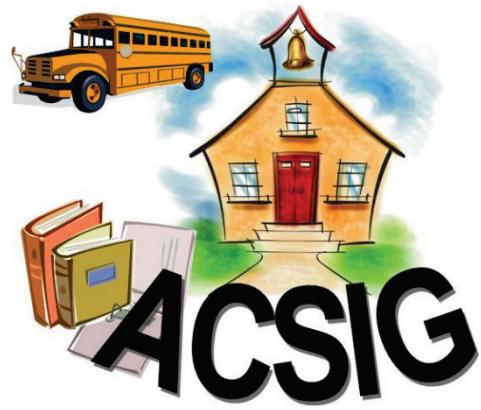


# **ALAMEDA COUNTY SCHOOLS INSURANCE GROUP**

## **AUDIT REPORT**

**JUNE 30, 2021 AND 2020**



**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP**  
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**JUNE 30, 2021 AND 2020**

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## **FINANCIAL SECTION**

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Certified Public Accountants serving  
K-12 School Districts and Charter  
Schools throughout California

## INDEPENDENT AUDITORS' REPORT

Board of Directors and Members  
Alameda County Schools Insurance Group  
Dublin, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Alameda County Schools Insurance Group, as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Alameda County Schools Insurance Group's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Alameda County Schools Insurance Group, as of June 30, 2021 and 2020, and the respective changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

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## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary Information*

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Alameda County Schools Insurance Group's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated October 19, 2021 on our consideration of Alameda County Schools Insurance Group's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Alameda County Schools Insurance Group's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Alameda County Schools Insurance Group's internal control over financial reporting and compliance.



San Diego, California  
October 19, 2021

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2021 AND 2020**

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The following report reflects on the financial condition of Alameda County Schools Insurance Group (“ACSIG”) as of and for the fiscal year ended June 30, 2021. It is provided in order to enhance the information in the independent financial audit, basic financial statements, and notes to the basic financial statements included in the financial audit report. Please read it in conjunction with the Group’s financial statements, which immediately follow this section.

**Introduction and Background:**

Since July 1, 1978, the Alameda County Schools Insurance Group, a self-insurance pool, has provided coverage to local educational agencies in California. ACSIG operates programs for property/liability, dental and vision, and workers’ compensation. In addition to its programs, ACSIG provides claims administration and loss control training to members.

ACSIG is governed by a 19-member Board of Directors, which is comprised of representatives from each member Group. From its members, the Board of Directors elects a President, Vice President, and Secretary as part of seven-member executive committee.

ACSIG’s day-to-day operations are administered by an Executive Director who serves as the Chief Executive Officer. The Executive Director is responsible for the administration of policies as set forth by the pool’s organizational documents, Bylaws, and the Board of Directors.

ACSIG’s Dental, Vision, Workers’ Compensation, and Property/Liability programs are comprised of Members from K-12 Schools Districts, Community Colleges, and Other Organizations, throughout the State of California. Membership varies by program.

**Dental:**

Effective in 1988, ACSIG expanded its program offerings to include dental coverage to agencies in Alameda County. In 1996, the program was expanded statewide. In partnership with Alliant Insurance Services and Preferred Benefits, the EDGE coalition was formed. The coalition is administered through ACSIG. ACSIG is fully self-insured with Delta Dental for this program. ACSIG contracts with Alliant Insurance Services for all outreach and underwriting services. ACSIG contracts with Preferred Benefit for all eligibility and billing services.

ACSIG offers its members 3 options when joining the EDGE program:

- Fully Insured – pay a monthly rate per employee determined by underwriting based on their specific plan design and program offerings.
- Self-Insured Monthly – pay the actual amount of services rendered and a Delta administration fee and an ACSIG administration fee. The total amount of claims and fees is billed monthly in arrears.
- Self-Insured Weekly – Due to the large membership in some agencies, if another JPA joins ACSIG as a self-insured member, they are required to pay the actual claims and Delta administration fee on a weekly basis. The ACSIG administration fee is billed on the last weekly invoice of the month. ACSIG pays Delta Dental the weekly claims and Delta admin fee each week.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued  
FOR THE YEAR ENDED JUNE 30, 2021 AND 2020**

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**Vision:**

Beginning October 1, 1988 ACSIG partnered with VSP to begin a vision coverage program. ACSIG is 100% self-insured through VSP for this program. Members can join as a fully-insured member or a self-insured member.

- Fully Insured – pay a monthly rate per employee determined by underwriting based on their specific plan design and program offerings.
- Self-Insured – pay the actual amount of services rendered and a VSP administration fee and an ACSIG administration fee. The total amount of claims and fees is billed monthly in arrears.

**Workers' Compensation:**

On July 1, 2009, ACSIG became a member of Protected Insurance Program for Schools Joint Powers Authority (PIPS). PIPS is a workers' compensation self-insurance pool. Premium is paid to PIPS on an annual basis for payment of claim liabilities, claims administration, and risk management services. Its members are permissibly self-insured public agencies and as such may buy insurance or reinsurance to transfer some or all of the risks of the program. On an annual basis, the PIPS Board of Directors reviews various options for retaining or transferring some or all of the risks of each year's program and selects from these the one best suited to meet the goals of the program.

Prior to July 1, 2009, ACSIG self-insured the first layer of Workers' Compensation coverage. ACSIG varied its use of excess insurance over the years ranging from no excess coverage (100% self-insured) to securing excess coverage at \$250K.

Prior to July 1, 2007, ACSIG self-administered its Workers' Compensation claims. After self-review and difficult decision making, ACSIG partnered with Keenan & Associates for all claims administration services.

ACSIG had not adequately funded for their loss development for self-insured program years prior to 07/01/2009. Historically, the premium level for agencies was adjusted by a discount factor. As no validation existed for the application of a discount to rates, this practice was discontinued in 2007/2008. Beginning in 2008/2009, experience modification factors used to determine each agency's fees were modified so that in three years, all experience modification factors will be adjusted to 1.0. Also, in 2008/2009, all agencies experience modification factors were determined by an independent actuary. The effect of the change will improve the funds financial information and funding capability toward the IBNR.

The Board, recognizing without additional funding, there would not be a substantial reduction in the deficit, implemented, effective in the 2011/2012 a deficit recoupment plan, increasing the base rate by \$0.35/per \$100 of payroll. Effective June 30, 2017, the deficit has been eliminated and the deficit recoupment plan has been completed.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued  
FOR THE YEAR ENDED JUNE 30, 2021 AND 2020**

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**Property and Liability:**

Beginning on July 1, 1980, ACSIG expanded its program offerings to include property and liability coverage. ACSIG self-insured at 100% the claim until 1993.

From 1993-2008, joined Bay Area Schools Insurance Cooperation (BASIC), ACSIG self-insured the first \$150K and purchased reinsurance for the excess coverage.

In 2008, ACSIG joined Northern California Regional Liability Excess Fund (Nor Cal ReLiEF). Coverage limits, per occurrence, are, property \$250,000,000; liability \$50,000,000. ACSIG self-insures, per occurrence, first party claims at \$25K, and third-party claim liabilities at \$25K. Each member has a retention/deductible of \$5K per occurrence.

**Financial Highlights:**

In 2020/2021, ACSIG's net position improved by \$5.9 million. In 2020/2021, the equity position has increased from \$44.7 million, as of 06/30/2020, to \$50.6 million as of 06/30/2021. All programs (below) are in an equity position.

**By Program:**

**Workers' Compensation**

In 2020/2021 the Worker's Compensation program added \$3.0 million to their equity position. As of 06/30/2021, equity in the program is \$32.4 million.

In 2020/2021, assets increased by \$1.6 million and liabilities decreased by \$1.3 million. Operating income was in excess of expense by \$3.0 million.

Based upon the annual actuarial report performed in 2020/2021, the re-estimation of the ultimate cost for the self-insured claims prior to 07/01/2009 decreased by \$621 thousand. The estimate of liability related to the Castlepoint Reinsurance Insolvency also decreased by \$161 thousand.

Claim liabilities are discounted. As claims are paid, discount is applied to the decreasing cash reserve amount, in 2020/2021 the discount factor was revised from 1.50% to .75%, increasing the cash available for claim payments. All claim liabilities are fully-funded.

**Property/Liability**

In 2020/2021, the net equity position increased by \$350 thousand, as of 06/30/2021, net assets remain is excess of liabilities by \$675 thousand. All liabilities are fully reserved in this program

**Dental**

In 2020/2021, the net equity position increased by \$2.4 million, as of 06/30/2021, net assets remain is excess of liabilities by \$14.4 million. No rebate was declared in 2020/2021. All liabilities are fully reserved in this program.

**Vision**

In 2020/2021, the net equity position increased by \$59 thousand, as of 06/30/2021, net assets remain is excess of liabilities by \$3.2 million. All liabilities are fully reserved in this program.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued  
FOR THE YEAR ENDED JUNE 30, 2021 AND 2020**

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**Financial Management and Control:**

ACSIG is responsible for establishing and maintaining an internal control structure designed to ensure that assets are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The Executive Director provides financial oversight and cash management. This includes budgeting, accounts receivable, accounts payable, and, at a minimum, quarterly financial updates.

ACSIG has contracted with Keenan & Associates for Worker's Compensation and Property Liability Claim administrative responsibilities, which include ensuring that ACSIG meets its commitment to its Members, for both operational efficiency and organizational integrity, and implements policies established by the Board of Directors and Executive Director, as set forth in organizational documents and bylaws.

ACSIG's Dental Program is with Delta Dental of California and their Vision with Vision Service Plan. Alliant Insurance Services provides underwriting and administrative support for both programs.

ACSIG also contracts with Preferred Benefit Insurance Administrators to manage all eligibility and billing services for the program.

Service Enhancement Technologies (SETECH) a Division of Keenan & Associates provides financial management and reporting to the Board. SETECH maintains the detailed transaction register for all programs and cash accounts. Detailed financial statements include budget-to-actual comparisons and are provided to the Executive Director and the ACSIG Board.

ACSIG has also contracted an independent actuarial to review their programs. These studies confirm the adequacy and reasonableness of the liabilities recorded as outstanding claim reserves for all program years. Bay Actuarial Consultants review the Worker's Compensation and Property Liability programs. Healthcare Actuaries provides a review of the Dental and Vision programs.

Christy White, Inc., A Professional Accountancy Corporation, is contracted to perform the annual independent audit examination of the financial statements in accordance with generally accepted accounting principles (GAAP).

Morgan Stanley Smith Barney LLC, is contracted for some of the investments for ACSIG. In 2010/2011, based upon Board action and review of long-term liabilities and investment goals ACSIG invested \$10 million with Morgan Stanley. In 2011/2012, an additional \$5 million was added to this portfolio, increasing the transferred funds to \$15 million. These funds are invested in compliance with Government Code and the internal investment policy of ACSIG. Invested funds are shown at Fair Market Value on the financial statements in compliance with GASB Stmt #31.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued  
FOR THE YEAR ENDED JUNE 30, 2021 AND 2020**

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**Basic Financial Statements:**

ACSIG's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) and necessarily include amounts based upon reliable estimates and judgments. The Statement of Net Position, Statement of Revenue, Expenses and Changes in Net Position, and the Statements of Cash Flows are included.

The Statement of Net Position provides information on ACSIG's program assets and liabilities, with the difference reported as Net Position. The Statement of Revenues, Expenses and Change in Net Position presents information showing total operating revenues versus operating expenses and the resulting effect on Net Position. The Statement of Cash Flows is presented to reflect the operation based on inflows and outflows of cash.

**Statement of Net Position:**

Below is a consolidated summary of the Statement of Net Position as of 06/30/2019, 06/30/2020, and 06/30/2021 showing total assets versus total liabilities, with a percentage of change between program years.

	As of		2019/2020		2020/2021		
	06/30/19	06/30/20	Variance	%	06/30/21	Variance	
<b>ASSETS</b>							
<b>Current Assets</b>							
Cash and Cash Equivalents	\$ 32,944,493	\$ 32,259,084	\$ (685,409)	(2.08) %	\$ 39,211,824	\$ 6,952,740	21.55 %
Investments, current	4,595,935	2,936,365	(1,659,570)	(36.11)	111,295	(2,825,070)	(96.21)
Accounts Receivable	6,999,054	7,862,677	863,623	12.34	8,185,017	322,340	4.10
Prepaid Expense	9,360	--	(9,360)	--	8,785	8,785	--
Total Current Assets	44,548,842	43,058,126	(1,490,716)	(3.35)	47,516,921	4,458,795	10.36
<b>Noncurrent</b>							
Investments	11,863,503	19,523,229	7,659,726	64.57	22,474,368	2,951,139	15.12
Capital assets, net	1,779	1,187	(592)	(33.28)	595	(592)	(49.87)
Total Noncurrent Assets	11,865,282	19,524,416	7,659,134	64.55	22,474,963	2,950,547	15.11
Total Assets	56,414,124	62,582,542	6,168,418	10.93	69,991,884	7,409,342	11.84
<b>DEFERRED OUTFLOW OF RESOURCES</b>							
Deferred outflow of resources - pension	350,977	146,854	(204,123)	--	375,108	228,254	155.43
<b>LIABILITIES</b>							
<b>Current Liabilities</b>							
Accounts payable	3,715,222	342,458	(3,372,764)	(90.78)	3,020,547	2,678,089	782.02
Prefunding deposits	3,661,000	4,132,048	471,048	12.87	4,276,600	144,552	3.50
Current portion of unpaid claims and claim adjustment expenses	4,507,940	4,254,959	(252,981)	(5.61)	4,081,694	(173,265)	(4.07)
Total current Liabilities	11,884,162	8,729,465	(3,154,697)	(26.55)	11,378,841	2,649,376	30.35
Noncurrent Liabilities	11,754,816	8,466,944	(3,287,872)	(27.97)	7,647,729	(819,215)	(9.68)
Total noncurrent Liabilities	11,754,816	8,466,944	(3,287,872)	(27.97)	7,647,729	(819,215)	(9.68)
Net pension liabilities	698,554	734,426	35,872	--	755,022	20,596	--
Total Liabilities	24,337,532	17,930,835	(6,406,697)	(26.32)	19,781,592	1,850,757	10.32
<b>DEFERRED INFLOW OF RESOURCES</b>							
Deferred inflow of resources - pension	41,054	87,683	46,629	--	6,684	(80,999)	(92.38)
<b>NET POSITION</b>	<u>\$ 32,386,515</u>	<u>\$ 44,710,878</u>	<u>\$ 12,324,363</u>	<u>38.05 %</u>	<u>\$ 50,578,716</u>	<u>\$ 5,867,838</u>	<u>13.12 %</u>

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued  
FOR THE YEAR ENDED JUNE 30, 2021 AND 2020**

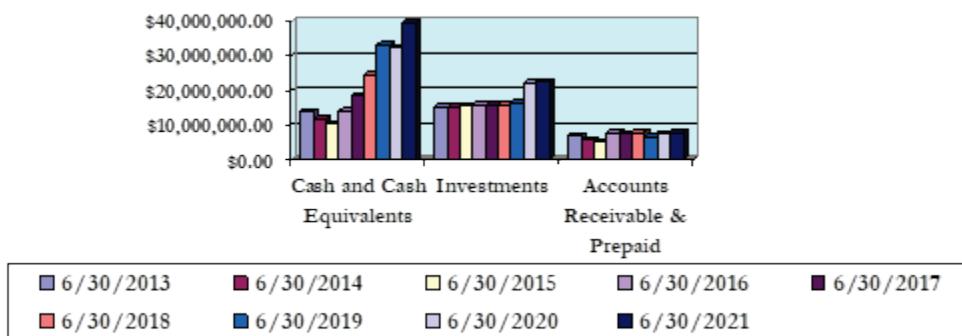
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**Basic Financial Statements (continued):**

**Assets:**

In 2020/2021, the assets of ACSIG increased by \$7.4 million or 11.84%, as seen above, primarily attributed to an increase of cash. The major factors in this year's increase of cash can be seen on the cash flow statement.

Cash variances are mainly attributed to receipt of member contributions, and deficit assessments, which are less or greater than, claim payments, insurance premiums, and other operating expense. Investment income also increases cash and investments.

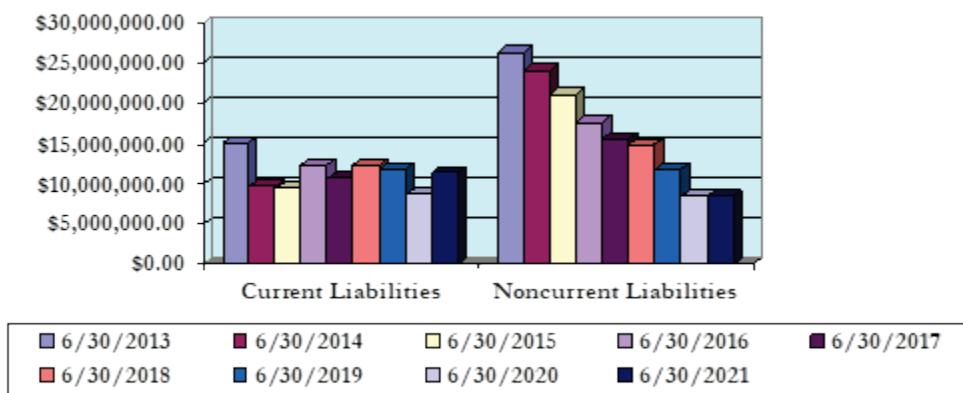


**Liabilities:**

In 2020/2021, the liabilities of ACSIG increased by \$1.8 million or 10.32%.

This variance is mainly attributed to fluctuations in claim liabilities. Annually, program claims experience is evaluated by an independent actuary, claim liabilities are updated based upon these evaluations. Because the Workers' Compensation program represents over 90% of the consolidated program liabilities. The annual actuarial review and re-estimate of the Workers' Compensation ultimate claim cost, for the self-insured retained program years prior to July 1, 2009, is an integral factor in keeping the financials relevant.

The annual variance in liabilities can be seen below.



**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued  
FOR THE YEAR ENDED JUNE 30, 2021 AND 2020**

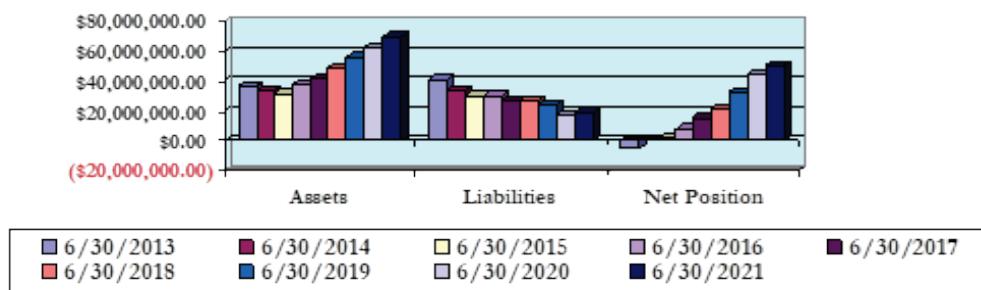
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**Net Position:**

As of 06/30/2021, ACSIG's ending net position is \$50.6 million. An increase in net position of \$5.9 million, from 07/01/2020 – 06/30/2021 is due to the following factors.

- 1) Increase in net assets from net operating income, greater than operating expenditures of \$5.7 million.
- 2) Increase in net assets from non-operating investment income of \$200 thousand.

Statement of Net Position year variances can be seen below.



**Statements of Revenues, Expenses and Change in Net Position:**

In 2020/2021, revenues exceeded expenses by \$5.9 million, resulting in an increase to the net position. Details of these changes are shown below, in the Condensed Statements of Revenues, Expenses, and Changes in Net Position.

	Fiscal Year Ended		Increase/ (Decrease) 2019/2020 Variance	Percentage	Fiscal Year Ended		Increase/ (Decrease) 2020/2021 Variance	Percentage
	06/30/19	06/30/20			06/30/21			
<b>Operating Revenue:</b>								
Member Contributions	\$ 157,713,750	\$ 143,824,407	\$ (13,889,343)	(8.81) %	\$ 161,037,626	\$ 17,213,219	11.97 %	
Other		7,093	7,093				(7,093)	
<b>Total Operating Revenue</b>	<b>157,713,750</b>	<b>143,831,500</b>	<b>(13,882,250)</b>	<b>(8.80)</b>	<b>161,037,626</b>	<b>17,206,126</b>	<b>11.96</b>	
<b>Operating Expenses:</b>								
Claims and Claims Adj Expense	125,143,742	107,735,135	(17,408,607)	(13.91)	128,754,289	21,019,154	19.51	
Insurance Expense	20,809,745	22,676,061	1,866,316	8.97	24,598,557	1,922,496	8.48	
Services and other operating	1,596,929	1,710,045	113,116	7.08	1,767,054	57,009	3.33	
Salaries and benefits	564,670	778,716	214,046	37.91	227,994	(550,722)	(70.72)	
Supplies	7,289	4,774	(2,515)	(34.50)	8,008	3,234	67.74	
Depreciation	592	592	--	--	592	--	--	
<b>Total Operating Expenses</b>	<b>148,122,967</b>	<b>132,905,323</b>	<b>(15,217,644)</b>	<b>(10.27)</b>	<b>155,356,494</b>	<b>22,451,171</b>	<b>16.89</b>	
Net Operating Income/(loss)	9,590,783	10,926,177	1,335,394	13.92	5,681,132	(5,245,045)	(48.00)	
Non Operating Income/(Expense)	1,024,118	1,398,186	374,068	36.53	186,706	(1,211,480)	(86.65)	
Change in Net Position	10,614,901	12,324,363	1,709,462	16.10	5,867,838	(6,456,525)	(52.39)	
Cumulative effect of GASB 68	--	--	--	--	--	--	--	
Beginning Net Position	21,771,614	32,386,515	10,614,901	48.76	44,710,878	12,324,363	38.05	
<b>Ending Net Position</b>	<b>\$ 32,386,515</b>	<b>\$ 44,710,878</b>	<b>\$ 12,324,363</b>	<b>38.05 %</b>	<b>\$ 50,578,716</b>	<b>\$ 5,867,838</b>	<b>13.12 %</b>	

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued  
FOR THE YEAR ENDED JUNE 30, 2021 AND 2020**

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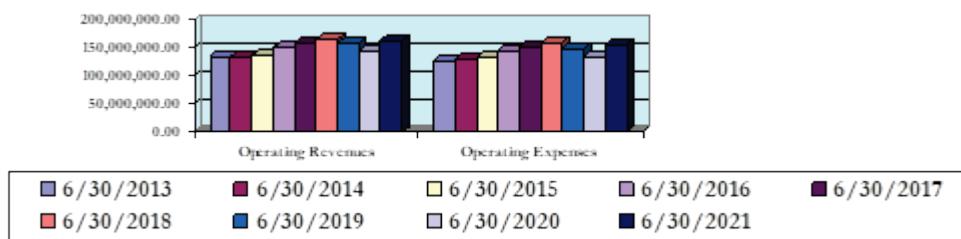
**Statements of Revenues, Expenses and Change in Net Position (continued):**

Operating revenue consists of contributions received from the members to offset budgeted operating expenses.

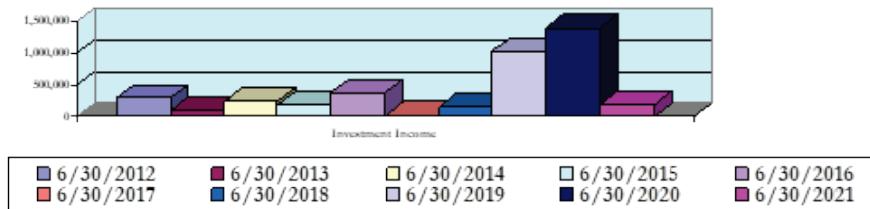
In 2020/2021 operating revenue increased by \$17.2 million, or 11.96%. Operating expenses increased by \$22.4 million, or 16.89%.

Operating revenue and expense increased primarily due to new membership in the Dental and Vision programs or changes in funding rates for all programs.

Below is a graph showing historical variances in the operating income and expense.



Below is a graph showing historical variances in the Investment Income.



**Description of Facts or Conditions that are expected to have a Significant Effect on Financial Position or Results of Operations:**

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
STATEMENT OF NET POSITION  
JUNE 30, 2021 AND 2020**

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	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 39,211,824	\$ 32,259,084
Investments, current	111,295	2,936,365
Accounts receivable	8,185,017	7,862,677
Prepaid expenses	8,785	-
<b>Total Current Assets</b>	47,516,921	43,058,126
Noncurrent Assets		
Investments	22,474,368	19,523,229
Capital assets, net of depreciation	595	1,187
<b>Total Noncurrent Assets</b>	22,474,963	19,524,416
<b>Total Assets</b>	69,991,884	62,582,542
<b>DEFERRED OUTFLOW OF RESOURCES</b>		
Deferred outflow of resources - pension	375,108	146,854
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable and accrued expenses	3,020,547	342,458
Prefunding deposits	4,276,600	4,132,048
Current portion of unpaid claims and claim adjustment expenses	4,081,694	4,254,959
<b>Total Current Liabilities</b>	11,378,841	8,729,465
Noncurrent Liabilities		
Unpaid claims and claim adjustment expenses less current portion	7,647,729	8,466,944
Net pension liability	755,022	734,426
<b>Total Liabilities</b>	19,781,592	17,930,835
<b>DEFERRED INFLOW OF RESOURCES</b>		
Deferred inflow of resources - pension	6,684	87,683
<b>NET POSITION</b>		
Unrestricted	50,578,121	44,709,691
Net investment in capital assets	595	1,187
<b>Total Net Position</b>	50,578,716	44,710,878
<b>Total Liabilities and Net Position</b>	\$ 70,366,992	\$ 62,729,396

See accompanying notes to the financial statements.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2021 AND 2020**

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	<b>2021</b>	<b>2020</b>
<b>OPERATING REVENUE</b>		
Member contributions	\$ 161,037,626	\$ 143,824,407
Other income	- 7,093	7,093
<b>Total Operating Revenues</b>	<b>161,037,626</b>	<b>143,831,500</b>
<b>OPERATING EXPENSES</b>		
Claims and claims adjustment expense	128,754,289	107,735,135
Insurance expense	24,598,557	22,676,061
Services and other operating	1,767,054	1,710,045
Salaries and benefits	227,994	778,716
Supplies	8,008	4,774
Depreciation	592	592
<b>Total Operating Expense</b>	<b>155,356,494</b>	<b>132,905,323</b>
<b>Net Operating Income/(Loss)</b>	<b>5,681,132</b>	<b>10,926,177</b>
<b>NON-OPERATING REVENUE:</b>		
Investment income	186,706	1,398,186
<b>CHANGE IN NET POSITION</b>		
<b>Net Position - Beginning</b>	<b>5,867,838</b>	<b>12,324,363</b>
<b>Net Position - Ending</b>	<b>44,710,878</b>	<b>32,386,515</b>
	<b>\$ 50,578,716</b>	<b>\$ 44,710,878</b>

See accompanying notes to the financial statements.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2021 AND 2020**

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	<b>2021</b>	<b>2020</b>
<b>Cash flows from operating activities</b>		
Cash received from members and others	\$ 160,859,838	\$ 143,438,925
Cash payments for claims	(129,746,769)	(111,275,988)
Cash payments for insurance	(24,607,342)	(22,666,701)
Cash payments to suppliers for goods and services	903,027	(5,087,583)
Cash payments for employee salaries and benefits	(516,651)	(492,092)
<b>Net cash provided by (used in) operating activities</b>	<b>6,892,103</b>	<b>3,916,561</b>
<b>Cash flows from investing activities</b>		
Purchase of investments	(437,645)	(5,336,124)
Interest income received	498,282	734,154
<b>Net cash provided by (used in) investing activities</b>	<b>60,637</b>	<b>(4,601,970)</b>
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	6,952,740	(685,409)
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	32,259,084	32,944,493
End of year	<b>\$ 39,211,824</b>	<b>\$ 32,259,084</b>
<b>Reconciliation of operating income to net cash provided by (used in) operating activities</b>		
Operating income (loss)	\$ 5,681,132	\$ 10,926,177
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities		
Depreciation	592	592
(Increase) decrease in:		
Accounts receivable	(322,340)	(863,623)
Prepaid expenses	(8,785)	9,360
Deferred outflows	(228,254)	204,123
Increase (decrease) in:		
Accounts payable	2,678,089	(3,372,764)
Prefunding deposits	144,552	471,048
Unpaid claims and claim adjustment expenses	(992,480)	(3,540,853)
Deferred inflows	(80,999)	46,629
Net pension liability	20,596	35,872
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 6,892,103</b>	<b>\$ 3,916,561</b>

See accompanying notes to the financial statements.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. General**

Alameda County Schools Insurance Group (the “Group”) was established by a Joint Powers Agreement on July 1, 1978, in accordance with Title I, Division 7, Chapter 5, Article I Sections 6500, et. seq., of the California Government Code. The purpose is for the operation of a common risk management and insurance program for members related to workers’ compensation, property/liability, vision and dental benefits for member governmental agencies. The Group also purchases excess insurance and provides risk management services. The Group was formed by a joint powers agreement among member Alameda County School Groups. Participating members now include various school Groups and other government entities.

The Group is a California public entity as provided in Internal Revenue Code Section 115, it is tax exempt. The California Office of the Controller, Division of Local Government Fiscal Affairs, for the purpose of filing an Annual Report of Financial Transactions of Special Groups considers the Group to be a “Special Group.”

**B. Admission and Withdrawal of Members**

Entities applying for membership must be approved by a two-thirds vote of the full Board, upon the recommendation of the Executive Committee. Entities shall pay a quotation fee and the current premium contribution as determined by the Joint Powers Board, upon the recommendation of the Executive Committee.

Entities may withdraw from any program after having completed three consecutive years as members upon written notification to the Executive Committee by the dates specified in the bylaws. The effect of withdrawal (or termination) from the pooling programs does not terminate the responsibility of the entity to continue paying its share of assessments or other financial obligations incurred by reason of its previous participation.

**C. Reporting Entity**

The reporting entity includes all activities considered to be part of the Group. This includes financial activity relating to all of the membership years of the Group. In determining the reporting entity, the Group considered all governmental units that were members of the Group since inception. The criterion does not require the inclusion of these entities in the Group’s financial statements principally because of the Group does not exercise oversight responsibility over any members.

**D. Basis of Accounting**

The accompanying financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. Under the accrual basis, revenues and the related assets are recognized when earned, and expenses and related liability are recognized when the obligation is incurred. Liabilities for reserves for open claims and claims incurred but not reported have been recorded in the Group’s financial statements.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2021 AND 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. Fund Accounting**

The accounts of the Group are organized on the basis of funds, each of which is considered to be a separate accounting entity. These Proprietary funds have been combined for the presentation of the basic financial statements. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, net position, revenues and expenses. The general and administrative accounts of the Group are allocated to each program on a pro-rata basis. The five types of funds include:

1. Administrative Fund: The Administrative Fund accounts for revenues and expenses for general administrative purposes.
2. Workers' Compensation Fund: The Workers' Compensation Fund was established to account for the payment of workers' compensation claims and administrative costs. Funding is based on contributions established by the Executive Committee on behalf of the Joint Powers Board.
3. Property/Liability Fund: The self-insured Property/Liability Fund was established to account for the payment of property and liability claims and administrative costs. Funding is based on contributions established by the Executive Committee on behalf of the Joint Powers Board.
4. Vision Fund: The Vision Fund was established to administer the vision program for member agencies. Funding is accomplished through contributions established by the consultant based upon claims experience as approved by the Executive Committee.
5. Dental Fund: The Dental Fund was established to administer the dental program for member agencies. Funding is accomplished through contributions established by the consultant based upon claims experience as approved by the Executive Committee. Some members' claims are covered by the Group, while others are self-funded within the dental program.

**F. Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Group considers all highly liquid assets with a maturity of three months or less when purchased to be cash and cash equivalents.

**G. Receivables**

Receivables consist of fees charged for claims to the various participants. The Group believes its receivables to be fully collectable and, accordingly, no allowance for doubtful accounts is required.

**H. Investments and Investment Pools**

The Group records its cash in Local Agency Investment Fund (LAIF) and its other investments at fair value. Changes in Fair value are reported as non-operating revenue in the statement of revenues, expenses and changes in net position. The effect of recording investments and LAIF at fair value for the years ended June 30, 2021 and 2020 is reflected as investment income on the statement of revenues, expenses and change in net position.

Fair value of investments and LAIF has been determined by the sponsoring government based on quoted market prices. The Group's investment in LAIF has been valued based on the relative fair value of the entire external pool to the external pool's respective amortized cost.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2021 AND 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**I. Capital Assets**

Capital assets purchased or acquired, with an original cost of \$5,000 or more, are recorded at historical cost. Depreciation is computed on the straight-line method with useful lives of three to five years. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in income for the period. The cost of maintenance and repairs is charged to expense as incurred.

**J. Accrued Vacation**

The Group's vacation policy provides for the accumulation of earned vacation leave with such leave being fully vested upon completion of six consecutive months of employment. A liability for accrued vacation has been computed and recorded based on unused vacation hours at the current rate of pay.

The Group's sick leave policy provides for an unlimited accumulation of earned sick leave. Since the Group has no obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

**K. Prefunding Deposits**

The prefund deposit account was established for the dental members who are self-funded within the Group's dental program. Because these agencies do not pay for claims until they occur, their accounts are always in arrears. To accommodate for the cash flow problem created by arrear payments, all self-insured dental members within the dental program are required to deposit a dollar amount equal to one and half months of initial premiums with the Group. Should this agency wish to withdraw from the Group's dental program, this deposit can be used to fund final claims or be refunded to the member Group.

**L. Provision for Unpaid Claims and Claim Adjustments Expenses**

The Group's policy is to establish a provision for unpaid claims and claim adjustment expenses (claim reserves and IBNR) based on estimates of the ultimate cost of claims that have been reported but not settled, and of claims that have been incurred but not reported. The length of time for which such costs must be estimated varies depending on the coverage involved. Estimated amounts of salvage, subrogation and reinsurance recoverable on unpaid claims are deducted from the liability for unpaid claims. The Group increases the liability for allocated and unallocated claims adjustments expenses. Because actual claims costs depend on such complex factors as inflation, changes in doctrine of legal liability and damage awards, the process used in computing claims liabilities does not necessarily result in an exact amount, particularly for coverage such as general liability. Unpaid claims and claim adjustment expenses are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency and other economic and social factors. A provision for inflation in the calculation of estimated future claims costs is implicit in the calculation because reliance is placed both on actual historical data that reflect past inflation and on other factors that are considered to be appropriate modifiers of past experience. Adjustments to claims liabilities are charged or credited to expense in the period in which they are made. The current portion of unpaid claims is based on current year payments and known claim information at the end of the period.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2021 AND 2020**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**M. Deferred Outflows/Inflows of Resources**

In addition to assets, the Group will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the Group will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

**N. Excess Insurance**

The Group enters into reinsurance agreements whereby it cedes various amounts of risk to other insurance companies. The Group and its member entities retain the first \$25,000 of liability and property risk per incident. Effective July 1, 2009, the Group joined Protected Insurance Program for Schools and Colleges (PIPS) for Workers Compensation. Prior to July 1, 2009, the Group's self-insured retention for property, liability and workers compensation was \$100,000, \$150,000 and \$250,000, respectively. The Group does not report excess insured risk as a liability unless it is probable that a risk will not be covered by excess insurers. Settlements have not exceeded insurance coverage in each of the past three years.

**O. Revenue Recognition**

Contributions are recognized as revenue when earned based upon the coverage period of the related insurance. To the extent that allocated losses exceed contributions previously paid, interest and other income, the Group can assess its members' additional contributions. Supplemental assessments are recognized as income in the period assessed. Operating revenues and expenses include all activities necessary to achieve the objectives of the Group. Non-operating revenues and expenses include investment income.

**P. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results may differ from these estimates.

**Q. Income Taxes**

The Group is exempt from Federal income taxes under Internal Revenue Code Section 115, which excludes income derived from the exercise of any essential governmental function and accruing to a state political subdivision. As a public agency, the Group is also exempt from California state taxes. Accordingly, no provision for Federal or state income taxes has been made in the accompanying financial statements.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2021 AND 2020**

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**NOTE 2 – CASH AND CASH EQUIVALENTS**

Cash and cash equivalents as of June 30, 2021 and 2020 are reported at fair value and consisted of the following:

	<b>2021</b>	<b>2020</b>
<b>Cash and cash equivalents</b>		
Cash in bank	\$ 7,807,515	\$ 8,729,616
Cash in county treasury	27,996,768	20,004,840
Local agency investment fund	3,393,712	3,365,205
Money market accounts	13,829	159,423
<b>Total cash and cash equivalents</b>	<b>\$ 39,211,824</b>	<b>\$ 32,259,084</b>

**A. Custodial Credit Risk**

This is the risk that in the event of a bank failure, the Group deposits may not be returned the Group does not have a policy for custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agency. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2021 and 2020, the Group bank balances were not exposed to custodial credit risk.

**B. Cash in County Treasury**

The Group maintains substantially all of its cash in the Alameda County Treasury. The County pools these funds with those of other public agencies in the County and invests the cash. These pooled funds are carried at cost which approximates fair value.

Because the Group's deposits are maintained in a recognized pooled investment fund under the care of a third party and the Group's share of the pool does not consist of specific, identifiable investment securities owned by the Group, no disclosure of the individual deposits and investments or related custodial credit risk classifications is required.

In accordance with authorized investment laws, the Alameda County Treasurer may invest in derivative securities to enhance the yield on the portfolio. However, at June 30, 2021, the Alameda County Treasurer has represented that the Treasurer's pooled investment fund contained no derivatives or other investments with similar risk profiles.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2021 AND 2020**

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**NOTE 2 – CASH AND CASH EQUIVALENTS (continued)**

**C. Local Agency Investment Fund**

Alameda County Schools Insurance Group places certain funds with the State of California's Local Agency Fund (LAIF). The Group is a voluntary participant in LAIF, which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California and the Pooled Money Investment Board. The State Treasurer's Office pools these funds with those of other governmental agencies in the State and invests the cash. The fair value of the Group's investment in this pool is reported in the accompanying financial statements based upon the Group's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The monies held in the pooled investment funds are not subject to categorization by risk category. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Funds are accessible and transferable to the master account within twenty-four hour notice. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, and floating rate securities issued by Federal agencies, government-sponsored enterprises and corporations. As of June 30, 2021, this fund was yielding approximately 2.57% interest annually.

LAIF is administered by the State Treasurer and is audited annually by the Pooled Money Investment Board and the State Controller's Office. Copies of this audit may be obtained from the State Treasurer's Office: 915 Capitol Mall; Sacramento, California 95814. The Pooled Money Investment Board has established policies, goals, and objectives to make certain that their goal of safety, liquidity and yield are not jeopardized.

**NOTE 3 – INVESTMENTS**

At June 30, 2021 and 2020, investments are reported at fair value and consisted of the following:

	<b>2021</b>	<b>2020</b>
<b>Investments</b>		
Corporate bonds	\$ 6,633,279	\$ 6,533,044
Federal agency bonds and notes	4,992,792	4,852,865
U.S. treasury notes	10,959,592	11,073,685
<b>Total investments</b>	<b>\$ 22,585,663</b>	<b>\$ 22,459,594</b>
Investments maturing within one year	111,295	2,936,365
Long-term investments	<b>\$ 22,474,368</b>	<b>\$ 19,523,229</b>

Maturities of investments held at June 30, 2021 consist of the following:

<b>Investment maturities:</b>	Rating	Fair Value	<b>Maturity</b>		
			Less Than One Year	through Five Years	One Year
Corporate bonds	A-	\$ 6,633,279	-	\$ 6,633,279	
Federal agency bonds and notes:					
FHLMC	AA+	678,241	111,295	566,946	
FNMA	AA+	4,314,551	-	4,314,551	
U.S. treasury notes	TSY	10,959,592	-	10,959,592	
		<b>\$ 22,585,663</b>	<b>\$ 111,295</b>	<b>\$ 22,474,368</b>	

The Group's investment policy limits investment choices to such securities allowed by Section 53601 of the California Government Code.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2021 AND 2020**

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**NOTE 3 – INVESTMENTS (continued)**

**A. Investment Credit Risk**

The Group's investment policy limits investment maturities to 5 years as a means of managing its exposure to fair value losses arising from increasing interest rates.

As of June 30, 2021, 100% of the portfolio was invested in A-rated obligations, or better. All credit ratings presented in this paragraph are Standard & Poor's ratings.

**B. Concentration of Investment Credit Risk**

At June 30, 2021, the Group has the following investments that represent more than five percent of the Group's net investments:

Corporate Bonds 29%  
U.S. Treasury Notes 49%  
FNMA 19%  
FHLMC 3%

**C. Fair Value**

The Group categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, either directly or indirectly.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the Group's own data. The Group should adjust that data if reasonable available information indicates that other market participants would use different data or certain circumstances specific to the Group are not available to other market participants.

Uncategorized - Investments in the Alameda County Treasury Investment Pool, Local Agency Investment Fund and the Money Market Accounts are not measured using the input levels above because the Group's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

The Group's fair value measurements at June 30, 2021 were as follows:

	Quoted Prices			<b>Total</b>
	<b>Level 1</b>	<b>Uncategorized</b>	<b>Total</b>	
Cash in county treasury	\$ -	\$ 27,996,768	\$ 27,996,768	
Local agency investment fund	-	3,393,712	3,393,712	
Money market accounts	-	13,829	13,829	
Corporate bonds	6,633,279	-	6,633,279	
Federal agency bonds and notes	4,992,792	-	4,992,792	
U.S. treasury notes	10,959,592	-	10,959,592	
<b>Total fair market value of investments</b>	<b>\$ 22,585,663</b>	<b>\$ 31,404,309</b>	<b>\$ 53,989,972</b>	

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2021 AND 2020**

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**NOTE 4 – ACCOUNTS RECEIVABLE**

The balance of \$8,185,017 as of June 30, 2021 and \$7,862,677 as of June 30, 2020 consisted of premiums due from members.

**NOTE 5 – CAPITAL ASSETS**

The following is a summary as of June 30, 2021 and 2020 of furniture and equipment, net of accumulated depreciation:

	<b>2021</b>	<b>2020</b>
<b>Capital Assets</b>		
Furniture and equipment	\$ 5,923	\$ 5,923
Less accumulated depreciation	5,328	4,736
<b>Total capital assets, net</b>	<b>\$ 595</b>	<b>\$ 1,187</b>

Activity for furniture and equipment for the years ended June 30, 2021 and 2020 included the following:

<b>Furniture and Equipment Activity</b>	<b>2021</b>	<b>2020</b>
Furniture and equipment, net, beginning of year	\$ 1,187	\$ 2,371
Current year depreciation	592	1,184
<b>Furniture and equipment, net, end of year</b>	<b>\$ 595</b>	<b>\$ 1,187</b>

**NOTE 6 – ACCOUNTS PAYABLE**

The balance of \$3,020,547 as of June 30, 2021 and \$342,458 as of June 30, 2020 consisted of vision and dental claims due.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2021 AND 2020**

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**NOTE 7 – UNPAID CLAIMS AND CLAIM ADJUSTMENT EXPENSES**

As discussed in Note 1, the Group establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustments expenses, both allocated and unallocated. The following represents changes in those aggregate liabilities during the years ended June 30, 2021 and 2020:

	<b>2021</b>	<b>2020</b>
<b>Unpaid claims and claim adjustment expenses, beginning of fiscal year</b>	\$ 12,721,903	\$ 16,262,756
<b>Incurred claims and claim adjustment expenses:</b>		
Provision for covered events of the current year	121,468,958	104,006,430
Change in provision for covered events of prior years	(395,341)	(2,797,678)
<b>Total incurred claims and claim adjustment expenses</b>	<b>\$ 121,073,617</b>	<b>\$ 101,208,752</b>
<b>Payments:</b>		
Claims and claim adjustment expenses attributable to covered events of the current year	118,878,116	101,745,792
Claims and claim adjustment expenses attributable to covered events of prior years	3,187,981	3,003,813
<b>Total payments:</b>	<b>122,066,097</b>	<b>104,749,605</b>
<b>Total unpaid claims and claim adjustment expenses, end of year</b>	<b>\$ 11,729,423</b>	<b>\$ 12,721,903</b>

The components of the unpaid claims and claim adjustment expenses as of June 30, 2021 and 2020 were as follows:

	<b>2021</b>	<b>2020</b>
<b>Unpaid claims and claim adjustment expenses, end of year</b>		
Claim reserves	\$ 3,824,508	\$ 4,666,067
Claims incurred but not reported (IBNR)	7,176,738	7,148,091
Unallocated loss adjustment expenses (ULAE)	728,177	907,745
<b>Total unpaid claims and claim adjustment expenses, end of year</b>	<b>\$ 11,729,423</b>	<b>\$ 12,721,903</b>

The current and long-term portions were \$4,809,872 and \$6,919,551, respectively, as of June 30, 2021 and were \$4,254,949 and \$8,466,944, respectively, as of June 30, 2020. These liabilities were reported at their present value using an expected future investment yield assumption of 1.5% Workers' Compensation and .05% Property Liability in the prior year. The undiscounted liabilities were \$12,721,903 and \$16,262,756 at June 30, 2021 and 2020, respectively.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2021 AND 2020**

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**NOTE 8 – PENSION PLANS**

Qualified employees are covered under multiple-employer contributory retirement plans maintained by agencies of the State of California. Classified employees are members of the California Public Employees' Retirement System (CalPERS). The Group reported its proportionate share of the net pension liabilities, pension expense, deferred outflow of resources, and deferred inflow of resources for each of the above plans as follows:

	<b>Net pension liability</b>	<b>Deferred outflows</b>		<b>Deferred inflows</b>		<b>Pension expense</b>
		<b>related to pensions</b>	<b>related to pensions</b>	<b>related to pensions</b>	<b>Pension expense</b>	
PERS Pension	\$ 755,022	\$ 375,108	\$ 6,684	\$ (116,559)		
<b>Total</b>	<b>\$ 755,022</b>	<b>\$ 375,108</b>	<b>\$ 6,684</b>	<b>\$ (116,559)</b>		

**California Public Employees' Retirement System (CalPERS)**

**Plan Description**

The Group contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS); a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Laws. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95811.

**Benefits Provided**

The benefits for the defined benefit plan are based on members' years of service, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. Members become fully vested in their retirement benefits earned to date after five years of credited service.

**Contributions**

Active plan members who entered into the plan prior to January 1, 2013, are required to contribute 7.0% of their salary. The California Public Employees' Pension Reform Act (PEPRA) specifies that new members entering into the plan on or after January 1, 2013, shall pay the higher of fifty percent of normal costs or 7.0% of their salary. Additionally, for new members entering the plan on or after January 1, 2013, the employer is prohibited from paying any of the employee contribution to CalPERS unless the employer payment of the member's contribution is specified in an employment agreement or collective bargaining agreement that expires after January 1, 2013.

The Group is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2021 was 22.68% of annual payroll reduced to 20.70% pursuant to California Senate Bill 90 (SB 90). Contributions to the plan from the Group were \$172,098 for the year ended June 30, 2021.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2021 AND 2020**

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**NOTE 8 – PENSION PLANS (continued)**

**California Public Employees' Retirement System (CalPERS) (continued)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2021, the Group reported a liability of \$755,022 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2019 and rolling forward the total pension liability to June 30, 2020. The Group's proportion of the net pension liability was based on a projection of the Group's long-term share of contributions to the pension plan relative to the projected contributions of all participating agencies in the Miscellaneous Risk Pool, actuarially determined. At June 30, 2020, the Group's proportion was 0.018 percent, which did not change percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the Group recognized pension expense of \$116,559. At June 30, 2021, the Group reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between projected and actual earnings on plan investments	\$ 22,429	\$ -
Differences between expected and actual experience	38,909	-
Changes in assumptions	-	5,385
Changes in proportion and differences between Group contributions and proportionate share of contributions	141,672	1,299
Group contributions subsequent to the measurement date	<u>172,098</u>	-
	<u>\$ 375,108</u>	<u>\$ 6,684</u>

The \$172,098 reported as deferred outflows of resources related to pensions resulting from Group contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ended June 30,</b>	<b>Deferred Outflows of Resources</b>		<b>Deferred Inflows of Resources</b>	
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
	\$ 121,417	69,836	10,138	1,619
	<u>\$ 203,010</u>	781	903	-
	<u>\$ 203,010</u>	<u>\$ 6,684</u>		

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2021 AND 2020**

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**NOTE 8 – PENSION PLANS (continued)**

**California Public Employees' Retirement System (CalPERS) (continued)**

**Actuarial assumptions**

The total pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2019, and rolling forward the total pension liability to June 30, 2020 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Discount Rate	7.15%
Salary Increases	Varies by Entry Age and Service

CalPERS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are derived using CalPERS' membership data for all funds. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 90% of scale MP 2016.

The actuarial assumptions used in the June 30, 2019, valuation were based on the results of an actuarial experience study for the period from 1997 to 2015.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, both short-term and long-term market return expectations as well as the expected pension fund cash flows were taken into account. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP**  
**NOTES TO FINANCIAL STATEMENTS, continued**  
**JUNE 30, 2021 AND 2020**

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**NOTE 8 – PENSION PLANS (continued)**

**California Public Employees' Retirement System (CalPERS) (continued)**

**Actuarial Assumptions (continued)**

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	Assumed Asset Allocation	Real Return Years 1 – 10*	Real Return Years 11+**
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.0%	-0.92%
	100.0%		

\*An expected inflation of 2.00% used for this period.

\*\*An expected inflation of 2.92% used for this period.

**Discount Rate**

The discount rate used to measure the total pension liability was 7.15 percent. A projection of the expected benefit payments and contributions was performed to determine if assets would run out. The test revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Schools Pool. The results of the crossover testing for the Schools Pool are presented in a detailed report that can be obtained at CalPERS' website.

**Sensitivity of the Group's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the Group's proportionate share of the net pension liability calculated using the discount rate of 7.15 percent, as well as what the Group's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.15 percent) or 1-percentage-point higher (8.15 percent) than the current rate:

	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
Group's proportionate share of the net pension liability	\$ 1,176,969	\$ 755,022	\$ 405,558

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial report.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2021 AND 2020**

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**NOTE 9 – OPERATING LEASES**

The Group has entered into an operating lease for office space and pays rent monthly. Total rent paid for the years ended June 30, 2021 and 2020 was \$100,155 and \$93,040 respectively. The future minimum rental commitments on the non-cancelable operating lease ending in October 2022 as follows:

<b>Year Ended</b>	<b>Minimum Rental</b>
<b>June 30,</b>	<b>Commitment</b>
2022	\$ 101,420
2023	34,140
<b>Total</b>	<b>\$ 135,560</b>

**NOTE 10 – JOINT POWERS AGREEMENTS**

Alameda County Schools Insurance Group participates in two joint ventures under a joint powers agreement with Northern California Regional Liability Excess Fund (NCRLF) and Protected Insurance Program for Schools and Community Colleges (PIPS). The relationship between the Group and the JPAs is such that the JPAs are not component units of the Group for financial reporting purposes.

NCRLF arranges for and provides excess property and liability coverage in excess of \$25,000. PIPS arranges for and provides workers' compensation coverage from \$0 to \$200,000,000. The JPAs are each governed by a board consisting of a representative from each of their respective member Groups. Those boards control the operations of the JPAs, including selection of management and approval of operating budgets, independent of any influence by the member Groups beyond their representation on the board. Each member pays a contribution commensurate with the level of coverage requested.

Condensed financial information for NCRLF and PIPS for the fiscal year ended June 30, 2019 (most recent information available) are as follows:

	<b>NCRLF</b>	<b>PIPS</b>
Total Assets	\$ 82,004,796	\$ 191,377,661
Total Liabilities	(51,323,041)	(141,739,813)
Total Net Position	\$ 30,681,755	\$ 49,637,848
Revenues	\$ 78,041,010	\$ 342,327,978
Expenses	(63,589,183)	(334,762,495)
Change in Net Position	\$ 14,451,827	\$ 7,565,483

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
NOTES TO FINANCIAL STATEMENTS, continued  
JUNE 30, 2021 AND 2020**

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**NOTE 11 – NET POSITION**

Net Position is composed of the following elements as of June 30, 2021 and 2020:

	<b>2021</b>	<b>2020</b>
<b>NET POSITION</b>		
Unrestricted	\$ 50,578,121	\$ 44,709,691
Net investment in capital assets	595	1,187
<b>Total Net Position</b>	<b>\$ 50,578,716</b>	<b>\$ 44,710,878</b>

**NOTE 12 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

**Pension Plans**

Pursuant to GASB Statement No. 68, Accounting and Financial Reporting for Pensions, the Group recognized deferred outflows of resources related to pensions and deferred inflows of resources related to pensions in the financial statements. Further information regarding the deferred outflows of resources and deferred inflows of resources can be found at Note 8. On June 30, 2021, total deferred outflows related to pensions was \$375,108 and total deferred inflows related to pensions was \$6,684.

**NOTE 13 – CONTINGENCIES**

The Group is subject to legal proceedings and claims which arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to these actions will not materially affect the financial position or results of operations of the Group.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

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**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
RECONCILIATION OF CLAIMS LIABILITIES BY TYPE OF CONTRACT  
WORKERS' COMPENSATION PROGRAM  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

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	<b>2021</b>	<b>2020</b>
<b>Unpaid claims and claim adjustment expenses, beginning of fiscal year</b>	\$ 10,351,107	\$ 13,823,327
 <b>Incurred claims and claim adjustment expenses:</b>		
Change in provision for covered events of prior years	(368,826)	(2,746,965)
<b>Total incurred claims and claim adjustment expenses</b>	<b>(368,826)</b>	<b>(2,746,965)</b>
 <b>Payments:</b>		
Claims and claim adjustment expenses attributable to covered events of prior years	936,718	725,255
<b>Total payments:</b>	<b>936,718</b>	<b>725,255</b>
<b>Total unpaid claims and claim adjustment expenses, end of year</b>	<b>\$ 9,045,563</b>	<b>\$ 10,351,107</b>
 <b>Unpaid claims and claim adjustment expenses, end of year</b>		
Claim reserves	\$ 3,787,527	\$ 4,591,903
Claims incurred but not reported (IBNR)	4,576,084	4,897,684
Unallocated loss adjustment expenses (ULAE)	681,952	861,520
<b>Total unpaid claims and claim adjustment expenses, end of year</b>	<b>\$ 9,045,563</b>	<b>\$ 10,351,107</b>

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
RECONCILIATION OF CLAIMS LIABILITIES BY TYPE OF CONTRACT  
PROPERTY/LIABILITY PROGRAM  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

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	<b>2021</b>	<b>2020</b>
<b>Unpaid claims and claim adjustment expenses, beginning of fiscal year</b>	\$ 129,796	\$ 198,429
<b>Incurred claims and claim adjustment expenses:</b>		
Provision for covered events of the current year	53,842	64,491
Change in provision for covered events of prior years	(26,515)	(50,713)
<b>Total incurred claims and claim adjustment expenses</b>	<b>27,327</b>	<b>13,778</b>
<b>Payments:</b>		
Claims and claim adjustment expenses attributable to covered events of the current year	-	44,853
Claims and claim adjustment expenses attributable to covered events of prior years	10,263	37,558
<b>Total payments:</b>	<b>10,263</b>	<b>82,411</b>
<b>Total unpaid claims and claim adjustment expenses, end of year</b>	<b>\$ 146,860</b>	<b>\$ 129,796</b>
<b>Unpaid claims and claim adjustment expenses, end of year</b>		
Claim reserves	\$ 36,981	\$ 74,164
Claims incurred but not reported (IBNR)	63,654	9,407
Unallocated loss adjustment expenses (ULAE)	46,225	46,225
<b>Total unpaid claims and claim adjustment expenses, end of year</b>	<b>\$ 146,860</b>	<b>\$ 129,796</b>

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
RECONCILIATION OF CLAIMS LIABILITIES BY TYPE OF CONTRACT  
VISION PROGRAM  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

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	<b>2021</b>	<b>2020</b>
<b>Unpaid claims and claim adjustment expenses, beginning of fiscal year</b>	\$ 322,000	\$ 322,000
<b>Incurred claims and claim adjustment expenses:</b>		
Provision for covered events of the current year	4,544,816	3,327,665
<b>Total incurred claims and claim adjustment expenses</b>	<b>4,544,816</b>	<b>3,327,665</b>
<b>Payments:</b>		
Claims and claim adjustment expenses attributable to covered events of the current year	\$ 4,153,816	\$ 3,005,665
Claims and claim adjustment expenses attributable to covered events of prior years	322,000	322,000
<b>Total payments:</b>	<b>4,475,816</b>	<b>3,327,665</b>
<b>Total unpaid claims and claim adjustment expenses, end of year</b>	<b>\$ 391,000</b>	<b>\$ 322,000</b>
<b>Unpaid claims and claim adjustment expenses, end of year</b>		
Claims incurred but not reported (IBNR)	\$ 391,000	\$ 322,000
<b>Total unpaid claims and claim adjustment expenses, end of year</b>	<b>\$ 391,000</b>	<b>\$ 322,000</b>

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
RECONCILIATION OF CLAIMS LIABILITIES BY TYPE OF CONTRACT  
DENTAL PROGRAM  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

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	<b>2021</b>	<b>2020</b>
<b>Unpaid claims and claim adjustment expenses, beginning of fiscal year</b>	\$ 1,919,000	\$ 1,919,000
<b>Incurred claims and claim adjustment expenses:</b>		
Provision for covered events of the current year	116,870,300	100,614,274
<b>Total incurred claims and claim adjustment expenses</b>	<b>116,870,300</b>	<b>100,614,274</b>
<b>Payments:</b>		
Claims and claim adjustment expenses attributable to covered events of the current year	114,724,300	98,695,274
Claims and claim adjustment expenses attributable to covered events of prior years	1,919,000	1,919,000
<b>Total payments:</b>	<b>\$ 116,643,300</b>	<b>\$ 100,614,274</b>
<b>Total unpaid claims and claim adjustment expenses, end of year</b>	<b>2,146,000</b>	<b>1,919,000</b>
<b>Unpaid claims and claim adjustment expenses, end of year</b>		
Claims incurred but not reported (IBNR)	\$ 2,146,000	\$ 1,919,000
<b>Total unpaid claims and claim adjustment expenses, end of year</b>	<b>\$ 2,146,000</b>	<b>\$ 1,919,000</b>

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP**  
**SCHEDULE OF THE GROUP'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CALPERS**  
**FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

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	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Group's proportion of the net pension liability	0.018%	0.018%	0.019%	0.019%	0.017%	0.022%	0.019%
Group's proportionate share of the net pension liability	\$ 755,022	\$ 734,426	\$ 698,554	\$ 732,827	\$ 586,196	\$ 525,511	\$ 385,314
Group's covered-employee payroll	\$ 331,598	\$ 295,213	\$ 286,178	\$ 237,143	\$ 210,454	\$ 211,975	\$ 200,000
Group's proportionate share of the net pension liability as a percentage of its covered-employee payroll	227.7%	248.8%	244.1%	309.0%	278.5%	247.9%	192.7%
Plan fiduciary net position as a percentage of the total pension liability	70.0%	70.0%	70.8%	75.4%	74.1%	78.4%	83.4%

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
SCHEDULE OF GROUP CONTRIBUTIONS - CALPERS  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

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	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Contractually required contribution	\$ 172,098	\$ 47,741	\$ 22,941	\$ 53,800	\$ 51,863	\$ 40,592	\$ 49,298
Contributions in relation to the contractually required contribution	(172,098)	(47,741)	(22,941)	(53,800)	(51,863)	(40,592)	(49,298)
Contribution deficiency (excess)	<u>\$ -</u>						
Group's covered-employee payroll	\$ 236,615	\$ 331,598	\$ 295,213	\$ 286,178	\$ 237,143	\$ 210,454	\$ 211,975
Contributions as a percentage of covered-employee payroll	72.73%	14.40%	7.77%	18.80%	21.87%	19.29%	23.26%

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

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**NOTE 1 – PURPOSE OF SCHEDULES**

**Schedule of the Group's Proportionate Share of the Net Pension Liability**

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 68 was applicable. The schedule presents the Group's proportion (percentage) of the collective net pension liability, the Group's proportionate share (amount) of the collective net pension liability, the Group's covered-payroll, the Group's proportionate share (amount) of the collective net pension liability as a percentage of the employer's covered- payroll, and the pension plan's fiduciary net position as a percentage of the total pension liability.

**Changes in Benefit Terms**

There were no changes in benefit terms since the previous valuations for CalPERS.

**Changes in Assumptions**

There were no changes in economic assumptions since the previous valuations for CalPERS.

**Schedule of Group Contributions**

This 10-year schedule is required by GASB Statement No. 68 for each cost-sharing pension plan. Until a full 10-year trend is compiled, the schedule will only show those years under which GASB Statement No. 68 was applicable. The schedule presents the Group's statutorily or contractually required employer contribution, the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution, the difference between the statutorily or contractually required employer contribution and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution, the Group's covered payroll, and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution as a percentage of the Group's -covered payroll.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
CLAIMS DEVELOPMENT INFORMATION  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

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The tables that follow illustrate how the Group's earned revenues (net of excess insurance) and investment income compared to related costs of loss and other expenses assumed by the Group as of the end of the previous ten years. The rows of the tables are defined as follows:

1. Total of each fiscal year's gross earned deposit and reported investments revenue, amounts of excess insurance premiums paid and reported premiums (net of reinsurance) and reported investment revenue.
2. Each fiscal year's other operating costs of the program, including overhead and loss adjustment expense not allocable to individual claims.
3. Program's gross incurred losses and allocated loss adjustment expense, losses assumed by excess insurers, and net incurred losses and loss adjustments expense (both paid and accrued) as originally reported at the end of the year in which the event that triggered coverage occurred (called fiscal year).
4. Cumulative net amounts paid as of the end of successive years for each fiscal year.
5. Latest reestimated amount of losses assumed by the excess insurers for each fiscal year.
6. Each fiscal year's net incurred losses increases or decreases as of the end of successive years. This annual reestimation results from new information received on known losses, reevaluation of existing information on known losses, and emergence of new losses not previously known.
7. Compares the latest estimated net incurred losses amount to the amount originally established (line 3) and shows whether this latest estimate of losses is greater or less than originally thought. As data for individual fiscal years mature, the correlation between original estimates and reestimated amounts is commonly used to evaluate the accuracy of net incurred losses currently recognized in less mature fiscal years.

The columns of the tables show data for successive fiscal years.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
CLAIMS DEVELOPMENT INFORMATION  
WORKERS' COMPENSATION PROGRAM  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

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	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>1 Required contribution and investment revenue</b>											
Earned	\$ 18,552,720	\$ 20,034,030	\$ 19,217,218	\$ 19,670,032	\$ 20,284,500	\$ 24,754,573	\$ 28,207,535	\$ 26,869,026	\$ 27,660,374	\$ 28,062,040	\$ 26,067,297
Ceded	(16,026,575)	(15,786,084)	(16,512,219)	(18,073,558)	(19,975,089)	(20,534,560)	(20,131,630)	(19,624,572)	(20,156,637)	(21,086,009)	(22,078,042)
<b>Net earned</b>	<b>\$ 2,526,145</b>	<b>\$ 4,247,946</b>	<b>\$ 2,704,999</b>	<b>\$ 1,596,474</b>	<b>\$ 309,411</b>	<b>\$ 4,220,013</b>	<b>\$ 8,075,905</b>	<b>\$ 7,244,454</b>	<b>\$ 7,503,737</b>	<b>\$ 6,976,031</b>	<b>\$ 3,989,255</b>
<b>2 Unallocated expenses</b>											
<b>3 Estimated losses and expenses, end of fiscal year:</b>											
Incurred	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ceded	-	-	-	-	-	-	-	-	-	-	-
<b>Net incurred</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>4 Net paid (cumulative) as of:</b>											
End of fiscal year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
One year later	-	-	-	-	-	-	-	-	-	-	-
Two years later	-	-	-	-	-	-	-	-	-	-	-
Three years later	-	-	-	-	-	-	-	-	-	-	-
Four years later	-	-	-	-	-	-	-	-	-	-	-
Five years later	-	-	-	-	-	-	-	-	-	-	-
Six years later	-	-	-	-	-	-	-	-	-	-	-
Seven years later	-	-	-	-	-	-	-	-	-	-	-
Eight years later	-	-	-	-	-	-	-	-	-	-	-
Nine years later	-	-	-	-	-	-	-	-	-	-	-
Ten years later	-	-	-	-	-	-	-	-	-	-	-
<b>5 Reestimated ceded losses and expenses</b>											
<b>6 Reestimated net incurred losses and expenses:</b>											
End of fiscal year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
One year later	-	-	-	-	-	-	-	-	-	-	-
Two years later	-	-	-	-	-	-	-	-	-	-	-
Three years later	-	-	-	-	-	-	-	-	-	-	-
Four years later	-	-	-	-	-	-	-	-	-	-	-
Five years later	-	-	-	-	-	-	-	-	-	-	-
Six years later	-	-	-	-	-	-	-	-	-	-	-
Seven years later	-	-	-	-	-	-	-	-	-	-	-
Eight years later	-	-	-	-	-	-	-	-	-	-	-
Nine years later	-	-	-	-	-	-	-	-	-	-	-
Ten years later	-	-	-	-	-	-	-	-	-	-	-
<b>7 Increase in estimated net incurred losses and expenses from end of fiscal year</b>											
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
CLAIMS DEVELOPMENT INFORMATION  
PROPERTY/LIABILITY PROGRAM  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

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	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>1 Required contribution and investment revenue</b>											
Earned	\$ 559,195	\$ 630,698	\$ 675,900	\$ 774,613	\$ 935,595	\$ 1,130,013	\$ 1,329,483	\$ 1,296,072	\$ 1,483,299	\$ 1,980,693	\$ 2,359,563
Ceded	(545,530)	(560,273)	(611,537)	(663,484)	(831,111)	(1,032,437)	(1,202,982)	(1,170,873)	(1,363,395)	(1,697,831)	(1,935,827)
<b>Net earned</b>	<b>\$ 13,665</b>	<b>\$ 70,425</b>	<b>\$ 64,363</b>	<b>\$ 111,129</b>	<b>\$ 104,484</b>	<b>\$ 97,576</b>	<b>\$ 126,501</b>	<b>\$ 125,199</b>	<b>\$ 119,904</b>	<b>\$ 282,862</b>	<b>\$ 423,736</b>
<b>2 Unallocated expenses</b>	<b>\$ 8,069</b>	<b>\$ 9,016</b>	<b>\$ 21,810</b>	<b>\$ 18,376</b>	<b>\$ 20,128</b>	<b>\$ 56,023</b>	<b>\$ 45,597</b>	<b>\$ 44,443</b>	<b>\$ 82,407</b>	<b>\$ 70,130</b>	<b>\$ 70,130</b>
<b>3 Estimated losses and expenses, end of fiscal year:</b>											
Incurred	\$ 82,548	\$ 75,212	\$ 108,036	\$ 110,941	\$ 32,843	\$ 25,000	\$ 54,069	\$ 63,000	\$ 94,492	\$ 64,491	\$ 53,842
Ceded	-	-	-	-	-	-	-	-	-	-	-
<b>Net incurred</b>	<b>\$ 82,548</b>	<b>\$ 75,212</b>	<b>\$ 108,036</b>	<b>\$ 110,941</b>	<b>\$ 32,843</b>	<b>\$ 25,000</b>	<b>\$ 54,069</b>	<b>\$ 63,000</b>	<b>\$ 94,492</b>	<b>\$ 64,491</b>	<b>\$ 53,842</b>
<b>4 Net paid (cumulative) as of:</b>											
End of fiscal year	\$ 18,839	\$ 1,683	\$ 22,371	\$ -	\$ -	\$ 6,681	\$ -	\$ 3,221	\$ 45,279	\$ 22,466	\$ -
One year later	\$ 20,496	\$ 16,543	\$ 89,764	\$ 20,000	\$ 6,771	\$ 26,438	\$ 20,000	\$ 20,000	\$ 61,669	\$ 38,168	
Two years later	\$ 33,140	\$ 76,543	\$ 113,117	\$ 20,000	\$ 18,078	\$ 72,777	\$ 20,000	\$ 44,856	\$ 62,301		
Three years later	\$ 33,141	\$ 96,543	\$ 125,045	\$ 20,000	\$ 18,078	\$ 72,777	\$ 20,000	\$ 44,853			
Four years later	\$ 33,141	\$ 96,543	\$ 125,045	\$ 20,000	\$ 18,078	\$ 72,777	\$ 20,000				
Five years later	\$ 33,141	\$ 96,543	\$ 125,045	\$ 20,000	\$ 18,078	\$ 72,777	\$ 20,000				
Six years later	\$ 33,141	\$ 96,543	\$ 125,045	\$ 20,000	\$ 18,078	\$ 72,777	\$ 20,000				
Seven years later	\$ 33,141	\$ 96,543	\$ 125,045	\$ 20,000							
Eight years later	\$ 33,141	\$ 96,543	\$ 125,045								
Nine years later	\$ 33,141	\$ 96,543									
Ten years later	\$ 33,141										
<b>5 Reestimated ceded losses and expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>6 Reestimated net incurred losses and expenses:</b>											
End of fiscal year	\$ 82,548	\$ 75,212	\$ 101,000	\$ 111,900	\$ 32,843	\$ 25,000	\$ 54,069	\$ 63,000	\$ 99,010	\$ 70,000	\$ 53,842
One year later	\$ 78,773	\$ 112,560	\$ 148,539	\$ 20,863	\$ 7,843	\$ 51,345	\$ 40,968	\$ 94,492	\$ 79,010	\$ 85,130	
Two years later	\$ 60,496	\$ 100,792	\$ 126,562	\$ 20,863	\$ 18,078	\$ 72,777	\$ 20,000	\$ 64,491	\$ 62,301		
Three years later	\$ 37,639	\$ 96,543	\$ 126,562	\$ 20,863	\$ 18,078	\$ 72,777	\$ 20,000	\$ 44,853			
Four years later	\$ 33,141	\$ 96,543	\$ 126,562	\$ 20,863	\$ 18,078	\$ 72,777	\$ 20,000				
Five years later	\$ 33,141	\$ 96,543	\$ 126,562	\$ 20,863	\$ 18,078	\$ 72,777	\$ 20,000				
Six years later	\$ 33,141	\$ 96,543	\$ 126,562	\$ 20,863	\$ 18,078	\$ 72,777	\$ 20,000				
Seven years later	\$ 33,141	\$ 96,543	\$ 126,562	\$ 20,863	\$ 18,078	\$ 72,777	\$ 20,000				
Eight years later	\$ 33,141	\$ 96,543	\$ 126,562	\$ 20,863	\$ 18,078	\$ 72,777	\$ 20,000				
Nine years later	\$ 33,141	\$ 96,543									
Ten years later	\$ 33,141										
<b>7 Increase in estimated net incurred losses and expenses from end of fiscal year</b>	<b>\$ (49,407)</b>	<b>\$ 21,331</b>	<b>\$ 25,562</b>	<b>\$ (91,037)</b>	<b>\$ (14,765)</b>	<b>\$ 47,777</b>	<b>\$ (34,069)</b>	<b>\$ (18,147)</b>	<b>\$ (36,709)</b>	<b>\$ 15,130</b>	<b>\$ (53,842)</b>

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
CLAIMS DEVELOPMENT INFORMATION  
VISION PROGRAM  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

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	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>1 Required contribution and investment revenue</b>											
Earned	\$ 1,936,629	\$ 1,958,654	\$ 2,291,645	\$ 2,496,329	\$ 2,774,589	\$ 3,356,374	\$ 3,803,259	\$ 4,367,442	\$ 4,551,638	\$ 4,343,058	\$ 5,183,813
Ceded	-	-	-	-	-	-	-	-	-	-	-
<b>Net earned</b>	<b>\$ 1,936,629</b>	<b>\$ 1,958,654</b>	<b>\$ 2,291,645</b>	<b>\$ 2,496,329</b>	<b>\$ 2,774,589</b>	<b>\$ 3,356,374</b>	<b>\$ 3,803,259</b>	<b>\$ 4,367,442</b>	<b>\$ 4,551,638</b>	<b>\$ 4,343,058</b>	<b>\$ 5,183,813</b>
<b>2 Unallocated expenses</b>	<b>\$ 96,930</b>	<b>\$ 140,236</b>	<b>\$ 153,671</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 61,866</b>	<b>\$ 49,023</b>	<b>\$ 50,678</b>	<b>\$ 79,594</b>	<b>\$ 81,169</b>	<b>\$ 138,813</b>
<b>3 Estimated losses and expenses, end of fiscal year:</b>											
Incurred	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	\$ 2,473,429	\$ 3,248,723	\$ 3,835,689	\$ 4,066,933	\$ 4,256,168	\$ 3,676,970	\$ 5,091,017
Ceded	-	-	-	-	-	-	-	-	-	-	-
<b>Net incurred</b>	<b>\$ 1,628,209</b>	<b>\$ 1,684,127</b>	<b>\$ 1,959,342</b>	<b>\$ 2,238,178</b>	<b>\$ 2,473,429</b>	<b>\$ 3,248,723</b>	<b>\$ 3,835,689</b>	<b>\$ 4,066,933</b>	<b>\$ 4,256,168</b>	<b>\$ 3,676,970</b>	<b>\$ 5,091,017</b>
<b>4 Net paid (cumulative) as of:</b>											
End of fiscal year	\$ 1,578,209	\$ 1,634,127	\$ 1,704,628	\$ 1,947,215	\$ 2,031,883	\$ 2,798,029	\$ 3,185,838	\$ 3,380,488	\$ 3,508,910	\$ 3,005,655	\$ 4,153,816
One year later	\$ 1,628,209	\$ 1,634,127	\$ 1,704,628	\$ 2,067,215	\$ 2,173,883	\$ 2,940,029	\$ 3,485,838	\$ 3,380,488	\$ 3,508,910	\$ 3,327,665	
Two years later	\$ 1,628,209	\$ 1,634,127	\$ 1,704,628	\$ 2,067,215	\$ 2,173,883	\$ 2,940,029	\$ 3,485,838	\$ 3,380,488	\$ 3,508,910		
Three years later	\$ 1,628,209	\$ 1,634,127	\$ 1,704,628	\$ 2,067,215	\$ 2,173,883	\$ 2,940,029	\$ 3,485,838	\$ 3,380,488			
Four years later	\$ 1,628,209	\$ 1,634,127	\$ 1,704,628	\$ 2,067,215	\$ 2,173,883	\$ 2,940,029	\$ 3,485,838				
Five years later	\$ 1,628,209	\$ 1,634,127	\$ 1,704,628	\$ 2,067,215	\$ 2,173,883	\$ 2,940,029					
Six years later	\$ 1,628,209	\$ 1,634,127	\$ 1,704,628	\$ 2,067,215	\$ 2,173,883						
Seven years later	\$ 1,628,209	\$ 1,634,127	\$ 1,704,628	\$ 2,067,215							
Eight years later	\$ 1,628,209	\$ 1,634,127	\$ 1,704,628								
Nine years later	\$ 1,628,209	\$ 1,634,127									
Ten years later	\$ 1,628,209										
<b>5 Reestimated ceded losses and expenses</b>	<b>\$ -</b>										
<b>6 Reestimated net incurred losses and expenses:</b>											
End of fiscal year	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	\$ 2,473,429	\$ 3,248,723	\$ 3,835,689	\$ 4,066,933	\$ 4,256,168	\$ 3,676,970	\$ 5,091,017
One year later	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	\$ 2,473,429	\$ 3,248,723	\$ 3,835,689	\$ 4,066,933	\$ 4,256,168	\$ 3,676,970	
Two years later	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	\$ 2,473,429	\$ 3,248,723	\$ 3,835,689	\$ 4,066,933	\$ 4,256,168		
Three years later	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	\$ 2,473,429	\$ 3,248,723	\$ 3,835,689	\$ 4,066,933			
Four years later	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	\$ 2,473,429	\$ 3,248,723	\$ 3,835,689				
Five years later	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	\$ 2,473,429	\$ 3,248,723					
Six years later	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	\$ 2,473,429						
Seven years later	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	\$ 2,473,429						
Eight years later	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342								
Nine years later	\$ 1,628,209	\$ 1,684,127									
Ten years later	\$ 1,628,209										
<b>7 Increase in estimated net incurred losses and expenses from end of fiscal year</b>	<b>\$ -</b>										

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
CLAIMS DEVELOPMENT INFORMATION  
DENTAL PROGRAM  
FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

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	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>1 Required contribution and investment revenue</b>											
Earned	\$ 110,178,187	\$ 109,681,105	\$ 110,795,612	\$ 112,320,469	\$ 112,401,984	\$ 123,010,177	\$ 124,845,165	\$ 132,172,758	\$ 125,042,556	\$ 110,836,801	\$ 127,613,658
Ceded	-	-	-	-	-	-	-	-	-	-	-
<b>Net earned</b>	<b>\$ 110,178,187</b>	<b>\$ 109,681,105</b>	<b>\$ 110,795,612</b>	<b>\$ 112,320,469</b>	<b>\$ 112,401,984</b>	<b>\$ 123,010,177</b>	<b>\$ 124,845,165</b>	<b>\$ 132,172,758</b>	<b>\$ 125,042,556</b>	<b>\$ 110,836,801</b>	<b>\$ 127,613,658</b>
<b>2 Unallocated expenses</b>	<b>\$ 949,743</b>	<b>\$ 1,029,464</b>	<b>\$ 1,445,739</b>	<b>\$ 1,390,347</b>	<b>\$ 1,368,341</b>	<b>\$ 1,377,947</b>	<b>\$ 1,362,344</b>	<b>\$ 1,374,236</b>	<b>\$ 1,573,008</b>	<b>\$ 1,813,250</b>	<b>\$ 2,030,153</b>
<b>3 Estimated losses and expenses, end of fiscal year:</b>											
Incurred	\$ 107,944,825	\$ 107,551,157	\$ 108,570,853	\$ 108,725,325	\$ 110,650,572	\$ 120,334,972	\$ 122,507,587	\$ 129,945,472	\$ 122,340,987	\$ 106,421,564	\$ 123,117,909
Ceded	-	-	-	-	-	-	-	-	-	-	-
<b>Net incurred</b>	<b>\$ 107,944,825</b>	<b>\$ 107,551,157</b>	<b>\$ 108,570,853</b>	<b>\$ 108,725,325</b>	<b>\$ 110,650,572</b>	<b>\$ 120,334,972</b>	<b>\$ 122,507,587</b>	<b>\$ 129,945,472</b>	<b>\$ 122,340,987</b>	<b>\$ 106,421,564</b>	<b>\$ 123,117,909</b>
<b>4 Net paid (cumulative) as of:</b>											
End of fiscal year	\$ 106,317,825	\$ 105,924,157	\$ 101,578,890	\$ 101,723,414	\$ 103,154,414	\$ 111,964,685	\$ 113,837,560	\$ 120,867,731	\$ 113,813,837	\$ 98,695,274	\$ 114,724,300
One year later	\$ 107,944,825	\$ 105,924,157	\$ 101,578,890	\$ 101,723,414	\$ 103,154,414	\$ 113,673,685	\$ 115,736,560	\$ 122,786,731	\$ 113,813,837	\$ 100,614,274	
Two years later	\$ 107,944,825	\$ 105,924,157	\$ 101,578,890	\$ 101,723,414	\$ 103,154,414	\$ 113,673,685	\$ 115,736,560	\$ 122,786,731	\$ 113,813,837		
Three years later	\$ 107,944,825	\$ 105,924,157	\$ 101,578,890	\$ 101,723,414	\$ 103,154,414	\$ 113,673,685	\$ 115,736,560	\$ 122,786,731			
Four years later	\$ 107,944,825	\$ 105,924,157	\$ 101,578,890	\$ 101,723,414	\$ 103,154,414	\$ 113,673,685	\$ 115,736,560				
Five years later	\$ 107,944,825	\$ 105,924,157	\$ 101,578,890	\$ 101,723,414	\$ 103,154,414	\$ 113,673,685					
Six years later	\$ 107,944,825	\$ 105,924,157	\$ 101,578,890	\$ 101,723,414							
Seven years later	\$ 107,944,825	\$ 105,924,157	\$ 101,578,890								
Eight years later	\$ 107,944,825	\$ 105,924,157									
Nine years later	\$ 107,944,825										
Ten years later	\$ 107,944,825										
<b>5 Estimated ceded losses and expenses</b>	<b>\$ -</b>										
<b>6 Estimated net incurred losses and expenses:</b>											
End of fiscal year	\$ 107,944,825	\$ 107,551,157	\$ 108,570,853	\$ 108,725,325	\$ 110,650,572	\$ 120,334,972	\$ 122,507,587	\$ 129,945,472	\$ 122,340,987	\$ 106,421,564	\$ 123,117,909
One year later	\$ 107,944,825	\$ 107,551,157	\$ 108,570,853	\$ 108,725,325	\$ 110,650,572	\$ 120,334,972	\$ 122,507,587	\$ 129,945,472	\$ 122,340,987	\$ 106,421,564	
Two years later	\$ 107,944,825	\$ 107,551,157	\$ 108,570,853	\$ 108,725,325	\$ 110,650,572	\$ 120,334,972	\$ 122,507,587	\$ 129,945,472	\$ 122,340,987		
Three years later	\$ 107,944,825	\$ 107,551,157	\$ 108,570,853	\$ 108,725,325	\$ 110,650,572	\$ 120,334,972	\$ 122,507,587	\$ 129,945,472			
Four years later	\$ 107,944,825	\$ 107,551,157	\$ 108,570,853	\$ 108,725,325	\$ 110,650,572	\$ 120,334,972	\$ 122,507,587				
Five years later	\$ 107,944,825	\$ 107,551,157	\$ 108,570,853	\$ 108,725,325	\$ 110,650,572	\$ 120,334,972					
Six years later	\$ 107,944,825	\$ 107,551,157	\$ 108,570,853	\$ 108,725,325							
Seven years later	\$ 107,944,825	\$ 107,551,157	\$ 108,570,853								
Eight years later	\$ 107,944,825	\$ 107,551,157									
Nine years later	\$ 107,944,825										
Ten years later	\$ 107,944,825										
<b>7 Increase in estimated net incurred losses and expenses from end of fiscal year</b>	<b>\$ -</b>										

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## **SUPPLEMENTARY INFORMATION**

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**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP**  
**COMBINING STATEMENTS OF NET POSITION**  
**JUNE 30, 2021**

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	<b>Administrative Fund</b>	<b>Workers' Compensation</b>	<b>Property and Liability</b>	<b>Vision</b>	<b>Dental</b>	<b>2021 Total</b>
<b>ASSETS</b>						
Current Assets						
Cash and Cash Equivalents	\$ 247,859	\$ 26,528,298	\$ 2,425,090	\$ 2,743,178	\$ 7,267,399	\$ 39,211,824
Investments, Current	-	111,295	-	-	-	111,295
Accounts Receivable	-	115,636	5,144	345,328	7,718,909	8,185,017
Prepaid Expenses	8,785	-	-	-	-	8,785
Interfund Receivable/(Payable)	(228,804)	(580,336)	(1,577,730)	76,145	2,310,725	-
<b>Total Current Assets</b>	<b>27,840</b>	<b>26,174,893</b>	<b>852,504</b>	<b>3,164,651</b>	<b>17,297,033</b>	<b>47,516,921</b>
Noncurrent Assets						
Investments	-	15,333,156	-	1,156,253	5,984,959	22,474,368
Capital Assets, Net of Depreciation	595	-	-	-	-	595
<b>Total Assets</b>	<b>28,435</b>	<b>41,508,049</b>	<b>852,504</b>	<b>4,320,904</b>	<b>23,281,992</b>	<b>69,991,884</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>						
Deferred outflow of resources - pension	-	93,118	29,070	34,976	217,944	375,108
<b>LIABILITIES</b>						
Current Liabilities:						
Accounts Payable and Accrued Expenses	33,171	3,552	541	413,507	2,569,776	3,020,547
Prefunding Deposits	-	-	-	308,985	3,967,615	4,276,600
Current Portion of Unpaid Claims and Claim Adj. Expenses	-	1,489,345	55,349	391,000	2,146,000	4,081,694
<b>Total Current Liabilities</b>	<b>33,171</b>	<b>1,492,897</b>	<b>55,890</b>	<b>1,113,492</b>	<b>8,683,391</b>	<b>11,378,841</b>
Noncurrent Liabilities						
Unpaid Claims and Claim Adjustment Expenses Less Current Portion	-	7,556,218	91,511	-	-	7,647,729
Net Pension Liability	-	187,426	58,512	70,400	438,684	755,022
<b>Total Noncurrent Liabilities</b>	<b>-</b>	<b>7,743,644</b>	<b>150,023</b>	<b>70,400</b>	<b>438,684</b>	<b>8,402,751</b>
<b>Total Liabilities</b>	<b>33,171</b>	<b>9,236,541</b>	<b>205,913</b>	<b>1,183,892</b>	<b>9,122,075</b>	<b>19,781,592</b>
<b>DEFERRED INFLOW OF RESOURCES</b>						
Deferred inflow of resources - pension	-	1,659	518	623	3,884	6,684
<b>NET POSITION</b>						
Unrestricted	(5,331)	32,362,967	675,143	3,171,365	14,373,977	50,578,121
Net Investment in Capital Assets	595	-	-	-	-	595
<b>Total Net Position</b>	<b>(4,736)</b>	<b>32,362,967</b>	<b>675,143</b>	<b>3,171,365</b>	<b>14,373,977</b>	<b>50,578,716</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 28,435</b>	<b>\$ 41,601,167</b>	<b>\$ 881,574</b>	<b>\$ 4,355,880</b>	<b>\$ 23,499,936</b>	<b>\$ 70,366,992</b>

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP**  
**COMBINING STATEMENTS OF NET POSITION, continued**  
**JUNE 30, 2020**

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	<b>Administrative Fund</b>	<b>Workers' Compensation</b>	<b>Property and Liability</b>	<b>Vision</b>	<b>Dental</b>	<b>2020 Total</b>
<b>ASSETS</b>						
Current Assets						
Cash and Cash Equivalents	\$ 80,677	\$ 23,150,875	\$ 1,466,118	\$ 2,421,563	\$ 5,139,851	\$ 32,259,084
Investments, Current	-	2,936,365	-	-	-	2,936,365
Accounts Receivable	-	1,839,954	573,532	224,822	5,224,369	7,862,677
Prepaid Expenses	-	-	-	-	-	-
Interfund Receivable/(Payable)	(59,323)	(432,737)	(1,530,278)	139,310	1,883,028	-
<b>Total Current Assets</b>	<b>21,354</b>	<b>27,494,457</b>	<b>509,372</b>	<b>2,785,695</b>	<b>12,247,248</b>	<b>43,058,126</b>
Noncurrent Assets						
Investments	-	12,375,847	-	1,157,252	5,990,130	19,523,229
Capital Assets, Net of Depreciation	1,187	-	-	-	-	1,187
<b>Total Assets</b>	<b>22,541</b>	<b>39,870,304</b>	<b>509,372</b>	<b>3,942,947</b>	<b>18,237,378</b>	<b>62,582,542</b>
<b>DEFERRED OUTFLOW OF RESOURCES</b>						
Deferred outflow of resources - pension	-	36,455	11,381	13,693	85,325	146,854
<b>LIABILITIES</b>						
Current Liabilities:						
Accounts Payable and Accrued Expenses	26,685	-	1,301	290,747	23,725	342,458
Prefunding Deposits	-	-	-	154,375	3,977,673	4,132,048
Current Portion of Unpaid Claims and Claim Adj. Expenses	-	1,967,995	45,964	322,000	1,919,000	4,254,959
<b>Total Current Liabilities</b>	<b>26,685</b>	<b>1,967,995</b>	<b>47,265</b>	<b>767,122</b>	<b>5,920,398</b>	<b>8,729,465</b>
Noncurrent Liabilities						
Unpaid Claims and Claim Adjustment Expenses Less Current Portion	-	8,383,112	83,832	-	-	8,466,944
Net Pension Liability	-	182,314	56,916	68,480	426,716	734,426
<b>Total Noncurrent Liabilities</b>	<b>-</b>	<b>8,565,426</b>	<b>140,748</b>	<b>68,480</b>	<b>426,716</b>	<b>9,201,370</b>
<b>Total Liabilities</b>	<b>26,685</b>	<b>10,533,421</b>	<b>188,013</b>	<b>835,602</b>	<b>6,347,114</b>	<b>17,930,835</b>
<b>DEFERRED INFLOW OF RESOURCES</b>						
Deferred inflow of resources - pension	-	21,766	6,795	8,176	50,946	87,683
<b>NET POSITION</b>						
Unrestricted	(4,739)	29,351,572	325,945	3,112,862	11,924,643	44,710,283
Net Investment in Capital Assets	595	-	-	-	-	595
<b>Total Net Position</b>	<b>(4,144)</b>	<b>29,351,572</b>	<b>325,945</b>	<b>3,112,862</b>	<b>11,924,643</b>	<b>44,710,878</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 22,541</b>	<b>\$ 39,906,759</b>	<b>\$ 520,753</b>	<b>\$ 3,956,640</b>	<b>\$ 18,322,703</b>	<b>\$ 62,729,396</b>

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP  
COMBINING STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2021**

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	<b>Administrative Fund</b>	<b>Workers' Compensation</b>	<b>Property and Liability</b>	<b>Vision</b>	<b>Dental</b>	<b>2021 Total</b>
<b>OPERATING REVENUE</b>						
Member contributions	\$ -	\$ 25,917,135	\$ 2,351,431	\$ 5,158,675	\$ 127,610,385	\$ 161,037,626
<b>Total Operating Revenues</b>	<b>-</b>	<b>25,917,135</b>	<b>2,351,431</b>	<b>5,158,675</b>	<b>127,610,385</b>	<b>161,037,626</b>
<b>OPERATING EXPENSES</b>						
Provision for claims and claims adjustment expense	-	-	-	5,091,017	123,663,272	128,754,289
Insurance premiums	-	22,817,698	1,780,859	-	-	24,598,557
Services and other operating expenses	-	174,244	208,757	32,016	1,352,037	1,767,054
Salaries and benefits	-	61,792	20,026	831	145,345	227,994
Supplies	-	2,169	723	1,446	3,670	8,008
Depreciation	592	-	-	-	-	592
<b>Total Operating Expense</b>	<b>592</b>	<b>23,055,903</b>	<b>2,010,365</b>	<b>5,125,310</b>	<b>125,164,324</b>	<b>155,356,494</b>
<b>Net Operating Income/(Loss)</b>	<b>(592)</b>	<b>2,861,232</b>	<b>341,066</b>	<b>33,365</b>	<b>2,446,061</b>	<b>5,681,132</b>
<b>NON-OPERATING REVENUE:</b>						
Investment income/ (loss)	-	150,163	8,132	25,138	3,273	186,706
<b>Total Non-Operating Revenues</b>	<b>-</b>	<b>150,163</b>	<b>8,132</b>	<b>25,138</b>	<b>3,273</b>	<b>186,706</b>
<b>CHANGE IN NET POSITION</b>						
Beginning Net Position	(4,144)	29,351,572	325,945	3,112,862	11,924,643	44,710,878
<b>Ending Net Position</b>	<b>\$ (4,736)</b>	<b>\$ 32,362,967</b>	<b>\$ 675,143</b>	<b>\$ 3,171,365</b>	<b>\$ 14,373,977</b>	<b>\$ 50,578,716</b>

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP**  
**COMBINING STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION, continued**  
**FOR THE YEAR ENDED JUNE 30, 2019**

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	<b>Administrative Fund</b>	<b>Workers' Compensation</b>	<b>Property and Liability</b>	<b>Vision</b>	<b>Dental</b>	<b>2020 Total</b>
<b>OPERATING REVENUE</b>						
Member contributions	\$ -	\$ 27,017,696	\$ 1,972,997	\$ 4,261,486	\$ 110,572,228	\$ 143,824,407
Other	-	7,093	-	-	-	7,093
<b>Total Operating Revenues</b>	<b>-</b>	<b>27,024,789</b>	<b>1,972,997</b>	<b>4,261,486</b>	<b>110,572,228</b>	<b>143,831,500</b>
<b>OPERATING EXPENSES</b>						
Provision for claims and claims adjustment expense	-	-	-	3,676,970	104,058,165	107,735,135
Insurance premiums	-	18,798,360	1,697,831	-	2,179,870	22,676,061
Services and other operating expenses	-	168,692	36,975	11,586	1,492,792	1,710,045
Salaries and benefits	-	161,577	46,462	68,643	502,034	778,716
Supplies	-	1,410	471	940	1,953	4,774
Depreciation	592	-	-	-	-	592
<b>Total Operating Expense</b>	<b>592</b>	<b>19,130,039</b>	<b>1,781,739</b>	<b>3,758,139</b>	<b>108,234,814</b>	<b>132,905,323</b>
<b>Net Operating Income/(Loss)</b>	<b>(592)</b>	<b>7,894,750</b>	<b>191,258</b>	<b>503,347</b>	<b>2,337,414</b>	<b>10,926,177</b>
<b>NON-OPERATING REVENUE:</b>						
Investment income/ (loss)	-	1,044,344	7,697	81,571	264,574	1,398,186
<b>Total Non-Operating Revenues</b>	<b>-</b>	<b>1,044,344</b>	<b>7,697</b>	<b>81,571</b>	<b>264,574</b>	<b>1,398,186</b>
<b>CHANGE IN NET POSITION</b>						
<b>Beginning Net Position</b>	<b>(3,552)</b>	<b>20,412,478</b>	<b>126,990</b>	<b>2,527,944</b>	<b>9,322,655</b>	<b>32,386,515</b>
<b>Ending Net Position</b>	<b>\$ (4,144)</b>	<b>\$ 29,351,572</b>	<b>\$ 325,945</b>	<b>\$ 3,112,862</b>	<b>\$ 11,924,643</b>	<b>\$ 44,710,878</b>

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## **OTHER INDEPENDENT AUDITORS' REPORTS**

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Certified Public Accountants serving  
K-12 School Districts and Charter  
Schools throughout California

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER  
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT  
AUDITING STANDARDS**

Independent Auditors' Report

Board of Directors and Members  
Alameda County Schools Insurance Group  
Dublin, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Alameda County Schools Insurance Group, as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Alameda County Schools Insurance Group's basic financial statements, and have issued our report thereon dated October 19, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Alameda County Schools Insurance Group's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Alameda County Schools Insurance Group's internal control. Accordingly, we do not express an opinion on the effectiveness of Alameda County Schools Insurance Group's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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## **Compliance and Other Matters**

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

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Christy White, Inc." The signature is fluid and cursive, with "Christy" and "White" connected by a single stroke, and "Inc." written in a smaller, more formal script at the end.

San Diego, California  
October 19, 2021