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# NY TRANSPORTATION WORKERS' COMPENSATION TRUST

**ACTUARIAL REPORT**  
**Reserve Analysis as of 12/31/16**

4/18/17

By The Numbers  
Actuarial Consulting, Inc.

April 18, 2017

Ms. Gina Emerson  
S.A.F.E., LLC  
620 Erie Blvd. West  
Suite 100  
Syracuse, NY 13204

Dear Ms. Emerson:

Enclosed is the actuarial report prepared for NY Transportation Workers' Compensation Trust (NYTWCT) at your request. This report estimates the required reserves as of 12/31/16 for claims incurred from 1/1/01 through 12/31/08.

The estimates contained in this report are based on data provided by S.A.F.E., LLC (SAFE). These data and the associated assumptions should be reviewed for their consistency with the internal records of NYTWCT. Any discrepancy in the completeness, interpretation, or accuracy of the information used may require a revision to this report.

If you have any questions, please contact us. It is a pleasure to be of service to SAFE and NYTWCT.

Sincerely,

*Anya Hnateyko*

Anya Hnateyko  
Assistant Actuary

*Lisa Dennison*

Lisa Dennison, FCAS, MAAA  
President and Consulting Actuary

enclosure

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**ACTUARIAL REPORT**

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***NY TRANSPORTATION WORKERS' COMPENSATION TRUST***

**ACTUARIAL REPORT**

**PURPOSE**

By the Numbers Actuarial Consulting, Inc. (BYNAC) prepared this actuarial report to present a professional analysis of the required reserves retained by NY Transportation Workers' Compensation Trust (NYTWCT) as of 12/31/16 for claims incurred from 1/1/01 through 12/31/08.

NYTWCT was created to make a self-insured workers' compensation program available to transportation companies in the State of New York. NYTWCT stopped providing new coverage on 12/31/08. BYNAC is an independent consultant to NYTWCT and provides this report as input to management in its reserve setting process. During the course of the preparation of this report, a draft has been provided to Ms. Gina Emerson, Managing Partner of S.A.F.E., LLC (SAFE). BYNAC is available to present the report at NYTWCT's convenience.

The required reserves estimated in this report represent the unpaid claim estimate. The unpaid claim estimate is an estimate of the obligation for future payment from claims due to past events. The estimated required reserves are based on estimates of ultimate incurred losses. Ultimate incurred losses are defined to be the amounts that will be paid to settle all claims occurring during a policy period. These estimates include a provision for the subsequent development of known claims and for claims incurred but not yet reported. Incurred but not reported (IBNR) losses are defined throughout this report to include the additional development on known claims in addition to claims incurred but not yet reported.

The estimated required reserves at the expected level represent the actuarial central estimate. The actuarial central estimate is an expected value over the range of reasonably possible outcomes.

The range around the actuarial central estimate which reflects the low and high expected values is noted in the report.

The information contained in this report has been prepared under the direction of Lisa Dennison, FCAS, MAAA, in accordance with applicable Actuarial Standards of Practice as promulgated by the Actuarial Standards Board. Ms. Dennison meets the Qualification Standards of the American Academy of Actuaries.

## FINDINGS

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

## ESTIMATED RESERVES

The reserves shown in the following table should be used for financial statement reporting as of that date. However, until all the claims that occurred on or before 12/31/08 are closed, the actual reserve need remains an estimate. While the experience of NYTWCT indicates that the required reserves will fall within the range established in this report, the possibility exists that extraordinary or unexpected circumstances could cause the actual reserve need to be less than or greater than the range. Therefore, the findings cannot be warranted or guaranteed.

**ESTIMATED LOSS AND ALAE RESERVES INCLUDING IBNR  
FOR 1/1/01-12/31/08 AS OF 12/31/16**  
(Limited to Specific and Aggregate Retentions)  
(Net of Recoveries)  
(Undiscounted for Investment Income)

Low	Expected	High
\$14,030,000	\$15,160,000	\$16,570,000

The range shown is judgmental and not intended to establish absolute minimums or maximums on the estimates, but rather to depict a reasonable range for the establishment of loss reserves in this particular situation. Figure 1 illustrates NYTWCT's estimated retained loss experience as of 12/31/16 including the undiscounted expected reserves.

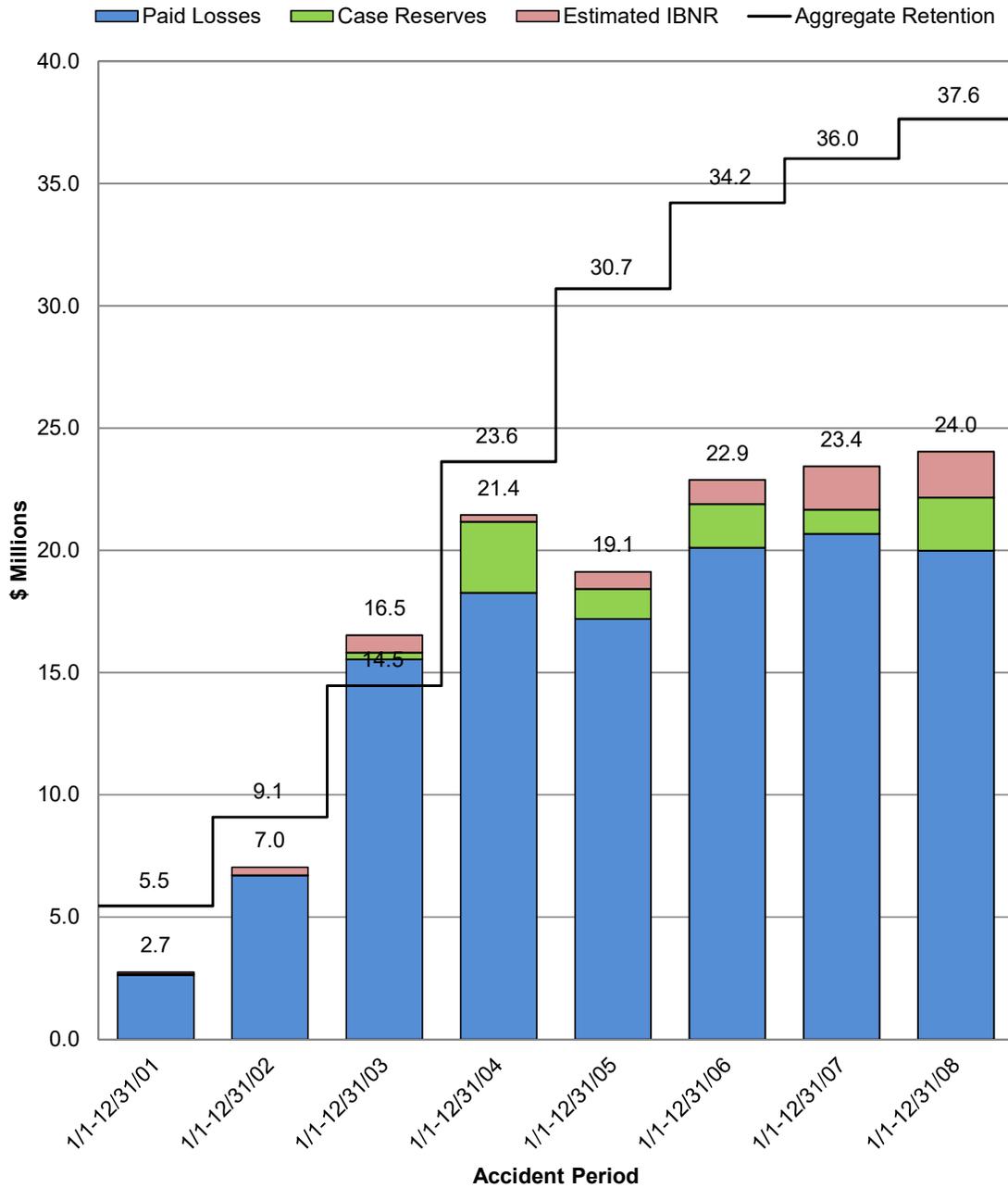
Figure 1

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**ESTIMATED RETAINED LOSSES AS OF 12/31/16**

(Limited to Specific Retentions)

(Net of Recoveries)



## COMPARISON TO PRIOR REPORT

The ultimate incurred losses estimated in this report are compared to the 4/5/16 actuarial report in the following table and Figure 2. As shown, the estimates decreased \$402,514 or 0.3% from 12/31/15 to 12/31/16. The increase in 1/1-12/31/04 is partially due to the emergence of two large losses (see Appendix A, Exhibit I).

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

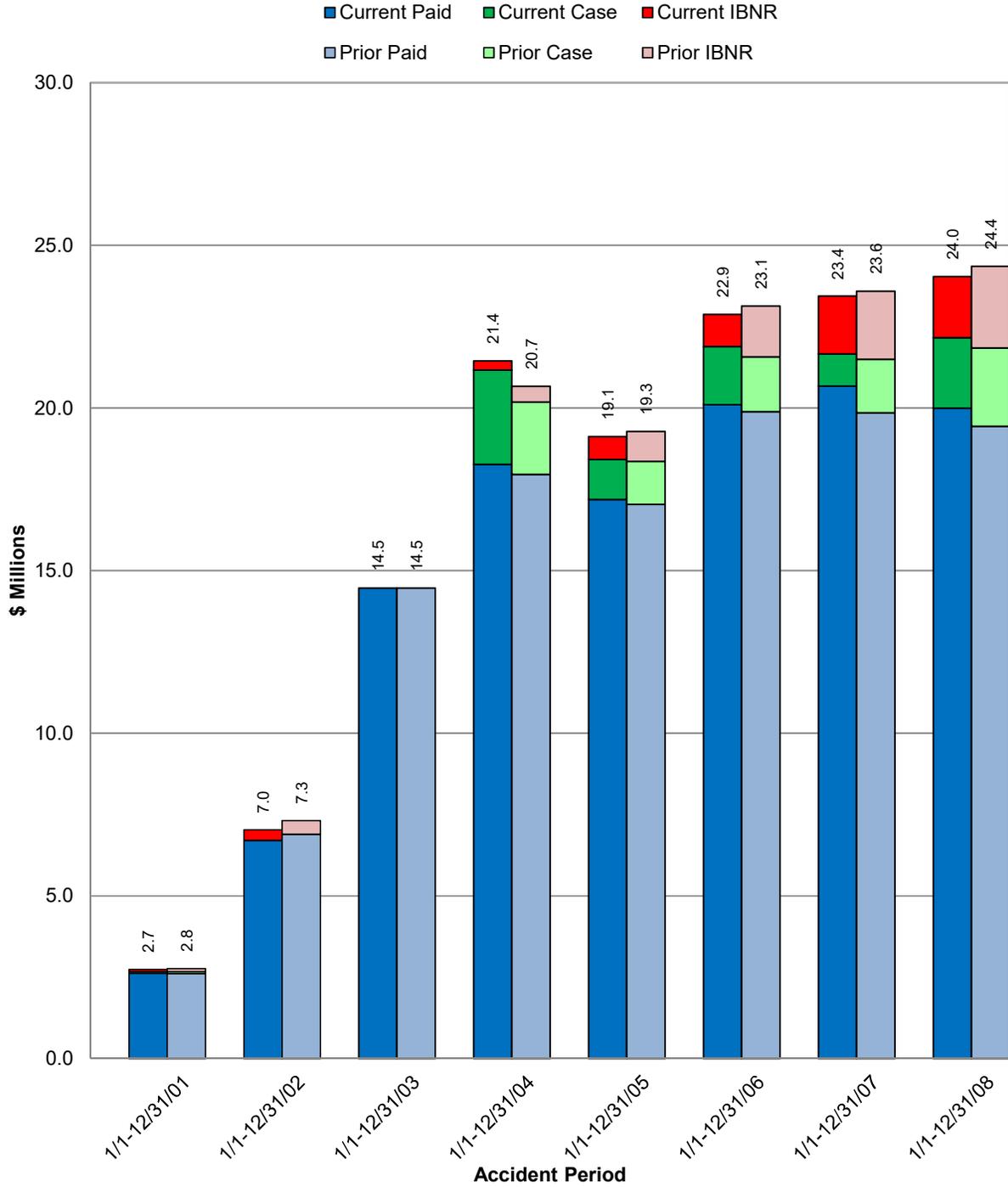
Accident Period	Current Report (Section B of Table 8)	4/5/16 Report (Section B of Table 8)	Change	Percent Change
1/1-12/31/01	\$ 2,741,529	\$ 2,763,851	(\$ 22,322)	( 0.8%)
1/1-12/31/02	7,034,636	7,311,230	( 276,594)	( 3.8%)
1/1-12/31/03	14,460,883 <	14,460,883 <	0	0.0%
1/1-12/31/04	21,447,249	20,664,761	782,488	3.8%
1/1-12/31/05	19,123,024	19,278,280	( 155,256)	( 0.8%)
1/1-12/31/06	22,874,751	23,132,941	( 258,190)	( 1.1%)
1/1-12/31/07	23,436,469	23,592,914	( 156,445)	( 0.7%)
1/1-12/31/08	24,036,879	24,353,074	( 316,195)	( 1.3%)
	\$135,155,420	\$135,557,934	(\$ 402,514)	( 0.3%)

< Limited by the aggregate retention.

Figure 2

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

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



## ASSUMPTIONS

### DEFINITIONS

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

### HISTORICAL INFORMATION

For the periods under review, NYTWCT has assumed its members' losses according to the New York workers compensation statutes. NYTWCT's development patterns are used in conjunction with industry experience published by the National Council on Compensation Insurance, Inc. (NCCI) in the *2016 Annual Statistical Bulletin* to estimate the ultimate losses expected to be incurred by NYTWCT for the periods analyzed in this report. This methodology assumes that these development patterns are indicative of the future development expected for the periods considered.

All data are based on information provided by SAFE. The unpaid claim estimate as of 12/31/16 is based on data evaluated as of 12/31/16 and additional information provided through 2/22/17. These data are reviewed for reasonableness and used without audit.

Significant workers compensation legislation changes took effect on 7/1/07. This legislation set in motion regulation changes that continued to be finalized through 2014, including reserve guidelines, criteria regarding NYS Special Disability Fund (SDF, a.k.a. Section 15-8) reimbursements, and Medicare set-asides.

SAFE became claims administrator on 1/1/14. From 1/1/11 through 12/31/13, NYTWCT's claims administrator was Glacier Bay TPA, LLC. Prior to 1/1/11, the claims administrator was First Cardinal, LLC.

### **SDF RECOVERIES**

Effective 7/1/07, the SDF stopped accepting new claims. SAFE's reserving philosophy for SDF claims sets reserves for six to twelve months of payments. SAFE provided SDF recoveries received, recoveries receivable, and estimated recoveries recoverable.

### **RETENTIONS**

BYNAC's understanding of the specific retentions is summarized in the following table.

Numerous claims are reported in excess of the specific retentions. The aggregate retention is exceeded on a paid basis for 1/1-12/31/03.

### EXCESS INSURANCE SUMMARY

<u>Reinsurance Period</u>	<u>Specific Retention</u>	<u>ALAE Treatment*</u>	<u>Aggregate Retention</u>	<u>Carrier</u>
1/1-12/31/01	\$ 300,000	Included	\$ 5,450,225	Safety National Casualty Corp.
1/1-12/31/02	400,000	Included	9,080,441	Midw est Employers Casualty Co.
1/1-12/31/03	400,000	Included	14,460,883	Midw est Employers Casualty Co.
1/1-12/31/04	600,000	Included	23,627,290	Midw est Employers Casualty Co.
1/1-12/31/05	600,000	Included	30,697,855	Midw est Employers Casualty Co.
1/1-12/31/06	750,000	Included	34,217,648	Midw est Employers Casualty Co.
1/1-12/31/07	750,000	Included	36,024,302	Midw est Employers Casualty Co.
1/1-12/31/08	750,000	Included	37,638,714	Midw est Employers Casualty Co.

\* Assumed.

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

## RESERVE ANALYSIS

### OVERVIEW

To estimate the required reserves, it is first necessary to estimate the ultimate value of the prior periods based on the current evaluation of loss after limiting the losses to the appropriate retention. Required reserves are estimated as the difference between the ultimate incurred and paid losses. NYTWCT's historical payment pattern is used to predict when the required reserves will be paid so that the losses may be discounted to their present value.

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

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

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

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

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

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

### **INCURRED LOSS DEVELOPMENT METHOD**

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

The calculation and selection of development factors to be applied to incurred losses are shown in Table 1, beginning with NYTWCT's unlimited losses including ALAE gross of recoveries as of different evaluation dates. For example, Section A of the table shows losses incurred during the 1/1-12/31/01 period evaluated as of 96, 108, 120, ... 180, and 192 months after the inception of that period. In general, the value of incurred losses increases from one evaluation to the next as a result of IBNR.

Table 1

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST****INCURRED LOSS DEVELOPMENT FACTORS**

(Unlimited Losses Including ALAE)

(Gross of Recoveries)

**A. INCURRED LOSSES**

Accident Period	Age of Accident Period								
	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months
1/1-12/31/01	2,998,684	3,064,175	3,362,331	3,363,972	3,589,923	3,549,553	3,502,588	3,576,613	3,597,819
1/1-12/31/02	8,482,170	8,611,171	8,692,037	8,726,958	8,896,221	8,897,768	8,753,269	8,772,808	
1/1-12/31/03	19,917,956	21,231,496	21,773,313	21,750,635	21,681,211	21,816,102	21,757,087		
1/1-12/31/04	22,746,061	22,866,514	23,049,363	23,875,836	24,134,631	25,021,271			
1/1-12/31/05	21,272,274	21,863,916	22,176,653	22,416,925	22,651,694				
1/1-12/31/06	23,535,283	24,772,045	24,892,356	25,201,181					
1/1-12/31/07	25,299,205	24,686,950	24,911,244						
1/1-12/31/08	22,531,896	22,857,572							

**B. AGE-TO-AGE FACTORS**

Accident Period	96 to 108 Months	108 to 120 Months	120 to 132 Months	132 to 144 Months	144 to 156 Months	156 to 168 Months	168 to 180 Months	180 to 192 Months	192 to Ultimate
1/1-12/31/01	1.022	1.097	1.000	1.067	0.989	0.987	1.021	1.006	
1/1-12/31/02	1.015	1.009	1.004	1.019	1.000	0.984	1.002		
1/1-12/31/03	1.066	1.026	0.999	0.997	1.006	0.997			
1/1-12/31/04	1.005	1.008	1.036	1.011	1.037				
1/1-12/31/05	1.028	1.014	1.011	1.010					
1/1-12/31/06	1.053	1.005	1.012						
1/1-12/31/07	0.976	1.009							
1/1-12/31/08	1.014								
Average	1.022	1.024	1.010	1.021	1.008	0.989	1.012	1.006	
Wtd Avg	1.022	1.014	1.013	1.010	1.017	0.993	1.008	1.006	
3 Yr Avg	1.014	1.009	1.020	1.006	1.014	0.989	---	---	
5 Yr Mid Avg	1.016	1.010	1.009	1.013	---	---	---	---	
NCCI-NY	1.023	1.021	1.019	1.016	1.011	1.013	1.010	1.011	1.067
Prior	1.025	1.015	1.015	1.010	1.005	1.005	1.005	1.005	1.015
Selected	---	1.015	1.015	1.010	1.010	1.005	1.005	1.005	1.015

**C. DEVELOPMENT FACTORS**

96 to Ultimate	108 to Ultimate	120 to Ultimate	132 to Ultimate	144 to Ultimate	156 to Ultimate	168 to Ultimate	180 to Ultimate	192 to Ultimate
---	1.082	1.066	1.050	1.040	1.030	1.025	1.020	1.015

Section B displays age-to-age factors, the rates by which losses develop from year to year. For example, the 96 to 108 age-to-age factor for the 1/1-12/31/01 period is 1.022. This is the 108 month incurred amount of \$3,064,175 divided by the 96 month incurred amount of \$2,998,684. The age-to-age factor of 1.022 means that losses incurred during the 1/1-12/31/01 period increased by 2.2% during the 96 to 108 month interval. A loss development factor less than 1.000 indicates that the value of incurred losses declined, possibly due to claims settling for amounts less than previously reserved.

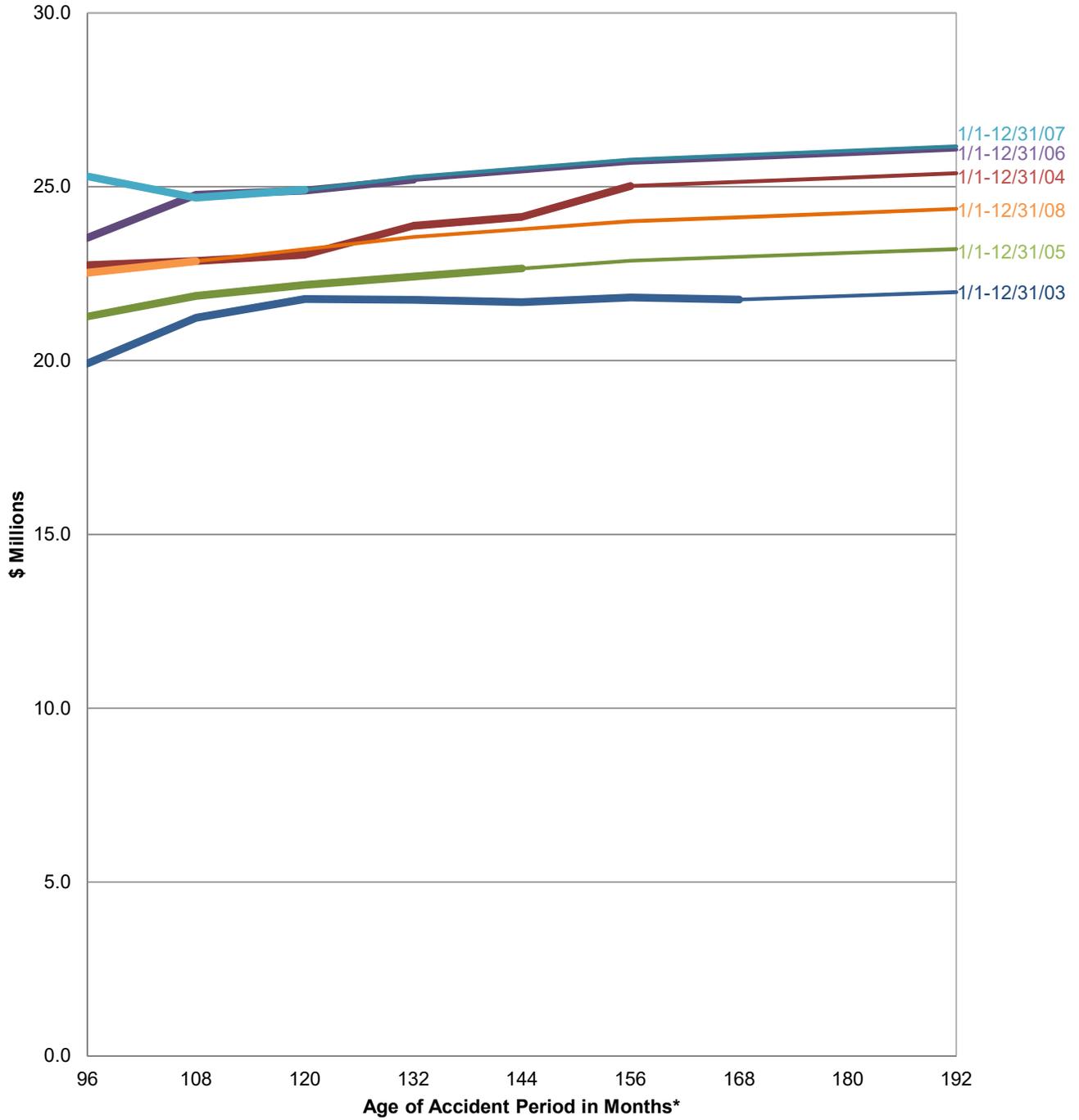
Averages of the age-to-age factors are shown at the bottom of Section B. The average is the mean of all the age-to-age factors. The weighted average weights the factors for individual years by the magnitude of losses for that given year, giving more weight to periods with higher losses. The weighted average is the sum of the losses from one age divided by the sum of the losses from the previous age for corresponding periods. The three-year average is the average of the three most recent factors. The five-year mid-average is the average of the five most recent age-to-age factors excluding the high and low. The NCCI-NY factor is based on industry experience for New York published by NCCI. The prior factor is the selection from the 4/5/16 actuarial report. The averages are evaluated, and the factors selected as most representative of NYTWCT's expected loss development are shown. The historical and expected loss development patterns are illustrated in Figure 3 by thick and thin lines, respectively.

Computation of the loss development factors in Section C is based on the selected age-to-age factors. For instance, the 108 to ultimate factor is calculated by multiplying the 108 to 120 month age-to-age factor by the 120 to ultimate loss development factor ( $1.082 = 1.015 \times 1.066$ ).

Figure 3

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**INCURRED LOSS DEVELOPMENT**  
(Unlimited Losses Including ALAE)  
(Gross of Recoveries)



\* After 192 months, 1.5% additional development is expected.

In Section A of Table 2, incurred losses are limited to the specific retentions. As shown, numerous claims are reported in excess of the specific retentions as of 12/31/16. Ultimate incurred losses are estimated in Section B by multiplying the limited incurred losses by the loss development factors. For example, limited incurred losses for the 1/1-12/31/06 period evaluated at \$21,885,934 on 12/31/16 are estimated to ultimately cost \$22,980,231 ( $\$21,885,934 \times 1.050$ ). The loss development factor of 1.050 means that the losses are expected to ultimately cost 5.0% more than incurred losses evaluated on 12/31/16.

### **PAID LOSS DEVELOPMENT METHOD**

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

### **INCURRED BORNHUETTER-FERGUSON METHOD**

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

The incurred Bornhuetter-Ferguson method involves two calculation steps. In Section A of Table 5, unreported losses are estimated by multiplying the expected losses by the expected percentage of unreported losses implied by the incurred loss development factor. Ultimate incurred losses are estimated in Section B by adding the estimated unreported losses to the incurred losses as of 12/31/16.

Table 2

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST****ESTIMATED ULTIMATE INCURRED LOSSES  
INCURRED LOSS DEVELOPMENT METHOD  
(Net of Recoveries)****A. LOSSES LIMITED TO SPECIFIC RETENTIONS**

Accident Period	Unlimited Incurred Losses as of 12/31/16	Specific Retention	No. of Claims Excess of Retention*	Incurred in Excess of Retention*	Limited Incurred Losses as of 12/31/16
1/1-12/31/01	\$ 3,147,742	\$ 300,000	2	\$ 479,797	\$ 2,667,945
1/1-12/31/02	6,881,189	400,000	1	174,021	6,707,168
1/1-12/31/03	18,629,205	400,000	5	2,806,431	15,822,774
1/1-12/31/04	21,821,267	600,000	5	660,047	21,161,220
1/1-12/31/05	19,370,447	600,000	2	951,633	18,418,814
1/1-12/31/06	21,885,934	750,000	0	0	21,885,934
1/1-12/31/07	22,400,235	750,000	2	740,040	21,660,195
1/1-12/31/08	22,235,657	750,000	1	75,607	22,160,050
<b>Total</b>	<b>\$136,371,676</b>		<b>18</b>	<b>\$ 5,887,576</b>	<b>\$130,484,100</b>

**B. ESTIMATED ULTIMATE INCURRED LOSSES**

Accident Period	Limited Incurred Losses as of 12/31/16	Age of Accident Period in Months	Incurred Loss Development Factor	Estimated Ultimate Incurred Losses
1/1-12/31/01	\$ 2,667,945	192.0	1.015	\$ 2,698,964 ~
1/1-12/31/02	6,707,168	180.0	1.020	6,833,312 ~
1/1-12/31/03	15,822,774	168.0	1.025	16,168,343 ~
1/1-12/31/04	21,161,220	156.0	1.030	21,706,057 ~
1/1-12/31/05	18,418,814	144.0	1.040	19,107,567 ~
1/1-12/31/06	21,885,934	132.0	1.050	22,980,231
1/1-12/31/07	21,660,195	120.0	1.066	22,990,768 ~
1/1-12/31/08	22,160,050	108.0	1.082	23,915,674 ~
<b>Total</b>	<b>\$130,484,100</b>			<b>\$136,400,916</b>

\* See Appendix A, Exhibit II.

~ Excess claims are not developed.

Table 3

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST****PAID LOSS DEVELOPMENT FACTORS**

(Unlimited Losses Including ALAE)

(Gross of Recoveries)

**A. PAID LOSSES**

Accident Period	Age of Accident Period								
	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months
1/1-12/31/01	2,535,587	2,613,697	2,705,189	2,798,653	2,874,154	2,939,896	3,102,707	3,143,131	3,165,355
1/1-12/31/02	7,980,214	8,224,889	8,405,599	8,486,634	8,555,601	8,593,484	8,685,790	8,710,593	
1/1-12/31/03	17,820,993	18,507,055	19,028,765	19,976,681	20,170,393	20,359,202	20,527,906		
1/1-12/31/04	17,981,022	18,883,468	20,167,749	20,577,420	21,052,545	21,541,077			
1/1-12/31/05	18,357,042	19,448,987	19,931,887	20,524,694	20,882,487				
1/1-12/31/06	21,058,524	21,968,696	22,675,165	23,070,378					
1/1-12/31/07	21,655,677	22,276,745	23,327,776						
1/1-12/31/08	20,060,712	20,613,269							

**B. AGE-TO-AGE FACTORS**

Accident Period	96 to 108 Months	108 to 120 Months	120 to 132 Months	132 to 144 Months	144 to 156 Months	156 to 168 Months	168 to 180 Months	180 to 192 Months	192 to Ultimate
1/1-12/31/01	1.031	1.035	1.035	1.027	1.023	1.055	1.013	1.007	
1/1-12/31/02	1.031	1.022	1.010	1.008	1.004	1.011	1.003		
1/1-12/31/03	1.038	1.028	1.050	1.010	1.009	1.008			
1/1-12/31/04	1.050	1.068	1.020	1.023	1.023				
1/1-12/31/05	1.059	1.025	1.030	1.017					
1/1-12/31/06	1.043	1.032	1.017						
1/1-12/31/07	1.029	1.047							
1/1-12/31/08	1.028								
Average	1.039	1.037	1.027	1.017	1.015	1.025	1.008	1.007	
Wtd Avg	1.040	1.039	1.027	1.016	1.015	1.013	1.006	1.007	
3 Yr Avg	1.033	1.035	1.022	1.017	1.012	1.025	---	---	
5 Yr Mid Avg	1.041	1.036	1.022	1.017	---	---	---	---	
NCCI-NY	1.044	1.033	1.029	1.023	1.021	1.020	1.018	1.017	1.176
Prior	1.040	1.035	1.030	1.015	1.010	1.010	1.010	1.010	1.080
Selected	---	1.040	1.025	1.015	1.010	1.010	1.010	1.010	1.070

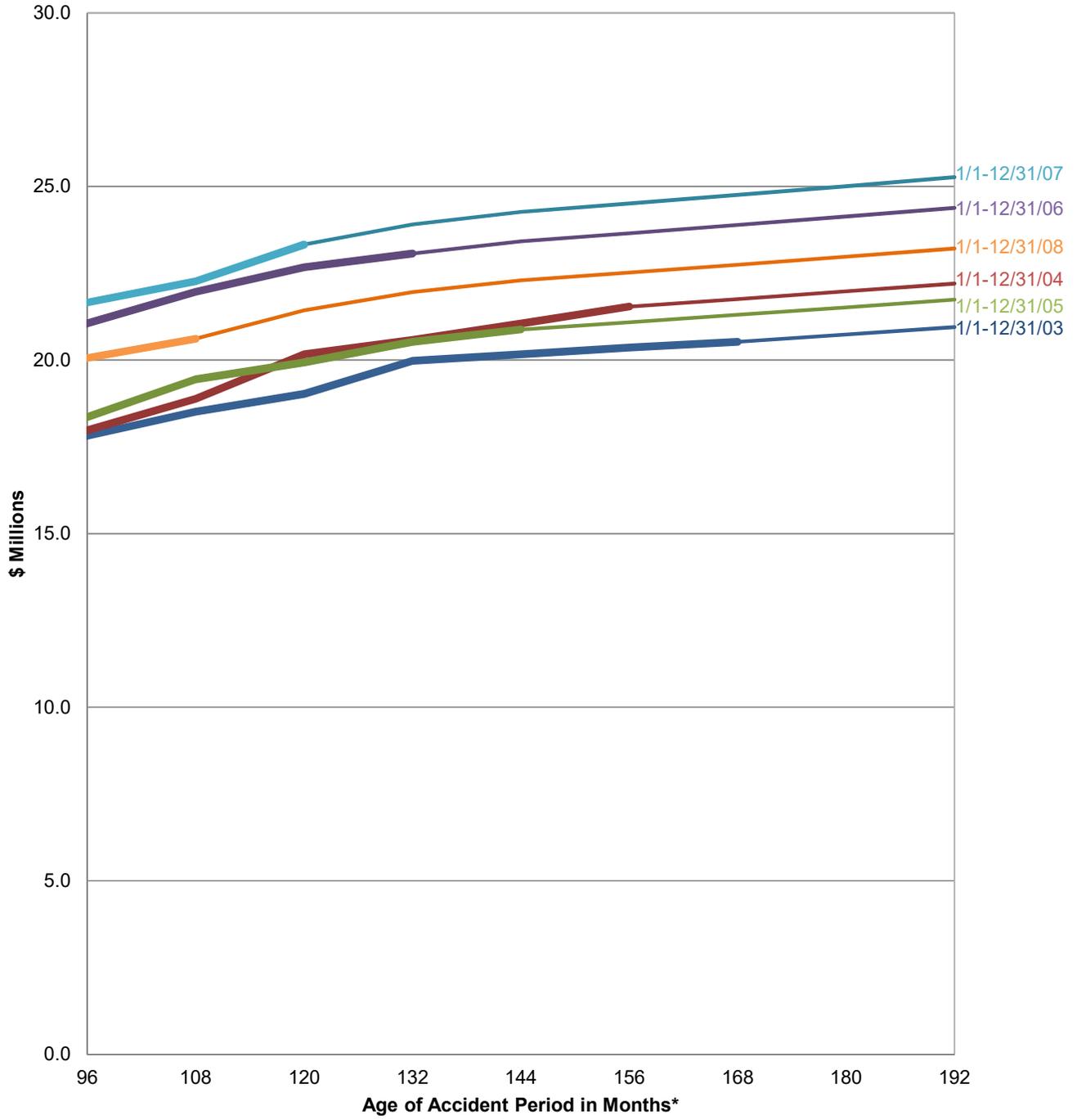
**C. DEVELOPMENT FACTORS**

96 to Ultimate	108 to Ultimate	120 to Ultimate	132 to Ultimate	144 to Ultimate	156 to Ultimate	168 to Ultimate	180 to Ultimate	192 to Ultimate
---	1.205	1.159	1.131	1.114	1.103	1.092	1.081	1.070

Figure 4

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**PAID LOSS DEVELOPMENT**  
(Unlimited Losses Including ALAE)  
(Gross of Recoveries)



\* After 192 months, 7.0% additional development is expected.

Table 4

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST****ESTIMATED ULTIMATE INCURRED LOSSES  
PAID LOSS DEVELOPMENT METHOD  
(Net of Recoveries)****A. LOSSES LIMITED TO SPECIFIC RETENTIONS**

Accident Period	Unlimited Paid Losses as of 12/31/16	Specific Retention	No. of Claims Excess of Retention*	Paid in Excess of Retention*	Limited Paid Losses as of 12/31/16
1/1-12/31/01	\$ 2,715,279	\$ 300,000	2	\$ 96,873	\$ 2,618,406
1/1-12/31/02	6,870,751	400,000	1	174,021	6,696,730
1/1-12/31/03	17,551,698	400,000	5	2,008,473	15,543,225
1/1-12/31/04	18,542,209	600,000	2	278,600	18,263,609
1/1-12/31/05	17,938,291	600,000	1	750,421	17,187,870
1/1-12/31/06	20,102,786	750,000	0	0	20,102,786
1/1-12/31/07	20,953,066	750,000	2	277,558	20,675,508
1/1-12/31/08	19,991,354	750,000	0	0	19,991,354
<b>Total</b>	<b>\$124,665,434</b>		<b>13</b>	<b>\$ 3,585,945</b>	<b>\$121,079,489</b>

**B. ESTIMATED ULTIMATE INCURRED LOSSES**

Accident Period	Limited Paid Losses as of 12/31/16	Age of Accident Period in Months	Paid Loss Development Factor	Estimated Ultimate Incurred Losses
1/1-12/31/01	\$ 2,618,406	192.0	1.070	\$ 2,759,694 ~
1/1-12/31/02	6,696,730	180.0	1.081	7,206,765 ~
1/1-12/31/03	15,543,225	168.0	1.092	16,789,202 ~
1/1-12/31/04	18,263,609	156.0	1.103	20,021,161 ~
1/1-12/31/05	17,187,870	144.0	1.114	19,078,887 ~
1/1-12/31/06	20,102,786	132.0	1.131	22,736,251
1/1-12/31/07	20,675,508	120.0	1.159	23,724,414 ~
1/1-12/31/08	19,991,354	108.0	1.205	24,089,582
<b>Total</b>	<b>\$121,079,489</b>			<b>\$136,405,956</b>

\* See Appendix A, Exhibit II.

~ Excess claims are not developed.

Table 5

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**ESTIMATED ULTIMATE INCURRED LOSSES  
INCURRED BORNHUETTTER-FERGUSON METHOD**  
(Limited to Specific Retentions)  
(Net of Recoveries)

## A. ESTIMATED UNREPORTED LOSSES

Accident Period	Expected Losses*	Incurred Loss Development Factor	Estimated Ratio Unreported	Estimated Unreported Losses
1/1-12/31/01	\$ 2,763,851	1.015	0.015	\$ 41,458
1/1-12/31/02	7,311,230	1.020	0.020	146,225
1/1-12/31/03	16,666,166	1.025	0.024	399,988
1/1-12/31/04	20,664,761	1.030	0.029	599,278
1/1-12/31/05	19,278,280	1.040	0.038	732,575
1/1-12/31/06	23,132,941	1.050	0.048	1,110,381
1/1-12/31/07	23,592,914	1.066	0.062	1,462,761
1/1-12/31/08	<u>24,353,074</u>	1.082	0.076	<u>1,850,834</u>
Total	\$137,763,217			\$ 6,343,500

## B. ESTIMATED ULTIMATE INCURRED LOSSES

Accident Period	Incurred Losses as of 12/31/16	Estimated Unreported Losses	Estimated Ultimate Incurred Losses
1/1-12/31/01	\$ 2,667,945	\$ 41,458	\$ 2,709,403
1/1-12/31/02	6,707,168	146,225	6,853,393
1/1-12/31/03	15,822,774	399,988	16,222,762
1/1-12/31/04	21,161,220	599,278	21,760,498
1/1-12/31/05	18,418,814	732,575	19,151,389
1/1-12/31/06	21,885,934	1,110,381	22,996,315
1/1-12/31/07	21,660,195	1,462,761	23,122,956
1/1-12/31/08	<u>22,160,050</u>	<u>1,850,834</u>	<u>24,010,884</u>
Total	\$130,484,100	\$ 6,343,500	\$136,827,600

\* From Table 7 of the 4/5/16 actuarial report.

## **PAID BORNHUETTER-FERGUSON METHOD**

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

## **SELECTED ESTIMATED ULTIMATE INCURRED LOSSES**

The results of the methods are compared in Table 7, and the ultimate incurred losses are selected. In each policy period, the average of the methods is selected unless otherwise noted. If a paid method is less than incurred losses, the corresponding incurred losses are substituted in the average. The underlying assumption is that it is unlikely that ultimate losses will be less than incurred losses. The selection procedure is depicted in Figure 5. Losses are limited to the aggregate retentions in Table 8.

## **ESTIMATED REQUIRED RESERVES**

The required reserves are estimated in Table 9. The estimated ultimate incurred, incurred, and paid losses retained by NYTWCT are summarized in Section A. In Section B, the case reserves are shown as the difference between the incurred and paid losses. IBNR is estimated as the difference between the estimated ultimate incurred losses and incurred losses. The total required reserves as of 12/31/16 are then estimated by adding the case reserves and IBNR or by subtracting paid losses from the estimated ultimate incurred losses.

Table 6

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**ESTIMATED ULTIMATE INCURRED LOSSES  
PAID BORNHUETTER-FERGUSON METHOD**  
(Limited to Specific Retentions)  
(Net of Recoveries)

## A. ESTIMATED OUTSTANDING LOSSES

Accident Period	Expected Losses	Paid Loss Development Factor	Estimated Ratio Outstanding	Estimated Outstanding Losses
1/1-12/31/01	\$ 2,763,851	1.070	0.065	\$ 179,650
1/1-12/31/02	7,311,230	1.081	0.075	548,342
1/1-12/31/03	16,666,166	1.092	0.084	1,399,958
1/1-12/31/04	20,664,761	1.103	0.093	1,921,823
1/1-12/31/05	19,278,280	1.114	0.102	1,966,385
1/1-12/31/06	23,132,941	1.131	0.116	2,683,421
1/1-12/31/07	23,592,914	1.159	0.137	3,232,229
1/1-12/31/08	<u>24,353,074</u>	1.205	0.170	<u>4,140,023</u>
Total	\$137,763,217			\$ 16,071,831

## B. ESTIMATED ULTIMATE INCURRED LOSSES

Accident Period	Paid Losses as of 12/31/16	Estimated Outstanding Losses	Estimated Ultimate Incurred Losses
1/1-12/31/01	\$ 2,618,406	\$ 179,650	\$ 2,798,056
1/1-12/31/02	6,696,730	548,342	7,245,072
1/1-12/31/03	15,543,225	1,399,958	16,943,183
1/1-12/31/04	18,263,609	1,921,823	20,185,432
1/1-12/31/05	17,187,870	1,966,385	19,154,255
1/1-12/31/06	20,102,786	2,683,421	22,786,207
1/1-12/31/07	20,675,508	3,232,229	23,907,737
1/1-12/31/08	<u>19,991,354</u>	<u>4,140,023</u>	<u>24,131,377</u>
Total	\$121,079,489	\$ 16,071,831	\$137,151,320

Table 7

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST****SELECTED ESTIMATED ULTIMATE INCURRED LOSSES**

(Limited to Specific Retentions)

(Net of Recoveries)

Accident Period	Incurred Loss Development	Paid Loss Development	Incurred Bornhuetter- Ferguson	Paid Bornhuetter- Ferguson	Selected Estimated Ultimate Incurred Losses
1/1-12/31/01	\$ 2,698,964	\$ 2,759,694	\$ 2,709,403	\$ 2,798,056	\$ 2,741,529 *
1/1-12/31/02	6,833,312	7,206,765	6,853,393	7,245,072	7,034,636 *
1/1-12/31/03	16,168,343	16,789,202	16,222,762	16,943,183	16,530,873 *
1/1-12/31/04	21,706,057	20,021,161 <	21,760,498	20,185,432 <	21,447,249 *
1/1-12/31/05	19,107,567	19,078,887	19,151,389	19,154,255	19,123,024 *
1/1-12/31/06	22,980,231	22,736,251	22,996,315	22,786,207	22,874,751 *
1/1-12/31/07	22,990,768	23,724,414	23,122,956	23,907,737	23,436,469 *
1/1-12/31/08	23,915,674	24,089,582	24,010,884	24,131,377	24,036,879 *
Total	\$136,400,916	\$136,405,956	\$136,827,600	\$137,151,320	\$137,225,410

\* Selected the average of the methods.

&lt; Less than incurred losses. Incurred losses are substituted in the average.

Figure 5

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**SELECTED ESTIMATED ULTIMATE INCURRED LOSSES**

(Limited to Specific Retentions)

(Net of Recoveries)

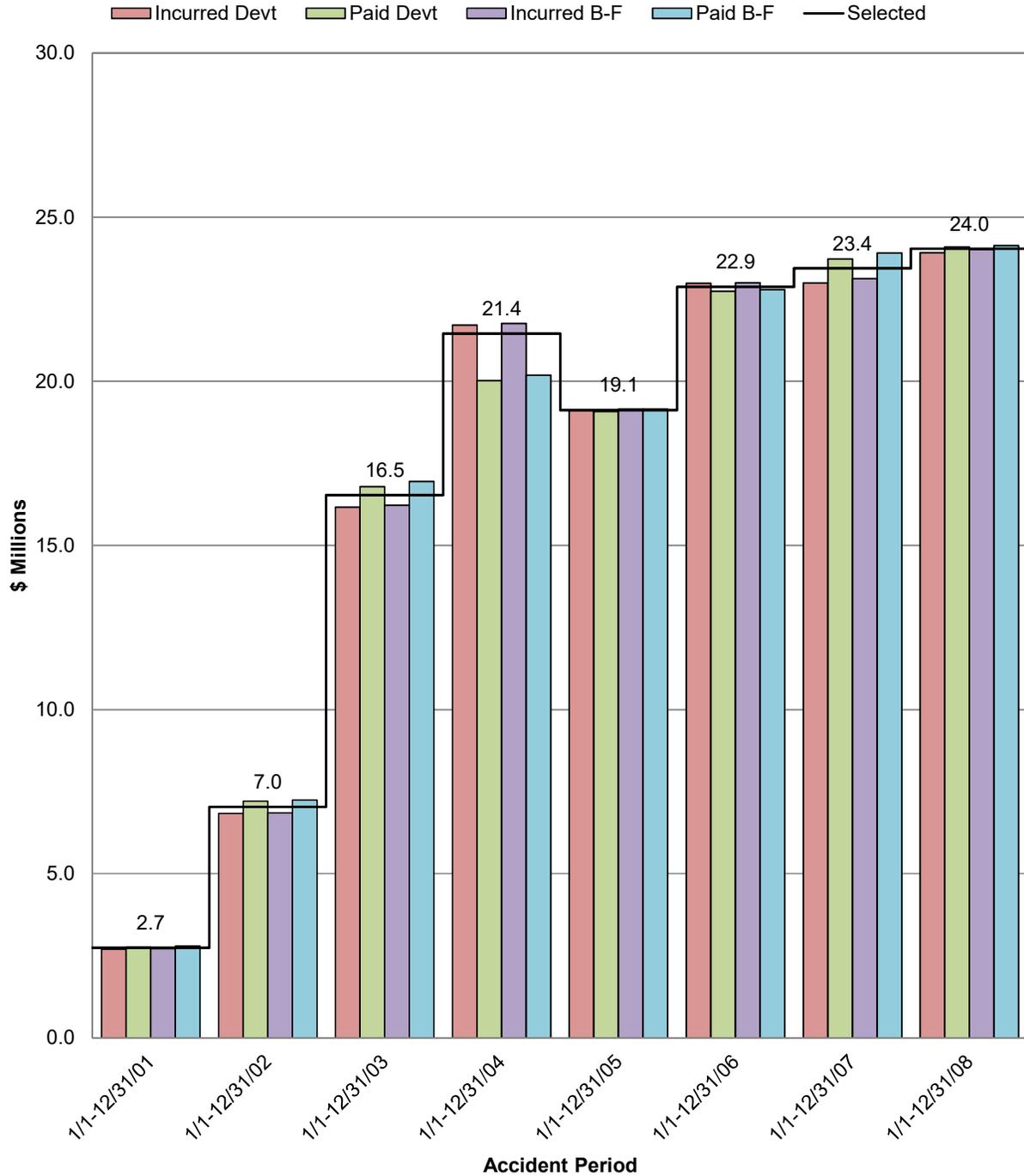


Table 8

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST****LIMITATION OF LOSSES TO AGGREGATE RETENTIONS**

(Limited to Specific Retentions)

(Net of Recoveries)

**A. GROSS OF AGGREGATE RETENTION**

Accident Period	Estimated Ultimate Incurred Losses	Incurred Losses as of 12/31/16	Paid Losses as of 12/31/16	Aggregate Attachment Point
1/1-12/31/01	\$ 2,741,529	\$ 2,667,945	\$ 2,618,406	\$ 5,450,225
1/1-12/31/02	7,034,636	6,707,168	6,696,730	9,080,441
1/1-12/31/03	16,530,873	15,822,774	15,543,225	14,460,883
1/1-12/31/04	21,447,249	21,161,220	18,263,609	23,627,290
1/1-12/31/05	19,123,024	18,418,814	17,187,870	30,697,855
1/1-12/31/06	22,874,751	21,885,934	20,102,786	34,217,648
1/1-12/31/07	23,436,469	21,660,195	20,675,508	36,024,302
1/1-12/31/08	24,036,879	22,160,050	19,991,354	37,638,714
Total	\$137,225,410	\$130,484,100	\$121,079,489	\$191,197,358

**B. NET OF AGGREGATE RETENTION**

Accident Period	Estimated Ultimate Incurred Losses	Incurred Losses as of 12/31/16	Paid Losses as of 12/31/16
1/1-12/31/01	\$ 2,741,529	\$ 2,667,945	\$ 2,618,406
1/1-12/31/02	7,034,636	6,707,168	6,696,730
1/1-12/31/03	14,460,883 <	14,460,883 <	14,460,883 <
1/1-12/31/04	21,447,249	21,161,220	18,263,609
1/1-12/31/05	19,123,024	18,418,814	17,187,870
1/1-12/31/06	22,874,751	21,885,934	20,102,786
1/1-12/31/07	23,436,469	21,660,195	20,675,508
1/1-12/31/08	24,036,879	22,160,050	19,991,354
Total	\$135,155,420	\$129,122,209	\$119,997,147

&lt; Limited by the aggregate retention.

Table 9

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST****ESTIMATED REQUIRED RESERVES AS OF 12/31/16**

(Limited to Specific and Aggregate Retentions)

(Net of Recoveries)

## A. LOSS SUMMARY

Accident Period	Estimated Ultimate Incurred Losses	Incurred Losses as of 12/31/16	Paid Losses as of 12/31/16
1/1-12/31/01	\$ 2,741,529	\$ 2,667,945	\$ 2,618,406
1/1-12/31/02	7,034,636	6,707,168	6,696,730
1/1-12/31/03	14,460,883 <	14,460,883 <	14,460,883 <
1/1-12/31/04	21,447,249	21,161,220	18,263,609
1/1-12/31/05	19,123,024	18,418,814	17,187,870
1/1-12/31/06	22,874,751	21,885,934	20,102,786
1/1-12/31/07	23,436,469	21,660,195	20,675,508
1/1-12/31/08	<u>24,036,879</u>	<u>22,160,050</u>	<u>19,991,354</u>
Total	\$135,155,420	\$129,122,209	\$119,997,147

## B. ESTIMATED REQUIRED RESERVES AS OF 12/31/16

Accident Period	Case Reserves as of 12/31/16	Estimated IBNR as of 12/31/16	Estimated Required Reserves as of 12/31/16
1/1-12/31/01	\$ 49,539	\$ 73,584	\$ 123,123
1/1-12/31/02	10,438	327,468	337,906
1/1-12/31/03	0	0	0
1/1-12/31/04	2,897,611	286,029	3,183,640
1/1-12/31/05	1,230,944	704,210	1,935,154
1/1-12/31/06	1,783,148	988,817	2,771,965
1/1-12/31/07	984,687	1,776,274	2,760,961
1/1-12/31/08	<u>2,168,696</u>	<u>1,876,829</u>	<u>4,045,525</u>
Total	\$ 9,125,063	\$ 6,033,211	\$15,158,273

&lt; Limited by the aggregate retention.

## **ESTIMATED PAYOUT SCHEDULE**

Two types of paid to incurred ratios that check the reasonableness of the estimates are calculated in Table 10. Section A shows paid losses divided by incurred losses as of different ages. This analysis assists in detecting changes in reserving and settlement practices. If payment and reserving procedures are consistent between periods, the numbers within each column should be relatively consistent.

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

In Table 11, the undiscounted reserves are assigned to the period in which they are expected to be paid based on the selected schedule.

Table 10

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST****PAID TO INCURRED RATIOS**  
(Unlimited Losses Including ALAE)  
(Gross of Recoveries)

## A. PAID / INCURRED LOSSES

Accident Period	Age of Accident Period								
	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months
1/1-12/31/01	0.846	0.853	0.805	0.832	0.801	0.828	0.886	0.879	0.880
1/1-12/31/02	0.941	0.955	0.967	0.972	0.962	0.966	0.992	0.993	
1/1-12/31/03	0.895	0.872	0.874	0.918	0.930	0.933	0.944		
1/1-12/31/04	0.791	0.826	0.875	0.862	0.872	0.861			
1/1-12/31/05	0.863	0.890	0.899	0.916	0.922				
1/1-12/31/06	0.895	0.887	0.911	0.915					
1/1-12/31/07	0.856	0.902	0.936						
1/1-12/31/08	0.890	0.902							
Average	0.872	0.886	0.895	0.903	0.897	0.897	0.941	0.936	0.880
3 Yr Avg	0.880	0.897	0.915	0.898	0.908	0.920	0.941	---	---
5 Yr Mid Avg	0.870	0.893	0.895	0.916	0.908	---	---	---	---

## B. PAID / ESTIMATED ULTIMATE INCURRED LOSSES

Accident Period	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months		Estimated Ultimate Losses*
1/1-12/31/01	0.686	0.707	0.732	0.757	0.777	0.795	0.839	0.850	0.856		\$ 3,697,049
1/1-12/31/02	0.867	0.894	0.914	0.922	0.930	0.934	0.944	0.947			9,201,128
1/1-12/31/03	0.784	0.814	0.837	0.879	0.887	0.896	0.903				22,730,758
1/1-12/31/04	0.709	0.745	0.795	0.811	0.830	0.849					25,359,475
1/1-12/31/05	0.781	0.827	0.848	0.873	0.888						23,517,741
1/1-12/31/06	0.799	0.834	0.861	0.876							26,339,782
1/1-12/31/07	0.803	0.826	0.865								26,954,125
1/1-12/31/08	0.809	0.831									24,793,477
											<u>\$162,593,535</u>
Average	0.780	0.810	0.836	0.853	0.862	0.869	0.895	0.899	0.856		
3 Yr Avg	0.804	0.830	0.858	0.853	0.868	0.893	0.895	---	---		
NCCI-NY <sup>^</sup>	0.740	0.772	0.798	0.821	0.840	0.857	0.874	0.890	0.906		
Prior	0.800	0.830	0.860	0.890	0.920	0.930	0.940	0.950	0.960		
Selected <sup>~</sup>	---	0.830	0.860	0.890	0.920	0.930	0.940	0.950	0.960		

\* Estimated in a manner similar to Appendix C, Exhibit I.

<sup>^</sup> Assumes a 288 month payout period.<sup>~</sup> Selected a factor of 0.965 for 204 months with 0.5% assumed paid in each subsequent 12 month interval until 288 months.

Table 11

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**ESTIMATED PAYOUT SCHEDULE**  
(Limited to Specific and Aggregate Retentions)  
(Net of Recoveries)

Accident Period	1/1/17- 12/31/17	1/1/18- 12/31/18	1/1/19- 12/31/19	1/1/20- 12/31/20	1/1/21- 12/31/21	1/1/22- 12/31/22	1/1/23- 12/31/23	1/1/24- 12/31/24	1/1/25- 12/31/25	1/1/26- 12/31/26	1/1/27- 12/31/27	1/1/28- 12/31/28	1/1/29- 12/31/29	1/1/30- 12/31/30	1/1/31- 12/31/31	Total
1/1-12/31/01	15,390	15,390	15,390	15,390	15,390	15,390	15,390	15,390								\$ 123,123
1/1-12/31/02	67,581	33,791	33,791	33,791	33,791	33,791	33,791	33,791	33,791							337,906
1/1-12/31/03	0															0
1/1-12/31/04	454,806	454,806	454,806	227,403	227,403	227,403	227,403	227,403	227,403	227,403	227,403					3,183,640
1/1-12/31/05	241,894	241,894	241,894	241,894	120,947	120,947	120,947	120,947	120,947	120,947	120,947	120,947				1,935,154
1/1-12/31/06	755,990	251,997	251,997	251,997	251,997	125,998	125,998	125,998	125,998	125,998	125,998	125,998	125,998			2,771,965
1/1-12/31/07	591,634	591,634	197,211	197,211	197,211	197,211	98,606	98,606	98,606	98,606	98,606	98,606	98,606	98,606	98,606	2,760,961
1/1-12/31/08	713,916	713,916	713,916	237,972	237,972	237,972	237,972	118,986	118,986	118,986	118,986	118,986	118,986	118,986	118,986	4,045,525
<b>Total</b>	<b>2,841,213</b>	<b>2,303,428</b>	<b>1,909,005</b>	<b>1,205,658</b>	<b>1,084,711</b>	<b>958,713</b>	<b>860,107</b>	<b>741,121</b>	<b>725,731</b>	<b>691,940</b>	<b>691,940</b>	<b>464,537</b>	<b>343,590</b>	<b>217,592</b>	<b>118,986</b>	<b>\$15,158,273</b>

## HISTORICAL PROFITABILITY ANALYSIS

When evaluating the estimates contained in this report, it is important to review the underwriting results of each period to evaluate the program's direction. Section A of Table 12 and Figure 6 present a comparison of the funds available to pay claims to the estimated ultimate incurred losses. In the 1/1-12/31/08 period, it is estimated that NYTWCT will show underwriting income of (\$5,978,012).

Investment income and other items are then combined with the underwriting results in Section B to estimate net income by policy period. As shown, the estimated net income for the 1/1-12/31/08 period is (\$3,216). The estimated cumulative net income, or surplus, as of 12/31/16 is \$1,174,336. This estimate does not include investment income expected to be earned on the loss reserves or changes in reserves for ULAE or assessments.

The underwriting results per \$100 payroll are shown in Section C and Figure 7. The estimated underwriting income is expected to decrease \$0.72 ((\$0.21) - (\$0.93)) from 1/1-12/31/07 to 1/1-12/31/08 due to a \$0.97 (\$6.03 - \$5.06) decrease in premium and a \$0.03 (\$3.74 - \$3.71) increase in estimated ultimate incurred losses offset by a \$0.28 (\$2.53 - \$2.25) decrease in expenses.

Paid, incurred, estimated ultimate incurred, and permissible loss ratios are shown in Table 13 to further illustrate NYTWCT's underwriting results. Also shown are combined ratios.

Table 12

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**HISTORICAL PROFITABILITY ANALYSIS**  
(Excluding Income Taxes)

**A. ESTIMATED UNDERWRITING INCOME**

Accident Period	Premium*	Operating Expenses*	Funds Available for Claims	Est. Ultimate Incurred Losses	Estimated Underwriting Income
1/1-12/31/01	\$ 4,940,197	\$ 1,404,119	\$ 3,536,078	\$ 2,741,529	\$ 794,549
1/1-12/31/02	11,798,316	3,404,941	8,393,375	7,034,636	1,358,739
1/1-12/31/03	17,493,282	5,866,903	11,626,379	14,460,883	( 2,834,504)
1/1-12/31/04	22,007,591	8,618,084	13,389,507	21,447,249	( 8,057,742)
1/1-12/31/05	26,883,566	11,423,727	15,459,839	19,123,024	( 3,663,185)
1/1-12/31/06	33,201,015	10,916,118	22,284,897	22,874,751	( 589,854)
1/1-12/31/07	38,109,742	15,989,798	22,119,944	23,436,469	( 1,316,525)
1/1-12/31/08	32,547,027	14,488,160	18,058,867	24,036,879	( 5,978,012)
Total	\$186,980,736	\$ 72,111,850	\$114,868,886	\$135,155,420	(\$20,286,534)

**B. ESTIMATED NET INCOME**

Accident Period	Estimated Underwriting Income	Interest & Other Income*	Dividends	Est. Underwriting Income After Interest, Other Inc. & Dividends	Net Runoff Income~	Estimated Net Income
1/1-12/31/01	\$ 794,549	\$ 65,856	\$ 1,243,150	(\$ 382,745)	\$ 381,999	(\$ 746)
1/1-12/31/02	1,358,739	221,791	2,195,368	( 614,838)	613,640	( 1,198)
1/1-12/31/03	( 2,834,504)	363,861	( 2,608,055)	137,412	0	137,412
1/1-12/31/04	( 8,057,742)	606,015	( 16,272)	( 7,435,455)	7,420,967	( 14,488)
1/1-12/31/05	( 3,663,185)	1,032,622	0	( 2,630,563)	2,625,437	( 5,126)
1/1-12/31/06	( 589,854)	1,653,074	0	1,063,220	0	1,063,220
1/1-12/31/07	( 1,316,525)	2,291,999	1,756,699	( 781,225)	779,703	( 1,522)
1/1-12/31/08	( 5,978,012)	2,570,914	( 1,756,699)	( 1,650,399)	1,647,183	( 3,216)
Total	(\$20,286,534)	\$ 8,806,132	\$ 814,191	(\$12,294,593)	\$13,468,929	\$ 1,174,336

**C. ESTIMATED UNDERWRITING INCOME PER \$100 PAYROLL**

Accident Period	Premium	Operating Expenses	Funds Available for Claims	Est. Ultimate Incurred Losses	Estimated Underwriting Income	Payroll (100)
1/1-12/31/01	\$ 4.53	\$ 1.29	\$ 3.24	\$ 2.51	\$ 0.73	\$ 1,090,417
1/1-12/31/02	4.63	1.34	3.29	2.76	0.53	2,549,301
1/1-12/31/03	4.55	1.53	3.02	3.76	( 0.74)	3,843,364
1/1-12/31/04	4.43	1.73	2.70	4.32	( 1.62)	4,967,918
1/1-12/31/05	4.82	2.05	2.77	3.43	( 0.66)	5,581,631
1/1-12/31/06	5.75	1.89	3.86	3.96	( 0.10)	5,775,910
1/1-12/31/07	6.03	2.53	3.50	3.71	( 0.21)	6,325,268
1/1-12/31/08	5.06	2.25	2.81	3.74	( 0.93)	6,431,769

\* Based on audited financial statements.

~ Based on audited financial statements through 12/31/15 and preliminary financial statements as of 12/31/16. Includes assessment income of \$8,580,370 in 2014, \$5,814,854 in 2015 and \$5,903,498 in 2016. Allocated to accident period based on estimated underwriting loss after interest, other income, and dividends.

Figure 6

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**HISTORICAL PROFITABILITY ANALYSIS**  
(Excluding Investment Income)

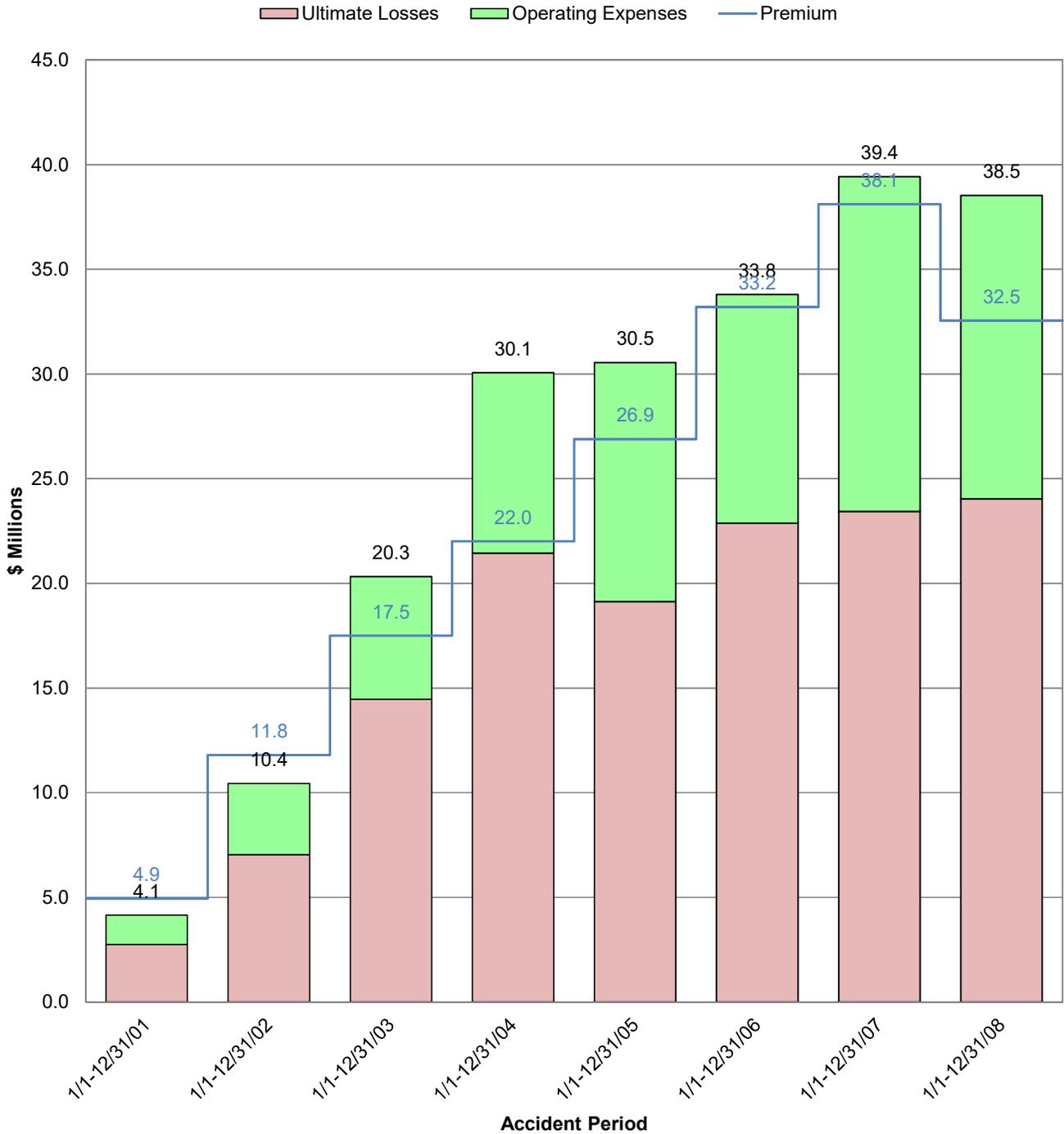


Figure 7

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**HISTORICAL PROFITABILITY ANALYSIS**  
(Excluding Investment Income)

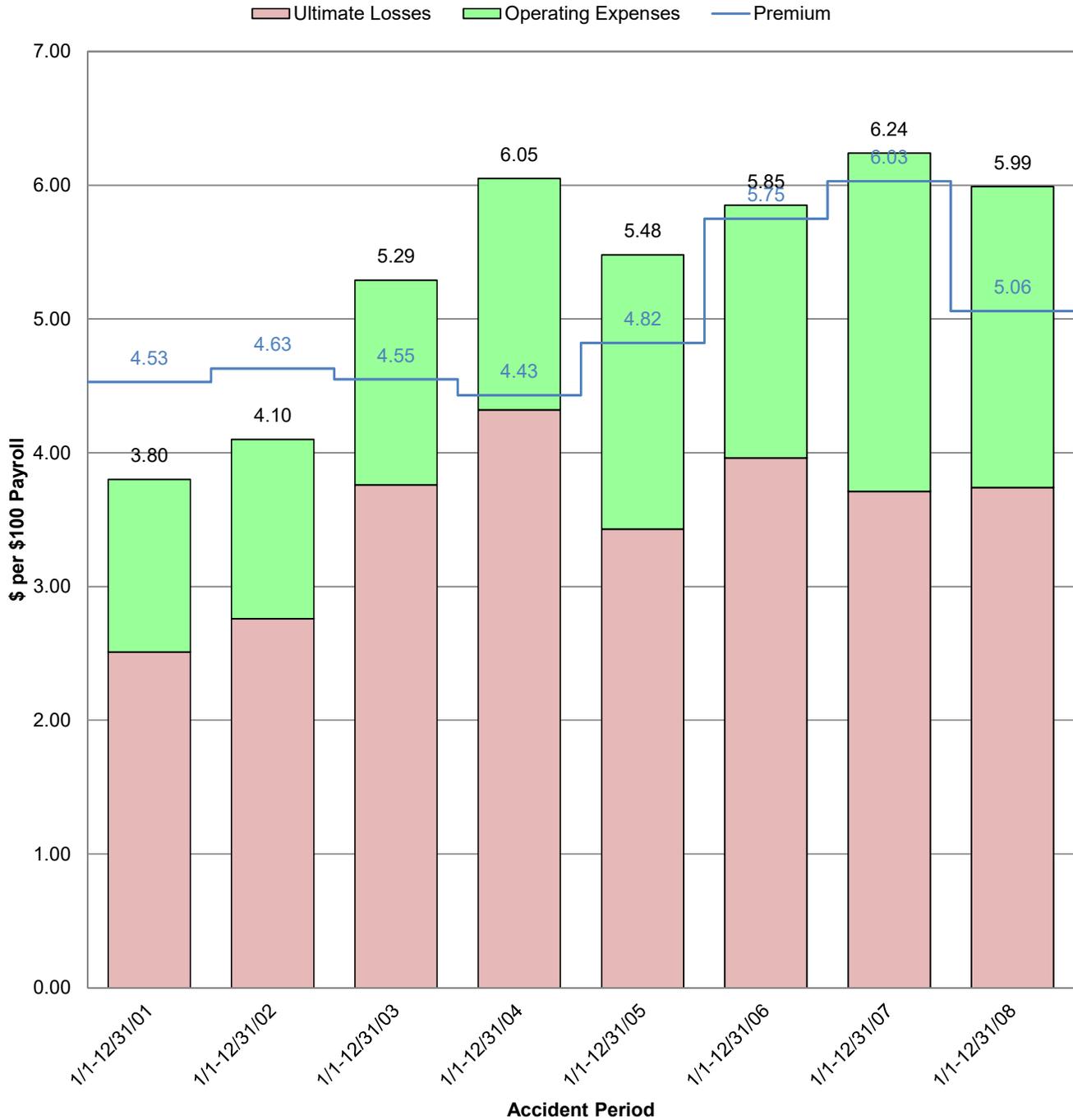


Table 13

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST****LOSS RATIOS**(Limited to Specific and Aggregate Retentions)  
(Net of Recoveries)

Accident Period	Paid Loss Ratio as of 12/31/16	Incurred Loss Ratio as of 12/31/16	Estimated Ultimate Incurred Loss Ratio	Permissible Loss Ratio (Funds Available/ Premium)	Combined Ratio [(Losses+ Expenses)/ Premium]
1/1-12/31/01	0.530	0.540	0.555	0.716	0.839
1/1-12/31/02	0.568	0.568	0.596	0.711	0.885
1/1-12/31/03	0.827	0.827	0.827	0.665	1.162
1/1-12/31/04	0.830	0.962	0.975	0.608	1.366
1/1-12/31/05	0.639	0.685	0.711	0.575	1.136
1/1-12/31/06	0.605	0.659	0.689	0.671	1.018
1/1-12/31/07	0.543	0.568	0.615	0.580	1.035
1/1-12/31/08	0.614	0.681	0.739	0.555	1.184
			0.723	0.614	1.108

## QUALIFICATIONS AND LIMITATIONS

The estimates contained in this report depend upon the following:

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

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

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

The quantitative methodologies and actuarial factors used in this report are specifically developed for the losses and time periods described above and may not be appropriate for any other losses or periods. As NYTWCT's loss experience matures, it is important to update this analysis at least annually. Such a report should review changes in the prior periods' losses as well as any new information that might become available.

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

## CONSULTATION

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

*NY TRANSPORTATION WORKERS' COMPENSATION TRUST*

**APPENDIX A**

**LARGE LOSSES**

## NY TRANSPORTATION WORKERS' COMPENSATION TRUST

## CLAIMS \$250,000 OR GREATER

Accident Period	Claim No.	Accident Date	St.	SDF Claim	Gross of Recoveries				Net of Recoveries			
					Incurred Loss & ALAE as of			Paid Loss & ALAE as of	Incurred Loss & ALAE as of			Paid Loss & ALAE as of
					12/31/14	12/31/15	12/31/16	12/31/16	12/31/14	12/31/15	12/31/16	12/31/16
1/1-12/31/01	2001-NYT000155	11/15/01	C	.	325,557	325,557	325,557	325,557	322,920	322,920	322,920	322,920
1/1-12/31/01	2001-NYT000190	12/6/01	O	.	740,340	740,340	761,546	378,622	735,933	735,933	756,877	373,953
					1,065,897	1,065,897	1,087,103	704,179	1,058,853	1,058,853	1,079,797	696,873
1/1-12/31/02	2002-NYT000294	3/12/02	C	.	278,940	278,940	278,940	278,940	278,940	278,940	278,940	278,940
1/1-12/31/02	2002-NYT000359	6/1/02	C	.	301,030	301,030	301,030	301,030	301,030	301,030	107,930	107,930
1/1-12/31/02	2002-NYT000414	7/1/02	C	.	574,106	574,106	574,106	574,106	574,021	574,021	574,021	574,021
1/1-12/31/02	2002-NYT000667	12/3/02	C	.	274,111	274,111	274,111	274,111	266,986	266,986	266,986	266,986
					1,428,187	1,428,187	1,428,187	1,428,187	1,420,977	1,420,977	1,227,877	1,227,877
1/1-12/31/03	2003-NYT000779	1/14/03	O	.	1,355,134	1,355,167	1,355,167	557,209	1,354,752	1,354,752	1,354,752	556,795
1/1-12/31/03	2003-NYT000764	1/25/03	O	Y	722,703	755,318	737,366	707,709	389,967	363,556	371,587	363,158
1/1-12/31/03	2003-NYT001049	4/8/03	C	.	281,824	281,824	281,824	281,824	281,824	281,824	281,824	281,824
1/1-12/31/03	2003-NYT000920	4/9/03	C	.	630,549	630,549	630,549	630,549	623,930	623,930	623,930	623,930
1/1-12/31/03	2003-NYT000957	5/5/03	C	.	1,800,048	1,800,048	1,800,048	1,800,048	1,797,983	1,797,983	1,797,983	1,797,983
1/1-12/31/03	2003-NYT001191	7/10/03	C	Y	598,319	612,820	521,076	521,076	312,812	304,680	289,233	289,233
1/1-12/31/03	2003-NYT001337	7/25/03	O	.	379,953	379,953	379,953	261,870	379,832	379,832	379,832	261,749
1/1-12/31/03	2003-NYT001271	8/22/03	C	.	554,087	554,087	554,087	554,087	554,087	554,087	554,087	554,087
1/1-12/31/03	2003-NYT001331	9/2/03	C	.	475,819	475,819	475,819	475,819	475,679	475,679	475,679	475,679
1/1-12/31/03	2003-NYT001340	9/16/03	C	.	319,249	319,249	319,249	319,249	319,249	319,249	319,249	319,249
1/1-12/31/03	2003-NYT001349	9/18/03	O	Y	485,809	526,197	565,393	522,475	288,997	264,592	269,626	263,934
1/1-12/31/03	2003-NYT001407	10/8/03	O	Y	524,943	530,596	539,023	508,170	231,619	227,941	233,247	227,270
1/1-12/31/03	2003-NYT001520	10/31/03	C	.	359,006	359,006	359,006	359,006	357,973	357,973	357,973	357,973
1/1-12/31/03	2003-NYT001582	12/11/03	C	.	277,497	277,497	277,497	277,497	277,497	277,497	277,497	277,497
					8,764,940	8,858,130	8,796,054	7,776,586	7,646,201	7,583,575	7,586,499	6,650,361
1/1-12/31/04	2004-NYT001904	2/12/04	O	.	310,422	361,722	364,392	163,014	310,422	361,722	364,392	163,014
1/1-12/31/04	2004-NYT001754	2/12/04	C	.	354,321	354,321	354,321	354,321	354,321	354,321	354,321	354,321
1/1-12/31/04	2004-NYT001861	3/8/04	O	.	498,709	627,167	627,167	362,560	498,355	626,813	626,814	362,206
1/1-12/31/04	2004-NYT001858	3/12/04	C	.	677,485	677,485	677,485	677,485	677,152	677,152	677,152	677,152
1/1-12/31/04	2004-NYT001958	3/30/04	O	.	21,668	31,468	550,317	123,447	21,668	31,468	550,317	123,447
1/1-12/31/04	2004-NYT002036	4/2/04	C	.	375,208	375,208	375,208	375,208	374,780	374,780	374,780	374,780
1/1-12/31/04	2004-NYT002120	5/4/04	O	.	513,692	513,692	543,634	299,826	513,692	513,692	543,634	299,826
1/1-12/31/04	2004-NYT002040	5/12/04	O	.	657,669	657,669	564,957	269,253	657,669	657,669	564,957	269,253
1/1-12/31/04	2004-NYT002061	5/14/04	C	.	801,732	801,732	801,732	801,732	801,447	801,447	801,447	801,447
1/1-12/31/04	2004-NYT002092	5/28/04	O	.	615,681	615,681	488,014	315,914	615,681	615,681	488,014	315,914
1/1-12/31/04	2004-NYT002097	6/2/04	O	.	449,612	449,612	607,112	280,645	449,099	449,099	606,511	280,044
1/1-12/31/04	2004-NYT002211	6/15/04	O	.	277,966	277,966	292,937	169,420	277,966	277,966	292,937	169,420
1/1-12/31/04	2004-NYT002161	6/23/04	C	.	473,112	473,112	473,112	473,112	473,006	473,006	473,006	473,006
1/1-12/31/04	2004-NYT002164	6/29/04	C	.	347,716	347,716	347,716	347,716	347,410	347,410	347,410	347,410
1/1-12/31/04	2004-NYT002342	7/23/04	O	.	40,422	124,363	353,069	73,206	40,422	124,363	323,289	43,427
1/1-12/31/04	2004-NYT002260	7/27/04	C	.	450,956	340,265	340,265	340,265	450,005	339,314	339,314	339,314
1/1-12/31/04	2004-NYT002403	9/1/04	O	Y	377,647	422,736	467,318	428,287	209,672	184,311	186,810	184,419
1/1-12/31/04	2004-NYT002535	9/21/04	O	.	249,220	256,720	340,720	247,078	248,898	256,398	340,398	246,756
1/1-12/31/04	2004-NYT002461	10/7/04	O	Y	563,003	574,555	651,167	439,704	476,147	475,673	529,019	379,052
1/1-12/31/04	2004-NYT002487	10/14/04	O	Y	399,433	405,602	428,281	400,816	250,375	237,578	237,578	233,050
1/1-12/31/04	2004-NYT002499	10/15/04	O	.	1,024,885	1,024,885	948,253	569,665	1,024,755	1,024,755	948,123	569,535
					9,480,559	9,713,678	10,597,177	7,512,672	9,072,942	9,204,619	9,970,223	7,006,793

## NY TRANSPORTATION WORKERS' COMPENSATION TRUST

## CLAIMS \$250,000 OR GREATER

Accident Period	Claim No.	Accident Date	St.	SDF Claim	Gross of Recoveries				Net of Recoveries			
					Incurred Loss & ALAE as of			Paid Loss & ALAE as of	Incurred Loss & ALAE as of			Paid Loss & ALAE as of
					12/31/14	12/31/15	12/31/16	12/31/16	12/31/14	12/31/15	12/31/16	12/31/16
1/1-12/31/05	2005-NYT002781	1/20/05	C	.	1,411,069	1,411,069	1,411,069	1,411,069	1,350,421	1,350,421	1,350,421	1,350,421
1/1-12/31/05	2005-NYT003076	3/18/05	O	.	376,544	376,649	376,649	246,284	376,182	376,182	376,182	245,818
1/1-12/31/05	2005-NYT003093	4/25/05	O	.	291,903	293,403	302,477	166,771	291,903	293,403	302,477	166,771
1/1-12/31/05	2005-NYT003130	5/3/05	C	.	309,355	291,183	291,183	291,183	307,583	289,411	289,384	289,384
1/1-12/31/05	2005-NYT003114	5/6/05	O	.	303,897	303,897	306,107	233,784	303,897	303,897	306,107	233,784
1/1-12/31/05	2005-NYT003325	6/17/05	C	.	396,431	396,431	396,431	396,431	365,474	365,474	365,474	365,474
1/1-12/31/05	2005-NYT003277	6/27/05	C	.	290,007	253,012	253,012	253,012	290,007	253,012	253,012	253,012
1/1-12/31/05	2005-NYT003437	7/13/05	O	.	293,856	466,950	495,993	290,130	293,789	466,883	495,925	290,063
1/1-12/31/05	2005-NYT003367	7/18/05	O	Y	366,414	387,214	380,590	363,332	244,044	230,672	230,672	228,626
1/1-12/31/05	2005-NYT003375	7/19/05	C	.	326,685	326,685	326,685	326,685	326,685	326,685	326,685	326,685
1/1-12/31/05	2005-NYT003486	8/27/05	O	Y	325,047	335,014	365,075	228,151	238,630	238,630	263,707	126,783
1/1-12/31/05	2005-NYT004742	8/30/05	O	.	317,029	317,029	306,024	226,462	317,029	317,029	306,024	226,462
1/1-12/31/05	2005-NYT003520	9/2/05	O	Y	515,641	519,196	463,368	421,752	219,067	166,682	151,210	148,270
1/1-12/31/05	2005-NYT003689	9/23/05	O	Y	453,209	487,644	519,798	479,135	305,442	284,688	284,688	276,568
1/1-12/31/05	2005-NYT003763	11/1/05	C	.	299,639	299,639	299,639	299,639	299,639	299,639	299,639	299,639
1/1-12/31/05	2005-NYT003750	11/9/05	C	Y	388,184	388,184	388,184	388,184	345,797	345,797	345,797	345,797
1/1-12/31/05	2005-NYT004161	12/13/05	O	.	659,590	659,590	801,422	588,166	659,479	659,479	801,212	587,955
1/1-12/31/05	2005-NYT004330	12/14/05	O	Y	554,434	567,050	577,795	292,859	368,202	366,865	372,237	227,110
1/1-12/31/05	2005-NYT003923	12/30/05	O	.	333,765	342,280	426,604	246,408	251,010	259,525	343,324	163,129
					8,212,699	8,422,119	8,688,104	7,149,438	7,154,279	7,194,374	7,464,177	6,151,751
1/1-12/31/06	2006-NYT003947	1/7/06	O	.	393,160	393,160	421,501	230,971	369,486	369,486	397,827	207,297
1/1-12/31/06	2006-NYT004008	1/23/06	O	.	606,219	606,219	692,416	576,742	527,266	527,266	613,447	497,773
1/1-12/31/06	2006-NYT004022	2/2/06	C	.	393,494	393,494	393,494	393,494	267,180	267,180	267,180	267,180
1/1-12/31/06	2006-NYT004064	2/10/06	O	Y	730,143	821,114	818,410	746,628	495,994	424,553	426,216	421,473
1/1-12/31/06	2006-NYT004082	2/16/06	C	.	291,135	291,135	282,223	282,223	290,738	290,738	281,826	281,826
1/1-12/31/06	2006-NYT004092	2/20/06	C	.	531,206	531,206	531,206	531,206	531,206	531,206	531,206	531,206
1/1-12/31/06	2006-NYT004105	2/23/06	C	.	454,273	454,273	454,273	454,273	453,998	453,998	453,998	453,998
1/1-12/31/06	2006-NYT004111	2/24/06	C	.	270,364	270,364	270,364	270,364	270,364	270,364	270,364	270,364
1/1-12/31/06	2006-NYT004198	3/14/06	O	Y	548,390	581,490	621,886	513,631	337,447	314,887	328,797	296,434
1/1-12/31/06	2006-NYT004568	3/31/06	C	.	318,534	318,534	318,534	318,534	318,534	318,534	318,534	318,534
1/1-12/31/06	2006-NYT004273	4/21/06	C	.	686,390	374,272	374,272	374,272	483,508	171,390	171,390	171,390
1/1-12/31/06	2006-NYT004303	5/1/06	O	.	160,228	262,488	256,728	216,392	159,940	262,200	256,440	216,104
1/1-12/31/06	2006-NYT004443	5/16/06	O	.	546,775	546,775	568,247	250,114	544,276	544,276	565,747	247,615
1/1-12/31/06	2006-NYT004432	6/8/06	O	.	709,651	709,651	709,651	471,034	606,898	606,898	606,898	368,281
1/1-12/31/06	2006-NYT004610	7/23/06	C	.	445,064	445,064	401,974	401,974	438,509	438,509	395,419	395,419
1/1-12/31/06	2006-NYT004669	8/24/06	O	.	600,257	600,257	600,257	483,614	600,049	600,049	600,049	483,406
1/1-12/31/06	2006-NYT005334	9/7/06	O	.	286,087	286,087	346,087	270,717	285,545	285,545	345,545	270,174
1/1-12/31/06	2006-NYT004817	10/4/06	O	Y	389,896	400,540	508,837	325,290	309,901	308,494	362,642	266,926
1/1-12/31/06	2006-NYT004994	11/23/06	O	.	386,565	386,565	451,065	394,287	319,590	319,590	384,090	327,311
1/1-12/31/06	2006-NYT005028	12/8/06	C	.	338,409	338,409	338,409	338,409	288,409	288,409	288,409	288,409
1/1-12/31/06	2006-NYT005030	12/10/06	O	.	455,102	455,200	572,147	200,752	455,102	455,102	572,028	200,632
					9,541,342	9,466,297	9,931,980	8,044,920	8,353,940	8,048,674	8,438,052	6,781,752

## NY TRANSPORTATION WORKERS' COMPENSATION TRUST

## CLAIMS \$250,000 OR GREATER

Accident Period	Claim No.	Accident Date	St.	SDF Claim	Gross of Recoveries			Paid Loss & ALAE as of 12/31/16	Net of Recoveries			Paid Loss & ALAE as of 12/31/16
					Incurred Loss & ALAE as of				Incurred Loss & ALAE as of			
					12/31/14	12/31/15	12/31/16		12/31/14	12/31/15	12/31/16	
1/1-12/31/07	2007-NYT005094	1/2/07	C	.	692,709	692,709	692,709	692,709	596,337	596,337	596,337	596,337
1/1-12/31/07	2007-NYT005198	1/19/07	O	.	284,018	284,018	284,018	78,367	284,018	284,018	284,018	78,367
1/1-12/31/07	2007-NYT005150	1/22/07	O	.	287,712	368,674	392,311	362,431	287,712	368,674	392,311	362,431
1/1-12/31/07	2007-NYT005162	1/26/07	O	.	286,984	286,984	308,624	159,808	286,984	286,984	308,624	159,808
1/1-12/31/07	2007-NYT005976	1/29/07	O	Y	336,920	408,557	372,117	353,971	336,245	264,202	264,307	264,049
1/1-12/31/07	2007-NYT005196	1/30/07	C	.	305,783	305,783	305,783	305,783	305,647	305,647	305,647	305,647
1/1-12/31/07	2007-NYT005219	2/12/07	O	.	399,548	399,548	408,279	321,101	399,334	399,334	408,065	320,888
1/1-12/31/07	2007-NYT005227	2/13/07	O	.	355,364	355,364	406,804	401,898	355,364	355,364	406,804	401,898
1/1-12/31/07	2007-NYT005374	2/14/07	C	.	366,644	366,644	366,644	366,644	366,644	366,644	366,644	366,644
1/1-12/31/07	2007-NYT005417	2/19/07	O	.	1,201,464	1,201,464	1,220,293	784,513	1,198,516	1,198,516	1,217,345	781,566
1/1-12/31/07	2007-NYT005570	2/23/07	O	.	361,393	361,456	361,564	277,916	361,159	361,159	361,159	277,511
1/1-12/31/07	2007-NYT005369	3/9/07	C	.	267,456	267,456	350,855	350,855	266,858	266,858	350,257	350,257
1/1-12/31/07	2007-NYT007251	3/19/07	O	.	872,589	1,021,780	1,024,280	997,576	871,224	1,020,195	1,022,695	995,991
1/1-12/31/07	2007-NYT005413	3/28/07	O	Y	440,292	457,290	485,734	413,360	339,013	338,725	299,369	292,531
1/1-12/31/07	2007-NYT005550	4/26/07	C	.	308,965	308,965	288,202	288,202	308,939	308,939	288,176	288,176
1/1-12/31/07	2007-NYTEL7750	5/10/07	C	.	314,300	315,550	313,469	313,469	314,300	315,550	313,469	313,469
1/1-12/31/07	2007-NYT005528	5/10/07	O	.	375,701	375,701	375,851	232,806	375,701	375,701	232,806	232,806
1/1-12/31/07	2007-NYT005953	6/8/07	O	Y	260,306	269,722	289,633	245,200	260,156	161,659	171,977	155,749
1/1-12/31/07	2007-NYT005882	8/1/07	C	.	267,712	267,712	267,712	267,712	267,712	267,712	267,712	267,712
1/1-12/31/07	2007-NYT005883	8/3/07	O	.	263,562	263,562	263,562	217,338	263,562	263,562	217,338	217,338
1/1-12/31/07	2007-NYT005956	8/15/07	C	.	429,539	429,539	429,539	429,539	362,861	362,861	362,861	362,861
1/1-12/31/07	2007-NYT006048	8/15/07	C	.	262,515	266,515	263,272	263,272	262,434	266,434	263,192	263,192
1/1-12/31/07	2007-NYT006005	8/28/07	C	.	397,729	349,277	349,277	349,277	397,270	348,818	348,818	348,818
1/1-12/31/07	2007-NYT006042	9/6/07	C	.	331,114	331,114	331,114	331,114	278,023	278,023	278,023	278,023
1/1-12/31/07	2007-NYT006079	9/13/07	C	.	375,181	374,194	374,194	374,194	373,016	372,030	372,030	372,030
1/1-12/31/07	2007-NYT006172	10/17/07	C	.	1,383,599	455,892	455,892	455,892	1,380,542	352,835	352,835	352,835
1/1-12/31/07	2007-NYT006278	11/3/07	C	.	288,575	288,575	288,575	288,575	288,575	288,575	288,575	288,575
					11,717,674	11,074,045	11,270,306	9,923,524	11,388,146	10,375,356	10,530,663	9,295,509
1/1-12/31/08	2008-NYT007562	1/1/08	O	.	210,795	210,795	536,856	150,975	210,795	210,795	536,749	150,868
1/1-12/31/08	2008-NYT006476	1/17/08	O	.	411,735	411,735	411,735	388,381	411,189	411,189	411,189	387,835
1/1-12/31/08	2008-NYT006527	1/20/08	C	.	363,365	363,365	363,365	363,365	319,869	319,869	319,869	319,869
1/1-12/31/08	2008-NYT006504	1/21/08	C	.	273,130	273,130	258,351	258,351	273,130	273,130	258,351	258,351
1/1-12/31/08	2008-NYT006588	2/15/08	O	.	374,881	374,881	413,320	184,635	374,881	374,881	413,320	184,635
1/1-12/31/08	2008-NYT006856	4/28/08	O	.	274,863	323,863	333,363	260,256	274,863	323,863	333,363	260,256
1/1-12/31/08	2008-NYT006964	5/14/08	O	.	201,165	252,223	252,223	217,207	201,118	252,176	252,176	217,159
1/1-12/31/08	2008-NYT006934	5/23/08	O	.	324,062	324,062	324,062	240,133	323,760	298,760	298,760	214,831
1/1-12/31/08	2008-NYT006971	6/2/08	C	.	280,893	280,925	280,925	280,925	277,915	277,946	277,946	277,946
1/1-12/31/08	2008-NYT007023	6/12/08	O	.	354,597	354,597	276,782	273,213	354,131	354,131	276,316	272,747
1/1-12/31/08	2008-NYT007503	7/1/08	O	.	322,313	383,083	383,083	264,191	318,612	379,382	379,382	260,490
1/1-12/31/08	2008-NYT007129	7/14/08	O	.	310,736	312,242	313,742	183,474	310,234	310,234	311,734	181,465
1/1-12/31/08	2008-NYT007152	7/18/08	O	.	340,129	340,129	412,129	317,685	338,434	338,434	410,434	315,990
1/1-12/31/08	2008-NYT007428	8/4/08	O	.	279,290	279,290	279,290	241,321	279,258	279,258	279,258	241,288
1/1-12/31/08	2008-NYT007245	8/21/08	C	.	481,637	481,721	374,579	374,579	481,637	481,637	374,495	374,495
1/1-12/31/08	2008-NYT007424	9/12/08	C	.	260,507	260,507	260,507	260,507	260,507	260,507	260,507	260,507
1/1-12/31/08	2008-NYT007310	9/16/08	O	.	491,643	818,191	825,691	459,405	491,559	818,107	825,607	459,322
1/1-12/31/08	2008-NYT007367	9/25/08	C	.	281,442	281,442	281,442	281,442	281,202	281,202	281,202	281,202
1/1-12/31/08	2008-NYT007433	9/30/08	C	.	337,586	337,586	337,586	337,586	337,586	337,586	337,586	337,586
1/1-12/31/08	2008-NYT007452	10/14/08	C	.	400,141	400,141	400,141	400,141	396,841	396,841	396,841	396,841
1/1-12/31/08	2008-NYT007453	10/25/08	O	.	533,442	522,988	397,593	389,364	532,797	522,342	396,947	388,718
1/1-12/31/08	2008-NYT007564	12/9/08	C	.	349,769	349,769	349,769	349,769	349,744	349,744	349,744	349,744
1/1-12/31/08	2008-NYT007575	12/10/08	O	.	389,917	389,917	389,917	257,484	389,917	389,917	389,917	257,484
1/1-12/31/08	2008-NYT007591	12/11/08	O	.	371,196	371,196	377,350	255,428	371,196	371,196	377,350	255,428
1/1-12/31/08	2008-NYT007656	12/19/08	O	.	218,002	265,043	254,249	254,249	217,968	265,009	254,214	254,214
1/1-12/31/08	2008-NYT007605	12/29/08	O	.	536,824	536,824	701,926	431,445	536,824	536,824	701,926	431,445
					8,974,060	9,499,645	9,800,772	7,675,511	8,915,966	9,414,960	9,715,978	7,590,716

Appendix A, Exhibit II

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**EXCESS CLAIMS**

Accident Period	Claim No.	Accident Date	St.	Specific Retention	Unlimited										Excess										
					Incurred Losses as of 12/31/16					Paid Losses as of 12/31/16					Incurred Losses as of 12/31/16					Paid Losses as of 12/31/16					
					Gross of Recoveries	S&S Recovery	Gross of 15-8 Rec.	15-8 Recovery	Net of Recoveries	Gross of Recoveries	S&S Recovery	Gross of SDF Rec.	15-8 Recovery	Net of Recoveries	Gross of Recoveries	S&S Recovery	Gross of 15-8 Rec.	15-8 Recovery	Net of Recoveries	Gross of Recoveries	S&S Recovery	Gross of SDF Rec.	SDF Recovery	Net of Recoveries	
1/1-12/31/01	2001-NYT000155	11/15/01	C	300,000	325,557	2,637	322,920	0	322,920	325,557	2,637	322,920	0	322,920	25,557	2,637	22,920	0	22,920	25,557	2,637	22,920	0	22,920	
1/1-12/31/01	2001-NYT000190	12/6/01	O	300,000	761,546	4,669	756,877	0	756,877	378,622	4,669	373,953	0	373,953	461,546	4,669	456,877	0	456,877	78,622	4,669	73,953	0	73,953	
					1,087,103	7,306	1,079,797	0	1,079,797	704,179	7,306	696,873	0	696,873	487,103	7,306	479,797	0	479,797	104,179	7,306	96,873	0	96,873	
1/1-12/31/02	2002-NYT000414	7/1/02	C	400,000	574,106	85	574,021	0	574,021	574,106	85	574,021	0	574,021	174,106	85	174,021	0	174,021	174,106	85	174,021	0	174,021	
1/1-12/31/03	2003-NYT000779	1/14/03	O	400,000	1,355,167	415	1,354,752	0	1,354,752	557,209	415	556,795	0	556,795	955,167	415	954,752	0	954,752	157,209	415	156,795	0	156,795	
1/1-12/31/03	2003-NYT000764	1/25/03	O	400,000	737,366	2,342	735,023	363,437	371,587	707,709	2,342	705,367	342,209	363,158	337,366	2,342	335,023	335,023	0	307,709	2,342	305,367	305,367	0	
1/1-12/31/03	2003-NYT000920	4/9/03	C	400,000	630,549	6,619	623,930	0	623,930	630,549	6,619	623,930	0	623,930	230,549	6,619	223,930	0	223,930	230,549	6,619	223,930	0	223,930	
1/1-12/31/03	2003-NYT000957	5/5/03	C	400,000	1,800,048	2,064	1,797,983	0	1,797,983	1,800,048	2,064	1,797,983	0	1,797,983	1,400,048	2,064	1,397,983	0	1,397,983	1,400,048	2,064	1,397,983	0	1,397,983	
1/1-12/31/03	2003-NYT001191	7/10/03	C	400,000	521,076	1,749	519,327	230,094	289,233	521,076	1,749	519,327	230,094	289,233	121,076	1,749	119,327	119,327	0	121,076	1,749	119,327	119,327	0	
1/1-12/31/03	2003-NYT001271	8/22/03	C	400,000	554,087	0	554,087	0	554,087	554,087	0	554,087	0	554,087	154,087	0	154,087	0	154,087	154,087	0	154,087	0	154,087	
1/1-12/31/03	2003-NYT001331	9/2/03	C	400,000	475,819	140	475,679	0	475,679	475,819	140	475,679	0	475,679	75,819	140	75,679	0	75,679	75,819	140	75,679	0	75,679	
1/1-12/31/03	2003-NYT001349	9/18/03	O	400,000	565,393	4,794	560,599	290,973	269,626	522,475	4,794	517,682	253,747	263,935	165,393	4,794	160,599	160,599	0	122,475	4,794	117,682	117,682	0	
1/1-12/31/03	2003-NYT001407	10/8/03	O	400,000	539,023	76	538,947	305,700	233,247	508,170	76	508,093	280,823	227,270	139,023	76	138,947	138,947	0	108,170	76	108,093	108,093	0	
					7,178,526	18,200	7,160,326	1,190,204	5,970,124	6,277,141	18,200	6,258,942	1,106,873	5,152,069	3,578,526	18,200	3,560,326	753,895	2,806,431	2,677,141	18,200	2,658,942	650,469	2,008,473	
1/1-12/31/04	2004-NYT001861	3/8/04	O	600,000	627,167	354	626,814	0	626,814	362,560	354	362,206	0	362,206	27,167	354	26,814	0	26,814	0	0	0	0	0	0
1/1-12/31/04	2004-NYT001858	3/12/04	C	600,000	677,485	333	677,152	0	677,152	677,485	333	677,152	0	677,152	77,485	333	77,152	0	77,152	77,485	333	77,152	0	77,152	
1/1-12/31/04	2004-NYT002040	5/12/04	C	600,000	801,732	285	801,447	0	801,447	801,732	285	801,447	0	801,447	201,732	285	201,447	0	201,447	201,732	285	201,447	0	201,447	
1/1-12/31/04	2004-NYT002061	5/14/04	O	600,000	607,112	600	606,511	0	606,511	280,645	600	280,044	0	280,044	7,112	600	6,511	0	6,511	0	0	0	0	0	0
1/1-12/31/04	2004-NYT002092	5/28/04	O	600,000	651,167	0	651,167	122,148	529,019	439,704	0	439,704	60,652	379,052	51,167	0	51,167	51,167	0	0	0	0	0	0	0
1/1-12/31/04	2004-NYT002499	10/15/04	O	600,000	948,253	130	948,123	0	948,123	569,665	130	569,535	0	569,535	348,253	130	348,123	0	348,123	0	0	0	0	0	0
					4,312,916	1,702	4,311,214	122,148	4,189,066	3,131,791	1,702	3,130,089	60,652	3,069,437	712,916	1,702	711,214	51,167	660,047	279,217	618	278,600	0	278,600	
1/1-12/31/05	2005-NYT002781	1/20/05	C	600,000	1,411,069	60,648	1,350,421	0	1,350,421	1,411,069	60,648	1,350,421	0	1,350,421	811,069	60,648	750,421	0	750,421	811,069	60,648	750,421	0	750,421	
1/1-12/31/05	2005-NYT004161	12/13/05	O	600,000	801,422	210	801,212	0	801,212	588,166	210	587,955	0	587,955	201,422	210	201,212	0	201,212	0	0	0	0	0	0
					2,212,491	60,858	2,151,633	0	2,151,633	1,999,235	60,858	1,938,377	0	1,938,377	1,012,491	60,858	951,633	0	951,633	811,069	60,648	750,421	0	750,421	
1/1-12/31/06	2006-NYT004064	2/10/06	O	750,000	818,410	2,172	816,239	390,023	426,216	746,628	2,172	744,456	322,983	421,473	68,410	2,172	66,239	66,239	0	0	0	0	0	0	0
1/1-12/31/07	2007-NYT005417	2/19/07	O	750,000	1,220,293	2,947	1,217,345	0	1,217,345	784,513	2,947	781,566	0	781,566	470,293	2,947	467,345	0	467,345	34,513	2,947	31,566	0	31,566	
1/1-12/31/07	2007-NYT007251	3/19/07	O	750,000	1,024,280	1,585	1,022,695	0	1,022,695	997,576	1,585	995,991	0	995,991	274,280	1,585	272,695	0	272,695	247,576	1,585	245,991	0	245,991	
					2,244,572	4,532	2,240,040	0	2,240,040	1,782,089	4,532	1,777,558	0	1,777,558	744,572	4,532	740,040	0	740,040	282,089	4,532	277,558	0	277,558	
1/1-12/31/08	2008-NYT007310	9/16/08	O	750,000	825,691	84	825,607	0	825,607	459,405	84	459,322	0	459,322	75,691	84	75,607	0	75,607	0	0	0	0	0	0

*NY TRANSPORTATION WORKERS' COMPENSATION TRUST*

**APPENDIX B**

**SUPPORT**

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**CLAIM COUNT DEVELOPMENT FACTORS**  
(Including Claims without Cost)

A. REPORTED CLAIMS

Accident Period	Age of Accident Period								
	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months
1/1-12/31/01	189	189	189	189	189	189	189	189	189
1/1-12/31/02	541	541	541	541	541	541	541	541	541
1/1-12/31/03	878	878	878	878	878	879	879		
1/1-12/31/04	1,089	1,089	1,090	1,090	1,090	1,090			
1/1-12/31/05	1,184	1,184	1,184	1,184	1,184				
1/1-12/31/06	1,123	1,123	1,123	1,123					
1/1-12/31/07	1,328	1,328	1,328						
1/1-12/31/08	1,137	1,137							

B. AGE-TO-AGE FACTORS

Accident Period	96 to 108 Months	108 to 120 Months	120 to 132 Months	132 to 144 Months	144 to 156 Months	156 to 168 Months	168 to 180 Months	180 to 192 Months	192 to Ultimate
1/1-12/31/01	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1/1-12/31/02	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
1/1-12/31/03	1.000	1.000	1.000	1.000	1.001	1.000			
1/1-12/31/04	1.000	1.001	1.000	1.000	1.000				
1/1-12/31/05	1.000	1.000	1.000	1.000					
1/1-12/31/06	1.000	1.000	1.000						
1/1-12/31/07	1.000	1.000							
1/1-12/31/08	1.000								
Average	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Wtd Avg	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
3 Yr Avg	1.000	1.000	1.000	1.000	1.000	1.000	---	---	
5 Yr Mid Avg	1.000	1.000	1.000	1.000	---	---	---	---	
Prior	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	---	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

C. DEVELOPMENT FACTORS

96 to Ultimate	108 to Ultimate	120 to Ultimate	132 to Ultimate	144 to Ultimate	156 to Ultimate	168 to Ultimate	180 to Ultimate	192 to Ultimate
---	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST****ESTIMATED ULTIMATE AVERAGE SEVERITY**

(Unlimited Losses Including ALAE)  
(Net of Recoveries)  
(Including Claims without Cost)

**A. ESTIMATED ULTIMATE CLAIM COUNT**

Accident Period	Reported Claims with Cost as of 12/31/16	Age of Accident Period in Months	Claim Count Development Factor	Estimated Ultimate Claim Count
1/1-12/31/01	189	192.0	1.000	189
1/1-12/31/02	541	180.0	1.000	541
1/1-12/31/03	879	168.0	1.000	879
1/1-12/31/04	1,090	156.0	1.000	1,090
1/1-12/31/05	1,184	144.0	1.000	1,184
1/1-12/31/06	1,123	132.0	1.000	1,123
1/1-12/31/07	1,328	120.0	1.000	1,328
1/1-12/31/08	1,137	108.0	1.000	1,137
<b>Total</b>	<b>7,471</b>			<b>7,471</b>

**B. ESTIMATED ULTIMATE AVERAGE SEVERITY**

Accident Period	Estimated Ultimate Incurred Losses*	Estimated Ultimate Claim Count	Estimated Ultimate Average Severity
1/1-12/31/01	\$ 3,234,559	189	\$ 17,114
1/1-12/31/02	7,217,153	541	13,340
1/1-12/31/03	19,462,897	879	22,142
1/1-12/31/04	22,116,218	1,090	20,290
1/1-12/31/05	20,111,041	1,184	16,986
1/1-12/31/06	22,874,751	1,123	20,369
1/1-12/31/07	24,237,197	1,328	18,251
1/1-12/31/08	24,118,889	1,137	21,213
<b>Total</b>	<b>\$143,372,705</b>	<b>7,471</b>	

\* See Appendix C, Exhibit I.

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST****CLAIMS DISPOSED RATIOS**  
(Including Claims without Cost)

## A. CLOSED CLAIMS

Accident Period	Age of Accident Period								
	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months
1/1-12/31/01	183	182	181	183	184	185	187	184	184
1/1-12/31/02	519	526	532	533	534	535	535	535	
1/1-12/31/03	841	849	858	864	865	860	863		
1/1-12/31/04	1,040	1,052	1,060	1,064	1,065	1,066			
1/1-12/31/05	1,146	1,155	1,154	1,152	1,154				
1/1-12/31/06	1,089	1,097	1,095	1,101					
1/1-12/31/07	1,298	1,295	1,304						
1/1-12/31/08	1,107	1,110							

## B. CLOSED / ESTIMATED ULTIMATE CLAIM COUNT

Accident Period	Age of Accident Period									Est. Ultimate Claim Count
	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months	
1/1-12/31/01	0.968	0.963	0.958	0.968	0.974	0.979	0.989	0.974	0.974	189
1/1-12/31/02	0.959	0.972	0.983	0.985	0.987	0.989	0.989	0.989		541
1/1-12/31/03	0.957	0.966	0.976	0.983	0.984	0.978	0.982			879
1/1-12/31/04	0.954	0.965	0.972	0.976	0.977	0.978				1,090
1/1-12/31/05	0.968	0.976	0.975	0.973	0.975					1,184
1/1-12/31/06	0.970	0.977	0.975	0.980						1,123
1/1-12/31/07	0.977	0.975	0.982							1,328
1/1-12/31/08	0.974	0.976								1,137
										<u>7,471</u>
Average	0.966	0.971	0.974	0.978	0.979	0.981	0.987	0.982	0.974	
Wtd Avg	0.967	0.973	0.976	0.978	0.979	0.980	0.985	0.985	0.974	
3 Yr Avg	0.974	0.976	0.977	0.976	0.979	0.982	0.987	---	---	
5 Yr Mid Avg	0.971	0.976	0.975	0.980	0.979	---	---	---	---	

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**AVERAGE SEVERITIES**  
(Unlimited Losses Including ALAE)  
(Gross of Recoveries)  
(Including Claims without Cost)

**A. AVERAGE INCURRED SEVERITY**

Accident Period	Age of Accident Period								
	96 Months	108 Months	120 Months	132 Months	144 Months	156 Months	168 Months	180 Months	192 Months
1/1-12/31/01	15,866	16,213	17,790	17,799	18,994	18,781	18,532	18,924	19,036
1/1-12/31/02	15,679	15,917	16,067	16,131	16,444	16,447	16,180	16,216	
1/1-12/31/03	22,686	24,182	24,799	24,773	24,694	24,819	24,752		
1/1-12/31/04	20,887	20,998	21,146	21,904	22,142	22,955			
1/1-12/31/05	17,966	18,466	18,730	18,933	19,131				
1/1-12/31/06	20,958	22,059	22,166	22,441					
1/1-12/31/07	19,051	18,590	18,758						
1/1-12/31/08	19,817	20,103							

**B. AVERAGE PAID SEVERITY**

Accident Period	96	108	120	132	144	156	168	180	192
	Months								
1/1-12/31/01	13,416	13,829	14,313	14,808	15,207	15,555	16,416	16,630	16,748
1/1-12/31/02	14,751	15,203	15,537	15,687	15,814	15,884	16,055	16,101	
1/1-12/31/03	20,297	21,079	21,673	22,752	22,973	23,162	23,354		
1/1-12/31/04	16,511	17,340	18,503	18,878	19,314	19,762			
1/1-12/31/05	15,504	16,427	16,834	17,335	17,637				
1/1-12/31/06	18,752	19,563	20,192	20,544					
1/1-12/31/07	16,307	16,775	17,566						
1/1-12/31/08	17,644	18,130							

**C. AVERAGE CASE RESERVE**

Accident Period	96	108	120	132	144	156	168	180	192
	Months	Months	Months						
1/1-12/31/01	77,183	64,354	82,143	94,220	143,154	152,414	199,941	86,696	86,493
1/1-12/31/02	22,816	25,752	31,826	30,041	48,660	50,714	11,247	10,369	
1/1-12/31/03	56,675	93,946	137,227	126,711	116,217	76,679	76,824		
1/1-12/31/04	97,246	107,650	96,054	126,862	123,283	145,008			
1/1-12/31/05	76,717	83,273	74,826	59,132	58,974				
1/1-12/31/06	72,846	107,821	79,185	96,855					
1/1-12/31/07	121,451	73,037	65,978						
1/1-12/31/08	82,373	83,122							

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**CLAIM COUNT SUMMARY**  
(Excluding Claims Closed without Payment)

<u>Policy Period</u>	<u>Estimated Ultimate Claim Count</u>	<u>Reported Claims as of 12/31/16</u>	<u>Closed Claims as of 12/31/16</u>	<u>Open Claims as of 12/31/16</u>	<u>IBNR Claims as of 12/31/16</u>
1/1-12/31/01	189	189	184	5	0
1/1-12/31/02	541	541	535	6	0
1/1-12/31/03	879	879	863	16	0
1/1-12/31/04	1,090	1,090	1,066	24	0
1/1-12/31/05	1,184	1,184	1,154	30	0
1/1-12/31/06	1,123	1,123	1,101	22	0
1/1-12/31/07	1,328	1,328	1,304	24	0
1/1-12/31/08	<u>1,137</u>	<u>1,137</u>	<u>1,110</u>	<u>27</u>	<u>0</u>
<b>Total</b>	<b>7,471</b>	<b>7,471</b>	<b>7,317</b>	<b>154</b>	<b>0</b>

*NY TRANSPORTATION WORKERS' COMPENSATION TRUST*

**APPENDIX C**

**UNLIMITED RESERVES**

Appendix C, Exhibit I

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**UNLIMITED ESTIMATED ULTIMATE INCURRED LOSSES**  
(Net of Recoveries)

Accident Period	Limited Estimated Ultimate Incurred Losses	Unlimited Incurred Losses as of 12/31/16	Limited Incurred Losses as of 12/31/16	Unlimited Estimated Ultimate Incurred Losses*
1/1-12/31/01	\$ 2,741,529	\$ 3,147,742	\$ 2,667,945	\$ 3,234,559
1/1-12/31/02	7,034,636	6,881,189	6,707,168	7,217,153
1/1-12/31/03	16,530,873	18,629,205	15,822,774	19,462,897
1/1-12/31/04	21,447,249	21,821,267	21,161,220	22,116,218
1/1-12/31/05	19,123,024	19,370,447	18,418,814	20,111,041
1/1-12/31/06	22,874,751	21,885,934	21,885,934	22,874,751
1/1-12/31/07	23,436,469	22,400,235	21,660,195	24,237,197
1/1-12/31/08	24,036,879	22,235,657	22,160,050	24,118,889
	\$137,225,410	\$136,371,676	\$130,484,100	\$143,372,705

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

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST****ESTIMATED UNLIMITED RESERVES AS OF 12/31/16**

(Unlimited Losses Including ALAE)

(Net of Recoveries)

## A. LOSS SUMMARY

Accident Period	Estimated Ultimate Incurred Losses	Incurred Losses as of 12/31/16	Paid Losses as of 12/31/16
1/1-12/31/01	\$ 3,234,559	\$ 3,147,742	\$ 2,715,279
1/1-12/31/02	7,217,153	6,881,189	6,870,751
1/1-12/31/03	19,462,897	18,629,205	17,551,698
1/1-12/31/04	22,116,218	21,821,267	18,542,209
1/1-12/31/05	20,111,041	19,370,447	17,938,291
1/1-12/31/06	22,874,751	21,885,934	20,102,786
1/1-12/31/07	24,237,197	22,400,235	20,953,066
1/1-12/31/08	24,118,889	22,235,657	19,991,354
	\$143,372,705	\$136,371,676	\$124,665,434

## B. ESTIMATED UNLIMITED RESERVES AS OF 12/31/16

Accident Period	Case Reserves as of 12/31/16	Estimated IBNR as of 12/31/16	Estimated Unlimited Reserves as of 12/31/16
1/1-12/31/01	\$ 432,463	\$ 86,817	\$ 519,280
1/1-12/31/02	10,438	335,964	346,402
1/1-12/31/03	1,077,507	833,692	1,911,199
1/1-12/31/04	3,279,058	294,951	3,574,009
1/1-12/31/05	1,432,156	740,594	2,172,750
1/1-12/31/06	1,783,148	988,817	2,771,965
1/1-12/31/07	1,447,169	1,836,962	3,284,131
1/1-12/31/08	2,244,303	1,883,232	4,127,535
	\$11,706,242	\$ 7,001,029	\$18,707,271

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST****ESTIMATED RECOVERABLE RESERVES AS OF 12/31/16****A. RECOVERABLE LOSS SUMMARY**

Accident Period	Recoverable Est. Ultimate Incurred Losses	Recoverable Incurred Losses as of 12/31/16	Recoverable Paid Losses as of 12/31/16
1/1-12/31/01	\$ 493,030	\$ 479,797	\$ 96,873
1/1-12/31/02	182,517	174,021	174,021
1/1-12/31/03	5,002,014	4,168,322	3,090,815
1/1-12/31/04	668,969	660,047	278,600
1/1-12/31/05	988,017	951,633	750,421
1/1-12/31/06	0	0	0
1/1-12/31/07	800,728	740,040	277,558
1/1-12/31/08	82,010	75,607	0
	<b>\$ 8,217,285</b>	<b>\$ 7,249,467</b>	<b>\$ 4,668,287</b>

**B. ESTIMATED RECOVERABLE RESERVES AS OF 12/31/16**

Accident Period	Recoverable Case Reserves as of 12/31/16	Recoverable Estimated IBNR as of 12/31/16	Estimated Recoverable Reserves as of 12/31/16
1/1-12/31/01	\$ 382,924	\$ 13,233	\$ 396,157
1/1-12/31/02	0	8,496	8,496
1/1-12/31/03	1,077,507	833,692	1,911,199
1/1-12/31/04	381,447	8,922	390,369
1/1-12/31/05	201,212	36,384	237,596
1/1-12/31/06	0	0	0
1/1-12/31/07	462,482	60,688	523,170
1/1-12/31/08	75,607	6,403	82,010
	<b>\$ 2,581,179</b>	<b>\$ 967,818</b>	<b>\$ 3,548,998</b>

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST****ESTIMATED AGGREGATE RECOVERABLE RESERVES AS OF 12/31/16**

## A. RECOVERABLE LOSS SUMMARY

Accident Period	Recoverable Est. Ultimate Incurred Losses	Recoverable Incurred Losses as of 12/31/16	Recoverable Paid Losses as of 12/31/16
1/1-12/31/01	\$ 0	\$ 0	\$ 0
1/1-12/31/02	0	0	0
1/1-12/31/03	2,069,990	1,361,891	1,082,342
1/1-12/31/04	0	0	0
1/1-12/31/05	0	0	0
1/1-12/31/06	0	0	0
1/1-12/31/07	0	0	0
1/1-12/31/08	0	0	0
	<u>\$ 2,069,990</u>	<u>\$ 1,361,891</u>	<u>\$ 1,082,342</u>

## B. ESTIMATED RECOVERABLE RESERVES AS OF 12/31/16

Accident Period	Recoverable Case Reserves as of 12/31/16	Recoverable Estimated IBNR as of 12/31/16	Estimated Recoverable Reserves as of 12/31/16
1/1-12/31/01	\$ 0	\$ 0	\$ 0
1/1-12/31/02	0	0	0
1/1-12/31/03	279,549	708,099	987,648
1/1-12/31/04	0	0	0
1/1-12/31/05	0	0	0
1/1-12/31/06	0	0	0
1/1-12/31/07	0	0	0
1/1-12/31/08	0	0	0
	<u>\$ 279,549</u>	<u>\$ 708,099</u>	<u>\$ 987,648</u>

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST****ESTIMATED SPECIFIC RECOVERABLE RESERVES AS OF 12/31/16****A. RECOVERABLE LOSS SUMMARY**

Accident Period	Recoverable Est. Ultimate Incurred Losses	Recoverable Incurred Losses as of 12/31/16	Recoverable Paid Losses as of 12/31/16
1/1-12/31/01	\$ 493,030	\$ 479,797	\$ 96,873
1/1-12/31/02	182,517	174,021	174,021
1/1-12/31/03	2,932,024	2,806,431	2,008,473
1/1-12/31/04	668,969	660,047	278,600
1/1-12/31/05	988,017	951,633	750,421
1/1-12/31/06	0	0	0
1/1-12/31/07	800,728	740,040	277,558
1/1-12/31/08	82,010	75,607	0
	\$ 6,147,295	\$ 5,887,576	\$ 3,585,945

**B. ESTIMATED RECOVERABLE RESERVES AS OF 12/31/16**

Accident Period	Recoverable Case Reserves as of 12/31/16	Recoverable Estimated IBNR as of 12/31/16	Estimated Recoverable Reserves as of 12/31/16
1/1-12/31/01	\$ 382,924	\$ 13,233	\$ 396,157
1/1-12/31/02	0	8,496	8,496
1/1-12/31/03	797,958	125,593	923,551
1/1-12/31/04	381,447	8,922	390,369
1/1-12/31/05	201,212	36,384	237,596
1/1-12/31/06	0	0	0
1/1-12/31/07	462,482	60,688	523,170
1/1-12/31/08	75,607	6,403	82,010
	\$ 2,301,630	\$ 259,719	\$ 2,561,350

***NY TRANSPORTATION WORKERS' COMPENSATION TRUST***

**APPENDIX D**

**MEDICAL, INDEMNITY, ALAE, AND ULAE RESERVES**

Appendix D, Exhibit I

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**ESTIMATED MEDICAL, INDEMNITY, AND ALAE RESERVES**

(Limited to Specific and Aggregate Retentions)  
(Net of Recoveries)

Accident Period	Estimated Required Reserves as of 12/31/16	Estimated Medical Reserves (40%)*	Estimated Indemnity Reserves (55%)*	Estimated ALAE Reserves (5%)*
1/1-12/31/01	\$ 123,123	\$ 49,249	\$ 67,718	\$ 6,156
1/1-12/31/02	337,906	135,162	185,848	16,895
1/1-12/31/03	0	0	0	0
1/1-12/31/04	3,183,640	1,273,456	1,751,002	159,182
1/1-12/31/05	1,935,154	774,062	1,064,335	96,758
1/1-12/31/06	2,771,965	1,108,786	1,524,581	138,598
1/1-12/31/07	2,760,961	1,104,384	1,518,528	138,048
1/1-12/31/08	4,045,525	1,618,210	2,225,039	202,276
	<u>\$15,158,273</u>	<u>\$ 6,063,309</u>	<u>\$ 8,337,051</u>	<u>\$ 757,913</u>

\* Based on a review of the incurred loss distribution.

Appendix D, Exhibit II

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**ESTIMATED ULAE RESERVE**  
(Unlimited Losses Including ALAE)  
(Net of Recoveries)

<u>Accident Period</u>	<u>Estimated Unlimited Reserves as of 12/31/16</u>	<u>Estimated ULAE Ratio&lt;</u>	<u>Estimated ULAE Reserve</u>
Total	\$18,707,271	7.0%	\$ 1,309,509

< Selected judgmentally.

*NY TRANSPORTATION WORKERS' COMPENSATION TRUST*

**APPENDIX E**

**LOSS RUN RECONCILIATION**

Appendix E

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**LOSS RUN RECONCILIATION**

**A. UNLIMITED LOSSES PER LOSS RUN**

Accident Period	Loss Run#				Excess Recovery Received*	Non-Excess Recovery Received	SDF Recovery Received*~	SDF Recovery Receivable*	SDF Recovery Recoverable*	Unlimited Losses%		
	Paid	Recovered	Case Reserves	Incurred						Paid<	Case Reserve>	Incurred
1/1-12/31/01	3,165,355	543,430	432,464	3,054,389	93,354	450,076	332,882	0	0	2,715,279	432,464	3,147,743
1/1-12/31/02	8,710,593	1,992,778	62,214	6,780,029	169,881	1,822,898	842,608	16,944	51,777	6,870,751	10,437	6,881,188
1/1-12/31/03	20,527,906	6,086,138	1,229,181	15,670,949	3,174,336	2,911,801	1,707,559	64,406	151,674	17,551,699	1,077,507	18,629,206
1/1-12/31/04	21,541,077	3,162,969	3,480,193	21,858,301	249,618	2,913,351	1,694,542	85,518	201,135	18,542,208	3,279,058	21,821,266
1/1-12/31/05	20,882,487	3,580,807	1,769,207	19,070,887	748,419	2,832,388	1,698,924	111,807	337,051	17,938,292	1,432,156	19,370,448
1/1-12/31/06	23,070,378	2,860,463	2,130,803	22,340,718	0	2,860,463	1,464,677	107,129	347,655	20,102,786	1,783,148	21,885,934
1/1-12/31/07	23,327,776	2,501,068	1,583,468	22,410,176	171,240	2,329,828	366,467	44,882	136,299	20,953,066	1,447,169	22,400,235
1/1-12/31/08	20,613,269	621,915	2,244,303	22,235,657	0	621,915	0	0	0	19,991,354	2,244,303	22,235,657
	141,838,841	21,349,568	12,931,833	133,421,106	4,606,848	16,742,720	8,107,659	430,686	1,225,591	124,665,435	11,706,242	136,371,677

**B. RECONCILIATION**

Policy Period	Loss Run Unlimited Losses			Unlimited Losses as of 12/31/16&			Difference		
	Paid	Case Reserve	Incurred	Paid	Case Reserve	Incurred	Paid	Case Reserve	Incurred
1/1-12/31/01	2,715,279	432,464	3,147,743	2,715,279	432,463	3,147,742	0	1	1
1/1-12/31/02	6,870,751	10,437	6,881,188	6,870,751	10,438	6,881,189	0	( 1)	( 1)
1/1-12/31/03	17,551,699	1,077,507	18,629,206	17,551,698	1,077,507	18,629,205	1	0	1
1/1-12/31/04	18,542,208	3,279,058	21,821,266	18,542,209	3,279,058	21,821,267	( 1)	0	( 1)
1/1-12/31/05	17,938,292	1,432,156	19,370,448	17,938,291	1,432,156	19,370,447	1	0	1
1/1-12/31/06	20,102,786	1,783,148	21,885,934	20,102,786	1,783,148	21,885,934	0	0	0
1/1-12/31/07	20,953,066	1,447,169	22,400,235	20,953,066	1,447,169	22,400,235	0	0	0
1/1-12/31/08	19,991,354	2,244,303	22,235,657	19,991,354	2,244,303	22,235,657	0	0	0
	124,665,435	11,706,242	136,371,677	124,665,434	11,706,242	136,371,676	1	0	1

% Gross of excess insurance recoveries received, net of all other recoveries.

# Excludes losses for 1/1-12/31/13 accident year which represent attorney fees to defend NYTWCT.

\* Provided by SAFE.

~ For information only; included in Non-Excess Recovery Received.

< Loss Run Paid - Non-Excess Recovery Received - SDF Recovery Receivable.

> Loss Run Future - SDF Recovery Recoverable.

& See Appendix C, Exhibit II.

***NY TRANSPORTATION WORKERS' COMPENSATION TRUST***

**APPENDIX F**

**RESERVES AT HIGH LEVEL**

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST****ESTIMATED REQUIRED RESERVES AS OF 12/31/16****HIGH LEVEL**

(Limited to Specific and Aggregate Retentions)

(Net of Recoveries)

## A. LOSS SUMMARY

Accident Period	Estimated Ultimate Incurred Losses <sup>^</sup>	Incurred Losses as of 12/31/16	Paid Losses as of 12/31/16
1/1-12/31/01	\$ 2,755,237	\$ 2,667,945	\$ 2,618,406
1/1-12/31/02	7,069,809	6,707,168	6,696,730
1/1-12/31/03	14,460,883 <	14,460,883 <	14,460,883 <
1/1-12/31/04	21,554,485	21,161,220	18,263,609
1/1-12/31/05	19,314,254	18,418,814	17,187,870
1/1-12/31/06	23,103,499	21,885,934	20,102,786
1/1-12/31/07	23,788,016	21,660,195	20,675,508
1/1-12/31/08	24,517,617	22,160,050	19,991,354
Total	\$136,563,800	\$129,122,209	\$119,997,147

## B. ESTIMATED REQUIRED RESERVES AS OF 12/31/16

Accident Period	Case Reserves as of 12/31/16	Estimated IBNR as of 12/31/16	Estimated Required Reserves as of 12/31/16
1/1-12/31/01	\$ 49,539	\$ 87,292	\$ 136,831
1/1-12/31/02	10,438	362,641	373,079
1/1-12/31/03	0	0	0
1/1-12/31/04	2,897,611	393,265	3,290,876
1/1-12/31/05	1,230,944	895,440	2,126,384
1/1-12/31/06	1,783,148	1,217,565	3,000,713
1/1-12/31/07	984,687	2,127,821	3,112,508
1/1-12/31/08	2,168,696	2,357,567	4,526,263
Total	\$ 9,125,063	\$ 7,441,591	\$16,566,653

<sup>^</sup> Based on Table 7 adjusted to the high endpoint of a range.

Selected ranges: 0.5%, 0.5%, 0.5%, 0.5%, 1.0%, 1.0%, 1.5%, 2.0%.

&lt; Limited by the aggregate retention.

Appendix F, Exhibit II

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**UNLIMITED ESTIMATED ULTIMATE INCURRED LOSSES  
HIGH LEVEL  
(Net of Recoveries)**

Accident Period	Limited Estimated Ultimate Incurred Losses<	Unlimited Est. Ultimate Incurred Losses, Expected Level	Limited Est. Ultimate Incurred Losses, Expected Level	Unlimited Estimated Ultimate Incurred Losses*
1/1-12/31/01	\$ 2,755,237	\$ 3,234,559	\$ 2,741,529	\$ 3,250,732
1/1-12/31/02	7,069,809	7,217,153	7,034,636	7,253,239
1/1-12/31/03	16,613,527	19,462,897	16,530,873	19,560,211
1/1-12/31/04	21,554,485	22,116,218	21,447,249	22,226,799
1/1-12/31/05	19,314,254	20,111,041	19,123,024	20,312,151
1/1-12/31/06	23,103,499	22,874,751	22,874,751	23,103,499
1/1-12/31/07	23,788,016	24,237,197	23,436,469	24,600,755
1/1-12/31/08	24,517,617	24,118,889	24,036,879	24,601,267
	\$138,716,444	\$143,372,705	\$137,225,410	\$144,908,653

< Limited to specific retentions.

\* Equal to limited estimated ultimate incurred losses adjusted by the ratio of unlimited to limited ultimate losses at expected level.

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST****ESTIMATED UNLIMITED RESERVES AS OF 12/31/16****HIGH LEVEL**

(Unlimited Losses Including ALAE)

(Net of Recoveries)

## A. LOSS SUMMARY

Accident Period	Estimated Ultimate Incurred Losses	Incurred Losses as of 12/31/16	Paid Losses as of 12/31/16
1/1-12/31/01	\$ 3,250,732	\$ 3,147,742	\$ 2,715,279
1/1-12/31/02	7,253,239	6,881,189	6,870,751
1/1-12/31/03	19,560,211	18,629,205	17,551,698
1/1-12/31/04	22,226,799	21,821,267	18,542,209
1/1-12/31/05	20,312,151	19,370,447	17,938,291
1/1-12/31/06	23,103,499	21,885,934	20,102,786
1/1-12/31/07	24,600,755	22,400,235	20,953,066
1/1-12/31/08	24,601,267	22,235,657	19,991,354
	\$144,908,653	\$136,371,676	\$124,665,434

## B. ESTIMATED UNLIMITED RESERVES AS OF 12/31/16

Accident Period	Case Reserves as of 12/31/16	Estimated IBNR as of 12/31/16	Estimated Unlimited Reserves as of 12/31/16
1/1-12/31/01	\$ 432,463	\$ 102,990	\$ 535,453
1/1-12/31/02	10,438	372,050	382,488
1/1-12/31/03	1,077,507	931,006	2,008,513
1/1-12/31/04	3,279,058	405,532	3,684,590
1/1-12/31/05	1,432,156	941,704	2,373,860
1/1-12/31/06	1,783,148	1,217,565	3,000,713
1/1-12/31/07	1,447,169	2,200,520	3,647,689
1/1-12/31/08	2,244,303	2,365,610	4,609,913
	\$11,706,242	\$ 8,536,977	\$20,243,219

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST****ESTIMATED RECOVERABLE RESERVES AS OF 12/31/16  
HIGH LEVEL**

## A. RECOVERABLE LOSS SUMMARY

Accident Period	Recoverable Est. Ultimate Incurred Losses	Recoverable Incurred Losses as of 12/31/16	Recoverable Paid Losses as of 12/31/16
1/1-12/31/01	\$ 495,495	\$ 479,797	\$ 96,873
1/1-12/31/02	183,430	174,021	174,021
1/1-12/31/03	5,099,328	4,168,322	3,090,815
1/1-12/31/04	672,314	660,047	278,600
1/1-12/31/05	997,897	951,633	750,421
1/1-12/31/06	0	0	0
1/1-12/31/07	812,739	740,040	277,558
1/1-12/31/08	83,650	75,607	0
	\$ 8,344,853	\$ 7,249,467	\$ 4,668,287

## B. ESTIMATED RECOVERABLE RESERVES AS OF 12/31/16

Accident Period	Recoverable Case Reserves as of 12/31/16	Recoverable Estimated IBNR as of 12/31/16	Estimated Recoverable Reserves as of 12/31/16
1/1-12/31/01	\$ 382,924	\$ 15,698	\$ 398,622
1/1-12/31/02	0	9,409	9,409
1/1-12/31/03	1,077,507	931,006	2,008,513
1/1-12/31/04	381,447	12,267	393,714
1/1-12/31/05	201,212	46,264	247,476
1/1-12/31/06	0	0	0
1/1-12/31/07	462,482	72,699	535,181
1/1-12/31/08	75,607	8,043	83,650
	\$ 2,581,179	\$ 1,095,386	\$ 3,676,566

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST****ESTIMATED AGGREGATE RECOVERABLE RESERVES AS OF 12/31/16  
HIGH LEVEL**

## A. RECOVERABLE LOSS SUMMARY

Accident Period	Recoverable Est. Ultimate Incurred Losses	Recoverable Incurred Losses as of 12/31/16	Recoverable Paid Losses as of 12/31/16
1/1-12/31/01	\$ 0	\$ 0	\$ 0
1/1-12/31/02	0	0	0
1/1-12/31/03	2,152,644	1,361,891	1,082,342
1/1-12/31/04	0	0	0
1/1-12/31/05	0	0	0
1/1-12/31/06	0	0	0
1/1-12/31/07	0	0	0
1/1-12/31/08	0	0	0
	<u>\$ 2,152,644</u>	<u>\$ 1,361,891</u>	<u>\$ 1,082,342</u>

## B. ESTIMATED RECOVERABLE RESERVES AS OF 12/31/16

Accident Period	Recoverable Case Reserves as of 12/31/16	Recoverable Estimated IBNR as of 12/31/16	Estimated Recoverable Reserves as of 12/31/16
1/1-12/31/01	\$ 0	\$ 0	\$ 0
1/1-12/31/02	0	0	0
1/1-12/31/03	279,549	790,753	1,070,302
1/1-12/31/04	0	0	0
1/1-12/31/05	0	0	0
1/1-12/31/06	0	0	0
1/1-12/31/07	0	0	0
1/1-12/31/08	0	0	0
	<u>\$ 279,549</u>	<u>\$ 790,753</u>	<u>\$ 1,070,302</u>

Appendix F, Exhibit VI

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**ESTIMATED SPECIFIC RECOVERABLE RESERVES AS OF 12/31/16  
HIGH LEVEL**

A. RECOVERABLE LOSS SUMMARY

Accident Period	Recoverable Est. Ultimate Incurred Losses	Recoverable Incurred Losses as of 12/31/16	Recoverable Paid Losses as of 12/31/16
1/1-12/31/01	\$ 495,495	\$ 479,797	\$ 96,873
1/1-12/31/02	183,430	174,021	174,021
1/1-12/31/03	2,946,684	2,806,431	2,008,473
1/1-12/31/04	672,314	660,047	278,600
1/1-12/31/05	997,897	951,633	750,421
1/1-12/31/06	0	0	0
1/1-12/31/07	812,739	740,040	277,558
1/1-12/31/08	83,650	75,607	0
	\$ 6,192,209	\$ 5,887,576	\$ 3,585,945

B. ESTIMATED RECOVERABLE RESERVES AS OF 12/31/16

Accident Period	Recoverable Case Reserves as of 12/31/16	Recoverable Estimated IBNR as of 12/31/16	Estimated Recoverable Reserves as of 12/31/16
1/1-12/31/01	\$ 382,924	\$ 15,698	\$ 398,622
1/1-12/31/02	0	9,409	9,409
1/1-12/31/03	797,958	140,253	938,211
1/1-12/31/04	381,447	12,267	393,714
1/1-12/31/05	201,212	46,264	247,476
1/1-12/31/06	0	0	0
1/1-12/31/07	462,482	72,699	535,181
1/1-12/31/08	75,607	8,043	83,650
	\$ 2,301,630	\$ 304,633	\$ 2,606,264

*NY TRANSPORTATION WORKERS' COMPENSATION TRUST*

**APPENDIX G**

**COMPARISON TO PRIOR REPORTS**

Appendix G

**NY TRANSPORTATION WORKERS' COMPENSATION TRUST**

**COMPARISON OF ESTIMATED ULTIMATE INCURRED LOSSES TO PRIOR REPORTS**

(Limited to Specific and Aggregate Retentions)

(Net of Recoveries)

A. ESTIMATED ULTIMATE INCURRED LOSSES

Accident Period	Loss Evaluation		
	12/31/14	12/31/15	12/31/16
1/1-12/31/01	\$ 2,593,920	\$ 2,763,851	\$ 2,741,529
1/1-12/31/02	7,369,171	7,311,230	7,034,636
1/1-12/31/03	14,460,883	14,460,883	14,460,883
1/1-12/31/04	20,779,025	20,664,761	21,447,249
1/1-12/31/05	19,538,475	19,278,280	19,123,024
1/1-12/31/06	23,628,282	23,132,941	22,874,751
1/1-12/31/07	24,367,693	23,592,914	23,436,469
1/1-12/31/08	24,831,481	24,353,074	24,036,879
Total	\$137,568,930	\$135,557,934	\$135,155,420

B. CHANGE IN ESTIMATED ULTIMATE INCURRED LOSSES

Accident Period	12/31/14- 12/31/15	12/31/15- 12/31/16	Total
1/1-12/31/01	\$ 169,931	(\$ 22,322)	\$ 147,609
1/1-12/31/02	( 57,941)	( 276,594)	( 334,535)
1/1-12/31/03	0	0	0
1/1-12/31/04	( 114,264)	782,488	668,224
1/1-12/31/05	( 260,195)	( 155,256)	( 415,451)
1/1-12/31/06	( 495,341)	( 258,190)	( 753,531)
1/1-12/31/07	( 774,779)	( 156,445)	( 931,224)
1/1-12/31/08	( 478,407)	( 316,195)	( 794,602)
Total	(\$ 2,010,996)	(\$ 402,514)	(\$ 2,413,510)