Leasehold Improvements	12,281	-	-	12,281
Office Furniture	21,809	1,104	(1,007)	21,906
Total capital assets	<u>145,947</u>	<u>5,556</u>	<u>(6,485)</u>	<u>145,018</u>
 <b>Less: Accumulated Depreciation</b>				
Audio-Visual	(37,588)	(3,407)	-	(40,995)
Equipment	(51,911)	(5,967)	5,478	(52,400)
Leasehold Improvements	(11,851)	(430)	-	(12,281)
Office Furniture	(20,382)	(689)	1,007	(20,064)
Total Accumulated Depreciation	<u>(121,732)</u>	<u>(10,493)</u>	<u>6,485</u>	<u>(125,740)</u>
 Total Capital Assets Being Depreciated, net	<u>\$ 24,215</u>	<u>\$ (4,937)</u>	<u>\$ -</u>	<u>\$ 19,278</u>

**NOTE 4 – SELF-INSURED RETENTION**

The Association retains responsibility for the payment of claims within specified self-insured retention limits prior to the application of coverage provided by excess insurance and reinsurance contracts. The Association's per-occurrence retention limit for all liability matters, excluding property, was \$1,000,000 both in 2005 and 2004. Property had a per-occurrence retention limit of \$250,000 from 1/1/04 to 7/1/05, with the exception of boiler and machinery for which there was a \$5,000 per-occurrence retention limit. From 7/1/05 to 7/1/06, property has a per occurrence limit of \$200,000, and boiler and machinery has a per occurrence retention limit of \$5,000.

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**

Notes to the Basic Financial Statements  
For The Years Ended December 31, 2005 And 2004

**NOTE 5 – EXCESS INSURANCE AND REINSURANCE CONTRACTS**

The Association maintains excess insurance and reinsurance contracts with insurance carriers who provide various limits of coverage over the Association's self-insured retention limits. Under the Association's bylaws, the Board of Trustees annually determines the types of excess insurance/reinsurance to purchase as well as appropriate limits. For the loss years ended December 31, 2005 and 2004, the Association purchased the following types of insurance/reinsurance in excess of the Association's self-insurance retention (the following figures include the deductibles and the amounts paid by the member pool):

Excess Insurance/Reinsurance	Per-Occurrence Limits (Except as noted)	
	2005	2004
General liability (including law enforcement)	\$7,000,000	\$7,000,000
Automobile liability	7,000,000	7,000,000
Public official liability:		
Per occurrence	7,000,000	7,000,000
Per member annual aggregate	7,000,000	7,000,000
Employment Practices Liability:		
Per occurrence	7,000,000	7,000,000
Per member annual aggregate	7,000,000	7,000,000
Property (excluding flood and earthquake)		
12/31/03-12/31/04		100,000,000
12/31/04-7/1/05	250,000,000	
7/1/05-7/1/06	1,000,000,000	
Flood and earthquake - property - per occurrence & annual aggregate	25,000,000	25,000,000

In 2005 and 2004, the Association reinsured its excess casualty program (\$1 million excess \$1 million self-insurance retention) with GEM, a captive insurer, formed by intergovernmental pools in order to meet their long-term financing needs. Excess insurance for \$5 million in excess of \$2 million was placed with Illinois Union Insurance Company in 2005.

Excess insurance for \$5 million in excess of \$2 million was placed with AIG Company, Insurance Company of the State of Pennsylvania in 2004.

During 1996, the Association established a Shock Loss Fund (SLF) to replace the aggregate stop-loss policy. The Association's members will contribute to the SLF based on a moving target equal to the annual loss fund. The Association's members will annually fund approximately 15 percent of the moving target until the balance of the SLF is equivalent to the current year's annual loss fund. Once a member has at least the current year's regular loss fund contribution on account in the Association's SLF, it will not be asked to contribute additionally

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**

Notes to the Basic Financial Statements  
For The Years Ended December 31, 2005 And 2004

to the SLF. Any member whose balance falls below its targeted amount will be required to contribute the amount needed to reach its targeted amount, or 15% of the current annual loss year contribution, whichever is less. During 2004, the SLF was used to fund \$350,000 in relation to losses from 2001. It was replenished with \$500,000, from the closure of loss years in 2004.

In the event that a series of losses or a single loss should exceed the amount of coverage provided by the self-insurance fund and excess insurance and any amount of supplemental payments for which members are obligated, then the payment of any uncovered value loss is the obligation of the individual member or members against which the claims were made. In the unlikely event that all or any of the insurance companies are unable to meet their obligations under the excess insurance and reinsurance contracts, the Association and its members would be responsible for such defaulted amounts.

**NOTE 6 – CLAIMS RESERVE**

As discussed in Note 1, the Association establishes a claims reserve liability which includes both reported and unreported insured events and estimates of future payment of losses and related claims adjustment expenses. The changes in the aggregate liabilities for the Association are as follows:

	<b>December 31</b>	
	<b>2005</b>	<b>2004</b>
Beginning of Year	<u>\$ 4,692,582</u>	<u>\$ 3,690,583</u>
Incurred claims and claim adjustment expenses:		
Provision for insured events of the current year	2,137,672	2,027,333
Decrease in provision for insured events of prior years	<u>(1,422,864)</u>	<u>(479,989)</u>
Total incurred claims and claim adjustment expenses	<u>714,808</u>	<u>1,547,344</u>
Payments:		
Claims and claim adjustment expenses attributable to insured events of the current year	250,966	153,929
Claims and claim adjustment expenses attributable to insured events of prior years	<u>598,228</u>	<u>391,416</u>
Total Payments	<u>849,194</u>	<u>545,345</u>
Unpaid claims and claim adjustment expenses - End of Year	<u><u>\$ 4,558,196</u></u>	<u><u>\$ 4,692,582</u></u>

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**

Notes to the Basic Financial Statements  
For The Years Ended December 31, 2005 And 2004

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**NOTE 7 - PUBLIC EMPLOYEES RETIREMENT SYSTEM DEFINED BENEFIT PENSION PLAN**

All of the Association's employees are covered by the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. 1.) The Traditional Pension Plan (TP) - a cost-sharing, multiple-employer defined benefit pension plan. 2.) The Member-Directed Plan (MD) - a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20% per year). Members accumulate retirement assets equal to the value of the member and (vested) employer contributions, plus any investment earnings thereon. 3.) The Combined Plan (CP) - a cost-sharing, multiple-employer defined benefit pension plan. Employer contributions are invested by the retirement system to provide a formula retirement benefit similar to the Traditional Plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the MD.

OPERS provides retirement, disability, survivor and death benefits and annual cost of living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that may be obtained by writing to OPERS, 277 E. Town St., Columbus, OH 43215-4642 or by calling (614) 222-6701.

Member and employer contributions rates were consistent across all three plans (TP, MD and CP). For the year ended December 31, 2005, 2004, and 2003 the Association employees were required to contribute 8.5 percent of their annual covered salary. The Association's contribution rate for 2005 and 2004 was 13.55 percent, of which 9.55 percent was used to fund the pension benefits. The Association's contribution rate for 2003 was 13.55 percent, of which 8.55 percent was used to fund the pension benefits. The Ohio Revised Code provides statutory authority for member and employer contributions.

The Association's required contributions for pension obligations to the traditional plan for the years ended December 31, 2005, 2004, and 2003 were \$26,073, \$31,920, and \$31,091 respectively; 71.09 percent has been contributed for 2005 and 100 percent for 2004 and 2003.

**NOTE 8 - POSTEMPLOYMENT BENEFITS**

In addition to the pension benefits described in Note 7, the Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage, commonly referred to as OPEB (other postemployment benefits). OPERS administers three separate pension plans, the Traditional Pension Plan (TP), the Member-Directed Plan (MD) and the Combined Plan (CP), all of which are described in Note 7.

OPERS provides retirement, disability, and survivor benefits as well as postretirement health care coverage to age and service retirees with 10 or more years of qualifying Ohio service credit

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**

Notes to the Basic Financial Statements  
For The Years Ended December 31, 2005 And 2004

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for members of both the TP and CO plans. Members of the MD Plan do not qualify for ancillary benefits, including postemployment health care coverage. Health care coverage for disability recipients and qualified survivor recipients is available.

The Ohio Revised Code provides statutory authority for employer contributions. The 2005 and 2004 local government employer contribution rate was 13.55 percent of covered payroll; 4.00 percent of covered payroll was the portion that was used to fund health care. For 2003, 5.00 percent of covered payroll was the portion that was used to fund health care. The Ohio Revised Code provides statutory authority requiring public employers to fund postretirement health care through their contributions to OPERS.

The assumptions and calculations below are based on OPERS' latest actuarial review performed as of December 31, 2004 and 2003. An entry age normal actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability. All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually. The investment assumption rate for was 8.00 percent. An annual increase of 4.00 percent, compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. Additionally, annual pay increases, over and above the 4 percent base increase, were assumed to range from .50 percent to 6.3 percent. Health care premiums were assumed to increase at the projected wage inflation rate plus an additional factor ranging from 1% to 6% for the next 8 years. In subsequent years (9 and beyond) health care costs were assumed to increase at 4.00 percent (the projected wage inflation rate).

OPEBs are advanced-funded on an actuarial determined basis. The number of active contributing participants in the TP and CP was 376,109 for 2005 and 369,885 for 2004. Actual employer contributions for 2005 and 2004 which were used to fund postemployment benefits were \$10,921 and \$9,422, respectively. The actual contribution and the actuarially required contribution amounts are the same.

OPERS's net assets available for payment of benefits at December 31, 2004, (the latest available information) were \$10.8 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$29.5 billion and \$18.7 billion, respectively.

OPERS's net assets available for payment of benefits at December 31, 2003, were \$10.5 billion. The actuarially accrued liability and the unfunded actuarial accrued liability were \$26.9 billion and \$16.4 billion, respectively.

On September 9, 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. In addition to the HCPP, OPERS has taken additional action to improve the solvency of the Health Care Fund in 2005 by creating a separate investment pool for health care assets. As an additional component of the HCPP, member and

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**

Notes to the Basic Financial Statements

For The Years Ended December 31, 2005 And 2004

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employer contribution rates increased as of January 1, 2006, which will allow additional funds to be allocated to the health care plan.

**NOTE 9 – COMMITMENTS**

*Leases* - The Association leases office space under a lease which was renewed for five years effective July 1, 2004. Rental expense for the lease was \$40,039 in 2005. Rental expense for the lease was \$38,220 in 2004. Future minimum lease payments are \$40,040 for 2006-2008 and \$20,020 in 2009.

**NOTE 10 – LITIGATION AND CLAIMS**

The Association is party to various legal proceedings, which normally occur in the course of claims processing operations. Management believes that the outcome of such claims has been adequately accrued in the claims reserve liability and excess will be covered by insurance carriers that provide excess insurance and reinsurance contracts. Nevertheless, due to uncertainties in the settlement process, it is at least reasonably possible that management's view of the outcome could change materially in the near term.

**REQUIRED SUPPLEMENTARY INFORMATION**



**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**  
 Comparative Schedule of Claim Development, Earned Assessments and Unallocated Expenses  
 For The Years Ended December 31, 2005, 2004, 2003, 2002, 2001, 2000, 1999, 1998, 1997 and 1996  
 Required Supplementary Schedule

	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
Earned assessments and interest income:										
Earned	\$4,307,934	\$3,891,770	\$4,117,128	\$3,310,039	\$2,981,693	\$2,779,344	\$2,553,148	\$2,470,767	\$2,334,623	\$2,186,363
Ceded	763,651	922,317	899,070	791,964	580,087	500,356	470,097	454,156	422,051	652,237
Net	\$3,544,283	\$2,969,453	\$3,218,058	\$2,518,075	\$2,401,606	\$2,278,988	\$2,083,051	\$2,016,611	\$1,912,572	\$1,534,126
Unallocated loss expenses	\$567,330	\$554,786	\$508,063	\$521,678	\$454,327	\$395,902	\$396,299	\$405,897	\$356,433	\$322,367
Original estimates ultimate incurred claims and expenses for the policy year, including members' deductibles (1)	2,337,000	2,190,000	2,050,000	1,811,000	1,365,000	1,265,000	1,251,000	483,000	890,984	509,996
Cumulative paid claims as of - net of reinsurance, including members' deductibles:										
For the policy year	619,515	333,584	322,182	293,970	302,565	184,945	311,812	179,344	214,130	135,704
One year later		373,278	535,978	293,970	302,565	184,945	311,812	179,344	214,130	135,704
Two years later			729,271	1,181,941	1,028,742	279,023	489,206	329,066	350,143	240,756
Three years later				1,329,548	1,967,676	310,914	656,651	405,320	460,914	367,428
Four years later					1,871,928	376,424	806,650	486,693	488,049	414,656
Five years later						376,424	1,103,285	780,190	503,146	498,602
Six years later							1,402,582	788,126	1,504,063	503,552
Seven years later								788,126	1,504,063	506,694
Eight years later									2,575,097	525,924
Nine years later										525,924
Re-estimated ultimate incurred claims and expenses, including members' deductibles:										
For the policy year	2,337,000	2,190,000	2,050,000	1,811,000	1,365,000	1,265,000	1,251,000	483,000	890,984	509,996
One year later		1,785,000	1,665,711	1,811,000	1,365,000	1,265,000	1,251,000	483,000	890,984	509,996
Two years later			908,463	1,539,940	2,141,000	932,000	1,188,000	927,150	805,000	624,000
Three years later				1,609,496	2,159,931	527,204	1,192,466	677,150	1,764,935	609,080
Four years later					2,007,931	429,204	1,217,466	941,150	1,866,205	569,901
Five years later						411,864	1,386,191	915,150	1,597,537	627,542
Six years later							1,253,285	788,126	1,537,537	567,542
Seven years later								788,126	1,504,063	557,542
Eight years later									1,504,063	525,924
Nine years later										525,924
Increase (decrease) in estimate incurred claims and expenses from original estimate	0	(405,000)	(1,141,537)	(201,504)	642,931	(853,136)	2,285	305,126	613,079	15,928

(1) Ceded losses are not expected to be significant.

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**

Reconciliation of Claim Liabilities by Type of Contract

For The Year Ended December 31, 2005

Required Supplementary Schedule

	<u>General Liability</u>	<u>Automobile Liability</u>	<u>Property Liability</u>	<u>Total</u>
Unpaid claims and claim adjustment expenses - Beginning of Year	\$ <u>2,285,083</u>	<u>1,690,802</u>	<u>716,697</u>	<u>4,692,582</u>
Incurred claims and claim adjustment expenses:				
Provision for insured events of the current year	1,207,414	434,486	495,772	2,137,672
Decrease in provision for insured events of prior years	<u>(785,319)</u>	<u>(366,534)</u>	<u>(271,011)</u>	<u>(1,422,864)</u>
Total incurred claims and claim adjustment expenses	<u>422,095</u>	<u>67,952</u>	<u>224,761</u>	<u>714,808</u>
Payments:				
Claims and claim adjustment expenses attributable to insured events of the current year	30,904	27,465	192,597	250,966
Claims and claim adjustment expenses attributable to insured events of prior years	<u>507,611</u>	<u>71,607</u>	<u>19,010</u>	<u>598,228</u>
Total Payments	<u>538,515</u>	<u>99,072</u>	<u>211,607</u>	<u>849,194</u>
Unpaid claims and claim adjustment expenses - End of Year	\$ <u>2,168,663</u>	<u>1,659,682</u>	<u>729,851</u>	<u>4,558,196</u>

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION, INC.**

Reconciliation of Claim Liabilities by Type of Contract

For The Year Ended December 31, 2004

Required Supplementary Schedule

	<u>General Liability</u>	<u>Automobile Liability</u>	<u>Property Liability</u>	<u>Total</u>
Unpaid claims and claim adjustment expenses - Beginning of Year	\$ <u>1,804,825</u>	<u>1,244,778</u>	<u>640,980</u>	<u>3,690,583</u>
Incurred claims and claim adjustment expenses:				
Provision for insured events of the current year	1,157,154	407,318	462,861	2,027,333
Decrease in provision for insured events of prior years	<u>(383,926)</u>	<u>151,292</u>	<u>(247,355)</u>	<u>(479,989)</u>
Total incurred claims and claim adjustment expenses	<u>773,228</u>	<u>558,610</u>	<u>215,506</u>	<u>1,547,344</u>
Payments:				
Claims and claim adjustment expenses attributable to insured events of the current year	12,602	23,463	117,864	153,929
Claims and claim adjustment expenses attributable to insured events of prior years	<u>280,368</u>	<u>89,123</u>	<u>21,925</u>	<u>391,416</u>
Total Payments	<u>292,970</u>	<u>112,586</u>	<u>139,789</u>	<u>545,345</u>
Unpaid claims and claim adjustment expenses - End of Year	\$ <u>2,285,083</u>	<u>1,690,802</u>	<u>716,697</u>	<u>4,692,582</u>

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March 31, 2006

Mr. Michael Hammond  
Executive Director  
Miami Valley Risk Management Association  
4625 Presidential Way  
Kettering, OH 45429-5706

Dear Mr. Hammond:

We are pleased to provide the attached actuarial report regarding the net loss and loss expense reserves carried by the Miami Valley Risk Management Association, Inc. (MVRMA) as of December 31, 2005. Through our analysis we have found that the Pool, which at December 31, 2005 carried reserves for net unpaid losses and loss adjustment expenses of \$4,558,196, is reasonably reserved as of that date.

We believe that the reserves are computed in accordance with accepted loss reserving standards and are fairly stated in accordance with sound loss reserving principles. They make reasonable provision, in the aggregate, for all unpaid losses and loss expenses (net of excess insurance ceded) as of December 31, 2005.

If you have any questions regarding our report or if you require additional assistance, please do not hesitate to contact us.

Very truly yours,

N. Terry Godbold, ACAS, MAAA, FCA  
President & Chief Actuary

Mary Jo Godbold, ACAS, MAAA  
Senior Vice President & Actuary

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION  
LOSS AND LOSS EXPENSE REVIEW  
December 31, 2005**

**INTRODUCTION**

The Miami Valley Risk Management Association (“MVRMA”) has provided insurance coverage for its members since December 1, 1988. As of December 31, 2005 the pool was comprised of the following 20 cities: Beavercreek, Bellbrook, Blue Ash, Centerville, Englewood, Kettering, Madeira, Mason, Miamisburg, Montgomery, Piqua, Sidney, Springdale, Tipp City, Troy, Vandalia, Village of Indian Hill, West Carrollton, Wilmington and Wyoming. MVRMA provides coverage for several lines of insurance including commercial property, comprehensive general liability, automobile liability, automobile physical damage, law enforcement liability, public official’s liability, crime, ambulance attendants, and boiler and machinery.

As of December 31, 1993 these coverages were subject to a per occurrence SIR limit for the pool of \$250,000 with excess amounts covered by a commercial insurer. For accident period 1994, MVRMA lowered its property coverage SIR per occurrence limit to \$100,000 then increased it to \$150,000 for accident period 1995, while maintaining the previous limit of \$250,000 for liability and crime. For the accident period 1996, the “per occurrence” SIR limit of \$250,000 was applied to all coverages except for boiler and machinery which had a \$5,000 SIR. For 1997 and 1998, the liability SIR increased to \$500,000 per occurrence, the crime SIR decreased to \$0, while the property remained at \$250,000. For 1999, the liability SIR remained at \$500,000 per occurrence, the crime SIR remained at \$0, while the property SIR decreased to \$150,000. For 2000, the liability SIR remained at \$500,000, the crime SIR increased to \$10,000, while the property remained at \$150,000. For 2001, the SIRs remained the same as 2000. For 2002, the property SIR increased to \$250,000. For 2003 and 2004, the liability SIR increased to \$1,000,000 while the property SIR remained at \$250,000. For 2005, the liability SIR remained at \$1,000,000 while the property SIR decreased to \$200,000. The first \$2,500 of each occurrence is treated as a deductible by the pool member who suffered the loss. MVRMA did not have an aggregate stop loss policy for periods prior to December 31, 1990; however, there is an \$850,000 aggregate “property and casualty combined” stop loss in place for the accident periods 1991 through 1993 and a \$950,000 aggregate “casualty only” stop loss for the 1994 and 1995 accident periods. There is no aggregate stop loss policy for accident periods 1996 and subsequent; rather MVRMA is aggregating premiums previously paid for such coverage into an accumulating fund to be used at the discretion of the MVRMA Board. In 1997, liability excess coverage for \$10M excess of \$1M was obtained as a joint purchase with other pools through the National Public Entity Excess Program (NPX) and this program continued through 2002. For 2003, liability excess coverage for \$11 million excess of \$1 million was obtained through Government Entities Mutual, Inc. (GEM)/Endurance Specialty Insurance Limited. For 2004, \$1 million excess of \$1 million was obtained through GEM, and \$5 million excess of \$2

million was obtained from Insurance Company of the State of Pennsylvania (AIG). For 2005, \$1 million excess of \$1 million was obtained through GEM, and \$5 million excess of \$2 million was obtained from Illinois Union Insurance Company (ACE).

Funding for MVRMA's losses and loss expenses is accomplished via annually budgeted contributions. In the event the pool requires additional funds, such amounts can be obtained via a call for special assessments by MVRMA's Board of Trustees for supplementary payments.

## **PURPOSE**

It is the intention of this report to examine the level of loss reserves carried by MVRMA as of December 31, 2005 for claims that occurred on or prior to that date. As a result, this report will enable MVRMA to meet the requirements of the State of Ohio concerning the need for a written actuarial report and reserve adequacy opinion.

My review includes such tests and reviews of the actuarial assumptions, methods, and calculations as I consider necessary in the circumstances. The actuarial methods, considerations and analyses relied on in forming my opinion conform to the appropriate Actuarial Standards of Practice as promulgated by the Actuarial Standards Board.

## **DEFINITIONS**

The term "losses" is defined to include all associated allocated loss adjustment expense ("ALAE"). ALAE includes those expenses associated with settling claims which can be directly attributed to a specific claim such as attorney's fees and the cost of using a claims adjuster. Unallocated loss adjustment expenses ("ULAE") are generally not allocable to specific claims.

Ultimate loss reflects cumulative loss payments, reserves for known claims and incurred but not reported ("IBNR") reserves. Amounts indicated as reserves in the report reflect both known claims and IBNR reserves.

## **DATA**

Prior to December 31, 1994, claim adjustment services were provided to MVRMA through Gallagher Bassett Insurance Services, Incorporated. Gallagher Bassett continued to adjust run-off claims for the period December 1, 1988 through December 31, 1994. As of December 31, 2005, no claims are outstanding for this claim period. Effective January 1, 1995, MVRMA began to employ an in-house claims staff. Detailed claims data was provided to us by MVRMA's claims department for accident periods 1989 through 2005. Gallagher Bassett Insurance Services, Inc. provided an overall summary by accident period for years 1989 through 1993, while MVRMA provided such summaries by line of business for accident periods 1994 through 2005. Excess insurance limits were provided by MVRMA.

We were provided with “gross” paid and incurred loss and allocated loss expense by accident period, by line of business. The term “gross” means before consideration of recoverables from excess carriers. Paid losses are net of salvage and subrogation. Therefore loss reserve estimates derived from this data would anticipate salvage and subrogation.

The Pool’s management has informed me that it does not discount loss and loss adjustment expense reserves.

In my review, I have relied on listings and other relevant data, prepared by Kathy St. Pierre and Craig Blair of MVRMA. I evaluated that data for reasonableness and consistency.

### **ASSUMPTIONS AND LIMITATIONS**

This report employs actuarial assumptions that we believe to be reasonable. Certain limitations are associated with this report. The key assumptions and limitations are listed below.

- This report groups all losses into three categories: automobile liability, general liability, and property. Each line is analyzed for annual periods December 1, 1988 through December 31, 2005. The results of the report are not intended to apply to any other entities, lines of insurance, or periods.
- In estimating MVRMA’s liability limited by the per occurrence limit applicable for each accident period for each coverage or group of coverages, it was assumed that insured losses in excess of these limits will be collectible from MVRMA’s insurer(s). In the event that the excess portion on any large loss is not recoverable or exceeds the limits of excess insurance, an additional liability for the Pool or for the individual members of MVRMA may result. No measure of this potential liability is reflected in this report. This report does not comment on the advisability of the exposures retained by MVRMA.
- The methods used in deriving a measure of projected losses and estimated needed reserves for MVRMA are believed to be appropriate for a pool such as MVRMA. We attempted to use MVRMA’s own development patterns, to the greatest extent possible. However, because MVRMA’s volume of experience is limited and volatile, it was deemed prudent to continue using insurance industry experience as a benchmark in conjunction with historical data. The use of industry data is an acceptable technique which adds stability to the analysis. However, with the use of industry experience comes the assumption that the individual entity will behave in the same general manner as the industry as a whole. Should MVRMA’s experience prove to be substantially different from the industry’s experience, significant variance between the projection of



ultimate losses and the actual ultimate losses may result.

- During the course of our evaluation, we have applied what we believe to be reasonable procedures and methodologies. The ultimate loss estimates are subject to errors of estimation since ultimate liabilities are affected by events and conditions that have not yet occurred. We assumed that historical loss patterns are good indicators of future loss patterns. We have not anticipated any extraordinary changes to the legal, social, or economic climate which might affect the frequency and cost of claims. Because of the limitations of the data supplied and the uncertainty of statistical estimates associated with forecasting, we cannot guarantee that our estimates will prove to be adequate or not excessive.

## **METHODOLOGY EMPLOYED & DESCRIPTION OF EXHIBITS**

As an entity's claims settle, the total value of each claim usually changes. Loss development factors attempt to quantify the changing value of losses in order to arrive at an estimate of the ultimate value of the claims. In our review of loss reserves, we have selected four methods to determine a reasonable estimate of ultimate liabilities: (1) Paid Loss Development, (2) Incurred Loss Development, (3) Average Paid Loss Per Closed Claim Development, and (4) Average Incurred Loss Per Reported Claim Development. Methods (1) and (2) were used applying insurance industry development patterns to the December 31, 2005 evaluations of each period's incurred and paid losses (Appendix A). Methods (1), (2), (3) and (4) were used applying MVRMA's experience development patterns to the December 31, 2005 evaluations of MVRMA's data (Appendix B). These methods are described below:

### (1) Accident Period Paid Loss Development

Ultimate loss development factors are determined for each accident period based on recent emergence patterns of paid losses. These factors are used to estimate the ultimate loss liability for each accident period. The required IBNR is then the sum over the individual accident periods of the differences between the estimated ultimate loss liability and the corresponding emerged reported losses. Implicit in using this method is the assumption that the claim payment patterns are reasonably consistent over time. Accuracy of this method does not depend on the consistency of loss reserve margins.

### 2) Accident Period Incurred Loss Development

Similar to Accident Period Paid Loss Development, ultimate loss development factors can be determined for each accident period based on recent emergence patterns of incurred losses. These factors are obtained by observing the rate of development of older accident periods and assuming that newer accident periods will develop at a similar rate. The required IBNR is then the sum over the individual accident periods of the differences

between the estimated ultimate loss liability and the corresponding emerged reported losses. This method assumes the accident period losses will be reported and reserved consistently. The results produced by this method are directly dependent on the amount of incurred losses to date.

(3) Average Paid Loss Per Closed Claim Development

Ultimate paid loss per closed claim development factors are determined for each accident period based on recent emergence patterns of paid losses to closed claim ratios. These factors are used to estimate the ultimate paid loss per closed claim ratio for each accident period. The ultimate paid loss per closed claim ratio is then multiplied by the estimated ultimate claims for each accident period to obtain an ultimate loss liability. The required IBNR is then the sum over the individual accident periods of the differences between the estimated ultimate loss liability and the corresponding emerged reported losses. Implicit in using this method is the assumption that the claim payment patterns are reasonably consistent over time. Accuracy of this method does not depend on the consistency of loss reserve margins.

(4) Average Incurred Loss Per Reported Claim Development

This method is similar to the Average Paid Loss Per Closed Claim Development with a review of development patterns based on the average incurred loss per reported claim. The required IBNR is then the sum over the individual accident periods of the differences between the estimated ultimate loss liability and the corresponding emerged reported losses. This method assumes the accident period losses will be reported and reserved consistently. The results produced by this method are directly dependent on the amount of incurred losses reported to date.

To derive additional ultimate loss estimates for accident periods 2004 and 2005 for each of the three lines of business, we also referenced and updated a portion of a study summarized in our September 12, 2005 memo to Michael Hammond regarding Loss Year 18 Funding. Appendix C, Pages 1A and 1B show two separate loss cost methods for determining ultimate loss estimates for Automobile Liability for accident periods 2004 and 2005, while Pages 2A and 2B show comparable calculations for the General Liability line. Pages 1A and 2A use an average loss cost method based on MVRMA's historical losses adjusted to a \$1,000,000 retention. Pages 1B and 2B use an average loss cost method that employs industry expected excess losses to adjust the historical losses capped at a \$250,000 level to a \$1,000,000 retention limit. Appendix C, Page 3 shows a loss per exposure method for determining a 2005 ultimate loss estimate for Property. Appendix C, Page 4 takes this one step further and combines the loss per exposure method with the incurred loss development and the paid loss development method respectively. To be conservative we have used the higher value of the average loss costs in Pages 1A and 1B for Auto Liability and the comparably higher value in Pages 2A and 2B for General

Liability. Namely Appendix C, Page 4 uses a Bornhuetter-Ferguson method using exposures and loss development. As indicated, this method is a combination of the Paid (Incurred) Loss Development Method and the Loss per Exposure Method. The amount of losses yet to be paid (incurred) is based on expected loss per exposures estimates. These estimates are then modified to the extent paid (incurred) losses to date differ from what would have been expected based on the selected paid (incurred) loss development pattern. These exposure based methods are particularly useful and appropriate because of the addition of the cities of Bellbrook, Englewood and Centerville to the Pool in 2004.

In arriving at the results provided in Exhibits 3, 4 and 5 which follow, the analysis employs the above-mentioned standard actuarial techniques. Each loss incurred by MVRMA was categorized as an automobile liability, general liability, or property loss. For each coverage analyzed, the same methodology was used. Appendix A shows the results of the application of industry development factors to MVRMA's loss experience for each coverage. Appendix B shows the results of the application of our selected loss development factors for MVRMA to MVRMA's loss experience for each coverage. Losses in Appendix B have been limited to the appropriate per occurrence limit for each accident period.

Based on the results of our actuarial methods, ultimate losses by accident period were selected for each coverage and are shown in the last column of Exhibits 3, 4 and 5. Exhibit 2 provides our ultimate loss selections, by coverage, for each accident period. The combined losses are then limited by the aggregate stop loss in effect, resulting in ultimate retained losses. The effect of MVRMA's stop loss policies are to limit MVRMA's losses, on a combined coverage basis, for a given accident period.

Of MVRMA's seventeen year experience, only the accident period 1/1/93-12/31/93 was affected by the aggregate limit (Exhibit 2).

#### **UNALLOCATED LOSS EXPENSE RESERVE**

As mentioned previously, unallocated loss adjustment expenses ("ULAE") are loss expenses that are generally not allocable to specific claims. To derive an estimate of this ULAE reserve, we projected the number of closed and reported claims to their ultimate values. Based on the closed claim development pattern and our estimate of the ultimate number of claims, we derived the number of open claims remaining by line of business for each year in the future. MVRMA has indicated that a charge of \$250 per open claim for each of the years that a claim is open is a reasonable estimate for the unallocated loss expense. Using our estimate of the total number of future open claims of 245 and multiplying by the \$250 per open claim, we derived our estimate of the ULAE reserve of \$61,250 shown on Exhibit 1.

## **SUMMARY & CONCLUSIONS**

A summary of the results is shown in Exhibit 1. This exhibit combines the estimated ultimate losses for all coverages based on the methods used to indicate the total estimated developed loss for MVRMA arising from the period of December 1, 1988 through December 31, 2005.

Our estimated ultimate losses of \$16,061,504 do not reflect the deductibles absorbed by the individual pool members. The amount associated with these deductibles as of December 31, 2005 is \$2,500,593. This total individual pool member liability figure will probably increase over time due to the emergence of claims already reported but not yet as large as the \$2,500 deductible. In order to be properly conservative, we did not attempt to estimate the ultimate value of this amount that represents a liability of the pool members and not the pool itself.

Subtracting the December 31, 2005 individual member liability of \$2,500,593, a final estimate of MVRMA's ultimate losses of \$13,560,911 is derived. Deducting the paid to date amount of \$9,063,965 produces an indicated loss and allocated loss expense reserve net of individual member liabilities of \$4,496,946. Adding in our estimate of the unallocated loss expense reserve of \$61,250 gives us a total indicated loss and loss expense reserve of \$4,558,196.

Since MVRMA's management uses our point estimate for its estimate of loss and loss expense reserves in its annual report, we believe that these reserves make a reasonable provision for all unpaid loss and loss expense obligations of MVRMA as of December 31, 2005.

Attached as Appendix D is Godbold, Malpere & Co.'s **Statement of Actuarial Opinion** regarding the loss and loss expense reserves held by MVRMA as of December 31, 2005.

## **CONSULTATION & DISTRIBUTION**

This study and the opinions and conclusions contained within the report are intended for the internal use of MVRMA and its member entities; Driver Alliant, MVRMA's broker of record; MVRMA's excess carriers; and for submission, if required, to the Department of Insurance of the State of Ohio. We request that any distribution of this report beyond those listed be made in whole and only with the prior consent of Godbold, Malpere & Co.

The results of this report rely on the use of actuarial judgment, professional opinion, and assumptions believed to be reasonable. In the event that another actuary's opinion is rendered, both parties should be consulted in order to rectify any differences that might arise.

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**INDICATED RESERVES**  
 December 31, 2005

*Calculation of Indicated Reserves  
 for Accident Periods  
 12/1/88-12/31/05*

(1)	Selected Ultimate Loss	\$16,205,637
(2)	Application of Aggregate Retention	(\$144,133)
(3)	Retained Ultimate Loss	\$16,061,504
(4)	Less Individual Member Liability	\$2,500,593
(5)	Estimated Pool Ultimate Loss	\$13,560,911
(6)	Less Paid to Date	\$9,063,965
(7)	Indicated Loss & ALAE Reserves	\$4,496,946
(8)	Ind. Unallocated Loss Exp. Reserve	\$61,250
(9)	Indicated Loss & Loss Exp. Reserves	\$4,558,196
(10)	MVRMA Carried Reserves	\$4,558,196

(1),(2) (3): Exhibit 2

(4),(6): Data provided by Gallagher Bassett Services, Inc and MVRMA

(5): (3) - (4)

(7): (5) - (6)

(9): (7) + (8)

(10): Provided by MVRMA

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**SUMMARY OF ESTIMATED ULTIMATE RETAINED LOSSES**  
December 31, 2005

<i>Accident Period</i>	(1) <i>Automobile Liability</i>	(2) <i>General Liability</i>	(3) <i>Property</i>	(4) <i>Total</i>	(5) <i>Aggregate Retention</i>	(6) <i>Retained Losses</i>
12/1/88 - 11/30/89	\$111,919	\$207,853	\$124,141	\$443,913		\$443,913
12/1/89 - 12/31/90	\$18,683	\$439,863	\$32,734	\$491,280		\$491,280
1/1/91 - 12/31/91	\$13,946	\$84,015	\$75,626	\$173,587	\$850,000	\$173,587
1/1/92 - 12/31/92	\$39,293	\$139,376	\$63,858	\$242,527	\$850,000	\$242,527
1/1/93 - 12/31/93	\$329,494	\$600,979	\$63,660	\$994,133	\$850,000	\$850,000
1/1/94 - 12/31/94	\$126,181	\$106,065	\$96,833	\$329,079	\$950,000	\$329,079
1/1/95 - 12/31/95	\$157,537	\$156,790	\$85,639	\$399,966	\$950,000	\$399,966
1/1/96 - 12/31/96	\$75,097	\$357,926	\$92,901	\$525,924		\$525,924
1/1/97 - 12/31/97	\$572,332	\$706,526	\$225,205	\$1,504,063		\$1,504,063
1/1/98-12/31/98	\$98,687	\$554,289	\$135,150	\$788,126		\$788,126
1/1/99-12/31/99	\$203,725	\$657,094	\$392,466	\$1,253,285		\$1,253,285
1/1/00-12/31/00	\$81,660	\$200,000	\$130,204	\$411,864		\$411,864
1/1/01 - 12/31/01	\$862,000	\$640,000	\$505,931	\$2,007,931		\$2,007,931
1/1/02 - 12/31/02	\$190,000	\$1,050,000	\$369,496	\$1,609,496		\$1,609,496
1/1/03 - 12/31/03	\$213,000	\$430,000	\$265,463	\$908,463		\$908,463
1/1/04 - 12/31/04	\$400,000	\$1,150,000	\$235,000	\$1,785,000		\$1,785,000
1/1/05 - 12/31/05	\$475,000	\$1,320,000	\$542,000	\$2,337,000		\$2,337,000
<b>TOTAL</b>	<b>\$3,968,554</b>	<b>\$8,800,776</b>	<b>\$3,436,307</b>	<b>\$16,205,637</b>		<b>\$16,061,504</b>

(1): Based on Exhibit 3

(2): Based on Exhibit 4

(3): Based on Exhibit 5

(5): Provided by MVRMA

(6): Col (4) subject to Col (5)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**COMPARISON OF ULTIMATE ESTIMATES**  
**AUTOMOBILE LIABILITY**  
 December 31, 2005

Accident Period	Industry Development		MVRMA's Loss Development		AVERAGES							(14) Average of Columns (10) thru (13)	(15) Selected Ultimate Loss	
	(1) Paid Loss Method	(2) Incurred Loss Method	(3) Paid Loss Method	(4) Incurred Loss Method	(5) Avg. Paid/Closed Claim Method	(6) Avg. Incurred/Reported Claim Method	(7) Incurred Methods	(8) Industry with MVRMA	(9) Across Methods (1)-(6)	(10) Loss Year 17 Funding Study	(11) Loss Year 17 Funding Study Industry Factors			(12) BIF using Exposures and Incurred Losses
1989	\$111,919	\$111,919	\$111,919	\$111,919	\$111,919	\$111,919	\$111,919	\$111,919	\$111,919					\$111,919
1990	18,683	18,683	18,683	18,683	18,683	18,683	18,683	18,683	18,683					18,683
1991	13,946	13,946	13,946	13,946	13,946	13,946	13,946	13,946	13,946					13,946
1992	39,293	39,293	39,293	39,293	39,293	39,293	39,293	39,293	39,293					39,293
1993	329,494	329,494	329,494	329,494	329,494	329,494	329,494	329,494	329,494					329,494
1994	126,560	126,307	126,181	126,181	126,181	126,181	126,223	126,265	126,265					126,181
1995	159,482	157,852	157,537	157,537	157,537	157,537	157,642	157,747	157,747					157,537
1996	75,848	75,322	75,097	75,097	75,097	75,097	75,172	75,341	75,260					75,097
1997	573,345	572,621	572,332	572,332	572,332	572,332	572,428	572,658	572,549					572,332
1998	100,661	99,180	98,687	98,687	98,687	98,687	98,851	99,304	99,098					98,687
1999	209,633	204,947	203,725	203,725	203,725	203,725	204,132	205,508	204,913					203,725
2000	85,825	82,558	81,660	81,660	81,660	81,660	81,959	82,926	82,504					81,660
2001	577,349	861,964	531,477	843,409	544,131	843,409	849,594	705,132	700,290					862,000
2002	201,800	176,470	174,162	168,418	174,162	168,418	171,102	180,212	177,238					190,000
2003*	165,215	213,115	130,542	204,918	132,591	204,288	207,441	178,625	175,112					213,000
2004*	102,689	70,733	83,331	83,925	83,331	82,836	79,967	85,317	84,852					400,000
2005*	186,642	177,560	138,355	231,141	146,145	226,624	211,775	183,834	184,411					475,000
<b>TOTAL</b>	<b>\$3,077,713</b>	<b>\$3,331,964</b>	<b>\$2,888,689</b>	<b>\$3,359,772</b>	<b>\$2,909,508</b>	<b>\$3,354,129</b>	<b>\$3,348,622</b>	<b>\$3,166,431</b>	<b>\$3,153,629</b>					<b>\$3,968,554</b>

\*MVRMA's Loss Development methods have been adjusted for \$1,000,000 retention. Details available upon request.

- (1),(2): Appendix A, Page 52
- (3): Appendix B, Page 60
- (4): Appendix B, Page 55
- (5): Appendix B, Page 72
- (6): Appendix B, Page 67
- (7): Average of Columns (2),(4) and (6)

- (8): Average of Columns (1) and (2) plus the Average of Columns (3),(4),(5) and (6) 2
- (9): Average of Columns (1) through (6)
- (10): Appendix C, Page 157
- (11): Appendix C, Page 158
- (12)&(13): Appendix C, Page 162
- (15): Godbold, Malpere and Co.'s Selected Ultimate Loss

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**COMPARISON OF ULTIMATE ESTIMATES**  
**GENERAL LIABILITY**  
 December 31, 2005

Accident Period	Industry Development (1)		MVRMA's Loss Development (4)		MVRMA's Loss Development (5)		AVERAGES (6)		AVERAGES (7)		AVERAGES (8)		Loss Year 17 Funding Study Industry Factors (11)	B/F using Exposures and Incurred Losses (12)	B/F using Exposures and Paid Losses (13)	Average of Columns (10) thru (13) (14)	Selected Ultimate Loss (15)
	Paid Loss Method	Incurred Loss Method	Paid Loss Method	Incurred Loss Method	Avg. Paid/ Closed Claim Method	Avg. Incurred/ Reported Claim Method	Incurred Methods	Industry with MVRMA	Across All Methods	Loss Year 17 Funding Study	Incurred Methods	Industry with MVRMA					
1989	\$207,853	\$207,853	\$207,853	\$207,853	\$207,853	\$207,853	\$207,853	\$207,853	\$207,853	\$207,853	\$207,853	\$207,853					\$207,853
1990	442,062	439,863	439,863	439,863	439,863	439,863	439,863	440,413	440,230	440,230	440,413	440,230					439,863
1991	84,855	84,099	84,015	84,015	84,015	84,015	84,043	84,246	84,169	84,169	84,246	84,169					84,015
1992	141,745	139,655	139,376	139,376	139,376	139,376	139,469	140,038	139,817	139,817	140,038	139,817					139,376
1993	610,455	602,383	600,979	600,979	600,979	600,979	601,447	603,699	602,792	602,792	603,699	602,792					600,979
1994	110,202	107,444	106,065	106,065	106,065	106,065	106,525	107,444	106,984	106,984	107,444	106,984					106,065
1995	165,413	160,396	156,790	156,790	156,790	156,790	157,992	159,847	158,828	158,828	159,847	158,828					156,790
1996	385,128	370,453	357,926	357,926	357,926	357,926	362,102	367,858	364,548	364,548	367,858	364,548					357,926
1997	727,592	717,059	706,526	706,526	706,526	706,526	710,037	714,426	711,793	711,793	714,426	711,793					706,526
1998	632,444	596,969	554,843	554,843	554,843	554,843	568,516	584,497	574,428	574,428	584,497	574,428					554,843
1999	785,227	726,089	658,409	658,409	658,409	658,409	680,287	706,537	690,164	690,164	706,537	690,164					658,409
2000	210,308	188,915	166,143	164,560	164,560	164,560	172,678	182,308	176,540	176,540	182,308	176,540					210,308
2001	664,038	628,152	511,140	524,746	515,031	523,112	588,670	582,301	561,037	561,037	588,670	561,037					664,038
2002	1,060,862	1,032,375	909,875	914,116	928,182	906,487	950,993	980,642	958,650	958,650	980,642	958,650					1,060,862
2003*	430,231	416,883	439,586	398,210	428,125	395,011	403,368	419,395	418,008	418,008	419,395	418,008					430,231
2004*	181,738	178,456	267,257	264,332	248,804	285,254	236,014	220,755	234,307	234,307	220,755	234,307					181,738
2005*	374,974	374,885	875,237	741,182	852,750	746,072	620,713	589,370	660,850	660,850	589,370	660,850					374,974
<b>TOTAL</b>	<b>\$7,215,127</b>	<b>\$6,971,929</b>	<b>\$7,181,884</b>	<b>\$7,017,922</b>	<b>\$7,147,259</b>	<b>\$7,011,855</b>	<b>\$7,000,569</b>	<b>\$7,091,629</b>	<b>\$7,090,996</b>	<b>\$7,090,996</b>	<b>\$7,091,629</b>	<b>\$7,090,996</b>					<b>\$8,800,776</b>

\*MVRMA's Loss Development methods have been adjusted for \$1,000,000 retention. Details available upon request.  
 (1), (2): Appendix A, Page 53  
 (3): Appendix B, Page 94  
 (4): Appendix B, Page 89  
 (5): Appendix B, Page 106  
 (6): Appendix B, Page 106  
 (7): Average of Columns (2), (4) and (6)  
 (8): (Average of Columns (1) and (2) plus the Average of Columns (3), (4), (5) and (6)) 2  
 (9): Average of Columns (1) through (6)  
 (10): Appendix C, Page 159  
 (11): Appendix C, Page 160  
 (12) & (13): Appendix C, Page 162  
 (15): Godbold, Malpere and Co.'s Selected Ultimate Loss



**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION  
COMPARISON OF ULTIMATE ESTIMATES  
PROPERTY**

December 31, 2005

Accident Period	Industry Development			MVRMA's Loss Development			AVERAGES				(13) Average of Columns (10) thru (12)	(14) Selected Ultimate Loss	
	(1) Paid Loss Method	(2) Incurred Loss Method	(3) Paid Loss Method	(4) Incurred Loss Method	(5) Avg. Paid/Closed Claim Method	(6) Avg. Incurred/Reported Claim Method	(7) Incurred Methods	(8) Industry with MVRMA	(9) Across All Methods	(10) Loss Year 17 Funding Study			(11) B/F using Exposures and Incurred Losses
1989	\$124,141	\$124,141	\$124,141	\$124,141	\$124,141	\$124,141	\$124,141	\$124,141	\$124,141				\$124,141
1990	32,734	32,734	32,734	32,734	32,734	32,734	32,734	32,734	32,734				32,734
1991	75,626	75,626	75,626	75,626	75,626	75,626	75,626	75,626	75,626				75,626
1992	63,858	63,858	63,858	63,858	63,858	63,858	63,858	63,858	63,858				63,858
1993	63,660	63,660	63,660	63,660	63,660	63,660	63,660	63,660	63,660				63,660
1994	96,833	96,833	96,833	96,833	96,833	96,833	96,833	96,833	96,833				96,833
1995	85,639	85,639	85,639	85,639	85,639	85,639	85,639	85,639	85,639				85,639
1996	92,901	92,901	92,901	92,901	92,901	92,901	92,901	92,901	92,901				92,901
1997	225,205	225,205	225,205	225,205	225,205	225,205	225,205	225,205	225,205				225,205
1998	135,150	135,150	135,150	135,150	135,150	135,150	135,150	135,150	135,150				135,150
1999	392,466	392,466	392,466	392,466	392,466	392,466	392,466	392,466	392,466				392,466
2000	130,204	130,204	130,204	130,204	130,204	130,204	130,204	130,204	130,204				130,204
2001	505,931	505,931	505,931	505,931	505,931	505,931	505,931	505,931	505,931				505,931
2002	369,496	369,496	369,496	369,496	369,496	369,496	369,496	369,496	369,496				369,496
2003	265,463	265,463	265,513	265,463	265,463	265,463	265,463	265,463	265,471				265,463
2004	237,428	231,917	231,731	229,621	230,539	229,621	230,386	232,525	231,810				265,463
2005*	355,555	430,257	462,459	424,104	457,536	424,143	426,168	417,483	425,676	662,672	432,027	532,179	542,000
<b>TOTAL</b>	<b>\$3,252,290</b>	<b>\$3,321,481</b>	<b>\$3,353,547</b>	<b>\$3,313,032</b>	<b>\$3,347,382</b>	<b>\$3,313,071</b>	<b>\$3,315,861</b>	<b>\$3,309,322</b>	<b>\$3,316,801</b>				<b>\$3,436,307</b>

\*MVRMA's Loss Development methods have been adjusted for \$200,000 retention. Details available upon request.

- (1), (2): Appendix A, Page 54
- (3): Appendix B, Page 128
- (4): Appendix B, Page 123
- (5): Appendix B, Page 140
- (6): Appendix B, Page 135
- (7): Average of Columns (2), (4) and (6)
- (8): (Average of Columns (1) and (2) plus the Average of Columns (3), (4), (5) and (6))/2
- (9): Average of Columns (1) through (6)
- (10): Appendix C, Page 161
- (11): Appendix C, Page 162
- (12): Appendix C, Page 162
- (14): Godbold, Malpere and Co.'s Selected Ultimate Loss

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**DERIVATION OF ESTIMATED ULTIMATE LOSSES**  
**AUTOMOBILE LIABILITY (BI,PD)**  
December 31, 2005

<i>Accident Period</i>	<u>Paid Loss Development</u>		
	(1) <i>Paid Loss &amp; ALAE</i>	(2) <i>Industry Development Factor</i>	(3) <i>Estimated Ultimate Loss &amp; ALAE</i>
12/1/88 - 11/30/89	\$111,919	1.000	\$111,919
12/1/89 - 12/31/90	\$18,683	1.000	\$18,683
1/1/91 - 12/31/91	\$13,946	1.000	\$13,946
1/1/92 - 12/31/92	\$39,293	1.000	\$39,293
1/1/93 - 12/31/93	\$329,494	1.001	\$329,823
1/1/94 - 12/31/94	\$126,181	1.003	\$126,560
1/1/95 - 12/31/95	\$157,537	1.006	\$158,482
1/1/96 - 12/31/96	\$75,097	1.010	\$75,848
1/1/97 - 12/31/97*	\$72,332	1.014	\$573,345
1/1/98 - 12/31/98	\$98,687	1.020	\$100,661
1/1/99 - 12/31/99	\$203,725	1.029	\$209,633
1/1/00 - 12/31/00	\$81,660	1.051	\$85,825
1/1/01 - 12/31/01	\$527,259	1.095	\$577,349
1/1/02 - 12/31/02	\$167,747	1.203	\$201,800
1/1/03 - 12/31/03	\$114,099	1.448	\$165,215
1/1/04 - 12/31/04	\$49,417	2.078	\$102,689
1/1/05 - 12/31/05	\$43,005	4.340	\$186,642
TOTAL	\$2,230,081		\$3,077,713

<i>Accident Period</i>	<u>Incurred Loss Development</u>		
	(4) <i>Incurred Loss &amp; ALAE</i>	(5) <i>Industry Development Factor</i>	(6) <i>Estimated Ultimate Loss &amp; ALAE</i>
12/1/88 - 11/30/89	\$111,919	1.000	\$111,919
12/1/89 - 12/31/90	\$18,683	1.000	\$18,683
1/1/91 - 12/31/91	\$13,946	1.000	\$13,946
1/1/92 - 12/31/92	\$39,293	1.000	\$39,293
1/1/93 - 12/31/93	\$329,494	1.000	\$329,494
1/1/94 - 12/31/94	\$126,181	1.001	\$126,307
1/1/95 - 12/31/95	\$157,537	1.002	\$157,852
1/1/96 - 12/31/96	\$75,097	1.003	\$75,322
1/1/97 - 12/31/97*	\$72,332	1.004	\$572,621
1/1/98 - 12/31/98	\$98,687	1.005	\$99,180
1/1/99 - 12/31/99	\$203,725	1.006	\$204,947
1/1/00 - 12/31/00	\$81,660	1.011	\$82,558
1/1/01 - 12/31/01	\$843,409	1.022	\$861,964
1/1/02 - 12/31/02	\$167,747	1.052	\$176,470
1/1/03 - 12/31/03	\$190,622	1.118	\$213,115
1/1/04 - 12/31/04	\$54,917	1.288	\$70,733
1/1/05 - 12/31/05	\$100,944	1.759	\$177,560
TOTAL	\$2,686,193		\$3,331,964

(1) (4): Provided by Gallagher Bassett Services Inc. & MVRMA

(2) (5): Based on insurance industry development

(3) (1) x (2)

(6) (4) x (5)

\*: Adjusted for Janson to \$500,000 SIR

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**DERIVATION OF ESTIMATED ULTIMATE LOSSES**  
**GENERAL LIABILITY (BI,PD,PI,EO,BL,PL,WE)**  
**December 31, 2005**

<u>Accident Period</u>	<u>Paid Loss Development</u>		
	<u>(1)</u> <u>Paid Loss &amp; ALAE</u>	<u>(2)</u> <u>Industry Development Factor</u>	<u>(3)</u> <u>Estimated Ultimate Loss &amp; ALAE</u>
12/1/88 - 11/30/89	\$207,853	1.000	\$207,853
12/1/89 - 12/31/90	\$439,863	1.005	\$442,062
1/1/91 - 12/31/91	\$84,015	1.010	\$84,855
1/1/92 - 12/31/92	\$139,376	1.017	\$141,745
1/1/93 - 12/31/93*	\$350,979	1.027	\$610,455
1/1/94 - 12/31/94	\$106,065	1.039	\$110,202
1/1/95 - 12/31/95	\$156,790	1.055	\$165,413
1/1/96 - 12/31/96	\$357,926	1.076	\$385,128
1/1/97 - 12/31/97**	\$206,526	1.102	\$727,592
1/1/98 - 12/31/98	\$554,289	1.141	\$632,444
1/1/99 - 12/31/99	\$657,094	1.195	\$785,227
1/1/00 - 12/31/00	\$164,560	1.278	\$210,308
1/1/01 - 12/31/01	\$470,949	1.410	\$664,038
1/1/02 - 12/31/02	\$639,459	1.659	\$1,060,862
1/1/03 - 12/31/03	\$196,632	2.188	\$430,231
1/1/04 - 12/31/04	\$50,964	3.566	\$181,738
1/1/05 - 12/31/05	\$48,390	7.749	\$374,974
<b>TOTAL</b>	<b>\$4,831,730</b>		<b>\$7,215,127</b>

<u>Accident Period</u>	<u>Incurred Loss Development</u>		
	<u>(4)</u> <u>Incurred Loss &amp; ALAE</u>	<u>(5)</u> <u>Industry Development Factor</u>	<u>(6)</u> <u>Estimated Ultimate Loss &amp; ALAE</u>
12/1/88 - 11/30/89	\$207,853	1.000	\$207,853
12/1/89 - 12/31/90	\$439,863	1.000	\$439,863
1/1/91 - 12/31/91	\$84,015	1.001	\$84,099
1/1/92 - 12/31/92	\$139,376	1.002	\$139,655
1/1/93 - 12/31/93*	\$350,979	1.004	\$602,383
1/1/94 - 12/31/94	\$106,065	1.013	\$107,444
1/1/95 - 12/31/95	\$156,790	1.023	\$160,396
1/1/96 - 12/31/96	\$357,926	1.035	\$370,453
1/1/97 - 12/31/97**	\$206,526	1.051	\$717,059
1/1/98 - 12/31/98	\$554,289	1.077	\$596,969
1/1/99 - 12/31/99	\$657,094	1.105	\$726,089
1/1/00 - 12/31/00	\$164,560	1.148	\$188,915
1/1/01 - 12/31/01	\$522,589	1.202	\$628,152
1/1/02 - 12/31/02	\$792,306	1.303	\$1,032,375
1/1/03 - 12/31/03	\$273,187	1.526	\$416,883
1/1/04 - 12/31/04	\$88,740	2.011	\$178,456
1/1/05 - 12/31/05	\$108,411	3.458	\$374,885
<b>TOTAL</b>	<b>\$5,210,569</b>		<b>\$6,971,929</b>

(1) (4) Provided by Gallagher Bassett Services Inc & MVRMA

(2) (5) Based on insurance industry development

(3) (1) x (2)

(6) (4) x (5)

\* Adjusted for Dahm occurrence to \$250,000 SIR

\*\* Adjusted for McRoberts occurrence to \$500,000 SIR

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION  
DERIVATION OF ESTIMATED ULTIMATE LOSSES  
PROPERTY (APD, BUILDINGS, CONTENTS, CRIME)  
December 31, 2005**

	<u>Paid Loss Development</u>		
	(1) <i>Paid Loss &amp; ALAE</i>	(2) <i>Industry Development Factor</i>	(3) <i>Estimated Ultimate Loss &amp; ALAE</i>
12/1/88 - 11/30/89	\$124,141	1.000	\$124,141
12/1/89 - 12/31/90	\$32,734	1.000	\$32,734
1/1/91 - 12/31/91	\$75,626	1.000	\$75,626
1/1/92 - 12/31/92	\$63,858	1.000	\$63,858
1/1/93 - 12/31/93	\$63,660	1.000	\$63,660
1/1/94 - 12/31/94	\$96,833	1.000	\$96,833
1/1/95 - 12/31/95	\$85,639	1.000	\$85,639
1/1/96 - 12/31/96	\$92,901	1.000	\$92,901
1/1/97 - 12/31/97	\$225,205	1.000	\$225,205
1/1/98 - 12/31/98	\$135,150	1.000	\$135,150
1/1/99 - 12/31/99*	\$242,466	1.000	\$392,466
1/1/00 - 12/31/00	\$130,204	1.000	\$130,204
1/1/01 - 12/31/01	\$505,931	1.000	\$505,931
1/1/02 - 12/31/02	\$369,496	1.000	\$369,496
1/1/03 - 12/31/03	\$265,463	1.000	\$265,463
1/1/04 - 12/31/04	\$229,621	1.034	\$237,428
1/1/05 - 12/31/05	\$301,573	1.179	\$355,555
<b>TOTAL</b>	<b>\$3,040,500</b>		<b>\$3,252,290</b>

<i>Accident Period</i>	<u>Incurred Loss Development</u>		
	(4) <i>Incurred Loss &amp; ALAE</i>	(5) <i>Industry Development Factor</i>	(6) <i>Estimated Ultimate Loss &amp; ALAE</i>
12/1/88 - 11/30/89	\$124,141	1.000	\$124,141
12/1/89 - 12/31/90	\$32,734	1.000	\$32,734
1/1/91 - 12/31/91	\$75,626	1.000	\$75,626
1/1/92 - 12/31/92	\$63,858	1.000	\$63,858
1/1/93 - 12/31/93	\$63,660	1.000	\$63,660
1/1/94 - 12/31/94	\$96,833	1.000	\$96,833
1/1/95 - 12/31/95	\$85,639	1.000	\$85,639
1/1/96 - 12/31/96	\$92,901	1.000	\$92,901
1/1/97 - 12/31/97	\$225,205	1.000	\$225,205
1/1/98 - 12/31/98	\$135,150	1.000	\$135,150
1/1/99 - 12/31/99*	\$242,466	1.000	\$392,466
1/1/00 - 12/31/00	\$130,204	1.000	\$130,204
1/1/01 - 12/31/01	\$505,931	1.000	\$505,931
1/1/02 - 12/31/02	\$369,496	1.000	\$369,496
1/1/03 - 12/31/03	\$265,463	1.000	\$265,463
1/1/04 - 12/31/04	\$229,621	1.010	\$231,917
1/1/05 - 12/31/05	\$410,159	1.049	\$430,257
<b>TOTAL</b>	<b>\$3,149,086</b>		<b>\$3,321,481</b>

(1) (4): Provided by Gallagher Bassett Services Inc & MVRMA

(2) (5): Based on insurance industry development

(3) (1) x (2)

(6): (4) x (5)

\* Adjusted for City of Montgomery 4-9-99 occurrence

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION  
Ultimate Loss Based on Incurred Loss Development  
Auto Liability  
December 31, 2005**

Accident Year	Cumulative Incurred Loss	Selected Development Factors	Cumulative Development Factors	Ultimate Loss (1) x (3)
	(1)	(2)	(3)	(4)
1989	\$ 111,919	1.000	1.000	\$ 111,919
1990	18,683	1.000	1.000	18,683
1991	13,946	1.000	1.000	13,946
1992	39,293	1.000	1.000	39,293
1993	329,494	1.000	1.000	329,494
1994	126,181	1.000	1.000	126,181
1995	157,537	1.000	1.000	157,537
1996	75,097	1.000	1.000	75,097
1997	572,332	1.000	1.000	572,332
1998	98,687	1.000	1.000	98,687
1999	203,725	1.000	1.000	203,725
2000	81,660	1.000	1.000	81,660
2001	843,409	1.000	1.000	843,409
2002	167,747	1.004	1.004	168,418
2003	190,622	1.070	1.074	204,781
2004	54,917	1.286	1.382	75,869
2005	100,944	1.509	2.085	210,440
<b>Total</b>	<b>\$ 3,186,193</b>			<b>\$ 3,331,471</b>

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION  
Incurred Loss Development  
Auto Liability  
December 31, 2005**

<u>Accident Year</u>	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-132</u>	<u>132-144</u>
1989	0.966	12.993	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	1.841	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	1.017	1.771	0.868	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992	1.015	1.576	1.171	1.095	0.977	1.000	1.000	1.000	1.000	1.000	1.000
1993	3.045	1.175	1.011	0.967	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	2.496	0.813	1.008	0.994	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	0.965	1.180	0.950	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	1.175	0.989	0.930	1.000	1.000	1.000	1.006	1.000	1.000	1.000	1.000
1997	1.206	2.139	0.975	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1998	1.107	1.027	1.031	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1999	1.019	1.184	1.195	1.039	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000	1.053	1.031	0.987	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	5.142	1.347	1.446	0.898							
2002	2.552	0.895	1.000								
2003	1.554	1.408									
2004	1.080										
Average	1.702	2.035	1.041	0.999	0.998	1.000	1.001	1.000	1.000	1.000	1.000
Volume Weighted Average	1.736	1.338	1.115	0.965	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Time Weighted Average	1.817	1.330	1.070	0.992	0.999	1.000	1.001	1.000	1.000	1.000	1.000
Average Excluding High/Low	1.509	1.286	1.022	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Average											
Excluding High/Low	1.729	1.188	1.075	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Average	1.729	1.217	1.144	0.979	1.000	1.000	1.002	1.000	1.000	1.000	1.000
3 Year Volume											
Weighted Average	1.787	1.252	1.320	0.928	1.000	1.000	1.001	1.000	1.000	1.000	1.000
5 Year Volume											
Weighted Average	2.465	1.226	1.279	0.953	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7 Year Average											
Excluding High/Low	1.469	1.200	1.037	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Evaluation as of December 2004	1.571	1.276	1.071	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	<u>1.509</u>	<u>1.286</u>	<u>1.070</u>	<u>1.004</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	2.085	1.382	1.074	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	0.480	0.724	0.931	0.996	1.000	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION  
Incurred Loss Development  
Auto Liability  
December 31, 2005**

<u>Accident Year</u>	<u>144-156</u>	<u>156-168</u>	<u>168-180</u>	<u>180-192</u>	<u>192-204</u>	<u>204-Ult</u>
1989	1.000	1.000	1.000	1.000	1.000	
1990	1.000	1.000	1.000	1.000		
1991	1.000	1.000	1.000			
1992	1.000	1.000				
1993	1.000					
1994						
Average	1.000	1.000	1.000	1.000	1.000	
Volume Weighted Average	1.000	1.000	1.000	1.000	1.000	
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	
Average Excluding High/Low	1.000	1.000	1.000			
5 Year Average						
Excluding High/Low	1.000	1.000	1.000			
3 Year Average	1.000	1.000	1.000	1.000	1.000	
3 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
5 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
7 Year Average						
Excluding High/Low	1.000	1.000	1.000			
Evaluation as of December 2004	1.000	1.000	1.000	1.000	1.000	
Selected	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Incurred Loss**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	8,914	8,614	111,919	111,919	111,919	111,919	111,919	111,919	111,919	111,919	111,919	111,919	111,919
1990	10,151	18,683	18,683	18,683	18,683	18,683	18,683	18,683	18,683	18,683	18,683	18,683	18,683
1991	8,919	9,074	16,074	13,946	13,946	13,946	13,946	13,946	13,946	13,946	13,946	13,946	13,946
1992	19,584	19,882	31,332	36,705	40,205	39,293	39,293	39,293	39,293	39,293	39,293	39,293	39,293
1993	94,156	286,741	336,879	340,644	329,494	329,494	329,494	329,494	329,494	329,494	329,494	329,494	329,494
1994	62,084	154,951	125,930	126,992	126,181	126,181	126,181	126,181	126,181	126,181	126,181	126,181	126,181
1995	145,570	140,533	165,780	157,537	157,537	157,537	157,537	157,537	157,537	157,537	157,537	157,537	157,537
1996	69,113	81,178	80,302	74,641	74,641	74,641	74,641	75,097	75,097	75,097	75,097	75,097	75,097
1997	227,596	274,452	586,917	572,332	572,332	572,332	572,332	572,332	572,332	572,332	572,332	572,332	572,332
1998	84,207	93,223	95,750	98,687	98,687	98,687	98,687	98,687	98,687	98,687	98,687	98,687	98,687
1999	136,069	138,607	164,173	196,158	203,725	203,725	203,725	203,725	203,725	203,725	203,725	203,725	203,725
2000	76,221	80,265	82,765	81,660	81,660	81,660	81,660	81,660	81,660	81,660	81,660	81,660	81,660
2001	93,763	482,169	649,669	939,169	843,409	843,409	843,409	843,409	843,409	843,409	843,409	843,409	843,409
2002	73,431	187,369	167,747	167,747	167,747	167,747	167,747	167,747	167,747	167,747	167,747	167,747	167,747
2003	87,086	135,372	190,622	190,622	190,622	190,622	190,622	190,622	190,622	190,622	190,622	190,622	190,622
2004	50,836	54,917	54,917	54,917	54,917	54,917	54,917	54,917	54,917	54,917	54,917	54,917	54,917
2005	100,944	100,944	100,944	100,944	100,944	100,944	100,944	100,944	100,944	100,944	100,944	100,944	100,944



**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Incurred Loss**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	111,919	111,919	111,919	111,919
1990	18,683	18,683	18,683	
1991	13,946	13,946		
1992	39,293			

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ultimate Loss Based on Paid Loss Development**  
**Auto Liability**  
**December 31, 2005**

Accident Year	Cumulative Paid Loss	Selected Development Factors	Cumulative Development Factors	Ultimate Loss (1) x (3)
	(1)	(2)	(3)	(4)
1989	\$ 111,919	1.000	1.000	\$ 111,919
1990	18,683	1.000	1.000	18,683
1991	13,946	1.000	1.000	13,946
1992	39,293	1.000	1.000	39,293
1993	329,494	1.000	1.000	329,494
1994	126,181	1.000	1.000	126,181
1995	157,537	1.000	1.000	157,537
1996	75,097	1.000	1.000	75,097
1997	572,332	1.000	1.000	572,332
1998	98,687	1.000	1.000	98,687
1999	203,725	1.000	1.000	203,725
2000	81,660	1.000	1.000	81,660
2001	527,259	1.008	1.008	531,477
2002	167,747	1.030	1.038	174,162
2003	114,099	1.102	1.144	130,542
2004	49,417	1.514	1.732	85,599
2005	43,005	1.857	3.217	138,355
<b>Total</b>	<b>\$ 2,730,081</b>			<b>\$2,888,689</b>

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Paid Loss Development**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-132</u>	<u>132-144</u>
1989	1.000	12.993	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	2.299	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	1.018	1.447	1.086	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992	1.113	1.284	1.190	1.000	1.546	1.000	1.000	1.000	1.000	1.000	1.000
1993	2.239	1.470	4.127	1.016	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	1.607	2.898	1.008	0.994	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	1.558	2.242	1.170	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	1.215	1.356	1.025	1.000	1.000	1.000	1.006	1.000	1.000	1.000	1.000
1997	1.996	8.263	1.012	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1998	1.317	1.225	1.446	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1999	3.322	1.131	1.160	1.154	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000	1.373	1.030	1.089	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	12.887	1.106	1.036	1.090	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	2.920	1.647	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	1.279	1.381	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004	1.185	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average	2.395	2.698	1.311	1.020	1.045	1.000	1.001	1.000	1.000	1.000	1.000
Volume Weighted Average	2.415	1.820	1.175	1.033	1.008	1.000	1.000	1.000	1.000	1.000	1.000
Time Weighted Average	2.833	2.044	1.247	1.032	1.028	1.000	1.001	1.000	1.000	1.000	1.000
Average Excluding High/Low	1.746	2.037	1.102	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Average	1.857	1.206	1.095	1.030	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Excluding High/Low	1.794	1.378	1.042	1.081	1.000	1.000	1.002	1.000	1.000	1.000	1.000
3 Year Average	1.656	1.235	1.033	1.095	1.000	1.000	1.001	1.000	1.000	1.000	1.000
3 Year Volume Weighted Average	3.211	1.199	1.084	1.050	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Volume Weighted Average	2.042	1.298	1.064	1.018	1.000	1.000	1.000	1.000	1.000	1.000	1.000
7 Year Average Excluding High/Low	2.538	1.647	1.111	1.025	1.010	1.000	1.000	1.000	1.000	1.000	1.000
Evaluation as of December 2004	1.857	1.514	1.102	1.030	1.008	1.000	1.000	1.000	1.000	1.000	1.000
Selected	3.217	1.732	1.144	1.038	1.008	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	0.311	0.577	0.874	0.963	0.992	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate											

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Paid Loss Development**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>144-156</u>	<u>156-168</u>	<u>168-180</u>	<u>180-192</u>	<u>192-204</u>	<u>204-Ult</u>
1989	1.000	1.000	1.000	1.000	1.000	
1990	1.000	1.000	1.000	1.000		
1991	1.000	1.000	1.000			
1992	1.000	1.000				
1993	1.000					
1994						
Average	1.000	1.000	1.000	1.000	1.000	
Volume Weighted Average	1.000	1.000	1.000	1.000	1.000	
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	
Average Excluding High/Low	1.000	1.000	1.000			
5 Year Average						
Excluding High/Low	1.000	1.000	1.000			
3 Year Average	1.000	1.000	1.000	1.000	1.000	
3 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
5 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
7 Year Average						
Excluding High/Low	1.000	1.000	1.000			
Evaluation as of December 2004	1.000	1.000	1.000	1.000	1.000	
Selected	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Paid Loss**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	8,614	8,614	111,919	111,919	111,919	111,919	111,919	111,919	111,919	111,919	111,919	111,919	111,919
1990	8,126	18,683	18,683	18,683	18,683	18,683	18,683	18,683	18,683	18,683	18,683	18,683	18,683
1991	8,719	8,874	12,838	13,946	13,946	13,946	13,946	13,946	13,946	13,946	13,946	13,946	13,946
1992	14,941	16,632	21,357	25,418	25,418	39,293	39,293	39,293	39,293	39,293	39,293	39,293	39,293
1993	23,877	53,454	78,551	324,172	329,494	329,494	329,494	329,494	329,494	329,494	329,494	329,494	329,494
1994	27,039	43,451	125,930	126,992	126,181	126,181	126,181	126,181	126,181	126,181	126,181	126,181	126,181
1995	38,520	60,033	134,606	157,537	157,537	157,537	157,537	157,537	157,537	157,537	157,537	157,537	157,537
1996	44,173	53,678	72,802	74,641	74,641	74,641	74,641	75,097	75,097	75,097	75,097	75,097	75,097
1997	34,298	68,453	565,604	572,332	572,332	572,332	572,332	572,332	572,332	572,332	572,332	572,332	572,332
1998	42,307	55,723	68,250	98,687	98,687	98,687	98,687	98,687	98,687	98,687	98,687	98,687	98,687
1999	40,519	134,607	152,208	176,501	203,725	203,725	203,725	203,725	203,725	203,725	203,725	203,725	203,725
2000	52,991	72,765	74,962	81,660	81,660	81,660	81,660	81,660	81,660	81,660	81,660	81,660	81,660
2001	32,751	422,055	466,966	483,944	527,259	527,259	527,259	527,259	527,259	527,259	527,259	527,259	527,259
2002	34,887	101,869	167,747	167,747	167,747	167,747	167,747	167,747	167,747	167,747	167,747	167,747	167,747
2003	64,611	82,622	114,099	114,099	114,099	114,099	114,099	114,099	114,099	114,099	114,099	114,099	114,099
2004	41,711	49,417	49,417	49,417	49,417	49,417	49,417	49,417	49,417	49,417	49,417	49,417	49,417
2005	43,005	43,005	43,005	43,005	43,005	43,005	43,005	43,005	43,005	43,005	43,005	43,005	43,005

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Paid Loss**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	111,919	111,919	111,919	111,919
1990	18,683	18,683	18,683	
1991	13,946	13,946		
1992	39,293			

(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ratio of Cumulative Paid Loss to Cumulative Incurred Loss**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	0.966	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	0.801	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	0.978	0.978	0.799	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992	0.763	0.837	0.682	0.692	0.632	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993	0.254	0.186	0.233	0.952	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	0.436	0.280	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	0.265	0.427	0.812	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	0.639	0.661	0.907	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1997	0.151	0.249	0.964	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1998	0.502	0.598	0.713	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1999	0.298	0.971	0.927	0.900	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000	0.695	0.907	0.906	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	0.349	0.875	0.719	0.515	0.625	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	0.475	0.544	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	0.742	0.610	0.599	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004	0.821	0.900	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2005	0.426	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ratio of Cumulative Paid Loss to Cumulative Incurred Loss**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	1.000	1.000	1.000	1.000
1990	1.000	1.000	1.000	
1991	1.000	1.000		
1992	1.000			



**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ultimate Loss Based on Average Incurred Loss per Reported Claim Development**  
**Auto Liability**  
**December 31, 2005**

Accident Year	Cumulative Incurred Loss per Reported Claim	Selected Development Factors	Cumulative Development Factors	Ultimate Average Loss (1) x (3)	Ultimate Claims	Ultimate Loss (4) x (5)
(1)	(2)	(3)	(4)	(5)	(6)	
1989	\$ 2,602.767	1.000	1.000	\$ 2,602.767	43	\$ 111,919
1990	566.152	1.000	1.000	566.152	33	18,683
1991	536.385	1.000	1.000	536.385	26	13,946
1992	1,034.026	1.000	1.000	1,034.026	38	39,293
1993	5,491.567	1.000	1.000	5,491.567	60	329,494
1994	1,752.514	1.000	1.000	1,752.514	72	126,181
1995	1,853.376	1.000	1.000	1,853.376	85	157,537
1996	658.746	1.000	1.000	658.746	114	75,097
1997	5,840.122	1.000	1.000	5,840.122	98	572,332
1998	1,147.523	1.000	1.000	1,147.523	86	98,687
1999	1,683.678	1.000	1.000	1,683.678	121	203,725
2000	785.192	1.000	1.000	785.192	104	81,660
2001	9,807.081	1.000	1.000	9,807.081	86	843,409
2002	2,096.838	1.004	1.004	2,105.225	80	168,418
2003	1,629.248	1.067	1.072	1,746.055	117	204,288
2004	646.082	1.259	1.349	871.735	87	75,841
2005	1,187.576	1.410	1.902	2,259.317	91	205,598
<b>Total</b>					<b>1,341</b>	<b>\$ 3,326,108</b>

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Incurred Loss per Cumulative Reported Claims Development**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-132</u>	<u>132-144</u>
1989	0.966	12.691	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	1.785	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	0.936	1.703	0.868	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992	0.987	1.493	1.171	1.095	0.977	1.000	1.000	1.000	1.000	1.000	1.000
1993	2.741	1.175	1.011	0.967	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	2.357	0.813	1.008	0.994	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	0.965	1.110	0.950	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	1.067	0.980	0.930	1.000	0.991	1.000	1.006	0.974	1.000		
1997	1.206	2.116	0.975	1.000	1.000	0.990	1.000	1.000			
1998	1.068	1.027	1.031	1.000	1.000	1.000	1.000				
1999	1.001	1.115	1.185	1.039	1.000	1.000					
2000	1.023	1.031	0.987	1.000	1.000						
2001	4.961	1.332	1.446	0.898							
2002	2.196	0.884	1.000								
2003	1.447	1.396									
2004	0.928										
Average	1.602	1.991	1.040	0.999	0.997	0.999	1.001	0.997	1.000	1.000	1.000
Volume Weighted Average	1.710	1.342	1.103	0.967	0.999	0.997	1.000	0.999	1.000	1.000	1.000
Time Weighted Average	1.699	1.306	1.069	0.992	0.998	0.999	1.001	0.995	1.000	1.000	1.000
Average Excluding High/Low	1.410	1.259	1.021	1.000	0.999	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Average											
Excluding High/Low	1.555	1.159	1.072	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Average	1.524	1.204	1.144	0.979	1.000	0.997	1.002	0.991	1.000	1.000	1.000
3 Year Volume											
Weighted Average	1.620	1.225	1.321	0.921	1.000	0.993	1.001	0.998	1.000	1.000	1.000
5 Year Volume											
Weighted Average	2.372	1.199	1.282	0.948	0.999	0.995	1.000	0.999	1.000	1.000	1.000
7 Year Average											
Excluding High/Low	1.347	1.180	1.035	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Evaluation as of											
December 2004	1.447	1.247	1.067	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	<u>1.410</u>	<u>1.259</u>	<u>1.067</u>	<u>1.004</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.902	1.349	1.072	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	0.526	0.741	0.933	0.996	1.000	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Incurred Loss per Cumulative Reported Claims Development**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>144-156</u>	<u>156-168</u>	<u>168-180</u>	<u>180-192</u>	<u>192-204</u>	<u>204-Ult</u>
1989	1.000	1.000	1.000	1.000	1.000	
1990	1.000	1.000	1.000	1.000		
1991	1.000	1.000	1.000			
1992	1.000	1.000				
1993	1.000					
1994						
Average	1.000	1.000	1.000	1.000	1.000	
Volume Weighted Average	1.000	1.000	1.000	1.000	1.000	1.000
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	1.000
Average Excluding High/Low	1.000	1.000	1.000			
5 Year Average						
Excluding High/Low	1.000	1.000	1.000			
3 Year Average	1.000	1.000	1.000	1.000	1.000	
3 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
5 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
7 Year Average						
Excluding High/Low	1.000	1.000	1.000			
Evaluation as of December 2004	1.000	1.000	1.000	1.000	1.000	
Selected	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Incurred Loss per Cumulative Reported Claims**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	212	205	2,603	2,603	2,603	2,603	2,603	2,603	2,603	2,603	2,603	2,603	2,603
1990	317	566	566	566	566	566	566	566	566	566	566	566	566
1991	388	363	618	536	536	536	536	536	536	536	536	536	536
1992	560	552	825	966	1,058	1,034	1,034	1,034	1,034	1,034	1,034	1,034	1,034
1993	1,744	4,779	5,615	5,677	5,492	5,492	5,492	5,492	5,492	5,492	5,492	5,492	5,492
1994	913	2,152	1,749	1,764	1,753	1,753	1,753	1,753	1,753	1,753	1,753	1,753	1,753
1995	1,820	1,757	1,950	1,853	1,853	1,853	1,853	1,853	1,853	1,853	1,853	1,853	1,853
1996	698	745	730	679	679	672	672	677	659	659			
1997	2,371	2,859	6,051	5,900	5,900	5,900	5,840	5,840	5,840				
1998	1,015	1,084	1,113	1,148	1,148	1,148	1,148	1,148					
1999	1,226	1,227	1,368	1,621	1,684	1,684	1,684						
2000	755	772	796	785	785	785							
2001	1,143	5,673	7,554	10,921	9,807								
2002	1,080	2,372	2,097	2,097									
2003	806	1,167	1,629										
2004	696	646											
2005	1,188												

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Incurred Loss per Cumulative Reported Claims**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	2,603	2,603	2,603	2,603
1990	566	566	566	
1991	536	536		
1992	1,034			

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ultimate Loss Based on Average Paid Loss per Closed Claim Development**  
**Auto Liability**  
**December 31, 2005**

Accident Year	Cumulative Paid Loss per Closed Claim	Selected Development Factors	Cumulative Development Factors	Ultimate Average Loss (1) x (3)	Ultimate Claims	Ultimate Loss (4) x (5)
-----	(1)	(2)	(3)	(4)	(5)	(6)
1989	\$ 2,602.767	1.000	1.000	\$ 2,602.767	43	\$ 111,919
1990	566.152	1.000	1.000	566.152	33	18,683
1991	536.385	1.000	1.000	536.385	26	13,946
1992	1,034.026	1.000	1.000	1,034.026	38	39,293
1993	5,491.567	1.000	1.000	5,491.567	60	329,494
1994	1,752.514	1.000	1.000	1,752.514	72	126,181
1995	1,853.376	1.000	1.000	1,853.376	85	157,537
1996	658.746	1.000	1.000	658.746	114	75,097
1997	5,840.122	1.000	1.000	5,840.122	98	572,332
1998	1,147.523	1.000	1.000	1,147.523	86	98,687
1999	1,683.678	1.000	1.000	1,683.678	121	203,725
2000	785.192	1.000	1.000	785.192	104	81,660
2001	6,276.893	1.008	1.008	6,327.108	86	544,131
2002	2,096.838	1.030	1.038	2,177.021	80	174,162
2003	1,009.726	1.081	1.122	1,133.253	117	132,591
2004	588.298	1.461	1.640	964.652	87	83,925
2005	671.953	1.453	2.382	1,600.719	91	145,665
<b>Total</b>					<b>1,341</b>	<b>\$2,909,028</b>

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Paid Loss per Cumulative Closed Claims Development**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-132</u>	<u>132-144</u>
1989	0.976	12.691	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	1.881	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	0.891	1.447	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992	0.954	1.284	1.126	1.028	1.465	1.000	1.000	1.000	1.000	1.000	1.000
1993	1.563	1.391	3.917	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	1.286	2.616	1.008	0.994	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	1.039	1.969	1.129	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	0.999	1.331	1.016	1.000	0.991	1.000	1.006	0.974	1.000		
1997	1.781	8.175	0.981	1.000	1.000	0.990	1.000	1.000			
1998	1.122	1.181	1.412	1.000	1.000	1.000	1.000				
1999	3.114	1.082	1.140	1.135	1.000	1.000					
2000	1.093	1.030	1.079	1.000	1.000						
2001	10.852	1.013	1.024	1.090							
2002	2.113	1.564	1.000								
2003	1.152	1.357									
2004	0.889										
Average	1.982	2.609	1.274	1.019	1.038	0.999	1.001	0.997	1.000	1.000	1.000
Volume Weighted Average	1.926	1.754	1.190	1.025	1.014	0.997	1.000	0.999	1.000	1.000	1.000
Time Weighted Average	2.344	1.969	1.218	1.030	1.023	0.999	1.001	0.995	1.000	1.000	1.000
Average Excluding High/Low	1.426	1.957	1.078	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Average											
Excluding High/Low	1.453	1.156	1.081	1.030	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Average	1.385	1.311	1.034	1.075	1.000	0.997	1.002	0.991	1.000	1.000	1.000
3 Year Volume											
Weighted Average	1.376	1.143	1.023	1.089	1.000	0.993	1.001	0.998	1.000	1.000	1.000
5 Year Volume											
Weighted Average	2.881	1.127	1.067	1.047	0.999	0.995	1.000	0.999	1.000	1.000	1.000
7 Year Average											
Excluding High/Low	1.719	1.243	1.052	1.018	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Evaluation as of											
December 2004	2.127	1.630	1.085	1.023	1.010	1.000	1.000	1.000	1.000	1.000	1.000
Selected	<u>1.453</u>	<u>1.461</u>	<u>1.081</u>	<u>1.030</u>	<u>1.008</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	2.382	1.640	1.122	1.038	1.008	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	0.420	0.610	0.891	0.963	0.992	1.000	1.000	1.000	1.000	1.000	1.000

(Part 2)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Paid Loss per Cumulative Closed Claims Development**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>144-156</u>	<u>156-168</u>	<u>168-180</u>	<u>180-192</u>	<u>192-204</u>	<u>204-Ult</u>
1989	1.000	1.000	1.000	1.000	1.000	
1990	1.000	1.000	1.000	1.000		
1991	1.000	1.000	1.000			
1992	1.000	1.000				
1993	1.000					
1994						
Average	1.000	1.000	1.000	1.000	1.000	
Volume Weighted Average	1.000	1.000	1.000	1.000	1.000	1.000
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	1.000
Average Excluding High/Low	1.000	1.000	1.000			
5 Year Average						
Excluding High/Low	1.000	1.000	1.000			
3 Year Average	1.000	1.000	1.000	1.000	1.000	
3 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
5 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
7 Year Average						
Excluding High/Low	1.000	1.000	1.000			
Evaluation as of December 2004	1.000	1.000	1.000	1.000	1.000	
Selected	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	1.000	1.000	1.000	1.000	1.000	1.000



**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Paid Loss per Cumulative Closed Claims**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	210	205	2,603	2,603	2,603	2,603	2,603	2,603	2,603	2,603	2,603	2,603	2,603
1990	301	566	566	566	566	566	566	566	566	566	566	566	566
1991	415	370	535	536	536	536	536	536	536	536	536	536	536
1992	498	475	610	687	706	1,034	1,034	1,034	1,034	1,034	1,034	1,034	1,034
1993	645	1,009	1,403	5,494	5,492	5,492	5,492	5,492	5,492	5,492	5,492	5,492	5,492
1994	520	668	1,749	1,764	1,753	1,753	1,753	1,753	1,753	1,753	1,753	1,753	1,753
1995	803	834	1,642	1,853	1,853	1,853	1,853	1,853	1,853	1,853	1,853	1,853	1,853
1996	502	502	668	679	679	672	672	677	659	659			
1997	413	736	6,017	5,900	5,900	5,900	5,840	5,840	5,840				
1998	613	688	813	1,148	1,148	1,148	1,148	1,148					
1999	386	1,202	1,301	1,483	1,684	1,684	1,684						
2000	646	706	728	785	785	785							
2001	512	5,553	5,626	5,761	6,277								
2002	634	1,340	2,097	2,097									
2003	646	744	1,010										
2004	662	588											
2005	672												

(Part 2)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Paid Loss per Cumulative Closed Claims**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	2,603	2,603	2,603	2,603
1990	566	566	566	
1991	536	536		
1992	1,034			

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ultimate Claims Based on Reported Claim Development**  
**Auto Liability**  
**December 31, 2005**

Accident Year	Cumulative Reported Claims	Selected Development Factors	Cumulative Development Factors	Ultimate Claims (1) x (3)
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	(1)	(2)	(3)	(4)
1989	43	1.000	1.000	43
1990	33	1.000	1.000	33
1991	26	1.000	1.000	26
1992	38	1.000	1.000	38
1993	60	1.000	1.000	60
1994	72	1.000	1.000	72
1995	85	1.000	1.000	85
1996	114	1.000	1.000	114
1997	98	1.000	1.000	98
1998	86	1.000	1.000	86
1999	121	1.000	1.000	121
2000	104	1.000	1.000	104
2001	86	1.000	1.000	86
2002	80	1.000	1.000	80
2003	117	1.000	1.000	117
2004	85	1.018	1.018	87
2005	85	1.055	1.074	91
<b>Total</b>	<b>1,333</b>			<b>1,341</b>

(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Reported Claim Development**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-132</u>	<u>132-144</u>
1989	1.000	1.024	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	1.031	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	1.087	1.040	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992	1.029	1.056	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993	1.111	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	1.059	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	1.000	1.063	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	1.101	1.009	1.000	1.000	1.009	1.000	1.000	1.027	1.000		
1997	1.000	1.010	1.000	1.000	1.000	1.010	1.000	1.000			
1998	1.036	1.000	1.000	1.000	1.000	1.000	1.000				
1999	1.018	1.062	1.008	1.000	1.000	1.000					
2000	1.030	1.000	1.000	1.000	1.000						
2001	1.037	1.012	1.000	1.000							
2002	1.162	1.013	1.000								
2003	1.074	1.009									
2004	1.164										
Average	1.059	1.020	1.001	1.000	1.001	1.001	1.000	1.003	1.000	1.000	1.000
Volume Weighted Average	1.057	1.018	1.001	1.000	1.001	1.001	1.000	1.005	1.000	1.000	1.000
Time Weighted Average	1.070	1.018	1.001	1.000	1.001	1.001	1.000	1.005	1.000	1.000	1.000
Average Excluding High/Low	1.055	1.018	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Average											
Excluding High/Low	1.091	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Average	1.133	1.011	1.000	1.000	1.000	1.003	1.000	1.009	1.000	1.000	1.000
3 Year Volume											
Weighted Average	1.124	1.011	1.000	1.000	1.000	1.003	1.000	1.010	1.000	1.000	1.000
5 Year Volume											
Weighted Average	1.086	1.020	1.002	1.000	1.002	1.002	1.000	1.007	1.000	1.000	1.000
7 Year Average											
Excluding High/Low	1.068	1.009	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Evaluation as of December 2004	1.047	1.019	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	<u>1.055</u>	<u>1.018</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.074	1.018	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	0.931	0.982	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

(Part 2)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Reported Claim Development**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>144-156</u>	<u>156-168</u>	<u>168-180</u>	<u>180-192</u>	<u>192-204</u>	<u>204-Ult</u>
1989	1.000	1.000	1.000	1.000	1.000	
1990	1.000	1.000	1.000	1.000		
1991	1.000	1.000	1.000			
1992	1.000	1.000				
1993	1.000					
1994						
Average	1.000	1.000	1.000	1.000	1.000	
Volume Weighted Average	1.000	1.000	1.000	1.000	1.000	1.000
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	1.000
Average Excluding High/Low	1.000	1.000	1.000			
5 Year Average						
Excluding High/Low	1.000	1.000	1.000			
3 Year Average	1.000	1.000	1.000	1.000	1.000	
3 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
5 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
7 Year Average						
Excluding High/Low	1.000	1.000	1.000			
Evaluation as of December 2004	1.000	1.000	1.000	1.000	1.000	
Selected	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Reported Claims**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	42	42	43	43	43	43	43	43	43	43	43	43	43
1990	32	33	33	33	33	33	33	33	33	33	33	33	33
1991	23	25	26	26	26	26	26	26	26	26	26	26	26
1992	35	36	38	38	38	38	38	38	38	38	38	38	38
1993	54	60	60	60	60	60	60	60	60	60	60	60	60
1994	68	72	72	72	72	72	72	72	72	72	72	72	72
1995	80	80	85	85	85	85	85	85	85	85	85	85	85
1996	99	109	110	110	110	111	111	111	114	114	114	114	114
1997	96	96	97	97	97	97	98	98	98	98	98	98	98
1998	83	86	86	86	86	86	86	86	86	86	86	86	86
1999	111	113	120	121	121	121	121	121	121	121	121	121	121
2000	101	104	104	104	104	104	104	104	104	104	104	104	104
2001	82	85	86	86	86	86	86	86	86	86	86	86	86
2002	68	79	80	80	80	80	80	80	80	80	80	80	80
2003	108	116	117	117	117	117	117	117	117	117	117	117	117
2004	73	85	85	85	85	85	85	85	85	85	85	85	85
2005	85	85	85	85	85	85	85	85	85	85	85	85	85

MIAMI VALLEY RISK MANAGEMENT ASSOCIATION  
Cumulative Reported Claims  
Auto Liability  
December 31, 2005

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	43	43	43	43
1990	33	33	33	
1991	26	26		
1992	38			

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ultimate Claims Based on Closed Claim Development**  
**Auto Liability**  
**December 31, 2005**

Accident Year	Cumulative Closed Claims	Selected Development Factors	Cumulative Development Factors	Ultimate Claims (1) x (3)
_____	(1)	(2)	(3)	(4)
1989	43	1.000	1.000	43
1990	33	1.000	1.000	33
1991	26	1.000	1.000	26
1992	38	1.000	1.000	38
1993	60	1.000	1.000	60
1994	72	1.000	1.000	72
1995	85	1.000	1.000	85
1996	114	1.000	1.000	114
1997	98	1.000	1.000	98
1998	86	1.000	1.000	86
1999	121	1.000	1.000	121
2000	104	1.000	1.000	104
2001	84	1.001	1.001	84
2002	80	1.002	1.003	80
2003	113	1.021	1.024	116
2004	84	1.036	1.061	89
2005	64	1.219	1.293	83
<b>Total</b>	<b>1,305</b>			<b>1,332</b>



**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Closed Claim Development**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-132</u>	<u>132-144</u>
1989	1.024	1.024	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	1.222	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	1.143	1.000	1.083	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992	1.167	1.000	1.057	0.973	1.056	1.000	1.000	1.000	1.000	1.000	1.000
1993	1.432	1.057	1.054	1.017	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	1.250	1.108	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	1.500	1.139	1.037	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	1.216	1.019	1.009	1.000	1.009	1.000	1.000	1.027	1.000		
1997	1.120	1.011	1.032	1.000	1.000	1.010	1.000	1.000			
1998	1.174	1.037	1.024	1.000	1.000	1.000	1.000				
1999	1.067	1.045	1.017	1.017	1.000	1.000					
2000	1.256	1.000	1.010	1.000	1.000						
2001	1.188	1.092	1.012	1.000							
2002	1.382	1.053	1.000								
2003	1.110	1.018									
2004	1.333										
Average	1.224	1.040	1.024	1.001	1.005	1.001	1.000	1.003	1.000	1.000	1.000
Volume Weighted Average	1.209	1.042	1.020	1.002	1.003	1.001	1.000	1.005	1.000	1.000	1.000
Time Weighted Average	1.234	1.044	1.020	1.002	1.004	1.001	1.000	1.005	1.000	1.000	1.000
Average Excluding High/Low	1.219	1.036	1.021	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Average Excluding High/Low	1.259	1.038	1.013	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Average	1.275	1.054	1.007	1.006	1.000	1.003	1.000	1.009	1.000	1.000	1.000
3 Year Volume Weighted Average	1.243	1.049	1.008	1.007	1.000	1.003	1.000	1.010	1.000	1.000	1.000
5 Year Volume Weighted Average	1.236	1.038	1.013	1.004	1.002	1.002	1.000	1.007	1.000	1.000	1.000
7 Year Average Excluding High/Low	1.212	1.033	1.014	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Evaluation as of December 2004	1.210	1.037	1.023	1.002	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Selected	<u>1.219</u>	<u>1.036</u>	<u>1.021</u>	<u>1.002</u>	<u>1.001</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.293	1.061	1.024	1.003	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	0.774	0.943	0.977	0.997	0.999	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION  
Closed Claim Development  
Auto Liability  
December 31, 2005**

<u>Accident Year</u>	<u>144-156</u>	<u>156-168</u>	<u>168-180</u>	<u>180-192</u>	<u>192-204</u>	<u>204-Ult</u>
1989	1.000	1.000	1.000	1.000	1.000	
1990	1.000	1.000	1.000	1.000		
1991	1.000	1.000	1.000			
1992	1.000	1.000				
1993	1.000					
1994						
Average	1.000	1.000	1.000	1.000	1.000	
Volume Weighted Average	1.000	1.000	1.000	1.000	1.000	1.000
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	1.000
Average Excluding High/Low	1.000	1.000	1.000			
5 Year Average						
Excluding High/Low	1.000	1.000	1.000			
3 Year Average	1.000	1.000	1.000	1.000	1.000	
3 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
5 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
7 Year Average						
Excluding High/Low	1.000	1.000	1.000			
Evaluation as of December 2004	1.000	1.000	1.000	1.000	1.000	
Selected	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	1.000	1.000	1.000	1.000	1.000	1.000

(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Closed Claims**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	41	42	43	43	43	43	43	43	43	43	43	43	43
1990	27	33	33	33	33	33	33	33	33	33	33	33	33
1991	21	24	24	26	26	26	26	26	26	26	26	26	26
1992	30	35	35	37	36	38	38	38	38	38	38	38	38
1993	37	53	56	59	60	60	60	60	60	60	60	60	60
1994	52	65	72	72	72	72	72	72	72	72	72	72	72
1995	48	72	82	85	85	85	85	85	85	85	85	85	85
1996	88	107	109	110	110	111	111	111	114	114	114	114	114
1997	83	93	94	97	97	97	98	98	98	98	98	98	98
1998	69	81	84	86	86	86	86	86	86	86	86	86	86
1999	105	112	117	119	121	121	121	121	121	121	121	121	121
2000	82	103	103	104	104	104	104	104	104	104	104	104	104
2001	64	76	83	84	84	84	84	84	84	84	84	84	84
2002	55	76	80	80	80	80	80	80	80	80	80	80	80
2003	100	111	113	113	113	113	113	113	113	113	113	113	113
2004	63	84	84	84	84	84	84	84	84	84	84	84	84
2005	64	84	84	84	84	84	84	84	84	84	84	84	84

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Closed Claims**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	43	43	43	43
1990	33	33	33	
1991	26	26		
1992	38			

(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ratio of Cumulative Closed Claims to Cumulative Reported Claims**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>
1989	0.976	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	0.844	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	0.913	0.960	0.923	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992	0.857	0.972	0.921	0.974	0.947	1.000	1.000	1.000	1.000	1.000	1.000
1993	0.685	0.883	0.933	0.983	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	0.765	0.903	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	0.600	0.900	0.965	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	0.889	0.982	0.991	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1997	0.865	0.969	0.969	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1998	0.831	0.942	0.977	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1999	0.946	0.991	0.975	0.983	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000	0.812	0.990	0.990	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	0.780	0.894	0.965	0.977	0.977	1.000	1.000	1.000	1.000	1.000	1.000
2002	0.809	0.962	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	0.926	0.957	0.966	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004	0.863	0.988	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2005	0.753	0.988	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average	0.830	0.956	0.972	0.994	0.994	1.000	1.000	1.000	1.000	1.000	1.000
Time Weighted Average	0.826	0.955	0.974	0.994	0.994	1.000	1.000	1.000	1.000	1.000	1.000
Average Excluding High/Low	0.836	0.958	0.973	0.995	0.998	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Average											
Excluding High/Low	0.817	0.969	0.977	0.994	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Average	0.847	0.969	0.977	0.992	0.992	1.000	1.000	1.000	1.000	1.000	1.000
7 Year Average											
Excluding High/Low	0.838	0.968	0.975	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ratio of Cumulative Closed Claims to Cumulative Reported Claims**  
**Auto Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>144</u>	<u>156</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	1.000	1.000	1.000	1.000	1.000	1.000
1990	1.000	1.000	1.000	1.000	1.000	
1991	1.000	1.000	1.000	1.000		
1992	1.000	1.000	1.000			
1993	1.000	1.000				
1994	1.000					
Average	1.000	1.000	1.000	1.000	1.000	1.000
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	1.000
Average Excluding High/Low	1.000	1.000	1.000	1.000		
5 Year Average						
Excluding High/Low	1.000	1.000	1.000	1.000		
3 Year Average	1.000	1.000	1.000	1.000	1.000	1.000
7 Year Average						
Excluding High/Low	1.000	1.000	1.000	1.000		

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ultimate Loss Based on Incurred Loss Development**  
**General Liability**  
**December 31, 2005**

Accident Year	Cumulative Incurred Loss	Selected Development Factors	Cumulative Development Factors	Ultimate Loss (1) x (3)
	(1)	(2)	(3)	(4)
1989	\$ 207,853	1.000	1.000	\$ 207,853
1990	439,863	1.000	1.000	439,863
1991	84,015	1.000	1.000	84,015
1992	139,376	1.000	1.000	139,376
1993	600,979	1.000	1.000	600,979
1994	106,065	1.000	1.000	106,065
1995	156,790	1.000	1.000	156,790
1996	357,926	1.000	1.000	357,926
1997	706,526	1.000	1.000	706,526
1998	554,289	1.000	1.000	554,289
1999	657,094	1.000	1.000	657,094
2000	164,560	1.000	1.000	164,560
2001	522,589	1.004	1.004	524,746
2002	792,306	1.149	1.154	914,116
2003	273,187	1.215	1.402	382,952
2004	88,740	2.044	2.865	254,264
2005	108,411	2.295	6.576	712,889
<b>Total</b>	<b>\$ 5,960,569</b>			<b>\$ 6,964,303</b>

(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Incurred Loss Development**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-132</u>	<u>132-144</u>
1989	2.838	0.782	0.978	0.992	1.019	0.971	1.000	1.000	1.000	1.000	1.000
1990	1.528	1.345	1.205	1.729	1.000	0.997	0.992	1.017	1.000	1.000	1.000
1991	5.768	0.867	0.870	1.820	1.430	0.602	1.000	1.000	1.000	1.000	1.000
1992	1.289	5.783	0.843	0.899	1.134	1.028	1.000	0.968	1.000	1.000	1.000
1993	1.430	1.015	1.018	1.118	1.004	1.004	0.985	0.991	1.000	1.000	1.000
1994	2.490	2.582	0.440	1.089	0.997	1.000	1.000	1.000	1.000	1.000	1.000
1995	0.827	1.660	1.088	1.412	0.828	1.000	1.000	1.000	1.000	1.000	1.000
1996	2.760	1.453	1.070	1.286	0.955	0.987	1.016	1.000	1.000	1.000	1.000
1997	1.878	7.124	1.114	0.948	0.979	1.000	1.000	1.000	1.000	1.000	1.000
1998	6.046	1.255	1.976	1.029	0.976	1.000	1.000	1.000	1.000	1.000	1.000
1999	2.296	2.022	1.243	1.433	0.974	1.000	1.000	1.000	1.000	1.000	1.000
2000	0.919	2.129	0.994	0.858	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	3.142	1.580	1.172	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	1.206	2.083	1.230	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	2.669	2.025	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004	1.920	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average	2.438	2.247	1.089	1.201	1.025	0.963	0.999	0.997	1.000	1.000	1.000
Volume Weighted Average	1.871	1.722	1.132	1.137	0.993	0.985	0.998	0.999	1.000	1.000	1.000
Time Weighted Average	2.356	2.313	1.154	1.139	0.994	0.982	1.001	0.997	1.000	1.000	1.000
Average Excluding High/Low	2.295	1.985	1.069	1.176	1.004	0.996	0.999	0.999	1.000	1.000	1.000
5 Year Average	1.931	2.044	1.215	0.992	0.976	1.000	1.000	1.000	1.000	1.000	1.000
Excluding High/Low	1.931	1.896	1.132	1.097	0.983	1.000	1.005	1.000	1.000	1.000	1.000
3 Year Average	1.509	1.877	1.174	1.149	0.978	1.000	1.004	1.000	1.000	1.000	1.000
3 Year Volume Weighted Average	1.509	1.877	1.174	1.149	0.978	1.000	1.004	1.000	1.000	1.000	1.000
5 Year Volume Weighted Average	1.672	1.927	1.303	1.061	0.975	0.998	1.003	0.997	1.000	1.000	1.000
Evaluation as of December 2004	2.324	1.981	1.176	1.158	1.004	1.000	1.000	1.000	1.000	1.000	1.000
Selected	<u>2.295</u>	<u>2.044</u>	<u>1.215</u>	<u>1.149</u>	<u>1.004</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	6.576	2.865	1.402	1.154	1.004	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	0.152	0.349	0.713	0.867	0.996	1.000	1.000	1.000	1.000	1.000	1.000



**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Incurred Loss Development**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>144-156</u>	<u>156-168</u>	<u>168-180</u>	<u>180-192</u>	<u>192-204</u>	<u>204-Ult</u>
1989	1.000	1.000	1.000	1.000	1.000	
1990	1.000	1.000	1.000	1.000		
1991	1.000	1.000	1.000			
1992	1.000	1.000				
1993	1.000					
1994						
Average	1.000	1.000	1.000	1.000	1.000	
Volume Weighted Average	1.000	1.000	1.000	1.000	1.000	
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	
Average Excluding High/Low	1.000	1.000	1.000			
5 Year Average						
Excluding High/Low	1.000	1.000	1.000			
3 Year Average	1.000	1.000	1.000	1.000	1.000	
3 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
5 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
Evaluation as of December 2004	1.000	1.000	1.000	1.000	1.000	
Selected	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	1.000	1.000	1.000	1.000	1.000	1.000

(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Incurred Loss**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	97,608	277,034	216,667	211,909	210,162	214,162	207,853	207,853	207,853	207,853	207,853	207,853	207,853
1990	102,048	155,946	209,752	252,657	436,862	436,928	435,782	432,379	439,863	439,863	439,863	439,863	439,863
1991	12,322	71,071	61,614	53,618	97,558	139,535	84,015	84,015	84,015	84,015	84,015	84,015	84,015
1992	21,837	28,145	162,765	137,258	123,437	140,033	143,955	143,955	139,376	139,376	139,376	139,376	139,376
1993	369,601	528,569	536,313	545,876	610,519	612,730	615,450	606,482	600,979	600,979	600,979	600,979	600,979
1994	34,540	86,003	222,029	97,658	106,375	106,065	106,065	106,065	106,065	106,065	106,065	106,065	106,065
1995	89,788	74,221	123,230	134,129	189,397	156,790	156,790	156,790	156,790	156,790	156,790	156,790	156,790
1996	67,665	186,767	271,412	290,544	373,656	356,656	352,170	357,926	357,926	357,926	357,926	357,926	357,926
1997	51,105	95,958	683,597	761,629	721,708	706,526	706,526	706,526	706,526	706,526	706,526	706,526	706,526
1998	36,819	222,626	279,432	552,177	568,186	554,289	554,289	554,289	554,289	554,289	554,289	554,289	554,289
1999	81,637	187,463	379,072	471,046	674,779	657,094	657,094	657,094	657,094	657,094	657,094	657,094	657,094
2000	98,597	90,655	192,961	191,743	164,560	164,560	164,560	164,560	164,560	164,560	164,560	164,560	164,560
2001	89,836	282,253	445,860	522,576	522,589	522,589	522,589	522,589	522,589	522,589	522,589	522,589	522,589
2002	256,428	309,254	644,254	792,306	792,306	792,306	792,306	792,306	792,306	792,306	792,306	792,306	792,306
2003	50,550	134,895	273,187	273,187	273,187	273,187	273,187	273,187	273,187	273,187	273,187	273,187	273,187
2004	46,226	88,740	88,740	88,740	88,740	88,740	88,740	88,740	88,740	88,740	88,740	88,740	88,740
2005	108,411	108,411	108,411	108,411	108,411	108,411	108,411	108,411	108,411	108,411	108,411	108,411	108,411

(Part 2)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Incurred Loss**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	207,853	207,853	207,853	207,853
1990	439,863	439,863	439,863	
1991	84,015	84,015		
1992	139,376			

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ultimate Loss Based on Paid Loss Development**  
**General Liability**  
**December 31, 2005**

Accident Year	Cumulative Paid Loss	Selected Development Factors	Cumulative Development Factors	Ultimate Loss (1) x (3)
	(1)	(2)	(3)	(4)
1989	\$ 207,853	1.000	1.000	\$ 207,853
1990	439,863	1.000	1.000	439,863
1991	84,015	1.000	1.000	84,015
1992	139,376	1.000	1.000	139,376
1993	600,979	1.000	1.000	600,979
1994	106,065	1.000	1.000	106,065
1995	156,790	1.000	1.000	156,790
1996	357,926	1.000	1.000	357,926
1997	706,526	1.000	1.000	706,526
1998	554,289	1.001	1.001	554,843
1999	657,094	1.001	1.002	658,409
2000	164,560	1.008	1.010	166,143
2001	470,949	1.075	1.085	511,140
2002	639,459	1.311	1.423	909,875
2003	196,632	1.543	2.196	431,729
2004	50,964	2.346	5.150	262,480
2005	48,390	3.449	17.763	859,570
<b>Total</b>	<b>\$ 5,581,730</b>			<b>\$7,153,582</b>

(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Paid Loss Development**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-132</u>	<u>132-144</u>
1989	3.864	0.747	1.583	1.005	1.025	1.008	1.000	1.000	1.000	1.000	1.000
1990	1.994	1.404	1.699	2.491	1.000	1.006	1.001	1.017	1.000	1.000	1.000
1991	1.669	2.530	1.519	1.071	1.462	1.022	1.000	1.000	1.000	1.000	1.000
1992	3.484	2.928	1.722	1.152	1.374	1.039	1.003	1.004	1.000	1.000	1.000
1993	3.805	1.763	1.304	1.537	1.013	1.015	1.001	1.004	1.000	1.000	1.000
1994	9.389	1.327	1.131	1.020	1.064	1.000	1.000	1.000	1.000	1.000	1.000
1995	8.209	2.703	1.294	1.184	1.216	1.000	1.000	1.000	1.000	1.000	1.000
1996	10.332	2.142	1.225	1.340	1.015	1.009	1.055	1.000	1.000	1.000	1.000
1997	2.838	3.016	4.053	1.022	1.001	1.000	1.000	1.000	1.000	1.000	1.000
1998	8.811	1.461	1.252	2.161	1.015	1.000	1.000	1.000	1.000	1.000	1.000
1999	2.907	2.336	1.480	1.647	1.029	1.000	1.000	1.000	1.000	1.000	1.000
2000	1.774	1.390	1.534	1.014	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	6.523	2.296	1.524	1.088	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	2.383	1.835	2.380	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	2.038	3.983	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004	2.278	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average	4.519	2.124	1.693	1.364	1.101	1.009	1.006	1.003	1.000	1.000	1.000
Volume Weighted Average	3.449	1.853	1.724	1.362	1.036	1.006	1.006	1.004	1.000	1.000	1.000
Time Weighted Average	4.370	2.293	1.766	1.339	1.070	1.006	1.008	1.002	1.000	1.000	1.000
Average Excluding High/Low	4.307	2.087	1.543	1.294	1.075	1.007	1.001	1.001	1.000	1.000	1.000
5 Year Average	2.233	2.156	1.513	1.252	1.010	1.000	1.000	1.000	1.000	1.000	1.000
Excluding High/Low	2.233	2.705	1.813	1.250	1.015	1.000	1.018	1.000	1.000	1.000	1.000
3 Year Average	2.233	2.705	1.813	1.250	1.015	1.000	1.018	1.000	1.000	1.000	1.000
3 Year Volume	2.284	2.346	1.875	1.296	1.020	1.000	1.012	1.000	1.000	1.000	1.000
Weighted Average	2.284	2.346	1.875	1.296	1.020	1.000	1.012	1.000	1.000	1.000	1.000
5 Year Volume	2.628	2.201	1.671	1.311	1.014	1.001	1.010	1.001	1.000	1.000	1.000
Weighted Average	2.628	2.201	1.671	1.311	1.014	1.001	1.010	1.001	1.000	1.000	1.000
Evaluation as of	4.463	2.010	1.513	1.336	1.084	1.008	1.003	1.003	1.000	1.000	1.000
December 2004	4.463	2.010	1.513	1.336	1.084	1.008	1.003	1.003	1.000	1.000	1.000
Selected	<u>3.449</u>	<u>2.346</u>	<u>1.543</u>	<u>1.311</u>	<u>1.075</u>	<u>1.008</u>	<u>1.001</u>	<u>1.001</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	17.763	5.150	2.196	1.423	1.085	1.010	1.002	1.001	1.000	1.000	1.000
Ratio to Ultimate	0.056	0.194	0.455	0.703	0.921	0.990	0.998	0.999	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Paid Loss Development**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>144-156</u>	<u>156-168</u>	<u>168-180</u>	<u>180-192</u>	<u>192-204</u>	<u>204-Ult</u>
1989	1.000	1.000	1.000	1.000	1.000	
1990	1.000	1.000	1.000	1.000		
1991	1.000	1.000	1.000			
1992	1.000	1.000				
1993	1.000					
1994						
Average	1.000	1.000	1.000	1.000	1.000	
Volume Weighted Average	1.000	1.000	1.000	1.000	1.000	
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	
Average Excluding High/Low	1.000	1.000	1.000			
5 Year Average						
Excluding High/Low	1.000	1.000	1.000			
3 Year Average	1.000	1.000	1.000	1.000	1.000	
3 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
5 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
Evaluation as of December 2004	1.000	1.000	1.000	1.000	1.000	
Selected	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	1.000	1.000	1.000	1.000	1.000	1.000

(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Paid Loss**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	43,838	169,390	126,482	200,212	201,189	206,198	207,853	207,853	207,853	207,853	207,853	207,853	207,853
1990	36,218	72,223	101,376	172,281	429,216	429,282	431,947	432,379	439,863	439,863	439,863	439,863	439,863
1991	8,182	13,655	34,548	52,484	56,233	82,219	84,015	84,015	84,015	84,015	84,015	84,015	84,015
1992	4,787	16,680	48,844	84,126	96,940	133,151	138,407	138,779	139,376	139,376	139,376	139,376	139,376
1993	43,219	164,451	289,999	378,014	581,120	588,929	597,999	598,735	600,979	600,979	600,979	600,979	600,979
1994	6,926	65,029	86,321	97,658	99,653	106,065	106,065	106,065	106,065	106,065	106,065	106,065	106,065
1995	3,794	31,144	84,188	108,916	128,988	156,790	156,790	156,790	156,790	156,790	156,790	156,790	156,790
1996	9,115	94,177	201,725	247,114	331,060	336,010	339,152	357,926	357,926	357,926			
1997	19,900	56,485	170,375	690,512	705,609	706,526	706,526	706,526	706,526	706,526			
1998	15,685	138,193	201,920	252,856	546,353	554,289	554,289	554,289					
1999	38,571	112,133	261,977	387,683	638,399	657,094	657,094						
2000	42,870	76,054	105,748	162,267	164,560	164,560							
2001	18,952	123,618	283,857	432,734	470,949								
2002	61,435	146,396	268,703	639,459									
2003	24,232	49,373	196,632										
2004	22,372	50,964											
2005	48,390												

(Part 2)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Paid Loss**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	207,853	207,853	207,853	207,853
1990	439,863	439,863	439,863	
1991	84,015	84,015		
1992	139,376			



(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ratio of Cumulative Paid Loss to Cumulative Incurred Loss**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	0.449	0.611	0.584	0.945	0.957	0.963	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	0.355	0.463	0.483	0.682	0.982	0.983	0.991	1.000	1.000	1.000	1.000	1.000	1.000
1991	0.664	0.192	0.561	0.979	0.576	0.589	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992	0.219	0.593	0.300	0.613	0.785	0.951	0.961	0.964	1.000	1.000	1.000	1.000	1.000
1993	0.117	0.311	0.541	0.692	0.952	0.961	0.972	0.987	1.000	1.000	1.000	1.000	1.000
1994	0.201	0.756	0.389	1.000	0.937	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	0.042	0.420	0.683	0.812	0.681	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	0.135	0.504	0.743	0.851	0.886	0.942	0.963	1.000	1.000	1.000			
1997	0.389	0.589	0.249	0.907	0.978	1.000	1.000	1.000	1.000				
1998	0.426	0.621	0.723	0.458	0.962	1.000	1.000	1.000					
1999	0.472	0.598	0.691	0.823	0.946	1.000	1.000						
2000	0.435	0.839	0.548	0.846	1.000	1.000							
2001	0.211	0.438	0.637	0.828	0.901								
2002	0.240	0.473	0.417	0.807									
2003	0.479	0.366	0.720										
2004	0.484	0.574											
2005	0.446												

(Part 2)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ratio of Cumulative Paid Loss to Cumulative Incurred Loss**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	1.000	1.000	1.000	1.000
1990	1.000	1.000	1.000	
1991	1.000	1.000		
1992	1.000			

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ultimate Loss Based on Average Incurred Loss per Reported Claim Development**  
**General Liability**  
**December 31, 2005**

Accident Year	Cumulative Incurred Loss per Reported Claim	Selected Development Factors	Cumulative Development Factors	Ultimate Average Loss (1) x (3)	Ultimate Claims	Ultimate Loss (4) x (5)
	(1)	(2)	(3)	(4)	(5)	(6)
1989	\$ 2,335.427	1.000	1.000	\$ 2,335.427	89	\$ 207,853
1990	4,443.061	1.000	1.000	4,443.061	99	439,863
1991	1,500.268	1.000	1.000	1,500.268	56	84,015
1992	1,935.778	1.000	1.000	1,935.778	72	139,376
1993	6,462.140	1.000	1.000	6,462.140	93	600,979
1994	982.083	1.000	1.000	982.083	108	106,065
1995	1,844.588	1.000	1.000	1,844.588	85	156,790
1996	2,958.066	1.000	1.000	2,958.066	121	357,926
1997	7,136.626	1.000	1.000	7,136.626	99	706,526
1998	3,903.444	1.000	1.000	3,903.444	142	554,289
1999	4,627.423	1.000	1.000	4,627.423	142	657,677
2000	1,127.123	1.000	1.000	1,127.123	146	164,560
2001	4,354.908	1.001	1.001	4,359.263	120	523,112
2002	4,860.773	1.136	1.137	5,527.360	164	906,487
2003	1,897.132	1.191	1.354	2,569.341	147	377,693
2004	845.143	1.974	2.674	2,259.669	112	253,083
2005	976.676	2.019	5.398	5,272.316	135	711,763
Total					1,930	\$ 6,948,057

(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Incurred Loss per Cumulative Reported Claims Development**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-132</u>	<u>132-144</u>
1989	2.545	0.773	0.967	0.992	1.019	0.971	1.000	1.000	1.000	1.000	1.000
1990	1.391	1.273	1.167	1.711	1.000	0.987	0.992	1.017	1.000	1.000	1.000
1991	4.863	0.819	0.870	1.820	1.379	0.602	1.000	1.000	1.000	1.000	1.000
1992	0.993	5.265	0.796	0.887	1.134	1.028	1.000	0.968	1.000	1.000	1.000
1993	1.206	0.946	1.007	1.106	0.982	1.004	0.985	0.991	1.000	1.000	1.000
1994	2.419	2.534	0.440	1.089	0.997	1.000	1.000	1.000	1.000	1.000	1.000
1995	0.774	1.542	1.076	1.412	0.828	1.000	1.000	1.000	1.000	1.000	1.000
1996	2.470	1.381	1.053	1.286	0.955	0.996	1.016	1.000	1.000		
1997	1.698	6.764	1.114	0.948	0.979	1.000	1.000	1.000			
1998	5.319	1.201	1.948	1.029	0.976	0.993	1.000				
1999	2.106	1.907	1.243	1.433	0.967	1.000					
2000	0.833	2.054	0.994	0.841	1.000						
2001	2.972	1.525	1.123	1.000							
2002	0.926	2.018	1.207								
2003	2.293	1.997									
2004	1.554										
Average	2.148	2.133	1.072	1.196	1.018	0.962	0.999	0.997	1.000	1.000	1.000
Volume Weighted Average	1.616	1.597	1.083	1.137	0.998	0.973	0.998	0.998	1.000	1.000	1.000
Time Weighted Average	2.074	2.210	1.136	1.135	0.990	0.982	1.001	0.997	1.000	1.000	1.000
Average Excluding High/Low	2.019	1.882	1.051	1.172	1.001	0.995	0.999	0.999	1.000	1.000	1.000
5 Year Average											
Excluding High/Low	1.591	1.974	1.191	0.992	0.974	0.999	1.000	1.000	1.000	1.000	1.000
3 Year Average	1.591	1.847	1.108	1.091	0.981	0.998	1.005	1.000	1.000	1.000	1.000
3 Year Volume											
Weighted Average	1.218	1.786	1.141	1.136	0.974	0.998	1.003	1.000	1.000	1.000	1.000
5 Year Volume											
Weighted Average	1.469	1.832	1.277	1.046	0.973	0.998	1.003	0.997	1.000	1.000	1.000
Evaluation as of											
December 2004	2.055	1.872	1.160	1.156	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Selected	<u>2.019</u>	<u>1.974</u>	<u>1.191</u>	<u>1.136</u>	<u>1.001</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	5.398	2.674	1.354	1.137	1.001	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	0.185	0.374	0.738	0.879	0.999	1.000	1.000	1.000	1.000	1.000	1.000

(Part 2)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Incurred Loss per Cumulative Reported Claims Development**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>144-156</u>	<u>156-168</u>	<u>168-180</u>	<u>180-192</u>	<u>192-204</u>	<u>204-Ult</u>
1989	1.000	1.000	1.000	1.000	1.000	
1990	1.000	1.000	1.000	1.000		
1991	1.000	1.000	1.000			
1992	1.000	1.000				
1993	1.000					
1994						
Average	1.000	1.000	1.000	1.000	1.000	
Volume Weighted Average	1.000	1.000	1.000	1.000	1.000	
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	
Average Excluding High/Low	1.000	1.000	1.000			
5 Year Average						
Excluding High/Low	1.000	1.000	1.000			
3 Year Average	1.000	1.000	1.000	1.000	1.000	
3 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
5 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
Evaluation as of December 2004	1.000	1.000	1.000	1.000	1.000	
Selected	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	1.000	1.000	1.000	1.000	1.000	1.000

(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Incurred Loss per Cumulative Reported Claims**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	1,251	3,184	2,462	2,381	2,361	2,406	2,335	2,335	2,335	2,335	2,335	2,335	2,335
1990	1,260	1,752	2,231	2,605	4,458	4,458	4,402	4,367	4,443	4,443	4,443	4,443	4,443
1991	287	1,394	1,141	993	1,807	2,492	1,500	1,500	1,500	1,500	1,500	1,500	1,500
1992	465	461	2,429	1,933	1,714	1,945	1,999	1,999	1,936	1,936	1,936	1,936	1,936
1993	5,280	6,368	6,026	6,065	6,709	6,588	6,618	6,521	6,462	6,462	6,462	6,462	6,462
1994	335	811	2,056	904	985	982	982	982	982	982	982	982	982
1995	1,230	952	1,467	1,578	2,228	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845
1996	663	1,638	2,262	2,382	3,063	2,923	2,910	2,958	2,958	2,958	2,958	2,958	2,958
1997	601	1,021	6,905	7,693	7,290	7,137	7,137	7,137	7,137	7,137	7,137	7,137	7,137
1998	315	1,674	2,010	3,916	4,030	3,931	3,903	3,903	3,903	3,903	3,903	3,903	3,903
1999	669	1,409	2,688	3,341	4,786	4,627	4,627	4,627	4,627	4,627	4,627	4,627	4,627
2000	789	657	1,349	1,341	1,127	1,127	1,127	1,127	1,127	1,127	1,127	1,127	1,127
2001	856	2,543	3,877	4,355	4,355	4,355	4,355	4,355	4,355	4,355	4,355	4,355	4,355
2002	2,155	1,995	4,027	4,861	4,861	4,861	4,861	4,861	4,861	4,861	4,861	4,861	4,861
2003	414	950	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897	1,897
2004	544	845	845	845	845	845	845	845	845	845	845	845	845
2005	977	977	977	977	977	977	977	977	977	977	977	977	977

(Part 2)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Incurred Loss per Cumulative Reported Claims**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	2,335	2,335	2,335	2,335
1990	4,443	4,443	4,443	
1991	1,500	1,500		
1992	1,936			

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ultimate Loss Based on Average Paid Loss per Closed Claim Development**  
**General Liability**  
**December 31, 2005**

Accident Year	Cumulative Paid Loss per Closed Claim	Selected Development Factors	Cumulative Development Factors	Ultimate Average Loss (1) x (3)	Ultimate Claims	Ultimate Loss (4) x (5)
(1)	(2)	(3)	(4)	(5)	(6)	
1989	\$ 2,335.427	1.000	1.000	\$ 2,335.427	89	\$ 207,853
1990	4,443.061	1.000	1.000	4,443.061	99	439,863
1991	1,500.268	1.000	1.000	1,500.268	56	84,015
1992	1,935.778	1.000	1.000	1,935.778	72	139,376
1993	6,462.140	1.000	1.000	6,462.140	93	600,979
1994	982.083	1.000	1.000	982.083	108	106,065
1995	1,844.588	1.000	1.000	1,844.588	85	156,790
1996	2,958.066	1.000	1.000	2,958.066	121	357,926
1997	7,136.626	1.000	1.000	7,136.626	99	706,526
1998	3,903.444	0.999	0.999	3,899.515	142	553,731
1999	4,627.423	0.999	0.998	4,619.054	142	656,487
2000	1,127.123	1.003	1.001	1,128.460	146	164,755
2001	4,025.205	1.065	1.066	4,291.928	120	515,031
2002	4,179.471	1.270	1.354	5,659.647	164	928,182
2003	1,424.870	1.465	1.984	2,827.625	147	415,661
2004	525.402	2.064	4.096	2,152.183	112	241,044
2005	525.978	2.840	11.633	6,118.901	135	826,052
<b>Total</b>					<b>1,930</b>	<b>\$7,100,336</b>



(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Paid Loss per Cumulative Closed Claims Development**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-132</u>	<u>132-144</u>
1989	3.061	0.710	1.457	1.005	1.025	0.997	1.000	1.000	1.000	1.000	1.000
1990	1.629	1.338	1.606	2.337	1.000	0.996	0.991	1.017	1.000	1.000	1.000
1991	1.409	2.324	1.432	1.051	1.435	0.985	1.000	1.000	1.000	1.000	1.000
1992	2.506	2.782	1.566	1.102	1.354	1.025	1.003	0.990	1.000	1.000	1.000
1993	2.907	1.548	1.229	1.520	1.013	0.993	0.979	0.993	1.000	1.000	1.000
1994	8.469	1.265	1.121	1.030	1.064	0.991	1.000	1.000	1.000	1.000	1.000
1995	6.323	2.532	1.262	1.156	1.187	1.000	1.000	1.000	1.000	1.000	
1996	8.497	2.010	1.194	1.306	1.015	1.009	1.047	1.000	1.000		
1997	2.512	2.916	3.840	1.001	0.981	1.000	1.000	1.000			
1998	7.521	1.372	1.206	2.114	1.000	0.993	1.000				
1999	2.605	2.246	1.425	1.623	0.993	1.000					
2000	1.478	1.350	1.491	0.972	1.000						
2001	5.724	2.123	1.417	1.060							
2002	1.832	1.823	2.302								
2003	1.729	3.809									
2004	1.808										
Average	3.751	2.010	1.610	1.329	1.089	0.999	1.002	1.000	1.000	1.000	1.000
Volume Weighted Average	2.840	1.712	1.638	1.309	1.035	0.998	0.999	1.000	1.000	1.000	1.000
Time Weighted Average	3.657	2.181	1.689	1.308	1.056	0.999	1.005	0.999	1.000	1.000	1.000
Average Excluding High/Low	3.579	1.972	1.465	1.270	1.065	0.998	0.999	0.999	1.000	1.000	1.000
5 Year Average Excluding High/Low	1.790	2.064	1.444	1.228	0.998	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Average	1.790	2.585	1.737	1.219	0.998	0.998	1.016	1.000	1.000	1.000	1.000
3 Year Volume Weighted Average	1.804	2.249	1.733	1.254	0.997	0.998	1.010	1.000	1.000	1.000	1.000
5 Year Volume Weighted Average	2.248	2.122	1.571	1.240	0.994	1.000	1.008	0.998	1.000	1.000	1.000
Evaluation as of December 2004	3.715	1.893	1.431	1.310	1.072	1.003	1.002	1.001	1.000	1.000	1.000
Selected	<u>2.840</u>	<u>2.064</u>	<u>1.465</u>	<u>1.270</u>	<u>1.065</u>	<u>1.003</u>	<u>0.999</u>	<u>0.999</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	11.633	4.096	1.984	1.354	1.066	1.001	0.998	0.999	1.000	1.000	1.000
Ratio to Ultimate	0.086	0.244	0.504	0.738	0.938	0.999	1.002	1.001	1.000	1.000	1.000

(Part 2)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Paid Loss per Cumulative Closed Claims Development**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>144-156</u>	<u>156-168</u>	<u>168-180</u>	<u>180-192</u>	<u>192-204</u>	<u>204-Ult</u>
1989	1.000	1.000	1.000	1.000	1.000	
1990	1.000	1.000	1.000	1.000		
1991	1.000	1.000	1.000			
1992	1.000	1.000				
1993	1.000					
1994						
Average	1.000	1.000	1.000	1.000	1.000	
Volume Weighted Average	1.000	1.000	1.000	1.000	1.000	
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	
Average Excluding High/Low	1.000	1.000	1.000			
5 Year Average						
Excluding High/Low	1.000	1.000	1.000			
3 Year Average	1.000	1.000	1.000	1.000	1.000	
3 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
5 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
Evaluation as of December 2004	1.000	1.000	1.000	1.000	1.000	
Selected	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	1.000	1.000	1.000	1.000	1.000	1.000

(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Paid Loss per Cumulative Closed Claims**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	719	2,200	1,562	2,275	2,286	2,343	2,335	2,335	2,335	2,335	2,335	2,335	2,335
1990	541	881	1,179	1,893	4,425	4,426	4,408	4,367	4,443	4,443	4,443	4,443	4,443
1991	215	303	705	1,009	1,061	1,523	1,500	1,500	1,500	1,500	1,500	1,500	1,500
1992	117	293	814	1,275	1,405	1,902	1,949	1,955	1,936	1,936	1,936	1,936	1,936
1993	786	2,284	3,537	4,345	6,604	6,692	6,644	6,508	6,462	6,462	6,462	6,462	6,462
1994	75	638	807	904	931	991	982	982	982	982	982	982	982
1995	67	421	1,066	1,345	1,554	1,845	1,845	1,845	1,845	1,845	1,845	1,845	1,845
1996	104	880	1,770	2,112	2,759	2,800	2,826	2,958	2,958	2,958	2,958	2,958	2,958
1997	258	649	1,893	7,269	7,274	7,137	7,137	7,137	7,137	7,137	7,137	7,137	7,137
1998	149	1,124	1,541	1,859	3,931	3,931	3,903	3,903	3,903	3,903	3,903	3,903	3,903
1999	344	897	2,015	2,872	4,660	4,627	4,627	4,627	4,627	4,627	4,627	4,627	4,627
2000	390	576	778	1,159	1,127	1,127	1,127	1,127	1,127	1,127	1,127	1,127	1,127
2001	220	1,261	2,678	3,796	4,025	4,025	4,025	4,025	4,025	4,025	4,025	4,025	4,025
2002	544	996	1,816	4,179	4,179	4,179	4,179	4,179	4,179	4,179	4,179	4,179	4,179
2003	216	374	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425
2004	291	525	525	525	525	525	525	525	525	525	525	525	525
2005	526	526	526	526	526	526	526	526	526	526	526	526	526

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Paid Loss per Cumulative Closed Claims**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	2,335	2,335	2,335	2,335
1990	4,443	4,443	4,443	
1991	1,500	1,500		
1992	1,936			

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ultimate Claims Based on Reported Claim Development**  
**General Liability**  
**December 31, 2005**

Accident Year	Cumulative Reported Claims	Selected Development Factors	Cumulative Development Factors	Ultimate Claims (1) x (3)
_____	(1)	(2)	(3)	(4)
1989	89	1.000	1.000	89
1990	99	1.000	1.000	99
1991	56	1.000	1.000	56
1992	72	1.000	1.000	72
1993	93	1.000	1.000	93
1994	108	1.000	1.000	108
1995	85	1.000	1.000	85
1996	121	1.000	1.000	121
1997	99	1.000	1.000	99
1998	142	1.000	1.000	142
1999	142	1.000	1.000	142
2000	146	1.001	1.001	146
2001	120	1.003	1.004	120
2002	163	1.003	1.007	164
2003	144	1.013	1.020	147
2004	105	1.047	1.068	112
2005	111	1.140	1.217	135
Total	1,895			1,930

(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Reported Claim Development**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-132</u>	<u>132-144</u>
1989	1.115	1.011	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	1.099	1.056	1.032	1.010	1.000	1.010	1.000	1.000	1.000	1.000	1.000
1991	1.186	1.059	1.000	1.000	1.037	1.000	1.000	1.000	1.000	1.000	1.000
1992	1.298	1.098	1.060	1.014	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993	1.186	1.072	1.011	1.011	1.022	1.000	1.000	1.000	1.000	1.000	1.000
1994	1.029	1.019	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	1.068	1.077	1.012	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	1.118	1.053	1.017	1.000	1.000	0.992	1.000	1.000	1.000	1.000	1.000
1997	1.106	1.053	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1998	1.137	1.045	1.014	1.000	1.000	1.007	1.000	1.000	1.000	1.000	1.000
1999	1.090	1.060	1.000	1.000	1.007	1.000	1.000	1.000	1.000	1.000	1.000
2000	1.104	1.036	1.000	1.021	1.000						
2001	1.057	1.036	1.043	1.000							
2002	1.303	1.032	1.019								
2003	1.164	1.014									
2004	1.235										
Average	1.143	1.048	1.016	1.004	1.006	1.001	1.000	1.000	1.000	1.000	1.000
Volume Weighted Average	1.137	1.044	1.015	1.004	1.004	1.001	1.000	1.000	1.000	1.000	1.000
Time Weighted Average	1.150	1.044	1.015	1.004	1.004	1.000	1.000	1.000	1.000	1.000	1.000
Average Excluding High/Low	1.140	1.047	1.013	1.003	1.003	1.001	1.000	1.000	1.000	1.000	1.000
5 Year Average											
Excluding High/Low	1.168	1.035	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Average	1.234	1.027	1.021	1.007	1.002	1.002	1.000	1.000	1.000	1.000	1.000
3 Year Volume											
Weighted Average	1.233	1.027	1.019	1.007	1.002	1.003	1.000	1.000	1.000	1.000	1.000
5 Year Volume											
Weighted Average	1.171	1.035	1.014	1.005	1.002	1.000	1.000	1.000	1.000	1.000	1.000
Evaluation as of December 2004	1.133	1.050	1.013	1.004	1.003	1.001	1.000	1.000	1.000	1.000	1.000
Selected	<u>1.140</u>	<u>1.047</u>	<u>1.013</u>	<u>1.003</u>	<u>1.003</u>	<u>1.001</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.217	1.068	1.020	1.007	1.004	1.001	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	0.821	0.937	0.981	0.993	0.996	0.999	1.000	1.000	1.000	1.000	1.000

(Part 2)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Reported Claim Development**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>144-156</u>	<u>156-168</u>	<u>168-180</u>	<u>180-192</u>	<u>192-204</u>	<u>204-Ult</u>
1989	1.000	1.000	1.000	1.000	1.000	
1990	1.000	1.000	1.000	1.000		
1991	1.000	1.000	1.000			
1992	1.000	1.000				
1993	1.000					
1994						
Average	1.000	1.000	1.000	1.000	1.000	
Volume Weighted Average	1.000	1.000	1.000	1.000	1.000	
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	
Average Excluding High/Low	1.000	1.000	1.000			
5 Year Average						
Excluding High/Low	1.000	1.000	1.000			
3 Year Average	1.000	1.000	1.000	1.000	1.000	
3 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
5 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
Evaluation as of						
December 2004	1.000	1.000	1.000	1.000	1.000	
Selected	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	1.000	1.000	1.000	1.000	1.000	1.000

(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION  
Cumulative Reported Claims  
General Liability  
December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	78	87	88	89	89	89	89	89	89	89	89	89	89
1990	81	89	94	97	98	98	99	99	99	99	99	99	99
1991	43	51	54	54	54	56	56	56	56	56	56	56	56
1992	47	61	67	71	72	72	72	72	72	72	72	72	72
1993	70	83	89	90	91	93	93	93	93	93	93	93	93
1994	103	106	108	108	108	108	108	108	108	108	108	108	108
1995	73	78	84	85	85	85	85	85	85	85	85	85	85
1996	102	114	120	122	122	122	121	121	121	121	121	121	121
1997	85	94	99	99	99	99	99	99	99	99	99	99	99
1998	117	133	139	141	141	141	142	142	142	142	142	142	142
1999	122	133	141	141	141	142	142	142	142	142	142	142	142
2000	125	138	143	143	146	146	146	146	146	146	146	146	146
2001	105	111	115	120	120	120	120	120	120	120	120	120	120
2002	119	155	160	163	163	163	163	163	163	163	163	163	163
2003	122	142	144	144	144	144	144	144	144	144	144	144	144
2004	85	105	105	105	105	105	105	105	105	105	105	105	105
2005	111	111	111	111	111	111	111	111	111	111	111	111	111



(Part 2)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Reported Claims**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	89	89	89	89
1990	99	99	99	
1991	56	56		
1992	72			

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ultimate Claims Based on Closed Claim Development**  
**General Liability**  
**December 31, 2005**

Accident Year	Cumulative Closed Claims	Selected Development Factors	Cumulative Development Factors	Ultimate Claims (1) x (3)
-----	(1)	(2)	(3)	(4)
1989	89	1.000	1.000	89
1990	99	1.000	1.000	99
1991	56	1.000	1.000	56
1992	72	1.000	1.000	72
1993	93	1.000	1.000	93
1994	108	1.000	1.000	108
1995	85	1.000	1.000	85
1996	121	1.000	1.000	121
1997	99	1.000	1.000	99
1998	142	1.002	1.002	142
1999	142	1.002	1.004	143
2000	146	1.008	1.012	148
2001	117	1.009	1.022	120
2002	153	1.023	1.045	160
2003	138	1.049	1.096	151
2004	97	1.055	1.156	112
2005	92	1.214	1.403	129
<b>Total</b>	<b>1,849</b>			<b>1,927</b>

(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Closed Claim Development**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-132</u>	<u>132-144</u>
1989	1.262	1.052	1.086	1.000	1.000	1.011	1.000	1.000	1.000	1.000	1.000
1990	1.224	1.049	1.058	1.066	1.000	1.010	1.010	1.000	1.000	1.000	1.000
1991	1.184	1.089	1.061	1.019	1.019	1.037	1.000	1.000	1.000	1.000	1.000
1992	1.390	1.053	1.100	1.045	1.014	1.014	1.000	1.014	1.000	1.000	1.000
1993	1.309	1.139	1.061	1.011	1.000	1.023	1.022	1.011	1.000	1.000	1.000
1994	1.109	1.049	1.009	0.991	1.000	1.009	1.000	1.000	1.000	1.000	1.000
1995	1.298	1.068	1.025	1.025	1.024	1.000	1.000	1.000	1.000	1.000	1.000
1996	1.216	1.065	1.026	1.026	1.000	1.000	1.008	1.000	1.000	1.000	1.000
1997	1.130	1.034	1.056	1.021	1.021	1.014	1.007	1.000	1.000	1.000	1.000
1998	1.171	1.065	1.038	1.022	1.014	1.007	1.000				
1999	1.116	1.040	1.038	1.015	1.036	1.000					
2000	1.200	1.030	1.029	1.043	1.000						
2001	1.140	1.082	1.075	1.026							
2002	1.301	1.007	1.034								
2003	1.179	1.045									
2004	1.260										
Average	1.218	1.058	1.050	1.024	1.011	1.010	1.004	1.003	1.000	1.000	1.000
Volume Weighted Average	1.206	1.053	1.046	1.024	1.011	1.008	1.004	1.002	1.000	1.000	1.000
Time Weighted Average	1.208	1.052	1.044	1.024	1.013	1.007	1.004	1.002	1.000	1.000	1.000
Average Excluding High/Low	1.214	1.055	1.049	1.023	1.009	1.008	1.002	1.002	1.000	1.000	1.000
5 Year Average Excluding High/Low	1.213	1.039	1.037	1.023	1.012	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Average	1.246	1.045	1.046	1.028	1.017	1.002	1.003	1.000	1.000	1.000	1.000
3 Year Volume Weighted Average	1.245	1.040	1.044	1.028	1.017	1.003	1.003	1.000	1.000	1.000	1.000
5 Year Volume Weighted Average	1.217	1.038	1.041	1.026	1.014	1.002	1.002	1.002	1.000	1.000	1.000
Evaluation as of December 2004	1.210	1.056	1.050	1.023	1.015	1.008	1.003	1.002	1.000	1.000	1.000
Selected	<u>1.214</u>	<u>1.055</u>	<u>1.049</u>	<u>1.023</u>	<u>1.009</u>	<u>1.008</u>	<u>1.002</u>	<u>1.002</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.403	1.156	1.096	1.045	1.022	1.012	1.004	1.002	1.000	1.000	1.000
Ratio to Ultimate	0.713	0.865	0.912	0.957	0.979	0.988	0.996	0.998	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Closed Claim Development**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>144-156</u>	<u>156-168</u>	<u>168-180</u>	<u>180-192</u>	<u>192-204</u>	<u>204-Ult</u>
1989	1.000	1.000	1.000	1.000	1.000	
1990	1.000	1.000	1.000	1.000		
1991	1.000	1.000	1.000			
1992	1.000	1.000				
1993	1.000					
1994						
Average	1.000	1.000	1.000	1.000	1.000	
Volume Weighted Average	1.000	1.000	1.000	1.000	1.000	
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	
Average Excluding High/Low	1.000	1.000	1.000			
5 Year Average						
Excluding High/Low	1.000	1.000	1.000			
3 Year Average	1.000	1.000	1.000	1.000	1.000	
3 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
5 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
Evaluation as of December 2004	1.000	1.000	1.000	1.000	1.000	
Selected	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	1.000	1.000	1.000	1.000	1.000	1.000

(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Closed Claims**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	61	77	81	88	88	88	89	89	89	89	89	89	89
1990	67	82	86	91	97	97	98	99	99	99	99	99	99
1991	38	45	49	52	53	54	56	56	56	56	56	56	56
1992	41	57	60	66	69	70	71	71	72	72	72	72	72
1993	55	72	82	87	88	88	90	92	93	93	93	93	93
1994	92	102	107	108	107	107	108	108	108	108	108	108	108
1995	57	74	79	81	83	85	85	85	85	85	85	85	85
1996	88	107	114	117	120	120	120	121	121	121	121	121	121
1997	77	87	90	95	97	99	99	99	99	99	99	99	99
1998	105	123	131	136	139	141	142	142	142	142	142	142	142
1999	112	125	130	135	137	142	142	142	142	142	142	142	142
2000	110	132	136	140	146	146	146	146	146	146	146	146	146
2001	86	98	106	114	117	117	117	117	117	117	117	117	117
2002	113	147	148	153	153	153	153	153	153	153	153	153	153
2003	112	132	138	138	138	138	138	138	138	138	138	138	138
2004	77	97	97	97	97	97	97	97	97	97	97	97	97
2005	92	92	92	92	92	92	92	92	92	92	92	92	92

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Closed Claims**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	89	89	89	89
1990	99	99	99	
1991	56	56		
1992	72			

(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ratio of Cumulative Closed Claims to Cumulative Reported Claims**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>
1989	0.782	0.885	0.920	0.989	0.989	0.989	1.000	1.000	1.000	1.000	1.000
1990	0.827	0.921	0.915	0.938	0.990	0.990	0.990	1.000	1.000	1.000	1.000
1991	0.884	0.882	0.907	0.963	0.981	0.964	1.000	1.000	1.000	1.000	1.000
1992	0.872	0.934	0.896	0.930	0.958	0.972	0.986	0.986	1.000	1.000	1.000
1993	0.786	0.867	0.921	0.967	0.967	0.946	0.968	0.989	1.000	1.000	1.000
1994	0.893	0.962	0.991	1.000	0.991	0.991	1.000	1.000	1.000	1.000	1.000
1995	0.781	0.949	0.940	0.953	0.976	1.000	1.000	1.000	1.000	1.000	1.000
1996	0.863	0.939	0.950	0.959	0.984	0.984	0.992	1.000	1.000	1.000	1.000
1997	0.906	0.926	0.909	0.960	0.980	1.000	1.000	1.000	1.000	1.000	1.000
1998	0.897	0.925	0.942	0.965	0.986	1.000	1.000	1.000	1.000	1.000	1.000
1999	0.918	0.940	0.922	0.957	0.972	1.000	1.000	1.000	1.000	1.000	1.000
2000	0.880	0.957	0.951	0.979	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	0.819	0.883	0.922	0.950	0.975	1.000	1.000	1.000	1.000	1.000	1.000
2002	0.950	0.948	0.925	0.939	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	0.918	0.930	0.958	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004	0.906	0.924	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2005	0.829	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
<b>Average</b>	0.865	0.923	0.931	0.961	0.981	0.986	0.994	0.998	1.000	1.000	1.000
<b>Time Weighted Average</b>	0.878	0.928	0.935	0.959	0.981	0.991	0.995	0.998	1.000	1.000	1.000
<b>Average Excluding High/Low</b>	0.865	0.924	0.930	0.960	0.981	0.989	0.996	0.999	1.000	1.000	1.000
<b>5 Year Average</b>	0.884	0.934	0.933	0.957	0.980	1.000	1.000	1.000	1.000	1.000	1.000
<b>Excluding High/Low</b>	0.884	0.934	0.935	0.956	0.982	1.000	1.000	1.000	1.000	1.000	1.000
<b>3 Year Average</b>	0.884	0.934	0.935	0.956	0.982	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ratio of Cumulative Closed Claims to Cumulative Reported Claims**  
**General Liability**  
**December 31, 2005**

<u>Accident Year</u>	<u>144</u>	<u>156</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	1.000	1.000	1.000	1.000	1.000	1.000
1990	1.000	1.000	1.000	1.000	1.000	
1991	1.000	1.000	1.000	1.000		
1992	1.000	1.000	1.000			
1993	1.000	1.000				
1994	1.000					
Average	1.000	1.000	1.000	1.000	1.000	1.000
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	1.000
Average Excluding High/Low	1.000	1.000	1.000	1.000		
5 Year Average						
Excluding High/Low	1.000	1.000	1.000	1.000		
3 Year Average	1.000	1.000	1.000	1.000	1.000	1.000



**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ultimate Loss Based on Incurred Loss Development**  
**Property**  
**December 31, 2005**

Accident Year	Cumulative Incurred Loss	Selected Development Factors	Cumulative Development Factors	Ultimate Loss (1) x (3)
	(1)	(2)	(3)	(4)
1989	\$ 124,141	1.000	1.000	\$ 124,141
1990	32,734	1.000	1.000	32,734
1991	75,626	1.000	1.000	75,626
1992	63,858	1.000	1.000	63,858
1993	63,660	1.000	1.000	63,660
1994	96,833	1.000	1.000	96,833
1995	85,639	1.000	1.000	85,639
1996	92,901	1.000	1.000	92,901
1997	225,205	1.000	1.000	225,205
1998	135,150	1.000	1.000	135,150
1999	392,466	1.000	1.000	392,466
2000	130,204	1.000	1.000	130,204
2001	505,931	1.000	1.000	505,931
2002	369,496	1.000	1.000	369,496
2003	265,463	1.000	1.000	265,463
2004	229,621	1.000	1.000	229,621
2005	410,159	1.034	1.034	424,104
<b>Total</b>	<b>\$ 3,299,087</b>			<b>\$ 3,313,032</b>

(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Incurred Loss Development**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-132</u>	<u>132-144</u>
1989	0.959	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	1.047	1.000	0.891	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	1.416	0.986	1.003	1.000	1.108	1.000	1.000	1.000	1.000	1.000	1.000
1992	0.708	0.973	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993	0.912	0.906	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	0.937	1.058	0.992	1.008	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	1.386	0.655	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1996	0.860	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
1997	0.976	0.999	1.001	1.000	1.000	1.000	1.000	1.000			
1998	1.021	1.000	1.000	1.000	1.000	1.000	1.000				
1999	1.014	0.993	1.000	1.000	1.000	1.000					
2000	0.898	1.000	1.000	1.000	1.000						
2001	1.356	1.000	1.000	1.000							
2002	1.081	1.014	0.999								
2003	0.967	0.999									
2004	0.971										
Average	1.032	0.972	0.992	1.001	1.009	1.000	1.000	1.000	1.000	1.000	1.000
Volume Weighted Average	1.046	0.983	0.998	1.000	1.005	1.000	1.000	1.000	1.000	1.000	1.000
Time Weighted Average	1.034	0.978	0.997	1.001	1.004	1.000	1.000	1.000	1.000	1.000	1.000
Average Excluding High/Low	1.027	0.990	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Average											
Excluding High/Low	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Average	1.006	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Volume											
Weighted Average	1.013	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Volume											
Weighted Average	1.095	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Evaluation as of December 2004	1.039	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	<u>1.034</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.034	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	0.967	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Incurred Loss Development**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>144-156</u>	<u>156-168</u>	<u>168-180</u>	<u>180-192</u>	<u>192-204</u>	<u>204-Ult</u>
1989	1.000	1.000	1.000	1.000	1.000	
1990	1.000	1.000	1.000	1.000		
1991	1.000	1.000	1.000			
1992	1.000	1.000				
1993	1.000					
1994						
Average	1.000	1.000	1.000	1.000	1.000	
Volume Weighted Average	1.000	1.000	1.000	1.000	1.000	
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	
Average Excluding High/Low	1.000	1.000	1.000			
5 Year Average						
Excluding High/Low	1.000	1.000	1.000			
3 Year Average	1.000	1.000	1.000	1.000	1.000	
3 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
5 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
Evaluation as of December 2004	1.000	1.000	1.000	1.000	1.000	
Selected	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Incurred Loss**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	129,614	124,280	124,141	124,141	124,141	124,141	124,141	124,141	124,141	124,141	124,141	124,141	124,141
1990	35,099	36,757	36,757	32,734	32,734	32,734	32,734	32,734	32,734	32,734	32,734	32,734	32,734
1991	48,696	68,976	68,021	68,232	68,232	75,626	75,626	75,626	75,626	75,626	75,626	75,626	75,626
1992	92,696	65,630	63,858	63,858	63,858	63,858	63,858	63,858	63,858	63,858	63,858	63,858	63,858
1993	77,321	70,484	63,871	63,660	63,660	63,660	63,660	63,660	63,660	63,660	63,660	63,660	63,660
1994	97,749	91,568	96,834	96,023	96,833	96,833	96,833	96,833	96,833	96,833	96,833	96,833	96,833
1995	94,348	130,765	85,639	85,639	85,639	85,639	85,639	85,639	85,639	85,639	85,639	85,639	85,639
1996	108,016	92,901	92,901	92,901	92,901	92,901	92,901	92,901	92,901	92,901	92,901	92,901	92,901
1997	230,682	225,205	224,935	225,205	225,205	225,205	225,205	225,205	225,205	225,205	225,205	225,205	225,205
1998	132,322	135,150	135,150	135,150	135,150	135,150	135,150	135,150	135,150	135,150	135,150	135,150	135,150
1999	389,714	395,092	392,466	392,466	392,466	392,466	392,466	392,466	392,466	392,466	392,466	392,466	392,466
2000	144,984	130,204	130,204	130,204	130,204	130,204	130,204	130,204	130,204	130,204	130,204	130,204	130,204
2001	372,970	505,710	505,931	505,931	505,931	505,931	505,931	505,931	505,931	505,931	505,931	505,931	505,931
2002	337,524	364,735	369,940	369,496	369,496	369,496	369,496	369,496	369,496	369,496	369,496	369,496	369,496
2003	274,711	265,711	265,463	265,463	265,463	265,463	265,463	265,463	265,463	265,463	265,463	265,463	265,463
2004	236,522	229,621	229,621	229,621	229,621	229,621	229,621	229,621	229,621	229,621	229,621	229,621	229,621
2005	410,159	410,159	410,159	410,159	410,159	410,159	410,159	410,159	410,159	410,159	410,159	410,159	410,159

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Incurred Loss**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	124,141	124,141	124,141	124,141
1990	32,734	32,734	32,734	
1991	75,626	75,626		
1992	63,858			

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ultimate Loss Based on Paid Loss Development**  
**Property**  
**December 31, 2005**

Accident Year	Cumulative Paid Loss	Selected Development Factors	Cumulative Development Factors	Ultimate Loss (1) x (3)
_____	(1)	(2)	(3)	(4)
1989	\$ 124,141	1.000	1.000	\$ 124,141
1990	32,734	1.000	1.000	32,734
1991	75,626	1.000	1.000	75,626
1992	63,858	1.000	1.000	63,858
1993	63,660	1.000	1.000	63,660
1994	96,833	1.000	1.000	96,833
1995	85,639	1.000	1.000	85,639
1996	92,901	1.000	1.000	92,901
1997	225,205	1.000	1.000	225,205
1998	135,150	1.000	1.000	135,150
1999	392,466	1.000	1.000	392,466
2000	130,204	1.000	1.000	130,204
2001	505,931	1.000	1.000	505,931
2002	369,496	1.000	1.000	369,496
2003	265,463	1.000	1.000	265,513
2004	229,621	1.009	1.009	231,731
2005	301,573	1.502	1.516	457,125
<b>Total</b>	<b>\$ 3,190,501</b>			<b>\$3,348,213</b>

(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Paid Loss Development**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-132</u>	<u>132-144</u>
1989	10.772	1.086	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	1.205	1.000	0.891	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	2.013	1.000	1.003	1.000	1.108	1.000	1.000	1.000	1.000	1.000	1.000
1992	2.717	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993	1.000	1.000	1.125	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	1.070	1.058	0.992	1.008	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	1.271	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	1.127	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1997	1.408	0.999	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1998	1.114	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1999	1.686	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000	1.462	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	1.926	1.047	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	1.845	1.007	1.006	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	1.092	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004	1.095	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average	2.050	1.013	1.001	1.001	1.009	1.000	1.000	1.000	1.000	1.000	1.000
Volume Weighted Average	1.496	1.015	1.002	1.000	1.005	1.000	1.000	1.000	1.000	1.000	1.000
Time Weighted Average	1.501	1.009	1.004	1.001	1.004	1.000	1.000	1.000	1.000	1.000	1.000
Average Excluding High/Low	1.502	1.008	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Average	1.467	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Excluding High/Low	1.344	1.018	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Average	1.322	1.023	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Volume Weighted Average	1.487	1.015	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Volume Weighted Average	1.664	1.011	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Evaluation as of December 2004	1.502	1.009	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	1.516	1.009	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Cumulative	0.660	0.991	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate											

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION  
Paid Loss Development  
Property  
December 31, 2005**

<u>Accident Year</u>	<u>144-156</u>	<u>156-168</u>	<u>168-180</u>	<u>180-192</u>	<u>192-204</u>	<u>204-Ult</u>
1989	1.000	1.000	1.000	1.000	1.000	
1990	1.000	1.000	1.000	1.000		
1991	1.000	1.000	1.000			
1992	1.000	1.000				
1993	1.000					
1994						
Average	1.000	1.000	1.000	1.000	1.000	
Volume Weighted Average	1.000	1.000	1.000	1.000	1.000	
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	
Average Excluding High/Low	1.000	1.000	1.000			
5 Year Average						
Excluding High/Low	1.000	1.000	1.000			
3 Year Average	1.000	1.000	1.000	1.000	1.000	
3 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
5 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
Evaluation as of December 2004	1.000	1.000	1.000	1.000	1.000	
Selected	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	1.000	1.000	1.000	1.000	1.000	1.000



**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Paid Loss**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	10,609	114,275	124,141	124,141	124,141	124,141	124,141	124,141	124,141	124,141	124,141	124,141	124,141
1990	30,499	36,756	36,756	32,734	32,734	32,734	32,734	32,734	32,734	32,734	32,734	32,734	32,734
1991	33,797	68,021	68,021	68,232	68,232	75,626	75,626	75,626	75,626	75,626	75,626	75,626	75,626
1992	23,506	63,858	63,858	63,858	63,858	63,858	63,858	63,858	63,858	63,858	63,858	63,858	63,858
1993	56,571	56,571	56,571	63,660	63,660	63,660	63,660	63,660	63,660	63,660	63,660	63,660	63,660
1994	85,569	91,568	96,834	96,023	96,833	96,833	96,833	96,833	96,833	96,833	96,833	96,833	96,833
1995	67,455	85,765	85,639	85,639	85,639	85,639	85,639	85,639	85,639	85,639	85,639	85,639	85,639
1996	82,416	92,901	92,901	92,901	92,901	92,901	92,901	92,901	92,901	92,901	92,901	92,901	92,901
1997	159,932	225,205	224,935	225,205	225,205	225,205	225,205	225,205	225,205	225,205	225,205	225,205	225,205
1998	121,352	135,150	135,150	135,150	135,150	135,150	135,150	135,150	135,150	135,150	135,150	135,150	135,150
1999	232,722	392,466	392,466	392,466	392,466	392,466	392,466	392,466	392,466	392,466	392,466	392,466	392,466
2000	89,084	130,204	130,204	130,204	130,204	130,204	130,204	130,204	130,204	130,204	130,204	130,204	130,204
2001	250,862	483,069	505,931	505,931	505,931	505,931	505,931	505,931	505,931	505,931	505,931	505,931	505,931
2002	197,648	364,735	367,177	369,496	369,496	369,496	369,496	369,496	369,496	369,496	369,496	369,496	369,496
2003	243,339	265,711	265,463	265,463	265,463	265,463	265,463	265,463	265,463	265,463	265,463	265,463	265,463
2004	209,790	229,621	229,621	229,621	229,621	229,621	229,621	229,621	229,621	229,621	229,621	229,621	229,621
2005	301,573	301,573	301,573	301,573	301,573	301,573	301,573	301,573	301,573	301,573	301,573	301,573	301,573

MIAMI VALLEY RISK MANAGEMENT ASSOCIATION  
Cumulative Paid Loss  
Property  
December 31, 2005

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	124,141	124,141	124,141	124,141
1990	32,734	32,734	32,734	
1991	75,626	75,626		
1992	63,858			

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ratio of Cumulative Paid Loss to Cumulative Incurred Loss**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	0.082	0.919	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	0.869	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	0.694	0.986	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992	0.254	0.973	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993	0.732	0.803	0.886	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	0.875	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	0.715	0.656	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	0.763	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1997	0.693	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1998	0.917	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1999	0.597	0.993	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000	0.614	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	0.673	0.955	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	0.586	1.000	0.993	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	0.886	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004	0.887	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2005	0.735	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ratio of Cumulative Paid Loss to Cumulative Incurred Loss**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	1.000	1.000	1.000	1.000
1990	1.000	1.000	1.000	
1991	1.000	1.000		
1992	1.000			

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ultimate Loss Based on Average Incurred Loss per Reported Claim Development**  
**Property**  
**December 31, 2005**

Accident Year	Cumulative Incurred Loss per Reported Claim	Selected Development Factors	Cumulative Development Factors	Ultimate Average Loss (1) x (3)	Ultimate Claims	Ultimate Loss (4) x (5)
(1)	(2)	(3)	(4)	(5)	(6)	
1989	\$ 7,302.412	1.000	1.000	\$ 7,302.412	17	\$ 124,141
1990	1,487.909	1.000	1.000	1,487.909	22	32,734
1991	2,800.963	1.000	1.000	2,800.963	27	75,626
1992	2,660.750	1.000	1.000	2,660.750	24	63,858
1993	2,273.571	1.000	1.000	2,273.571	28	63,660
1994	2,200.750	1.000	1.000	2,200.750	44	96,833
1995	1,259.397	1.000	1.000	1,259.397	68	85,639
1996	1,009.793	1.000	1.000	1,009.793	92	92,901
1997	2,559.148	1.000	1.000	2,559.148	88	225,205
1998	1,185.526	1.000	1.000	1,185.526	114	135,150
1999	2,548.481	1.000	1.000	2,548.481	154	392,466
2000	818.893	1.000	1.000	818.893	159	130,204
2001	3,862.069	1.000	1.000	3,862.069	131	505,931
2002	2,463.307	1.000	1.000	2,463.307	150	369,496
2003	1,434.935	1.000	1.000	1,434.935	185	265,463
2004	1,290.006	1.000	1.000	1,290.006	178	229,621
2005	2,752.745	0.963	0.963	2,650.893	160	424,143
Total					1,641	\$ 3,313,071

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Incurred Loss per Cumulative Reported Claims Development**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-132</u>	<u>132-144</u>
1989	0.846	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	1.000	1.000	0.891	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	1.253	0.986	0.966	1.000	1.108	1.000	1.000	1.000	1.000	1.000	1.000
1992	0.620	0.973	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993	0.846	0.906	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	0.915	1.033	0.992	1.008	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	1.304	0.655	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	0.776	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1997	0.976	0.999	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1998	0.977	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1999	0.974	0.993	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000	0.887	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	1.283	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	0.980	1.014	0.999								
2003	0.915	0.999									
2004	0.851										
Average	0.963	0.971	0.989	1.001	1.009	1.000	1.000	1.000	1.000	1.000	1.000
Volume Weighted Average	0.932	0.975	0.991	1.001	1.010	1.000	1.000	1.000	1.000	1.000	1.000
Time Weighted Average	0.969	0.977	0.996	1.001	1.004	1.000	1.000	1.000	1.000	1.000	1.000
Average Excluding High/Low	0.963	0.990	0.996	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Average											
Excluding High/Low	0.927	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Average	0.915	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Volume											
Weighted Average	0.926	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Volume											
Weighted Average	1.036	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Evaluation as of											
December 2004	0.977	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	<u>0.963</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	0.963	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	1.038	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Incurred Loss per Cumulative Reported Claims Development**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>144-156</u>	<u>156-168</u>	<u>168-180</u>	<u>180-192</u>	<u>192-204</u>	<u>204-Ult</u>
1989	1.000	1.000	1.000	1.000	1.000	
1990	1.000	1.000	1.000	1.000		
1991	1.000	1.000	1.000			
1992	1.000	1.000				
1993	1.000					
1994						
Average	1.000	1.000	1.000	1.000	1.000	
Volume Weighted Average	1.000	1.000	1.000	1.000	1.000	
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	
Average Excluding High/Low	1.000	1.000	1.000			
5 Year Average						
Excluding High/Low	1.000	1.000	1.000			
3 Year Average	1.000	1.000	1.000	1.000	1.000	
3 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
5 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
Evaluation as of December 2004	1.000	1.000	1.000	1.000	1.000	
Selected	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Paid Loss per Cumulative Reported Claims**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	707	6,722	7,302	7,302	7,302	7,302	7,302	7,302	7,302	7,302	7,302	7,302	7,302
1990	1,452	1,671	1,671	1,488	1,488	1,488	1,488	1,488	1,488	1,488	1,488	1,488	1,488
1991	1,469	2,616	2,616	2,527	2,527	2,801	2,801	2,801	2,801	2,801	2,801	2,801	2,801
1992	1,119	2,661	2,661	2,661	2,661	2,661	2,661	2,661	2,661	2,661	2,661	2,661	2,661
1993	2,176	2,020	2,020	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274
1994	2,037	2,129	2,201	2,182	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201
1995	1,054	1,261	1,259	1,259	1,259	1,259	1,259	1,259	1,259	1,259	1,259	1,259	1,259
1996	993	1,010	1,010	1,010	1,010	1,010	1,010	1,010	1,010	1,010	1,010	1,010	1,010
1997	1,817	2,559	2,556	2,559	2,559	2,559	2,559	2,559	2,559	2,559	2,559	2,559	2,559
1998	1,113	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186
1999	1,572	2,548	2,548	2,548	2,548	2,548	2,548	2,548	2,548	2,548	2,548	2,548	2,548
2000	567	819	819	819	819	819	819	819	819	819	819	819	819
2001	2,023	3,688	3,862	3,862	3,862	3,862	3,862	3,862	3,862	3,862	3,862	3,862	3,862
2002	1,453	2,432	2,448	2,463	2,463	2,463	2,463	2,463	2,463	2,463	2,463	2,463	2,463
2003	1,391	1,436	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435
2004	1,345	1,290	1,290	1,290	1,290	1,290	1,290	1,290	1,290	1,290	1,290	1,290	1,290
2005	2,024	2,024	2,024	2,024	2,024	2,024	2,024	2,024	2,024	2,024	2,024	2,024	2,024



**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Paid Loss per Cumulative Reported Claims**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	7,302	7,302	7,302	7,302
1990	1,488	1,488	1,488	
1991	2,801	2,801		
1992	2,661			

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ultimate Loss Based on Average Paid Loss per Closed Claim Development**  
**Property**  
**December 31, 2005**

Accident Year	Cumulative Paid Loss per Closed Claim	Selected Development Factors	Cumulative Development Factors	Ultimate Average Loss (1) x (3)	Ultimate Claims	Ultimate Loss (4) x (5)
_____	(1)	(2)	(3)	(4)	(5)	(6)
1989	\$ 7,302.412	1.000	1.000	\$ 7,302.412	17	\$ 124,141
1990	1,487.909	1.000	1.000	1,487.909	22	32,734
1991	2,800.963	1.000	1.000	2,800.963	27	75,626
1992	2,660.750	1.000	1.000	2,660.750	24	63,858
1993	2,273.571	1.000	1.000	2,273.571	28	63,660
1994	2,200.750	1.000	1.000	2,200.750	44	96,833
1995	1,259.397	1.000	1.000	1,259.397	68	85,639
1996	1,009.793	1.000	1.000	1,009.793	92	92,901
1997	2,559.148	1.000	1.000	2,559.148	88	225,205
1998	1,185.526	1.000	1.000	1,185.526	114	135,150
1999	2,548.481	1.000	1.000	2,548.481	154	392,466
2000	818.893	1.000	1.000	818.893	159	130,204
2001	3,862.069	1.000	1.000	3,862.069	131	505,931
2002	2,463.307	1.000	1.000	2,463.307	150	369,496
2003	1,434.935	1.000	1.000	1,434.935	185	265,463
2004	1,290.006	1.004	1.004	1,295.166	178	230,539
2005	2,337.775	1.218	1.223	2,859.598	160	457,536
<b>Total</b>					1,641	\$3,347,382

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Paid Loss per Cumulative Closed Claims Development**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-132</u>	<u>132-144</u>
1989	7.181	0.959	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	0.976	1.000	0.850	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	1.426	0.923	0.966	1.000	1.108	1.000	1.000	1.000	1.000	1.000	1.000
1992	1.417	0.958	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993	0.880	0.893	1.125	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	0.896	1.033	0.992	1.008	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	0.972	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	0.858	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1997	1.216	0.999	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1998	0.967	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1999	1.433	0.994	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000	1.140	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	1.585	1.039	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	1.476	1.013	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	0.874	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004	0.806	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average	1.506	0.987	0.995	1.001	1.009	1.000	1.000	1.000	1.000	1.000	1.000
Volume Weighted Average	1.379	0.982	0.997	1.001	1.010	1.000	1.000	1.000	1.000	1.000	1.000
Time Weighted Average	1.175	0.998	1.002	1.001	1.004	1.000	1.000	1.000	1.000	1.000	1.000
Average Excluding High/Low	1.151	0.991	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Average	1.163	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Excluding High/Low	1.052	1.017	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Average	1.054	1.023	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Volume Weighted Average	1.218	1.015	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Volume Weighted Average	1.350	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Evaluation as of December 2004	1.350	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	<u>1.218</u>	<u>1.004</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.223	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	0.818	0.996	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Paid Loss per Cumulative Closed Claims Development**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>144-156</u>	<u>156-168</u>	<u>168-180</u>	<u>180-192</u>	<u>192-204</u>	<u>204-Ult</u>
1989	1.000	1.000	1.000	1.000	1.000	
1990	1.000	1.000	1.000	1.000		
1991	1.000	1.000	1.000			
1992	1.000	1.000				
1993	1.000					
1994						
Average	1.000	1.000	1.000	1.000	1.000	
Volume Weighted Average	1.000	1.000	1.000	1.000	1.000	1.000
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	1.000
Average Excluding High/Low	1.000	1.000	1.000			
5 Year Average						
Excluding High/Low	1.000	1.000	1.000			
3 Year Average	1.000	1.000	1.000	1.000	1.000	
3 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
5 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
Evaluation as of December 2004	1.000	1.000	1.000	1.000	1.000	
Selected	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Paid Loss per Cumulative Closed Claims**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	1,061	7,618	7,302	7,302	7,302	7,302	7,302	7,302	7,302	7,302	7,302	7,302	7,302
1990	1,794	1,750	1,750	1,488	1,488	1,488	1,488	1,488	1,488	1,488	1,488	1,488	1,488
1991	1,988	2,834	2,616	2,527	2,527	2,801	2,801	2,801	2,801	2,801	2,801	2,801	2,801
1992	1,959	2,776	2,661	2,661	2,661	2,661	2,661	2,661	2,661	2,661	2,661	2,661	2,661
1993	2,571	2,263	2,020	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274	2,274
1994	2,377	2,129	2,201	2,182	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201	2,201
1995	1,297	1,261	1,259	1,259	1,259	1,259	1,259	1,259	1,259	1,259	1,259	1,259	1,259
1996	1,177	1,010	1,010	1,010	1,010	1,010	1,010	1,010	1,010	1,010	1,010	1,010	1,010
1997	2,104	2,559	2,556	2,559	2,559	2,559	2,559	2,559	2,559	2,559	2,559	2,559	2,559
1998	1,226	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186	1,186
1999	1,790	2,565	2,548	2,548	2,548	2,548	2,548	2,548	2,548	2,548	2,548	2,548	2,548
2000	718	819	819	819	819	819	819	819	819	819	819	819	819
2001	2,345	3,716	3,862	3,862	3,862	3,862	3,862	3,862	3,862	3,862	3,862	3,862	3,862
2002	1,647	2,432	2,464	2,463	2,463	2,463	2,463	2,463	2,463	2,463	2,463	2,463	2,463
2003	1,644	1,436	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435	1,435
2004	1,601	1,290	1,290	1,290	1,290	1,290	1,290	1,290	1,290	1,290	1,290	1,290	1,290
2005	2,338	2,338	2,338	2,338	2,338	2,338	2,338	2,338	2,338	2,338	2,338	2,338	2,338

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Paid Loss per Cumulative Closed Claims**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	7,302	7,302	7,302	7,302
1990	1,488	1,488	1,488	
1991	2,801	2,801		
1992	2,661			

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION  
Ultimate Claims Based on Reported Claim Development  
Property  
December 31, 2005**

Accident Year	Cumulative Reported Claims	Selected Development Factors	Cumulative Development Factors	Ultimate Claims (1) x (3)
<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	(1)	(2)	(3)	(4)
1989	17	1.000	1.000	17
1990	22	1.000	1.000	22
1991	27	1.000	1.000	27
1992	24	1.000	1.000	24
1993	28	1.000	1.000	28
1994	44	1.000	1.000	44
1995	68	1.000	1.000	68
1996	92	1.000	1.000	92
1997	88	1.000	1.000	88
1998	114	1.000	1.000	114
1999	154	1.000	1.000	154
2000	159	1.000	1.000	159
2001	131	1.000	1.000	131
2002	150	1.000	1.000	150
2003	185	1.000	1.000	185
2004	178	1.000	1.000	178
2005	149	1.074	1.074	160
<b>Total</b>	<b>1,630</b>			<b>1,641</b>

(Part 1)

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Reported Claim Development**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-132</u>	<u>132-144</u>
1989	1.133	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	1.048	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	1.130	1.000	1.038	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992	1.143	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993	1.077	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	1.024	1.023	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	1.063	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	1.108	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1998	1.046	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1999	1.041	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000	1.013	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	1.056	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	1.103	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	1.057	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004	1.141	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average	1.074	1.002	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Volume Weighted Average	1.066	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Time Weighted Average	1.069	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average Excluding High/Low	1.074	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Average Excluding High/Low	1.072	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Average	1.100	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Volume Weighted Average	1.099	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Volume Weighted Average	1.074	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Evaluation as of December 2004	1.069	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	<u>1.074</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.074	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	0.931	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000



**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Reported Claim Development**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>144-156</u>	<u>156-168</u>	<u>168-180</u>	<u>180-192</u>	<u>192-204</u>	<u>204-Ult</u>
1989	1.000	1.000	1.000	1.000	1.000	
1990	1.000	1.000	1.000	1.000		
1991	1.000	1.000	1.000			
1992	1.000	1.000				
1993	1.000					
1994						
Average	1.000	1.000	1.000	1.000	1.000	
Volume Weighted Average	1.000	1.000	1.000	1.000	1.000	
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	
Average Excluding High/Low	1.000	1.000	1.000			
5 Year Average						
Excluding High/Low	1.000	1.000	1.000			
3 Year Average	1.000	1.000	1.000	1.000	1.000	
3 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
5 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
Evaluation as of December 2004	1.000	1.000	1.000	1.000	1.000	
Selected	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Reported Claims**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	15	17	17	17	17	17	17	17	17	17	17	17	17
1990	21	22	22	22	22	22	22	22	22	22	22	22	22
1991	23	26	26	27	27	27	27	27	27	27	27	27	27
1992	21	24	24	24	24	24	24	24	24	24	24	24	24
1993	26	28	28	28	28	28	28	28	28	28	28	28	28
1994	42	43	44	44	44	44	44	44	44	44	44	44	44
1995	64	68	68	68	68	68	68	68	68	68	68	68	68
1996	83	92	92	92	92	92	92	92	92	92	92	92	92
1997	88	88	88	88	88	88	88	88	88	88	88	88	88
1998	109	114	114	114	114	114	114	114	114	114	114	114	114
1999	148	154	154	154	154	154	154	154	154	154	154	154	154
2000	157	159	159	159	159	159	159	159	159	159	159	159	159
2001	124	131	131	131	131	131	131	131	131	131	131	131	131
2002	136	150	150	150	150	150	150	150	150	150	150	150	150
2003	175	185	185	185	185	185	185	185	185	185	185	185	185
2004	156	178	178	178	178	178	178	178	178	178	178	178	178
2005	149	149	149	149	149	149	149	149	149	149	149	149	149

MIAMI VALLEY RISK MANAGEMENT ASSOCIATION  
Cumulative Reported Claims  
Property  
December 31, 2005

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	17	17	17	17
1990	22	22	22	
1991	27	27		
1992	24			

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ultimate Claims Based on Closed Claim Development**  
**Property**  
**December 31, 2005**

Accident Year	Cumulative Closed Claims	Selected Development Factors	Cumulative Development Factors	Ultimate Claims (1) x (3)
_____	(1)	(2)	(3)	(4)
1989	17	1.000	1.000	17
1990	22	1.000	1.000	22
1991	27	1.000	1.000	27
1992	24	1.000	1.000	24
1993	28	1.000	1.000	28
1994	44	1.000	1.000	44
1995	68	1.000	1.000	68
1996	92	1.000	1.000	92
1997	88	1.000	1.000	88
1998	114	1.000	1.000	114
1999	154	1.000	1.000	154
2000	159	1.000	1.000	159
2001	131	1.000	1.000	131
2002	150	1.000	1.000	150
2003	185	1.002	1.002	185
2004	178	1.007	1.009	180
2005	129	1.268	1.279	165
<b>Total</b>	<b>1,610</b>			<b>1,648</b>

MIAMI VALLEY RISK MANAGEMENT ASSOCIATION  
 Closed Claim Development  
 Property  
 December 31, 2005

Accident Year	<u>12-24</u>	<u>24-36</u>	<u>36-48</u>	<u>48-60</u>	<u>60-72</u>	<u>72-84</u>	<u>84-96</u>	<u>96-108</u>	<u>108-120</u>	<u>120-132</u>	<u>132-144</u>
1989	1.500	1.133	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	1.235	1.000	1.048	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	1.412	1.083	1.038	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992	1.917	1.043	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993	1.136	1.120	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	1.194	1.023	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	1.308	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	1.314	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1997	1.158	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1998	1.152	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1999	1.177	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000	1.282	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	1.215	1.008	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	1.250	0.993	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	1.250	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004	1.359	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average	1.304	1.027	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Volume Weighted Average	1.254	1.008	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Time Weighted Average	1.268	1.011	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average Excluding High/Low	1.272	1.022	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Average	1.261	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Excluding High/Low	1.286	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Average	1.286	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Volume	1.286	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Weighted Average	1.273	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Volume	1.273	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Weighted Average	1.251	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Evaluation as of December 2004	1.251	1.007	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	<u>1.268</u>	<u>1.007</u>	<u>1.002</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.279	1.009	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	0.782	0.991	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Closed Claim Development**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>144-156</u>	<u>156-168</u>	<u>168-180</u>	<u>180-192</u>	<u>192-204</u>	<u>204-Ult</u>
1989	1.000	1.000	1.000	1.000	1.000	
1990	1.000	1.000	1.000	1.000		
1991	1.000	1.000	1.000			
1992	1.000	1.000				
1993	1.000					
1994						
Average	1.000	1.000	1.000	1.000	1.000	
Volume Weighted Average	1.000	1.000	1.000	1.000	1.000	
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	
Average Excluding High/Low	1.000	1.000	1.000			
5 Year Average						
Excluding High/Low	1.000	1.000	1.000			
3 Year Average	1.000	1.000	1.000	1.000	1.000	
3 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
5 Year Volume						
Weighted Average	1.000	1.000	1.000	1.000	1.000	
Evaluation as of December 2004	1.000	1.000	1.000	1.000	1.000	
Selected	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Cumulative	1.000	1.000	1.000	1.000	1.000	1.000
Ratio to Ultimate	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Closed Claims**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>	<u>144</u>	<u>156</u>
1989	10	15	17	17	17	17	17	17	17	17	17	17	17
1990	17	21	21	22	22	22	22	22	22	22	22	22	22
1991	17	24	26	27	27	27	27	27	27	27	27	27	27
1992	12	23	24	24	24	24	24	24	24	24	24	24	24
1993	22	25	28	28	28	28	28	28	28	28	28	28	28
1994	36	43	44	44	44	44	44	44	44	44	44	44	44
1995	52	68	68	68	68	68	68	68	68	68	68	68	68
1996	70	92	92	92	92	92	92	92	92	92	92	92	92
1997	76	88	88	88	88	88	88	88	88	88	88	88	88
1998	99	114	114	114	114	114	114	114	114	114	114	114	114
1999	130	153	154	154	154	154	154	154	154	154	154	154	154
2000	124	159	159	159	159	159	159	159	159	159	159	159	159
2001	107	130	131	131	131	131	131	131	131	131	131	131	131
2002	120	150	149	150	150	150	150	150	150	150	150	150	150
2003	148	185	185	185	185	185	185	185	185	185	185	185	185
2004	131	178	178	178	178	178	178	178	178	178	178	178	178
2005	129	178	178	178	178	178	178	178	178	178	178	178	178

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Cumulative Closed Claims**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	17	17	17	17
1990	22	22	22	
1991	27	27		
1992	24			



**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ratio of Cumulative Closed Claims to Cumulative Reported Claims**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>12</u>	<u>24</u>	<u>36</u>	<u>48</u>	<u>60</u>	<u>72</u>	<u>84</u>	<u>96</u>	<u>108</u>	<u>120</u>	<u>132</u>
1989	0.667	0.882	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990	0.810	0.955	0.955	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1991	0.739	0.923	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992	0.571	0.958	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1993	0.846	0.893	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1994	0.857	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1995	0.813	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1996	0.843	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1997	0.864	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1998	0.908	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1999	0.878	0.994	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2000	0.790	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2001	0.863	0.992	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002	0.882	1.000	0.993	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2003	0.846	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2004	0.840	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2005	0.866	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average	0.817	0.975	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Time Weighted Average	0.843	0.990	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Average Excluding High/Low	0.827	0.980	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
5 Year Average											
Excluding High/Low	0.858	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
3 Year Average	0.850	1.000	0.998	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**  
**Ratio of Cumulative Closed Claims to Cumulative Reported Claims**  
**Property**  
**December 31, 2005**

<u>Accident Year</u>	<u>144</u>	<u>156</u>	<u>168</u>	<u>180</u>	<u>192</u>	<u>204</u>
1989	1.000	1.000	1.000	1.000	1.000	1.000
1990	1.000	1.000	1.000	1.000	1.000	
1991	1.000	1.000	1.000	1.000		
1992	1.000	1.000	1.000			
1993	1.000	1.000				
1994	1.000					
Average	1.000	1.000	1.000	1.000	1.000	1.000
Time Weighted Average	1.000	1.000	1.000	1.000	1.000	1.000
Average Excluding High/Low	1.000	1.000	1.000	1.000		
5 Year Average						
Excluding High/Low	1.000	1.000	1.000	1.000		
3 Year Average	1.000	1.000	1.000	1.000	1.000	1.000

**Automobile Liability  
Ultimate Loss Estimate for Accident Years 2004 and 2005**

Fund Year	(1) Underlying Retention Level	(2) Ultimate Losses	(3) Exposures	(4) Loss Cost	(5) Trended Loss Cost
1989-LY 1	\$ 250,000	\$ 111,919	534	\$ 209.59	\$ 336.32
1990-LY 2	250,000	18,683	663	28.18	43.90
1991-LY 3	250,000	13,946	797	17.50	26.47
1992-LY 4	250,000	39,293	870	45.16	66.33
1993-LY 5	250,000	329,494	1,023	322.09	459.22
1994-LY 6	250,000	126,181	1,153	109.44	151.49
1995-LY 7	250,000	157,537	1,031	152.80	205.35
1996 LY 8	250,000	75,097	1,131	66.40	86.64
1997-LY 9**	500,000	1,018,826	1,293	787.96	998.16
1998-LY 10	500,000	98,687	1,379	71.56	88.01
1999-LY 11	500,000	203,725	1,367	149.03	177.95
2000-LY 12	500,000	81,660	1,431	57.06	66.15
2001-LY 13	500,000	862,000	1,422	606.19	682.27
2002-LY 14	500,000	190,000	1,557	122.03	133.34
2003-LY 15	1,000,000	213,000	1,573	135.41	143.66
2004-LY 16	1,000,000	-	1,745	-	-
2005-LY 17	1,000,000		1,828		
<b>Total*</b>		<b>\$ 3,540,048</b>	<b>17,224</b>		
(6)	<b>Weighted Average Loss Cost</b>			<b>\$ 205.53</b>	<b>\$ 255.19</b>
(7)	<b>Indicated Funding Using Weighted Average Loss Cost for 2004</b>			<b>\$ 358,650</b>	<b>\$ 432,331</b>
(8)	<b>Indicated Funding Using Weighted Average Loss Cost for 2005</b>			<b>\$ 375,709</b>	<b>\$ 466,482</b>

\* Does not include 2004, 2005

\*\*Ultimate adjusted for \$1 million retention

2004 Exposures adjusted for Centerville entering the pool at 09/01/04

Col (1): Provided by MVRMA  
 Col (2): From December 31, 2005 Actuarial Review  
 Col (3): # Vehicles from pool contribution worksheets provided by MVRMA  
 Col (4): Col (2)/Col (3)  
 Col (5): Col (4) \* 3% Annual Loss Trend

Row (6): For Col (4), Total Col (2)/ Total Col (3)  
 For Col (5), Wgtd Avg of Col(3) and Col(5)  
 Row (7): For Col (5), Row (6)/1.03 x 2004 exposures  
 For Col (4), Row (6) x 2004 exposures  
 Row (8): Row (6) x 2005 exposures

Automobile Liability

Ultimate Loss Estimate for Accident Years 2004 and 2005

Industry Expected Excess Loss Above \$250,000  
\$1,000,000 Retention Level

Fund Year	(1) Underlying Retention Level	(2) Ultimate Losses Adjusted to \$1,000,000	(3) Exposures	(4) Loss Cost	(5) Trended Loss Cost
1989-LY 1	250,000	145,271	534	272.04	436.55
1990-LY 2	250,000	24,251	663	36.58	56.99
1991-LY 3	250,000	18,102	797	22.71	34.35
1992-LY 4	250,000	51,002	870	58.62	86.09
1993-LY 5	250,000	427,683	1,023	418.07	596.06
1994-LY 6	250,000	163,783	1,153	142.05	196.63
1995-LY 7	250,000	204,483	1,031	198.33	266.55
1996-LY 8	250,000	97,476	1,131	86.19	112.45
1997-LY 9	500,000	418,387	1,293	323.58	409.90
1998-LY 10	500,000	128,096	1,379	92.89	114.24
1999-LY 11	500,000	264,435	1,367	193.44	230.98
2000-LY 12	500,000	105,995	1,431	74.07	85.87
2001-LY 13	500,000	1,118,876	1,422	786.83	885.59
2002-LY 14	500,000	246,620	1,557	158.39	173.08
2003-LY 15	1,000,000	276,474	1,573	175.76	186.47
2004-LY 16	1,000,000		1,745		
2005-LY 17	1,000,000		1,828		
Total*		3,690,933	17,224		
(6)	Weighted Average Loss Cost			\$ 214.29	264.74
(7)	Indicated Funding Using Weighted Average Loss Cost for 2004			\$ 373,936	\$ 448,521
(8)	Indicated Funding Using Weighted Average Loss Cost for 2005			\$ 391,722	\$ 483,950

\* Does not include 2004-2005

2004 Exposures adjusted for Centerville entering the pool at 09/01/04

Col (1): Provided by MVRMA  
 Col (2): Based on 12/31/05 Actuarial Review and industry expected excess losses  
 Col (3): # Vehicles from pool contribution worksheets provided by MVRMA  
 Col (4): Col (2) / Col (3)

Col (5): Based on 3% annual trend of Col (4)  
 Row (6): For Col (4), Total Col (2)/ Total Col (3)  
 For Col (5), Wgtd Avg of Col(3) and Col(5)  
 Row (7): For Col (5), Row (6)/1.03 x 2004 exposures  
 For Col (4), Row (6) x 2004 exposures  
 Row (8): Row (6) x 2005 exposures

**General Liability  
Ultimate Loss Estimate for Accident Years 2004 and 2005**

Fund Year	(1) Underlying Retention Level	(2) Ultimate Losses	(3) Exposures	(4) Loss Cost (per \$1,000)	(5) Trended Loss Cost (per \$1,000)
1989-LY 1	250,000	207,853	54,753,102	3.80	6.09
1990-LY 2	250,000	439,863	70,449,956	6.24	9.73
1991-LY 3	250,000	84,015	81,038,056	1.04	1.57
1992-LY 4	250,000	139,376	98,591,734	1.41	2.08
1993-LY 5**	250,000	1,193,369	122,437,189	9.75	13.90
1994-LY 6	250,000	106,065	137,923,803	0.77	1.06
1995-LY 7	250,000	156,790	144,552,618	1.08	1.46
1996 LY 8	250,000	357,926	148,369,934	2.41	3.15
1997-LY 9**	500,000	1,206,526	185,700,460	6.50	8.23
1998-LY 10	500,000	554,289	196,296,039	2.82	3.47
1999-LY 11	500,000	657,094	210,953,824	3.11	3.72
2000-LY 12	500,000	200,000	221,459,981	0.90	1.05
2001-LY 13	500,000	640,000	244,925,981	2.61	2.94
2002-LY 14	500,000	1,050,000	267,468,122	3.93	4.29
2003-LY 15	1,000,000	430,000	291,347,311	1.48	1.57
2004-LY 16	1,000,000		310,650,751		
2005-LY 17	1,000,000		336,661,822		
<b>Total*</b>		<b>\$ 7,423,166</b>	<b>\$ 2,476,268,110</b>		
(6)	<b>Weighted Average Loss Cost</b>			<b>\$ 3.00</b>	<b>\$ 3.81</b>
(7)	<b>Indicated Funding Using Weighted Average Loss Cost for 2004</b>			<b>\$ 931,245</b>	<b>\$ 1,148,186</b>
(8)	<b>Indicated Funding Using Weighted Average Loss Cost for 2005</b>			<b>\$ 1,009,219</b>	<b>\$ 1,281,655</b>

\* Does not include 2004, 2005

\*\*Ultimate adjusted for \$1 million retention

2004 Exposures adjusted for Centerville entering the pool at 09/01/04

Col (1): Provided by MVRMA  
 Col (2): From December 31, 2005 Actuarial Review  
 Col (3): Net operating expenditures from pool worksheets provided by MVRMA  
 Col (4): Col (2)/Col (3)\*1000  
 Col (5): Col (4) \* 3% Annual Loss Trend

Row (6): For Col (4), Total Col (2)/ Total Col (3)\*1000  
 For Col (5), Wgtd Avg of Col(3) and Col(5)  
 Row (7): For Col (5), Row (6)/1.03 x 2004 exposures/1000  
 For Col (4), Row (6) x 2004 exposures/1000  
 Row (8): Row (6) x 2005 exposures/1000

General Liability

Ultimate Loss Estimate for Accident Years 2004 and 2005

Industry Expected Excess Loss Above \$250,000  
\$1,000,000 Retention Level

Fund Year	(1) Underlying Retention Limit	(2) Ultimate Losses Adjusted to \$1,000,000	(3) Exposures		(4) Loss Cost (per \$1,000)	(5) Trended Loss Cost (per \$1,000)
1989-LY 1	250,000	269,793		54,753,102	4.93	7.91
1990-LY 2	250,000	570,942		70,449,956	8.10	12.63
1991-LY 3	250,000	109,051		81,038,056	1.35	2.04
1992-LY 4	250,000	180,910		98,591,734	1.83	2.69
1993-LY 5	250,000	780,071		122,437,189	6.37	9.08
1994-LY 6	250,000	137,672		137,923,803	1.00	1.38
1995-LY 7	250,000	203,513		144,552,618	1.41	1.89
1996-LY 8	250,000	464,588		148,369,934	3.13	4.09
1997-LY 9	500,000	592,571		185,700,460	3.19	4.04
1998-LY 10	500,000	719,467		196,296,039	3.67	4.51
1999-LY 11	500,000	852,908		210,953,824	4.04	4.83
2000-LY 12	500,000	259,600		221,459,981	1.17	1.36
2001-LY 13	500,000	830,720		244,925,981	3.39	3.82
2002-LY 14	500,000	1,362,900		267,468,122	5.10	5.57
2003-LY 15	1,000,000	558,140		291,347,311	1.92	2.03
2004-LY 16	1,000,000			310,650,751		
2005-LY 17	1,000,000			336,661,822		
Total*		\$ 7,892,847		\$ 2,476,268,110		
(6)	Weighted Average Loss Cost				\$ 3.19	4.00
(7)	Indicated Funding Using Weighted Average Loss Cost for 2004				\$ 990,167	\$ 1,206,619
(8)	Indicated Funding Using Weighted Average Loss Cost for 2005				\$ 1,073,075	\$ 1,346,880

\* Does not include 2004-2005

2004 Exposures adjusted for Centerville entering the pool at 09/01/04

Col (1): Provided by MVRMA  
 Col (2): Based on 12/31/05 Actuarial Review and industry expected excess losses  
 Col (3): Net Operating expenditures from pool contribution worksheets provided by MVRMA  
 Col (4): Col (2) / Col (3)\*1000

Col (5): Based on 3% annual trend of Col (4)  
 Row (6): For Col (4), Total Col (2)/ Total Col (3)\*1000  
 For Col (5), Wgtd Avg of Col(3) and Col(5)  
 Row (7): For Col (5), Row (6)/1.03 x 2004 exposures/1000  
 For Col (4), Row (6) x 2004 exposures/1000  
 Row (8): Row (6) x 2005 exposures/1000

**Property  
Ultimate Loss Estimate for Accident Year 2005**

Fund Year	(1) Underlying Retention Limit	(2) Ultimate Losses	(3) Exposures	(4) Loss Cost (per \$100,000)	(5) Trended Loss Cost (per \$100,000)
1989-LY 1	250,000	124,141			
1990-LY 2	250,000	32,734			
1991-LY 3	250,000	75,626			
1992-LY 4	250,000	63,858			
1993-LY 5	250,000	63,660			
1994-LY 6	100,000	96,833	155,936,818	62.10	85.96
1995-LY 7	150,000	85,639	170,273,015	50.30	67.59
1996-LY 8	250,000	92,901	196,770,620	47.21	61.60
1997-LY 9	250,000	225,205	230,863,622	97.55	123.57
1998-LY 10	250,000	135,150	285,628,117	47.32	58.19
1999-LY 11**	150,000	442,466	267,747,135	165.26	197.32
2000-LY 12	150,000	130,204	288,994,053	45.05	52.23
2001-LY 13	150,000	505,931	323,837,397	156.23	175.84
2002-LY 14	250,000	369,496	369,853,801	99.90	109.17
2003-LY 15	250,000	265,463	504,900,727	52.58	55.78
2004-LY 16	250,000	235,000	571,777,053	41.10	42.33
2005-LY 17	200,000		744,146,242		
<b>Total*</b>		<b>\$ 2,584,288</b>	<b>\$ 3,366,582,358</b>		
(6)	<b>Weighted Average Loss Cost</b>			<b>\$ 76.76</b>	<b>\$ 89.05</b>
(7)	<b>Indicated Funding Using Weighted Average Loss Cost</b>			<b>\$ 571,229</b>	<b>\$ 662,672</b>

\*Does not include 1989-1993, 2005

\*\*Ultimate adjusted for \$200,000 retention

2004 Exposures adjusted for Centerville entering the pool at 09/01/04

Col (1): Provided by MVRMA  
 Col (2): From December 31, 2005 Actuarial Review  
 Col (3): Property values from pool contribution worksheets provided by MVRMA  
 Col (4): Col (2)/Col (3)\*\$100,000  
 Col (5): Col (4) \* 3% Annual Loss Trend

Row (6): For Col (4), Total Col (2)/ Total Col (3)\*\$100,000  
 For Col (5), Wgtd Avg of Col(3) and Col(5)  
 Row (7): Row (6) x 2005 exposures/\$100,000

Miami Valley Risk Management Association  
Net of Reinsurance; Losses Include ALAE  
Accident Years 2004 & 2005  
@12/05

Ultimate Loss Based on Bornhuetter-Ferguson Using Exposures and Incurred Losses

Line of Business	Exposures (1)	Selected Loss Rate (2)	Expected Ultimate Loss (1)*(2) (3)**	Cumulative Developmt Factors (4)*	Ratio of		Cumulative Incurred Loss (3)*(6) (7)	Cumulative Incurred Loss (8)	Ultimate Loss (7)+(8) (9)
					Cumulative Incurred to Ultimate 1/((4)) (5)	Undeveloped Incurred to Ultimate 1-(5) (6)			
Auto Liab-2004	1,745	257.03	448,516	1.517	0.659	152,944	54,917	207,861	
Auto Liab-2005	1,828	264.74	483,945	2.290	0.437	272,461	100,944	373,405	
Property-2005	744,146,242	89.05	662,662	1.034	0.967	21,868	410,159	432,027	
GL-2004	310,650,751	3.88	1,206,411	2.979	0.336	801,057	88,740	889,797	
GL-2005	336,661,822	4.00	1,346,647	6.837	0.146	1,150,037	108,411	1,258,448	

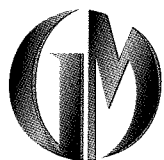
Ultimate Loss Based on Bornhuetter-Ferguson Using Exposures and Paid Losses

Line of Business	Exposures (1)	Selected Loss Rate (2)	Expected Ultimate Loss (1)*(2) (3)**	Cumulative Developmt Factors (4)*	Ratio of		Cumulative Paid Loss (3)*(6) (7)	Cumulative Paid Loss (8)	Ultimate Loss (7)+(8) (9)
					Cumulative Paid to Ultimate 1/((4)) (5)	Undeveloped Paid to Ultimate 1-(5) (6)			
Auto Liab-2004	1,745	257.03	448,516	1.732	0.577	189,722	49,417	239,139	
Auto Liab-2005	1,828	264.74	483,945	3.217	0.311	333,438	43,005	376,443	
Property-2005	744,146,242	89.05	662,662	1.533	0.652	230,606	301,573	532,179	
GL-2004	310,650,751	3.88	1,206,411	5.244	0.191	975,986	50,964	1,026,950	
GL-2005	336,661,822	4.00	1,346,647	18.087	0.055	1,272,582	48,390	1,320,972	

\*Cumulative Development Factors for GL and AL adjusted for \$1,000,000 retention for 2004 and 2005.

\*\*For Property exposures are divided by 100,000, for general liability exposures are divided by 1,000 before multiplying by Column 2.





Board of Trustees  
Miami Valley Risk Management Association

**STATEMENT OF ACTUARIAL OPINION**

**IDENTIFICATION**

I, N. Terry Godbold, President and Chief Actuary, am associated with the firm of Godbold, Malpere & Co. I am a member of the American Academy of Actuaries and meet its qualification standards. I am an Associate of the Casualty Actuarial Society. I was appointed by the Board of Trustees of Miami Valley Risk Management Association (MVRMA) on September 22, 2003 to provide this opinion.

**SCOPE**

Loss and loss adjustment expense reserves as shown in the annual report of MVRMA are the responsibility of MVRMA's management; my responsibility is to express an opinion on those loss and loss adjustment expense reserves based on my review. My review included such tests and reviews of the actuarial assumptions, methods, and calculations as I considered necessary in the circumstances. The actuarial methods, considerations and analyses relied on in forming my opinion conform to the appropriate Actuarial Standards of Practice as promulgated by the Actuarial Standards Board. I have been retained to review the December 31, 2005 loss and loss adjustment expense reserves as summarized below. This information will be included in the 2005 annual report of MVRMA.

	<u>Amount</u>
Reserve for Unpaid Losses and Loss Adjustment Expenses-Net	\$4,558,196

These reserves do anticipate salvage and subrogation as a reduction to loss reserves implicitly as a result of paid losses being reported net of salvage and subrogation. These reserves are not discounted for the time value of money.

In forming my opinion on the loss and loss adjustment reserves, I have relied on listings and other relevant data prepared by Craig Blair and Kathy St. Pierre of MVRMA and reports provided by Gallagher Bassett Services, Inc. I evaluated that data for reasonableness and consistency. I was not able to reconcile the data to the data included in the annual report because this report is not available at this time.

My opinion on the loss and loss expense reserves net of ceded excess insurance assumes all ceded excess insurance is valid and collectible. The majority of MVRMA's ceded loss and loss expense reserves are with companies rated A- or better by a reputable insurance rating agency. MVRMA's management has informed me that it is not aware of any

significant uncollectible excess insurance. In my review, I have requested information from management on uncollectible excess insurance and performed such other procedures as I considered necessary in the circumstances. I express no opinion on the financial condition of MVRMA's excess insurers.

In evaluating whether the reserves make a reasonable provision for unpaid losses and loss expenses, it is necessary to project future loss and loss expense emergence and payments. Considerable uncertainty and variability are inherent in such estimates, and, accordingly, the subsequent development of those reserves may not conform to the assumptions inherent in their determination and, therefore, may vary from the amounts in the foregoing table. No warranty is expressed or implied that such variance will not occur.

I have not reviewed any of MVRMA's assets nor have I formed any opinion as to their validity or value; the following opinion is based on the assumption that MVRMA's December 31, 2005 reserves identified herein are funded by valid assets that have suitably scheduled maturities and/or adequate liquidity to meet cash flow requirements.

#### **RELEVANT COMMENTS**

MVRMA increased its SIR retention in 2003 from \$500,000 to \$1,000,000 for liability coverages. MVRMA decreased its SIR retention in 2005 to \$200,000 for property. Reinsurance for 2005 for \$1,000,000 excess of \$1,000,000 is provided by Governmental Entities Mutual, Inc. (GEM); coverage for \$5,000,000 excess of \$2,000,000 is provided by Illinois Union Insurance Company (ACE). GEM is an association sponsored captive insurance company domiciled in the District of Columbia. GEM is sponsored by the National Public Entity Excess Program (NPX). GEM is not rated by Best.

There is no aggregate stop loss policy for accident periods 1996 and subsequent. During 1996 to mitigate these excess insurance coverage changes MVRMA established a Shock Loss Fund (SLF).

Funding for MVRMA's loss and loss expenses is accomplished via annually budgeted contributions. Under the terms of membership, should annual contributions not be sufficient to fund ultimate losses and establish adequate reserves, the Board of Trustees may require supplemental contributions.

#### **OPINION**

In my opinion, based on the foregoing procedures, MVRMA's December 31, 2005 reserves identified herein:

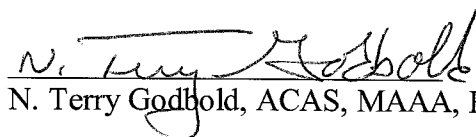
- Make a reasonable provision in the aggregate for all unpaid losses and loss adjustment expenses, net of excess insurance ceded, for the liabilities associated with the specified reserves.

- Are consistent with reserves computed in a manner that conforms to the appropriate Actuarial Standards of Practice of the Actuarial Standards Board.
- Meet the relevant requirements of Section 2744.081 of the Ohio Revised Code.

An actuarial report and underlying workpapers supporting the findings in this statement of actuarial opinion are being provided to MVRMA to be retained for a period of seven years in its administrative offices and to be available for examination by members and for regulatory examination, if appropriate.

My review related only to those reserves identified herein, and I do not express an opinion on MVRMA's financial statements taken as a whole.

This opinion was prepared solely for MVRMA for the purpose of filing with regulatory agencies, if necessary, and is not intended for any other purpose.

  
N. Terry Godbold, ACAS, MAAA, FCA

N. Terry Godbold  
570 W. Crossville Rd., Suite 204  
Roswell, Georgia 30075  
770-587-0351  
March 31, 2006

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Miami Valley Risk Management Association  
For Loss Years LY1 - LY17

CHART OF GENERAL EXPENSES BY FUNCTION AND MEMBERSHIP YEAR

Membership Year	Expense Function:														Total Expenses	
	LY1 Refund	LY2 & LY6 Refunds	LY4 & LY7 Refunds	LY5 Refund	LY8 & LY10 Refunds	LY11 & LY12 Refunds	Incurred Claims & LAE	Renaissance Premiums	Claims Admn. Rees	WC Group Training Fund	Professional Fees	Employment Expenses	Depreciation	Rent		Other
Loss Year 1 (12/1/88 - 11/30/89)	\$0	\$0	\$0	\$0	\$0	\$0	\$369,828	\$538,600	\$56,390	\$0	\$0	\$0	\$80	\$0	\$29,839	\$1,029,167
Loss Year 2 (12/1/89 - 12/31/90)	\$0	\$0	\$0	\$0	\$0	\$0	\$552,967	\$752,538	\$38,123	\$0	\$0	\$38,346	\$2,608	\$4,716	\$10,069	\$1,439,131
Loss Year 3 (1/1/91 - 12/31/91)	\$0	\$0	\$0	\$0	\$0	\$0	\$273,997	\$609,853	\$55,135	\$3,917	\$0	\$65,466	\$2,616	\$1,990	\$13,176	\$1,027,577
Loss Year 4 (1/1/92 - 12/31/92)	\$0	\$0	\$0	\$0	\$0	\$0	\$378,690	\$623,806	\$33,421	\$23,733	\$0	\$80,462	\$4,661	\$3,997	\$15,446	\$1,199,504
Loss Year 5 (1/1/93 - 12/31/93)	\$0	\$0	\$0	\$0	\$0	\$0	\$523,324	\$755,513	\$40,960	\$25,434	\$0	\$83,676	\$7,002	\$4,179	\$16,505	\$1,572,584
Loss Year 6 (1/1/94 - 12/31/94)	\$0	\$0	\$0	\$0	\$0	\$0	\$914,571	\$751,987	\$56,856	\$28,100	\$0	\$102,863	\$9,697	\$6,466	\$9,218	\$1,999,050
Loss Year 7 (1/1/95 - 12/31/95)	\$48,717	\$0	\$0	\$0	\$0	\$0	\$629,729	\$753,833	\$25,311	\$35,800	\$0	\$164,194	\$10,853	\$10,289	\$34,639	\$1,841,848
Loss Year 8 (1/1/96 - 12/31/96)	\$0	\$0	\$0	\$0	\$0	\$0	\$276,047	\$652,237	\$12,018	\$41,200	\$0	\$185,202	\$11,775	\$9,603	\$41,427	\$1,303,869
Loss Year 9 (1/1/97 - 12/31/97)	\$0	\$415,188	\$0	\$0	\$0	\$0	\$682,076	\$422,051	\$3,806	\$50,000	\$0	\$185,947	\$12,952	\$12,075	\$49,109	\$1,929,554
Loss Year 10 (1/1/98 - 12/31/98)	\$0	\$508,600	\$0	\$0	\$0	\$0	\$397,102	\$454,156	\$1,761	\$50,000	\$0	\$242,615	\$10,043	\$14,793	\$42,052	\$1,817,516
Loss Year 11 (1/1/99 - 12/31/99)	\$0	\$0	\$0	\$0	\$0	\$0	\$2,524,096	\$470,097	\$2,300	\$50,000	\$0	\$176,450	\$21,124	\$27,123	\$46,498	\$3,442,721
Loss Year 12 (1/1/00 - 12/31/00)	\$0	\$0	\$904,472	\$0	\$0	\$0	\$1,040,530	\$500,356	\$1,800	\$50,067	\$0	\$199,589	\$17,092	\$38,820	\$43,403	\$2,893,127
Loss Year 13 (1/1/01 - 12/31/01)	\$0	\$0	\$0	\$0	\$0	\$0	\$972,066	\$580,087	\$1,050	\$49,940	\$0	\$268,779	\$15,625	\$38,903	\$43,443	\$2,060,374
Loss Year 14 (1/1/02 - 12/31/02)	\$0	\$0	\$0	\$16,216	\$0	\$0	\$2,082,192	\$791,964	\$1,050	\$52,000	\$0	\$295,358	\$14,439	\$38,843	\$37,670	\$3,464,686

\*Beginning in 2004, Workers' Comp. a pass-through expense, was eliminated from the financial report.

Miami Valley Risk Management Association  
For Loss Years LY1 - LY17 (Cont.)  
CHART OF GENERAL EXPENSES BY FUNCTION AND MEMBERSHIP YEAR

Membership Year	Expense Function:													Total Expenses			
	LY1 Refund	LY2 & LY6 Refunds	LY4 & LY7 Refunds	LY5 Refund	LY8 & LY10 Refunds	LY11 & LY12 Refunds	Incurd Claims & LAE	Reinsurance Premiums	Claims Admn. Fees	WC Group Expenses	Training Fund	Professional Fees	Employment Expenses		Depreciation	Rent	Other
Loss Year 15 (1/1/03 - 12/31/03)	\$0	\$0	\$0	\$0	\$1,054,225	\$0	\$1,736,813	\$899,076	\$0	\$52,000	\$3,975	\$97,287	\$313,869	\$14,280	\$39,154	\$39,498	\$4,250,177
Loss Year 16 (1/1/04 - 12/31/04)	\$0	\$0	\$0	\$0	\$0	\$689,818	\$1,726,504	\$922,317	\$0	*	**	\$117,754	\$326,001	\$10,583	\$40,938	\$59,510	\$3,893,425
Loss Year 17 (1/1/05 - 12/31/05)	\$0	\$0	\$0	\$0	\$0	\$0	\$947,024	\$763,651	\$0	*	**	\$118,480	\$347,661	\$10,493	\$42,884	\$47,812	\$2,278,005

\*Beginning in 2004, Workers Comp, a pass-through expense, was eliminated from the financial report.

\*\*Beginning in 2004, Training Fund included in "Other"

Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**CHART OF GENERAL REVENUES BY SOURCE AND MEMBERSHIP YEAR**

Membership Year	Revenue Source:										Total Revenues
	Member Contributions	New Member Fees	Supplemental Contributions	Claims Deductibles	WC Group Contributions	Interest and Other Income	Other	Non-Operating Interest Income			
Loss Year 1 (12/1/88 - 11/30/89)	\$970,032	\$19,912	\$100,000	\$27,685	\$0	\$15,949					\$1,133,578
Loss Year 2 (12/1/89 - 12/31/90)	\$1,241,749	\$6,305	\$0	\$56,386	\$0	\$50,148					\$1,354,588
Loss Year 3 (1/1/91 - 12/31/91)	\$1,101,644	\$6,971	\$33,475	\$68,650	\$8,224	\$56,957					\$1,275,921
Loss Year 4 (1/1/92 - 12/31/92)	\$1,214,387	\$17,111	\$0	\$58,961	\$21,774	\$48,308					\$1,360,541
Loss Year 5 (1/1/93 - 12/31/93)	\$1,509,062	\$22,576	\$0	\$91,019	\$25,432	\$55,477					\$1,703,566
Loss Year 6 (1/1/94 - 12/31/94)	\$1,621,981	\$832	\$125,000	\$115,325	\$28,097	\$60,123					\$1,951,358
Loss Year 7 (1/1/95 - 12/31/95)	\$1,707,677	\$977	\$73,235	\$101,262	\$35,819	\$136,165					\$2,055,135
Loss Year 8 (1/1/96 - 12/31/96)	\$1,849,220	\$6,756	\$0	\$128,497	\$40,305	\$161,585					\$2,186,363
Loss Year 9 (1/1/97 - 12/31/97)	\$1,937,247	\$9,654	\$0	\$136,099	\$50,011	\$201,252					\$2,334,263
Loss Year 10 (1/1/98 - 12/31/98)	\$2,024,886	*	\$0	\$169,904	\$50,006	\$225,971					\$2,470,767

\* Beginning in 1998, the minimal amount collected for new member fees was rolled into the column "Interest and Other Income." In 2002, the New Member Fee was eliminated.  
 \*\* Beginning in 2004, Workers' Comp, a pass-through revenue, was eliminated from the financial report. Interest and other income were broken out because interest was determined to be a non-operating revenue.

Miami Valley Risk Management Association  
For Loss Years LY1 - LY17 (Cont.)

**CHART OF GENERAL REVENUES BY SOURCE AND MEMBERSHIP YEAR**

Membership Year	Revenue Source:										Total Revenues
	Member Contributions	New Member Fees	Supplemental Contributions	Claims Deductibles	WC Group Contributions	Interest and Other Income	Other	Non-Operating Interest Income			
Loss Year 11 ( 1/1/99 - 12/31/99)	\$2,059,922	*	\$0	\$197,549	\$51,023	\$244,654					\$2,553,148
Loss Year 12 ( 1/1/00 - 12/31/00)	\$2,201,382	*	\$0	\$214,819	\$49,999	\$313,144					\$2,779,344
Loss Year 13 ( 1/1/01 - 12/31/01)	\$2,505,225	*	\$0	\$197,885	\$50,000	\$228,583					\$2,981,693
Loss Year 14 ( 1/1/02 - 12/31/02)	\$2,823,003	*	\$0	\$220,860	\$51,999	\$214,177					\$3,310,039
Loss Year 15 ( 1/1/03 - 12/31/03)	\$3,871,053	*	\$0	\$230,775	\$52,006	\$114,318					\$4,268,152
Loss Year 16 ( 1/1/04 - 12/31/04)	\$3,571,708	*	\$0	\$173,145	**	**	\$8,511	\$138,406			\$3,891,770
Loss Year 17 ( 1/1/05 - 12/31/05)	\$3,878,229	*	\$0	\$214,846	**	**	\$4,821	\$210,038			\$4,307,934

\* Beginning in 1998, the minimal amount collected for new member fees was rolled into the column "Interest and Other Income." In 2002, the New Member Fee was eliminated.

\*\*Beginning in 2004, Workers' Comp. a pass-through revenue, was eliminated from the financial report. Interest and other income were broken out because interest was determined to be a non-operating revenue.







Loss Year #13 (12/31/00 - 12/31/2001)		
	Balance	Pct.
Beavercreek	\$148,320	8.99%
Blue Ash	\$120,609	7.31%
Indian Hill	\$38,955	2.36%
Kettering	\$271,754	16.47%
Madeira	\$20,998	1.27%
Mason	\$135,419	8.21%
Miamisburg	\$206,357	12.51%
Montgomery	\$48,916	2.97%
Sidney	\$130,519	7.91%
Springdale	\$78,183	4.74%
Tipp City	\$41,886	2.54%
Troy	\$130,872	7.93%
Vandalia	\$78,072	4.73%
West Carrollton	\$61,140	3.71%
Wilmington	\$95,053	5.76%
Wyoming	\$42,948	2.60%
<b>TOTALS</b>	<b>\$1,650,000</b>	<b>100.00%</b>

Includes trf of \$350,000 from SLF 9/30/04

Loss Year #14 (12/31/01 - 12/31/2002)		
	Balance	Pct.
Beavercreek	\$112,443	8.135%
Blue Ash	\$109,989	7.958%
Indian Hill	\$35,074	2.538%
Kettering	\$222,999	16.134%
Madeira	\$16,832	1.218%
Mason	\$113,283	8.196%
Miamisburg	\$113,206	8.190%
Montgomery	\$38,991	2.821%
Piqua	\$82,189	5.946%
Sidney	\$101,593	7.350%
Springdale	\$64,782	4.687%
Tipp City	\$34,467	2.494%
Troy	\$103,999	7.459%
Vandalia	\$63,923	4.625%
West Carrollton	\$52,058	3.766%
Wilmington	\$82,627	5.978%
Wyoming	\$34,633	2.506%
<b>TOTALS</b>	<b>\$1,382,188</b>	<b>100.00%</b>

Loss Year #15 (12/31/02 - 12/31/2003)		
	Balance	Pct.
Beavercreek	\$129,355	7.340%
Blue Ash	\$113,770	6.456%
Indian Hill	\$47,109	2.673%
Kettering	\$296,072	16.801%
Madeira	\$31,472	1.786%
Mason	\$186,161	10.564%
Miamisburg	\$110,467	6.269%
Montgomery	\$52,991	3.007%
Piqua	\$103,223	5.857%
Sidney	\$126,696	7.190%
Springdale	\$82,463	4.679%
Tipp City	\$45,005	2.554%
Troy	\$120,422	6.834%
Vandalia	\$89,417	5.074%
West Carrollton	\$62,509	3.547%
Wilmington	\$104,966	5.956%
Wyoming	\$60,133	3.412%
<b>TOTALS</b>	<b>\$1,762,231</b>	<b>100.00%</b>

Loss Year #16 (12/31/03 - 12/31/2004)		
	Balance	Pct.
Beavercreek	\$114,723	5.517%
Bellbrook	\$40,054	1.926%
Blue Ash	\$129,916	6.248%
Centerville	\$40,019	1.925%
Englewood	\$63,071	3.033%
Indian Hill	\$50,369	2.422%
Kettering	\$342,308	16.463%
Madeira	\$33,550	1.614%
Mason	\$180,907	8.700%
Miamisburg	\$125,185	6.021%
Montgomery	\$65,796	3.164%
Piqua	\$128,743	6.192%
Sidney	\$148,949	7.163%
Springdale	\$84,257	4.052%
Tipp City	\$49,791	2.395%
Troy	\$138,326	6.653%
Vandalia	\$94,837	4.561%
West Carrollton	\$64,406	3.097%
Wilmington	\$117,527	5.652%
Wyoming	\$66,565	3.201%
<b>TOTALS</b>	<b>\$2,079,299</b>	<b>100.00%</b>

Loss Year #17 (12/31/04 - 12/31/05)		
	Balance	Pct.
Beavercreek	\$111,103	5.223%
Bellbrook	\$40,988	1.927%
Blue Ash	\$125,144	5.884%
Centerville	\$117,232	5.512%
Englewood	\$60,982	2.867%
Indian Hill	\$62,214	2.925%
Kettering	\$277,490	13.046%
Madeira	\$47,100	2.214%
Mason	\$186,470	8.767%
Miamisburg	\$159,542	7.501%
Montgomery	\$61,087	2.872%
Piqua	\$132,335	6.222%
Sidney	\$153,750	7.228%
Springdale	\$84,005	3.949%
Tipp City	\$53,550	2.518%
Troy	\$147,567	6.938%
Vandalia	\$96,542	4.539%
West Carrollton	\$60,666	2.852%
Wilmington	\$93,812	4.411%
Wyoming	\$55,422	2.606%
<b>TOTALS</b>	<b>\$2,127,001</b>	<b>100.00%</b>

General Reserve Fund (Account Balances As Of 12/31/05)		
	Balance	Pct.
Beavercreek	\$251,400	18.64%
Bellbrook	\$0	0.00%
Blue Ash	\$152,781	11.33%
Centerville	\$0	0.00%
Englewood	\$0	0.00%
Indian Hill	\$46,364	3.44%
Kettering	\$8,635	0.64%
Madeira	\$37,439	2.78%
Mason	\$37,458	2.78%
Miamisburg	\$189,059	14.02%
Montgomery	\$75,244	5.58%
Piqua	\$1,836	0.14%
Sidney	\$47,677	3.53%
Springdale	\$132,311	9.81%
Tipp City	\$3,900	0.29%
Troy	\$87,076	6.46%
Vandalia	\$114,181	8.47%
West Carrollton	\$19,308	1.43%
Wilmington	\$119,424	8.85%
Wyoming	\$24,762	1.84%
<b>TOTALS</b>	<b>\$1,348,854</b>	<b>100.00%</b>

Shock Loss Fund (Account Balances As Of 12/31/05)		
	Balance	Pct.
Beavercreek	\$139,429	7.92%
Bellbrook	\$6,333	0.36%
Blue Ash	\$120,751	6.86%
Centerville	\$18,114	1.03%
Englewood	\$9,422	0.54%
Indian Hill	\$46,721	2.65%
Kettering	\$284,504	16.16%
Madeira	\$27,258	1.55%
Mason	\$98,303	5.59%
Miamisburg	\$181,663	10.32%
Montgomery	\$60,572	3.44%
Piqua	\$57,086	3.24%
Sidney	\$147,889	8.40%
Springdale	\$97,842	5.56%
Tipp City	\$38,891	2.21%
Troy	\$132,572	7.53%
Vandalia	\$90,201	5.12%
West Carrollton	\$79,693	4.53%
Wilmington	\$81,092	4.61%
Wyoming	\$41,740	2.37%
<b>TOTALS</b>	<b>\$1,760,074</b>	<b>100.00%</b>

Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: City of Beavercreek**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	\$30,900	31,589	49	32	62	\$6,200	\$4,142,690	11.10%
Loss Year 2 (12/1/89 - 12/31/90)	\$28,900	31,589	56	35	74	\$8,257	\$5,746,110	10.96%
Loss Year 3 (1/1/91 - 12/31/91)	\$17,549	33,746	59	36	80	\$6,883	\$5,676,558	8.77%
Loss Year 4 (1/1/92 - 12/31/92)	\$11,738	33,746	58	37	90	\$7,226	\$6,560,338	6.91%
Loss Year 5 (1/1/93 - 12/31/93)	\$11,553	33,746	61	37	90	\$7,226	\$7,219,076	6.13%
Loss Year 6 (1/1/94 - 12/31/94)	\$12,996	33,746	60	39	100	\$2,751,579	\$6,931,384	6.42%
Loss Year 7 (1/1/95 - 12/31/95)	\$32,163	33,746	61	37	96	\$2,816,157	\$7,237,056	7.85%
Loss Year 8 (1/1/96 - 12/31/96)	\$21,780	33,746	62	39	95	\$3,092,971	\$8,417,413	6.80%
Loss Year 9 (1/1/97 - 12/31/97)	\$28,792	33,626	62	42	88	\$4,257,155	\$9,436,836	6.86%
Loss Year 10 (1/1/98 - 12/31/98)	\$45,834	33,626	62	43	98	\$5,797,165	\$9,642,970	8.47%
Loss Year 11 (1/1/99 - 12/31/99)	\$49,926	33,626	64	42	92	\$5,882,332	\$10,939,364	8.70%
Loss Year 12 (1/1/00 - 12/31/00)	\$52,362	33,626	67	45	96	\$6,193,103	\$12,312,741	8.64%
Loss Year 13 (1/1/01 - 12/31/01)	\$70,495	33,626	71	47	86	\$6,266,402	\$13,887,477	8.99%
Loss Year 14 (1/1/02 - 12/31/02)	\$57,513	37,984	80	45	86	\$6,280,937	\$16,752,920	8.14%
Loss Year 15 (1/1/03 - 12/31/03)	\$53,827	37,984	80	52	90	\$10,179,714	\$15,559,882	7.34%
Loss Year 16 (1/1/04 - 12/31/04)	\$35,642	37,984	80	48	94	\$12,141,559	\$14,487,068	5.51%
Loss Year 17 (1/1/05 - 12/31/05)	\$26,108	37,984	81	48	94	\$23,911,213	\$16,855,497	5.22%

Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: City of Bellbrook**

**New Member 1/15/04**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 2 (12/1/89 - 12/31/90)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 3 (1/1/91 - 12/31/91)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 4 (1/1/92 - 12/31/92)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 5 (1/1/93 - 12/31/93)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 6 (1/1/94 - 12/31/94)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 7 (1/1/95 - 12/31/95)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 8 (1/1/96 - 12/31/96)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 9 (1/1/97 - 12/31/97)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 10 (1/1/98 - 12/31/98)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 11 (1/1/99 - 12/31/99)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 12 (1/1/00 - 12/31/00)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 13 (1/1/01 - 12/31/01)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 14 (1/1/02 - 12/31/02)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 15 (1/1/03 - 12/31/03)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 16 (1/1/04 - 12/31/04)	\$21,652	7,009	25	12	33	\$9,478,268	\$3,185,555	1.92%
Loss Year 17 (1/1/05 - 12/31/05)	\$18,504	7,009	26	12	32	\$10,479,866	\$3,581,391	1.93%

Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: City of Blue Ash**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 2 (12/1/89 - 12/31/90)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 3 (1/1/91 - 12/31/91)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 4 (1/1/92 - 12/31/92)	\$25,892	11,860	94	37	80	\$28,989	\$12,287,634	7.27%
Loss Year 5 (1/1/93 - 12/31/93)	\$27,415	11,860	94	37	83	\$28,929	\$12,287,634	7.97%
Loss Year 6 (1/1/94 - 12/31/94)	\$23,580	11,860	96	35	84	\$12,163,217	\$12,749,494	7.87%
Loss Year 7 (1/1/95 - 12/31/95)	\$18,230	11,860	98	37	83	\$15,693,863	\$11,603,273	6.88%
Loss Year 8 (1/1/96 - 12/31/96)	\$12,422	11,860	102	37	85	\$17,074,953	\$12,363,405	6.17%
Loss Year 9 (1/1/97 - 12/31/97)	\$19,476	11,860	100	39	85	\$17,148,356	\$13,368,120	6.18%
Loss Year 10 (1/1/98 - 12/31/98)	\$24,947	11,860	103	36	85	\$16,616,522	\$14,181,403	6.43%
Loss Year 11 (1/1/99 - 12/31/99)	\$31,340	11,860	101	35	87	\$16,917,313	\$14,119,444	6.87%
Loss Year 12 (1/1/00 - 12/31/00)	\$42,157	11,860	102	35	90	\$17,366,141	\$15,594,168	7.49%
Loss Year 13 (1/1/01 - 12/31/01)	\$49,680	11,923	104	36	93	\$17,960,021	\$16,947,320	7.31%
Loss Year 14 (1/1/02 - 12/31/02)	\$61,337	12,513	105	40	95	\$17,114,533	\$18,010,169	7.96%
Loss Year 15 (1/1/03 - 12/31/03)	\$42,379	12,513	105	41	102	\$34,912,609	\$18,775,957	6.46%
Loss Year 16 (1/1/04 - 12/31/04)	\$52,123	12,513	107	42	103	\$43,254,838	\$19,503,593	6.24%
Loss Year 17 (1/1/05 - 12/31/05)	\$41,879	12,513	110	41	108	\$55,002,418	\$21,055,430	5.88%

Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: City of Centerville**

**New Member 9/1/04**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 2 (12/1/89 - 12/31/90)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 3 (1/1/91 - 12/31/91)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 4 (1/1/92 - 12/31/92)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 5 (1/1/93 - 12/31/93)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 6 (1/1/94 - 12/31/94)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 7 (1/1/95 - 12/31/95)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 8 (1/1/96 - 12/31/96)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 9 (1/1/97 - 12/31/97)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 10 (1/1/98 - 12/31/98)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 11 (1/1/99 - 12/31/99)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 12 (1/1/00 - 12/31/00)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 13 (1/1/01 - 12/31/01)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 14 (1/1/02 - 12/31/02)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 15 (1/1/03 - 12/31/03)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 16 (1/1/04 - 12/31/04)	\$52,728	23,024	100	42	94	\$23,007,262	\$15,614,286	2.04%
Loss Year 17 (1/1/05 - 12/31/05)	\$41,107	23,024	100	42	97	\$27,211,253	\$16,427,894	5.51%

Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: City of Englewood**

**New Member 1/11/04**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 2 (12/1/89 - 12/31/90)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 3 (1/1/91 - 12/31/91)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 4 (1/1/92 - 12/31/92)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 5 (1/1/93 - 12/31/93)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 6 (1/1/94 - 12/31/94)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 7 (1/1/95 - 12/31/95)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 8 (1/1/96 - 12/31/96)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 9 (1/1/97 - 12/31/97)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 10 (1/1/98 - 12/31/98)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 11 (1/1/99 - 12/31/99)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 12 (1/1/00 - 12/31/00)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 13 (1/1/01 - 12/31/01)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 14 (1/1/02 - 12/31/02)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 15 (1/1/03 - 12/31/03)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 16 (1/1/04 - 12/31/04)	\$27,033	12,235	48	18	62	\$17,224,870	\$8,688,707	3.03%
Loss Year 17 (1/1/05 - 12/31/05)	\$19,088	\$12,235	48	19	60	\$19,517,102	\$9,604,002	2.87%



Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: City of the Village of Indian Hill**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 2 (12/1/89 - 12/31/90)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 3 (1/1/91 - 12/31/91)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 4 (1/1/92 - 12/31/92)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 5 (1/1/93 - 12/31/93)	\$13,194	5,383	47	18	47	\$15,353	\$4,296,148	4.10%
Loss Year 6 (1/1/94 - 12/31/94)	\$21,103	5,383	53	19	46	\$4,961,248	\$5,845,582	5.06%
Loss Year 7 (1/1/95 - 12/31/95)	\$12,920	5,383	62	19	48	\$5,078,299	\$6,398,429	3.83%
Loss Year 8 (1/1/96 - 12/31/96)	\$15,581	5,383	61	18	48	\$5,660,900	\$5,517,564	3.87%
Loss Year 9 (1/1/97 - 12/31/97)	\$16,095	5,383	53	19	50	\$5,964,451	\$7,591,460	3.60%
Loss Year 10 (1/1/98 - 12/31/98)	\$7,457	5,383	53	19	52	\$5,776,585	\$8,060,829	2.81%
Loss Year 11 (1/1/99 - 12/31/99)	\$7,838	5,383	59	19	52	\$5,981,379	\$8,364,038	2.87%
Loss Year 12 (1/1/00 - 12/31/00)	\$4,717	5,383	51	19	54	\$6,134,713	\$8,198,549	2.45%
Loss Year 13 (1/1/01 - 12/31/01)	\$5,084	5,383	52	19	55	\$6,447,149	\$8,471,936	2.36%
Loss Year 14 (1/1/02 - 12/31/02)	\$8,224	5,907	54	19	56	\$6,904,202	\$7,529,246	2.54%
Loss Year 15 (1/1/03 - 12/31/03)	\$14,437	5,907	54	19	59	\$9,452,214	\$8,766,549	2.67%
Loss Year 16 (1/1/04 - 12/31/04)	\$14,992	5,907	54	20	59	\$10,536,868	\$9,115,624	2.42%
Loss Year 17 (1/1/05 - 12/31/05)	\$25,781	5,907	58	20	59	\$13,497,847	\$8,547,336	2.93%

Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: City of Kettering**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	\$91,200	61,186	271	80	205	\$35,800	\$21,782,447	35.47%
Loss Year 2 (12/1/89 - 12/31/90)	\$91,800	61,186	278	80	231	\$38,550	\$22,739,198	33.47%
Loss Year 3 (1/1/91 - 12/31/91)	\$53,141	60,293	278	80	298	\$41,308	\$25,105,003	26.87%
Loss Year 4 (1/1/92 - 12/31/92)	\$64,571	60,293	287	80	299	\$73,182	\$29,176,000	25.17%
Loss Year 5 (1/1/93 - 12/31/93)	\$47,798	60,293	283	80	289	\$73,182	\$31,000,000	20.39%
Loss Year 6 (1/1/94 - 12/31/94)	\$45,205	60,293	289	80	269	\$32,965,411	\$30,000,000	20.24%
Loss Year 7 (1/1/95 - 12/31/95)	\$52,235	60,293	296	80	207	\$36,250,702	\$30,419,421	19.24%
Loss Year 8 (1/1/96 - 12/31/96)	\$47,289	60,293	297	81	264	\$40,365,390	\$31,502,620	18.83%
Loss Year 9 (1/1/97 - 12/31/97)	\$48,544	60,569	291	82	280	\$58,182,170	\$38,146,824	18.32%
Loss Year 10 (1/1/98 - 12/31/98)	\$38,140	60,569	305	82	279	\$85,094,914	\$34,433,059	17.58%
Loss Year 11 (1/1/99 - 12/31/99)	\$34,190	60,569	309	82	276	\$58,577,374	\$36,510,282	16.18%
Loss Year 12 (1/1/00 - 12/31/00)	\$41,548	60,569	304	81	289	\$67,512,583	\$38,031,390	16.56%
Loss Year 13 (1/1/01 - 12/31/01)	\$59,540	60,569	315	82	248	\$69,033,983	\$40,184,627	16.47%
Loss Year 14 (1/1/02 - 12/31/02)	\$70,065	57,502	322	83	254	\$67,791,837	\$41,809,060	16.13%
Loss Year 15 (1/1/03 - 12/31/03)	\$106,216	57,502	313	83	258	\$82,646,639	\$43,290,475	16.80%
Loss Year 16 (1/1/04 - 12/31/04)	\$142,563	57,502	312	83	267	\$86,690,728	\$46,922,099	16.44%
Loss Year 17 (1/1/05 - 12/31/05)	\$68,731	57,502	313	80	253	\$113,878,770	\$48,550,683	13.05%

Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: City of Madeira**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 2 (12/1/89 - 12/31/90)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 3 (1/1/91 - 12/31/91)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 4 (1/1/92 - 12/31/92)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 5 (1/1/93 - 12/31/93)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 6 (1/1/94 - 12/31/94)	\$13,109	9,141	13	11	13	\$2,914,691	\$2,600,000	1.07%
Loss Year 7 (1/1/95 - 12/31/95)	\$13,109	9,141	13	11	11	\$2,475,809	\$2,561,210	2.63%
Loss Year 8 (1/1/96 - 12/31/96)	\$14,802	9,141	23	12	13	\$1,954,238	\$2,599,610	2.74%
Loss Year 9 (1/1/97 - 12/31/97)	\$14,680	9,141	11	12	22	\$1,976,286	\$3,070,791	2.45%
Loss Year 10 (1/1/98 - 12/31/98)	\$5,031	9,141	12	12	14	\$2,035,077	\$3,589,935	1.59%
Loss Year 11 (1/1/99 - 12/31/99)	\$5,405	9,141	12	12	21	\$2,066,442	\$4,100,504	1.68%
Loss Year 12 (1/1/00 - 12/31/00)	\$2,553	9,141	11	12	14	\$2,118,369	\$3,282,525	1.29%
Loss Year 13 (1/1/01 - 12/31/01)	\$2,609	9,141	13	13	17	\$2,145,966	\$3,036,980	1.27%
Loss Year 14 (1/1/02 - 12/31/02)	\$4,003	8,923	12	11	17	\$2,236,767	\$3,146,549	1.22%
Loss Year 15 (1/1/03 - 12/31/03)	\$15,182	8,923	12	12	18	\$3,548,245	\$2,616,570	1.79%
Loss Year 16 (1/1/04 - 12/31/04)	\$17,011	8,923	12	12	18	\$3,743,094	\$2,566,971	1.61%
Loss Year 17 (1/1/05 - 12/31/05)	\$28,921	8,923	12	12	19	\$4,618,305	\$2,695,835	2.21%

Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: City of Mason**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 2 (12/1/89 - 12/31/90)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 3 (1/1/91 - 12/31/91)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 4 (1/1/92 - 12/31/92)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 5 (1/1/93 - 12/31/93)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 6 (1/1/94 - 12/31/94)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 7 (1/1/95 - 12/31/95)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 8 (1/1/96 - 12/31/96)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 9 (1/1/97 - 12/31/97)	\$13,650	11,500	73	20	53	\$15,090,250	\$10,013,732	1.32%
Loss Year 10 (1/1/98 - 12/31/98)	\$6,970	11,500	73	22	53	\$15,090,250	\$11,206,999	3.80%
Loss Year 11 (1/1/99 - 12/31/99)	\$10,435	11,500	78	25	61	\$18,404,183	\$13,344,376	4.47%
Loss Year 12 (1/1/00 - 12/31/00)	\$29,928	11,500	85	28	79	\$19,712,708	\$14,188,681	6.16%
Loss Year 13 (1/1/01 - 12/31/01)	\$58,671	11,500	96	31	103	\$21,349,454	\$23,711,287	8.21%
Loss Year 14 (1/1/02 - 12/31/02)	\$58,827	22,016	113	33	90	\$21,424,461	\$19,210,290	8.20%
Loss Year 15 (1/1/03 - 12/31/03)	\$100,436	22,016	131	34	94	\$44,606,095	\$27,683,838	10.56%
Loss Year 16 (1/1/04 - 12/31/04)	\$97,309	22,016	129	36	99	\$46,427,659	\$22,425,410	8.69%
Loss Year 17 (1/1/05 - 12/31/05)	\$90,009	22,016	138	37	107	\$58,679,007	\$25,717,235	8.77%

Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: City of Miamisburg**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	\$36,500	15,304	125	30	104	\$38,900	\$8,318,566	16.07%
Loss Year 2 (12/1/89 - 12/31/90)	\$21,400	15,304	120	29	98	\$40,950	\$9,248,625	12.32%
Loss Year 3 (1/1/91 - 12/31/91)	\$27,237	17,906	120	30	102	\$50,816	\$9,501,097	12.51%
Loss Year 4 (1/1/92 - 12/31/92)	\$38,013	17,906	130	33	117	\$57,430	\$9,580,000	12.06%
Loss Year 5 (1/1/93 - 12/31/93)	\$47,747	17,906	130	33	117	\$57,430	\$10,787,514	11.60%
Loss Year 6 (1/1/94 - 12/31/94)	\$51,269	17,906	130	33	121	\$15,532,750	\$11,611,240	12.29%
Loss Year 7 (1/1/95 - 12/31/95)	\$80,607	17,906	131	32	110	\$16,055,582	\$14,389,565	13.77%
Loss Year 8 (1/1/96 - 12/31/96)	\$76,136	17,906	135	38	112	\$18,802,162	\$13,070,750	13.22%
Loss Year 9 (1/1/97 - 12/31/97)	\$85,254	18,500	132	38	113	\$19,750,987	\$15,574,230	12.66%
Loss Year 10 (1/1/98 - 12/31/98)	\$61,459	18,500	141	38	131	\$19,846,112	\$16,118,370	10.86%
Loss Year 11 (1/1/99 - 12/31/99)	\$82,552	17,834	162	38	131	\$21,483,280	\$16,908,977	12.73%
Loss Year 12 (1/1/00 - 12/31/00)	\$86,295	17,834	155	38	117	\$22,496,128	\$17,143,239	12.15%
Loss Year 13 (1/1/01 - 12/31/01)	\$113,408	17,834	155	39	122	\$22,691,439	\$17,938,282	12.51%
Loss Year 14 (1/1/02 - 12/31/02)	\$50,710	19,489	162	39	116	\$22,749,108	\$18,608,245	8.19%
Loss Year 15 (1/1/03 - 12/31/03)	\$31,406	19,489	151	39	119	\$29,314,539	\$17,350,916	6.27%
Loss Year 16 (1/1/04 - 12/31/04)	\$41,323	19,489	151	39	114	\$33,376,409	\$18,009,716	6.01%
Loss Year 17 (1/1/05 - 12/31/05)	\$70,697	19,489	150	41	120	\$41,624,677	\$18,966,418	7.50%

Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: City of Montgomery**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 2 (12/1/89 - 12/31/90)	\$15,600	10,088	23	17	24	\$13,653	\$3,764,197	2.88%
Loss Year 3 (1/1/91 - 12/31/91)	\$13,572	9,733	23	17	24	\$16,194	\$3,764,197	4.99%
Loss Year 4 (1/1/92 - 12/31/92)	\$13,572	9,733	22	16	23	\$12,114	\$4,160,375	3.92%
Loss Year 5 (1/1/93 - 12/31/93)	\$11,309	9,733	23	18	24	\$12,114	\$4,308,149	3.29%
Loss Year 6 (1/1/94 - 12/31/94)	\$6,505	9,733	28	18	26	\$1,665,852	\$4,184,925	2.67%
Loss Year 7 (1/1/95 - 12/31/95)	\$5,362	9,733	27	17	28	\$1,818,628	\$4,628,807	2.40%
Loss Year 8 (1/1/96 - 12/31/96)	\$6,823	9,733	29	17	30	\$1,967,028	\$4,520,189	2.49%
Loss Year 9 (1/1/97 - 12/31/97)	\$17,170	9,733	30	18	35	\$3,625,168	\$6,108,570	3.35%
Loss Year 10 (1/1/98 - 12/31/98)	\$19,796	9,733	33	20	35	\$5,765,118	\$6,027,887	3.71%
Loss Year 11 (1/1/99 - 12/31/99)	\$23,489	9,733	32	20	35	\$6,097,612	\$5,966,751	3.97%
Loss Year 12 (1/1/00 - 12/31/00)	\$25,935	9,733	33	20	37	\$6,251,589	\$5,460,609	3.94%
Loss Year 13 (1/1/01 - 12/31/01)	\$16,691	9,733	33	20	38	\$6,020,629	\$6,884,595	2.97%
Loss Year 14 (1/1/02 - 12/31/02)	\$16,649	10,163	37	20	38	\$6,098,611	\$5,852,366	2.82%
Loss Year 15 (1/1/03 - 12/31/03)	\$22,543	10,163	40	21	36	\$10,343,877	\$6,435,132	3.01%
Loss Year 16 (1/1/04 - 12/31/04)	\$35,287	10,163	40	21	39	\$10,102,658	\$6,292,509	3.16%
Loss Year 17 (1/1/05 - 12/31/05)	\$28,421	10,163	40	21	44	\$13,284,065	\$4,261,232	2.87%

Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: City of Piqua**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 2 (12/1/89 - 12/31/90)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 3 (1/1/91 - 12/31/91)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 4 (1/1/92 - 12/31/92)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 5 (1/1/93 - 12/31/93)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 6 (1/1/94 - 12/31/94)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 7 (1/1/95 - 12/31/95)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 8 (1/1/96 - 12/31/96)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 9 (1/1/97 - 12/31/97)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 10 (1/1/98 - 12/31/98)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 11 (1/1/99 - 12/31/99)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 12 (1/1/00 - 12/31/00)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 13 (1/1/01 - 12/31/01)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 14 (1/1/02 - 12/31/02)	\$9,425	20,738	185	33	137	\$36,502,709	\$30,172,956	5.95%
Loss Year 15 (1/1/03 - 12/31/03)	\$7,202	20,738	186	33	136	\$33,626,011	\$32,986,000	5.86%
Loss Year 16 (1/1/04 - 12/31/04)	\$23,655	20,738	206	34	133	\$32,732,217	\$34,744,218	6.18%
Loss Year 17 (1/1/05 - 12/31/05)	\$30,392	20,738	190	33	130	\$41,999,746	\$33,038,871	6.22%

Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: City of Sidney**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 2 (12/1/89 - 12/31/90)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 3 (1/1/91 - 12/31/91)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 4 (1/1/92 - 12/31/92)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 5 (1/1/93 - 12/31/93)	\$10,332	18,710	130	30	114	\$50,409	\$22,403,135	4.87%
Loss Year 6 (1/1/94 - 12/31/94)	\$9,559	18,710	172	31	118	\$14,866,458	\$14,044,569	7.61%
Loss Year 7 (1/1/95 - 12/31/95)	\$25,958	18,710	140	34	117	\$15,864,016	\$12,573,145	8.64%
Loss Year 8 (1/1/96 - 12/31/96)	\$51,195	18,710	138	34	119	\$17,978,059	\$13,043,339	10.83%
Loss Year 9 (1/1/97 - 12/31/97)	\$51,434	18,710	138	35	149	\$18,166,595	\$16,969,044	10.14%
Loss Year 10 (1/1/98 - 12/31/98)	\$55,306	18,710	140	36	152	\$21,848,402	\$15,786,156	10.50%
Loss Year 11 (1/1/99 - 12/31/99)	\$51,427	18,710	150	36	154	\$22,182,012	\$17,554,195	10.21%
Loss Year 12 (1/1/00 - 12/31/00)	\$26,350	18,710	153	37	150	\$22,878,714	\$17,820,227	7.72%
Loss Year 13 (1/1/01 - 12/31/01)	\$34,283	18,710	155	35	164	\$28,167,522	\$18,534,451	7.91%
Loss Year 14 (1/1/02 - 12/31/02)	\$31,950	20,211	164	39	141	\$28,446,593	\$18,552,891	7.35%
Loss Year 15 (1/1/03 - 12/31/03)	\$36,326	20,211	164	39	147	\$40,225,534	\$20,100,764	7.19%
Loss Year 16 (1/1/04 - 12/31/04)	\$51,699	20,211	167	38	158	\$45,720,596	\$20,196,644	7.16%
Loss Year 17 (1/1/05 - 12/31/05)	\$51,659	20,211	163	40	163	\$57,104,505	\$21,044,762	7.23%



Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: City of Springdale**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 2 (12/1/89 - 12/31/90)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 3 (1/1/91 - 12/31/91)	\$12,969	10,621	66	32	49	\$12,828	\$6,403,872	2.76%
Loss Year 4 (1/1/92 - 12/31/92)	\$12,969	10,621	66	32	52	\$12,405	\$6,403,872	5.47%
Loss Year 5 (1/1/93 - 12/31/93)	\$12,104	10,621	73	32	49	\$12,405	\$7,415,212	4.79%
Loss Year 6 (1/1/94 - 12/31/94)	\$6,905	10,621	69	30	57	\$10,458,049	\$9,487,002	4.77%
Loss Year 7 (1/1/95 - 12/31/95)	\$27,956	10,621	70	30	39	\$11,328,392	\$8,718,923	6.35%
Loss Year 8 (1/1/96 - 12/31/96)	\$30,495	10,621	72	30	50	\$12,100,546	\$8,048,032	6.41%
Loss Year 9 (1/1/97 - 12/31/97)	\$39,027	10,621	73	32	54	\$12,135,265	\$8,778,679	6.60%
Loss Year 10 (1/1/98 - 12/31/98)	\$40,576	10,621	73	33	54	\$11,763,573	\$9,381,380	6.75%
Loss Year 11 (1/1/99 - 12/31/99)	\$25,315	10,621	75	33	47	\$12,065,787	\$11,752,966	5.42%
Loss Year 12 (1/1/00 - 12/31/00)	\$31,157	10,621	80	34	57	\$12,392,372	\$14,568,023	5.89%
Loss Year 13 (1/1/01 - 12/31/01)	\$18,646	10,621	80	35	60	\$18,224,137	\$15,060,824	4.74%
Loss Year 14 (1/1/02 - 12/31/02)	\$23,876	10,563	84	34	64	\$18,263,472	\$11,391,023	4.69%
Loss Year 15 (1/1/03 - 12/31/03)	\$29,174	10,563	83	36	68	\$23,123,953	\$12,508,712	4.68%
Loss Year 16 (1/1/04 - 12/31/04)	\$29,627	10,563	82	34	67	\$23,073,127	\$12,696,428	4.05%
Loss Year 17 (1/1/05 - 12/31/05)	\$27,350	10,563	80	36	62	\$29,646,596	\$12,841,833	3.95%

Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: City of Tipp City**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 2 (12/1/89 - 12/31/90)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 3 (1/1/91 - 12/31/91)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 4 (1/1/92 - 12/31/92)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 5 (1/1/93 - 12/31/93)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 6 (1/1/94 - 12/31/94)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 7 (1/1/95 - 12/31/95)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 8 (1/1/96 - 12/31/96)	\$5,890	6,027	36	14	63	\$10,478,217	\$8,614,046	1.21%
Loss Year 9 (1/1/97 - 12/31/97)	\$5,890	6,027	36	14	63	\$10,478,217	\$8,614,046	2.91%
Loss Year 10 (1/1/98 - 12/31/98)	\$3,800	6,027	38	14	64	\$9,038,724	\$8,554,068	2.54%
Loss Year 11 (1/1/99 - 12/31/99)	\$4,180	6,027	40	15	65	\$9,207,722	\$8,579,541	2.60%
Loss Year 12 (1/1/00 - 12/31/00)	\$5,434	6,027	40	15	63	\$9,391,824	\$10,030,541	2.66%
Loss Year 13 (1/1/01 - 12/31/01)	\$4,986	6,027	40	16	64	\$9,587,269	\$11,250,109	2.54%
Loss Year 14 (1/1/02 - 12/31/02)	\$4,353	9,221	41	18	65	\$9,606,122	\$11,002,648	2.49%
Loss Year 15 (1/1/03 - 12/31/03)	\$5,349	9,221	46	18	68	\$16,307,088	\$11,949,140	2.55%
Loss Year 16 (1/1/04 - 12/31/04)	\$6,682	9,221	46	18	70	\$16,445,281	\$12,559,398	2.39%
Loss Year 17 (1/1/05 - 12/31/05)	\$9,937	9,221	47	18	69	\$20,322,137	\$13,840,780	2.52%

Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: City of Troy**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	\$74,654	19,086	141	31	92	\$39,810	\$11,072,986	9.74%
Loss Year 2 (12/1/89 - 12/31/90)	\$34,700	19,086	144	31	85	\$40,571	\$11,526,612	14.94%
Loss Year 3 (1/1/91 - 12/31/91)	\$51,026	19,478	142	33	92	\$39,699	\$12,413,042	15.95%
Loss Year 4 (1/1/92 - 12/31/92)	\$54,405	19,478	143	35	97	\$41,912	\$16,135,066	14.06%
Loss Year 5 (1/1/93 - 12/31/93)	\$59,056	19,478	145	35	97	\$41,912	\$12,722,451	12.45%
Loss Year 6 (1/1/94 - 12/31/94)	\$36,481	19,478	149	35	96	\$27,826,914	\$14,121,407	11.58%
Loss Year 7 (1/1/95 - 12/31/95)	\$24,104	19,478	159	35	90	\$28,694,878	\$16,213,427	9.51%
Loss Year 8 (1/1/96 - 12/31/96)	\$11,683	19,478	162	38	99	\$36,797,271	\$18,550,900	8.65%
Loss Year 9 (1/1/97 - 12/31/97)	\$5,328	19,478	169	36	111	\$37,148,486	\$18,112,317	7.26%
Loss Year 10 (1/1/98 - 12/31/98)	\$8,185	19,478	171	37	107	\$42,480,539	\$20,973,755	7.37%
Loss Year 11 (1/1/99 - 12/31/99)	\$15,349	19,478	167	37	108	\$43,597,111	\$21,947,569	8.03%
Loss Year 12 (1/1/00 - 12/31/00)	\$18,068	19,478	168	42	111	\$46,396,234	\$22,134,651	8.14%
Loss Year 13 (1/1/01 - 12/31/01)	\$22,174	19,478	177	40	100	\$51,099,645	\$23,412,781	7.93%
Loss Year 14 (1/1/02 - 12/31/02)	\$21,820	21,999	177	43	103	\$50,990,597	\$21,678,098	7.46%
Loss Year 15 (1/1/03 - 12/31/03)	\$18,660	21,999	182	43	112	\$62,525,577	\$23,791,474	6.83%
Loss Year 16 (1/1/04 - 12/31/04)	\$30,225	21,999	178	43	115	\$63,813,939	\$24,294,175	6.65%
Loss Year 17 (1/1/05 - 12/31/05)	\$35,497	21,999	177	44	124	\$77,396,452	\$27,471,778	6.94%

Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: City of Vandalia**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	\$39,500	13,161	74	26	63	\$17,800	\$6,854,935	12.64%
Loss Year 2 (12/1/89 - 12/31/90)	\$28,300	13,161	82	28	71	\$18,148	\$8,358,458	10.67%
Loss Year 3 (1/1/91 - 12/31/91)	\$39,964	13,890	83	28	72	\$34,602	\$9,258,755	12.27%
Loss Year 4 (1/1/92 - 12/31/92)	\$31,214	13,890	90	28	72	\$35,206	\$9,903,847	9.21%
Loss Year 5 (1/1/93 - 12/31/93)	\$33,373	13,890	89	28	76	\$35,206	\$10,406,520	8.33%
Loss Year 6 (1/1/94 - 12/31/94)	\$14,248	13,890	90	28	80	\$10,204,638	\$10,911,396	6.26%
Loss Year 7 (1/1/95 - 12/31/95)	\$6,841	13,890	91	28	88	\$10,570,583	\$11,723,853	5.32%
Loss Year 8 (12/1/96 - 12/31/96)	\$7,833	13,890	90	30	93	\$11,797,728	\$13,608,158	5.38%
Loss Year 9 (1/1/97 - 12/31/97)	\$18,531	13,890	97	30	96	\$12,004,917	\$16,096,295	5.96%
Loss Year 10 (1/1/98 - 12/31/98)	\$14,652	13,890	98	31	102	\$12,576,487	\$13,615,995	5.40%
Loss Year 11 (1/1/99 - 12/31/99)	\$13,881	13,890	105	31	91	\$12,797,524	\$15,129,656	5.31%
Loss Year 12 (1/1/00 - 12/31/00)	\$16,646	13,890	100	31	100	\$17,823,650	\$16,072,724	5.57%
Loss Year 13 (1/1/01 - 12/31/01)	\$8,554	13,890	113	31	97	\$18,086,826	\$16,858,695	4.73%
Loss Year 14 (1/1/02 - 12/31/02)	\$6,491	14,603	118	30	99	\$28,590,945	\$16,744,489	4.63%
Loss Year 15 (1/1/03 - 12/31/03)	\$19,343	14,603	112	29	100	\$36,149,713	\$19,141,303	5.07%
Loss Year 16 (1/1/04 - 12/31/04)	\$19,806	14,603	118	29	99	\$38,082,459	\$18,574,603	4.56%
Loss Year 17 (1/1/05 - 12/31/05)	\$20,381	14,603	115	29	99	\$48,979,419	\$19,350,583	4.54%

## Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: City of West Carrollton**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	\$14,000	13,148	54	22	54	\$13,500	\$6,862,788	8.12%
Loss Year 2 (12/1/89 - 12/31/90)	\$19,100	13,148	54	22	55	\$14,896	\$6,314,517	7.96%
Loss Year 3 (1/1/91 - 12/31/91)	\$23,907	14,403	59	23	58	\$17,937	\$6,445,148	8.27%
Loss Year 4 (1/1/92 - 12/31/92)	\$31,347	14,403	61	25	52	\$18,820	\$6,706,450	7.70%
Loss Year 5 (1/1/93 - 12/31/93)	\$36,117	14,403	63	25	60	\$18,820	\$8,306,766	7.44%
Loss Year 6 (1/1/94 - 12/31/94)	\$24,776	14,403	63	25	59	\$6,443,421	\$6,785,561	6.48%
Loss Year 7 (1/1/95 - 12/31/95)	\$29,627	14,403	60	25	53	\$6,585,457	\$6,954,669	6.17%
Loss Year 8 (1/1/96 - 12/31/96)	\$34,483	14,403	61	25	59	\$7,500,162	\$7,232,856	6.59%
Loss Year 9 (1/1/97 - 12/31/97)	\$29,193	14,403	60	26	59	\$8,574,364	\$9,122,893	5.59%
Loss Year 10 (1/1/98 - 12/31/98)	\$29,297	14,403	63	26	60	\$8,284,216	\$9,037,743	5.57%
Loss Year 11 (1/1/99 - 12/31/99)	\$16,771	14,403	66	26	61	\$8,428,370	\$9,335,359	4.45%
Loss Year 12 (1/1/00 - 12/31/00)	\$21,839	14,403	64	26	61	\$8,632,175	\$8,956,987	4.62%
Loss Year 13 (1/1/01 - 12/31/01)	\$13,191	14,403	66	26	62	\$8,913,734	\$9,634,131	3.71%
Loss Year 14 (1/1/02 - 12/31/02)	\$16,235	13,818	86	25	62	\$11,738,961	\$7,955,166	3.77%
Loss Year 15 (1/1/03 - 12/31/03)	\$22,062	13,818	67	25	58	\$15,689,856	\$8,330,585	3.55%
Loss Year 16 (1/1/04 - 12/31/04)	\$18,061	13,818	56	25	58	\$20,301,280	\$8,767,533	3.09%
Loss Year 17 (1/1/05 - 12/31/05)	\$15,844	13,818	55	21	60	\$21,166,332	\$9,361,997	2.85%

Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: City of Wilmington**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	\$8,300	10,430	79	17	46	\$9,900	\$6,791,676	6.86%
Loss Year 2 (12/1/89 - 12/31/90)	\$10,500	10,430	107	17	49	\$11,620	\$6,516,436	6.79%
Loss Year 3 (1/1/91 - 12/31/91)	\$11,958	11,121	110	18	71	\$22,962	\$8,874,256	7.61%
Loss Year 4 (1/1/92 - 12/31/92)	\$13,677	11,121	117	17	68	\$22,064	\$9,965,786	6.51%
Loss Year 5 (1/1/93 - 12/31/93)	\$17,994	11,121	116	18	66	\$22,064	\$10,264,760	6.12%
Loss Year 6 (1/1/94 - 12/31/94)	\$10,340	11,121	93	18	72	\$10,622,555	\$7,584,942	5.09%
Loss Year 7 (1/1/95 - 12/31/95)	\$7,445	11,121	99	19	42	\$11,335,822	\$7,768,204	4.32%
Loss Year 8 (1/1/96 - 12/31/96)	\$6,690	11,121	103	19	46	\$14,928,972	\$6,006,724	4.17%
Loss Year 9 (1/1/97 - 12/31/97)	\$2,913	11,121	102	20	64	\$15,148,522	\$9,427,318	3.83%
Loss Year 10 (1/1/98 - 12/31/98)	\$7,263	11,121	102	20	69	\$17,397,223	\$10,407,133	4.15%
Loss Year 11 (1/1/99 - 12/31/99)	\$9,271	11,121	107	21	61	\$17,735,409	\$11,272,477	4.34%
Loss Year 12 (1/1/00 - 12/31/00)	\$10,253	11,121	119	21	85	\$17,216,060	\$12,676,203	4.55%
Loss Year 13 (1/1/01 - 12/31/01)	\$28,297	11,121	127	22	85	\$25,108,044	\$13,131,679	5.76%
Loss Year 14 (1/1/02 - 12/31/02)	\$31,839	11,921	131	22	104	\$28,663,671	\$12,804,032	5.98%
Loss Year 15 (1/1/03 - 12/31/03)	\$38,635	11,921	133	25	96	\$37,377,153	\$15,365,058	5.96%
Loss Year 16 (1/1/04 - 12/31/04)	\$52,273	11,921	133	21	92	\$36,297,978	\$15,799,760	5.65%
Loss Year 17 (1/1/05 - 12/31/05)	\$24,349	11,921	132	21	95	\$46,559,815	\$15,650,346	4.41%

Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: City of Wyoming**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 2 (12/1/89 - 12/31/90)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 3 (1/1/91 - 12/31/91)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Loss Year 4 (1/1/92 - 12/31/92)	\$4,135	8,128	31	14	27	\$11,800	\$4,316,422	1.72%
Loss Year 5 (1/1/93 - 12/31/93)	\$5,513	8,128	31	14	25	\$11,800	\$3,422,959	2.53%
Loss Year 6 (1/1/94 - 12/31/94)	\$5,273	8,128	31	14	25	\$5,474,726	\$3,666,301	2.58%
Loss Year 7 (1/1/95 - 12/31/95)	\$13,226	8,128	31	14	19	\$5,704,827	\$3,362,636	3.09%
Loss Year 8 (1/1/96 - 12/31/96)	\$7,943	8,128	32	17	18	\$6,753,240	\$3,888,374	2.65%
Loss Year 9 (1/1/97 - 12/31/97)	\$13,520	8,128	32	17	24	\$6,302,683	\$5,283,037	2.95%
Loss Year 10 (1/1/98 - 12/31/98)	\$9,279	8,128	29	16	24	\$6,217,210	\$5,278,357	2.48%
Loss Year 11 (1/1/99 - 12/31/99)	\$5,739	8,128	27	17	25	\$6,323,285	\$5,128,325	2.15%
Loss Year 12 (1/1/00 - 12/31/00)	\$6,713	8,128	31	16	28	\$6,477,690	\$4,988,723	2.17%
Loss Year 13 (1/1/01 - 12/31/01)	\$11,968	8,128	31	16	28	\$12,735,177	\$5,980,807	2.60%
Loss Year 14 (1/1/02 - 12/31/02)	\$12,120	8,261	32	16	30	\$12,763,807	\$6,247,974	2.51%
Loss Year 15 (1/1/03 - 12/31/03)	\$32,065	8,261	32	16	32	\$15,109,910	\$6,694,956	3.41%
Loss Year 16 (1/1/04 - 12/31/04)	\$38,664	8,261	36	16	34	\$14,664,905	\$6,615,983	3.20%
Loss Year 17 (1/1/05 - 12/31/05)	\$23,717	8,261	34	16	33	\$19,266,717	\$7,797,919	2.61%

Miami Valley Risk Management Association

For Loss Years LY1 - LY17

**RISK EXPOSURE WORKSHEET: MVRMA (Summary)**

Membership Year	Risk Exposure:							Pool Contribution Factors
	Average Annual Losses	Population	(Non-Police) Full-Time Employees	Full-Time Sworn Police	Titled Vehicles	PP/RP Values	Net Operating Expenditures	
Loss Year 1 (12/1/88 - 11/30/89)	\$295,054	163,904	793	238	626	\$161,910	\$65,826,088	100.00%
Loss Year 2 (12/1/89 - 12/31/90)	\$250,300	173,992	864	259	687	\$186,645	\$74,214,153	100.00%
Loss Year 3 (1/1/91 - 12/31/91)	\$251,323	190,685	940	297	846	\$243,229	\$87,441,928	100.00%
Loss Year 4 (1/1/92 - 12/31/92)	\$301,533	211,308	1,099	354	977	\$321,148	\$115,195,790	100.00%
Loss Year 5 (1/1/93 - 12/31/93)	\$333,505	235,522	1,285	415	1,137	\$386,850	\$144,840,324	100.00%
Loss Year 6 (1/1/94 - 12/31/94)	\$281,349	244,663	1,336	416	1,166	\$158,851,509	\$140,523,803	100.00%
Loss Year 7 (1/1/95 - 12/31/95)	\$349,783	244,497	1,349	418	1,031	\$170,273,015	\$144,552,618	100.00%
Loss Year 8 (1/1/96 - 12/31/96)	\$351,045	250,524	1,403	449	1,194	\$207,248,837	\$156,983,980	100.00%
Loss Year 9 (1/1/97 - 12/31/97)	\$409,497	262,690	1,459	480	1,346	\$245,953,872	\$195,714,192	100.00%
Loss Year 10 (1/1/98 - 12/31/98)	\$377,992	262,690	1,496	485	1,379	\$285,628,117	\$196,296,039	100.00%
Loss Year 11 (1/1/99 - 12/31/99)	\$387,108	262,024	1,554	489	1,367	\$267,747,135	\$210,953,824	100.00%
Loss Year 12 (1/1/00 - 12/31/00)	\$421,955	262,024	1,563	500	1,431	\$288,994,053	\$221,459,981	100.00%
Loss Year 13 (1/1/01 - 12/31/01)	\$518,277	262,087	1,628	508	1,422	\$323,837,397	\$244,925,981	100.00%
Loss Year 14 (1/1/02 - 12/31/02)	\$485,437	305,832	1,903	550	1,557	\$376,167,333	\$267,468,122	100.00%
Loss Year 15 (1/1/03 - 12/31/03)	\$595,242	305,832	1,891	565	1,593	\$505,138,727	\$291,347,311	100.00%
Loss Year 16 (1/1/04 - 12/31/04)	\$808,325	348,100	2,080	631	1,808	\$587,115,995	\$321,060,280	100.00%
Loss Year 17 (1/1/05 - 12/31/05)	\$698,372	348,100	2,069	631	1,828	\$744,146,242	\$336,661,822	100.00%



Clark, Schaefer, Hackett & Co.  
CERTIFIED PUBLIC ACCOUNTANTS  
BUSINESS CONSULTANTS

Report on Internal Control Over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards*

Board of Trustees  
Miami Valley Risk Management Association  
Kettering, OH

We have audited the financial statements of Miami Valley Risk Management Association (the Association), as of and for the year ended December 31, 2005, which collectively comprise the Association's basic financial statements, wherein we noted the Association implemented GASB Statement 40, *Deposits and Investment Risk Disclosures* and have issued our report thereon dated May 10, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Association's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Association's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the audit committee, management, and Board of Trustees of the Association and is not intended to be and should not be used by anyone other than these specified parties.

*Charles Schaefer, Hackett & Co.*

Springfield, Ohio

May 10, 2006



**Auditor of State  
Betty Montgomery**

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**MIAMI VALLEY RISK MANAGEMENT ASSOCIATION**

**MONTGOMERY COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
AUGUST 3, 2006**