


# Executive Committee Meeting

February 16, 2017

9:00am




Alameda County Schools Insurance Group (ACSIG)
5776 Stoneridge Mall Rd., Suite 130 Pleasanton, CA 94588

# AGENDA
## Executive Committee

**Date:** Thursday, February 16, 2017
**Time:** 9:00AM
**Location:** Alameda County Office of Education
313 W. Winton Ave.
Hayward, CA 94544

*Conference call dial-in 510-670-7776*

## I. Call to order 9:00 AM

## II. Roll call

**Executive Committee Members**

| | | |
|---|---|---|
| Dr. Candi Clark | President | Castro Valley USD |
| Raul Parungao | Vice President | Fremont USD |
| Susan Kinder | Secretary | Livermore USD |
| Allan Garde | Board Member | Albany USD |
| Annette Heldman | Board Member | San Lorenzo USD |
| Akur Varadarajan | Board Member | New Haven USD |
| Bryan Richards | Board Member | Newark USD |

| | | |
|---|---|---|
| Kimberly Dennis | Executive Director | Alameda County Schools Insurance Group |
| Celina Flotte | Executive Assistant | Alameda County Schools Insurance Group |

| | | |
|---|---|---|
| Ron Martin | Guest | Keenan & Associates |
| Tara Cooper-Salaiz | Guest | Keenan & Associates |
| Patrice Grant | Guest | Keenan & Associates |
| Michael Clark | Guest | Keenan & Associates |
| Dave Kundert | Guest | Keenan & Associates |
| Laurena Grabert | Guest | SETECH |
| Cary Allison | Guest | Morgan Stanley |

## III. Acceptance of the Agenda

The Executive Committee will vote on the acceptance of the agenda.

## IV. Public Comment on Closed Session Agenda Items

*Pursuant to the Brown Act, each public agency must provide the public with an opportunity to speak on any matter within the subject matter jurisdiction of the agency and which is on the agency's agenda for that meeting. The Board of Directors allows speakers to speak on agendized and non-agendized matters under public comment. Comments are limited to no more than 3 minutes per speaker. By law, no action may be taken on any item raised during the public comment periods and matters may be referred to staff for placement on a future agenda of the Board of Directors*

## Closed Session

*Pursuant to Government code section 54956.95, the Executive Committee is empowered to conduct a closed session to discuss matters affecting the JPA or a member of the JPA*

### A. Settlement Authorization

- Claim Numbers: N/A

### B. Settlement Notification

- Claim Numbers:

| | | |
|---|---|---|
| Weber 449928 | Kauzlarich 502616 | Slack 517746 |
| Loeser 450037 | Gupta 503348 | Malaca 518437 |
| Crosby-Hogg 454362 | Peters 503413 | Allen 521678 |
| Strother 455473 | Reavis 505097 | English 523903 |
| Meyer 467418 | Scott 510832 | Klein-Horejsi 2202027 |
| Balatayo 476898 | Oliveira 511229 | Lavin 2203289 |
| Williams 477145 | Cuenca 512378 | Raley 2506815 |
| Williams 481674 | Gordon 517314 | Sanders 2509076 |

### B. Executive Director Evaluation

The Executive Committee will discuss the Executive Director's Annual Job Performance Review.

## Open Session

## V. Public Comment on Open Session Agenda Items

*Pursuant to the Brown Act, each public agency must provide the public with an opportunity to speak on any matter within the subject matter jurisdiction of the agency and which is on the agency's agenda for that meeting. The Board of Directors*

*allows speakers to speak on agendized and non-agendized matters under public comment. Comments are limited to no more than 3 minutes per speaker. By law, no action may be taken on any item raised during the public comment periods and matters may be referred to staff for placement on a future agenda of the Board of Directors*

**VI. Report of Action Taken in Closed Session**

**VII. Approval of Minutes**

The Executive Committee will review/approve the meeting minutes from the November 3, 2016 Executive Committee and November 9, 2016 Full Board Meetings.

## Workers Compensation

**VIII. Loss Portfolio Transfer Report**

The Executive Director and a Keenan representative will discuss an opportunity for Loss Portfolio Transfer for the old, ACSIG claim inventory.

***Recommendation: For discussion and possible action***

**IX. Keenan TPA Contract**

The Executive Director will review the Keenan TPA Contract with the Executive Committee.

***Recommendation: For discussion and possible action***

**X. CastlePoint/ Reinsurance Update**

The Executive Director and a Keenan representative will update the committee on the open claims affected by the receivership of Castlepoint Reinsurance.

***Recommendation: For discussion***

**XI. Actuarial Study – Ex Mod**

The Executive Director will present the January 2017 actuarially determined 2016/17-program year experience modification factor used for 2017 -18 rates.

***Recommendation: For discussion and/or action***

**XII. Actuarial Study – Ultimate Loss**

The Executive Director will present the January 2017 actuarially determined long-term liability.

***Recommendation: For discussion and/or action***

**XIII. Preliminary 2017-2018 Workers' Compensation Rates**

The Executive Director will provide details on the Workers' Compensation Rates for the 2017-2018 year.

*Recommendation: For discussion and/or action*

**XIV. Information Report for the Fiscal Year End**

Laurena Grabert from SETECH will present the Financial Management Information Report Ended June 30, 2016. The Executive Committee will be asked to recommend approval to the Full Board.

***Recommendation: For discussion***

## Dental/ Vision

**XV. Actuarial Report**

The Executive Director will review the enclosed actuarial report for both the Dental and Vision programs.

***Recommendation: For action***

## General

**XVI. Second Quarter Financial Report**

Laurena Grabert from SETECH will present the 2016/2017 Second Quarter Financial Report. The Executive Committee will be asked to recommend approval to the full board.

***Recommendation: For action***

**XVII. Second Quarter Investment Report**

Cary Allison from Morgan Stanley will present the 2016/17 Second Quarter Investment Report. The Executive Committee will be asked to recommend approval to the Full Board.

***Recommendation: For action***

**XVIII. 2017/2018 Budget**

The Executive Director will review the tentative 2017/18 Budget.

***Recommendation: For action***

**XIX. Strategic Planning Update**

The Executive Director will update group in strategic plan.

***Recommendation: For discussion***

**XX. CAJPA Fall Conference 2017**

Dates for the 2017 CAJPA Fall Conference will be given to the Executive Committee.

***Recommendation: For Discussion***

XXI. Future Planning

XXII. Adjournment




# LOCATION CALL- IN SHEET

# ALAMEDA COUNTY SCHOOLS INSURANCE GROUP

# EXECUTIVE COMMITTEE MEETING

February 16, 2017 9:00 AM

Conference Call Instruction:

*1) Enter call-in number 510-670-7776  2) State your name*

This meeting will be conducted by teleconferencing in accordance with Government Code Section 54953(b). Members of the public may address the Committee from any teleconference location shown below:

**Albany Unified School District**

1051 Monroe Street Albany, CA 94706

**Castro Valley Unified School District**

4400 Alma Avenue Castro Valley, CA 94546

**Fremont Unified School District**

4210 Technology Drive Fremont, CA 94539

**Livermore Unified School District**

685 East Jack London Blvd. Livermore, CA 94501

**New Haven Unified School District**

34200 Alvaradoz  Niles Rd. Union City, CA 94587

**Newark Unified School District**

5715 Musick Avenue Newark, CA 94560

**San Lorenzo Unified School District**

15510 Usher Street San Lorenzo, CA 94580




Alameda County Schools Insurance Group (ACSIG)
5776 Stoneridge Mall Rd., Suite 130 Pleasanton, CA 94588

# MINUTES
## Executive Committee

**Date:** Thursday, November 3, 2016
**Time:** 9:00AM
**Location:** Alameda County Office of Education
313 W. Winton Ave.
Hayward, CA 94544

I. **This meeting was called to order by Raul Parungao at 9:07 AM, with a quorum of members present.**

II. **Roll call**

**Executive Committee Members**

| | | |
|---|---|---|
| Raul Parungao | Vice Present | Fremont USD |
| Susan Kinder | Secretary | Livermore Valley Joint USD |
| Annette Heldman | Board Member | San Lorenzo USD |
| Akur Varadarjan | Board Member | New Haven USD |
| | | |
| Kimberly Dennis | Executive Director | Alameda County Schools Insurance |
| Celina Flotte | Executive Assistant | Alameda County Schools Insurance |
| | | |
| Tara Cooper-Salaiz | Guest | Keenan & Associates |
| Patrice Grant | Guest | Keenan & Associates |
| Ron Martin | Guest | Keenan & Associates |
| Michael Clark | Guest | Keenan & Associates |
| Dave Kundert | Guest | Keenan & Associates |
| Laurena Grabert | Guest | SETECH |
| Cary Allison | Guest | Morgan Stanley |
| Heather Daud | Guest | Christy White & Associates |

III. **Acceptance of the Agenda**
It was moved by Susan Kinder and seconded by Akur Varadarajan to approve the agenda as presented.

IV. **Public Comment on Closed Session Agenda Items**

No public present to comment.

### Closed Session
*Closed session began at 9:08 AM.*

### Open Session
*Open session began at 9:15 AM.*

## V. Public Comment on Open Session Agenda Items
No public present to comment.

## VI. Report of Action Taken in Closed Session
It was moved by Annette Heldman and seconded by Akur Varadarjan to approve settlement authorizations and notifications listed below.
Ayes:, Varadarjan, Kinder, Parungao, and Heldman.
Nays: None.
Abstain: None.

### A. Settlement Authorization
- **Claim Numbers:**
  417758 Ellis
  431321 Lydon
  436007 Ulloa
  2203893 Gonzales
  2206171 Dahl

### B. Settlement Notification
- **Claim Numbers:**

| | | | |
|---|---|---|---|
| 395548 Dasilva | 476764 Rodriguez | 503226 Butler | 2203815 Butler |
| 404880 Gage | 477979 Irving | 504228 Guerrero | 2206040 Smith |
| 412712 Butler | 482445 Ranier-Amenhotep | 505127 Gates | 2507710 Butler |
| 422818 Cash | 491118 O'Neal | 505868 Alice | |
| 429441 Henares | 492470 Cordiano | 506362 Torres | |
| 443923 Butler | 495538 Guymon | 507222 Jensen | |
| 446337 Godinez | 500612 Cruz | 507649 Archibald | |
| 459020 Musleh | 501511 Battiste | 514232 Garcia | |
| 460805 Glenn | 501539 Kobb | 514395 Rios | |
| 469418 Godinez | 502786 Ness-McCulley | 520190 Cash | |

## VII. Approval of Minutes

The Executive Committee reviewed meeting minutes from the Executive Committee meetings from May 19, 2016 and the Full Board minutes from May 26, 2016 and May 31, 2016. It was moved by Akur Varadarjan and seconded by Susan Kinder to approve the Executive Committee Meeting minutes from May 19, 2016 and the Full Board minutes from May 26, 2016 and May 31, 2016

General Business

## VIII. Election of Officers

Although Executive Committee members service a term of 2 years each, an officer's term is only for one year. It was moved by Akur Varadarjan and Susan Kinder to keep in place Dr. Candi Clark as President, Raul Parungao as Vice President, and Susan Kinder as Secretary for the 2016/17 term.
Ayes: Kinder, Varadarjan, Parungao and Heldman.
Nays: None.
Abstain: None.

## IX. 2015/16 Fourth Quarter Financials

Laurena Grabert from SETECH presented the 2015/16 fourth quarter financials.

**Alameda County Schools Insurance Group (ACSIG)**
**Consolidated**
**Statement of Revenues, Expenditures and Changes in Net Position**
**For The Fiscal Year Ended 06/30/2016**

| | Cash Activity 07/01/2015 06/30/2016 | Allocations | Change in Accruals | Balance Year to Date | 2015/2016 Budget | Variance | Percentage of Budget |
|---|---|---|---|---|---|---|---|
| **Audited - Beginning Net Position, as of 07/01/2015** | | | | $ 1,257,232 | | | |
| Beginning Cash | $ 26,320,724 | | | | $ 1,257,232 | | |
| **Operating Revenue:** | | | | | | | |
| Premiums Paid by Members | $ 149,629,535 | $ -- | $ 2,235,566 | $ 151,865,101 | $ 136,126,495 | $ 15,738,606 | 111.56 % |
| Other Income | 39,474 | (33,676) | -- | 5,798 | -- | 5,798 | -- |
| Total Operating Revenue | 149,669,009 | (33,676) | 2,235,566 | 151,870,899 | 136,126,495 | 15,744,404 | 111.57 |
| **Operating Expenditures:** | | | | | | | |
| Classified Salaries | 108,279 | 156,075 | 7,841 | 272,195 | 227,675 | 44,520 | 119.55 |
| Statutory Benefits | 9,583 | 55,205 | 1,079 | 65,867 | 81,308 | (15,441) | 81.01 |
| Health & Welfare | 12,660 | 7,618 | -- | 20,278 | 39,000 | (18,722) | 52.00 |
| Employer Tax Expense | -- | 3,799 | -- | 3,799 | 69,977 | (66,178) | 5.43 |
| Net Pension Expense | -- | 159,477 | -- | 159,477 | -- | 159,477 | -- |
| Telephone & Internet | 5,533 | -- | 34 | 5,567 | 10,500 | (4,933) | 53.02 |
| Supplies Office | 1,943 | -- | (264) | 1,679 | 10,500 | (8,821) | 15.99 |
| Supplies - Other | 1,276 | -- | (59) | 1,217 | 10,500 | (9,283) | 11.59 |
| Eligibility Processing | 193,312 | -- | -- | 193,312 | 181,200 | 12,112 | 106.68 |
| Brokerage Fees-Dental-ACSIG | 264,232 | -- | -- | 264,232 | 284,000 | (19,768) | 93.04 |
| Brokerage Fees-Dental-MD | 322,460 | -- | -- | 322,460 | 276,000 | 46,460 | 116.83 |
| Travel and Conferences | 13,290 | 5,541 | (360) | 18,471 | 19,500 | (1,029) | 94.72 |
| Mileage | 6,952 | -- | -- | 6,952 | 7,350 | (398) | 94.59 |
| Dues & Memberships | 1,285 | -- | -- | 1,285 | 1,300 | (15) | 98.85 |
| Postage & Meter | 5,159 | -- | -- | 5,159 | 2,750 | 2,409 | 187.60 |
| Insurance Expense-PIPS&NCR | 19,354,290 | -- | -- | 19,354,290 | 21,125,746 | (1,771,456) | 91.61 |
| Insurance Expense-PIPS Adj | 1,578,491 | -- | -- | 1,578,491 | 500,000 | 1,078,491 | 315.70 |
| Utility - Operating-Rent | 79,190 | (48,108) | -- | 31,082 | 32,255 | (1,173) | 96.36 |
| Advertising | -- | -- | -- | -- | 2,100 | (2,100) | -- |
| Contract Services | 8,025 | -- | -- | 8,025 | 19,025 | (11,000) | 42.18 |
| Contract Services -Claim Audit | 15,750 | -- | -- | 15,750 | -- | 15,750 | -- |
| Contract Services | 1,540 | -- | -- | 1,540 | 10,000 | (8,460) | -- |
| Audit Fees | 13,000 | -- | -- | 13,000 | 16,350 | (3,350) | 79.51 |
| Other Services/Operating Expense | 2,540 | -- | -- | 2,540 | 7,125 | (4,585) | 35.65 |
| Capital Equipment/Depreciation | -- | -- | 592 | 592 | 5,250 | (4,658) | 11.28 |
| Repairs & Maintenance | -- | -- | -- | -- | 5,250 | (5,250) | -- |
| Legal | -- | -- | -- | -- | 5,250 | (5,250) | -- |
| Accounting Services | 9,520 | 4,080 | -- | 13,600 | 15,750 | (2,150) | 86.35 |
| County Courier | -- | -- | -- | -- | 3,675 | (3,675) | -- |
| Shredding | 807 | 148 | (214) | 741 | 2,100 | (1,359) | 35.31 |
| Copier & Scanner | 10,894 | 277 | 728 | 11,899 | 14,999 | (3,100) | 79.33 |
| Claims Administration Services | 175,576 | -- | (63) | 175,513 | 193,429 | (17,916) | 90.74 |
| Self-Insurance Fee | 224,764 | -- | -- | 224,764 | 246,610 | (21,846) | 91.14 |
| Claims Paid-WC | 2,457,927 | -- | (141,092) | 2,316,835 | 4,000,000 | (1,683,165) | 57.92 |
| Claims Paid-PL | 18,887 | -- | 5,145 | 24,032 | 100,000 | (75,968) | 24.03 |
| Physical Abilities Testing | 7,715 | -- | (365) | 7,350 | 22,500 | (15,150) | 32.67 |
| Training | 152 | -- | -- | 152 | 5,000 | (4,848) | 3.04 |
| First-Aid Program | 8,476 | -- | (672) | 7,804 | 25,000 | (17,196) | 31.22 |
| Food Service Training | -- | -- | -- | -- | 10,000 | (10,000) | -- |
| Special Ed Training | -- | -- | -- | -- | 10,000 | (10,000) | -- |
| Bank Charge & WC Penalty Reimb | 15,627 | -- | -- | 15,627 | -- | 15,627 | -- |
| Cobra Premiums | 212,954 | -- | -- | 212,954 | 235,000 | (22,046) | 90.62 |
| Dental Insurance Premiums | 117,704,976 | -- | 2,629,996 | 120,334,972 | 106,652,000 | 13,682,972 | 112.83 |
| Vision Insurance Premiums | 3,193,341 | -- | 55,382 | 3,248,723 | 2,550,000 | 698,723 | 127.40 |
| Claim Development Expense | -- | -- | (3,548,418) | (3,548,418) | (3,050,000) | (498,418) | 116.34 |
| ACA Fees | -- | -- | -- | -- | -- | -- | -- |
| Total Operating Expenditures | 146,040,406 | 344,113 | (990,710) | 145,393,809 | 133,985,974 | 11,407,835 | 108.51 % |
| **Net Increase/(Decrease) from Operations** | 3,628,603 | (377,789) | 3,226,276 | 6,477,090 | 2,140,521 | 4,336,569 | % |
| **Non Operating Income/(Expense)** | | | | | | | |
| Interest Income | 266,616 | (28) | 9,706 | 276,294 | 218,250 | 58,044 | 126.60 |
| Net Increase/(Decrease) in Fair Value | 73,021 | -- | -- | 73,021 | -- | 73,021 | -- |
| Realized Gain/(Loss) on Investments | 30,921 | -- | -- | 30,921 | -- | 30,921 | -- |
| Cumulative effect of GASB 68 | -- | -- | (385,314) | (385,314) | -- | (385,314) | -- |
| Interfund Trans, Other Inc/Exp | 81,254 | (45,706) | (35,548) | -- | -- | -- | -- |
| Total Non Operating Income/(Expense) | 451,811 | (45,735) | (411,156) | (5,078) | 218,250 | (223,328) | (2.33) % |
| Ending Cash | $ 30,401,138 | (423,524) | | | | | |
| **Net Increase/(Decrease) in Net Position** | | $ (423,524) | $ 2,815,120 | 6,472,012 | $ 2,358,771 | $ 4,113,241 | % |
| **Audited - Ending Net Position, as of 06/30/2016** | | | | **$ 7,729,244** | **$ 3,616,003** | **$ 4,113,241** | |

It was moved by Annette Heldman and seconded by Akur Varadarjan to approve the 2015/16 Fourth Quarter Financial Report to the Full Board consent calendar.
Ayes: Heldman, Kinder, Parungao and Varadarajan.
Nays: None.
Abstain: None.

## X. 2015/16 Audit

Heather Daud of Christy White & Associates reviewed the 2015/16 Audit with the Executive Committee. This was the fourth year with Christy White Associates and the audit went very smoothly with no findings.
It was moved by Susan Kinder and seconded by Akur Varadarajan to submit the 2015/16 Audit to the Full Board.
Ayes: Heldman, Kinder, Parungao and Varadarajan.
Nays: None.
Abstain: None.

## XI. 2016/17 First Quarter Financials

Laurena Grabert from SETECH presented the 2016/17 first quarter financials.

**Alameda County Schools Insurance Group (ACSIG)**
**Consolidated**
**Statement of Revenues, Expenditures and Changes in Net Position**
**For The Three Months Ended 09/30/2016**

| | Cash Activity 07/01/2016 09/30/2016 | Allocations | Change in Accruals | Balance Year to Date | 2016/2017 Budget | Variance | Percentage of Budget |
|---|---|---|---|---|---|---|---|
| **Audited - Beginning Net Position, as of 07/01/2016** | | | | $ 7,729,244 | | | |
| Beginning Cash | $ 30,401,138 | | | | $ 7,729,244 | | |
| **Operating Revenue:** | | | | | | | |
| Premiums Paid by Members | $ 41,134,805 | $ -- | $ (1,762,685) | $ 39,372,120 | $ 147,408,159 | $ (108,036,039) | 26.71 % |
| Other Income | 8,642 | (8,642) | -- | -- | -- | -- | -- |
| Total Operating Revenue | 41,143,447 | (8,642) | (1,762,685) | 39,372,120 | 147,408,159 | (108,036,039) | 26.71 |
| **Operating Expenditures:** | | | | | | | |
| Classified Salaries | 27,170 | 32,678 | (185) | 59,663 | 236,778 | (177,115) | 25.20 |
| Statutory Benefits | 6,112 | 13,339 | (4,948) | 14,504 | 55,498 | (40,994) | 26.13 |
| Health & Welfare | 2,696 | 1,797 | -- | 4,493 | 39,000 | (34,507) | 11.52 |
| Employer Tax Expense | -- | 863 | -- | 863 | 3,411 | (2,548) | 25.31 |
| Net Pension Expense | -- | -- | -- | -- | -- | -- | -- |
| Telephone & Internet | 1,164 | -- | (108) | 1,056 | 5,250 | (4,194) | 20.11 |
| Supplies Office | 245 | -- | -- | 245 | 5,250 | (5,005) | 4.67 |
| Supplies - Other | 336 | -- | (107) | 229 | 5,250 | (5,021) | 4.36 |
| Eligibility Processing | 55,614 | -- | -- | 55,614 | 252,000 | (196,386) | 22.07 |
| Brokerage Fees-Dental-ACSIG | 61,832 | -- | -- | 61,832 | 276,000 | (214,168) | 22.40 |
| Brokerage Fees-Dental-MD | 60,077 | -- | -- | 60,077 | 300,000 | (239,923) | 20.03 |
| Travel and Conferences | 3,005 | 1,104 | (430) | 3,679 | 21,000 | (17,321) | 17.52 |
| Mileage | 1,497 | -- | -- | 1,497 | 8,925 | (7,428) | 16.77 |
| Dues & Memberships | -- | -- | -- | -- | 1,575 | (1,575) | -- |
| Postage & Meter | 5,314 | -- | -- | 5,314 | 3,400 | 1,914 | 156.29 |
| Insurance Expense-PIPS&NCR | 6,003,481 | -- | (850,000) | 5,153,481 | 23,989,931 | (18,836,450) | 21.48 |
| Insurance Expense-PIPS Adj | -- | -- | -- | -- | 1,500,000 | (1,500,000) | -- |
| Utility - Operating-Rent | 20,010 | (12,345) | -- | 7,665 | 35,420 | (27,755) | 21.64 |
| Advertising | -- | -- | -- | -- | 2,100 | (2,100) | -- |
| Contract Services | -- | -- | -- | -- | 8,426 | (8,426) | -- |
| Contract Services -Claim Audit | -- | -- | -- | -- | -- | -- | -- |
| Contract Services | -- | -- | -- | -- | 10,000 | (10,000) | -- |
| Audit Fees | -- | -- | -- | -- | 14,175 | (14,175) | -- |
| Other Services/Operating Expense | (34) | -- | -- | (34) | 5,250 | (5,284) | (0.65) |
| Capital Equipment/Depreciation | -- | -- | -- | -- | 2,550 | (2,550) | -- |
| Repairs & Maintenance | -- | -- | -- | -- | 4,800 | (4,800) | -- |
| Legal | -- | -- | -- | -- | 2,550 | (2,550) | -- |
| Accounting Services | 2,450 | 1,050 | -- | 3,500 | 15,750 | (12,250) | 22.22 |
| County Courier | -- | -- | -- | -- | 3,675 | (3,675) | -- |
| Shredding | 104 | 26 | -- | 130 | 1,575 | (1,445) | 8.25 |
| Copier & Scanner | 2,290 | 20 | (1,455) | 854 | 15,000 | (14,146) | 5.70 |
| Claims Administration Services | 85,227 | -- | (227) | 85,000 | 190,000 | (105,000) | 44.74 |
| Self-Insurance Fee | -- | -- | -- | -- | 245,000 | (245,000) | -- |
| Claims Paid-WC | 146,618 | -- | 31,937 | 178,555 | 3,000,000 | (2,821,445) | 5.95 |
| Claims Paid-PL | 1,103 | -- | -- | 1,103 | 80,000 | (78,897) | 1.38 |
| Physical Abilities Testing | 2,205 | -- | (1,225) | 980 | 22,445 | (21,465) | 4.37 |
| Training | (154) | -- | -- | (154) | 5,000 | (5,154) | (3.08) |
| First-Aid Program | 4,578 | -- | (553) | 4,025 | 10,000 | (5,975) | 40.25 |
| Food Service Training | -- | -- | -- | -- | 10,000 | (10,000) | -- |
| Special Ed Training | -- | -- | -- | -- | 10,000 | (10,000) | -- |
| Bank Charge & WC Penalty Reimb | 6,066 | -- | -- | 6,066 | 15,000 | (8,934) | -- |
| Cobra Premiums | 44,674 | -- | -- | 44,674 | 250,000 | (205,326) | 17.87 |
| Dental Insurance Premiums | 31,199,957 | -- | (362,585) | 30,837,372 | 113,877,908 | (83,040,536) | 27.08 |
| Vision Insurance Premiums | 1,032,233 | -- | (215,749) | 816,484 | 2,758,000 | (1,941,516) | 29.60 |
| Claim Development Expense | -- | -- | (340,200) | (340,200) | (2,430,000) | 2,089,800 | 14.00 |
| ACA Fees | -- | -- | -- | -- | -- | -- | -- |
| Total Operating Expenditures | 38,775,870 | 38,532 | (1,745,836) | 37,068,567 | 144,867,892 | (107,799,325) | 25.59 % |
| **Net Increase/(Decrease) from Operations** | 2,367,577 | (47,174) | (16,849) | 2,303,553 | 2,540,267 | (236,714) | % |
| **Non Operating Income/(Expense)** | | | | | | | |
| Interest Income | 98,470 | (4) | (18,793) | 79,673 | 218,250 | (138,577) | 36.51 |
| Net Increase/(Decrease) in Fair Value | (91,616) | -- | -- | (91,616) | -- | (91,616) | -- |
| Realized Gain/(Loss) on Investments | 13,981 | -- | -- | 13,981 | -- | 13,981 | -- |
| Cumulative effect of GASB 68 | -- | -- | -- | -- | -- | -- | -- |
| Interfund Trans, Other Inc/Exp | 204,821 | -- | (204,821) | -- | -- | -- | -- |
| Total Non Operating Income/(Expense) | 225,656 | (4) | (223,614) | 2,038 | 218,250 | (216,212) | 0.93 % |
| Ending Cash | $ 32,994,371 | (47,178) | | | | | |
| **Net Increase/(Decrease) in Net Position** | | $ (47,178) | $ (240,463) | 2,305,591 | $ 2,758,517 | $ (452,926) | % |
| **Unaudited - Ending Net Position, as of 09/30/2016** | | | | **$ 10,034,835** | **$ 10,487,761** | **$ (452,926)** | |

It was moved by Akur Varadarjan and seconded by Annette Heldman to submit the 2016/17 First Quarter Financial Report to the Full Board.
Ayes: Heldman, Kinder, Parungao and Varadarajan.
Nays: None.
Abstain: None.

## XII. 2015/16 Fourth Quarter Investment Report

Cary Allison of Morgan Stanley presented the 2015/16 Fourth Quarter Investment Report.

| ***Investment Summary Dollar Weighted Return % (Net of fees)*** | |
|---|---|
| Date of Report | 06/30/16 |
| Inception date | 07/12/10 |
| Beginning Total Value | $9,999,850.00 |
| Net Contributions/Withdrawals | $5,033,025.75 |
| Investment Earnings | $1,222,230.82 |
| Total Ending Value | $16,255,106.57 |
| Current Quarter | 0.65% |
| Year to Date | 2.07% |
| Since Inception (annualized % per year) | 1.43% |

| ***Time Weighted Return % by Period (Net of fees)*** | |
|---|---|
| Last 3 Years (annualized % per year) | 1.51% |
| Last 5 Years (annualized % per year) | 1.35% |
| Since Inception (annualized % per year) | 1.43% |
| Year 2016 (YTD) | 2.07% |
| Year 2015 | 0.87% |
| Year 2014 | 1.01% |
| Year 2013 | -0.03% |
| Year 2012 | 2.44% |
| Year 2011 | 1.91% |
| Year 2010 (partial year) | 0.29% |
| Corporate bonds as percentage of portfolio | 29.18% |

It was moved by Akur Varadarjan and seconded by Susan Kinder to approve the 2015/16 Fourth Quarter Investment report for the Full Board consent calendar.
Ayes: Heldman, Kinder, Parungao and Varadarajan.
Nays: None.
Abstain: None.

## XIII. 2016/17 First Quarter Investment Report

Cary Allison of Morgan Stanley presented the 2016/17 First Quarter Investment Report.

| *Investment Summary Dollar Weighted Return % (Net of fees)* | |
|---|---|
| Date of Report | 09/30/16 |
| Inception date | 07/12/10 |
| Beginning Total Value | $9,999,850.00 |
| Net Contributions/Withdrawals | $5,033,025.75 |
| Investment Earnings | $1,207,554.99 |
| Total Ending Value | $16,240,430.74 |
| Current Quarter | -0.09% |
| Year to Date | 1.97% |
| Since Inception (annualized % per year) | 1.35% |

| *Time Weighted Return % by Period (Net of fees)* | |
|---|---|
| Last 3 Years (annualized % per year) | 1.30% |
| Last 5 Years (annualized % per year) | 1.32% |
| Since Inception (annualized % per year) | 1.36% |
| Year 2016 (YTD) | 1.97% |
| Year 2015 | 0.87% |
| Year 2014 | 1.01% |
| Year 2013 | -0.03% |
| Year 2012 | 2.44% |
| Year 2011 | 1.91% |
| Year 2010 (partial year) | 0.29% |
| Corporate bonds as percentage of portfolio | 28.89% |

It was moved by Annette Heldman and seconded by Susan Kinder to submit the 2016/17 First Quarter Investment Report to the Full Board.
Ayes: Heldman, Kinder, Parungao and Varadarajan.
Nays: None.
Abstain: None.

## XIV. Annual Report

The Executive Director presented the 2015/16 Annual Report. The report will be presented to the Full Board at the meeting on November 9, 2016.

## XV. Strategic Planning Summary

The Executive Director reviewed the Strategic Plan Report with the Committee. The report will be presented to the Full Board at the meeting on November 9, 2016.

# Workers Compensation

## XVI. 2016/17 Service Plan

Tara Salaiz of Keenan reviewed the 2016/17 Service Plan with the Executive Committee. The service team consists of Tara Cooper-Salaiz as Account Manager, Michael Clark as Claims Analyst, Dave Kundert as Loss Control Consultant, Patrice Grant as Claims Manager, and Ron Martin as Account Executive. The Service Plan is a tool to show what the team wants to complete within the upcoming year. The team has chosen 4 target districts, including Alameda USD, Fremont USD, Newark USD, and Pleasanton USD.

## XVII. Company Nurse Update

Michael Clark of Keenan presented the Executive Committee with an update on the Company Nurse program expansion. Emery USD has now joined the program and the opportunity is still available to join if a district is interested.

## XVIII. Workers Compensation Claims History & Deficit Review

The Executive Director reviewed the Workers Compensation Claims History and deficit review with the Executive Committee. Based upon a 2011 audit report, the program has an operating deficit of $19.6M ACSIG has accomplished milestone of eliminating this deficit. With the 2016/17 1st Quarter Financial Report, ACSIG is now projected to end the fiscal year with a surplus in this fund.

## XIX. Potential Exposure from Reinsurer Insolvency

Ron Martin of Keenan explained how 2 of ACSIG's workers compensation claims are effected by our policy with CastlePoint. We anticipate that the assets of the company will pay the outstanding balances of these claims. Additionally, should there be insufficient funds to cover all claims, the California Insurance Guarantee Association (CIGA) will step in and pay $500,000 per claim.

## XX. Future Planning

## XXI. The meeting was adjourned at 10:40 am by Raul Parungao.




Alameda County Schools Insurance Group (ACSIG)
5776 Stoneridge Mall Rd., Suite 130 Pleasanton, CA 94588

# MINUTES
## Full Board

**Date:** Wednesday, November 9, 2016
**Time:** 12:00PM
**Location:** Alameda County Office of Education
313 W. Winton Ave.
Hayward, CA 94544

**I. The meeting was called to order by Dr. Candi Clark at 12:02pm.**

**II. Roll call**

**Executive Committee Members**

| | | |
|---|---|---|
| Dr Candi Clark | President | Castro Valley USD |
| Susan Kinder | Secretary | Livermore Valley Joint USD |
| Gary Jones | Board Member | Alameda County Office of Education |
| Allan Garde | Board Member | Albany Unified School District |
| Dina Stewart | Board Member | Mountain House Unified School District |
| Akur Varadarjan | Board Member | New Haven Unified School District |
| Bryan Richards | Board Member | Newark Unified School District |
| Song Chin-Bendib | Board Member | Piedmont Unified School District |
| Micaela Ochoa | Board Member | Pleasanton Unified School District |
| Ofelia Roxas | Alternate | San Leandro Unified School District |
| Annette Heldman | Board Member | San Lorenzo Unified School District |
| | | |
| Kimberly Dennis | Executive Director | Alameda County Schools Insurance |
| Celina Flotte | Executive Assistant | Alameda County Schools Insurance |
| | | |
| Tara Cooper-Salaiz | Guest | Keenan & Associates |
| Patrice Grant | Guest | Keenan & Associates |
| Ron Martin | Guest | Keenan & Associates |
| Michael Clark | Guest | Keenan & Associates |
| Dave Kundert | Guest | Keenan & Associates |
| Laurena Grabert | Guest | SETECH |

**III. Acceptance of the Agenda**

It was moved by Susan Kinder and seconded by Micaela Ochoa to accept the agenda as presented.
Ayes: Clark, Kinder, Jones, Garde, Stewart, Varadarajan, Richards, Chin-Bendib, Ochoa, Roxas, Heldman
Nays: None
Abstain: None

**IV. Approval of Minutes**

The Full Board reviewed meeting minutes from the Executive Committee meetings from May 19, 2016 and the Full Board minutes from May 26, 2016 and May 31, 2016. It was moved by Annette Heldman and seconded by Song Chin-Bendib to approve the Executive Committee Meeting minutes from May 19, 2016 and the Full Board minutes from May 26, 2016 and May 31, 2016.
Ayes: Clark, Kinder, Jones, Garde, Stewart, Varadarajan, Richards, Chin-Bendib, Ochoa, Roxas, Heldman
Nays: None
Abstain: None

## Consent Calendar

Review Items listed on the consent agenda for any adjustments and adoptions.

- 2015/16 Fourth Quarter Financials
- 2015/16 Fourth Quarter Investment Report
- Annual Report

## General Business

**V. 2015/16 Audit**

The Executive Director will present the 2015/16 Audit. The Board will be asked to approve this report.
It was moved by Gary Jones and seconded by Micaela Ochoa to accept the 2015/16 Audit.
Ayes: Clark, Kinder, Jones, Garde, Stewart, Varadarajan, Richards, Chin-Bendib, Ochoa, Roxas, Heldman
Nays: None
Abstain: None

**VI. Strategic Planning Summary**

The Executive Director will presented the Strategic Planning Summary. It was noted that more training will be planned for Para-Educators.

**VII. 2016/17 First Quarter Financials**

Laurena Grabert from SETECH presented the 2016/17 1st Quarter Financials to the Board. It was noted that the deficit has been eliminated.

## Alameda County Schools Insurance Group (ACSIG)
## Consolidated
## Statement of Revenues, Expenditures and Changes in Net Position
## For The Three Months Ended 09/30/2016

| | Cash Activity 07/01/2016 09/30/2016 | Allocations | Change in Accruals | Balance Year to Date | 2016/2017 Budget | Variance | Percentage of Budget |
|---|---|---|---|---|---|---|---|
| **Audited - Beginning Net Position, as of 07/01/2016** | | | | $ 7,729,244 | | | |
| Beginning Cash | $ 30,401,138 | | | | $ 7,729,244 | | |
| **Operating Revenue:** | | | | | | | |
| Premiums Paid by Members | $ 41,134,805 | $ -- | $ (1,762,685) | $ 39,372,120 | $ 147,408,159 | $ (108,036,039) | 26.71 % |
| Other Income | 8,642 | (8,642) | -- | -- | -- | -- | -- |
| Total Operating Revenue | 41,143,447 | (8,642) | (1,762,685) | 39,372,120 | 147,408,159 | (108,036,039) | 26.71 |
| **Operating Expenditures:** | | | | | | | |
| Classified Salaries | 27,170 | 32,678 | (185) | 59,663 | 236,778 | (177,115) | 25.20 |
| Statutory Benefits | 6,112 | 13,339 | (4,948) | 14,504 | 55,498 | (40,994) | 26.13 |
| Health & Welfare | 2,696 | 1,797 | -- | 4,493 | 39,000 | (34,507) | 11.52 |
| Employer Tax Expense | -- | 863 | -- | 863 | 3,411 | (2,548) | 25.31 |
| Net Pension Expense | -- | -- | -- | -- | -- | -- | -- |
| Telephone & Internet | 1,164 | -- | (108) | 1,056 | 5,250 | (4,194) | 20.11 |
| Supplies Office | 245 | -- | -- | 245 | 5,250 | (5,005) | 4.67 |
| Supplies - Other | 336 | -- | (107) | 229 | 5,250 | (5,021) | 4.36 |
| Eligibility Processing | 55,614 | -- | -- | 55,614 | 252,000 | (196,386) | 22.07 |
| Brokerage Fees-Dental-ACSIG | 61,832 | -- | -- | 61,832 | 276,000 | (214,168) | 22.40 |
| Brokerage Fees-Dental-MD | 60,077 | -- | -- | 60,077 | 300,000 | (239,923) | 20.03 |
| Travel and Conferences | 3,005 | 1,104 | (430) | 3,679 | 21,000 | (17,321) | 17.52 |
| Mileage | 1,497 | -- | -- | 1,497 | 8,925 | (7,428) | 16.77 |
| Dues & Memberships | -- | -- | -- | -- | 1,575 | (1,575) | -- |
| Postage & Meter | 5,314 | -- | -- | 5,314 | 3,400 | 1,914 | 156.29 |
| Insurance Expense-PIPS&NCR | 6,003,481 | -- | (850,000) | 5,153,481 | 23,989,931 | (18,836,450) | 21.48 |
| Insurance Expense-PIPS Adj | -- | -- | -- | -- | 1,500,000 | (1,500,000) | -- |
| Utility - Operating-Rent | 20,010 | (12,345) | -- | 7,665 | 35,420 | (27,755) | 21.64 |
| Advertising | -- | -- | -- | -- | 2,100 | (2,100) | -- |
| Contract Services | -- | -- | -- | -- | 8,426 | (8,426) | -- |
| Contract Services -Claim Audit | -- | -- | -- | -- | -- | -- | -- |
| Contract Services | -- | -- | -- | -- | 10,000 | (10,000) | -- |
| Audit Fees | -- | -- | -- | -- | 14,175 | (14,175) | -- |
| Other Services/Operating Expense | (34) | -- | -- | (34) | 5,250 | (5,284) | (0.65) |
| Capital Equipment/Depreciation | -- | -- | -- | -- | 2,550 | (2,550) | -- |
| Repairs & Maintenance | -- | -- | -- | -- | 4,800 | (4,800) | -- |
| Legal | -- | -- | -- | -- | 2,550 | (2,550) | -- |
| Accounting Services | 2,450 | 1,050 | -- | 3,500 | 15,750 | (12,250) | 22.22 |
| County Courier | -- | -- | -- | -- | 3,675 | (3,675) | -- |
| Shredding | 104 | 26 | -- | 130 | 1,575 | (1,445) | 8.25 |
| Copier & Scanner | 2,290 | 20 | (1,455) | 854 | 15,000 | (14,146) | 5.70 |
| Claims Administration Services | 85,227 | -- | (227) | 85,000 | 190,000 | (105,000) | 44.74 |
| Self-Insurance Fee | -- | -- | -- | -- | 245,000 | (245,000) | -- |
| Claims Paid-WC | 146,618 | -- | 31,937 | 178,555 | 3,000,000 | (2,821,445) | 5.95 |
| Claims Paid-PL | 1,103 | -- | -- | 1,103 | 80,000 | (78,897) | 1.38 |
| Physical Abilities Testing | 2,205 | -- | (1,225) | 980 | 22,445 | (21,465) | 4.37 |
| Training | (154) | -- | -- | (154) | 5,000 | (5,154) | (3.08) |
| First-Aid Program | 4,578 | -- | (553) | 4,025 | 10,000 | (5,975) | 40.25 |
| Food Service Training | -- | -- | -- | -- | 10,000 | (10,000) | -- |
| Special Ed Training | -- | -- | -- | -- | 10,000 | (10,000) | -- |
| Bank Charge & WC Penalty Reimb | 6,066 | -- | -- | 6,066 | 15,000 | (8,934) | -- |
| Cobra Premiums | 44,674 | -- | -- | 44,674 | 250,000 | (205,326) | 17.87 |
| Dental Insurance Premiums | 31,199,957 | -- | (362,585) | 30,837,372 | 113,877,908 | (83,040,536) | 27.08 |
| Vision Insurance Premiums | 1,032,233 | -- | (215,749) | 816,484 | 2,758,000 | (1,941,516) | 29.60 |
| Claim Development Expense | -- | -- | (340,200) | (340,200) | (2,430,000) | 2,089,800 | 14.00 |
| ACA Fees | -- | -- | -- | -- | -- | -- | -- |
| Total Operating Expenditures | 38,775,870 | 38,532 | (1,745,836) | 37,068,567 | 144,867,892 | (107,799,325) | 25.59 % |
| **Net Increase/(Decrease) from Operations** | 2,367,577 | (47,174) | (16,849) | 2,303,553 | 2,540,267 | (236,714) | % |
| **Non Operating Income/(Expense)** | | | | | | | |
| Interest Income | 98,470 | (4) | (18,793) | 79,673 | 218,250 | (138,577) | 36.51 |
| Net Increase/(Decrease) in Fair Value | (91,616) | -- | -- | (91,616) | -- | (91,616) | -- |
| Realized Gain/(Loss) on Investments | 13,981 | -- | -- | 13,981 | -- | 13,981 | -- |
| Cumulative effect of GASB 68 | -- | -- | -- | -- | -- | -- | -- |
| Interfund Trans, Other Inc/Exp | 204,821 | -- | (204,821) | -- | -- | -- | -- |
| Total Non Operating Income/(Expense) | 225,656 | (4) | (223,614) | 2,038 | 218,250 | (216,212) | 0.93 % |
| Ending Cash | $ 32,994,371 | (47,178) | | | | | |
| **Net Increase/(Decrease) in Net Position** | | $ (47,178) | $ (240,463) | 2,305,591 | $ 2,758,517 | $ (452,926) | % |
| **Unaudited - Ending Net Position, as of 09/30/2016** | | | | **$ 10,034,835** | **$ 10,487,761** | **$ (452,926)** | |

It was moved by Gary Jones and seconded by Micaela Ochoa to accept the 2016/17 1st Quarter Financials.
Ayes: Clark, Kinder, Jones, Garde, Stewart, Varadarajan, Richards, Chin-Bendib, Ochoa, Roxas, Heldman
Nays: None
Abstain: None

## VIII. 2016/17 First Quarter Investment Report

The Executive Director presented the 2016/17 1st Quarter Investment Report to the Board.

| ***Investment Summary Dollar Weighted Return % (Net of fees)*** | |
|---|---|
| Date of Report | 09/30/16 |
| Inception date | 07/12/10 |
| Beginning Total Value | $9,999,850.00 |
| Net Contributions/Withdrawals | $5,033,025.75 |
| Investment Earnings | $1,207,554.99 |
| Total Ending Value | $16,240,430.74 |
| Current Quarter | -0.09% |
| Year to Date | 1.97% |
| Since Inception (annualized % per year) | 1.35% |

| ***Time Weighted Return % by Period (Net of fees)*** | |
|---|---|
| Last 3 Years (annualized % per year) | 1.30% |
| Last 5 Years (annualized % per year) | 1.32% |
| Since Inception (annualized % per year) | 1.36% |
| Year 2016 (YTD) | 1.97% |
| Year 2015 | 0.87% |
| Year 2014 | 1.01% |
| Year 2013 | -0.03% |
| Year 2012 | 2.44% |
| Year 2011 | 1.91% |
| Year 2010 (partial year) | 0.29% |
| Corporate bonds as percentage of portfolio | 28.89% |

It was moved Annette Heldman and seconded by Akur Varadarajan to accept the 2016/17 1st Quarter Investment Report.
Ayes: Clark, Kinder, Jones, Garde, Stewart, Varadarajan, Richards, Chin-Bendib, Ochoa, Roxas, Heldman
Nays: None
Abstain: None

## Workers Compensation

**IX. Company Nurse Update**

Michael Clark of Keenan presented the Board with an update on the Company Nurse program expansion. ACSIG will be providing shoes for all Food Services Employees as a precaution to work hazards. Michael Clark will be contacting districts for a headcount of these workers.

**X. 2016/17 Service Plan**

Tara Salaiz of Keenan reviewed the 2016/17 Service Plan with the Board. The service team consists of Tara Cooper-Salaiz as Account Manager, Michael Clark as Claims Analyst, Dave Kundert as Loss Control Consultant, Patrice Grant as Claims Manager, and Ron Martin as Account Executive. The Service Plan is a tool to show what the team wants to complete within the upcoming year. The team has chosen 4 target districts, including Alameda USD, Fremont USD, Newark USD, and Pleasanton USD.

**XI. Workers Compensation Claims History & Deficit Review**

The Executive Director reviewed the Workers Compensation Claims History and deficit review with the Executive Committee. Based upon a 2011 audit report, the program has an operating deficit of $19.6M ACSIG has accomplished milestone of eliminating this deficit. With the 2016/17 1st Quarter Financial Report, ACSIG is now projected to end the fiscal year with a surplus in this fund.

**XII. Post Offer- Pre Placement Program**

The Executive Director discussed a Post Offer/ Pre- Placement program to districts, in efforts to improve their ability to select healthy, work ready employees. ACSIG partnered with Ability USA in pilot program within Albany and Piedmont USD, which has seen improvement within the past 3 years. We haven broadened the reach of the program by partnering with a facility in Hayward who can administer exams to districts nearby.

**XIII. Future Planning**

**XIV. The meeting was adjourned at 1:07pm by Dr. Candi Clark.**

Alameda County Schools Insurance Group
P.O. Box 2487
Dublin, CA 94568
Phone (925) 225-1030
Fax (925) 225-0653
www.acsig.com

# EXECUTIVE SUMMARY

TO: ACSIG Executive Committee

FROM: Kimberly Dennis

DATE: February 16, 2017

SUBJECT: Loss Portfolio Transfer

As the ACSIG Board has identified the workers' compensation program deficit and strategized on ways of decreasing and limiting the exposure to the JPA, every opportunity available is being investigated. One possibility is a loss portfolio transfer (LPT). With an LPT, ACSIG would be able to transfer all future exposure for existing claims to a reinsurer for a price.

The easiest and most efficient mechanism for LPT is by completing the transaction through a transfer of cash. As the insurance market changes, there are new opportunities. Therefore, additional options are being explored.

The Executive Director and a representative from Keenan & Associates will give a full report at the meeting.

# ACSIG
# Alameda County Schools Insurance Group

## Loss Portfolio Transfer Proposal


License No. 0451271

# ACSIG Loss Portfolio Transfer

## Definition and Goals

Loss Portfolio Transfer (LPT) – a Loss Portfolio Transfer is a method by which future claim liabilities are transferred from one entity (ACSIG) to another entity in exchange for premium.

- Transfer future liabilities for all known open and incurred, but not reported claims
- Improve balance sheet by eliminating claims liability
- Obtain coverage limit higher than available by retaining risk
- Eliminate credit risk

# ACSIG Loss Portfolio Transfer

## Actuarial Projected Liability at June 30, 2016
## Based on Bay Actuarial Report
## Dated - January 25, 2016

| Probability Level | Undiscounted | Discounted (1.5%) |
|---|---|---|
| Central Estimate | $ 20,109,000 | $ 17,758,000 |
| 60% | $ 20,580,000 | $ 18,174,000 |
| 70% | $ 21,725,000 | $ 19,185,000 |
| 80% | $ 23,169,000 | $ 20,460,000 |
| 90% | $ 25,361,000 | $ 22,396,000 |

# ACSIG Loss Portfolio Transfer

## Proposed Loss Portfolio Transfer Summary

| Actuarial Report | | Option | Option |
|---|---|---|---|
| Undiscounted | Discounted (1.5%) | One | Two |
| $ 20,109,000 | $ 17,758,000 | $ 21,570,000 [1, 3] | $ 21,416,000 [1, 4] |
| $ 21,725,000 | $ 19,185,000 | N/A | N/A |
| $ 25,361,000 | $ 22,396,000 | $ 27,109,000 [2] | $ 26,100,000 [2] |

1 - Consideration
2 - Aggregate Limit
3 - Does not include $2,500,000 risk corridor funding retained by ACSIG between $20,109,000 and $22,609,000 of total limit
4 - Includes $5,000,000 to be retained by ACSIG to pay first $5,000,000 of claim

# ACSIG Loss Portfolio Transfer

## Proposed Loss Portfolio Transfer
## Option 1

Reinsurer: Third Point Reinsurance Company Ltd.
Effective Date: To Be Determined
Term: Effective Date To Be Earlier Of:

1. The ultimate losses have been paid by the reinsurer, or
2. The reinsurer aggregate limit has been exhausted by claim payments.

| | |
|---|---|
| Aggregate Limit Inclusive of ACSIG Loss Corridor | $27,109,000 |
| Consideration | $21,570,000 |

Conditions:

- ACSIG will retain a $2,500,000 corridor of risk between $20,109,000 and $22,609,000
- Corridor interest credit will be earned by ACSIG and calculated quarterly based on an annualized rate of 1.5%
- Interest credit on corridor expected to yield $2,500,000 in proceeds before payments begin
- Keenan will remain as the claim administrator
- Reinsurer per occurrence limit is equal to ACSIG's SIR and where no excess coverage was purchased it is to be determined
- Sublimit for covered claims re-opened after June 30, 2016 to be determined
- Subject to review of prior four year actuarial reports, claim review and true up of liability at June 30, 2016
- Commutation to be determined
- Keenan Fee $500,000

# ACSIG Loss Portfolio Transfer

## Proposed Loss Portfolio Transfer
## Option 2

Reinsurer: Watford Re
Effective Date: To Be Determined
Term: Effective Date To Be Earlier Of:

1. The ultimate losses have been paid by the reinsurer, or
2. The reinsurer aggregate limit has been exhausted by claim payments.

| | |
|---|---|
| Aggregate Limit | $26,100,000 |
| Consideration | |
| Total Consideration | $21,416,000 |
| Funds Withheld | (5,000,000) |
| Net to Watford Re & Keenan | $16,416,000 |

Conditions:

- The $5,000,000 funds withheld would be used by ACSIG to pay the first $5,000,000 of claims after which Watford RE will pay based on indicated terms.
- Subject to a claim audit
- Subject to review of additional actuarial reports
- Reinsurer per occurrence limit is equal to ACSIG's SIR and where no excess coverage was purchased it is to be determined.
- Commutation to be determined
- Keenan Fee $500,000

# ACSIG Loss Portfolio Transfer

## Comparative Earning Capacity

| | No LPT | Option One | Option Two |
|---|---|---|---|
| Current Funds | $ 20,253,693[4] | $21,570,000 | $ 21,416,000[3] |
| Discount | .88 [1] | N/A | N/A |
| Future Funds/Limit | $ 23,068,181 | $ 24,609,000[2] | $ 26,100,000 |
| ACSIG Credit Risk | 100% | 0% | |

1 - Per Bay Actuarial Report
2 - Does not include $2,500,000 ACSIG retained
3 - Includes $5,000,000 of ACSIG funds withheld to pay final $5,000,000 of claim
4 - Based on September 30, 20106 Treasurer's Report net of off-sets

# ACSIG Loss Portfolio Transfer

## Aggregate Protection Incorporating a Loss Portfolio Transfer at June 30,2016

| | Option One | Option Two |
|---|---|---|
| Current Funds | $20,253,693 | $ 20,253,693 |
| Less LPT Consideration | $ 21,570,000 | $ 16,415,000 |
| Balance | $ (1,316,307) | $ 3,838,693 |
| Discount Factor | .88 | .88 |
| Future Funds | N/A | $ 523,458 |
| Aggregate Limit of LPT | $ 27,109,000 | $ 26,100,000 |
| Total Protection | $ 27,109,000 | $ 26,623,458 |
| 90% Probablity Level | $ 25,361,000 | $ 25,361,000 |
| Excess Protection | $ 1,748,000 | $ 1,262,458 |

Alameda County Schools Insurance Group
P.O. Box 2487
Dublin, CA 94568
Phone (925) 225-1030
Fax (925) 225-0653
www.acsig.com

# EXECUTIVE SUMMARY

TO: ACSIG Executive Committee

FROM: Kimberly Dennis

DATE: February 16, 2017

SUBJECT: Proposal for Claims Administration

Beginning in July 2007, ACSIG contracted with Keenan & Associates to administer all Workers' Compensation claims for the Alameda County Schools Insurance Group's member agencies. When ACSIG joined PIPS in July 2009, the contract was extended for 2 years to keep continuity in services since Keenan & Associates also administers all PIPS claims. The current contract expires in July 2017.

Ron Martin from Keenan & Associates will be available to speak to this item and present a proposal from Keenan & Associates for continuation of services to the next Executive Committee meeting.

Information is enclosed from Keenan & Associates. The Executive Committee will review this information and decide to continue the existing contract with Keenan & Associates or issue an RFP for Claims Administration Services. Mr. Martin will be in attendance at this meeting to discuss the enclosed information.

# RUN-OFF CLAIMS ADMINISTRATION AGREEMENT

This **Run-Off Claims Administration Agreement** ("Agreement") is made and entered into by and between **Alameda County Schools Insurance Group** ("Client") and **Keenan & Associates** ("Keenan"). Client and Keenan are also referred to individually as a "party" and collectively as the "parties."

## RECITALS

A. Client has established a deductible Workers' Compensation program for the benefit of its employees ("Program").

B. Keenan is a specialty insurance services provider with special expertise in the insurance and services needs of California school districts, municipalities, health care providers and their related entities and, as such, is qualified to provide the services described in this Agreement and other services that Client may request from time to time.

C. Client has requested that Keenan perform claims administration functions for the Program as described herein.

## AGREEMENT

The parties agree as follows:

1. **TERM:**

   The term of this Agreement is from **July 1, 2017** through **June 30, 2019** ("Term") unless terminated earlier as provided herein.

2. **KEENAN RESPONSIBILITIES AND SCOPE OF SERVICES:**

   A. Keenan shall provide Client with the services described in Exhibit A and Exhibit A-1 ("Services") for Client's Workers' Compensation claims.

   B. The relationship of the parties shall be that of independent contractor and each party shall at all times remain responsible for its own operational and personnel expenses. Under no circumstance shall any employee of one party look to the other party for any payment or the provision of any benefit, including without exception, workers' compensation coverage. Except as may be expressly set forth in or contemplated by this Agreement, neither party shall have the right to act on behalf of the other to any contract or other obligation.

   C. Keenan's services are limited to the specific obligations described herein. Client shall remain responsible for all other aspects of the Program. Keenan shall not provide any legal, tax, or accounting service, advice, or opinion, and under no circumstance are the services to

be construed or interpreted as representing any such advice or opinion. It is Client's responsibility to seek the counsel of its own attorney on all legal issues and to consult with its own tax and accounting experts on all tax, accounting, financial matters relating to its operations including without limitation the establishment, implementation and cooperation of its Program.

D. Keenan shall comply with all applicable state and federal Laws and regulations and obtain and maintain all necessary licenses, registrations and/or permits necessary for the performance of its duties under this Agreement.

E. Keenan reserves the right to engage independent contractors and/or subcontractors to assist in performing the Services. The use of such individuals shall not relieve either party of any of its duties under this Agreement.

3. **CLIENT'S DUTIES AND RESPONSIBILITIES:**

A. Client, subject to the specific Services set forth herein, shall retain all final authority and responsibility and expenses incidental thereto unless specifically assumed by Keenan hereunder and Keenan is authorized to act on behalf of Client in connection with the Program only as expressly stated in this Agreement. Client shall retain final authority and responsibility for the Program and is responsible for all aspects of the Program except for the Services to be provided by Keenan under this Agreement.

B. Client shall provide Keenan with all applicable information in a timely manner so that Keenan can fulfill its obligations under this Agreement. Client represents and warrants that all information provided to Keenan shall be complete, accurate and timely and that Keenan may rely upon such information without further investigation or review. Client understands and agrees that such information has not been audited by Keenan and that Client shall remain liable for its accuracy.

C. Client shall provide Keenan with timely access to such information and individuals including its outside advisors and consultants as may be necessary for Keenan to perform the Services. Meetings, telephone calls, and other necessary communications shall be scheduled at the mutual convenience of the parties and their representatives. Keenan shall not be responsible for any delay in its performance that results from the failure of Client or any person acting on behalf of Client to make available any information or individual in a timely manner.

D. Client shall fund a claims payment account from which all claims payments and loss adjustment expenses shall be paid. The account shall be established and funded in accordance with written procedures to be established by the parties. Under no circumstance will Keenan be required to advance any funds for the payment of claims.

E. To the extent Keenan requires the assistance of Client's staff or any third parties who are assisting, advising or representing Client to fulfill its obligations hereunder, Client shall have its staff and these third parties assist Keenan.

F. Client understands that Keenan is not providing any legal, tax or accounting services or advice and agrees to seek the counsel of its own attorney on all legal issues or matters and consult with its own tax and accounting experts on all tax and accounting issues and matters relating to the services.

G. Client will comply with all federal, state and local reporting and filing requirements for the Program.

4. **COMPENSATION:**

Client agrees to pay Keenan for the Services outlined in Exhibit A and Exhibit A-1 at the rates stated in Exhibit B and Exhibit C, all of which are attached hereto and incorporated herein by reference.

5. **CONFIDENTIALITY:**

Keenan shall keep confidential all information concerning Client and its employees possessed by Keenan, regardless of the medium thereof, except information that is generally available to the public. Except as authorized or required by law or in this Agreement, Keenan shall not release any report, any portion thereof, or any result of any investigation it may undertake on behalf of the Client to any person outside of Client's organization without the express written consent of Client.

6. **AUDIT:**

If Keenan is requested to disclose its books, documents or records relating to the services provided under this Agreement, Client shall notify Keenan in writing at least 30 days prior to the inspection and/or disclosure date of the nature and scope of the request and Keenan shall make available all such books, documents or records during Keenan's regular business hours.

7. **FINES & PENALTIES:**

Keenan shall pay any fines and/or penalties levied by regulatory authorities that (i) are imposed as a result of the improper denial of claims and (ii) failed to comply with the administrative rules, regulations and state laws governing Workers' Compensation, provided that such actions were not at the direction of or with the approval of the Client; were not the result of the failure of Client or any individual acting on behalf of Client or claimant to timely provide complete and accurate information needed for the processing of claims; or the failure of the Client to adequately fund the claims payment account. Client shall pay all other fines and/or penalties relating to the Program or otherwise.

8. **INSURANCE:**

Keenan shall procure and maintain, to the extent available on reasonable terms, the following minimum insurance coverages during the Term and shall provide certificates of insurance to Client upon Client's request:

(1) Workers' Compensation. Workers' Compensation Insurance in conformance with the laws of the State of California and applicable federal laws.

(2) Bodily Injury, Death and Property Damage Liability Insurance. General Liability Insurance (including motor vehicle operation) with a Two Million Dollar ($2,000,000) limit of liability for each occurrence and a Two Million Dollar ($2,000,000) aggregate limit of liability.

(3) Professional Liability Insurance. Professional Liability Insurance with a Two Million Dollar ($2,000,000) limit of liability for each occurrence and a Two Million Dollar ($2,000,000) aggregate limit of liability.

(4) Cyber Liability/Privacy Insurance. Cyber Liability Insurance with a Two Million Dollar ($2,000,000) limit of liability for each occurrence and a Two Million Dollar ($2,000,000) aggregate limit of liability.

9. **INDEMNIFICATION:**

If either party breaches this Agreement, then the breaching party shall defend, indemnify and hold harmless the non-breaching party, its officers, agents and employees against all claims, losses, demands, actions, liabilities, and costs (including, without limitation, reasonable attorneys' fees and expenses) arising from such breach. In addition, if Keenan (i) becomes the subject of a subpoena or is otherwise compelled to testify or (ii) becomes the subject of a claim, demand, action or liability brought or asserted by one of Client's employees, Plan beneficiaries, or Plan vendors ("Third-Party Demand") relating to the Services and such Third-Party Demand is not a direct result of Keenan's negligence or willful misconduct, then Client shall defend, indemnify and hold Keenan harmless from all losses, payments, and expenses incurred by Keenan in resolving such Third-Party Demand.

10. **LIMITATION OF LIABILITY:**

Notwithstanding anything to the contrary in this Agreement, in no event shall Keenan be liable for any punitive damages, lost profits or revenues, fines, penalties, taxes or any indirect, incidental or consequential damages incurred by Client, its officers, employees, agents, contractors or consultants whether or not foreseeable and whether or not based in contract or tort or otherwise, arising out of or in connection with this Agreement even if advised of the possibility of such damage. Client further agrees that Keenan's liability under this Agreement shall be limited to, and shall not exceed the amount of insurance coverage outlined in this Agreement, to the extent that it is available.

11. **DISPUTE RESOLUTION:**

A. In the event of any dispute arising out of or relating to this Agreement, such dispute shall be resolved by submission to binding arbitration before Judicial Arbitration & Mediation Services ("JAMS") or ADR Services, at the claimant's choice, in Los Angeles County,

California, before a retired judge or justice. If the parties are unable to agree on a retired judge or justice, the selected arbitration service (JAMS or ADR Services) will select the arbitrator.

B. In any such arbitration, the parties shall be entitled to take discovery in accordance with the provisions of the California Code of Civil Procedure, but either party may request that the arbitrator limit the amount or scope of such discovery, and in determining whether to do so, the arbitrator shall balance the need for the discovery against the parties' mutual desire to resolve disputes expeditiously and inexpensively.

C. The prevailing party in any action, arbitration, or proceeding arising out of or to enforce any provision of this Agreement will be awarded reasonable attorneys' fees and costs incurred in that action, arbitration, or proceeding, or in the enforcement of any judgment or award rendered.

12. **TERMINATION:**

A. Either party may terminate this Agreement upon the occurrence of any of the following events:

(1) Upon 60 days written notice by either party;

(2) The breach of this Agreement by either party if the alleged breach is not cured within 30 days of receiving notice of the breach from the non-breaching party;

(3) The dissolution or insolvency of either party;

(4) The filing of a bankruptcy petition by or against either party (if the petition is not dismissed within 60 days in the case of an involuntary bankruptcy petition); or

(5) If either party interprets the application of any applicable law, rule, regulation, or court or administrative decision to prohibit the continuation of this Agreement or cause a penalty to either party if the Agreement is continued.

B. If Client requests that Keenan continue to provide services under this Agreement after its expiration, Keenan may agree to provide services and this Agreement shall be extended on a month-to-month basis until terminated by either party. In such cases where appropriate, compensation shall be paid to Keenan as agreed between the parties to the Agreement or under the current terms until new terms have been negotiated and agreed to in writing between the parties to the Agreement.

C. Keenan shall return all open and closed claim files to the Insurer and Keenan shall have no further responsibility for the management of the claims. Additionally, Keenan shall provide to the Client loss reports, payroll information and other documents and materials relating to the services provided under this Agreement to Client within a reasonable time after termination.

D. Upon termination of this Agreement, Keenan shall be entitled to payment only for the pro-rata portion of the Term during which services were provided. Any monies paid to Keenan in excess of this pro-rata amount shall be refunded to the Client.

13. **SOLICITATION OF EMPLOYEES:**

During the Term, and for a period of twelve (12) months following any termination or expiration of the Agreement, neither party shall solicit the employment or engagement of any employee or agent of the other party that interacted directly with the soliciting party; provided, however, the foregoing provision shall not prevent either party from soliciting for employment or employing an employee who responds to general solicitations or advertisements in periodicals including newspapers and trade publications, so long as such solicitations or advertisements are not specifically directed at the employee(s) of the other party.

14. **MARKETING:**

Keenan may use Client's name in its representative client list. Keenan shall obtain Client's written consent before using Client's name for any other purpose.

15. **OTHER RELATIONSHIPS:**

A. Client understands that Keenan or its affiliates may provide Client with other services or insurance coverage not provided in this Agreement and receive compensation related to such other services including, without limitation, loss control services, joint powers administration, insurance brokerage services, obtaining other reinsurance coverage for Client, claims administration, investigative services, financial processing and other related services.

B. Client also understands that Keenan or its affiliates may provide services for others entities that also participate in the Program and that Keenan may be separately compensated for those additional services. Such services may include, without limitation, providing similar services for other members of the Program or providing other services for insurers or reinsurers under the Program.

16. **GENERAL:**

A. This Agreement and its recitals and related exhibits and amendments (incorporated into this Agreement by this reference) contains the entire understanding between the parties related to the subject matter covered by this Agreement and supersedes all prior and collateral statements, presentations, communications, reports, agreements or understandings, if any, related to such subject matters.

B. All terms of this Agreement (other than Keenan's obligation to perform services and Client's obligation to pay for such services) shall survive the expiration or termination of this Agreement.

C. Notwithstanding any provision herein to the contrary, this Agreement is made for the benefit of the parties and not for the benefit of any third party. Enforcement of any remedy for breach of this Agreement may only be pursued by the parties to this Agreement.

D. No modifications or amendments to this Agreement shall be binding unless in writing and signed by authorized representatives from both parties.

E. Any provision determined by a court of competent jurisdiction to be partially or wholly invalid or unenforceable shall be severed from this Agreement and replaced by a provision that is valid and enforceable and that comes closest to legally expressing the intention of such invalid or unenforceable provision.

F. Neither party shall be liable or deemed to be in default for any delay or failure in performance under this Agreement resulting, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, war, accidents, fires, explosions, earthquakes, floods, failure of transportation, machinery or supplies, vandalism, strikes, or other work interruptions or any similar or other cause beyond the reasonable control of either party. However, both parties shall make good faith efforts to perform under this Agreement in the event of any such circumstances.

G. All notices hereunder shall be in writing and shall be deemed to have been duly given upon (1) delivery, or (2) when mailed by registered or certified mail, postage prepaid and properly addressed to the party, or (3) on the second business day after sending by fax and receiving confirmation of fax receipt. Notices shall be sent to the parties at the address or fax number indicated in the signature section below unless written notice of a different address or fax number is previously given. If a notice given to Keenan relates to a legal matter or dispute, a copy should be sent to Keenan's Legal Department at Keenan's main office located at 2355 Crenshaw Blvd., Ste. 200, Torrance, CA 90501, fax (310) 533-0573.

This Agreement may be executed in counterparts and by fax signatures. Each person signing this Agreement on behalf of a party represents and warrants that he or she has the necessary authority to bind such party and that this Agreement is binding on and enforceable against such party.

| **Alameda County Schools Insurance Group** | | | **Keenan & Associates** | |
|---|---|---|---|---|
| **Signature:** | | | **Signature:** | |
| **By:** | **Kimberly Dennis** | | **By:** | **Tara Schilling** |
| **Title:** | **Executive Director** | | **Title:** | **Senior Vice President** |
| **Address:** | **P.O. Box 2487** | | **Address:** | **2355 Torrance Blvd. Ste. 200** |
| | **Dublin, CA 94568** | | | **Torrance, CA 90501** |
| **Attention:** | **Kimberly Dennis** | | **Attention:** | **Ron Martin** |

## SERVICES

1. **Claims Administration**.

   A. Keenan shall provide Client with the services described in this Exhibit A ("Services") for Workers' Compensation claims with a date of injury prior to 7/1/09.

   B. Client shall fund a claims payment account from which all claims payments and loss adjustment expenses shall be paid. The account shall be established and funded in accordance with written procedures to be established and funded in accordance with written procedures to be established by the parties. Under no circumstances will Keenan be required to advance any funds for the payment of claims. To the extent Keenan requires the assistance of Client's staff or any third parties who are assisting, advising or representing Client to fulfill its obligations hereunder, Client shall have its staff and these third parties assist Keenan.

   C. Determine liability for claimed injuries and illnesses in accordance with California Workers' Compensation Laws.

   D. Review and process all claims in accordance with rules and regulations established by the California Department of Self-Insurance Plans.

   E. Establish files containing medical and factual information on each reported claim together with complete accounting records and maintain them in accordance with statutory time requirements.

   F. Compute and pay temporary disability benefits to injured or ill employees based on earnings information and authorized disability periods.

   G. Determine nature and extent of permanent disability and arrange for informal disability rating whenever possible to avoid Workers' Compensation Appeals Board litigation.

   H. Explain to and assist employees in completing necessary forms for permanent disability ratings.

   I. Review, compute and pay informal ratings, findings and awards, life pensions, and compromise and release settlements.

   J. Maintain and establish reserve estimates for each reported claim.

   K. Arrange for and supervise necessary investigation to determine eligibility for compensation benefits and/or liability of negligent third parties.

   L. Handle excess reinsurance claims on Client's behalf, complying with conditions of the reinsurance contract. Submit billings and collect paid losses in excess of self-insurance retention.

   M. Arrange and supervise rehabilitation services where appropriate.

   N. Arrange for and set up system to pay benefits and allocated expenses in accordance with Client's needs.

O. Use reasonable efforts to maintain the designated claims examiner's claim inventory so it does not exceed 150 active open indemnity files at any given time.

P. Review and update Client on Workers' Compensation benefits, rules and regulations, and legislative issues.

Q. Communicate with injured employees telephonically or in writing to assist them in resolving problems that arise from injury or illness claims.

R. Meet quarterly with Client to review best practice policies and procedures, recommend areas for improvement and assist Client in implementing improvements.

S. Produce ad hoc reports as needed to provide meaningful loss analysis to aid in risk management program development and tracking.

T. If Keenan is requested to disclose its books, documents or records relating to the services provided under this Agreement, Client shall notify Keenan in writing at least 30 days prior to the inspection and/or disclosure date of the nature and scope of the request and Keenan shall make available all such books, documents or records during Keenan's regular business hours.

U. Keenan shall pay any fines and/or penalties levied by regulatory authorities arising from Keenan's fulfillment of its obligations under this Agreement that are Keenan's fault and Client shall pay all other fines and/or penalties relating to the Program or otherwise.

2. **Medical Administration.**

A. If Client participates in the Medical Provider Network ("MPN"), which the State of California approves, then Keenan will offer to their clients two (2) approved MPN programs: PRIME Advantage Powered by Harbor Health Systems and PRIME Plus Powered by Harbor Health Systems. Each MPN has a panel of general practitioners, specialists, hospitals, ancillary services and emergency treatment facilities. The programs will be reviewed and updated on a quarterly basis or as required by current statue.

B. Authorize, review and monitor medical treatment required for injury or illness claims. Audit and pay medical expenses through PRIME, Keenan's medical management and bill review program. PRIME services will be billed separately. See Exhibit C.

C. Maintain close contact with Client and/or treating physicians to ensure employees receive proper medical treatment and are returned to full employment at the earliest date.

D. Arrange for medical-legal opinions in disputed cases and confer with medical examiners, Client and legal counsel when needed.

E. Consult with Client in cases where an injury residual might involve restriction and/or retirement potential.

3. **Legal Administration.**

   A. When necessary refer litigated cases to defense counsel recommended by Keenan for purposes of defending Client's interests before Workers' Compensation Appeals Board and courts. All attorney fees shall be considered part of the loss adjustment expenses and shall be paid from the Client's claim's account.

   B. Work closely with counsel in preparing defense of litigated cases.

   C. Work closely with applicants and Client's legal counsel to informally dispose of litigated cases.

   D. Protect and preserve Client's interests in potential subrogation cases.

   E. Attend, when appropriate, Workers' Compensation Appeals Board hearings on behalf of Client.

4. **Statistical.**

   A. Report to Client monthly status of claim payments and reserves on an individual basis and in the aggregate.

   B. Report to Client quarterly loss analysis of claims filed by frequency and severity.

   C. Provide quarterly PRIME (medical management and bill review) reports detailing savings and fees.

   D. Assist in the preparation of all reports required by the State of California or other government agencies relating to Workers' Compensation claims.

## EXHIBIT A-1
## MEDICARE SECTION 111 REPORTING SERVICES

1. It is acknowledged and agreed that Client is the Responsible Reporting Entity ("RRE"), as defined by the Center for Medicare Services ("CMS"), for any liability or workers' compensation claim settlement or payment made by Client to a claimant. This includes payments made within the Client's Member Retained Limit ("MRL") or deductible.

2. Keenan shall act as Client's reporting agent for the preparation and submission of all reports ("Reports") required under Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007 ("Section 111") with respect to those settlements and payments of claims for which Keenan acts as claims administrator, ***and*** for which Client is deemed to be the RRE.

3. Keenan shall prepare and file the Reports in accordance with the requirements of all applicable, laws and regulations, and the directives of CMS and/or any other government agency that has, or may be granted the authority to require, direct, or control the preparation and/or filing of the Reports.

4. Client shall timely provide Keenan with all information necessary for the preparation and filing of the Reports. Keenan shall have no liability to Client for any penalty or fine that is assessed against Client for a failure to file a timely, accurate and/or complete Report if such failure was the result of the failure Client or any of its respective employees, representatives or agents to provide Keenan with all information necessary to file a timely, accurate, and complete Report.

5. Keenan shall not issue a payment to a claimant until it has received from the claimant, or the claimant's representative, all necessary claimant information that is required for the filing of a Report.

6. Keenan, as Client's manager and claims administrator, shall have no responsibility to file any Report for any settlement or payment for which Client is not the RRE.

7. Members shall at all times be responsible for their own Section 111 compliance in situations where they are the RRE. This includes, without limitation, the determination of whether or not a Report must be submitted, as well as the preparation and filing of all Reports.

8. When the total payment for a claim exceeds Client's MRL/deductible, Keenan will submit a Report only for that portion of the claim that is paid from the Client's MRL/deductible. The insurer or other entity paying the remaining amount is responsible for reporting for the amount in excess of that paid by the Client.

9. Keenan shall ***not*** file a Report for any claim unless it has been engaged by Client to act as the third party administrator for such claim.

## EXHIBIT B
## COMPENSATION

1. Client agrees to pay Keenan, for services rendered under this Agreement, a total fee of :

   **$154,000,** payable in quarterly installments commencing on July 1, 2016.
   **$154,000,** payable in quarterly installments commencing on July 1, 2017.

2. All payments and invoices are due and payable upon presentation by Keenan. In the event Client fails to pay any invoice within thirty days of presentation, Keenan shall be entitled to receive interest on such outstanding invoice from the date of presentation at the rate of (a) 1½ percent per month or (b) the maximum interest rate permitted by applicable law, whichever is lower.

**EXHIBIT C**

PRIME
A Keenan Solution

**Fee Schedule - Effective July 1, 2015**
(Subject to change upon notice)

## MANAGED CARE SERVICES

Early Intervention Initial Assessment / Triage ..... $50 / Hour

Total Case Management ..... $98 / Hour

- PPO Channeling
- 4 PT Contact
- Initial Evaluation
- RTW Plan
- Medical Care Evaluation
- Written/Case Management Action Plan

Utilization Review ..... $110 / Referral

Physician Advisor ..... $200 / Referral

- Medical Necessity Determination
- Physician-to-Physician Contact

Specialty Physician Review ..... $375 / Hour

- Specialty match required
- Appeals

STOP (Pharmacy Review) ..... $300 / Hour

- Peer-to-Peer Contact
- Management of Opioid Use
- Written Treatment Plan / Recommendations

## BILL REVIEW SERVICES

Price bills to State Fee Schedules ..... 10% of Savings

- $10,000 per bill cap regardless of savings

PPO Network Access ..... 24% of Savings

- $10,000 per bill cap regardless of savings
- Retrospective Network Capture
- Preferred Vendor Pricing (Ancillary Services)

MPN Access ..... $1.50 per MPN bill

- Care Concierge™ Medical Access Assistant
- Physician Based Outcome Analytics

Pharmacy Benefit Management ..... 20% of Savings

Negotiations ..... 24% of Savings

Complex Bill Review by Physician ..... 24% of Savings

eBill Access ..... No Charge to Client

State Reporting Administrative Fee ..... No Charge to Client

Alameda County Schools Insurance Group
P.O. Box 2487
Dublin, CA 94568
Phone (925) 225-1030
Fax (925) 225-0653
www.acsig.com

# EXECUTIVE SUMMARY

TO: ACSIG Executive Committee

FROM: Kimberly Dennis

DATE: February 16, 2017

SUBJECT: Reinsurer Insolvency

CastlePoint National Insurance Company was one of the reinsurers used by ACSIG prior to its membership in PIPS. ACSIG coverage was for the 2006/2007 through 2008/2009 fiscal years. CastlePoint entered receivership on July 26, 16. As a result, the California Insurance Commissioner has taken control of CastlePoint's operations. It is their responsibility to inventory the assets of the company and to preserve and protect the assets for the benefit of its policy holders and creditor. There is an additional $200 million of capital being provided to the company to help pay its creditors.

Unfortunately there are 2 ACSIG claims still open that are effected by our policy with CastlePoint. We anticipate that the assets of the Company will pay the outstanding balances of these claims. Additionally, should there be insufficient funds to cover all claims, the California Insurance Guarantee Association (CIGA) will step in and pay $500,000 per claim. While we have verbal confirmation that the $500,000 guarantee if after CastlePoint has paid all claims, we are still waiting for that in writing.

This information will be reviewed by the Executive Director and a representative from Keenan & Associates, who placed this coverage, at the meeting.

CONFIDENTIAL INFORMATION

Alameda County Schools Insurance Group - Incident Dates 7/1/2006-6/30/2009, OP/RO Claims with Gross Incurred >= $125,000, valued as of 10/31/2016

| CLAIM# | INCIDENT DATE | CLIENT | INSURED NAME | STATUS | SIR | Gross Paid | Total Recoveries | Gross Incurred | SIR ($750k cap) | Recoverable | Receivable | CLO |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2205940 | 7/5/06 | ACSIG | San Leandro Unified S | Open | 250,000.00 | 142,024.17 | 0.00 | 240,987.09 | 0.00 | 0.00 | 0.00 | |
| 2205970 | 7/31/06 | ACSIG | Livermore Valley Joint | Open | 250,000.00 | 381,707.73 | -44,594.77 | 670,045.32 | 420,045.32 | 375,450.55 | 87,112.96 | |
| 2206050 | 9/8/06 | ACSIG | San Leandro Unified S | Re-Open | 250,000.00 | 223,372.98 | 0.00 | 357,185.20 | 107,185.20 | 107,185.20 | 0.00 | |
| 2206147 | 10/9/06 | ACSIG | San Leandro Unified S | Re-Open | 250,000.00 | 156,156.46 | 0.00 | 240,053.84 | 0.00 | 0.00 | 0.00 | |
| 2206171 | 10/25/06 | ACSIG | Fremont Unified Scho | Open | 250,000.00 | 151,751.06 | 0.00 | 261,871.98 | 11,871.98 | 11,871.98 | 0.00 | |
| 2206296 | 12/20/06 | ACSIG | Pleasanton Unified Sc | Re-Open | 250,000.00 | 162,108.03 | 0.00 | 193,945.89 | 0.00 | 0.00 | 0.00 | |
| 2206375 | 1/4/07 | ACSIG | San Leandro Unified S | Open | 250,000.00 | 973,642.06 | -714,333.09 | 3,093,800.80 | 750,000.00 | 35,666.91 | 9,308.97 | |
| 2206402 | 1/26/07 | ACSIG | New Haven Unified Sc | Open | 250,000.00 | 100,075.95 | 0.00 | 211,102.85 | 0.00 | 0.00 | 0.00 | |
| 2206427 | 2/13/07 | ACSIG | Pleasanton Unified Sc | Open | 250,000.00 | 482,580.66 | -217,356.03 | 1,062,007.90 | 750,000.00 | 532,643.97 | 15,224.63 | 17,419.34 |
| 2206460 | 2/14/07 | ACSIG | New Haven Unified Sc | Open | 250,000.00 | 192,735.22 | 0.00 | 300,845.93 | 50,845.93 | 50,845.93 | 0.00 | |
| 2206639 | 3/30/07 | ACSIG | Fremont Unified Scho | Open | 250,000.00 | 61,653.51 | 0.00 | 132,101.71 | 0.00 | 0.00 | 0.00 | |
| 2206738 | 5/1/07 | ACSIG | San Leandro Unified S | Re-Open | 250,000.00 | 167,586.18 | 0.00 | 391,103.44 | 141,103.44 | 141,103.44 | 0.00 | |
| 2206787 | 6/1/07 | ACSIG | Pleasanton Unified Sc | Open | 250,000.00 | 164,583.75 | 0.00 | 267,590.92 | 17,590.92 | 17,590.92 | 0.00 | |
| 2206966 | 8/13/07 | ACSIG | New Haven Unified Sc | Open | 250,000.00 | 117,245.55 | 0.00 | 367,799.26 | 117,799.26 | 117,799.26 | 0.00 | |
| 2207237 | 11/2/07 | ACSIG | San Lorenzo Unified S | Open | 250,000.00 | 147,502.83 | 0.00 | 196,932.97 | 0.00 | 0.00 | 0.00 | |
| 395548 | 12/27/07 | ACSIG | Livermore Valley Joint | Re-Open | 250,000.00 | 316,309.25 | -60,114.28 | 316,309.25 | 66,309.25 | 6,194.97 | 6,194.97 | |
| 397324 | 2/7/08 | ACSIG | Eden Area ROP | Open | 250,000.00 | 366,333.08 | -107,128.94 | 556,158.30 | 306,158.30 | 199,029.36 | 9,204.14 | |
| 400615 | 4/21/08 | ACSIG | New Haven Unified Sc | Open | 250,000.00 | 118,267.75 | 0.00 | 306,292.95 | 56,292.95 | 56,292.95 | 0.00 | |
| 401595 | 5/12/08 | ACSIG | Fremont Unified Scho | Re-Open | 250,000.00 | 57,400.51 | 0.00 | 278,486.53 | 28,486.53 | 28,486.53 | 0.00 | |
| 403449 | 6/30/08 | ACSIG | Fremont Unified Scho | Open | 250,000.00 | 182,432.82 | 0.00 | 239,219.23 | 0.00 | 0.00 | 0.00 | |
| 404056 | 7/28/08 | ACSIG | Pleasanton Unified Sc | Re-Open | 250,000.00 | 245,244.77 | 0.00 | 273,384.77 | 23,384.77 | 23,384.77 | 0.00 | |
| 407334 | 9/12/08 | ACSIG | Pleasanton Unified Sc | Open | 250,000.00 | 215,893.37 | 0.00 | 671,447.29 | 421,447.29 | 421,447.29 | 0.00 | |
| 417829 | 9/26/08 | ACSIG | Livermore Valley Joint | Open | 250,000.00 | 212,888.05 | 0.00 | 441,502.72 | 191,502.72 | 191,502.72 | 0.00 | |
| 410692 | 1/6/09 | ACSIG | Alameda Unified Schc | Open | 250,000.00 | 79,224.08 | 0.00 | 174,127.37 | 0.00 | 0.00 | 0.00 | |
| 442054 | 1/26/09 | ACSIG | Albany Unified School | Open | 250,000.00 | 125,062.91 | 0.00 | 239,331.72 | 0.00 | 0.00 | 0.00 | |
| 417758 | 5/13/09 | ACSIG | San Lorenzo Unified S | Open | 250,000.00 | 37,790.16 | 0.00 | 155,159.82 | 0.00 | 0.00 | 0.00 | |
| | | | | | | | | | | | **$127,045.67** | **$17,419.34** |

CONFIDENTIAL INFORMATION

Alameda County Schools Insurance Group - Incident Dates 7/1/2006-6/30/2009, OP/RO Claims with Gross Incurred >= $125,000, valued as of 12/31/2016

| CLAIM# | CLAIMANT NAME | INCIDENT DATE | PRODUCER NAME | INSURED NAME | STATUS | SIR | Gross Paid | Total Recoveries | Gross Incurred | Reserves Over SIR ($750k cap) | Recoverable | Receivable | Clo |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2205940 | Fc | 7/5/06 | Alameda C | San Leandı | Open | 250,000.00 | 142,044.46 | 0.00 | 240,987.09 | 0.00 | 0.00 | | |
| 2205970 | He | 7/31/06 | Alameda C | Livermore \ | Open | 250,000.00 | 388,270.19 | -130,144.18 | 670,045.32 | 420,045.32 | 289,901.14 | 8,126.01 | |
| 2206050 | Mi | 9/8/06 | Alameda C | San Leandı | Re-Open | 250,000.00 | 225,030.77 | 0.00 | 357,185.20 | 107,185.20 | 107,185.20 | | |
| 2206147 | Ve | 10/9/06 | Alameda C | San Leandı | Re-Open | 250,000.00 | 157,188.31 | 0.00 | 240,053.84 | 0.00 | 0.00 | | |
| 2206171 | Da | 10/25/06 | Alameda C | Fremont Ur | Open | 250,000.00 | 154,380.13 | 0.00 | 299,357.30 | 49,357.30 | 49,357.30 | | |
| 2206375 | Fl | 1/4/07 | Alameda C | San Leandı | Open | 250,000.00 | 979,015.87 | -714,333.09 | 3,093,800.80 | 750,000.00 | 35,666.91 | 14,682.78 | |
| 2206402 | Va | 1/26/07 | Alameda C | New Haven | Open | 250,000.00 | 100,075.95 | 0.00 | 211,102.85 | 0.00 | 0.00 | | |
| 2206427 | Ar | 2/13/07 | Alameda C | Pleasanton | Open | 250,000.00 | 485,646.66 | -233,522.45 | 1,082,007.90 | 750,000.00 | 516,477.55 | 2,124.21 | 14,353.34 |
| 2206460 | Au | 2/14/07 | Alameda C | New Haven | Open | 250,000.00 | 194,002.66 | 0.00 | 300,845.93 | 50,845.93 | 50,845.93 | | |
| 2206639 | Pa | 3/30/07 | Alameda C | Fremont Ur | Open | 250,000.00 | 62,075.86 | 0.00 | 132,101.71 | 0.00 | 0.00 | | |
| 2206738 | Cr | 5/1/07 | Alameda C | San Leandı | Re-Open | 250,000.00 | 169,816.15 | 0.00 | 391,103.44 | 141,103.44 | 141,103.44 | | |
| 2206787 | Ev | 6/1/07 | Alameda C | Pleasanton | Open | 250,000.00 | 165,403.63 | 0.00 | 267,590.92 | 17,590.92 | 17,590.92 | | |
| 2206966 | Ve | 8/13/07 | Alameda C | New Haven | Open | 250,000.00 | 117,490.21 | 0.00 | 367,799.26 | 117,799.26 | 117,799.26 | | |
| 2207237 | Re | 11/2/07 | Alameda C | San Lorenz | Open | 250,000.00 | 147,502.83 | 0.00 | 196,932.97 | 0.00 | 0.00 | | |
| 397324 | Ca | 2/7/08 | Alameda C | Eden Area | Open | 250,000.00 | 367,988.08 | -115,979.17 | 935,975.00 | 685,975.00 | 569,995.83 | 2,008.91 | 67,986.92 |
| 400615 | Mi | 4/21/08 | Alameda C | New Haven | Open | 250,000.00 | 118,785.18 | 0.00 | 306,292.95 | 56,292.95 | 56,292.95 | | |
| 401595 | Mi | 5/12/08 | Alameda C | Fremont Ur | Re-Open | 250,000.00 | 60,608.46 | 0.00 | 278,486.53 | 28,486.53 | 28,486.53 | | |
| 403449 | Za | 6/30/08 | Alameda C | Fremont Ur | Open | 250,000.00 | 182,432.82 | 0.00 | 239,219.23 | 0.00 | 0.00 | | |
| 404056 | He | 7/28/08 | Alameda C | Pleasanton | Re-Open | 250,000.00 | 245,244.77 | 0.00 | 273,384.77 | 23,384.77 | 23,384.77 | | |
| 407334 | De | 9/12/08 | Alameda C | Pleasanton | Open | 250,000.00 | 216,050.98 | 0.00 | 671,447.29 | 421,447.29 | 421,447.29 | | |
| 417829 | Hc | 9/26/08 | Alameda C | Livermore \ | Open | 250,000.00 | 215,657.26 | 0.00 | 441,502.72 | 191,502.72 | 191,502.72 | | |
| 410692 | Ca | 1/6/09 | Alameda C | Alameda U | Open | 250,000.00 | 80,263.58 | 0.00 | 174,127.37 | 0.00 | 0.00 | | |
| 442054 | Cr | 1/26/09 | Alameda C | Albany Unif | Open | 250,000.00 | 125,062.91 | 0.00 | 239,331.72 | 0.00 | 0.00 | | |
| 417758 | El | 5/13/09 | Alameda C | San Lorenz | Open | 250,000.00 | 39,486.12 | 0.00 | 155,159.82 | 0.00 | 0.00 | | |
| | | | | | | | | | | | | 26,941.91 | |

**Alameda County Schools Insurance Group**
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Dublin, CA 94568
Phone (925) 225-1030
Fax (925) 225-0653
www.acsig.com

# EXECUTIVE SUMMARY

TO: ACSIG Executive Committee

FROM: Kimberly Dennis

DATE: February 16, 2017

SUBJECT: Draft Actuarial Report for Workers' Compensation Ex-mods.

Enclosed please find the draft actuarially determined experience modification factors as calculated by Jack Joyce of Bay Actuarial Services, within the workers' compensation program. This is our sixth year having these rates determined by an actuary. It is the goal of ACSIG to continue to use an actuary to determine ex-mods and, therefore, consistency should be achieved after the first few years.

Historically, ACSIG experience modification factors were not "re-benched" to 1.00. The result was program underfunding. In 2008, the Executive Committee and Board agreed to begin a multi-year funding model to begin "re-benching" ex-mods to 1.00. Program year 2009/2010 was the first year of this process. It was the expectation that the rates would become more consistent due to the use of actuarially determined experience-modification rates. Prior to 2013/2014, the ACSIG Board imposed a cap in the amount an ex-mod could increase/decrease in any one program year. Beginning in 2013/14 the actuarially determined ex-mod will be used with no maximum change cap. The assumption that all ex-mods will remain between 0.75 – 1.25 will continue.

The Executive Committee will review this report at this meeting and approve a final edition in May for recommendation to the full Board.

| MEMBER | NEW EX-MOD 12/31/16 | OLD EX-MOD 12/31/15 |
|---|---|---|
| ACOE | 0.750 | 0.750 |
| ALAMEDA | 1.188 | 1.009 |
| ALBANY | 0.989 | 1.206 |
| CASTRO VALLEY | 1.078 | 0.998 |
| DUBLIN | 0.768 | 0.864 |
| EDEN ROP | 0.750 | 0.983 |
| EMERY | 0.750 | 0.750 |
| FREMONT | 0.917 | 0.988 |
| LIVERMORE | 1.092 | 1.114 |
| MISSION ROP | 0.750 | 0.750 |
| MT. HOUSE | 1.250 | 1.250 |
| NEWARK | 1.000 | 1.250 |
| NEW HAVEN | 1.076 | 0.938 |
| PIEDMONT | 0.750 | 0.750 |
| PLEASANTON | 0.920 | 0.750 |
| SAN LEANDRO | 1.115 | 1.197 |
| SAN LORENZO | 1.250 | 1.250 |
| SUNOL GLEN | 0.750 | 0.782 |
| TRI VALLEY ROP | 0.750 | 1.085 |




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# EXECUTIVE SUMMARY

TO: ACSIG Executive Committee

FROM: Kimberly Dennis

DATE: February 16, 2017

SUBJECT: 2016/2017 Actuarial Report for Workers' Compensation Ultimate Loss

There are many things that the actuary looks at when determining the ultimate loss calculation. Essentially, the prior years' information regarding ultimate claim value, payout patterns, pending litigation changes and other known or anticipated changes within the market are considered when determining estimate, ultimate loss numbers. This estimation is then applied as a per $100/payroll calculation to current reserves.

The assumptions used in this report are:

- 1.5% Discount
- Funding at Expected

These assumptions are unchanged from the previous study.

In an effort to get the most accurate information reflected upon on financial statements and for discussions on the Workers' Compensation deficit, Bay Actuarial has provided a new actuarial study using actual claims data through December 31, 2016.

The Executive Director will review this report with the Executive Committee.

# Alameda County Schools Self Insurance Group

## An Actuarial Review of the Workers' Compensation Program

DRAFT

BAY ACTUARIAL CONSULTANTS
Moraga, California
January 31, 2017

# Bay Actuarial Consultants

January 31, 2017

Ms. Kimberly Dennis
Executive Director
Alameda County Schools Insurance Group
P.O. Box 2487
Dublin, CA 94568

Dear Ms. Dennis:

This report documents our actuarial review of the Alameda County Schools Insurance Group's workers' compensation program. We appreciate the opportunity to serve the Group.

If you have any questions, please call me at (925) 377-5269.

Respectfully,

BAY ACTUARIAL CONSULTANTS

Jack Joyce

Jack Joyce, FCAS, MAAA
Principal

DRAFT

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# Alameda County Schools Insurance Group

## An Actuarial Review of the Workers' Compensation Program

## Table of Contents


| | Page |
|---|---|
| Introduction | 2 |
| *Background & Purpose* | 3 |
| *Conditions & Limitations* | 3 |
| *Organization of the Report* | 4 |
| Management Summary | 5 |
| *Unpaid Losses @ 12/31/16 & 6/30/17* | 6 |
| *Short-Term Liability* | 7 |
| *Reconciling the 12/31/15 & 12/31/16 Liabilities* | 8 |
| *Projected 2017-18 Loss Funding Rates* | 8 |
| *ACSIG's Past Rates of Loss* | 9 |
| *Indemnity Claim Frequency* | 10 |
| *Average Indemnity Claim Amount ("Severity")* | 10 |
| *Comparison with Prior Estimates* | 11 |
| *Lifetime Medical Claim Exposure* | 11 |
| *Interest Rates* | 12 |
| Technical Approach | 13 |
| Summary Exhibits | 16 |
| ULAE Exhibits | 20 |
| Fiscal Year End Exhibits | 25 |
| Limited Loss Exhibits | 29 |
| Gross Loss Exhibits | 36 |
| Future Loss Exhibits | 51 |
| Discounting Exhibits | 53 |
| Claims Data | 60 |


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# Alameda County Schools Insurance Group

## An Actuarial Review of the Workers' Compensation Program

## Introduction

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# Alameda County Schools Insurance Group

## An Actuarial Review of the Workers' Compensation Program

## Introduction

### Background & Purpose

The Alameda County Schools Insurance Group ("ACSIG") self-insured its workers' compensation claims until June 30, 2009. ACSIG joined the Protected Insurance Program for Schools ("PIPS") on July 1, 2009, and is not directly self-insuring new claims.

ACSIG has asked Bay Actuarial Consultants to provide an actuarial report on its workers' compensation program. The specific topics covered in this report include the following:

1) **Unpaid Losses.** We estimated the unpaid self-insured losses as of December 31, 2016 and projected the June 30, 2017 liability.
2) **2017-18 Rates.** We projected the losses expected to be incurred during 2017-18, expressed as a rate of loss per $100 of payroll.
3) **Discounting.** We discounted the estimated liabilities and the projected 2017-18 loss rate. Discounting takes into account the fact that workers' compensation losses are incurred whenever an accident happens but are paid out over thirty or forty years.
4) **Variability of Estimated Losses.** An analysis of items (1) and (2) above, in terms of "probability levels."

### Conditions & Limitations

We prepared this report for ACSIG's internal use. ACSIG may provide a copy to its financial auditors. Bay Actuarial does not authorize any other use. In particular, those interested in providing insurance to ACSIG must perform their own actuarial analysis and may not rely upon our work.

Keenan & Associates ("K&A") and ACSIG provided the loss and payroll data.

The term "losses" refers to all costs that can be tied to a specific claim. These include loss payments, attorney's fees, and other expenses linked to a specific

claim. The actuarial projections in this report are estimates. Uncertainty is unavoidable because many of the events that will determine future claims costs have not yet taken place. These events include, but are not limited to, future legislation or ballot initiatives that may change statutory benefit levels or the workers' compensation laws, changes in the rate of inflation, and the outcomes of future administrative proceedings and litigation. Our projections are based upon ACSIG's historical experience. We did not anticipate any extraordinary changes in the various factors that might affect the future cost of claims. We used methods that should produce reasonable results given current information. There is no guarantee, express or implied, that losses will develop as projected in this report.

The term "limited losses" means that any claims that exceeded the stated SIR have been limited in this analysis exactly to the stated amount of the SIR. The data that the TPA provided does not indicate whether or not the excess insurer has actually paid the full amount of every claim that has exceeded the SIR. We assume, of necessity, that they have reimbursed, and will continue to reimburse, the full amount of each claim that exceeds the SIR. In addition, the data was provided on a per-claim basis and not on a per-occurrence basis. Therefore it was necessary to assume that each claim will be treated as a single occurrence in applying the SIR. The SIR normally applies to each occurrence and not to each claim. This is a very mildly conservative assumption because multi-claimant losses are extremely rare.

**Organization of the Report**

We have divided the remainder of this report into ten sections: the *Management Summary*, the *Technical Approach* section, the *Summary Exhibits*, the *ULAE Exhibits*, the *Fiscal Year End Exhibits*, the *Limited Loss Exhibits*, the *Gross Loss Exhibits*, the *Future Loss Exhibits*, the *Discounting Exhibits,* and the *Claims Data*.

The *Management Summary* gives an overview of the results of our analysis. The *Technical Approach* section explains and discusses the assumptions and details underlying our calculations. The *Exhibits* document the actual calculations used in developing our results.

# Alameda County Schools Insurance Group

## An Actuarial Review of the Workers' Compensation Program

## Management Summary

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# Alameda County Schools Insurance Group

## An Actuarial Review of the Workers' Compensation Program

## Management Summary

### Unpaid Losses @ 12/31/16 & 6/30/17

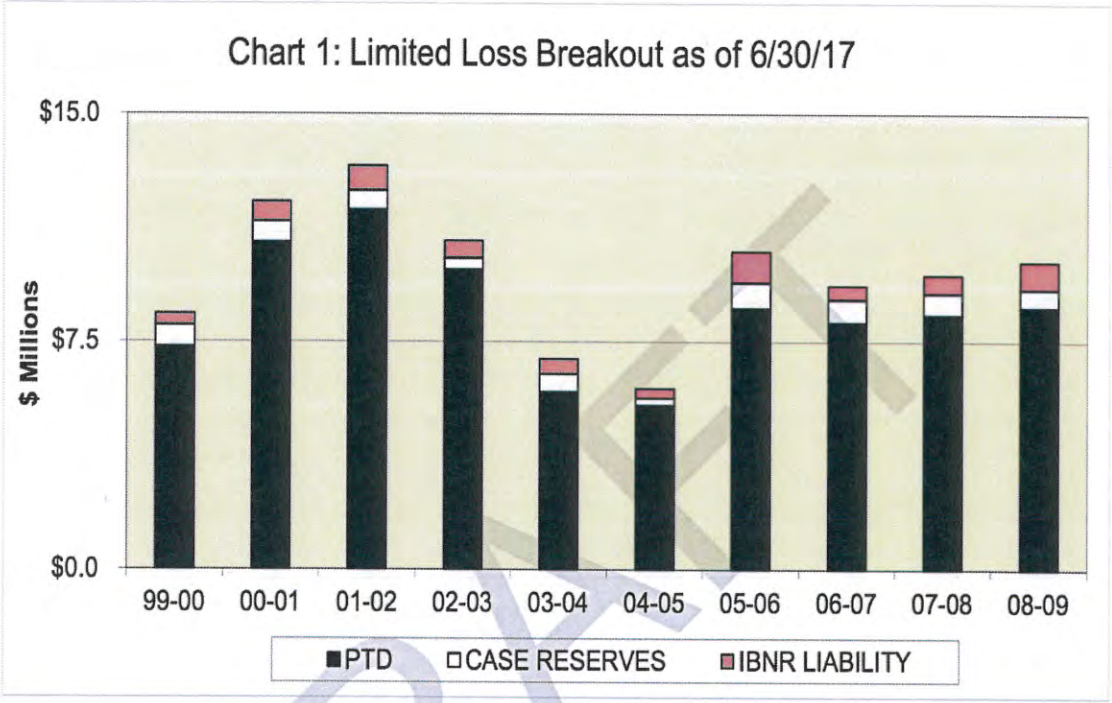
We estimate that ACSIG's liability for unpaid losses was **$18,514,000** on December 31, 2016 and project that it will be **$17,771,000** on June 30, 2017. The corresponding discounted values (at 1.5% interest) are **$16,403,000** and **$15,738,000**. In estimating the liability we limited the individual losses to the self-insured retention ("SIR") that was in place at the time of the loss. Table I shows these values and some higher "probability levels."

**Table I: Estimated/Projected Liability at 12/31/16 & 6/30/17 (Dollars in Thousands – excluding ULAE)**

| Probability Level | Undiscounted | | Discounted (1.5% Interest) | |
|---|---|---|---|---|
| | 12/31/16 | 6/30/17 | 12/31/16 | 6/30/17 |
| Central Estimate | **$18,514** | **$17,771** | **$16,403** | **$15,738** |
| 60% | 18,884 | 18,127 | 16,731 | 16,053 |
| 70% | 19,625 | 18,838 | 17,387 | 16,682 |
| 80% | 20,550 | 19,726 | 18,207 | 17,469 |
| 90% | 21,846 | 20,970 | 19,356 | 18,571 |

This estimate covers the liability for losses and allocated loss adjustment expenses ("ALAE"). There was also a liability for future claims handling costs ("unallocated loss adjustment expense," or "ULAE"). We estimate the undiscounted ULAE liability at $1,567,000 on December 31 and project $1,499,000 on June 30. The discounted ULAE liabilities (discounted at a 1.5% interest rate) are $1,389,000 and $1,328,000 on those dates.

Chart 1 breaks down the losses from the self-insured 1999-00 through 2008-09 program years into their components: losses paid, case loss reserves, and the incurred-but-not-reported ("IBNR") liability. There is roughly **89¢** of IBNR liability for every dollar in case reserves for known claims.




The term "Limited" in the Chart 1 title means that the data represent only the losses retained by ACSIG after the excess insurance pays for any "excess" losses. Excess losses are losses that exceed ACSIG's stated self-insured retention ("SIR"), which was $250,000 per loss when self-insurance ended on June 30, 2009. These estimates are based on the assumption that the excess insurer will fully pay the portion of any loss that exceeds the stated SIR.

**Short-Term Liability**

The short-term liability is the portion of the 6/30/17 liability that will be discharged during 2017-18. We estimate the short-term liability at $1.591 million. The remaining $16.180 million is long-term. Our previous report was based on 12/31/15 claims data. Claims expenditures on the self-insured claims during calendar year 2016 were $1.693 million. Projected self-insured expenditures for the first six months of 2017 are $742,000. $671,000 of self-insurance "IBNR" emerged during calendar year 2016.

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**Reconciling the 12/31/15 & 12/31/16 Liability Estimates**

Last year we estimated the 12/31/15 liability at $21.053 million. Our new estimate of the 12/31/16 liability is $18.514 million. Our estimates of the ultimate costs for all of the self-insured years fell by $0.846 million. Claims expenditures were $1.693 million during 2016. Starting with last year's $21.053 million and subtracting the change in the estimates and the claims expenditures yields $18.514 million, matching the direct calculation on page 28.

**Projected 2017-18 Loss Funding Rates**

Table II shows ACSIG's projected rates of loss for 2017-18 at various self-insured retentions: $250,000, $500,000, $1,000,000, and unlimited. These rates are discounted at 1.5% interest. The Table shows, in addition to the "actuarial central estimates," additional rows showing rates at higher probability levels. These higher probabilities mean that the corresponding rates are more likely to eventually turn out to have been adequate. For example, we estimate that there is a 70% probability that the actual 2017-18 unlimited loss rate will be less than **$1.93**. Last year our corresponding projection for 2016-17 was **$2.25**, so it has fallen by 14.2%. Last year the projected unlimited undiscounted central value rate for 2016-17 was $2.20. This year the corresponding rate projected for 2017-18 is $1.88.

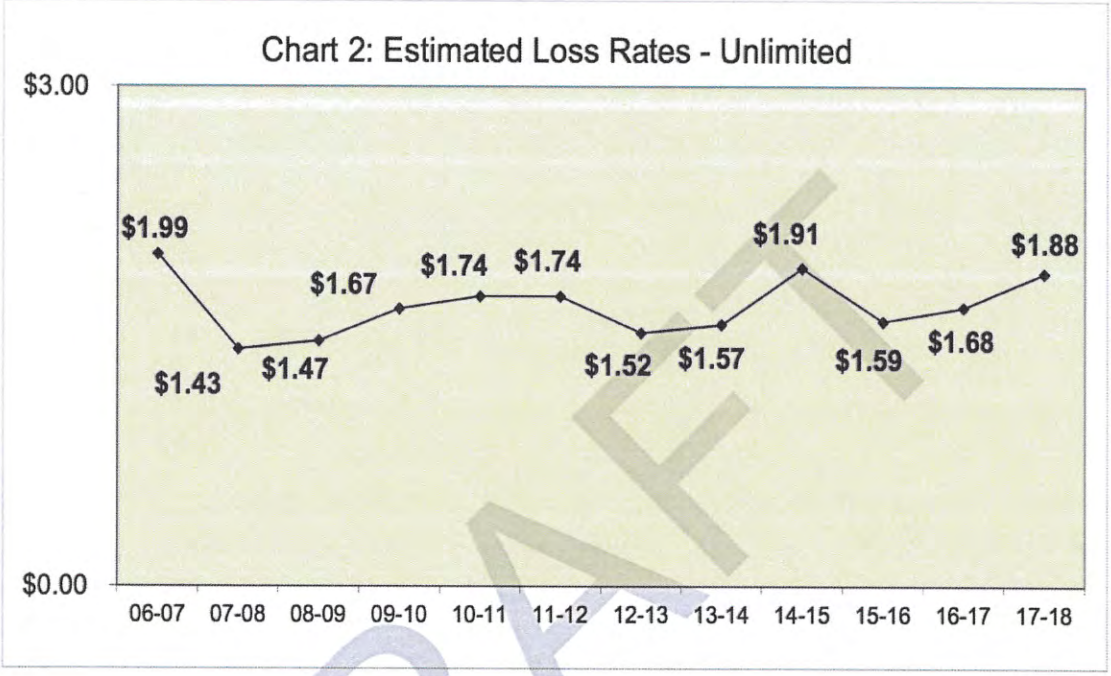
**Table II: Projected 2017-18 Discounted Loss Rates (1.5% Interest Rate)**

| Probability Level | $250K SIR | $500K SIR | $1,000K SIR | Unlimited SIR |
|---|---|---|---|---|
| **Central Estimate** | **$1.45** | **$1.52** | **$1.63** | **$1.69** |
| 70% | 1.61 | 1.70 | 1.83 | **$1.93** |
| 80% | 1.73 | 1.84 | 1.99 | 2.11 |
| 90% | 1.92 | 2.05 | 2.23 | 2.39 |

Table III on page 12 contains multiplicative factors that convert the Table I and II entries to their equivalents when discounted at interest rates other than 1.5%. The Table II rates do not reflect the full cost of self-insurance because they do not include claims handling fees (ULAE), administrative costs, or the cost of excess insurance coverage.

**ACSIG's Past Rates of Loss**

Chart 2 shows the program's estimated past rates of loss. The loss rate is equal to the estimated total losses for the year divided by the payroll. These are unlimited undiscounted loss rates.



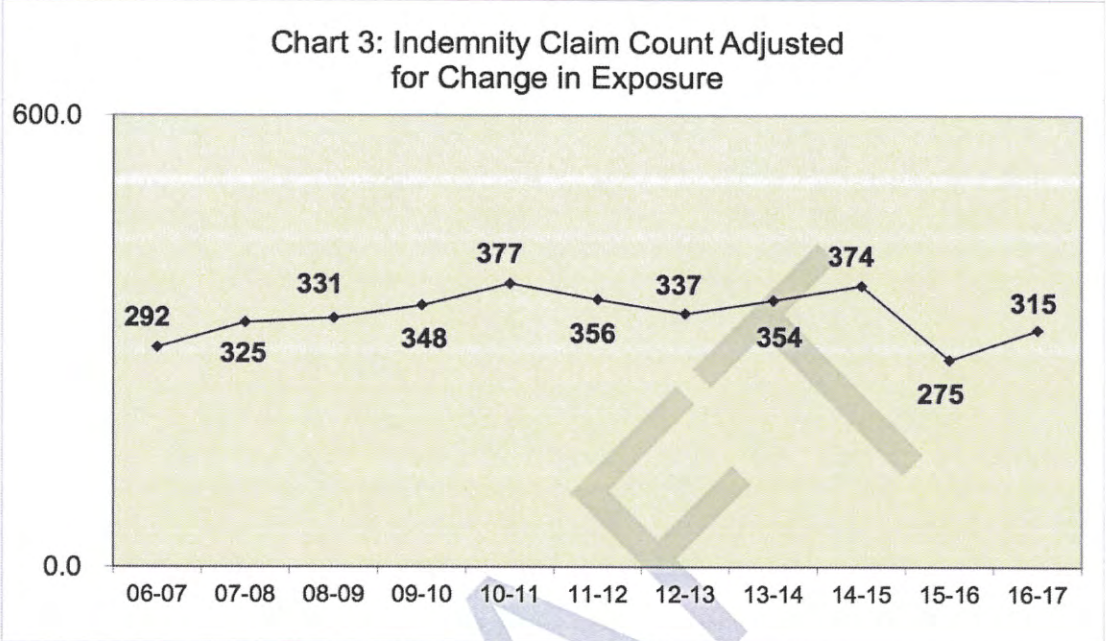

The *undiscounted* Chart 2 rate of **$1.88** for 2017-18 corresponds to the *discounted* unlimited rate of **$1.69** in Table II. The projected 2016-17 rate of $1.68 is still a very rough estimate, since only 1/2 of the 2016-17 program year had elapsed through 12/31/16, the evaluation date of our data. However the first six months of 2016-17 have been promising.

Statewide, costs bottomed out in approximately 2006 and have been increasing ever since.

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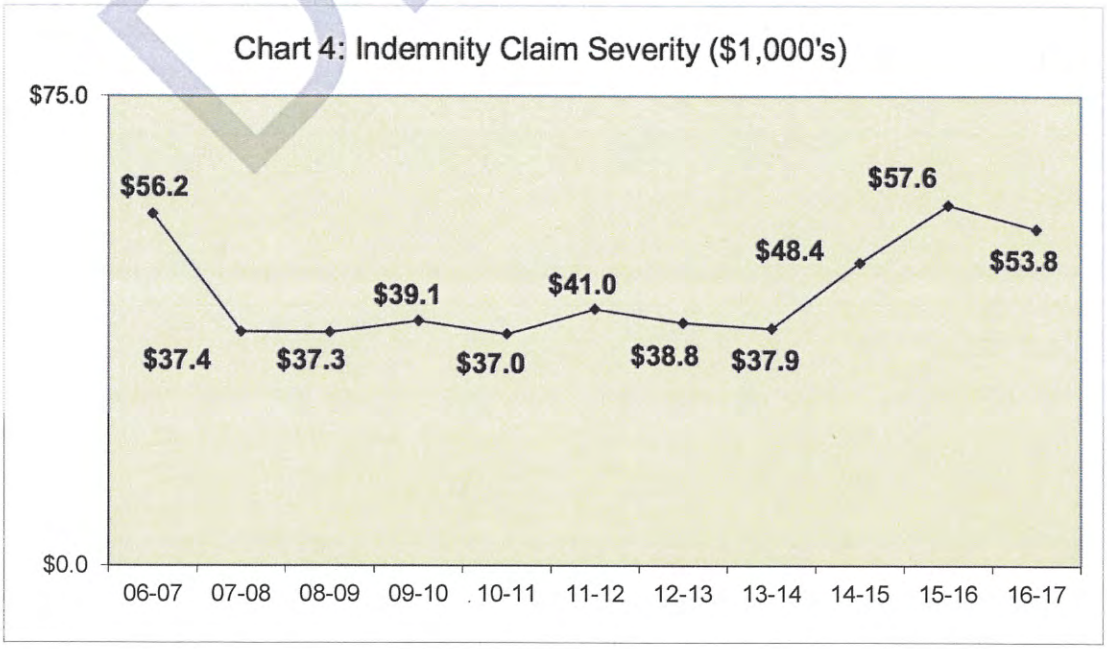
### Indemnity Claim Frequency

We track the number of Indemnity claims, adjusting for changes in exposure to loss.




### Average Indemnity Claim Amount ("Severity")

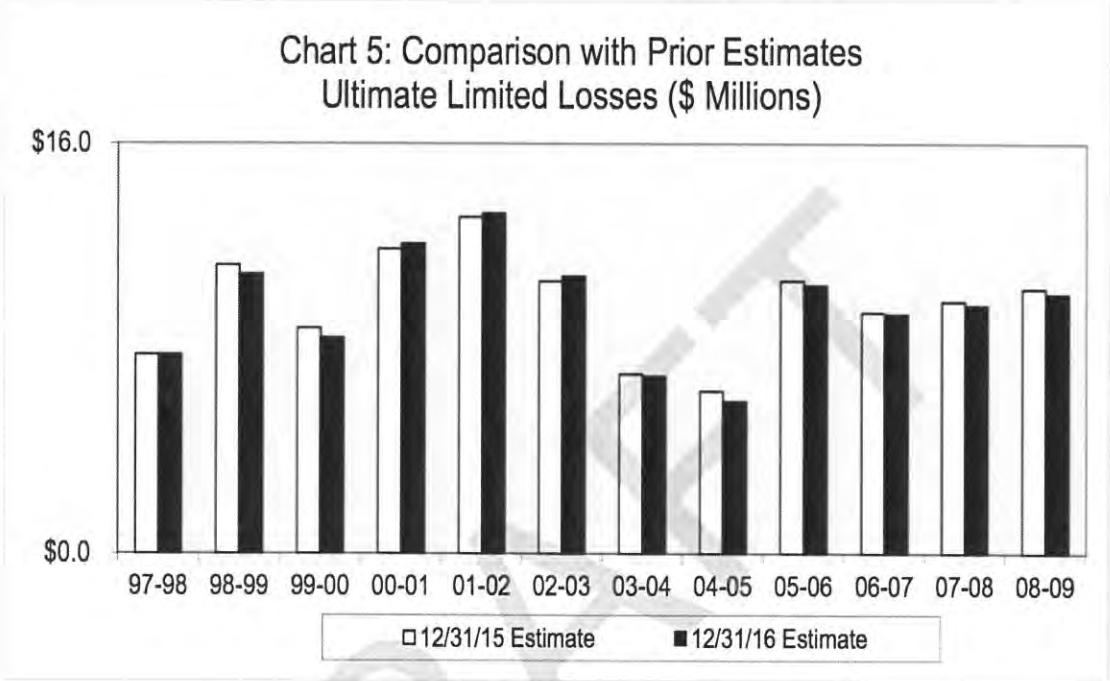
Severity is the average indemnity claim amount at ultimate settlement value. We calculate severity by dividing our estimate of the total loss incurred in a year by the number of indemnity claims incurred that year. ACSIG's indemnity claim severity is roughly average for California K-12's.




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**Comparison with Prior Estimates**

Chart 5 compares the current estimates of the ultimate limited losses for the self-insured years with those from the 2016 report. The estimates fell by $846,000 in total.




**Lifetime Medical Claim Exposure**

One of the benefits that injured workers receive is lifetime medical coverage for their injuries. When the claims examiners do not foresee any future expense on a claim and there have been no expenditures on that claim over the past twelve months they "close" the claim. However, some of these claims do re-open and incur additional costs. There are currently 345 "future medical" claim files with potential future medical payments, $0 in reserves, and total paid less than the SIR. At 12/31/15 there were 335 of these types of cases. To put these numbers in context, the total inventory of self-insured indemnity claims with active reserves was 142 on December 31, 2016.

When we estimate the IBNR liability our actuarial methods normally provide for potential lifetime medical claims, except in program years where no active claims exist. The 1979-80, 1980-81, and 1984-85 program years each have a potential future medical claim, so there is still a slight future medical exposure remaining in those self-insured program years.

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**Interest Rates**

We discounted the rates and liabilities in Tables I and II at 1.5% interest. Table III provides factors to convert the rates and liabilities in this report to equivalent values at different interest rates. These are multiplicative factors, applicable to rates and liabilities discounted at 1.5% interest.

| Table III: Interest Rate Adjustment Factors | | | | | | |
|---|---|---|---|---|---|---|
| **Interest Rate** | **0.0%** | **1.0%** | **1.5%** | **1.76%** | **2.0%** | **2.03%** |
| **UNL Rate** | **1.110** | **1.033** | **1.000** | **0.984** | **0.970** | **0.968** |
| **1M Rate** | **1.110** | **1.034** | **1.000** | **0.984** | **0.970** | **0.968** |
| **500K Rate** | **1.091** | **1.028** | **1.000** | **0.986** | **0.974** | **0.973** |
| **250K Rate** | **1.105** | **1.032** | **1.000** | **0.985** | **0.971** | **0.969** |
| **6/30/17 Liability** | **1.129** | **1.040** | **1.000** | **0.980** | **0.962** | **0.959** |

We included columns for interest rates of 1.76% and 2.03% in addition to columns for the "round number" values. Those were the "risk-free buy-and-hold" interest rates appropriate for discounting the rates and liabilities, respectively, as of 1/27/17. If one were to assemble a hypothetical portfolio of US Treasury bills, notes, and bonds selected to mature just as the expected claims payments on the 2017-18 losses come due, that portfolio would yield an overall interest rate of 1.76%. If one were to assemble a similar hypothetical portfolio with securities selected to mature just as the expected payments on the 6/30/17 liability come due, that portfolio would yield 2.03%. The "risk-free buy-and-hold" rates are useful benchmarks that anyone can calculate for themselves, given the timing of the projected claims payments.

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# Alameda County Schools Insurance Group

## An Actuarial Review of the Workers' Compensation Program

## Technical Approach

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## An Actuarial Review of the Workers' Compensation Program

## Technical Approach

This section describes the actuarial calculations. This report is based on claims data evaluated as of December 31, 2016.

### Exhibits

#### *Summary Exhibits*

These exhibits summarize the analysis and conclusions. Summary Exhibit 1 shows the projected liability for unpaid losses as of June 30, 2017. Summary Exhibit 2 shows projected loss funding rates for 2017-18. Summary Exhibit 3 shows the estimated unpaid losses by program year from the self-insurance program on both discounted and non-discounted bases, as of June 30, 2017.

#### *ULAE Exhibits*

These exhibits show the ULAE liability as of June 30, 2017.

#### *Fiscal Year End Exhibits*

These exhibits show the unpaid losses as of December 31, 2016 and June 30, 2017.

#### *Limited Loss Exhibits*

These exhibits show the estimation of the limited ultimate losses for each program year. We start with the gross (unlimited) loss estimates and adjust them to a limited basis to reflect the effect of excess insurance. We assume that excess insurance has in the past and will continue in the future to pay all losses that exceed the stated SIR.

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### *Gross Loss Exhibits*

These exhibits show the various actuarial projection methods and summarize the results for each program year, on a gross (unlimited loss) basis.

We used five different actuarial methods:

1) Reported loss projection method;
2) Paid loss projection method;
3) IBNR to Case Reserves Ratio method;
4) Bornhuetter-Ferguson method using reported losses; and
5) Frequency times Severity method.

Gross Loss Exhibit 1 summarizes the results of these methods.

### *Future Loss Exhibit*

This exhibit shows the projection of the loss rate for 2017-18.

### *Discounting Exhibits*

These exhibits show the discounting of the remaining unpaid losses and the projected future loss rate. They also include the Program Information Exhibit.

### *Claims Data*

These exhibits show the gross development triangles for reported losses, paid losses, and number of claims reported. The latest data (lowest diagonal) is evaluated as of December 31, 2016.

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# Alameda County Schools Insurance Group
# Workers' Compensation Program

## Actuarial Analysis of the
## Workers' Compensation Program

## Summary Exhibits

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Alameda County Schools Insurance Group
Workers' Compensation Program

Projected Unpaid Losses as of June 30, 2017

**Self-Insured Losses Limited to Stated SIR**

| | | |
|---|---|---|
| (1) | Projected Unpaid Losses: | $17,771,231 |
| (2) | Discounted Value of Unpaid Losses: (Assuming 1.5% Interest Rate) | $15,738,029 |

**Probability Levels**

| Probability Level (3) | Probability Factor (4) | Discounted * Liability (5) |
|---|---|---|
| 10% | 0.84 | $13,219,944 |
| 20% | 0.88 | 13,849,466 |
| 30% | 0.92 | 14,478,987 |
| 40% | 0.95 | 14,951,128 |
| 50% | 0.99 | 15,580,649 |
| **Central Estimate** | **1.00** | **15,738,029** |
| 60% | 1.02 | 16,052,790 |
| 70% | 1.06 | 16,682,311 |
| 80% | 1.11 | 17,469,212 |
| 90% | 1.18 | 18,570,874 |

* Multiply by 1.129 to obtain undiscounted values.

Notes:

(1) Page 54, Column (1).
(2) Page 54, Column (3).
(3) Estimated probability that funding will be adequate.
(4) Estimated by BAC.
(5) (2) x (4).

Alameda County Schools Insurance Group
Workers' Compensation Program

## Projected Unlimited Rate for 2017-18

| | Loss Rate |
|---|---|
| (1) Discounted Loss Rate: (as of July 1, 2017, 1.5% interest rate) | $1.69 |

**Probability Levels**

| Probability Level (2) | Probability Factor (3) | Discounted * Rate (4) |
|---|---|---|
| 0.30 | 0.87 | $1.47 |
| 0.40 | 0.93 | 1.58 |
| 0.50 | 0.98 | 1.66 |
| **Central Estimate** | **1.00** | **$1.69** |
| 0.60 | 1.04 | 1.76 |
| 0.70 | 1.11 | 1.88 |
| 0.80 | 1.19 | 2.02 |
| 0.90 | 1.30 | 2.20 |

* Multiply by 1.110 to obtain undiscounted rates.

Notes:
(1) [, Column ] x [Page 55, Item (4)].
(2) Estimated probability that funding will be adequate.
(3) Estimated by BAC.
(4) (1) x (3).

Alameda County Schools Insurance Group
Workers' Compensation Program

June 30, 2017 Summary
**Self-Insured Losses Limited to Stated SIR**

| Program Year | Undiscounted Value: Claims Liabilities as of 6/30/17 (1) | Discounted (1.5% Interest) Claims Liabilities as of 6/30/17 (2) | Estimated Ultimate Losses (3) |
|---|---|---|---|
| 1986-87 | $142,261 | $135,209 | $2,960,000 |
| 1987-88 | 38,958 | 36,702 | 2,910,000 |
| 1988-89 | 73,031 | 68,059 | 4,090,000 |
| 1989-90 | 64,570 | 59,735 | 2,990,000 |
| 1990-91 | 190,278 | 174,993 | 5,750,000 |
| 1991-92 | 154,722 | 141,761 | 5,330,000 |
| 1992-93 | 356,222 | 325,812 | 4,440,000 |
| 1993-94 | 245,671 | 224,004 | 3,970,000 |
| 1994-95 | 407,405 | 370,778 | 5,190,000 |
| 1995-96 | 279,709 | 254,230 | 5,610,000 |
| 1996-97 | 677,776 | 613,146 | 7,770,000 |
| 1997-98 | 982,591 | 882,908 | 7,770,000 |
| 1998-99 | 1,780,425 | 1,590,912 | 10,910,000 |
| 1999-00 | 1,086,880 | 968,144 | 8,420,000 |
| 2000-01 | 1,333,207 | 1,187,794 | 12,100,000 |
| 2001-02 | 1,441,774 | 1,285,439 | 13,280,000 |
| 2002-03 | 944,432 | 838,900 | 10,820,000 |
| 2003-04 | 1,077,322 | 946,385 | 6,940,000 |
| 2004-05 | 543,721 | 475,120 | 5,960,000 |
| 2005-06 | 1,871,158 | 1,621,054 | 10,470,000 |
| 2006-07 | 1,205,125 | 1,043,324 | 9,350,000 |
| 2007-08 | 1,304,021 | 1,127,468 | 9,700,000 |
| 2008-09 | 1,504,041 | 1,303,490 | 10,140,000 |
| 1985-86 & prior | 65,930 | 62,662 | |
| Total | $17,771,231 | $15,738,029 | $166,870,000 |

Notes:
(1) Page 54, Column (1).
(2) Page 54, Column (3).
(3) Page 30, Column (6).

# Alameda County Schools Insurance Group
# Workers' Compensation Program

## Actuarial Analysis of the
## Workers' Compensation Program

## Unallocated Loss Adjustment Expenses

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# Alameda County Schools Insurance Group
# Workers' Compensation Program

## Estimated ULAE Ratio

(1) Selected Ratio of ULAE to Loss: 11.0%

| | Case Reserves | IBNR Liability | Total |
|---|---|---|---|
| (2) Ratio of Unpaid ULAE to Unpaid Loss: | 5.5% | 11.0% | |
| (3) Unpaid Loss as of 6/30/17 ($1,000's): | $27,135 | $63 | $27,198 |
| (4) Unpaid ULAE as of 6/30/17 ($1,000's): | $1,492 | $7 | $1,499 |
| (5) Ratio for Different Evaluation Dates: | | | 5.5% |

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Notes:

(1) Estimated by BAC.
(2) Case Reserves: 50% x (1); IBNR Liability: 100% x (1).
(3) Gross Liability as of 06/30/17.
(Self-Insured years only.)
99.5% of IBNR was treated as Case Reserves.
(4) (2) x (3).
(5) [ Sum of (4) ] / [ Sum of (3) ].

Alameda County Schools Insurance Group
Workers' Compensation Program

Projected Unpaid Losses as of June 30, 2017

**Unlimited Losses**

| Program Year | Estimated Ultimate Losses (1) | Projected Losses Paid as of 6/30/17 (2) | Projected Case Reserves 6/30/17 (3) | Projected Reported Losses as of 6/30/17 (4) | Projected IBNR as of 6/30/17 (5) | Projected Unpaid Losses as of 6/30/17 (6) |
|---|---|---|---|---|---|---|
| 1986-87 | $2,960,000 | $2,817,739 | $117,284 | $2,935,023 | $24,977 | $142,261 |
| 1987-88 | 2,910,000 | 2,871,042 | 15,904 | 2,886,945 | 23,055 | 38,958 |
| 1988-89 | 4,090,000 | 4,016,969 | 34,650 | 4,051,619 | 38,381 | 73,031 |
| 1989-90 | 2,990,000 | 2,925,430 | 31,207 | 2,956,637 | 33,363 | 64,570 |
| 1990-91 | 5,750,000 | 5,559,722 | 95,778 | 5,655,500 | 94,500 | 190,278 |
| 1991-92 | 5,330,000 | 5,175,278 | 58,551 | 5,233,829 | 96,171 | 154,722 |
| 1992-93 | 4,440,000 | 4,083,778 | 201,342 | 4,285,119 | 154,881 | 356,222 |
| 1993-94 | 3,970,000 | 3,724,329 | 116,129 | 3,840,458 | 129,542 | 245,671 |
| 1994-95 | 5,190,000 | 4,782,595 | 223,393 | 5,005,988 | 184,012 | 407,405 |
| 1995-96 | 5,610,000 | 5,330,291 | 122,629 | 5,452,920 | 157,080 | 279,709 |
| 1996-97 | 7,770,000 | 7,092,224 | 343,303 | 7,435,527 | 334,473 | 677,776 |
| 1997-98 | 7,770,000 | 6,787,409 | 613,149 | 7,400,558 | 369,442 | 982,591 |
| 1998-99 | 11,010,000 | 9,133,445 | 1,233,166 | 10,366,611 | 643,389 | 1,876,555 |
| 1999-00 | 8,640,000 | 7,343,349 | 830,085 | 8,173,434 | 466,566 | 1,296,651 |
| 2000-01 | 12,210,000 | 10,773,202 | 682,942 | 11,456,144 | 753,856 | 1,436,798 |
| 2001-02 | 13,840,000 | 12,063,362 | 809,205 | 12,872,567 | 967,433 | 1,776,638 |
| 2002-03 | 10,940,000 | 9,881,528 | 374,830 | 10,256,358 | 683,642 | 1,058,472 |
| 2003-04 | 6,940,000 | 5,862,678 | 546,088 | 6,408,766 | 531,234 | 1,077,322 |
| 2004-05 | 5,960,000 | 5,422,899 | 234,686 | 5,657,586 | 302,414 | 537,101 |
| 2005-06 | 10,470,000 | 8,598,842 | 858,301 | 9,457,142 | 1,012,858 | 1,871,158 |
| 2006-07 | 15,800,000 | 9,571,833 | 4,104,344 | 13,676,177 | 2,123,823 | 6,228,167 |
| 2007-08 | 11,940,000 | 8,942,240 | 1,463,064 | 10,405,304 | 1,534,696 | 2,997,760 |
| 2008-09 | 12,360,000 | 8,997,400 | 1,329,816 | 10,327,216 | 2,032,784 | 3,362,600 |
| Total | $178,890,000 | $151,757,582 | $14,439,847 | $166,197,429 | $12,692,571 | $27,132,418 |
| 1985-86 & prior | $11,681,086 | $11,615,156 | $65,930 | $11,681,086 | $0 | $65,930 |
| Total | $190,571,086 | $163,372,738 | $14,505,777 | $177,878,515 | $12,692,571 | $27,198,348 |

Notes:
(1) Page 37, Column (6).
(2) Page 23, Column (3).
(3) (4) - (2).
(4) Page 23, Column (6).
(5) (1) - (4).
(6) (1) - (2).

Alameda County Schools Insurance Group
Workers' Compensation Program

Projected Paid and Reported Losses between 1/1/17 and 6/30/17
**Unlimited Losses**

| Program Year | Losses Paid as of 12/31/16 (1) | Projected Losses Paid 1/1/17 - 6/30/17 (2) | Projected Losses Paid as of 6/30/17 (3) | Losses Reported as of 12/31/16 (4) | Projected Losses Reported 1/1/17 - 6/30/17 (5) | Projected Losses Reported as of 6/30/17 (6) |
|---|---|---|---|---|---|---|
| 1986-87 | $2,805,094 | $12,645 | $2,817,739 | $2,932,778 | $2,245 | $2,935,023 |
| 1987-88 | 2,868,957 | 2,085 | 2,871,042 | 2,885,220 | 1,725 | 2,886,945 |
| 1988-89 | 4,014,776 | 2,193 | 4,016,969 | 4,048,631 | 2,988 | 4,051,619 |
| 1989-90 | 2,922,252 | 3,178 | 2,925,430 | 2,953,528 | 3,109 | 2,956,637 |
| 1990-91 | 5,549,553 | 10,169 | 5,559,722 | 5,646,113 | 9,387 | 5,655,500 |
| 1991-92 | 5,165,621 | 9,657 | 5,175,278 | 5,225,687 | 8,143 | 5,233,829 |
| 1992-93 | 4,058,369 | 25,408 | 4,083,778 | 4,276,708 | 8,411 | 4,285,119 |
| 1993-94 | 3,709,046 | 15,283 | 3,724,329 | 3,833,518 | 6,940 | 3,840,458 |
| 1994-95 | 4,755,400 | 27,195 | 4,782,595 | 4,996,805 | 9,183 | 5,005,988 |
| 1995-96 | 5,311,130 | 19,161 | 5,330,291 | 5,447,377 | 5,543 | 5,452,920 |
| 1996-97 | 7,058,560 | 33,665 | 7,092,224 | 7,423,018 | 12,509 | 7,435,527 |
| 1997-98 | 6,750,732 | 36,677 | 6,787,409 | 7,389,080 | 11,478 | 7,400,558 |
| 1998-99 | 9,057,897 | 75,548 | 9,133,445 | 10,350,583 | 16,028 | 10,366,611 |
| 1999-00 | 7,280,120 | 63,229 | 7,343,349 | 8,154,400 | 19,034 | 8,173,434 |
| 2000-01 | 10,684,317 | 88,885 | 10,773,202 | 11,416,204 | 39,940 | 11,456,144 |
| 2001-02 | 11,949,088 | 114,274 | 12,063,362 | 12,843,074 | 29,493 | 12,872,567 |
| 2002-03 | 9,833,524 | 48,004 | 9,881,528 | 10,244,798 | 11,560 | 10,256,358 |
| 2003-04 | 5,831,190 | 31,488 | 5,862,678 | 6,381,605 | 27,162 | 6,408,766 |
| 2004-05 | 5,404,587 | 18,312 | 5,422,899 | 5,628,677 | 28,909 | 5,657,586 |
| 2005-06 | 8,537,141 | 61,701 | 8,598,842 | 9,400,338 | 56,805 | 9,457,142 |
| 2006-07 | 9,284,326 | 287,507 | 9,571,833 | 13,400,926 | 275,251 | 13,676,177 |
| 2007-08 | 8,810,834 | 131,406 | 8,942,240 | 10,293,074 | 112,230 | 10,405,304 |
| 2008-09 | 8,808,892 | 188,508 | 8,997,400 | 10,044,965 | 282,251 | 10,327,216 |
| Total | $150,451,404 | $1,306,179 | $151,757,582 | $165,217,105 | $980,324 | $166,197,429 |

Notes:
(1) Page 39, Column (1).
(2) Projected by BAC.
(3) (1) + (2).
(4) Page 38, Column (1).
(5) Projected by BAC.
(6) (4) + (5).

Alameda County Schools Insurance Group
Workers' Compensation Program

Estimated Unpaid Losses as of December 31, 2016

**Unlimited Losses**

| Program Year | Estimated Ultimate Losses (1) | Losses Paid as of 12/31/16 (2) | Case Reserves 12/31/16 (3) | Reported Losses as of 12/31/16 (4) | Estimated IBNR as of 12/31/16 (5) | Estimated Unpaid Losses as of 12/31/16 (6) |
|---|---|---|---|---|---|---|
| 1986-87 | $2,960,000 | $2,805,094 | $127,685 | $2,932,778 | $27,222 | $154,906 |
| 1987-88 | 2,910,000 | 2,868,957 | 16,263 | 2,885,220 | 24,780 | 41,043 |
| 1988-89 | 4,090,000 | 4,014,776 | 33,855 | 4,048,631 | 41,369 | 75,224 |
| 1989-90 | 2,990,000 | 2,922,252 | 31,276 | 2,953,528 | 36,472 | 67,748 |
| 1990-91 | 5,750,000 | 5,549,553 | 96,560 | 5,646,113 | 103,887 | 200,447 |
| 1991-92 | 5,330,000 | 5,165,621 | 60,066 | 5,225,687 | 104,313 | 164,379 |
| 1992-93 | 4,440,000 | 4,058,369 | 218,339 | 4,276,708 | 163,292 | 381,631 |
| 1993-94 | 3,970,000 | 3,709,046 | 124,471 | 3,833,518 | 136,482 | 260,954 |
| 1994-95 | 5,190,000 | 4,755,400 | 241,405 | 4,996,805 | 193,195 | 434,600 |
| 1995-96 | 5,610,000 | 5,311,130 | 136,247 | 5,447,377 | 162,623 | 298,870 |
| 1996-97 | 7,770,000 | 7,058,560 | 364,459 | 7,423,018 | 346,982 | 711,440 |
| 1997-98 | 7,770,000 | 6,750,732 | 638,348 | 7,389,080 | 380,920 | 1,019,268 |
| 1998-99 | 11,010,000 | 9,057,897 | 1,292,686 | 10,350,583 | 659,417 | 1,952,103 |
| 1999-00 | 8,640,000 | 7,280,120 | 874,280 | 8,154,400 | 485,600 | 1,359,880 |
| 2000-01 | 12,210,000 | 10,684,317 | 731,887 | 11,416,204 | 793,796 | 1,525,684 |
| 2001-02 | 13,840,000 | 11,949,088 | 893,986 | 12,843,074 | 996,926 | 1,890,912 |
| 2002-03 | 10,940,000 | 9,833,524 | 411,274 | 10,244,798 | 695,202 | 1,106,476 |
| 2003-04 | 6,940,000 | 5,831,190 | 550,414 | 6,381,605 | 558,395 | 1,108,810 |
| 2004-05 | 5,960,000 | 5,404,587 | 224,090 | 5,628,677 | 331,323 | 555,413 |
| 2005-06 | 10,470,000 | 8,537,141 | 863,197 | 9,400,338 | 1,069,662 | 1,932,859 |
| 2006-07 | 15,800,000 | 9,284,326 | 4,116,600 | 13,400,926 | 2,399,074 | 6,515,674 |
| 2007-08 | 11,940,000 | 8,810,834 | 1,482,240 | 10,293,074 | 1,646,926 | 3,129,167 |
| 2008-09 | 12,360,000 | 8,808,892 | 1,236,072 | 10,044,965 | 2,315,035 | 3,551,108 |
| SubTotal | $178,890,000 | $150,451,404 | $14,765,701 | $165,217,105 | $13,672,895 | $28,438,596 |
| 1985-86 & prior | $11,681,086 | $11,615,156 | $65,930 | $11,681,086 | $0 | $65,930 |
| Total | $190,571,086 | $162,066,559 | $14,831,631 | $176,898,190 | $13,672,895 | $28,504,527 |

Notes:
(1) Page 37, Column (6).
(2) Page 23, Column (1).
(3) (4) - (2).
(4) Page 23, Column (4).
(5) (1) - (4).
(6) (1) - (2).

# Alameda County Schools Insurance Group
# Workers' Compensation Program

## Actuarial Analysis of the
## Workers' Compensation Program

## Fiscal Year End Exhibits

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Alameda County Schools Insurance Group
Workers' Compensation Program

Projected Unpaid Losses as of June 30, 2017

**Self-Insured Losses Limited to Stated SIR**

| Program Year | Estimated Ultimate Losses (1) | Projected Limited Losses Paid as of 6/30/17 (2) | Projected Limited Case Reserves 6/30/17 (3) | Projected Limited Reported Losses as of 6/30/17 (4) | Projected Limited IBNR as of 6/30/17 (5) | Projected Limited Unpaid Losses as of 6/30/17 (6) |
|---|---|---|---|---|---|---|
| 1986-87 | $2,960,000 | $2,817,739 | $122,027 | $2,939,766 | $20,234 | $142,261 |
| 1987-88 | 2,910,000 | 2,871,042 | 16,949 | 2,887,990 | 22,010 | 38,958 |
| 1988-89 | 4,090,000 | 4,016,969 | 34,650 | 4,051,619 | 38,381 | 73,031 |
| 1989-90 | 2,990,000 | 2,925,430 | 31,207 | 2,956,637 | 33,363 | 64,570 |
| 1990-91 | 5,750,000 | 5,559,722 | 95,778 | 5,655,500 | 94,500 | 190,278 |
| 1991-92 | 5,330,000 | 5,175,278 | 58,551 | 5,233,829 | 96,171 | 154,722 |
| 1992-93 | 4,440,000 | 4,083,778 | 201,342 | 4,285,119 | 154,881 | 356,222 |
| 1993-94 | 3,970,000 | 3,724,329 | 116,129 | 3,840,458 | 129,542 | 245,671 |
| 1994-95 | 5,190,000 | 4,782,595 | 218,644 | 5,001,239 | 188,761 | 407,405 |
| 1995-96 | 5,610,000 | 5,330,291 | 120,986 | 5,451,278 | 158,722 | 279,709 |
| 1996-97 | 7,770,000 | 7,092,224 | 343,339 | 7,435,563 | 334,437 | 677,776 |
| 1997-98 | 7,770,000 | 6,787,409 | 613,185 | 7,400,594 | 369,406 | 982,591 |
| 1998-99 | 10,910,000 | 9,129,575 | 1,226,382 | 10,355,957 | 554,043 | 1,780,425 |
| 1999-00 | 8,420,000 | 7,333,120 | 709,309 | 8,042,429 | 377,571 | 1,086,880 |
| 2000-01 | 12,100,000 | 10,766,793 | 684,088 | 11,450,882 | 649,118 | 1,333,207 |
| 2001-02 | 13,280,000 | 11,838,226 | 626,909 | 12,465,135 | 814,865 | 1,441,774 |
| 2002-03 | 10,820,000 | 9,875,568 | 377,334 | 10,252,901 | 567,099 | 944,432 |
| 2003-04 | 6,940,000 | 5,862,678 | 584,640 | 6,447,318 | 492,682 | 1,077,322 |
| 2004-05 | 5,960,000 | 5,416,279 | 231,358 | 5,647,637 | 312,363 | 543,721 |
| 2005-06 | 10,470,000 | 8,598,842 | 858,782 | 9,457,623 | 1,012,377 | 1,871,158 |
| 2006-07 | 9,350,000 | 8,144,875 | 759,265 | 8,904,140 | 445,860 | 1,205,125 |
| 2007-08 | 9,700,000 | 8,395,979 | 712,170 | 9,108,149 | 591,851 | 1,304,021 |
| 2008-09 | 10,140,000 | 8,635,959 | 608,517 | 9,244,475 | 895,525 | 1,504,041 |
| Total | $166,870,000 | $149,164,700 | $9,351,541 | $158,516,240 | $8,353,760 | $17,705,300 |
| 1985-86 & prior | $11,673,127 | $11,607,197 | $65,930 | $11,673,127 | $0 | $65,930 |
| Total | $178,543,127 | $160,771,897 | $9,417,471 | $170,189,368 | $8,353,760 | $17,771,231 |

Notes:
(1) Page 30, Column (6).
(2) Page 27, Column (3).
(3) (4) - (2).
(4) Page 27, Column (6).
(5) (1) - (4).
(6) (1) - (2).

Alameda County Schools Insurance Group
Workers' Compensation Program

Projected Paid and Reported Losses between 1/1/17 and 6/30/17
**Self-Insured Losses Limited to Stated SIR**

| Program Year | Losses Paid as of 12/31/16 (1) | Projected Losses Paid 1/1/17 - 6/30/17 (2) | Projected Losses Paid as of 6/30/17 (3) | Losses Reported as of 12/31/16 (4) | Projected Losses Reported 1/1/17 - 6/30/17 (5) | Projected Losses Reported as of 6/30/17 (6) |
|---|---|---|---|---|---|---|
| 1986-87 | $2,805,094 | $12,645 | $2,817,739 | $2,932,778 | $6,988 | $2,939,766 |
| 1987-88 | 2,868,957 | 2,085 | 2,871,042 | 2,885,220 | 2,770 | 2,887,990 |
| 1988-89 | 4,014,776 | 2,193 | 4,016,969 | 4,048,631 | 2,988 | 4,051,619 |
| 1989-90 | 2,922,252 | 3,178 | 2,925,430 | 2,953,528 | 3,109 | 2,956,637 |
| 1990-91 | 5,549,553 | 10,169 | 5,559,722 | 5,646,113 | 9,387 | 5,655,500 |
| 1991-92 | 5,165,621 | 9,657 | 5,175,278 | 5,225,687 | 8,143 | 5,233,829 |
| 1992-93 | 4,058,369 | 25,408 | 4,083,778 | 4,276,708 | 8,411 | 4,285,119 |
| 1993-94 | 3,709,046 | 15,283 | 3,724,329 | 3,833,518 | 6,940 | 3,840,458 |
| 1994-95 | 4,755,400 | 27,195 | 4,782,595 | 4,996,805 | 4,434 | 5,001,239 |
| 1995-96 | 5,311,130 | 19,161 | 5,330,291 | 5,447,377 | 3,901 | 5,451,278 |
| 1996-97 | 7,058,560 | 33,665 | 7,092,224 | 7,423,018 | 12,545 | 7,435,563 |
| 1997-98 | 6,750,732 | 36,677 | 6,787,409 | 7,389,080 | 11,514 | 7,400,594 |
| 1998-99 | 9,057,897 | 71,678 | 9,129,575 | 10,350,583 | 5,374 | 10,355,957 |
| 1999-00 | 7,280,120 | 53,000 | 7,333,120 | 8,037,782 | 4,648 | 8,042,429 |
| 2000-01 | 10,684,317 | 82,477 | 10,766,793 | 11,416,204 | 34,678 | 11,450,882 |
| 2001-02 | 11,745,491 | 92,735 | 11,838,226 | 12,441,202 | 23,933 | 12,465,135 |
| 2002-03 | 9,832,736 | 42,832 | 9,875,568 | 10,244,010 | 8,892 | 10,252,901 |
| 2003-04 | 5,831,190 | 31,488 | 5,862,678 | 6,381,605 | 65,713 | 6,447,318 |
| 2004-05 | 5,404,587 | 11,693 | 5,416,279 | 5,628,677 | 18,960 | 5,647,637 |
| 2005-06 | 8,537,141 | 61,701 | 8,598,842 | 9,400,338 | 57,286 | 9,457,623 |
| 2006-07 | 8,139,486 | 5,389 | 8,144,875 | 8,897,082 | 7,058 | 8,904,140 |
| 2007-08 | 8,362,661 | 33,318 | 8,395,979 | 9,074,336 | 33,814 | 9,108,149 |
| 2008-09 | 8,577,103 | 58,856 | 8,635,959 | 9,176,840 | 67,635 | 9,244,475 |
| Total | $148,422,216 | $742,483 | $149,164,700 | $158,107,120 | $409,120 | $158,516,240 |

Notes:
(1) Page 32, Column (1).
(2) Projected by BAC.
(3) (1) + (2).
(4) Page 31, Column (1).
(5) Projected by BAC.
(6) (4) + (5).

Alameda County Schools Insurance Group
Workers' Compensation Program

Estimated Unpaid Losses as of December 31, 2016

**Self-Insured Losses Limited to Stated SIR**

| Program Year | Estimated Ultimate Losses (1) | Limited Losses Paid as of 12/31/16 (2) | Limited Case Reserves 12/31/16 (3) | Limited Reported Losses as of 12/31/16 (4) | Limited IBNR as of 12/31/16 (5) | Limited Unpaid Losses as of 12/31/16 (6) |
|---|---|---|---|---|---|---|
| 1986-87 | $2,960,000 | $2,805,094 | $127,685 | $2,932,778 | $27,222 | $154,906 |
| 1987-88 | 2,910,000 | 2,868,957 | 16,263 | 2,885,220 | 24,780 | 41,043 |
| 1988-89 | 4,090,000 | 4,014,776 | 33,855 | 4,048,631 | 41,369 | 75,224 |
| 1989-90 | 2,990,000 | 2,922,252 | 31,276 | 2,953,528 | 36,472 | 67,748 |
| 1990-91 | 5,750,000 | 5,549,553 | 96,560 | 5,646,113 | 103,887 | 200,447 |
| 1991-92 | 5,330,000 | 5,165,621 | 60,066 | 5,225,687 | 104,313 | 164,379 |
| 1992-93 | 4,440,000 | 4,058,369 | 218,339 | 4,276,708 | 163,292 | 381,631 |
| 1993-94 | 3,970,000 | 3,709,046 | 124,471 | 3,833,518 | 136,482 | 260,954 |
| 1994-95 | 5,190,000 | 4,755,400 | 241,405 | 4,996,805 | 193,195 | 434,600 |
| 1995-96 | 5,610,000 | 5,311,130 | 136,247 | 5,447,377 | 162,623 | 298,870 |
| 1996-97 | 7,770,000 | 7,058,560 | 364,459 | 7,423,018 | 346,982 | 711,440 |
| 1997-98 | 7,770,000 | 6,750,732 | 638,348 | 7,389,080 | 380,920 | 1,019,268 |
| 1998-99 | 10,910,000 | 9,057,897 | 1,292,686 | 10,350,583 | 559,417 | 1,852,103 |
| 1999-00 | 8,420,000 | 7,280,120 | 757,662 | 8,037,782 | 382,218 | 1,139,880 |
| 2000-01 | 12,100,000 | 10,684,317 | 731,887 | 11,416,204 | 683,796 | 1,415,684 |
| 2001-02 | 13,280,000 | 11,745,491 | 695,711 | 12,441,202 | 838,798 | 1,534,509 |
| 2002-03 | 10,820,000 | 9,832,736 | 411,274 | 10,244,010 | 575,990 | 987,264 |
| 2003-04 | 6,940,000 | 5,831,190 | 550,414 | 6,381,605 | 558,395 | 1,108,810 |
| 2004-05 | 5,960,000 | 5,404,587 | 224,090 | 5,628,677 | 331,323 | 555,413 |
| 2005-06 | 10,470,000 | 8,537,141 | 863,197 | 9,400,338 | 1,069,662 | 1,932,859 |
| 2006-07 | 9,350,000 | 8,139,486 | 757,596 | 8,897,082 | 452,918 | 1,210,514 |
| 2007-08 | 9,700,000 | 8,362,661 | 711,675 | 9,074,336 | 625,664 | 1,337,339 |
| 2008-09 | 10,140,000 | 8,577,103 | 599,738 | 9,176,840 | 963,160 | 1,562,897 |
| SubTotal | $166,870,000 | $148,422,216 | $9,684,904 | $158,107,120 | $8,762,880 | $18,447,784 |
| 1985-86 & prior | $11,673,127 | $11,607,197 | $65,930 | $11,673,127 | $0 | $65,930 |
| Total | $178,543,127 | $160,029,413 | $9,750,834 | $169,780,247 | $8,762,880 | $18,513,714 |

Notes:
(1) Page 30, Column (6).
(2) Page 32, Column (1).
(3) (4) - (2).
(4) Page 31, Column (1).
(5) (1) - (4).
(6) (1) - (2).

# Alameda County Schools Insurance Group
# Workers' Compensation Program

## Actuarial Analysis of the
## Workers' Compensation Program

## Limited Losses

DRAFT

Alameda County Schools Insurance Group
Workers' Compensation Program

Selected Ultimate Losses

Self-Insured Losses Limited to Stated SIR

| Program Year | Limited Reported Loss Development (1) | Lim Paid Loss Development (2) | Limited IBNR to Case Ratio (3) | B-F Method Using Limited Reported (4) | B-F Method Using Limited Paid (5) | Selected Ultimate Limited Losses (6) |
|---|---|---|---|---|---|---|
| 1986-87 | $2,963,185 | $2,903,300 | $2,988,321 | $2,962,018 | $2,904,510 | $2,960,000 |
| 1987-88 | 2,923,854 | 2,983,486 | 2,893,758 | 2,923,050 | 2,979,537 | 2,910,000 |
| 1988-89 | 4,112,135 | 4,185,385 | 4,069,283 | 4,109,981 | 4,182,466 | 4,090,000 |
| 1989-90 | 3,009,549 | 3,059,882 | 2,975,609 | 3,010,338 | 3,056,802 | 2,990,000 |
| 1990-91 | 5,777,347 | 5,841,948 | 5,726,354 | 5,778,363 | 5,837,053 | 5,750,000 |
| 1991-92 | 5,370,212 | 5,476,130 | 5,279,926 | 5,369,597 | 5,469,431 | 5,330,000 |
| 1992-93 | 4,408,981 | 4,342,316 | 4,461,859 | 4,409,908 | 4,346,969 | 4,440,000 |
| 1993-94 | 3,965,957 | 4,005,644 | 3,935,709 | 3,964,528 | 4,002,826 | 3,970,000 |
| 1994-95 | 5,188,245 | 5,194,918 | 5,183,411 | 5,188,835 | 5,196,550 | 5,190,000 |
| 1995-96 | 5,655,281 | 5,881,685 | 5,530,488 | 5,654,055 | 5,852,962 | 5,610,000 |
| 1996-97 | 7,729,300 | 7,905,359 | 7,636,955 | 7,732,039 | 7,885,191 | 7,770,000 |
| 1997-98 | 7,714,429 | 7,631,441 | 7,756,769 | 7,713,099 | 7,637,927 | 7,770,000 |
| 1998-99 | 10,830,770 | 10,352,618 | 11,060,268 | 10,830,860 | 10,422,319 | 10,910,000 |
| 1999-00 | 8,408,350 | 8,435,559 | 8,396,914 | 8,407,143 | 8,430,177 | 8,420,000 |
| 2000-01 | 12,004,916 | 12,643,646 | 11,755,068 | 11,992,347 | 12,506,810 | 12,100,000 |
| 2001-02 | 13,123,697 | 14,260,863 | 12,732,009 | 13,138,705 | 14,106,269 | 13,280,000 |
| 2002-03 | 10,824,882 | 12,189,024 | 10,401,939 | 10,819,523 | 11,889,663 | 10,820,000 |
| 2003-04 | 6,862,605 | 7,285,848 | 6,679,379 | 6,867,405 | 7,219,190 | 6,940,000 |
| 2004-05 | 6,112,319 | 6,873,419 | 5,760,442 | 6,097,612 | 6,674,868 | 5,960,000 |
| 2005-06 | 10,314,089 | 10,985,502 | 9,970,048 | 10,328,127 | 10,861,827 | 10,470,000 |
| 2006-07 | 9,397,423 | 9,735,961 | 9,261,486 | 9,317,446 | 9,440,236 | 9,350,000 |
| 2007-08 | 9,725,706 | 10,301,433 | 9,467,180 | 9,649,054 | 9,975,303 | 9,700,000 |
| 2008-09 | 10,165,538 | 11,018,355 | 9,645,835 | 10,092,423 | 10,672,562 | 10,140,000 |
| Total | $166,588,770 | $173,493,722 | $163,569,008 | $166,356,454 | $171,551,445 | $166,870,000 |

Notes:
(1) Page 31, Column (3).
(2) Page 31, Column (3).
(3) Page 33, Column (6).
(4) Page 34, Column (6).
(5) Page 35, Column (6).
(6) Selected on the basis of (1) - (5).

Alameda County Schools Insurance Group
Workers' Compensation Program

Reported Loss Development
**Self-Insured Losses Limited to Stated SIR**

| Program Year | Cumulative Reported Losses as of 12/31/16 (1) | Reported Development Factor as of 12/31/16 (2) | Projected Ultimate Losses (3) |
|---|---|---|---|
| 1986-87 | $2,932,778 | 1.010 | $2,963,185 |
| 1987-88 | 2,885,220 | 1.013 | 2,923,854 |
| 1988-89 | 4,048,631 | 1.016 | 4,112,135 |
| 1989-90 | 2,953,528 | 1.019 | 3,009,549 |
| 1990-91 | 5,646,113 | 1.023 | 5,777,347 |
| 1991-92 | 5,225,687 | 1.028 | 5,370,212 |
| 1992-93 | 4,276,708 | 1.031 | 4,408,981 |
| 1993-94 | 3,833,518 | 1.035 | 3,965,957 |
| 1994-95 | 4,996,805 | 1.038 | 5,188,245 |
| 1995-96 | 5,447,377 | 1.038 | 5,655,281 |
| 1996-97 | 7,423,018 | 1.041 | 7,729,300 |
| 1997-98 | 7,389,080 | 1.044 | 7,714,429 |
| 1998-99 | 10,350,583 | 1.046 | 10,830,770 |
| 1999-00 | 8,037,782 | 1.046 | 8,408,350 |
| 2000-01 | 11,416,204 | 1.052 | 12,004,916 |
| 2001-02 | 12,441,202 | 1.055 | 13,123,697 |
| 2002-03 | 10,244,010 | 1.057 | 10,824,882 |
| 2003-04 | 6,381,605 | 1.075 | 6,862,605 |
| 2004-05 | 5,628,677 | 1.086 | 6,112,319 |
| 2005-06 | 9,400,338 | 1.097 | 10,314,089 |
| 2006-07 | 8,897,082 | 1.056 | 9,397,423 |
| 2007-08 | 9,074,336 | 1.072 | 9,725,706 |
| 2008-09 | 9,176,840 | 1.108 | 10,165,538 |
| Total | $158,107,120 | | $166,588,770 |

Notes:
(1) Provided by Keenan & Associates.
(2) Page 38, Column (2), tempered for SIR.
(3) (1) x (2), rounded.

Alameda County Schools Insurance Group
Workers' Compensation Program

Paid Loss Development
**Self-Insured Losses Limited to Stated SIR**

| Program Year | Cumulative Paid Losses as of 12/31/16 (1) | Paid Development Factor as of 12/31/16 (2) | Projected Ultimate Losses (3) |
|---|---|---|---|
| 1986-87 | $2,805,094 | 1.035 | $2,903,300 |
| 1987-88 | 2,868,957 | 1.040 | 2,983,486 |
| 1988-89 | 4,014,776 | 1.042 | 4,185,385 |
| 1989-90 | 2,922,252 | 1.047 | 3,059,882 |
| 1990-91 | 5,549,553 | 1.053 | 5,841,948 |
| 1991-92 | 5,165,621 | 1.060 | 5,476,130 |
| 1992-93 | 4,058,369 | 1.070 | 4,342,316 |
| 1993-94 | 3,709,046 | 1.080 | 4,005,644 |
| 1994-95 | 4,755,400 | 1.092 | 5,194,918 |
| 1995-96 | 5,311,130 | 1.107 | 5,881,685 |
| 1996-97 | 7,058,560 | 1.120 | 7,905,359 |
| 1997-98 | 6,750,732 | 1.130 | 7,631,441 |
| 1998-99 | 9,057,897 | 1.143 | 10,352,618 |
| 1999-00 | 7,280,120 | 1.159 | 8,435,559 |
| 2000-01 | 10,684,317 | 1.183 | 12,643,646 |
| 2001-02 | 11,745,491 | 1.214 | 14,260,863 |
| 2002-03 | 9,832,736 | 1.240 | 12,189,024 |
| 2003-04 | 5,831,190 | 1.249 | 7,285,848 |
| 2004-05 | 5,404,587 | 1.272 | 6,873,419 |
| 2005-06 | 8,537,141 | 1.287 | 10,985,502 |
| 2006-07 | 8,139,486 | 1.196 | 9,735,961 |
| 2007-08 | 8,362,661 | 1.232 | 10,301,433 |
| 2008-09 | 8,577,103 | 1.285 | 11,018,355 |
| Total | $148,422,216 | | $173,493,722 |

Notes:
(1) Provided by Keenan & Associates.
(2) Page 39, Column (2), tempered for SIR.
(3) (1) x (2), rounded.

Alameda County Schools Insurance Group
Workers' Compensation Program

IBNR to Case Reserves Ratio Method

**Self-Insured Losses Limited to Stated SIR**

| Program Year | Cumulative Reported Loss Development Factors (1) | Cumulative Paid Loss Development Factors (2) | IBNR to Case Reserves Ratio (3) | Limited Case Reserves (4) | Estimated IBNR as of 12/31/16 (5) | Estimated Ultimate Losses (6) |
|---|---|---|---|---|---|---|
| 1986-87 | 1.010 | 1.035 | 0.435 | $127,685 | $55,543 | $2,988,321 |
| 1987-88 | 1.013 | 1.040 | 0.525 | 16,263 | 8,538 | 2,893,758 |
| 1988-89 | 1.016 | 1.042 | 0.610 | 33,855 | 20,652 | 4,069,283 |
| 1989-90 | 1.019 | 1.047 | 0.706 | 31,276 | 22,081 | 2,975,609 |
| 1990-91 | 1.023 | 1.053 | 0.831 | 96,560 | 80,241 | 5,726,354 |
| 1991-92 | 1.028 | 1.060 | 0.903 | 60,066 | 54,239 | 5,279,926 |
| 1992-93 | 1.031 | 1.070 | 0.848 | 218,339 | 185,151 | 4,461,859 |
| 1993-94 | 1.035 | 1.080 | 0.821 | 124,471 | 102,191 | 3,935,709 |
| 1994-95 | 1.038 | 1.092 | 0.773 | 241,405 | 186,606 | 5,183,411 |
| 1995-96 | 1.038 | 1.107 | 0.610 | 136,247 | 83,111 | 5,530,488 |
| 1996-97 | 1.041 | 1.120 | 0.587 | 364,459 | 213,937 | 7,636,955 |
| 1997-98 | 1.044 | 1.130 | 0.576 | 638,348 | 367,689 | 7,756,769 |
| 1998-99 | 1.046 | 1.143 | 0.549 | 1,292,686 | 709,685 | 11,060,268 |
| 1999-00 | 1.046 | 1.159 | 0.474 | 757,662 | 359,132 | 8,396,914 |
| 2000-01 | 1.052 | 1.183 | 0.463 | 731,887 | 338,864 | 11,755,068 |
| 2001-02 | 1.055 | 1.214 | 0.418 | 695,711 | 290,807 | 12,732,009 |
| 2002-03 | 1.057 | 1.240 | 0.384 | 411,274 | 157,929 | 10,401,939 |
| 2003-04 | 1.075 | 1.249 | 0.541 | 550,414 | 297,774 | 6,679,379 |
| 2004-05 | 1.086 | 1.272 | 0.588 | 224,090 | 131,765 | 5,760,442 |
| 2005-06 | 1.097 | 1.287 | 0.660 | 863,197 | 569,710 | 9,970,048 |
| 2006-07 | 1.056 | 1.196 | 0.481 | 757,596 | 364,404 | 9,261,486 |
| 2007-08 | 1.072 | 1.232 | 0.552 | 711,675 | 392,844 | 9,467,180 |
| 2008-09 | 1.108 | 1.285 | 0.782 | 599,738 | 468,995 | 9,645,835 |
| Total | | | | $9,684,904 | $5,461,888 | $163,569,008 |

(1) Page 31, Column (2).
(2) Page 32, Column (2).
(3) [(1) - 1.000] x (2)/ [(2) - (1)].
(4) [Page 31, Column (1)] - [Page 32, Column (1)].
(5) (3) x (4), rounded.
(6) (5) + Page 31, Column (1).

Alameda County Schools Insurance Group
Workers' Compensation Program

Bornhuetter-Ferguson Using Reported Losses

**Self-Insured Losses Limited to Stated SIR**

| Program Year | *A Priori* Ultimate Limited Losses (1) | Cumulative Reported Loss Development Factors (2) | Percentage of Losses Not Yet Reported (3) | Expected Unreported Losses (4) | Losses Reported as of 12/31/16 (5) | Estimated Ultimate Losses (6) |
|---|---|---|---|---|---|---|
| 1986-87 | $2,924,010 | 1.010 | 1.0% | $29,240 | $2,932,778 | $2,962,018 |
| 1987-88 | 2,910,000 | 1.013 | 1.3% | 37,830 | 2,885,220 | 2,923,050 |
| 1988-89 | 4,090,000 | 1.016 | 1.5% | 61,350 | 4,048,631 | 4,109,981 |
| 1989-90 | 2,990,000 | 1.019 | 1.9% | 56,810 | 2,953,528 | 3,010,338 |
| 1990-91 | 5,750,000 | 1.023 | 2.3% | 132,250 | 5,646,113 | 5,778,363 |
| 1991-92 | 5,330,000 | 1.028 | 2.7% | 143,910 | 5,225,687 | 5,369,597 |
| 1992-93 | 4,440,000 | 1.031 | 3.0% | 133,200 | 4,276,708 | 4,409,908 |
| 1993-94 | 3,970,000 | 1.035 | 3.3% | 131,010 | 3,833,518 | 3,964,528 |
| 1994-95 | 5,190,000 | 1.038 | 3.7% | 192,030 | 4,996,805 | 5,188,835 |
| 1995-96 | 5,585,897 | 1.038 | 3.7% | 206,678 | 5,447,377 | 5,654,055 |
| 1996-97 | 7,725,520 | 1.041 | 4.0% | 309,021 | 7,423,018 | 7,732,039 |
| 1997-98 | 7,714,737 | 1.044 | 4.2% | 324,019 | 7,389,080 | 7,713,099 |
| 1998-99 | 10,915,376 | 1.046 | 4.4% | 480,277 | 10,350,583 | 10,830,860 |
| 1999-00 | 8,394,579 | 1.046 | 4.4% | 369,361 | 8,037,782 | 8,407,143 |
| 2000-01 | 11,758,020 | 1.052 | 4.9% | 576,143 | 11,416,204 | 11,992,347 |
| 2001-02 | 13,413,514 | 1.055 | 5.2% | 697,503 | 12,441,202 | 13,138,705 |
| 2002-03 | 10,657,653 | 1.057 | 5.4% | 575,513 | 10,244,010 | 10,819,523 |
| 2003-04 | 6,940,000 | 1.075 | 7.0% | 485,800 | 6,381,605 | 6,867,405 |
| 2004-05 | 5,935,891 | 1.086 | 7.9% | 468,935 | 5,628,677 | 6,097,612 |
| 2005-06 | 10,424,600 | 1.097 | 8.9% | 927,789 | 9,400,338 | 10,328,127 |
| 2006-07 | 7,931,404 | 1.056 | 5.3% | 420,364 | 8,897,082 | 9,317,446 |
| 2007-08 | 8,577,881 | 1.072 | 6.7% | 574,718 | 9,074,336 | 9,649,054 |
| 2008-09 | 9,439,003 | 1.108 | 9.7% | 915,583 | 9,176,840 | 10,092,423 |
| Total | $163,008,086 | | | $8,249,334 | $158,107,120 | $166,356,454 |

Notes:
(1) Page 37, Column (6), adjusted for SIR.
(2) Page 31, Column (2).
(3) 100% - [ 1.000 / (2) ].
(4) (1) x (3).
(5) Page 31, Column (1).
(6) (4) + (5).

Alameda County Schools Insurance Group
Workers' Compensation Program

Bornhuetter-Ferguson Using Paid Losses

**Self-Insured Losses Limited to Stated SIR**

| Program Year | *A Priori* Ultimate Limited Losses (1) | Cumulative Paid Loss Development Factors (2) | Percentage of Losses Not Yet Paid (3) | Expected Unpaid Losses (4) | Limited Losses Paid as of 12/31/16 (5) | Estimated Ultimate Limited Losses (6) |
|---|---|---|---|---|---|---|
| 1986-87 | $2,924,010 | 1.035 | 3.4% | $99,416 | $2,805,094 | $2,904,510 |
| 1987-88 | 2,910,000 | 1.040 | 3.8% | 110,580 | 2,868,957 | 2,979,537 |
| 1988-89 | 4,090,000 | 1.042 | 4.1% | 167,690 | 4,014,776 | 4,182,466 |
| 1989-90 | 2,990,000 | 1.047 | 4.5% | 134,550 | 2,922,252 | 3,056,802 |
| 1990-91 | 5,750,000 | 1.053 | 5.0% | 287,500 | 5,549,553 | 5,837,053 |
| 1991-92 | 5,330,000 | 1.060 | 5.7% | 303,810 | 5,165,621 | 5,469,431 |
| 1992-93 | 4,440,000 | 1.070 | 6.5% | 288,600 | 4,058,369 | 4,346,969 |
| 1993-94 | 3,970,000 | 1.080 | 7.4% | 293,780 | 3,709,046 | 4,002,826 |
| 1994-95 | 5,190,000 | 1.092 | 8.5% | 441,150 | 4,755,400 | 5,196,550 |
| 1995-96 | 5,585,897 | 1.107 | 9.7% | 541,832 | 5,311,130 | 5,852,962 |
| 1996-97 | 7,725,520 | 1.120 | 10.7% | 826,631 | 7,058,560 | 7,885,191 |
| 1997-98 | 7,714,737 | 1.130 | 11.5% | 887,195 | 6,750,732 | 7,637,927 |
| 1998-99 | 10,915,376 | 1.143 | 12.5% | 1,364,422 | 9,057,897 | 10,422,319 |
| 1999-00 | 8,394,579 | 1.159 | 13.7% | 1,150,057 | 7,280,120 | 8,430,177 |
| 2000-01 | 11,758,020 | 1.183 | 15.5% | 1,822,493 | 10,684,317 | 12,506,810 |
| 2001-02 | 13,413,514 | 1.214 | 17.6% | 2,360,778 | 11,745,491 | 14,106,269 |
| 2002-03 | 10,657,653 | 1.240 | 19.3% | 2,056,927 | 9,832,736 | 11,889,663 |
| 2003-04 | 6,940,000 | 1.249 | 20.0% | 1,388,000 | 5,831,190 | 7,219,190 |
| 2004-05 | 5,935,891 | 1.272 | 21.4% | 1,270,281 | 5,404,587 | 6,674,868 |
| 2005-06 | 10,424,600 | 1.287 | 22.3% | 2,324,686 | 8,537,141 | 10,861,827 |
| 2006-07 | 7,931,404 | 1.196 | 16.4% | 1,300,750 | 8,139,486 | 9,440,236 |
| 2007-08 | 8,577,881 | 1.232 | 18.8% | 1,612,642 | 8,362,661 | 9,975,303 |
| 2008-09 | 9,439,003 | 1.285 | 22.2% | 2,095,459 | 8,577,103 | 10,672,562 |
| Total | $163,008,086 | | | $23,129,229 | $148,422,216 | $171,551,445 |

Notes:
(1) Page 34, Column (1).
(2) Page 32, Column (2).
(3) 100% - [ 1.000 / (2) ].
(4) (1) x (3).
(5) Page 32, Column (1).
(6) (4) + (5).

# Alameda County Schools Insurance Group
# Workers' Compensation Program

## Actuarial Analysis of the
## Workers' Compensation Program

## Gross Loss Exhibits

DRAFT

Alameda County Schools Insurance Group
Workers' Compensation Program

Selected Ultimate Losses
**Unlimited Losses**

| Program Year | Reported Projection (1) | Paid Projection (2) | IBNR to Case Reserves Ratio (3) | B-F Method Using Reported (4) | Frequency Times Severity (5) | Selected Ultimate Losses (6) |
|---|---|---|---|---|---|---|
| 1986-87 | $2,966,521 | $2,905,304 | $2,995,599 | | | $2,960,000 |
| 1987-88 | 2,923,854 | 2,983,486 | 2,893,758 | | | 2,910,000 |
| 1988-89 | 4,112,135 | 4,185,385 | 4,069,283 | | | 4,090,000 |
| 1989-90 | 3,009,549 | 3,059,882 | 2,975,609 | | | 2,990,000 |
| 1990-91 | 5,777,347 | 5,841,948 | 5,726,354 | | | 5,750,000 |
| 1991-92 | 5,370,212 | 5,476,130 | 5,279,926 | | | 5,330,000 |
| 1992-93 | 4,408,981 | 4,342,316 | 4,461,859 | | | 4,440,000 |
| 1993-94 | 3,965,957 | 4,005,644 | 3,935,709 | | | 3,970,000 |
| 1994-95 | 5,188,245 | 5,194,918 | 5,183,411 | | | 5,190,000 |
| 1995-96 | 5,671,966 | 5,881,685 | 5,541,387 | | | 5,610,000 |
| 1996-97 | 7,753,881 | 7,905,359 | 7,664,290 | | | 7,770,000 |
| 1997-98 | 7,740,540 | 7,631,441 | 7,803,368 | | | 7,770,000 |
| 1998-99 | 10,869,307 | 10,352,618 | 11,148,171 | | | 11,010,000 |
| 1999-00 | 8,599,681 | 8,444,041 | 8,680,716 | | | 8,640,000 |
| 2000-01 | 12,113,493 | 12,658,030 | 11,844,358 | | | 12,210,000 |
| 2001-02 | 13,680,011 | 14,523,068 | 13,314,205 | | | 13,840,000 |
| 2002-03 | 10,936,920 | 12,200,351 | 10,443,855 | | | 10,940,000 |
| 2003-04 | 6,862,605 | 7,285,848 | 6,679,379 | | | 6,940,000 |
| 2004-05 | 6,150,490 | 6,873,419 | 5,776,128 | | | 5,960,000 |
| 2005-06 | 10,385,902 | 10,985,502 | 10,039,967 | | | 10,470,000 |
| 2006-07 | 15,278,666 | 12,286,027 | 17,566,925 | $14,553,788 | $9,671,982 | 15,800,000 |
| 2007-08 | 11,999,176 | 12,013,423 | 11,987,275 | 11,743,918 | 11,407,367 | 11,940,000 |
| 2008-09 | 12,360,922 | 12,547,802 | 12,138,872 | 12,175,503 | 12,579,513 | 12,360,000 |
| 2009-10 | 13,447,681 | 12,896,086 | 14,229,158 | 13,173,278 | 13,773,088 | 13,320,000 |
| 2010-11 | 13,654,959 | 13,077,507 | 14,769,716 | 13,495,061 | 15,539,127 | 13,410,000 |
| 2011-12 | 13,727,864 | 13,712,574 | 13,754,485 | 13,666,778 | 14,750,436 | 13,720,000 |
| 2012-13 | 12,132,471 | 11,431,434 | 13,151,092 | 12,684,613 | 14,046,316 | 12,080,000 |
| 2013-14 | 12,659,580 | 11,972,991 | 13,366,508 | 13,328,723 | 15,473,569 | 12,650,000 |
| 2014-15 | 18,219,203 | 16,718,883 | 19,586,065 | 16,808,524 | 17,060,057 | 17,360,000 |
| 2015-16 | 15,037,684 | 13,342,625 | 16,108,045 | 15,476,040 | 13,161,088 | 15,540,000 |
| 2016-17 | 19,613,622 | 14,754,818 | 21,038,072 | 16,952,615 | 15,750,000 | 16,950,000 |
| Total | $296,619,425 | $287,490,545 | $304,153,543 | | | $293,920,000 |
| 06/07-16/17 | $158,131,828 | $144,754,170 | $167,696,212 | $154,058,840 | $153,212,543 | $155,130,000 |

Notes:
(1) Page 38, Column (3).
(2) Page 39, Column (3).
(3) Page 40, Column (6).
(4) Page 41, Column (6).
(5) Page 45, Column (4).
(6) Selected on the basis of (1) - (5).

Alameda County Schools Insurance Group
Workers' Compensation Program

Reported Loss Development
**Unlimited Losses**

| Program Year | Cumulative Reported Losses as of 12/31/16 (1) | Reported Development Factor as of 12/31/16 (2) | Projected Ultimate Losses (3) |
|---|---|---|---|
| 1986-87 | $2,932,778 | 1.012 | $2,966,521 |
| 1987-88 | 2,885,220 | 1.013 | 2,923,854 |
| 1988-89 | 4,048,631 | 1.016 | 4,112,135 |
| 1989-90 | 2,953,528 | 1.019 | 3,009,549 |
| 1990-91 | 5,646,113 | 1.023 | 5,777,347 |
| 1991-92 | 5,225,687 | 1.028 | 5,370,212 |
| 1992-93 | 4,276,708 | 1.031 | 4,408,981 |
| 1993-94 | 3,833,518 | 1.035 | 3,965,957 |
| 1994-95 | 4,996,805 | 1.038 | 5,188,245 |
| 1995-96 | 5,447,377 | 1.041 | 5,671,966 |
| 1996-97 | 7,423,018 | 1.045 | 7,753,881 |
| 1997-98 | 7,389,080 | 1.048 | 7,740,540 |
| 1998-99 | 10,350,583 | 1.050 | 10,869,307 |
| 1999-00 | 8,154,400 | 1.055 | 8,599,681 |
| 2000-01 | 11,416,204 | 1.061 | 12,113,493 |
| 2001-02 | 12,843,074 | 1.065 | 13,680,011 |
| 2002-03 | 10,244,798 | 1.068 | 10,936,920 |
| 2003-04 | 6,381,605 | 1.075 | 6,862,605 |
| 2004-05 | 5,628,677 | 1.093 | 6,150,490 |
| 2005-06 | 9,400,338 | 1.105 | 10,385,902 |
| 2006-07 | 13,400,926 | 1.140 | 15,278,666 |
| 2007-08 | 10,293,074 | 1.166 | 11,999,176 |
| 2008-09 | 10,044,965 | 1.231 | 12,360,922 |
| 2009-10 | 10,413,518 | 1.291 | 13,447,681 |
| 2010-11 | 9,948,174 | 1.373 | 13,654,959 |
| 2011-12 | 9,537,312 | 1.439 | 13,727,864 |
| 2012-13 | 8,113,721 | 1.495 | 12,132,471 |
| 2013-14 | 7,968,424 | 1.589 | 12,659,580 |
| 2014-15 | 9,975,771 | 1.826 | 18,219,203 |
| 2015-16 | 6,587,391 | 2.283 | 15,037,684 |
| 2016-17 | 2,539,436 | 7.724 | 19,613,622 |
| Total | $230,300,852 | | $296,619,425 |

Notes:
(1) Provided by Keenan & Associates.
(2) Page 61.
(3) (1) x (2), rounded.

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Alameda County Schools Insurance Group
Workers' Compensation Program

Paid Loss Projection
**Unlimited Losses**

| Program Year | Cumulative Paid Losses as of 12/31/16 (1) | Paid Development Factor as of 12/31/16 (2) | Projected Ultimate Losses (3) |
|---|---|---|---|
| 1986-87 | $2,805,094 | 1.036 | $2,905,304 |
| 1987-88 | 2,868,957 | 1.040 | 2,983,486 |
| 1988-89 | 4,014,776 | 1.042 | 4,185,385 |
| 1989-90 | 2,922,252 | 1.047 | 3,059,882 |
| 1990-91 | 5,549,553 | 1.053 | 5,841,948 |
| 1991-92 | 5,165,621 | 1.060 | 5,476,130 |
| 1992-93 | 4,058,369 | 1.070 | 4,342,316 |
| 1993-94 | 3,709,046 | 1.080 | 4,005,644 |
| 1994-95 | 4,755,400 | 1.092 | 5,194,918 |
| 1995-96 | 5,311,130 | 1.107 | 5,881,685 |
| 1996-97 | 7,058,560 | 1.120 | 7,905,359 |
| 1997-98 | 6,750,732 | 1.130 | 7,631,441 |
| 1998-99 | 9,057,897 | 1.143 | 10,352,618 |
| 1999-00 | 7,280,120 | 1.160 | 8,444,041 |
| 2000-01 | 10,684,317 | 1.185 | 12,658,030 |
| 2001-02 | 11,949,088 | 1.215 | 14,523,068 |
| 2002-03 | 9,833,524 | 1.241 | 12,200,351 |
| 2003-04 | 5,831,190 | 1.249 | 7,285,848 |
| 2004-05 | 5,404,587 | 1.272 | 6,873,419 |
| 2005-06 | 8,537,141 | 1.287 | 10,985,502 |
| 2006-07 | 9,284,326 | 1.323 | 12,286,027 |
| 2007-08 | 8,810,834 | 1.363 | 12,013,423 |
| 2008-09 | 8,808,892 | 1.424 | 12,547,802 |
| 2009-10 | 8,615,384 | 1.497 | 12,896,086 |
| 2010-11 | 8,353,221 | 1.566 | 13,077,507 |
| 2011-12 | 8,086,117 | 1.696 | 13,712,574 |
| 2012-13 | 6,224,943 | 1.836 | 11,431,434 |
| 2013-14 | 5,543,408 | 2.160 | 11,972,991 |
| 2014-15 | 6,114,665 | 2.734 | 16,718,883 |
| 2015-16 | 3,093,573 | 4.313 | 13,342,625 |
| 2016-17 | 481,517 | 30.642 | 14,754,818 |
| Total | $196,964,232 | | $287,490,545 |

Notes:
(1) Provided by Keenan & Associates.
(2) Page 62.
(3) (1) x (2), rounded.

Alameda County Schools Insurance Group
Workers' Compensation Program

IBNR to Case Reserves Ratio Method
**Unlimited Losses**

| Program Year | Reported Development Factor as of 12/31/16 (1) | Paid Development Factor as of 12/31/16 (2) | IBNR to Case Reserves Ratio (3) | Case Reserves as of 12/31/16 (4) | Estimated IBNR as of 12/31/16 (5) | Estimated Ultimate Losses (6) |
|---|---|---|---|---|---|---|
| 1986-87 | 1.012 | 1.036 | 0.492 | $127,685 | $62,821 | $2,995,599 |
| 1987-88 | 1.013 | 1.040 | 0.525 | 16,263 | 8,538 | 2,893,758 |
| 1988-89 | 1.016 | 1.042 | 0.610 | 33,855 | 20,652 | 4,069,283 |
| 1989-90 | 1.019 | 1.047 | 0.706 | 31,276 | 22,081 | 2,975,609 |
| 1990-91 | 1.023 | 1.053 | 0.831 | 96,560 | 80,241 | 5,726,354 |
| 1991-92 | 1.028 | 1.060 | 0.903 | 60,066 | 54,239 | 5,279,926 |
| 1992-93 | 1.031 | 1.070 | 0.848 | 218,339 | 185,151 | 4,461,859 |
| 1993-94 | 1.035 | 1.080 | 0.821 | 124,471 | 102,191 | 3,935,709 |
| 1994-95 | 1.038 | 1.092 | 0.773 | 241,405 | 186,606 | 5,183,411 |
| 1995-96 | 1.041 | 1.107 | 0.690 | 136,247 | 94,010 | 5,541,387 |
| 1996-97 | 1.045 | 1.120 | 0.662 | 364,459 | 241,272 | 7,664,290 |
| 1997-98 | 1.048 | 1.130 | 0.649 | 638,348 | 414,288 | 7,803,368 |
| 1998-99 | 1.050 | 1.143 | 0.617 | 1,292,686 | 797,588 | 11,148,171 |
| 1999-00 | 1.055 | 1.160 | 0.602 | 874,280 | 526,316 | 8,680,716 |
| 2000-01 | 1.061 | 1.185 | 0.585 | 731,887 | 428,154 | 11,844,358 |
| 2001-02 | 1.065 | 1.215 | 0.527 | 893,986 | 471,131 | 13,314,205 |
| 2002-03 | 1.068 | 1.241 | 0.484 | 411,274 | 199,057 | 10,443,855 |
| 2003-04 | 1.075 | 1.249 | 0.541 | 550,414 | 297,774 | 6,679,379 |
| 2004-05 | 1.093 | 1.272 | 0.658 | 224,090 | 147,451 | 5,776,128 |
| 2005-06 | 1.105 | 1.287 | 0.741 | 863,197 | 639,629 | 10,039,967 |
| 2006-07 | 1.140 | 1.323 | 1.012 | 4,116,600 | 4,165,999 | 17,566,925 |
| 2007-08 | 1.166 | 1.363 | 1.143 | 1,482,240 | 1,694,201 | 11,987,275 |
| 2008-09 | 1.231 | 1.424 | 1.694 | 1,236,072 | 2,093,907 | 12,138,872 |
| 2009-10 | 1.291 | 1.497 | 2.122 | 1,798,134 | 3,815,640 | 14,229,158 |
| 2010-11 | 1.373 | 1.566 | 3.023 | 1,594,953 | 4,821,542 | 14,769,716 |
| 2011-12 | 1.439 | 1.696 | 2.906 | 1,451,195 | 4,217,173 | 13,754,485 |
| 2012-13 | 1.495 | 1.836 | 2.667 | 1,888,778 | 5,037,371 | 13,151,092 |
| 2013-14 | 1.589 | 2.160 | 2.226 | 2,425,015 | 5,398,084 | 13,366,508 |
| 2014-15 | 1.826 | 2.734 | 2.489 | 3,861,106 | 9,610,294 | 19,586,065 |
| 2015-16 | 2.283 | 4.313 | 2.725 | 3,493,818 | 9,520,654 | 16,108,045 |
| 2016-17 | 7.724 | 30.642 | 8.989 | 2,057,919 | 18,498,636 | 21,038,072 |
| Total | | | | $33,336,620 | $73,852,691 | $304,153,543 |

(1) Page 38, Column (2).
(2) Page 39, Column (2).
(3) [(1) - 1.000] x (2)/ [(2) - (1)].
(4) Page 38, Column (1) - Page 39, Column (1).
(5) (3) x (4), rounded.
(6) (5) + Page 38, Column (1).

Alameda County Schools Insurance Group
Workers' Compensation Program

Bornhuetter-Ferguson Using Reported Losses
**Unlimited Losses**

| Program Year | *A Priori* Ultimate Losses (1) | Cumulative Reported Loss Development Factors (2) | Percentage of Losses Not Yet Reported (3) | Expected Unreported Losses (4) | Losses Reported as of 12/31/16 (5) | Estimated Ultimate Losses (6) |
|---|---|---|---|---|---|---|
| 2006-07 | $9,372,865 | 1.140 | 12.3% | $1,152,862 | $13,400,926 | $14,553,788 |
| 2007-08 | 10,217,209 | 1.166 | 14.2% | 1,450,844 | 10,293,074 | 11,743,918 |
| 2008-09 | 11,393,254 | 1.231 | 18.7% | 2,130,538 | 10,044,965 | 12,175,503 |
| 2009-10 | 12,211,328 | 1.291 | 22.6% | 2,759,760 | 10,413,518 | 13,173,278 |
| 2010-11 | 13,088,143 | 1.373 | 27.1% | 3,546,887 | 9,948,174 | 13,495,061 |
| 2011-12 | 13,539,232 | 1.439 | 30.5% | 4,129,466 | 9,537,312 | 13,666,778 |
| 2012-13 | 13,809,341 | 1.495 | 33.1% | 4,570,892 | 8,113,721 | 12,684,613 |
| 2013-14 | 14,448,246 | 1.589 | 37.1% | 5,360,299 | 7,968,424 | 13,328,723 |
| 2014-15 | 15,116,710 | 1.826 | 45.2% | 6,832,753 | 9,975,771 | 16,808,524 |
| 2015-16 | 15,816,102 | 2.283 | 56.2% | 8,888,649 | 6,587,391 | 15,476,040 |
| 2016-17 | 16,547,852 | 7.724 | 87.1% | 14,413,179 | 2,539,436 | 16,952,615 |
| Total | $145,560,282 | | | $55,236,129 | $98,822,711 | $154,058,840 |

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Notes:
(1) Page 42, Column (4).
(2) Page 38, Column (2).
(3) 100% - [ 1.000 / (2) ].
(4) (1) x (3).
(5) Page 38, Column (1).
(6) (4) + (5).

Alameda County Schools Insurance Group
Workers' Compensation Program

*A Priori* Losses for Bornhuetter-Ferguson
**Unlimited Losses**

| Program Year | *A Priori* Loss Rate (1) | Factor to Remove Trend (2) | Exposure Index (3) | *A Priori* Ultimate Losses (4) |
|---|---|---|---|---|
| 2006-07 | $16,547,852 | 0.589 | 0.961 | $9,372,865 |
| 2007-08 | 16,547,852 | 0.630 | 0.980 | 10,217,209 |
| 2008-09 | 16,547,852 | 0.689 | 1.000 | 11,393,254 |
| 2009-10 | 16,547,852 | 0.753 | 0.980 | 12,211,328 |
| 2010-11 | 16,547,852 | 0.823 | 0.961 | 13,088,143 |
| 2011-12 | 16,547,852 | 0.868 | 0.942 | 13,539,232 |
| 2012-13 | 16,547,852 | 0.903 | 0.924 | 13,809,341 |
| 2013-14 | 16,547,852 | 0.927 | 0.942 | 14,448,246 |
| 2014-15 | 16,547,852 | 0.950 | 0.961 | 15,116,710 |
| 2015-16 | 16,547,852 | 0.975 | 0.980 | 15,816,102 |
| 2016-17 | 16,547,852 | 1.000 | 1.000 | 16,547,852 |
| Total | | | | $145,560,282 |

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Notes:
(1) Page 43, Item (5).
(2) Estimated by BAC.
(3) Page 43, Column (3).
(4) (1) x (2) x (3).

Alameda County Schools Insurance Group
Workers' Compensation Program

*A Priori* Loss Rate for Bornhuetter-Ferguson Method
**Unlimited Losses**

| Program Year | *A Priori* Ultimate Losses (1) | Estimated Pure Premium Trend (2) | Exposure Index (3) | Constant Dollar, Constant Exposure Losses (4) |
|---|---|---|---|---|
| 2006-07 | $13,893,618 | 1.697 | 0.961 | $24,529,270 |
| 2007-08 | 12,005,742 | 1.588 | 0.980 | 19,444,570 |
| 2008-09 | 12,447,538 | 1.452 | 1.000 | 18,079,121 |
| 2009-10 | 13,192,210 | 1.329 | 0.980 | 17,877,067 |
| 2010-11 | 13,385,194 | 1.215 | 0.961 | 16,923,425 |
| 2011-12 | 13,720,844 | 1.152 | 0.942 | 16,769,820 |
| 2012-13 | 11,817,838 | 1.107 | 0.924 | 14,161,416 |
| 2013-14 | 12,368,591 | 1.079 | 0.942 | 14,165,983 |
| 2014-15 | 17,618,379 | 1.052 | 0.961 | 19,286,360 |
| 2015-16 | 14,451,027 | 1.026 | 0.980 | 15,119,620 |
| 2016-17 | 18,635,476 | 1.000 | 1.000 | 18,635,476 |
| Total | $153,536,457 | | | $17,726,557 |
| 08/09-15/16 | $109,001,621 | | | $17,635,665 |
| | | | (5) Selected A Priori 2016-17 Loss Level: | $16,547,852 |

Notes:
(1) Page 44, Column (3).
(2) Estimated by BAC.
(3) Page 50, Column (2).
(4) (1) x (2) / (3).
(5) Selected on the basis of (4).

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Alameda County Schools Insurance Group
Workers' Compensation Program

*A Priori* Ultimate losses
**Unlimited Losses**

| Program Year | Reported Loss Projection (1) | Paid Loss Projection (2) | *A Priori* Selection (3) |
|---|---|---|---|
| 1986-87 | $2,966,521 | $2,905,304 | $2,936,274 |
| 1987-88 | 2,923,854 | 2,983,486 | 2,953,285 |
| 1988-89 | 4,112,135 | 4,185,385 | 4,148,283 |
| 1989-90 | 3,009,549 | 3,059,882 | 3,034,373 |
| 1990-91 | 5,777,347 | 5,841,948 | 5,809,190 |
| 1991-92 | 5,370,212 | 5,476,130 | 5,422,348 |
| 1992-93 | 4,408,981 | 4,342,316 | 4,376,268 |
| 1993-94 | 3,965,957 | 4,005,644 | 3,985,375 |
| 1994-95 | 5,188,245 | 5,194,918 | 5,191,496 |
| 1995-96 | 5,671,966 | 5,881,685 | 5,773,595 |
| 1996-97 | 7,753,881 | 7,905,359 | 7,826,982 |
| 1997-98 | 7,740,540 | 7,631,441 | 7,688,067 |
| 1998-99 | 10,869,307 | 10,352,618 | 10,621,897 |
| 1999-00 | 8,599,681 | 8,444,041 | 8,525,560 |
| 2000-01 | 12,113,493 | 12,658,030 | 12,370,771 |
| 2001-02 | 13,680,011 | 14,523,068 | 14,073,769 |
| 2002-03 | 10,936,920 | 12,200,351 | 11,521,253 |
| 2003-04 | 6,862,605 | 7,285,848 | 7,058,380 |
| 2004-05 | 6,150,490 | 6,873,419 | 6,484,580 |
| 2005-06 | 10,385,902 | 10,985,502 | 10,662,894 |
| 2006-07 | 15,278,666 | 12,286,027 | 13,893,618 |
| 2007-08 | 11,999,176 | 12,013,423 | 12,005,742 |
| 2008-09 | 12,360,922 | 12,547,802 | 12,447,538 |
| 2009-10 | 13,447,681 | 12,896,086 | 13,192,210 |
| 2010-11 | 13,654,959 | 13,077,507 | 13,385,194 |
| 2011-12 | 13,727,864 | 13,712,574 | 13,720,844 |
| 2012-13 | 12,132,471 | 11,431,434 | 11,817,838 |
| 2013-14 | 12,659,580 | 11,972,991 | 12,368,591 |
| 2014-15 | 18,219,203 | 16,718,883 | 17,618,379 |
| 2015-16 | 15,037,684 | 13,342,625 | 14,451,027 |
| 2016-17 | 19,613,622 | 14,754,818 | 18,635,476 |
| Total | $296,619,425 | $287,490,545 | $294,001,097 |

Notes:
(1) Page 38, Column (3).
(2) Page 39, Column (3).
(3) Selected on the basis of (1) and (2).

Alameda County Schools Insurance Group
Workers' Compensation Program

Frequency Times Severity Method
**Unlimited Losses**

| Program Year | Selected Indemnity Claim Severity (1) | Factor to Remove Trend (2) | Selected Ultimate Indemnity Claims (3) | Estimated Ultimate Losses (4) |
|---|---|---|---|---|
| 2006-07 | $50,000 | 0.688 | 281 | $9,671,982 |
| 2007-08 | 50,000 | 0.715 | 319 | 11,407,367 |
| 2008-09 | 50,000 | 0.760 | 331 | 12,579,513 |
| 2009-10 | 50,000 | 0.808 | 341 | 13,773,088 |
| 2010-11 | 50,000 | 0.859 | 362 | 15,539,127 |
| 2011-12 | 50,000 | 0.881 | 335 | 14,750,436 |
| 2012-13 | 50,000 | 0.903 | 311 | 14,046,316 |
| 2013-14 | 50,000 | 0.927 | 334 | 15,473,569 |
| 2014-15 | 50,000 | 0.950 | 359 | 17,060,057 |
| 2015-16 | 50,000 | 0.975 | 270 | 13,161,088 |
| 2016-17 | 50,000 | 1.000 | 315 | 15,750,000 |
| Total | | | | $153,212,543 |

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Notes:
(1) Page 46, Item (5).
(2) Estimated by BAC.
(3) Page 47, Column (3).
(4) (1) x (2) x (3).

Alameda County Schools Insurance Group
Workers' Compensation Program

Calculation of Expected Indemnity Claim Severity
Frequency Times Severity Method
**Unlimited Losses**

| Program Year | *A Priori* Ultimate Losses (1) | Estimated Severity Trend (2) | Selected Indemnity Claim Count (3) | Trended Indemnity Claim Severity (4) |
|---|---|---|---|---|
| 2006-07 | $13,893,618 | 1.453 | 281 | $71,824 |
| 2007-08 | 12,005,742 | 1.398 | 319 | 52,623 |
| 2008-09 | 12,447,538 | 1.316 | 331 | 49,475 |
| 2009-10 | 13,192,210 | 1.238 | 341 | 47,891 |
| 2010-11 | 13,385,194 | 1.165 | 362 | 43,069 |
| 2011-12 | 13,720,844 | 1.136 | 335 | 46,510 |
| 2012-13 | 11,817,838 | 1.107 | 311 | 42,067 |
| 2013-14 | 12,368,591 | 1.079 | 334 | 39,967 |
| 2014-15 | 17,618,379 | 1.052 | 359 | 51,636 |
| 2015-16 | 14,451,027 | 1.026 | 270 | 54,901 |
| 2016-17 | 18,635,476 | 1.000 | 315 | 59,160 |
| Total | $153,536,457 | | 3,558 | $50,829 |
| 06/07-15/16 | $134,900,981 | | 3,243 | $49,996 |
| | | | (5) Selected Severity: | $50,000 |

Notes:
(1) Page 44, Column (3).
(2) Estimated by BAC.
(3) Page 47, Column (3).
(4) (1) x (2) / (3).
(5) Selected on the basis of (4).

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Alameda County Schools Insurance Group
Workers' Compensation Program

## Selected # of Indemnity Claims

| Program Year | Reported Indemnity Claim Count Projection (1) | Bornhuetter-Ferguson Method (2) | Selected Indemnity Claim Count (3) |
|---|---|---|---|
| 1986-87 | 314 | | 314 |
| 1987-88 | 320 | | 320 |
| 1988-89 | 397 | | 397 |
| 1989-90 | 350 | | 350 |
| 1990-91 | 396 | | 396 |
| 1991-92 | 424 | | 424 |
| 1992-93 | 397 | | 397 |
| 1993-94 | 408 | | 408 |
| 1994-95 | 405 | | 405 |
| 1995-96 | 416 | | 416 |
| 1996-97 | 382 | | 382 |
| 1997-98 | 304 | | 304 |
| 1998-99 | 324 | | 324 |
| 1999-00 | 321 | | 321 |
| 2000-01 | 319 | | 319 |
| 2001-02 | 318 | | 318 |
| 2002-03 | 326 | | 326 |
| 2003-04 | 255 | | 255 |
| 2004-05 | 213 | | 213 |
| 2005-06 | 250 | | 250 |
| 2006-07 | 281 | | 281 |
| 2007-08 | 319 | | 319 |
| 2008-09 | 331 | | 331 |
| 2009-10 | 341 | | 341 |
| 2010-11 | 362 | | 362 |
| 2011-12 | 335 | | 335 |
| 2012-13 | 311 | | 311 |
| 2013-14 | 334 | | 334 |
| 2014-15 | 359 | | 359 |
| 2015-16 | 270 | | 270 |
| 2016-17 | 268 | 315 | 315 |
| Total | 10,350 | | 10,397 |

Notes:
(1) Page 48, Column (3).
(2) Page 49, Column (6).
(3) Selected on the basis of (1) and (2).

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Alameda County Schools Insurance Group
Workers' Compensation Program

Projection of Ultimate # of Indemnity Claims
Projection of Reported Claims

| Program Year | Total Indemnity Claims Reported 12/31/16 (1) | Development Factors as of 12/31/16 (2) | Projected Ultimate Indemnity Claims (3) |
|---|---|---|---|
| 1991-92 | 397 | 1.000 | 397 |
| 1992-93 | 408 | 1.000 | 408 |
| 1993-94 | 405 | 1.000 | 405 |
| 1994-95 | 416 | 1.000 | 416 |
| 1995-96 | 382 | 1.000 | 382 |
| 1996-97 | 304 | 1.000 | 304 |
| 1997-98 | 324 | 1.000 | 324 |
| 1998-99 | 321 | 1.000 | 321 |
| 1999-00 | 319 | 1.000 | 319 |
| 2000-01 | 318 | 1.000 | 318 |
| 2001-02 | 326 | 1.000 | 326 |
| 2002-03 | 255 | 1.001 | 255 |
| 2003-04 | 213 | 1.001 | 213 |
| 2004-05 | 250 | 1.001 | 250 |
| 2005-06 | 280 | 1.002 | 281 |
| 2006-07 | 318 | 1.004 | 319 |
| 2007-08 | 329 | 1.006 | 331 |
| 2008-09 | 337 | 1.011 | 341 |
| 2009-10 | 357 | 1.014 | 362 |
| 2010-11 | 328 | 1.022 | 335 |
| 2011-12 | 302 | 1.031 | 311 |
| 2012-13 | 321 | 1.040 | 334 |
| 2013-14 | 339 | 1.060 | 359 |
| 2014-15 | 243 | 1.113 | 270 |
| 2015-16 | 86 | 3.121 | 268 |
| Total | 7,878 | | 8,149 |

Notes:
(1) Provided by Keenan & Associates.
(2) Page 63.
(3) (1) x (2), rounded.

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Alameda County Schools Insurance Group
Workers' Compensation Program

Projection of Ultimate # of Indemnity Claims
Bornhuetter-Ferguson Method

| Program Year | A Priori Claim Count (1) | Claim Development Factor (2) | Estimated Percentage of Claims Unreported (3) | Estimated Unreported Claims (4) | Reported Claims as of 12/31/16 (5) | Projected Ultimate Claims (6) |
|---|---|---|---|---|---|---|
| 2016-17 | 337 | 3.121 | 68.0% | 229 | 86 | 315 |

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Notes:
(1) Page 50, Item (6).
(2) Page 48, Column (2).
(3) 100% - [ 1.000 / (2) ].
(4) (1) x (3).
(5) Page 48, Column (1).
(6) (4) + (5).

Alameda County Schools Insurance Group
Workers' Compensation Program

Calculation of Expected # of Indemnity Claims
A Priori Claim Count

| Program Year | Projected Ultimate Indemnity Claims (1) | Exposure Index (2) | Indicated Indemnity Claim Frequency (3) |
|---|---|---|---|
| 2006-07 | 281 | 0.961 | 292 |
| 2007-08 | 319 | 0.980 | 325 |
| 2008-09 | 331 | 1.000 | 331 |
| 2009-10 | 341 | 0.980 | 348 |
| 2010-11 | 362 | 0.961 | 377 |
| 2011-12 | 335 | 0.942 | 356 |
| 2012-13 | 311 | 0.924 | 337 |
| 2013-14 | 334 | 0.942 | 354 |
| 2014-15 | 359 | 0.961 | 374 |
| 2015-16 | 270 | 0.980 | 275 |
| 2016-17 | 268 | 1.000 | 268 |
| Total | 3,511 | 10.633 | 331 |
| 10/11-15/16 | 1,971 | 5.711 | 337 |
| | | (4) Selected Claim Frequency: | 337 |
| | | (5) 2016-17 Exposure Index: | 1.000 |
| | | (6) 2016-17 A Priori Claim Count: | 337 |

Notes:
(1) Page 48, Column (3).
(2) Estimated by BAC.
(3) (1) / (2).
(4) Selected on the basis of (3).
(5) (2).
(6) (4) x (5).

# Alameda County Schools Insurance Group
# Workers' Compensation Program

## Actuarial Analysis of the
## Workers' Compensation Program

## Future Loss Exhibits

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Alameda County Schools Insurance Group
Workers' Compensation Program

Projected 2017-18 Loss Rate

**Unlimited Losses**

| Program Year | Estimated Ultimate Losses (1) | Pure Premium Trend (2) | Exposure Indexed to 2017-18 (3) | Trended Loss @ 2017-18 Exposure Level (4) |
|---|---|---|---|---|
| 2004-05 | $5,960,000 | 1.816 | 0.906 | $11,947,424 |
| 2005-06 | 10,470,000 | 1.860 | 0.924 | 21,082,304 |
| 2006-07 | 15,800,000 | 1.741 | 0.942 | 29,185,593 |
| 2007-08 | 11,940,000 | 1.629 | 0.961 | 20,232,792 |
| 2008-09 | 12,360,000 | 1.490 | 0.980 | 18,782,547 |
| 2009-10 | 13,320,000 | 1.363 | 0.961 | 18,885,353 |
| 2010-11 | 13,410,000 | 1.247 | 0.942 | 17,739,220 |
| 2011-12 | 13,720,000 | 1.181 | 0.924 | 17,544,615 |
| 2012-13 | 12,080,000 | 1.136 | 0.906 | 15,145,296 |
| 2013-14 | 12,650,000 | 1.107 | 0.924 | 15,158,603 |
| 2014-15 | 17,360,000 | 1.079 | 0.942 | 19,882,739 |
| 2015-16 | 15,540,000 | 1.052 | 0.961 | 17,011,215 |
| 2016-17 | 16,950,000 | 1.026 | 0.980 | 17,734,211 |
| Total | $171,560,000 | | | $18,487,070 |
| 05/06-14/15 | $133,110,000 | | | $19,363,906 |
| | | | (5) Selected 2017-18 Level Losses: | $19,363,906 |

| Program Year | Maximum Claim (6) | LDF (7) | Sev trend (8) | Trended Developed (9) |
|---|---|---|---|---|
| 2007-08 | $935,975 | 1.166 | 1.398 | $1,525,618 |
| 2008-09 | 671,447 | 1.231 | 1.316 | 1,087,048 |
| 2009-10 | 555,381 | 1.291 | 1.238 | 887,838 |
| 2010-11 | 618,333 | 1.373 | 1.165 | 988,601 |
| 2011-12 | 601,285 | 1.439 | 1.136 | 982,805 |

(10) Factor for Unlimited Retention: 1.020

(11) Unlimited 2017-18 Level Losses: **$19,750,425**

(12) Unlimited 2017-18 Level Rate: **$1.88**

Notes:

(1) Page 37, Column (6).
(2) Estimated by BAC.
(3) Estimated by BAC.
(4) (1) x (2) / (3).
(5) Selected on the basis of (4).
(6) Provided by Keenan & Associates.
(7) Page 38, Column (2).
(8) Page 46, Column (2).
(9) (6) x (7) x (8).
(10) Estimated by BAC.
(11) (5) x (10).
(12) (6) / 2017-18 payroll.

# Alameda County Schools Insurance Group
# Workers' Compensation Program

## Actuarial Analysis of the
## Workers' Compensation Program

## Discounting Exhibits

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Alameda County Schools Insurance Group
Workers' Compensation Program

Discounted Value of Unpaid Losses as of June 30, 2017
Assuming a 1.5% Interest Rate

Self-Insured Losses Limited to Stated SIR

| Program Year | Projected Unpaid Losses (1) | Discount Factor (2) | Discounted Unpaid Losses (3) |
|---|---|---|---|
| 1986-87 | $142,261 | 0.950 | $135,209 |
| 1987-88 | 38,958 | 0.942 | 36,702 |
| 1988-89 | 73,031 | 0.932 | 68,059 |
| 1989-90 | 64,570 | 0.925 | 59,735 |
| 1990-91 | 190,278 | 0.920 | 174,993 |
| 1991-92 | 154,722 | 0.916 | 141,761 |
| 1992-93 | 356,222 | 0.915 | 325,812 |
| 1993-94 | 245,671 | 0.912 | 224,004 |
| 1994-95 | 407,405 | 0.910 | 370,778 |
| 1995-96 | 279,709 | 0.909 | 254,230 |
| 1996-97 | 677,776 | 0.905 | 613,146 |
| 1997-98 | 982,591 | 0.899 | 882,908 |
| 1998-99 | 1,780,425 | 0.894 | 1,590,912 |
| 1999-00 | 1,086,880 | 0.891 | 968,144 |
| 2000-01 | 1,333,207 | 0.891 | 1,187,794 |
| 2001-02 | 1,441,774 | 0.892 | 1,285,439 |
| 2002-03 | 944,432 | 0.888 | 838,900 |
| 2003-04 | 1,077,322 | 0.878 | 946,385 |
| 2004-05 | 543,721 | 0.874 | 475,120 |
| 2005-06 | 1,871,158 | 0.866 | 1,621,054 |
| 2006-07 | 1,205,125 | 0.866 | 1,043,324 |
| 2007-08 | 1,304,021 | 0.865 | 1,127,468 |
| 2008-09 | 1,504,041 | 0.867 | 1,303,490 |
| 1985-86 & prio | $65,930 | 0.950 | 62,662 |
| Total | $17,771,231 | | $15,738,029 |
| | (4) Indicated Discount Factor: | | 0.886 |

Notes:
(1) Page 26, Column (6).
(2) Based upon a 1.5% interest rate.
(3) (1) x (2).
(4) [ Sum of Column (3) ] / [ Sum of Column (1) ].

Alameda County Schools Insurance Group
Workers' Compensation Program

Discounted Value of 2016-17 Losses as of July 1, 2017
Assuming a 1.5% Interest rate

Unlimited Losses

| Program Year | Projected Loss Payments (1) | Discount Factor (2) | Discounted Value of Payments (3) |
|---|---|---|---|
| 2017-18 | $2,134,828 | 0.993 | $2,118,995 |
| 2018-19 | 3,493,897 | 0.978 | 3,416,733 |
| 2019-20 | 1,956,706 | 0.963 | 1,885,213 |
| 2020-21 | 2,509,795 | 0.949 | 2,382,358 |
| 2021-22 | 1,551,034 | 0.935 | 1,450,521 |
| 2022-23 | 1,031,346 | 0.921 | 950,257 |
| 2023-24 | 667,417 | 0.908 | 605,854 |
| 2024-25 | 752,807 | 0.894 | 673,269 |
| 2025-26 | 352,846 | 0.881 | 310,902 |
| 2026-27 | 218,950 | 0.868 | 190,071 |
| 2027-28 | 37,710 | 0.855 | 32,252 |
| 2028-29 | 432,658 | 0.843 | 364,574 |
| 2029-30 | 134,280 | 0.830 | 111,477 |
| 2030-31 | 214,597 | 0.818 | 175,522 |
| 2031-32 | 236,286 | 0.806 | 190,405 |
| 2032-33 | 411,433 | 0.794 | 326,644 |
| 2033-34 | 413,759 | 0.782 | 323,636 |
| 2034-35 | 287,832 | 0.771 | 221,811 |
| 2035-36 | 207,513 | 0.759 | 157,552 |
| 2036-37 | 166,669 | 0.748 | 124,671 |
| 2037-38 | 154,371 | 0.737 | 113,766 |
| 2038-39 | 236,819 | 0.726 | 171,948 |
| 39-40 & later | 1,760,355 | 0.656 | 1,154,499 |
| Total | $19,363,906 | | $17,452,930 |
| | (4) Indicated Discount Factor: | | 0.901 |

Notes:
(1) Based upon the observed payment pattern.
(2) Based upon a 1.5% interest rate.
(3) (1) x (2).
(4) [ Sum of Column (3) ] / [ Sum of Column (1) ].

Alameda County Schools Insurance Group
Workers' Compensation Program

Discounted Value of 2016-17 Losses as of July 1, 2017
Assuming a 1.5% Interest rate

$1,000,000 SIR

| Program Year | Projected Loss Payments (1) | Discount Factor (2) | Discounted Value of Payments (3) |
|---|---|---|---|
| 2017-18 | $2,053,138 | 0.993 | $2,037,911 |
| 2018-19 | 3,360,202 | 0.978 | 3,285,991 |
| 2019-20 | 1,881,832 | 0.963 | 1,813,074 |
| 2020-21 | 2,413,757 | 0.949 | 2,291,196 |
| 2021-22 | 1,491,683 | 0.935 | 1,395,016 |
| 2022-23 | 991,881 | 0.921 | 913,895 |
| 2023-24 | 641,878 | 0.908 | 582,671 |
| 2024-25 | 724,001 | 0.894 | 647,506 |
| 2025-26 | 339,344 | 0.881 | 299,005 |
| 2026-27 | 210,571 | 0.868 | 182,798 |
| 2027-28 | 36,267 | 0.855 | 31,018 |
| 2028-29 | 416,103 | 0.843 | 350,623 |
| 2029-30 | 133,665 | 0.830 | 110,966 |
| 2030-31 | 210,557 | 0.818 | 172,218 |
| 2031-32 | 230,986 | 0.806 | 186,135 |
| 2032-33 | 398,347 | 0.794 | 316,255 |
| 2033-34 | 399,704 | 0.782 | 312,643 |
| 2034-35 | 275,354 | 0.771 | 212,195 |
| 2035-36 | 198,479 | 0.759 | 150,693 |
| 2036-37 | 159,391 | 0.748 | 119,227 |
| 2037-38 | 147,612 | 0.737 | 108,785 |
| 2038-39 | 226,417 | 0.726 | 164,395 |
| 39-40 & later | 1,681,770 | 0.656 | 1,102,824 |
| Total | $18,622,938 | | $16,787,040 |

(4) Indicated Discount Factor: 0.901

Notes:
(1) Based upon the observed payment pattern.
(2) Based upon a 1.5% interest rate.
(3) (1) x (2).
(4) [ Sum of Column (3) ] / [ Sum of Column (1) ].

Alameda County Schools Insurance Group
Workers' Compensation Program

Discounted Value of 2016-17 Losses as of July 1, 2017
Assuming a 1.5% Interest rate

$500,000 SIR

| Program Year | Projected Loss Payments (1) | Discount Factor (2) | Discounted Value of Payments (3) |
|---|---|---|---|
| 2017-18 | $1,902,757 | 0.993 | $1,888,645 |
| 2018-19 | 3,114,086 | 0.978 | 3,045,310 |
| 2019-20 | 1,743,998 | 0.963 | 1,680,277 |
| 2020-21 | 2,248,639 | 0.949 | 2,134,463 |
| 2021-22 | 1,462,371 | 0.935 | 1,367,604 |
| 2022-23 | 989,177 | 0.921 | 911,404 |
| 2023-24 | 656,789 | 0.908 | 596,206 |
| 2024-25 | 717,969 | 0.894 | 642,111 |
| 2025-26 | 363,123 | 0.881 | 319,957 |
| 2026-27 | 243,443 | 0.868 | 211,335 |
| 2027-28 | 88,778 | 0.855 | 75,930 |
| 2028-29 | 409,007 | 0.843 | 344,644 |
| 2029-30 | 109,247 | 0.830 | 90,695 |
| 2030-31 | 173,865 | 0.818 | 142,207 |
| 2031-32 | 190,695 | 0.806 | 153,667 |
| 2032-33 | 330,064 | 0.794 | 262,044 |
| 2033-34 | 329,738 | 0.782 | 257,916 |
| 2034-35 | 227,925 | 0.771 | 175,645 |
| 2035-36 | 163,692 | 0.759 | 124,281 |
| 2036-37 | 131,093 | 0.748 | 98,060 |
| 2037-38 | 121,119 | 0.737 | 89,260 |
| 2038-39 | 185,247 | 0.726 | 134,503 |
| 39-40 & later | 1,356,091 | 0.648 | 879,420 |
| Total | $17,258,913 | | $15,625,584 |
| | (4) Indicated Discount Factor: | | 0.905 |

Notes:
(1) Based upon the observed payment pattern.
(2) Based upon a 1.5% interest rate.
(3) (1) x (2).
(4) [ Sum of Column (3) ] / [ Sum of Column (1) ].

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Alameda County Schools Insurance Group
Workers' Compensation Program

Discounted Value of 2016-17 Losses as of July 1, 2017
Assuming a 1.5% Interest rate

$250,000 SIR

| Program Year | Projected Loss Payments (1) | Discount Factor (2) | Discounted Value of Payments (3) |
|---|---|---|---|
| 2017-18 | $1,680,024 | 0.993 | $1,667,564 |
| 2018-19 | 2,974,907 | 0.978 | 2,909,205 |
| 2019-20 | 1,644,644 | 0.963 | 1,584,553 |
| 2020-21 | 2,024,671 | 0.949 | 1,921,867 |
| 2021-22 | 1,337,592 | 0.935 | 1,250,911 |
| 2022-23 | 903,383 | 0.921 | 832,356 |
| 2023-24 | 607,310 | 0.908 | 551,291 |
| 2024-25 | 627,512 | 0.894 | 561,212 |
| 2025-26 | 339,723 | 0.881 | 299,339 |
| 2026-27 | 240,896 | 0.868 | 209,123 |
| 2027-28 | 124,871 | 0.855 | 106,800 |
| 2028-29 | 334,924 | 0.843 | 282,219 |
| 2029-30 | 65,905 | 0.830 | 54,713 |
| 2030-31 | 108,725 | 0.818 | 88,928 |
| 2031-32 | 119,655 | 0.806 | 96,422 |
| 2032-33 | 210,420 | 0.794 | 167,056 |
| 2033-34 | 208,771 | 0.782 | 163,298 |
| 2034-35 | 146,356 | 0.771 | 112,786 |
| 2035-36 | 104,344 | 0.759 | 79,222 |
| 2036-37 | 83,106 | 0.748 | 62,165 |
| 2037-38 | 76,424 | 0.737 | 56,322 |
| 2038-39 | 48,965 | 0.726 | 35,552 |
| 39-40 & later | 894,455 | 0.643 | 574,983 |
| Total | $14,907,585 | | $13,667,887 |
| | (4) Indicated Discount Factor: | | 0.917 |

Notes:
(1) Based upon the observed payment pattern.
(2) Based upon a 1.5% interest rate.
(3) (1) x (2).
(4) [ Sum of Column (3) ] / [ Sum of Column (1) ].

# Alameda County Schools Insurance Group
# Workers' Compensation Program

## Program Information

| Program Year | SIR (1) | Payroll ($00's) (2) | Total Exposure Indexed to 2016-17 (3) | Potential Future Medical Reopenings Under SIR (4) |
|---|---|---|---|---|
| 1986-87 | $500,000 | $0 | 0.647 | 6 |
| 1987-88 | 10,000,000 | 0 | 0.660 | 0 |
| 1988-89 | 10,000,000 | 0 | 0.673 | 2 |
| 1989-90 | 10,000,000 | 0 | 0.686 | 1 |
| 1990-91 | 10,000,000 | 0 | 0.700 | 5 |
| 1991-92 | 10,000,000 | 0 | 0.714 | 5 |
| 1992-93 | 10,000,000 | 0 | 0.728 | 3 |
| 1993-94 | 10,000,000 | 0 | 0.743 | 3 |
| 1994-95 | 10,000,000 | 0 | 0.758 | 6 |
| 1995-96 | 2,000,000 | 0 | 0.773 | 7 |
| 1996-97 | 2,000,000 | 0 | 0.788 | 9 |
| 1997-98 | 2,000,000 | 0 | 0.804 | 8 |
| 1998-99 | 2,000,000 | 5,217,298 | 0.820 | 17 |
| 1999-00 | 1,000,000 | 5,809,776 | 0.837 | 12 |
| 2000-01 | 1,000,000 | 6,457,665 | 0.853 | 21 |
| 2001-02 | 1,000,000 | 6,791,261 | 0.871 | 22 |
| 2002-03 | 1,000,000 | 6,878,794 | 0.888 | 24 |
| 2003-04 | 10,000,000 | 6,804,882 | 0.906 | 23 |
| 2004-05 | 3,000,000 | 7,298,747 | 0.924 | 22 |
| 2005-06 | 3,000,000 | 7,967,892 | 0.942 | 29 |
| 2006-07 | 250,000 | 7,924,497 | 0.961 | 35 |
| 2007-08 | 250,000 | 8,373,523 | 0.980 | 50 |
| 2008-09 | 250,000 | 8,379,779 | 1.000 | 34 |
| 2009-10 | PIPS | 7,983,289 | 0.980 | |
| 2010-11 | PIPS | 7,698,192 | 0.961 | |
| 2011-12 | PIPS | 7,873,713 | 0.942 | |
| 2012-13 | PIPS | 7,928,199 | 0.924 | |
| 2013-14 | PIPS | 8,039,488 | 0.942 | |
| 2014-15 | PIPS | 9,079,586 | 0.961 | |
| 2015-16 | PIPS | 9,753,745 | 0.980 | |
| 2016-17 | PIPS | 10,118,366 | 1.000 | |
| 2017-18 | ? | 10,500,185 | 1.020 | |

Notes:
(1) Provided by Keenan & Associates.
(2) Provided by Keenan & Associates.
(3) Estimated by BAC.
(4) Provided by Keenan & Associates. 1986-87 includes older years.

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# Alameda County Schools Insurance Group
# Workers' Compensation Program

## Actuarial Analysis of the
## Workers' Compensation Program

## Claims Data Exhibits

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Alameda County Schools Insurance Group
Workers' Compensation Program

Cumulative Reported Losses - Unlimited ($000's)

| Program | Months of Development | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 6 | 18 | 30 | 42 | 54 | 66 | 78 | 90 | 102 | 114 | 126 | 138 | 150 | 162 | 174 |
| 1992 | | | | | | | | | | | | | | | 4,559 |
| 1993 | | | | | | | | | | | | | | 3,939 | 3,946 |
| 1994 | | | | | | | | | | | | | 3,584 | 3,526 | 3,600 |
| 1995 | | | | | | | | | | | | 4,458 | 4,440 | 4,626 | 4,932 |
| 1996 | | | | | | | | | | | 4,767 | 4,863 | 5,152 | 5,311 | 5,536 |
| 1997 | | | | | | | | | | 5,711 | 5,884 | 6,435 | 6,728 | 6,877 | 6,719 |
| 1998 | | | | | | | | | 5,742 | 5,923 | 6,548 | 6,420 | 6,465 | 7,402 | 7,185 |
| 1999 | | | | | | | | 7,696 | 8,065 | 9,823 | 9,884 | 10,287 | 10,497 | 10,818 | 10,672 |
| 2000 | | | | | | | 6,224 | 6,409 | 7,200 | 7,162 | 7,465 | 8,278 | 8,284 | 8,446 | 8,480 |
| 2001 | | | | | | 7,909 | 8,710 | 11,125 | 10,953 | 13,502 | 13,997 | 13,873 | 11,154 | 11,281 | 11,384 |
| 2002 | | | | | 7,525 | 8,186 | 10,233 | 11,254 | 11,695 | 11,853 | 11,938 | 14,419 | 14,614 | 14,435 | 14,444 |
| 2003 | | | | 6,070 | 7,110 | 9,059 | 8,593 | 8,775 | 8,504 | 10,093 | 10,236 | 9,873 | 10,052 | 10,009 | 10,245 |
| 2004 | | | 3,527 | 4,604 | 5,652 | 5,700 | 6,236 | 6,346 | 6,147 | 6,297 | 6,174 | 6,335 | 6,350 | 6,382 | |
| 2005 | | 2,278 | 3,069 | 4,738 | 5,249 | 5,021 | 5,794 | 5,518 | 5,457 | 5,419 | 5,470 | 5,651 | 5,629 | | |
| 2006 | 647 | 2,754 | 6,344 | 6,936 | 6,441 | 7,085 | 6,960 | 7,811 | 9,259 | 9,219 | 9,463 | 9,400 | | | |
| 2007 | 1,014 | 5,880 | 7,487 | 8,423 | 9,310 | 8,770 | 9,098 | 11,194 | 12,933 | 13,014 | 13,401 | | | | |
| 2008 | 2,355 | 7,633 | 8,644 | 9,340 | 8,524 | 8,755 | 9,056 | 9,421 | 9,999 | 10,293 | | | | | |
| 2009 | 2,843 | 7,418 | 7,830 | 8,612 | 8,778 | 9,120 | 9,190 | 9,347 | 10,045 | | | | | | |
| 2010 | 1,627 | 5,942 | 7,779 | 9,403 | 9,807 | 10,367 | 10,540 | 10,414 | | | | | | | |
| 2011 | 3,232 | 6,935 | 8,678 | 9,125 | 9,352 | 9,851 | 9,948 | | | | | | | | |
| 2012 | 2,238 | 6,594 | 7,919 | 8,706 | 9,348 | 9,537 | | | | | | | | | |
| 2013 | 1,615 | 5,128 | 6,306 | 7,455 | 8,114 | | | | | | | | | | |
| 2014 | 1,674 | 5,369 | 6,920 | 7,968 | | | | | | | | | | | |
| 2015 | 1,954 | 8,202 | 9,976 | | | | | | | | | | | | |
| 2016 | 2,080 | 6,587 | | | | | | | | | | | | | |
| 2017 | 2,539 | | | | | | | | | | | | | | |

| | 6 - 18 | 18 - 30 | 30 - 42 | 42 - 54 | 54 - 66 | 66 - 78 | 78 - 90 | 90 - 102 | 102 - 114 | 114 - 126 | 126 - 138 | 138 - 150 | 150 - 162 | 162 - 174 | 174 - Ult. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ALL YR VOL | 3.216 | 1.262 | 1.145 | 1.051 | 1.050 | 1.051 | 1.077 | 1.057 | 1.069 | 1.025 | 1.044 | 0.983 | 1.021 | 1.005 | |
| 3 YR VOL | 3.532 | 1.241 | 1.141 | 1.060 | 1.044 | 1.012 | 1.014 | 1.101 | 1.010 | 1.025 | 1.013 | 1.008 | 0.994 | 1.010 | |
| EX HI LO | 3.383 | 1.250 | 1.150 | 1.062 | 1.039 | 1.049 | 1.063 | 1.049 | 1.056 | 1.022 | 1.032 | 1.011 | 1.016 | 1.007 | |
| REFERENCE | 2.872 | 1.314 | 1.163 | 1.116 | 1.062 | 1.029 | 1.011 | 1.009 | 1.007 | 1.004 | 1.008 | 1.007 | 1.002 | 1.002 | 1.068 |
| SELECT | 3.383 | 1.250 | 1.150 | 1.062 | 1.039 | 1.049 | 1.063 | 1.049 | 1.056 | 1.022 | 1.032 | 1.011 | 1.016 | 1.007 | 1.068 |
| CUMULATIVE | 7.724 | 2.283 | 1.826 | 1.589 | 1.495 | 1.439 | 1.373 | 1.291 | 1.231 | 1.166 | 1.140 | 1.105 | 1.093 | 1.075 | 1.068 |

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Alameda County Schools Insurance Group
Workers' Compensation Program

Cumulative Paid Losses - Unlimited ($000's)

| Program | Months of Development | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 6 | 18 | 30 | 42 | 54 | 66 | 78 | 90 | 102 | 114 | 126 | 138 | 150 | 162 | 174 |
| 1992 | | | | | | | | | | | | | | | 4,457 |
| 1993 | | | | | | | | | | | | | | 3,925 | 3,938 |
| 1994 | | | | | | | | | | | | | 3,491 | 3,500 | 3,513 |
| 1995 | | | | | | | | | | | | 4,472 | 4,502 | 4,555 | 4,603 |
| 1996 | | | | | | | | | | | 4,758 | 4,886 | 4,932 | 4,980 | 5,015 |
| 1997 | | | | | | | | | | 5,579 | 5,671 | 5,836 | 5,930 | 6,152 | 6,318 |
| 1998 | | | | | | | | | 5,495 | 5,632 | 5,881 | 5,946 | 6,017 | 6,340 | 6,387 |
| 1999 | | | | | | | | 7,206 | 7,505 | 7,816 | 8,053 | 8,200 | 8,559 | 8,650 | 8,755 |
| 2000 | | | | | | | 5,899 | 6,067 | 6,310 | 6,466 | 6,544 | 6,724 | 6,808 | 6,905 | 6,962 |
| 2001 | | | | | | 7,245 | 7,872 | 8,443 | 9,060 | 9,523 | 9,888 | 10,176 | 10,269 | 10,551 | 10,581 |
| 2002 | | | | | 6,922 | 7,442 | 8,167 | 8,716 | 9,134 | 9,439 | 9,632 | 11,042 | 11,173 | 11,464 | 11,551 |
| 2003 | | | | 5,218 | 6,109 | 6,836 | 7,033 | 7,265 | 7,573 | 8,479 | 9,325 | 9,430 | 9,644 | 9,802 | 9,834 |
| 2004 | | | 3,009 | 3,693 | 4,254 | 4,720 | 4,959 | 5,271 | 5,496 | 5,644 | 5,731 | 5,755 | 5,791 | 5,831 | |
| 2005 | | 1,826 | 2,408 | 2,993 | 3,685 | 3,962 | 4,368 | 4,513 | 4,755 | 4,890 | 4,974 | 5,374 | 5,405 | | |
| 2006 | 209 | 1,697 | 2,912 | 3,826 | 4,642 | 5,006 | 5,904 | 6,525 | 6,893 | 7,999 | 8,358 | 8,537 | | | |
| 2007 | 254 | 2,003 | 3,945 | 5,021 | 6,004 | 6,564 | 7,436 | 7,704 | 8,444 | 8,877 | 9,284 | | | | |
| 2008 | 244 | 2,909 | 5,028 | 6,166 | 6,851 | 7,496 | 7,807 | 8,108 | 8,593 | 8,811 | | | | | |
| 2009 | 463 | 3,335 | 4,881 | 6,133 | 7,477 | 7,838 | 8,177 | 8,513 | 8,809 | | | | | | |
| 2010 | 439 | 3,070 | 4,873 | 6,411 | 7,061 | 7,563 | 8,376 | 8,615 | | | | | | | |
| 2011 | 607 | 3,403 | 5,458 | 6,424 | 7,115 | 7,686 | 8,353 | | | | | | | | |
| 2012 | 531 | 3,826 | 5,019 | 5,994 | 7,566 | 8,086 | | | | | | | | | |
| 2013 | 831 | 2,414 | 3,752 | 5,254 | 6,225 | | | | | | | | | | |
| 2014 | 367 | 2,680 | 4,123 | 5,543 | | | | | | | | | | | |
| 2015 | 593 | 3,626 | 6,115 | | | | | | | | | | | | |
| 2016 | 413 | 3,094 | | | | | | | | | | | | | |
| 2017 | 482 | | | | | | | | | | | | | | |

| | 6 - 18 | 18 - 30 | 30 - 42 | 42 - 54 | 54 - 66 | 66 - 78 | 78 - 90 | 90 - 102 | 102 - 114 | 114 - 126 | 126 - 138 | 138 - 150 | 150 - 162 | 162 - 174 | 174 - Ult. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ALL YR VOL | 6.477 | 1.576 | 1.265 | 1.172 | 1.081 | 1.084 | 1.049 | 1.054 | 1.054 | 1.037 | 1.039 | 1.015 | 1.021 | 1.008 | |
| 3 YR VOL | 6.849 | 1.604 | 1.302 | 1.183 | 1.073 | 1.079 | 1.036 | 1.063 | 1.073 | 1.039 | 1.032 | 1.014 | 1.018 | 1.005 | |
| EX HI LO | 7.105 | 1.577 | 1.266 | 1.176 | 1.083 | 1.083 | 1.046 | 1.051 | 1.045 | 1.030 | 1.028 | 1.012 | 1.018 | 1.007 | |
| REFERENCE | 3.815 | 1.674 | 1.339 | 1.226 | 1.118 | 1.069 | 1.055 | 1.040 | 1.020 | 1.009 | 1.016 | 1.019 | 1.011 | 1.015 | 1.241 |
| SELECT | 7.105 | 1.577 | 1.266 | 1.176 | 1.083 | 1.083 | 1.046 | 1.051 | 1.045 | 1.030 | 1.028 | 1.012 | 1.018 | 1.007 | 1.241 |
| CUMULATIVE | 30.642 | 4.313 | 2.734 | 2.160 | 1.836 | 1.696 | 1.566 | 1.497 | 1.424 | 1.363 | 1.323 | 1.287 | 1.272 | 1.249 | 1.241 |

DRAFT

Alameda County Schools Insurance Group
Workers' Compensation Program

Cumulative # of Indemnity Losses Reported

| Program | Months of Development | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 6 | 18 | 30 | 42 | 54 | 66 | 78 | 90 | 102 | 114 | 126 | 138 | 150 | 162 | 174 |
| 1992 | | | | | | | | | | | | | | | 423 |
| 1993 | | | | | | | | | | | | | | 397 | 397 |
| 1994 | | | | | | | | | | | | | 406 | 406 | 408 |
| 1995 | | | | | | | | | | | | 403 | 403 | 404 | 405 |
| 1996 | | | | | | | | | | | 416 | 416 | 416 | 416 | 416 |
| 1997 | | | | | | | | | | 377 | 377 | 379 | 380 | 380 | 381 |
| 1998 | | | | | | | | | 302 | 302 | 303 | 303 | 304 | 304 | 304 |
| 1999 | | | | | | | | 317 | 320 | 323 | 324 | 324 | 324 | 324 | 324 |
| 2000 | | | | | | | 306 | 308 | 315 | 316 | 321 | 321 | 321 | 321 | 321 |
| 2001 | | | | | | 290 | 293 | 312 | 314 | 316 | 317 | 318 | 319 | 319 | 319 |
| 2002 | | | | | 282 | 284 | 307 | 309 | 313 | 314 | 316 | 318 | 318 | 318 | 318 |
| 2003 | | | | 283 | 286 | 316 | 322 | 324 | 326 | 326 | 326 | 326 | 326 | 326 | 326 |
| 2004 | | | 215 | 220 | 244 | 249 | 253 | 253 | 255 | 255 | 255 | 255 | 255 | 255 | |
| 2005 | | 160 | 166 | 196 | 201 | 212 | 213 | 213 | 213 | 213 | 213 | 213 | 213 | | |
| 2006 | 74 | 187 | 238 | 247 | 248 | 249 | 248 | 249 | 250 | 250 | 250 | 250 | | | |
| 2007 | 85 | 257 | 274 | 280 | 279 | 278 | 280 | 280 | 280 | 280 | 280 | | | | |
| 2008 | 95 | 303 | 314 | 316 | 316 | 316 | 316 | 317 | 317 | 318 | | | | | |
| 2009 | 123 | 309 | 321 | 322 | 327 | 326 | 329 | 329 | 329 | | | | | | |
| 2010 | 97 | 310 | 326 | 336 | 338 | 336 | 336 | 337 | | | | | | | |
| 2011 | 116 | 330 | 351 | 353 | 355 | 356 | 357 | | | | | | | | |
| 2012 | 135 | 314 | 325 | 328 | 328 | 328 | | | | | | | | | |
| 2013 | 98 | 278 | 294 | 301 | 302 | | | | | | | | | | |
| 2014 | 106 | 298 | 314 | 321 | | | | | | | | | | | |
| 2015 | 113 | 326 | 339 | | | | | | | | | | | | |
| 2016 | 93 | 243 | | | | | | | | | | | | | |
| 2017 | 86 | | | | | | | | | | | | | | |

| | 6 - 18 | 18 - 30 | 30 - 42 | 42 - 54 | 54 - 66 | 66 - 78 | 78 - 90 | 90 - 102 | 102 - 114 | 114 - 126 | 126 - 138 | 138 - 150 | 150 - 162 | 162 - 174 | 174 - Ult. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ALL YR VOL | 2.780 | 1.062 | 1.026 | 1.013 | 1.014 | 1.013 | 1.009 | 1.007 | 1.002 | 1.003 | 1.001 | 1.001 | 1.000 | 1.001 | |
| 3 YR VOL | 2.779 | 1.050 | 1.018 | 1.003 | 0.999 | 1.004 | 1.002 | 1.000 | 1.001 | 1.000 | 1.000 | 1.000 | 1.000 | 1.000 | |
| EX HI LO | 2.805 | 1.049 | 1.020 | 1.008 | 1.009 | 1.008 | 1.003 | 1.005 | 1.002 | 1.002 | 1.001 | 1.001 | 1.000 | 1.001 | |
| SELECT | 2.805 | 1.049 | 1.020 | 1.008 | 1.009 | 1.008 | 1.003 | 1.005 | 1.002 | 1.002 | 1.001 | 1.001 | 1.000 | 1.001 | 1.000 |
| CUMULATIVE | 3.121 | 1.113 | 1.060 | 1.040 | 1.031 | 1.022 | 1.014 | 1.011 | 1.006 | 1.004 | 1.002 | 1.001 | 1.001 | 1.001 | 1.000 |

DRAFT

Alameda County Schools Insurance Group
P.O. Box 2487
Dublin, CA 94568
Phone (925) 225-1030
Fax (925) 225-0653
www.acsig.com

# EXECUTIVE SUMMARY

TO: ACSIG Executive Committee

FROM: Kimberly Dennis

DATE: February 16, 2017

SUBJECT: Preliminary 2017-18 Workers' Compensation Rates.

Enclosed please find the preliminary workers' compensation rates for 2017-2018. These rates have been adjusted to incorporate the actuary's estimate for experience modification factors.

Historically, ACSIG experience modification factors were not "re-benched" to 1.00. The result was program underfunding. In 2007, the Board began addressing this underfunding by incrementally increasing the ex-mods toward the actuarially determined amount. Beginning in 2013-14, the pure ex-mod as calculated by the actuary was applied to rates. This model continues into 2017-2018.

The Workers' Compensation program is finally in surplus. The $0.35/$100 payroll previously charged to fund the deficit has been removed from the compilation.

The Executive Committee will this report at this meeting and recommend any changes or modifications.

# 2017/2018
# Workers' Compensation Rates

| | 2014/2015 Actual Payroll | 2015/2016 Actual Payroll | Base Rate | Ex Mod | Rate per $100 Payroll | 2017/2018 PREMIUM |
|---|---|---|---|---|---|---|
| ACOE | $24,650,909 | $25,061,341 | 2.75 | 0.7500 | 2.06 | $516,890 |
| ALAMEDA | $63,724,582 | $68,660,947 | 2.75 | 1.1880 | 3.27 | $2,243,153 |
| ALBANY | $26,634,210 | $27,672,524 | 2.75 | 0.9890 | 2.72 | $752,623 |
| CASTRO VALLEY | $57,098,359 | $61,699,837 | 2.75 | 1.0780 | 2.96 | $1,829,092 |
| DUBLIN | $57,362,013 | $66,582,268 | 2.75 | 0.7680 | 2.11 | $1,406,218 |
| EDEN ROP | $3,457,372 | $3,885,140 | 2.75 | 0.7500 | 2.06 | $80,131 |
| EMERY | $5,862,048 | $5,695,727 | 2.75 | 0.7500 | 2.06 | $117,474 |
| FREMONT | $216,697,574 | $242,522,930 | 2.75 | 0.9170 | 2.52 | $6,115,822 |
| LIVERMORE | $74,245,093 | $78,864,191 | 2.75 | 1.0920 | 3.00 | $2,368,292 |
| MISSION ROP | $3,864,371 | $3,996,482 | 2.75 | 0.7500 | 2.06 | $82,427 |
| MT. HOUSE | $235,401 | $174,844 | 2.75 | 1.2500 | 3.44 | $6,010 |
| NEWARK | $40,748,743 | $43,428,226 | 2.75 | 1.0000 | 2.75 | $1,194,276 |
| NEW HAVEN | $80,611,552 | $82,394,985 | 2.75 | 1.0760 | 2.96 | $2,438,068 |
| PIEDMONT | $22,993,262 | $23,943,792 | 2.75 | 0.7500 | 2.06 | $493,841 |
| PLEASANTON * | $94,213,075 | $100,602,848 | 2.75 | 0.9200 | 2.53 | $2,545,252 |
| SAN LEANDRO | $57,484,959 | $60,732,865 | 2.75 | 1.1150 | 3.07 | $1,862,221 |
| SAN LORENZO | $73,608,462 | $74,342,651 | 2.75 | 1.2500 | 3.44 | $2,555,529 |
| SUNOL GLEN | $1,807,540 | $1,912,229 | 2.75 | 0.7500 | 2.06 | $39,440 |
| TRI VALLEY ROP | $2,659,030 | $3,200,723 | 2.75 | 0.7500 | 2.06 | $66,015 |
| TOTAL PREMIUMS | $907,958,555 | $975,374,549 | | | | $26,712,774 |
| Average Ex Mod | | | | 1.00000 | | |

Payrolls based upon 2015/2016 Unaudited Actuals Reports provided by ACOE

* includes apprentice program

Rate Build UP

| | | | | | |
|---|---|---|---|---|---|
| PIPS K-12 Rate | | 2.610195 (assume 5% increase in rate and 10% ex-mod) | | | |
| ACSIG Ex-mod | | 0.87714 | 2.2895 | $ 24,040,240.68 | 0.024647189 |
| Claims Admin | | 154,000 | | $ 154,000.00 | 0.000169611 |
| ACSIG Admin | $ | 219,150.00 | | $ 219,150.00 | 0.000241366 |
| Self-Insurance Fee | $ | 250,000.00 | | $ 250,000.00 | 0.000275343 |
| PIPS Adj | $ | 2,000,000.00 | | $ 2,000,000.00 | 0.002202744 |
| | | | | $ 26,663,390.68 | 0.027536252 |
| est. 17/18 payroll | $ | 1,050,018,477 | | | |

| | |
|---|---|
| percentage due to growth in payroll | 7.65% |
| overall increase in costs | -10.61% |

**Alameda County Schools Insurance Group**
P.O. Box 2487
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www.acsig.com

# EXECUTIVE SUMMARY

TO: ACSIG Executive Committee

FROM: Kimberly Dennis

DATE: February 16, 2017

SUBJECT: Workers' Compensation Program Surplus by Member

The ACSIG Board has spent considerable time identifying and quantifying the deficit within the Workers' Compensation program. While years of underfunding led to an overall deficit, through aggressive claims handling and funding, the program now shows a small surplus. As we continue to seek creative solutions and allocate resources to funding the deficit, it is important remind all members of the unfunded liability and each member's portion of that liability.

While we have a small surplus, it is important to look at the membership and yearly program surplus and deficit. This information will be reviewed by the Executive Director and Laurena Grabert from SETECH at the meeting.

# ALAMEDA COUNTY SCHOOLS INSURANCE GROUP

# A FINANCIAL MANAGEMENT INFORMATION REPORT FOR THE FISCAL YEARS ENDED JUNE 30, 2015 AND JUNE 30, 2016

**Executive Committee Meeting on February 16, 2017**



Prepared by:

SETECH
A Keenan Solution

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# Alameda County Schools Insurance Group
## Workers Compensation
## Table of Contents


| | Page Number |
|---|---|
| **Distribution and Use of Report** | I |
| **Financial Statements** | |
| **Statement of Net Position -** | |
| As of 06/30/2015 and 06/30/2016 | 1 |
| **Statement of Revenues, Expenditures and Changes in Net Position** | |
| Adopted Budget Versus Actual - | |
| For The Fiscal Years Ended 06/30/2015 and 06/30/2016 | 2 |
| **Calculation of Net Position by Program Year -** | |
| As of 06/30/2015 and 06/30/2016 | 3, 4, 5, 6 |
| **Allocation of Net Position - Assets/(Deficit) by Member - As of 06/30/2016** | |
| Program Years Prior to 07/01/1993, 1992/1993, 1993/1994, 1994/1995, 1995/1996 | 7 |
| Program Years 1996/1997, 1997/1998, 1998/1999, 1999/2000 | 8 |
| Program Years 2000/2001, 2001/2002, 2002/2003, 2003/2004 | 9 |
| Program Years 2004/2005, 2005/2006, 2006/2007, 2007/2008 | 10 |
| Program Years 2008/2009, 2009/2010, 2010/2011, 2011/2012 | 11 |
| Program Years 2012/2013, 2013/2014, 2014/2015, 2015/2016 | 12 |
| **Other Financial Information** | |
| **Schedule of Discounted Claim Liabilities** | |
| As of 06/30/2016 | 13, 14, 15 |
| **Investment Income Allocation by Program Year -** | |
| For The Fiscal Year Ended 06/30/2016 | 16, 17, 18 |
| **Member Contributions -** | |
| For The Program Year Ended 06/30/2013 | 19 |
| For The Program Year Ended 06/30/2014 | 20 |
| For The Program Year Ended 06/30/2015 | 21 |
| For The Program Year Ended 06/30/2016 | 22 |

## Distribution and Use of Report

This financial management information report (Report) prepared by Service Enhancement Technologies (SETECH), a Division of Keenan & Associates, is intended solely for internal use by the Authority's Officers, Board Members, Advisory Committee Members, and for internal decision making purposes only in regards to the Authority's insurance program.

SETECH makes no representations or warranties regarding the use of this Report for any other purpose other than for the Authority's insurance program. The official version of the Report is finalized only upon approval by the Authority's Board of Directors and/or Advisory Committee in accordance with the Authority's Agreement and Bylaws following presentation by SETECH or Keenan & Associates. We understand that members may wish to provide a copy of this Report to auditors and regulatory authorities on the conditions that:

A) The official approved Report is used,

B) The entire Report be distributed rather than any excerpts,

C) All recipients be made aware that a SETECH staff member is available to answer any questions regarding the contents of the Report,

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SETECH may utilize actuarial projections as an integral component of this Report, as provided by the Authority's actuary and in the case of some Benefit Groups, by a staff member of the Keenan & Associates Technical Department. We may also rely upon financial data provided by the Authority's Treasurer, Accountant or County Office of Education. We have not audited this data and are not responsible for its accuracy. With any financial analysis, the accuracy and relevance of the conclusions as well as the reasonableness of the recommendations depend upon the accuracy and relevance of the underlying data. Financial information provided in this Report is subject to an annual independent financial audit.

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# FINANCIAL STATEMENTS

# Alameda County Schools Insurance Group
## Workers' Compensation
## Statement of Net Position
## As of 06/30/2015 and 06/30/2016

| | Audited Balance 06/30/2015 | Activity 7/1/2015 Through 06/30/2016 | Audited Balance 06/30/2016 |
|---|---|---|---|
| **ASSETS:** | | | |
| **Current Assets** | | | |
| Cash and Cash Equivalents | $ 5,329,735 | $ 3,429,229 | $ 8,758,964 |
| Investments - maturing within one year | 608,107 | 1,092,920 | 1,701,027 |
| Accounts Receivable | 98,001 | 142,871 | 240,872 |
| Prepaid Expense | -- | -- | -- |
| Interfund Receivable, net | (895,283) | (101,765) | (997,048) |
| Total Current Assets | 5,140,560 | 4,563,255 | 9,703,815 |
| **Non Current Assets** | | | |
| Capital Assets, net of depreciation | -- | -- | -- |
| Investments - maturing over one year | 11,383,173 | (2,567,512) | 8,815,661 |
| Total Non Current Assets | 11,383,173 | (2,567,512) | 8,815,661 |
| Total Assets | 16,523,733 | 1,995,743 | 18,519,476 |
| **Deferred Outflow of Resources** | | | |
| Deferred outflow of resources - pension | -- | 13,261 | 13,261 |
| **LIABILITIES:** | | | |
| **Current Liabilities** | | | |
| **Accounts Payable and Due to Members** | | | |
| Accounts Payable | 2,815 | (1,037) | 1,778 |
| Deferred revenue | -- | -- | -- |
| Subtotal | 2,815 | (1,037) | 1,778 |
| Current Portion of Discounted Claim Liabilities | 1,792,000 | (112,000) | 1,680,000 |
| Subtotal Current Liabilities | 1,794,815 | (113,037) | 1,681,778 |
| **Noncurrent Liabilities** | | | |
| Discounted Claim Liabilities | 19,567,518 | (3,427,263) | 16,140,255 |
| Unallocated Loss Adjustment Expense (ULAE) | 1,509,000 | 11,000 | 1,520,000 |
| Subtotal Noncurrent Liabilities | 21,076,518 | (3,416,263) | 17,660,255 |
| Net Pension Liability (NPL) | -- | 157,653 | 157,653 |
| Total Liabilities | 22,871,333 | (3,371,647) | 19,499,686 |
| **Deferred Inflow of Resources** | | | |
| Deferred inflow of resources - pension | -- | 19,045 | 19,045 |
| **NET POSITION** | | | |
| Undesignated | (6,347,600) | 5,361,606 | (985,994) |
| Designated - Capital Assets | -- | -- | -- |
| Total Net Position | (6,347,600) | 5,361,606 | (985,994) |
| Total Liabilities, Deferred Pension, and Net Position | $ 16,523,733 | $ 1,995,743 | $ 18,519,476 |

## Alameda County Schools Insurance Group
## Workers' Compensation

### Statement of Revenues, Expenditures And Changes In Net Position

### Adopted Budget Versus Actual

### For The Fiscal Years Ended 06/30/2015 and 06/30/2016

| | 2014/2015 | | | | 2015/2016 | | | |
|---|---|---|---|---|---|---|---|---|
| | Adopted Budget | Audited Actuals | Variance $ | Variance % | Adopted Budget | Audited Actuals | Variance $ | Variance % |
| **REVENUES:** | | | | | | | | |
| **Operating Revenues** | | | | | | | | |
| Member Contributions | $ 20,019,868 | $ 20,019,868 | $ -- | 100.00% | $ 24,592,230 | $ 24,592,229 | $ (1) | 100.00% |
| Other-Transfer from Dental Program | -- | 2,450,000 | 2,450,000 | -- | -- | 5,798 | 5,798 | -- |
| Total Operating Revenues | 20,019,868 | 22,469,868 | 2,450,000 | 112.24% | 24,592,230 | 24,598,027 | 5,797 | 100.02% |
| **EXPENDITURES:** | | | | | | | | |
| **Operating Expenses** | | | | | | | | |
| Administrative: | 526,000 | 427,285 | 98,715 | 81.23% | 615,975 | 588,457 | 27,518 | 95.53% |
| Insurance Premiums | 18,500,000 | 18,396,598 | 103,402 | 99.44% | 20,103,731 | 18,321,853 | 1,781,878 | 91.14% |
| Insurance Premiums-Prior Year Audit | -- | 957,488 | (957,488) | | 500,000 | 1,578,491 | (1,078,491) | 315.70% |
| Subtotal | 19,026,000 | 19,781,371 | (755,371) | 103.97% | 21,219,706 | 20,488,801 | 730,905 | 96.56% |
| Claims Paid | 3,100,000 | 3,447,448 | (347,448) | 111.21% | 4,000,000 | 2,316,835 | 1,683,165 | 57.92% |
| Change in Claim Liabilities | (2,800,000) | (3,811,998) | 1,011,998 | 136.14% | (3,000,000) | (3,539,263) | 539,263 | 117.98% |
| Change in ULAE | -- | 285,000 | (285,000) | -- | -- | 11,000 | (11,000) | -- |
| Total Other Insurance | 300,000 | (79,550) | 664,550 | -26.52% | 1,000,000 | (1,211,428) | 2,222,428 | -121.14% |
| Total Operating Expenses | 19,326,000 | 19,701,821 | (90,821) | 101.94% | 22,219,706 | 19,277,373 | 2,953,333 | 86.76% |
| Operating Income/(Loss) from Operations | 693,868 | 2,768,047 | 2,540,821 | 398.93% | 2,372,524 | 5,320,654 | (2,947,536) | 224.26% |
| **Non Operating Revenues/(Expense)** | | | | | | | | |
| Investment Income | 200,000 | 194,130 | (5,870) | 97.07% | 150,000 | 178,565 | 28,565 | 119.04% |
| Net Increase/(Decrease) in the fair value of investments | -- | 51,598 | 51,598 | | -- | (42,324) | (42,324) | |
| Realized Gain/(Loss) | -- | 18,907 | 18,907 | | -- | 20,305 | 20,305 | |
| Cumulative effect of GASB 68 - pension | -- | -- | -- | | -- | (115,594) | (115,594) | |
| Total Non Operating Revenues/(Expense) | 200,000 | 264,635 | 64,635 | 132.32% | 150,000 | 40,952 | (109,048) | 27.30% |
| Change in Net Position | 893,868 | 3,032,682 | | | 2,522,524 | 5,361,606 | | |
| Beginning Net Position | (9,380,282) | (9,380,282) | | | (6,347,600) | (6,347,600) | | |
| Ending Net Position | $ (8,486,414) | $ (6,347,600) | | | $ (3,825,076) | $ (985,994) | | |

## Alameda County Schools Insurance Group
## Workers' Compensation

### Calculation of Net Position - By Program Year

### As of 06/30/2016

| | Program Years | | | | | | | | Totals Forward to Page 4 |
|---|---|---|---|---|---|---|---|---|---|
| | Prior to 07/01/1992 | 1992/1993 | 1993/1994 | 1994/1995 | 1995/1996 | 1996/1997 | 1997/1998 | 1998/1999 | |
| Cash Balance, Including Current Period Investment Income Allocation | $ (17,368,725) | $ 826,350 | $ 1,488,949 | $ 582,582 | $ 497,198 | $ (1,959,741) | $ (1,492,621) | $ (3,705,352) | $ (21,131,360) |
| Accounts Receivable | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Accounts Payable | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Discounted Claim Liabilities | (776,289) | (227,213) | (151,636) | (363,727) | (311,451) | (513,066) | (922,734) | (2,030,164) | (5,296,280) |
| Unallocated Loss Adjustment Expense (ULAE) | (66,215) | (19,380) | (12,934) | (31,025) | (26,566) | (43,763) | (78,706) | (173,165) | (451,754) |
| Net Position | $ (18,211,229) | $ 579,757 | $ 1,324,379 | $ 187,830 | $ 159,181 | $ (2,516,570) | $ (2,494,061) | $ (5,908,681) | $ (26,879,394) |
| **As of 06/30/2015** | | | | | | | | | |
| Net Position | $ (18,028,303) | $ 557,606 | $ 1,325,023 | $ 182,429 | $ 11,958 | $ (2,507,313) | $ (2,610,712) | $ (5,810,914) | $ (26,880,226) |
| Increase/(Decrease) Net Position | $ (182,926) | $ 22,151 | $ (644) | $ 5,401 | $ 147,223 | $ (9,257) | $ 116,651 | $ (97,767) | $ 832 |

## Alameda County Schools Insurance Group
## Workers' Compensation

### Calculation of Net Position - By Program Year

### As of 06/30/2016

| | Totals From Page 3 | Program Years | | | | | | Totals Forward to Page 5 |
|---|---|---|---|---|---|---|---|---|
| | | 1999/2000 | 2000/2001 | 2001/2002 | 2002/2003 | 2003/2004 | 2004/2005 | |
| Cash Balance, Including Current Period Investment Income Allocation | $ (21,131,360) | $ (515,956) | $ (4,594,757) | $ (989,954) | $ (990,899) | $ 7,169,783 | $ 7,164,713 | $ (13,888,430) |
| Accounts Receivable | -- | -- | -- | -- | -- | -- | -- | -- |
| Accounts Payable | -- | -- | -- | -- | -- | -- | -- | -- |
| Discounted Claim Liabilities | (5,296,280) | (1,383,116) | (1,130,461) | (1,362,646) | (712,812) | (1,047,650) | (831,396) | (11,764,361) |
| Unallocated Loss Adjustment Expense (ULAE) | (451,754) | (117,975) | (96,424) | (116,229) | (60,800) | (89,361) | (70,915) | (1,003,458) |
| Net Position | $ (26,879,394) | $ (2,017,047) | $ (5,821,642) | $ (2,468,829) | $ (1,764,511) | $ 6,032,772 | $ 6,262,402 | $ (26,656,249) |
| **As of 06/30/2015** | | | | | | | | |
| Net Position | $ (26,880,226) | $ (2,151,843) | $ (5,810,277) | $ (2,549,607) | $ (1,647,810) | $ 5,932,951 | $ 6,231,360 | $ (26,875,452) |
| Increase/(Decrease) Net Position | $ 832 | $ 134,796 | $ (11,365) | $ 80,778 | $ (116,701) | $ 99,821 | $ 31,042 | $ 219,203 |

## Alameda County Schools Insurance Group
## Workers' Compensation

### Calculation of Net Position - By Program Year

### As of 06/30/2016

| | Totals From Page 4 | Program Years | | | | | | | Totals Forward to Page 6 |
|---|---|---|---|---|---|---|---|---|---|
| | | 2005/2006 | 2006/2007 | 2007/2008 | 2008/2009 | 2009/2010 | 2010/2011 | 2011/2012 | |
| Cash Balance, Including Current Period Investment Income Allocation | $ (13,888,430) | $ 3,555,136 | $ (398,720) | $ 4,919,203 | $ 5,276,098 | $ 693,840 | $ 2,616,880 | $ 4,493,791 | $ 7,267,798 |
| Accounts Receivable | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Accounts Payable | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Discounted Claim Liabilities | (11,764,361) | (1,846,688) | (1,306,717) | (1,317,175) | (1,585,314) | -- | -- | -- | (17,820,255) |
| Unallocated Loss Adjustment Expense (ULAE) | (1,003,458) | (157,515) | (111,458) | (112,350) | (135,219) | -- | -- | -- | (1,520,000) |
| Net Position | $ (26,656,249) | $ 1,550,933 | $ (1,816,895) | $ 3,489,678 | $ 3,555,565 | $ 693,840 | $ 2,616,880 | $ 4,493,791 | $ (12,072,457) |
| **As of 06/30/2015** | | | | | | | | | |
| Net Position | $ (26,875,452) | $ 1,561,751 | $ (2,134,539) | $ 3,230,758 | $ 3,133,704 | $ 687,844 | $ 2,594,259 | $ 4,454,952 | $ (13,346,723) |
| Increase/(Decrease) Net Position | $ 219,203 | $ (10,818) | $ 317,644 | $ 258,920 | $ 421,861 | $ 5,996 | $ 22,621 | $ 38,839 | $ 1,274,266 |

## Alameda County Schools Insurance Group
## Workers' Compensation

### Calculation of Net Position - By Program Year

### As of 06/30/2016

| | Totals From Page 6 | Program Years | | | | | | | Totals |
|---|---|---|---|---|---|---|---|---|---|
| | | 2012/2013 | 2013/2014 | 2014/2015 | 2015/2016 | | | | |
| Cash Balance, Including Current Period Investment Income Allocation | $ 7,267,798 | $ 2,208,999 | $ 1,114,625 | $ 2,144,253 | $ 5,379,492 | $ -- | $ -- | $ -- | $ 18,115,167 |
| Accounts Receivable | -- | -- | -- | -- | 240,872 | -- | -- | -- | 240,872 |
| Accounts Payable | -- | -- | -- | -- | (1,778) | -- | -- | -- | (1,778) |
| Discounted Claim Liabilities | (17,820,255) | -- | -- | -- | -- | -- | -- | -- | (17,820,255) |
| Unallocated Loss Adjustment Expense (ULAE) | (1,520,000) | -- | -- | -- | -- | -- | -- | -- | (1,520,000) |
| Net Position | $ (12,072,457) | $ 2,208,999 | $ 1,114,625 | $ 2,144,253 | $ 5,618,586 | $ -- | $ -- | $ -- | $ (985,994) |
| **As of 06/30/2015** | | | | | | | | | |
| Net Position | $ (13,346,723) | $ 2,189,916 | $ 1,105,000 | $ 3,704,207 | $ -- | $ -- | $ -- | $ -- | $ (6,347,600) |
| Increase/(Decrease) Net Position | $ 1,274,266 | $ 19,083 | $ 9,625 | $ (1,559,954) | $ 5,618,586 | $ -- | $ -- | $ -- | $ 5,361,606 |

## Alameda County Schools Insurance Group
## Workers' Compensation
## Allocation Net Position - Assets/(Deficit) by Member
## As of 06/30/2016

| Members | Program Years | | | | | | | | | | Sub-Total To Page 8 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Prior to 07/01/1992 | | 1992/1993 | | 1993/1994 | | 1994/1995 | | 1995/1996 | | |
| | Pro Rata Share % | Net (Deficit) | Pro Rata Share % | Net Assets | Pro Rata Share % | Net Assets | Pro Rata Share % | Net Assets | Pro Rata Share % | Net Assets | |
| Alameda COE | 2.44 % | $ (444,354) | 2.44 % | $ 14,146 | 2.44 % | $ 32,315 | 2.44 % | $ 4,583 | 2.44 % | $ 3,884 | (389,426) |
| Alameda | 7.86 | (1,431,403) | 7.86 | 45,569 | 7.86 | 104,096 | 7.86 | 14,763 | 7.86 | 12,512 | (1,254,463) |
| Albany | 2.47 | (449,817) | 2.47 | 14,320 | 2.47 | 32,712 | 2.47 | 4,639 | 2.47 | 3,932 | (394,214) |
| Castro Valley | 5.80 | (1,056,251) | 5.80 | 33,626 | 5.80 | 76,814 | 5.80 | 10,894 | 5.80 | 9,232 | (925,685) |
| Dublin | 3.29 | (599,149) | 3.29 | 19,074 | 3.29 | 43,572 | 3.29 | 6,180 | 3.29 | 5,237 | (525,086) |
| Eden ROP | 0.74 | (134,763) | 0.74 | 4,290 | 0.74 | 9,800 | 0.74 | 1,390 | 0.74 | 1,178 | (118,105) |
| Emery | 0.95 | (173,007) | 0.95 | 5,508 | 0.95 | 12,582 | 0.95 | 1,784 | 0.95 | 1,512 | (151,621) |
| Fremont | 22.63 | (4,121,201) | 22.63 | 131,199 | 22.63 | 299,707 | 22.63 | 42,506 | 22.63 | 36,023 | (3,611,766) |
| Livermore | 7.84 | (1,427,760) | 7.84 | 45,453 | 7.84 | 103,831 | 7.84 | 14,726 | 7.84 | 12,480 | (1,251,270) |
| Mission ROP | 0.67 | (122,015) | 0.67 | 3,884 | 0.67 | 8,873 | 0.67 | 1,258 | 0.67 | 1,067 | (106,933) |
| Mt. House | 0.05 | (9,106) | 0.05 | 290 | 0.05 | 662 | 0.05 | 94 | 0.05 | 80 | (7,980) |
| Newark | 5.72 | (1,041,682) | 5.72 | 33,162 | 5.72 | 75,754 | 5.72 | 10,744 | 5.72 | 9,105 | (912,917) |
| New Haven | 11.10 | (2,021,446) | 11.10 | 64,353 | 11.10 | 147,006 | 11.10 | 20,849 | 11.10 | 17,669 | (1,771,569) |
| Piedmont | 2.29 | (417,037) | 2.29 | 13,276 | 2.29 | 30,328 | 2.29 | 4,301 | 2.29 | 3,645 | (365,487) |
| Pleasanton | 9.22 | (1,679,075) | 9.22 | 53,454 | 9.22 | 122,108 | 9.22 | 17,318 | 9.22 | 14,676 | (1,471,519) |
| San Leandro | 5.39 | (981,585) | 5.39 | 31,249 | 5.39 | 71,384 | 5.39 | 10,124 | 5.39 | 8,580 | (860,248) |
| San Lorenzo | 10.96 | (1,995,951) | 10.96 | 63,541 | 10.96 | 145,152 | 10.96 | 20,586 | 10.96 | 17,446 | (1,749,226) |
| Sunol Glen | 0.19 | (34,601) | 0.19 | 1,102 | 0.19 | 2,516 | 0.19 | 357 | 0.19 | 302 | (30,324) |
| Tri Valley ROP | 0.39 | (71,026) | 0.39 | 2,261 | 0.39 | 5,167 | 0.39 | 734 | 0.39 | 621 | (62,243) |
| Pleasanton Apprentic | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Totals | 100.00 % | $ (18,211,229) | 100.00 % | $ 579,757 | 100.00 % | $ 1,324,379 | 100.00 % | $ 187,830 | 100.00 % | $ 159,181 | $ (15,960,082) |

Note: Pro Rata shares prior to 06/30/1997 based upon a three year average.

## Alameda County Schools Insurance Group
## Workers' Compensation
## Allocation Net Position - Assets/(Deficit) by Member
## As of 06/30/2016

| Members | Sub-Total From Page 7 | Program Years 1996/1997 Pro Rata Share % | 1996/1997 Net (Deficit) | 1997/1998 Pro Rata Share % | 1997/1998 Net (Deficit) | 1998/1999 Pro Rata Share % | 1998/1999 Net (Deficit) | 1999/2000 Pro Rata Share % | 1999/2000 Net (Deficit) | Sub-Total To Page 9 |
|---|---|---|---|---|---|---|---|---|---|---|
| Alameda COE | $ (389,426) | 2.44 % | $ (61,404) | 2.57 % | $ (64,097) | 2.48 % | $ (146,535) | 2.42 % | $ (48,813) | (710,275) |
| Alameda | (1,254,463) | 7.86 | (197,802) | 7.10 | (177,078) | 7.42 | (438,424) | 7.69 | (155,111) | (2,222,878) |
| Albany | (394,214) | 2.47 | (62,159) | 2.55 | (63,599) | 2.51 | (148,308) | 2.47 | (49,821) | (718,101) |
| Castro Valley | (925,685) | 5.80 | (145,961) | 6.78 | (169,097) | 6.18 | (365,156) | 5.61 | (113,156) | (1,719,055) |
| Dublin | (525,086) | 3.29 | (82,795) | 3.60 | (89,786) | 3.34 | (197,350) | 3.15 | (63,537) | (958,554) |
| Eden ROP | (118,105) | 0.74 | (18,623) | 0.83 | (20,701) | 0.75 | (44,315) | 0.69 | (13,918) | (215,662) |
| Emery | (151,621) | 0.95 | (23,907) | 0.95 | (23,694) | 0.93 | (54,951) | 0.90 | (18,153) | (272,326) |
| Fremont | (3,611,766) | 22.63 | (569,500) | 22.92 | (571,639) | 22.59 | (1,334,771) | 22.20 | (447,784) | (6,535,460) |
| Livermore | (1,251,270) | 7.84 | (197,299) | 7.96 | (198,527) | 8.09 | (478,012) | 8.29 | (167,213) | (2,292,321) |
| Mission ROP | (106,933) | 0.67 | (16,861) | 0.61 | (15,214) | 0.64 | (37,816) | 0.68 | (13,716) | (190,540) |
| Mt. House | (7,980) | 0.05 | (1,258) | 0.05 | (1,247) | 0.05 | (2,954) | 0.04 | (807) | (14,246) |
| Newark | (912,917) | 5.72 | (143,948) | 6.79 | (169,347) | 6.20 | (366,338) | 5.56 | (112,148) | (1,704,698) |
| New Haven | (1,771,569) | 11.10 | (279,339) | 12.14 | (302,779) | 11.54 | (681,862) | 10.96 | (221,068) | (3,256,617) |
| Piedmont | (365,487) | 2.29 | (57,629) | 2.38 | (59,359) | 2.33 | (137,672) | 2.28 | (45,989) | (666,136) |
| Pleasanton | (1,471,519) | 9.22 | (232,028) | 8.17 | (203,765) | 8.93 | (527,645) | 9.60 | (193,637) | (2,628,594) |
| San Leandro | (860,248) | 5.39 | (135,643) | 5.66 | (141,164) | 5.44 | (321,432) | 5.22 | (105,290) | (1,563,777) |
| San Lorenzo | (1,749,226) | 10.96 | (275,816) | 8.48 | (211,496) | 10.00 | (590,868) | 11.57 | (233,372) | (3,060,778) |
| Sunol Glen | (30,324) | 0.19 | (4,781) | 0.18 | (4,489) | 0.20 | (11,817) | 0.21 | (4,236) | (55,647) |
| Tri Valley ROP | (62,243) | 0.39 | (9,817) | 0.28 | (6,983) | 0.38 | (22,455) | 0.46 | (9,278) | (110,776) |
| Pleasanton Apprentice | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Totals | $ (15,960,082) | 100.00 % | $ (2,516,570) | 100.00 % | $ (2,494,061) | 100.00 % | $ (5,908,681) | 100.00 % | $ (2,017,047) | $ (28,896,441) |

## Alameda County Schools Insurance Group
## Workers' Compensation
## Allocation Net Position - Assets/(Deficit) by Member
## As of 06/30/2016

| Members | Sub-Total From Page 8 | Program Years 2000/2001 Pro Rata Share % | 2000/2001 Net (Deficit) | 2001/2002 Pro Rata Share % | 2001/2002 Net (Deficit) | 2002/2003 Pro Rata Share % | 2002/2003 Net (Deficit) | 2003/2004 Pro Rata Share % | 2003/2004 Net Assets | Sub-Total To Page 10 |
|---|---|---|---|---|---|---|---|---|---|---|
| Alameda COE | $ (710,275) | 2.36 % | $ (137,391) | 2.06 % | $ (50,858) | 2.20 % | $ (38,819) | 2.39 % | $ 144,183 | (793,160) |
| Alameda | (2,222,878) | 8.49 | (494,257) | 8.10 | (199,975) | 7.61 | (134,279) | 7.60 | 458,491 | (2,592,898) |
| Albany | (718,101) | 2.42 | (140,884) | 2.42 | (59,746) | 2.59 | (45,701) | 2.16 | 130,308 | (834,124) |
| Castro Valley | (1,719,055) | 5.31 | (309,129) | 5.61 | (138,501) | 6.20 | (109,400) | 6.19 | 373,429 | (1,902,656) |
| Dublin | (958,554) | 3.21 | (186,875) | 3.33 | (82,212) | 3.34 | (58,935) | 3.42 | 206,321 | (1,080,255) |
| Eden ROP | (215,662) | 0.73 | (42,498) | 0.58 | (14,319) | 0.42 | (7,411) | 0.42 | 25,338 | (254,552) |
| Emery | (272,326) | 0.99 | (57,634) | 0.76 | (18,763) | 0.80 | (14,116) | 0.65 | 39,213 | (323,626) |
| Fremont | (6,535,460) | 22.78 | (1,326,170) | 23.35 | (576,472) | 23.32 | (411,484) | 24.91 | 1,502,764 | (7,346,822) |
| Livermore | (2,292,321) | 7.40 | (430,802) | 7.64 | (188,619) | 8.25 | (145,572) | 8.13 | 490,464 | (2,566,850) |
| Mission ROP | (190,540) | 0.70 | (40,751) | 0.64 | (15,801) | 0.57 | (10,058) | 0.52 | 31,370 | (225,780) |
| Mt. House | (14,246) | 0.05 | (2,911) | 0.05 | (1,234) | 0.05 | (882) | 0.05 | 3,016 | (16,257) |
| Newark | (1,704,698) | 5.16 | (300,397) | 5.23 | (129,120) | 5.16 | (91,049) | 5.01 | 302,242 | (1,923,022) |
| New Haven | (3,256,617) | 10.53 | (613,019) | 10.74 | (265,152) | 10.49 | (185,097) | 10.37 | 625,598 | (3,694,287) |
| Piedmont | (666,136) | 2.25 | (130,987) | 2.24 | (55,302) | 2.19 | (38,643) | 2.19 | 132,118 | (758,950) |
| Pleasanton | (2,628,594) | 9.60 | (558,878) | 10.37 | (256,018) | 10.78 | (190,214) | 10.11 | 609,913 | (3,023,791) |
| San Leandro | (1,563,777) | 5.36 | (312,040) | 5.72 | (141,217) | 5.83 | (102,871) | 6.16 | 371,619 | (1,748,286) |
| San Lorenzo | (3,060,778) | 12.08 | (703,254) | 10.54 | (260,215) | 9.54 | (168,334) | 9.08 | 547,776 | (3,644,805) |
| Sunol Glen | (55,647) | 0.19 | (11,061) | 0.19 | (4,691) | 0.18 | (3,176) | 0.18 | 10,859 | (63,716) |
| Tri Valley ROP | (110,776) | 0.39 | (22,704) | 0.43 | (10,614) | 0.48 | (8,470) | 0.46 | 27,750 | (124,814) |
| Pleasanton Apprentice | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Totals | $ (28,896,441) | 100.00 % | $ (5,821,642) | 100.00 % | $ (2,468,829) | 100.00 % | $ (1,764,511) | 100.00 % | $ 6,032,772 | $ (32,918,651) |

## Alameda County Schools Insurance Group
## Workers' Compensation
## Allocation Net Position - Assets/(Deficit) by Member
## As of 06/30/2016

| Members | Sub-Total From Page 9 | Program Years 2004/2005 Pro Rata Share % | 2004/2005 Net Assets | 2005/2006 Pro Rata Share % | 2005/2006 Net Assets | 2006/2007 Pro Rata Share % | 2006/2007 Net (Deficit) | 2007/2008 Pro Rata Share % | 2007/2008 Net Assets | Sub-Total To Page 11 |
|---|---|---|---|---|---|---|---|---|---|---|
| Alameda COE | $ (793,160) | 2.51 % | $ 157,186 | 2.74 % | $ 42,496 | 2.26 % | $ (41,062) | 2.62 % | $ 91,430 | (543,110) |
| Alameda | (2,592,898) | 7.02 | 439,621 | 7.74 | 120,042 | 7.48 | (135,904) | 7.16 | 249,861 | (1,919,278) |
| Albany | (834,124) | 2.21 | 138,399 | 2.18 | 33,810 | 2.57 | (46,694) | 2.66 | 92,825 | (615,784) |
| Castro Valley | (1,902,656) | 6.18 | 387,016 | 4.59 | 71,188 | 5.47 | (99,384) | 5.70 | 198,912 | (1,344,924) |
| Dublin | (1,080,255) | 3.46 | 216,679 | 2.79 | 43,271 | 3.45 | (62,683) | 3.78 | 131,910 | (751,078) |
| Eden ROP | (254,552) | 0.36 | 22,545 | 0.38 | 5,894 | 0.37 | (6,723) | 0.38 | 13,261 | (219,575) |
| Emery | (323,626) | 0.66 | 41,332 | 0.77 | 11,942 | 0.86 | (15,625) | 0.84 | 29,313 | (256,664) |
| Fremont | (7,346,822) | 25.85 | 1,618,831 | 27.25 | 422,629 | 26.97 | (490,017) | 27.11 | 946,052 | (4,849,327) |
| Livermore | (2,566,850) | 7.81 | 489,094 | 6.89 | 106,859 | 7.04 | (127,909) | 7.27 | 253,700 | (1,845,106) |
| Mission ROP | (225,780) | 0.55 | 34,443 | 0.63 | 9,771 | 0.70 | (12,718) | 0.65 | 22,683 | (171,601) |
| Mt. House | (16,257) | 0.05 | 3,131 | 0.05 | 775 | 0.04 | (727) | 0.04 | 1,396 | (11,682) |
| Newark | (1,923,022) | 4.78 | 299,343 | 4.97 | 77,081 | 5.22 | (94,842) | 4.93 | 172,041 | (1,469,399) |
| New Haven | (3,694,287) | 11.24 | 703,894 | 11.58 | 179,598 | 10.66 | (193,681) | 10.32 | 360,135 | (2,644,341) |
| Piedmont | (758,950) | 2.15 | 134,642 | 2.13 | 33,035 | 1.95 | (35,429) | 2.04 | 71,189 | (555,513) |
| Pleasanton | (3,023,791) | 9.78 | 612,463 | 8.97 | 139,119 | 8.74 | (158,797) | 9.03 | 315,118 | (2,115,888) |
| San Leandro | (1,748,286) | 5.54 | 346,937 | 5.87 | 91,040 | 5.86 | (106,470) | 5.56 | 194,026 | (1,222,753) |
| San Lorenzo | (3,644,805) | 9.27 | 580,525 | 9.78 | 151,681 | 9.65 | (175,330) | 9.30 | 324,540 | (2,763,389) |
| Sunol Glen | (63,716) | 0.20 | 12,525 | 0.17 | 2,637 | 0.18 | (3,270) | 0.17 | 5,932 | (45,892) |
| Tri Valley ROP | (124,814) | 0.38 | 23,796 | 0.52 | 8,065 | 0.53 | (9,630) | 0.44 | 15,354 | (87,229) |
| Pleasanton Apprentice | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Totals | $ (32,918,651) | 100.00 % | $ 6,262,402 | 100.00 % | $ 1,550,933 | 100.00 % | $ (1,816,895) | 100.00 % | $ 3,489,678 | $ (23,432,533) |

## Alameda County Schools Insurance Group
## Workers' Compensation
## Allocation Net Position - Assets/(Deficit) by Member
## As of 06/30/2016

| Members | Sub-Total From Page 10 | Program Years 2008/2009 Pro Rata Share % | 2008/2009 Net Assets | 2009/2010 Pro Rata Share % | 2009/2010 Net Assets | 2010/2011 Pro Rata Share % | 2010/2011 Net Assets | 2011/2012 Pro Rata Share % | 2011/2012 Net Assets | Sub-Total To Page 12 |
|---|---|---|---|---|---|---|---|---|---|---|
| Alameda COE | $ (543,110) | 2.46 % | $ 87,467 | 2.58 % | $ 17,901 | 2.53 % | $ 66,207 | 2.11 % | $ 94,819 | $ (276,716) |
| Alameda | (1,919,278) | 7.18 | 255,290 | 6.59 | 45,724 | 6.37 | 166,695 | 6.51 | 292,546 | (1,159,023) |
| Albany | (615,784) | 2.65 | 94,222 | 2.71 | 18,803 | 2.71 | 70,917 | 2.19 | 98,414 | (333,428) |
| Castro Valley | (1,344,924) | 5.64 | 200,534 | 5.88 | 40,798 | 6.06 | 158,583 | 5.21 | 234,127 | (710,882) |
| Dublin | (751,078) | 3.76 | 133,689 | 3.97 | 27,545 | 4.46 | 116,713 | 3.51 | 157,732 | (315,399) |
| Eden ROP | (219,575) | 0.38 | 13,511 | 0.37 | 2,567 | 0.37 | 9,682 | 0.36 | 16,178 | (177,637) |
| Emery | (256,664) | 0.82 | 29,156 | 0.88 | 6,106 | 0.86 | 22,505 | 0.72 | 32,355 | (166,542) |
| Fremont | (4,849,327) | 27.20 | 967,114 | 26.87 | 186,435 | 26.96 | 705,511 | 28.96 | 1,301,402 | (1,688,865) |
| Livermore | (1,845,106) | 7.20 | 256,001 | 6.64 | 46,071 | 6.99 | 182,920 | 7.76 | 348,718 | (1,011,396) |
| Mission ROP | (171,601) | 0.64 | 22,756 | 0.72 | 4,996 | 0.63 | 16,486 | 0.45 | 20,222 | (107,141) |
| Mt. House | (11,682) | 0.04 | 1,422 | 0.04 | 278 | 0.03 | 785 | 0.03 | 1,348 | (7,849) |
| Newark | (1,469,399) | 4.95 | 176,000 | 4.99 | 34,623 | 5.49 | 143,667 | 5.29 | 237,722 | (877,387) |
| New Haven | (2,644,341) | 10.26 | 364,801 | 10.31 | 71,535 | 9.41 | 246,248 | 9.83 | 441,740 | (1,520,017) |
| Piedmont | (555,513) | 2.04 | 72,534 | 1.96 | 13,599 | 2.09 | 54,693 | 1.98 | 88,977 | (325,710) |
| Pleasanton | (2,115,888) | 9.15 | 325,334 | 9.36 | 64,943 | 9.38 | 245,463 | 9.69 | 435,448 | (1,044,700) |
| San Leandro | (1,222,753) | 5.58 | 198,401 | 5.99 | 41,561 | 5.73 | 149,947 | 6.44 | 289,400 | (543,444) |
| San Lorenzo | (2,763,389) | 9.41 | 334,579 | 9.49 | 65,845 | 9.34 | 244,417 | 8.42 | 378,377 | (1,740,171) |
| Sunol Glen | (45,892) | 0.18 | 6,400 | 0.17 | 1,180 | 0.16 | 4,187 | 0.14 | 6,291 | (27,834) |
| Tri Valley ROP | (87,229) | 0.46 | 16,354 | 0.48 | 3,330 | 0.43 | 11,254 | 0.40 | 17,975 | (38,316) |
| Pleasanton Apprentice | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Totals | $ (23,432,533) | 100.00 % | $ 3,555,565 | 100.00 % | $ 693,840 | 100.00 % | $ 2,616,880 | 100.00 % | $ 4,493,791 | $ (12,072,457) |

## Alameda County Schools Insurance Group
## Workers' Compensation
## Allocation Net Position - Assets/(Deficit) by Member
## As of 06/30/2016

| Members | Sub-Total From Page 11 | Program Years 2012/2013 Pro Rata Share % | 2012/2013 Net Assets | 2013/2014 Pro Rata Share % | 2013/2014 Net Assets | 2014/2015 Pro Rata Share % | 2014/2015 Net Assets | 2015/2016 Pro Rata Share % | 2015/2016 Net Assets | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| Alameda COE | $ (276,716) | 2.00 % | $ 44,180 | 2.29 % | $ 25,525 | 2.28 % | $ 48,889 | 2.18 % | $ 122,485 | $ (35,637) |
| Alameda | (1,159,023) | 5.85 | 129,226 | 6.71 | 74,791 | 6.80 | 145,809 | 7.26 | 407,909 | (401,288) |
| Albany | (333,428) | 2.41 | 53,237 | 2.76 | 30,764 | 2.78 | 59,610 | 2.65 | 148,893 | (40,924) |
| Castro Valley | (710,882) | 5.31 | 117,298 | 4.72 | 52,610 | 4.77 | 102,281 | 5.21 | 292,728 | (145,965) |
| Dublin | (315,399) | 3.65 | 80,628 | 3.85 | 42,913 | 4.68 | 100,351 | 5.03 | 282,615 | 191,108 |
| Eden ROP | (177,637) | 0.37 | 8,173 | 0.28 | 3,121 | 0.36 | 7,719 | 0.38 | 21,351 | (137,273) |
| Emery | (166,542) | 0.67 | 14,800 | 0.80 | 8,917 | 0.54 | 11,579 | 0.54 | 30,340 | (100,906) |
| Fremont | (1,688,865) | 28.86 | 637,517 | 29.82 | 332,381 | 28.74 | 616,258 | 26.46 | 1,486,678 | 1,383,969 |
| Livermore | (1,011,396) | 9.10 | 201,019 | 9.31 | 103,772 | 9.50 | 203,704 | 9.91 | 556,802 | 53,901 |
| Mission ROP | (107,141) | 0.39 | 8,615 | 0.39 | 4,347 | 0.40 | 8,577 | 0.39 | 21,912 | (63,690) |
| Mt. House | (7,849) | 0.03 | 663 | 0.04 | 446 | 0.03 | 643 | 0.03 | 1,686 | (4,411) |
| Newark | (877,387) | 4.36 | 96,312 | 4.46 | 49,712 | 5.80 | 124,367 | 5.76 | 323,631 | (283,365) |
| New Haven | (1,520,017) | 9.28 | 204,995 | 8.18 | 91,176 | 7.06 | 151,384 | 8.17 | 459,038 | (613,424) |
| Piedmont | (325,710) | 1.91 | 42,192 | 1.90 | 21,178 | 1.95 | 41,813 | 1.86 | 104,506 | (116,021) |
| Pleasanton | (1,044,700) | 9.71 | 214,494 | 9.50 | 105,889 | 8.42 | 180,546 | 8.00 | 449,487 | (94,284) |
| San Leandro | (543,444) | 6.13 | 135,412 | 5.15 | 57,403 | 6.23 | 133,587 | 6.84 | 384,311 | 167,269 |
| San Lorenzo | (1,740,171) | 9.42 | 208,088 | 9.22 | 102,768 | 9.10 | 195,127 | 8.81 | 494,997 | (739,191) |
| Sunol Glen | (27,834) | 0.13 | 2,872 | 0.13 | 1,449 | 0.13 | 2,788 | 0.14 | 7,866 | (12,859) |
| Tri Valley ROP | (38,316) | 0.42 | 9,278 | 0.49 | 5,463 | 0.43 | 9,221 | 0.38 | 21,351 | 6,997 |
| Pleasanton Apprentice | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Totals | $ (12,072,457) | 100.00 % | $ 2,208,999 | 100.00 % | $ 1,114,625 | 100.00 % | $ 2,144,253 | 100.00 % | $ 5,618,586 | $ (985,994) |

# OTHER FINANCIAL INFORMATION

## Alameda County Schools Insurance Group (ACSIG)
## Schedule of Claim Liabilities for Workers' Compensation
## As of 06/30/2016

| | Self-Insured Program Years | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1978/1979 | 1984/1985 | 1985/1986 | 1986/1987 | 1987/1988 | 1988/1989 | 1989/1990 | 1990/1991 | 1991/1992 | 1992/1993 | 1993/1994 | 1994/1995 | Totals to Page 14 |
| Paid Claims | $ 913,503 | $ 1,828,378 | $ 2,852,327 | $ 2,775,451 | $ 2,868,514 | $ 4,014,173 | $ 2,922,031 | $ 5,538,741 | $ 5,159,000 | $ 4,051,136 | $ 3,703,550 | $ 4,750,300 | $ 41,377,104 |
| Reserves | 35,439 | -- | 74,960 | 66,214 | 16,706 | 34,457 | 31,497 | 98,482 | 82,346 | 101,937 | 43,772 | 261,750 | 847,560 |
| Incurred Claims | 948,942 | 1,828,378 | 2,927,287 | 2,841,665 | 2,885,220 | 4,048,630 | 2,953,528 | 5,637,223 | 5,241,346 | 4,153,073 | 3,747,322 | 5,012,050 | 42,224,664 |
| Incurred But Not Reported (IBNR) | (29,050) | -- | 12,713 | 128,335 | 24,780 | 21,370 | 16,472 | 132,777 | 88,654 | 146,927 | 122,678 | 137,950 | 803,606 |
| Non- Discounted Estimated Ultimate Incurred (1) | 919,892 | 1,828,378 | 2,940,000 | 2,970,000 | 2,910,000 | 4,070,000 | 2,970,000 | 5,770,000 | 5,330,000 | 4,300,000 | 3,870,000 | 5,150,000 | 43,028,270 |
| Anticipated Investment Income (Discount) (2) | (307) | -- | (4,208) | (11,089) | (2,780) | (4,131) | (3,790) | (19,194) | (14,364) | (21,651) | (14,814) | (35,973) | (132,301) |
| Discounted Estimated Ultimate (1-2) | 919,585 | 1,828,378 | 2,935,792 | 2,958,911 | 2,907,220 | 4,065,869 | 2,966,210 | 5,750,806 | 5,315,636 | 4,278,349 | 3,855,186 | 5,114,027 | 42,895,969 |
| Paid Claims | (913,503) | (1,828,378) | (2,852,327) | (2,775,451) | (2,868,514) | (4,014,173) | (2,922,031) | (5,538,741) | (5,159,000) | (4,051,136) | (3,703,550) | (4,750,300) | (41,377,104) |
| Remaining Estimated Unpaid Claim Liabilities | $ 6,082 | $ -- | $ 83,465 | $ 183,460 | $ 38,706 | $ 51,696 | $ 44,179 | $ 212,065 | $ 156,636 | $ 227,213 | $ 151,636 | $ 363,727 | $ 1,518,865 |

**(1) Per Bay Actuarial Consultants actuarial study dated January 2016.**

**(2) Discounted at 2%, 06/30/2012, 1.5%, 06/30/2014, and 1.5%, 06/30/2015 & 06/30/2016.**

| Historical Discounted Estimated Ultimate Incurred: | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| As of 06/30/2006 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| As of 06/30/2007 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| As of 06/30/2008 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| As of 06/30/2009 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| As of 06/30/2010 | 793,059 | 1,889,004 | 2,789,731 | 2,944,000 | 2,906,506 | 4,017,275 | 2,912,254 | 5,524,202 | 5,140,647 | 4,323,930 | 3,718,595 | 5,137,560 | 42,096,763 |
| As of 06/30/2011 | 852,621 | 1,886,310 | 2,800,604 | 2,899,286 | 2,949,183 | 4,029,712 | 2,912,357 | 5,687,163 | 5,154,464 | 4,316,645 | 3,706,533 | 5,171,358 | 42,366,236 |
| As of 06/30/2012 | 865,386 | 1,891,056 | 2,829,735 | 2,939,513 | 2,664,915 | 3,978,682 | 2,914,559 | 5,840,572 | 5,219,982 | 4,364,052 | 3,687,860 | 5,166,611 | 42,362,923 |
| As of 06/30/2013 | 954,963 | 1,828,378 | 2,917,252 | 3,003,200 | 2,674,593 | 4,009,091 | 2,922,237 | 5,789,363 | 5,200,522 | 4,331,119 | 3,639,169 | 5,209,906 | 42,479,793 |
| As of 06/30/2014 | 959,089 | 1,828,378 | 2,943,554 | 2,948,967 | 2,906,382 | 4,010,866 | 2,993,154 | 5,793,307 | 5,156,348 | 4,321,092 | 3,728,346 | 5,145,562 | 42,735,045 |
| As of 06/30/2015 | 959,745 | 1,828,378 | 2,944,649 | 2,957,392 | 2,916,153 | 4,077,607 | 2,993,338 | 5,759,425 | 5,259,555 | 4,304,405 | 3,847,149 | 5,130,367 | 42,978,163 |
| As of 06/30/2016 | 919,585 | 1,828,378 | 2,935,792 | 2,958,911 | 2,907,220 | 4,065,869 | 2,966,210 | 5,750,806 | 5,315,636 | 4,278,349 | 3,855,186 | 5,114,027 | 42,895,969 |
| Increase/Decrease | (40,160) | -- | (8,857) | 1,519 | (8,933) | (11,738) | (27,128) | (8,619) | 56,081 | (26,056) | 8,037 | (16,340) | (82,194) |

## Alameda County Schools Insurance Group (ACSIG)
## Schedule of Claim Liabilities for Workers' Compensation
## As of 06/30/2016

| | Totals From Page 13 | Self-Insured Program Years | | | | | | | Totals To Page 15 |
|---|---|---|---|---|---|---|---|---|---|
| | | 1995/1996 | 1996/1997 | 1997/1998 | 1998/1999 | 1999/2000 | 2000/2001 | 2001/2002 | |
| Paid Claims | $ 41,377,104 | $ 5,295,855 | $ 7,049,292 | $ 6,737,859 | $ 8,981,477 | $ 7,259,421 | $ 10,622,667 | $ 11,597,215 | $ 98,920,890 |
| Reserves | 847,560 | 168,093 | 423,134 | 648,928 | 1,617,469 | 1,094,736 | 791,484 | 942,654 | 6,534,058 |
| Incurred Claims | 42,224,664 | 5,463,948 | 7,472,426 | 7,386,787 | 10,598,946 | 8,354,157 | 11,414,151 | 12,539,869 | 105,454,948 |
| Incurred But Not Reported (IBNR) | 803,606 | 176,052 | 147,574 | 383,213 | 661,054 | 455,843 | 475,849 | 590,131 | 3,693,322 |
| Non- Discounted Estimated Ultimate Incurred (1) | 43,028,270 | 5,640,000 | 7,620,000 | 7,770,000 | 11,260,000 | 8,810,000 | 11,890,000 | 13,130,000 | 109,148,270 |
| Anticipated Investment Income (Discount) (2) | (132,301) | (32,694) | (57,642) | (109,407) | (248,359) | (167,463) | (136,872) | (170,139) | (1,054,877) |
| Discounted Estimated Ultimate (1-2) | 42,895,969 | 5,607,306 | 7,562,358 | 7,660,593 | 11,011,641 | 8,642,537 | 11,753,128 | 12,959,861 | 108,093,393 |
| Paid Claims | (41,377,104) | (5,295,855) | (7,049,292) | (6,737,859) | (8,981,477) | (7,259,421) | (10,622,667) | (11,597,215) | (98,920,890) |
| Remaining Estimated Unpaid Claim Liabilities | $ 1,518,865 | $ 311,451 | $ 513,066 | $ 922,734 | $ 2,030,164 | $ 1,383,116 | $ 1,130,461 | $ 1,362,646 | $ 9,172,503 |
| **Historical Discounted Estimated Ultimate Incurred:** | | | | | | | | | |
| As of 06/30/2006 | N/A | N/A | N/A | N/A | N/A | 6,333,000 | 8,381,000 | 7,897,000 | N/A |
| As of 06/30/2007 | N/A | N/A | N/A | N/A | N/A | 6,651,000 | 9,924,000 | 9,258,000 | N/A |
| As of 06/30/2008 | N/A | N/A | N/A | N/A | N/A | 7,464,000 | 11,199,000 | 10,319,000 | N/A |
| As of 06/30/2009 | N/A | N/A | N/A | N/A | N/A | 7,691,266 | 12,739,081 | 11,713,580 | N/A |
| As of 06/30/2010 | 42,096,763 | 5,727,741 | 7,172,192 | 6,843,071 | 10,750,070 | 7,983,737 | 13,184,486 | 12,525,480 | 106,283,540 |
| As of 06/30/2011 | 42,366,236 | 5,721,425 | 7,145,019 | 7,440,306 | 11,250,829 | 8,670,787 | 13,295,238 | 12,326,440 | 108,216,280 |
| As of 06/30/2012 | 42,362,923 | 5,641,456 | 7,470,783 | 7,427,596 | 11,162,085 | 8,724,801 | 11,904,345 | 13,678,790 | 108,372,779 |
| As of 06/30/2013 | 42,479,793 | 5,833,514 | 7,743,609 | 7,798,325 | 11,018,070 | 9,598,230 | 12,098,931 | 13,618,383 | 110,188,855 |
| As of 06/30/2014 | 42,735,045 | 5,738,160 | 7,577,599 | 7,714,653 | 11,132,297 | 8,733,944 | 11,771,811 | 13,128,192 | 108,531,701 |
| As of 06/30/2015 | 42,978,163 | 5,752,631 | 7,584,812 | 7,808,635 | 10,993,497 | 8,806,657 | 11,818,771 | 13,083,683 | 108,826,849 |
| As of 06/30/2016 | 42,895,969 | 5,607,306 | 7,562,358 | 7,660,593 | 11,011,641 | 8,642,537 | 11,753,128 | 12,959,861 | 108,093,393 |
| Increase/Decrease | (82,194) | (145,325) | (22,454) | (148,042) | 18,144 | (164,120) | (65,643) | (123,822) | (733,456) |

**(1) Per Bay Actuarial Consultants actuarial study dated January 2016.**
**(2) Discounted at 2%, 06/30/2012, 1.5%, 06/30/2014, and 1.5%, 06/30/2015 & 06/30/2016.**

# Alameda County Schools Insurance Group (ACSIG)
## Schedule of Claim Liabilities for Workers' Compensation
## As of 06/30/2016

| | Totals From Page 14 | Self-Insured Program Years 2002/2003 | 2003/2004 | 2004/2005 | 2005/2006 | 2006/2007 | 2007/2008 | 2008/2009 | As of 06/30/2016 Totals | Activity: As of 06/30/2015 Totals | Activity: 07/01/2015 - 06/30/2016 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Paid Claims | $ 98,920,890 | $ 9,819,065 | $ 5,812,686 | $ 5,392,171 | $ 8,520,025 | $ 7,909,344 | $ 8,322,517 | $ 8,515,703 | $ 153,212,401 | $ 151,276,470 | $ 1,935,931 |
| Reserves | 6,534,058 | 186,873 | 539,863 | 299,646 | 897,666 | 941,286 | 520,868 | 533,469 | 10,453,729 | 11,505,010 | (1,051,281) |
| Incurred Claims | 105,454,948 | 10,005,938 | 6,352,549 | 5,691,817 | 9,417,691 | 8,850,630 | 8,843,385 | 9,049,172 | 163,666,130 | 162,781,480 | 884,650 |
| Incurred But Not Reported (IBNR) | 3,693,322 | 624,062 | 657,451 | 658,183 | 1,232,309 | 569,370 | 996,615 | 1,290,828 | 9,722,140 | 12,892,368 | (3,170,228) |
| Non- Discounted Estimated Ultimate Incurred (1) | 109,148,270 | 10,630,000 | 7,010,000 | 6,350,000 | 10,650,000 | 9,420,000 | 9,840,000 | 10,340,000 | 173,388,270 | 175,673,848 | (2,285,578) |
| Anticipated Investment Income (Discount) (2) | (1,054,877) | (98,123) | (149,664) | (126,433) | (283,287) | (203,939) | (200,308) | (238,983) | (2,355,614) | (3,037,860) | 682,246 |
| Discounted Estimated Ultimate (1-2) | 108,093,393 | 10,531,877 | 6,860,336 | 6,223,567 | 10,366,713 | 9,216,061 | 9,639,692 | 10,101,017 | 171,032,656 | 172,635,988 | (1,603,332) |
| Paid Claims | (98,920,890) | (9,819,065) | (5,812,686) | (5,392,171) | (8,520,025) | (7,909,344) | (8,322,517) | (8,515,703) | (153,212,401) | (151,276,470) | (1,935,931) |
| Remaining Estimated Unpaid Claim Liabilities | $ 9,172,503 | $ 712,812 | $ 1,047,650 | $ 831,396 | $ 1,846,688 | $ 1,306,717 | $ 1,317,175 | $ 1,585,314 | $ 17,820,255 | $ 21,359,518 | $ (3,539,263) |
| | | | | | | | | Estimated Current Portion /Short-Term Liability (1) | (1,680,000) | | |
| | | | | | | | | Estimated Non-Current portion of Claim Liabilities | $ 16,140,255 | | |

**(1) Per Bay Actuarial Consultants actuarial study dated January 2016.**

**(2) Discounted at 2%, 06/30/2012, 1.5%, 06/30/2014, and 1.5%, 06/30/2015 & 06/30/2016.**

| Historical Discounted Estimated Ultimate Incurred: | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| As of 06/30/2006 | N/A | 6,787,000 | 4,378,000 | 2,665,000 | 1,943,000 | -- | -- | -- | N/A |
| As of 06/30/2007 | N/A | 7,677,000 | 5,299,000 | 3,502,000 | 3,727,000 | 3,498,000 | -- | -- | N/A |
| As of 06/30/2008 | N/A | 8,867,000 | 5,704,000 | 4,776,000 | 6,673,000 | 6,867,000 | 6,117,000 | -- | N/A |
| As of 06/30/2009 | N/A | 9,952,286 | 6,342,724 | 5,888,070 | 8,380,255 | 9,209,624 | 10,474,925 | 8,012,622 | N/A |
| As of 06/30/2010 | 106,283,540 | 9,857,770 | 7,326,142 | 6,233,943 | 8,159,431 | 9,705,395 | 11,525,318 | 10,768,305 | 169,859,844 |
| As of 06/30/2011 | 108,216,280 | 9,806,352 | 7,347,756 | 6,873,035 | 9,276,212 | 9,956,828 | 10,929,748 | 10,770,204 | 173,176,415 |
| As of 06/30/2012 | 108,372,779 | 11,103,705 | 7,180,516 | 6,779,730 | 9,113,232 | 10,061,847 | 10,833,352 | 11,378,258 | 174,823,419 |
| As of 06/30/2013 | 110,188,855 | 10,710,077 | 7,136,860 | 6,043,782 | 8,435,497 | 9,522,890 | 10,141,142 | 10,501,500 | 172,680,603 |
| As of 06/30/2014 | 108,531,701 | 10,454,102 | 6,798,117 | 6,067,506 | 10,203,448 | 9,772,238 | 10,362,281 | 10,585,137 | 172,774,530 |
| As of 06/30/2015 | 108,826,849 | 10,457,705 | 6,920,842 | 6,214,866 | 10,347,509 | 9,539,023 | 9,859,233 | 10,469,961 | 172,635,988 |
| As of 06/30/2016 | 108,093,393 | 10,531,877 | 6,860,336 | 6,223,567 | 10,366,713 | 9,216,061 | 9,639,692 | 10,101,017 | 171,032,656 |
| Increase/Decrease | (733,456) | 74,172 | (60,506) | 8,701 | 19,204 | (322,962) | (219,541) | (368,944) | (1,603,332) |

| Claim Development Expense | |
|---|---|
| Claim Liabilities and ULAE Decrease | $ (3,539,263) |
| | 11,000 |
| | $ (3,528,263) |

## Alameda County Schools Insurance Group
## Workers' Compensation
## Investment Income Allocation By Program Year
## For The Fiscal Year Ended 06/30/2016

| | Program Years | | | | | | | | | | Totals Forward to Page 17 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Prior to 7/1/1992 | 1992/1993 | 1993/1994 | 1994/1995 | 1995/1996 | 1996/1997 | 1997/1998 | 1998/1999 | 1999/2000 | 2000/2001 | |
| Beginning Cash Balance | $ 17,085,506 | | | | | | | | | | $ 17,085,506 |
| Operating Revenues: | | | | | | | | | | | |
| Contributions | N/A | 4,551,288 | 4,798,760 | 5,124,660 | 5,472,693 | 5,030,753 | 5,176,921 | 5,643,688 | 6,629,228 | 6,629,228 | 49,057,219 |
| Other | N/A | 22,275 | 24,239 | 31,298 | 40,413 | 260,258 | 285,341 | 237,002 | 308,147 | 308,147 | 1,517,120 |
| Subtotal | -- | 4,573,563 | 4,822,999 | 5,155,958 | 5,513,106 | 5,291,011 | 5,462,262 | 5,880,690 | 6,937,375 | 6,937,375 | 50,574,339 |
| Operating Expenses: | | | | | | | | | | | |
| Salaries and Benefits | N/A | (226,598) | (246,291) | (227,420) | (234,243) | (233,373) | (255,153) | (246,251) | (279,403) | (279,403) | (2,228,135) |
| Supplies | N/A | (3,793) | (9,686) | (9,359) | (9,733) | (9,088) | (9,674) | (6,574) | (6,929) | (6,929) | (71,765) |
| Depreciation &* Cap Outlay | N/A | (5,343) | (5,599) | (6,388) | (7,288) | (3,239) | (3,773) | (9,608) | (13,975) | (13,975) | (69,188) |
| Services and Other | N/A | (287,597) | (435,419) | (401,397) | (413,439) | (356,711) | (369,039) | (305,576) | (427,305) | (427,305) | (3,423,788) |
| Insurance | N/A | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Subtotal | -- | (523,331) | (696,995) | (644,564) | (664,703) | (602,411) | (637,639) | (568,009) | (727,612) | (727,612) | (5,792,876) |
| Net Contributions Available for Pool Operations | -- | 4,050,232 | 4,126,004 | 4,511,394 | 4,848,403 | 4,688,600 | 4,824,623 | 5,312,681 | 6,209,763 | 6,209,763 | 44,781,463 |
| Investment Income/(Expense) Allocated From Prior Periods | (5,601,333) | 796,359 | 1,031,908 | 788,590 | 909,304 | 376,550 | 393,986 | (57,212) | 495,592 | (204,433) | (1,070,689) |
| Subtotal | 11,484,173 | 4,846,591 | 5,157,912 | 5,299,984 | 5,757,707 | 5,065,150 | 5,218,609 | 5,255,469 | 6,705,355 | 6,005,330 | 60,796,280 |
| Accounts Receivable | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Accounts Payable | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Trust Timing Difference | 169,316 | 23,757 | 21,719 | 27,857 | 31,057 | 41,339 | 39,513 | 52,670 | 42,572 | 62,295 | 512,095 |
| Cumulative Claims Paid | (28,872,118) | (4,051,136) | (3,703,550) | (4,750,300) | (5,295,855) | (7,049,292) | (6,737,859) | (8,981,477) | (7,259,421) | (10,622,667) | (87,323,675) |
| Cash Balance Prior to Current Year Investment Income Allocation | $ (17,218,629) | $ 819,212 | $ 1,476,081 | $ 577,541 | $ 492,909 | $ (1,942,803) | $ (1,479,737) | $ (3,673,338) | $ (511,494) | $ (4,555,042) | $ (26,015,300) |
| Percentage Based on Cash Balance | -95.88% | 4.56% | 8.22% | 3.22% | 2.74% | -10.82% | -8.23% | -20.45% | -2.85% | -25.37% | -144.86% |
| Investment Income Earned, net change in FMV on Investments | $ (150,096) | $ 7,138 | $ 12,868 | $ 5,041 | $ 4,289 | $ (16,938) | $ (12,884) | $ (32,014) | $ (4,462) | $ (39,715) | $ (226,773) |
| Cash Balance, Including Current Year Investment Income Allocation | $ (17,368,725) | $ 826,350 | $ 1,488,949 | $ 582,582 | $ 497,198 | $ (1,959,741) | $ (1,492,621) | $ (3,705,352) | $ (515,956) | $ (4,594,757) | $ (26,242,073) |
| Cumulative Investment Income/ (Expense) Allocated | $ (5,751,429) | $ 803,497 | $ 1,044,776 | $ 793,631 | $ 913,593 | $ 359,612 | $ 381,102 | $ (89,226) | $ 491,130 | $ (244,148) | $ (1,297,462) |

# Alameda County Schools Insurance Group
## Workers' Compensation
## Investment Income Allocation By Program Year
## For The Fiscal Year Ended 06/30/2016

| | Totals Forward Page 16 | Program Years | | | | | | | | Totals Forward to Page 18 |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 2001/2002 | 2002/2003 | 2003/2004 | 2004/2005 | 2005/2006 | 2006/2007 | 2007/2008 | 2008/2009 | |
| Beginning Cash Balance | $ 17,085,506 | | | | | | | | | $ 17,085,506 |
| Operating Revenues: | | | | | | | | | | |
| Contributions | 49,057,219 | 10,572,276 | 8,953,336 | 12,649,046 | 12,281,869 | 11,716,171 | 10,781,648 | 16,270,929 | 16,223,575 | 148,506,069 |
| Other | 1,517,120 | -- | 452,491 | 478,978 | 493,347 | 469,436 | 351,917 | 115,583 | 201,412 | 4,080,284 |
| Subtotal | 50,574,339 | 10,572,276 | 9,405,827 | 13,128,024 | 12,775,216 | 12,185,607 | 11,133,565 | 16,386,512 | 16,424,987 | 152,586,353 |
| Operating Expenses: | | | | | | | | | | |
| Salaries and Benefits | (2,228,135) | (287,785) | (409,512) | (331,821) | (341,776) | (482,981) | (478,846) | -- | -- | (4,560,856) |
| Supplies | (71,765) | (7,137) | (10,135) | (14,068) | (14,490) | (9,360) | (44,028) | (1,282) | (4,729) | (176,994) |
| Depreciation &* Cap Outlay | (69,188) | (14,394) | (13,423) | (12,292) | (12,661) | (7,089) | (6,003) | (7,882) | (7,916) | (150,848) |
| Services and Other | (3,423,788) | (440,124) | (774,043) | (912,896) | (940,283) | (482,716) | (625,064) | (776,530) | (1,084,843) | (9,460,287) |
| Insurance | -- | -- | -- | (623,937) | (642,655) | (491,417) | (2,970,761) | (3,310,804) | (2,187,413) | (10,226,987) |
| Subtotal | (3,492,976) | (749,440) | (1,207,113) | (1,895,014) | (1,951,865) | (1,473,563) | (4,124,702) | (4,096,498) | (3,284,901) | (24,575,972) |
| Net Contributions Available for Pool Operations | 41,288,487 | 9,822,836 | 8,198,714 | 11,233,010 | 10,823,351 | 10,712,044 | 7,008,863 | 12,290,014 | 13,140,086 | 128,010,381 |
| Investment Income/(Expense) Allocated From Prior Periods | (1,070,689) | 724,962 | 580,433 | 1,653,410 | 1,639,998 | 1,282,423 | 458,838 | 860,382 | 556,173 | 6,685,930 |
| Subtotal | 57,303,304 | 10,547,798 | 8,779,147 | 12,886,420 | 12,463,349 | 11,994,467 | 7,467,701 | 13,150,396 | 13,696,259 | 151,781,817 |
| Accounts Receivable | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Accounts Payable | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Trust Timing Difference | 512,095 | 68,010 | 57,582 | 34,088 | 31,622 | 49,964 | 46,383 | 48,806 | 49,939 | 898,489 |
| Cumulative Claims Paid | (87,323,675) | (11,597,215) | (9,819,065) | (5,812,686) | (5,392,171) | (8,520,025) | (7,909,344) | (8,322,517) | (8,515,703) | (153,212,401) |
| Cash Balance Prior to Current Year Investment Income Allocation | $ (26,015,300) | $ (981,407) | $ (982,336) | $ 7,107,822 | $ 7,102,800 | $ 3,524,406 | $ (395,260) | $ 4,876,685 | $ 5,230,495 | $ (532,095) |
| Percentage Based on Cash Balance | -144.86% | -5.46% | -5.47% | 39.58% | 39.55% | 19.63% | -2.21% | 27.16% | 29.13% | -2.95% |
| Investment Income Earned, net change in FMV on Investments | $ (226,773) | $ (8,547) | $ (8,563) | $ 61,961 | $ 61,913 | $ 30,730 | $ (3,460) | $ 42,518 | $ 45,603 | $ (4,618) |
| Cash Balance, Including Current Year Investment Income Allocation | $ (26,242,073) | $ (989,954) | $ (990,899) | $ 7,169,783 | $ 7,164,713 | $ 3,555,136 | $ (398,720) | $ 4,919,203 | $ 5,276,098 | $ (536,713) |
| Cumulative Investment Income/ (Expense) Allocated | $ (1,297,462) | $ 716,415 | $ 571,870 | $ 1,715,371 | $ 1,701,911 | $ 1,313,153 | $ 455,378 | $ 902,900 | $ 601,776 | $ 6,681,312 |

## Alameda County Schools Insurance Group
## Workers' Compensation
## Investment Income Allocation By Program Year
## For The Fiscal Year Ended 06/30/2016

| | Totals Forward Page 17 | Program Years | | | | | | | | | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2009/2010 | 2010/2011 | 2011/2012 | 2012/2013 | 2013/2014 | 2014/2015 | 2015/2016 | | | |
| Beginning Cash Balance | $ 17,085,506 | | | | | | | | | | $ 17,085,506 |
| Operating Revenues: | | | | | | | | | | | |
| Contributions | 148,506,069 | 17,732,079 | 18,355,131 | 19,814,161 | 19,135,522 | 19,607,187 | 20,019,868 | 24,592,229 | -- | -- | 287,762,246 |
| Other | 4,080,284 | 13,094 | -- | -- | -- | -- | 2,450,000 | 5,798 | -- | -- | 6,549,176 |
| Subtotal | 152,586,353 | 17,745,173 | 18,355,131 | 19,814,161 | 19,135,522 | 19,607,187 | 22,469,868 | 24,598,027 | -- | -- | 294,311,422 |
| Operating Expenses: | | | | | | | | | | | |
| Salaries and Benefits | (4,560,856) | -- | -- | -- | -- | -- | -- | -- | -- | -- | (4,560,856) |
| Supplies | (176,994) | (6,037) | (1,246) | (1,682) | (1,933) | -- | -- | -- | -- | -- | (187,892) |
| Depreciation &* Cap Outlay | (150,848) | (10,925) | -- | -- | -- | -- | -- | -- | -- | -- | (161,773) |
| Services and Other | (9,460,287) | (772,920) | (602,382) | (537,827) | (486,726) | (453,830) | (427,285) | (704,051) | -- | -- | (13,445,308) |
| Insurance | (10,226,987) | (16,302,424) | (15,273,424) | (14,963,471) | (16,512,219) | (18,073,558) | ###### | (18,321,853) | -- | -- | (129,649,025) |
| Subtotal | (19,838,122) | (17,092,306) | (15,877,052) | (15,502,980) | (17,000,878) | (18,527,388) | ###### | (19,025,904) | -- | -- | (148,004,854) |
| Net Contributions Available for Pool Operations | 108,172,259 | 652,867 | 2,478,079 | 4,311,181 | 2,134,644 | 1,079,799 | 2,067,494 | 5,572,123 | -- | -- | 146,306,568 |
| Investment Income/(Expense) Allocated From Prior Periods | 6,685,930 | 34,977 | 116,180 | 143,771 | 55,272 | 25,201 | 58,222 | -- | -- | -- | 7,119,553 |
| Subtotal | 131,943,695 | 687,844 | 2,594,259 | 4,454,952 | 2,189,916 | 1,105,000 | 2,125,716 | 5,572,123 | -- | -- | 170,511,627 |
| Accounts Receivable | -- | -- | -- | -- | -- | -- | -- | (240,872) | -- | -- | (240,872) |
| Accounts Payable | -- | -- | -- | -- | -- | -- | -- | 1,778 | -- | -- | 1,778 |
| Trust Timing Difference | 898,489 | -- | -- | -- | -- | -- | -- | -- | -- | -- | 898,489 |
| Cumulative Claims Paid | (153,212,401) | -- | -- | -- | -- | -- | -- | -- | -- | -- | (153,212,401) |
| Cash Balance Prior to Current Year Investment Income Allocation | $ (532,095) | $ 687,844 | $ 2,594,259 | $ 4,454,952 | $ 2,189,916 | $ 1,105,000 | $ 2,125,716 | $ 5,333,029 | $ -- | $ -- | $ 17,958,621 |
| Percentage Based on Cash Balance | -2.95% | 3.83% | 14.45% | 24.81% | 12.19% | 6.15% | 11.84% | 29.68% | 0.00% | 0.00% | 100.00% |
| Investment Income Earned, net change in FMV on Investments | $ (4,618) | $ 5,996 | $ 22,621 | $ 38,839 | $ 19,083 | $ 9,625 | $ 18,537 | $ 46,463 | $ -- | $ -- | $ 156,546 |
| Cash Balance, Including Current Year Investment Income Allocation | $ (536,713) | $ 693,840 | $ 2,616,880 | $ 4,493,791 | $ 2,208,999 | $ 1,114,625 | $ 2,144,253 | $ 5,379,492 | $ -- | $ -- | $ 18,115,167 |
| Net Assets/(Deficit): | | | | | | | | | | AP and AR | 239,094 |
| | | | | | | | | | | Claim Liabilities Current | (1,680,000) |
| | | | | | | | | | | Claim Liabilities Net of Current | (16,140,255) |
| | | | | | | | | | | ULAE | (1,520,000) |
| | | | | | | | | | | Net Assets/(Deficit) | $ (985,994) |
| Cumulative Investment Income/ (Expense) Allocated | $ 6,681,312 | $ 40,973 | $ 138,801 | $ 182,610 | $ 74,355 | $ 34,826 | $ 76,759 | $ 46,463 | $ -- | $ -- | $ 7,276,099 |

## Alameda County Schools Insurance Group
## Workers' Compensation
## Member Contributions and Calculation of Pro Rata Share Percentage
## For The Program Year Ended 06/30/2013

| Members | 2010/2011 Actual Payroll | Base Rate | Ex Mod | Deposit Rate Per $100/ Payroll | Net Member Contribution | Pro Rata Share % |
|---|---|---|---|---|---|---|
| Alameda COE | $ 20,410,907 | 2.50 | 0.7500 | $ 1.88 | $ 382,705 | 2.00 % |
| Alameda USD | 53,208,324 | 2.50 | 0.8420 | 2.11 | 1,120,035 | 5.85 |
| Albany USD | 23,085,017 | 2.50 | 0.7990 | 2.00 | 461,123 | 2.41 |
| Castro Valley USD | 48,257,607 | 2.50 | 0.8420 | 2.11 | 1,015,823 | 5.31 |
| Dublin USD | 37,240,418 | 2.50 | 0.7500 | 1.88 | 698,258 | 3.65 |
| Eden ROP | 2,952,178 | 2.50 | 0.9580 | 2.40 | 70,705 | 0.37 |
| Emery USD | 6,429,799 | 2.50 | 0.8000 | 2.00 | 128,596 | 0.67 |
| Fremont USD | 176,750,907 | 2.50 | 1.2500 | 3.13 | 5,523,466 | 28.86 |
| Livermore USD | 66,980,363 | 2.50 | 1.0397 | 2.60 | 1,740,987 | 9.10 |
| Mission ROP | 3,937,377 | 2.50 | 0.7500 | 1.88 | 73,826 | 0.39 |
| Mt. House SD | 239,328 | 2.50 | 1.0589 | 2.65 | 6,336 | 0.03 |
| Newark USD | 37,351,520 | 2.50 | 0.8940 | 2.24 | 834,806 | 4.36 |
| New Haven USD | 78,472,092 | 2.50 | 0.9050 | 2.26 | 1,775,431 | 9.28 |
| Piedmont USD | 19,503,557 | 2.50 | 0.7500 | 1.88 | 365,692 | 1.91 |
| Pleasanton USD | 83,432,473 | 2.50 | 0.8910 | 2.23 | 1,858,458 | 9.71 |
| San Leandro USD | 49,289,940 | 2.50 | 0.9520 | 2.38 | 1,173,101 | 6.13 |
| San Lorenzo USD | 57,819,772 | 2.50 | 1.2466 | 3.12 | 1,801,953 | 9.42 |
| Sunol Glen SD | 1,342,191 | 2.50 | 0.7500 | 1.88 | 25,166 | 0.13 |
| Tri Valley ROP | 3,115,413 | 2.50 | 1.0150 | 2.54 | 79,054 | 0.42 |
| Pleasanton Apprentice (1) | -- | -- | -- | -- | -- | -- |
| Totals | $ 769,819,183 | | | | $ 19,135,521 | 100.00 % |

(1) Included in Pleasanton totals.

## Alameda County Schools Insurance Group
## Workers' Compensation
## Member Contributions and Calculation of Pro Rata Share Percentage
## For The Program Year Ended 06/30/2014

| Members | 2011/2012 Actual Payroll | Base Rate | Ex Mod | Deposit Rate Per $100/ Payroll | Net Member Contribution | Pro Rata Share % |
|---|---|---|---|---|---|---|
| Alameda COE | $ 22,115,432 | 2.50 | 0.8120 | $ 2.03 | $ 448,943 | 2.29 % |
| Alameda USD | 55,549,690 | 2.50 | 0.9480 | 2.37 | 1,316,528 | 6.71 |
| Albany USD | 22,939,900 | 2.50 | 0.9420 | 2.36 | 540,235 | 2.76 |
| Castro Valley USD | 49,312,835 | 2.50 | 0.7500 | 1.88 | 924,616 | 4.72 |
| Dublin USD | 40,259,631 | 2.50 | 0.7500 | 1.88 | 754,868 | 3.85 |
| Eden ROP | 2,935,813 | 2.50 | 0.7500 | 1.88 | 55,046 | 0.28 |
| Emery USD | 6,304,350 | 2.50 | 0.9970 | 2.49 | 157,136 | 0.80 |
| Fremont USD | 187,113,755 | 2.50 | 1.2500 | 3.13 | 5,847,305 | 29.82 |
| Livermore USD | 67,249,407 | 2.50 | 1.0860 | 2.72 | 1,825,821 | 9.31 |
| Mission ROP | 3,796,014 | 2.50 | 0.8100 | 2.03 | 76,869 | 0.39 |
| Mt. House SD | 236,082 | 2.50 | 1.2501 | 3.13 | 7,378 | 0.04 |
| Newark USD | 35,424,310 | 2.50 | 0.9870 | 2.47 | 874,095 | 4.46 |
| New Haven USD | 73,691,075 | 2.50 | 0.8710 | 2.18 | 1,604,623 | 8.18 |
| Piedmont USD | 19,848,561 | 2.50 | 0.7500 | 1.88 | 372,161 | 1.90 |
| Pleasanton USD | 85,900,444 | 2.50 | 0.8670 | 2.17 | 1,861,892 | 9.50 |
| San Leandro USD | 50,465,150 | 2.50 | 0.8000 | 2.00 | 1,009,303 | 5.15 |
| San Lorenzo USD | 59,772,230 | 2.50 | 1.2100 | 3.03 | 1,808,110 | 9.22 |
| Sunol Glen SD | 1,360,758 | 2.50 | 0.7500 | 1.88 | 25,514 | 0.13 |
| Tri Valley ROP | 3,095,815 | 2.50 | 1.2500 | 3.13 | 96,744 | 0.49 |
| Pleasanton Apprentice (1) | -- | -- | -- | -- | -- | -- |
| Totals | $ 787,371,252 | | | | $ 19,607,187 | 100.00 % |

(1) Included in Pleasanton totals.

## Alameda County Schools Insurance Group
## Workers' Compensation
## Member Contributions and Calculation of Pro Rata Share Percentage
## For The Program Year Ended 06/30/2015

| Members | 2012/2013 Actual Payroll | Base Rate | Ex Mod | Deposit Rate Per $100/ Payroll | Net Member Contribution | Pro Rata Share % |
|---|---|---|---|---|---|---|
| Alameda COE | $ 24,296,949 | 2.50 | 0.7500 | $ 1.88 | $ 455,568 | 2.28 % |
| Alameda USD | 58,630,906 | 2.50 | 0.9290 | 2.32 | 1,361,703 | 6.80 |
| Albany USD | 23,391,712 | 2.50 | 0.9510 | 2.38 | 556,138 | 2.78 |
| Castro Valley USD | 50,900,948 | 2.50 | 0.7500 | 1.88 | 954,393 | 4.77 |
| Dublin USD | 43,645,636 | 2.50 | 0.8580 | 2.15 | 936,199 | 4.68 |
| Eden ROP | 2,950,784 | 2.50 | 0.9730 | 2.43 | 71,778 | 0.36 |
| Emery USD | 5,769,336 | 2.50 | 0.7500 | 1.88 | 108,175 | 0.54 |
| Fremont USD | 190,702,524 | 2.50 | 1.2070 | 3.02 | 5,754,449 | 28.74 |
| Livermore USD | 68,986,381 | 2.50 | 1.1030 | 2.76 | 1,902,299 | 9.50 |
| Mission ROP | 3,623,289 | 2.50 | 0.8780 | 2.20 | 79,531 | 0.40 |
| Mt. House SD | 220,969 | 2.50 | 1.2499 | 3.13 | 6,905 | 0.03 |
| Newark USD | 37,133,179 | 2.50 | 1.2500 | 3.13 | 1,160,412 | 5.80 |
| New Haven USD | 69,409,990 | 2.50 | 0.8150 | 2.04 | 1,414,229 | 7.06 |
| Piedmont USD | 20,361,901 | 2.50 | 0.7680 | 1.92 | 390,948 | 1.95 |
| Pleasanton USD | 85,215,119 | 2.50 | 0.7910 | 1.98 | 1,685,129 | 8.42 |
| San Leandro USD | 50,894,534 | 2.50 | 0.9800 | 2.45 | 1,246,916 | 6.23 |
| San Lorenzo USD | 59,704,106 | 2.50 | 1.2210 | 3.05 | 1,822,468 | 9.10 |
| Sunol Glen SD | 1,439,393 | 2.50 | 0.7500 | 1.88 | 26,989 | 0.13 |
| Tri Valley ROP | 2,740,485 | 2.50 | 1.2500 | 3.13 | 85,640 | 0.43 |
| Pleasanton Apprentice (1) | -- | -- | -- | -- | -- | -- |
| Totals | $ 800,018,141 | | | | $ 20,019,869 | 100.00 % |

(1) Included in Pleasanton totals.

## Alameda County Schools Insurance Group
## Workers' Compensation
## Member Contributions and Calculation of Pro Rata Share Percentage
## For The Program Year Ended 06/30/2016

| Members | 2013/2014 Actual Payroll | Base Rate | Ex Mod | Deposit Rate Per $100/ Payroll | Net Member Contribution | Pro Rata Share % |
|---|---|---|---|---|---|---|
| Alameda COE | $ 24,636,551 | 2.90 | 0.7500 | $ 2.18 | $ 535,845 | 2.18 % |
| Alameda USD | 61,967,305 | 2.90 | 0.9930 | 2.88 | 1,784,472 | 7.26 |
| Albany USD | 24,982,608 | 2.90 | 0.9010 | 2.61 | 652,771 | 2.65 |
| Castro Valley USD | 53,460,195 | 2.90 | 0.8260 | 2.40 | 1,280,586 | 5.21 |
| Dublin USD | 49,742,372 | 2.90 | 0.8580 | 2.49 | 1,237,690 | 5.03 |
| Eden ROP | 3,146,268 | 2.90 | 1.0180 | 2.95 | 92,884 | 0.38 |
| Emery USD | 6,144,058 | 2.90 | 0.7500 | 2.18 | 133,633 | 0.54 |
| Fremont USD | 197,019,408 | 2.90 | 1.1390 | 3.30 | 6,507,748 | 26.46 |
| Livermore USD | 71,551,054 | 2.90 | 1.1740 | 3.41 | 2,436,027 | 9.91 |
| Mission ROP | 4,077,930 | 2.90 | 0.8150 | 2.36 | 96,382 | 0.39 |
| Mt. House SD | 207,725 | 2.90 | 1.2390 | 3.59 | 7,464 | 0.03 |
| Newark USD | 39,066,489 | 2.90 | 1.2500 | 3.63 | 1,416,160 | 5.76 |
| New Haven USD | 76,911,670 | 2.90 | 0.9010 | 2.61 | 2,009,625 | 8.17 |
| Piedmont USD | 21,060,384 | 2.90 | 0.7500 | 2.18 | 458,063 | 1.86 |
| Pleasanton USD | 90,406,310 | 2.90 | 0.7500 | 2.18 | 1,966,337 | 8.00 |
| San Leandro USD | 54,476,887 | 2.90 | 1.0650 | 3.09 | 1,682,519 | 6.84 |
| San Lorenzo USD | 65,949,277 | 2.90 | 1.1330 | 3.29 | 2,166,895 | 8.81 |
| Sunol Glen SD | 1,562,931 | 2.90 | 0.7630 | 2.21 | 34,583 | 0.14 |
| Tri Valley ROP | 2,552,972 | 2.90 | 1.2500 | 3.63 | 92,545 | 0.38 |
| Pleasanton Apprentice (1) | -- | -- | -- | -- | -- | -- |
| Totals | $ 848,922,394 | | | | $ 24,592,229 | 100.00 % |

(1) Included in Pleasanton totals.

Alameda County Schools Insurance Group
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# EXECUTIVE SUMMARY

TO: ACSIG Executive Committee

FROM: Kimberly Dennis

DATE: February 16, 2017

SUBJECT: Actuarial Report for Dental & Vision

Enclosed please find the actuarial report completed by Healthcare Actuaries for the ACSIG Dental and Vision Program. These ACSIG programs must have an actuarial report at a minimum of every 2 years to meet CAJPA accreditation standards.

Healthcare Actuaries has completed these reports for ACSIG for the past two reporting cycles. The information shows that due to the growth in the Dental and Vision programs, more reserve is required.

The specifics of the report will be reviewed by the Executive Director at the meeting.

# ALAMEDA COUNTY SCHOOLS INSURANCE GROUP

**December 31, 2016**
**Estimated Incurred Claim Liability**

***Fixed-Rate Dental and Self-Funded Vision Plans***

**January 31, 2017**

Healthcare Actuaries

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## Table of Contents

Executive Summary ..... 1
Summary ..... 1
Purpose of Report ..... 1
Basis of Estimates ..... 1
Description, Results, and Analysis ..... 2
Description ..... 2
Results ..... 2
Analysis ..... 3
Dental Claims ..... 3
Vision Claims ..... 3
Actuarial Certification ..... 4
Exhibit A ..... 5
Exhibit B ..... 6
Exhibit C ..... 7
Appendix ..... 8
Dental Lag Data ..... 9
Vision Lag Data ..... 10



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# Executive Summary

## Summary

A summary of the incurred claim liability estimates as of December 31, 2016 follows. We show the prior and current results, for March 31, 2015 and December 31, 2016.

The estimates below include margin for claims fluctuation and administrative costs.

*Incurred Claim Liability Estimates, Prior and Current Estimates*

| Coverage | Mar. 31, 2015 | Dec. 31, 2016 | Change | % Change |
|---|---|---|---|---|
| **Dental** | $1,709,000 | **$1,899,000** | $190,000 | 11.1% |
| **Vision** | $142,000 | **$300,000** | $158,000 | 111.3% |
| **Total** | **$1,851,000** | **$2,199,000** | **$348,000** | **18.8%** |

We also show revised year-end estimates for 2014 and 2015, followed by the current estimate for December 31, 2016. The 2016 estimate includes a 5% margin, but the 2014 and 2015 estimates do not. The amounts include claims paid through December 31, 2016.

*Incurred Claims Liability Estimates, Revised Year-End Estimates*

| Coverage | Dec. 31, 2014 | Dec. 31, 2015 | Dec. 31, 2016 |
|---|---|---|---|
| **Dental** | $1,275,000 | $1,475,000 | **$1,899,000** |
| **Vision** | $140,000 | $223,000 | **$300,000** |
| **Total** | **$1,415,000** | **$1,698,000** | **$2,199,000** |

## Purpose of Report

The report presents the estimated liability for claims incurred but not reported ("IBNR") as of December 31, 2016 for ACSIG's fixed-rate dental and self-funded vision plans.

## Basis of Estimates

In preparing this report, we relied on enrollment, plan design, and claims data provided either directly or indirectly by ACSIG and its third-party carriers, Delta Dental and VSP. We reviewed the information for consistency and reasonableness, but we did not audit it.

This report includes estimates based on our understanding of ACSIG's current fixed-rate dental and self-funded vision plans.

Overall, our goal is to provide accurate estimates based on a thorough actuarial analysis. Our analyses depend on the availability of complete and accurate information about the plans.

# Description, Results, and Analysis

## Description

This section of the report provides an overview of the analyses completed based on historical information, the actuarial methods and assumptions used, and the estimates of incurred but unpaid claim liabilities for dental and vision coverage.

The liability represents claims incurred under the plans, but unpaid as of a specific date due to the lag between the date when a participant incurs charges (the "date of service") and the date when the plan pays the claim. This liability must include estimates since the plan will not know the final liability until the plan pays all claims for all dates of service to-date in full, which can, in some cases, take years.

We derived estimated liabilities solely to meet employer financial accounting requirements that are consistent with generally accepted accounting principles (GAAP). Determination of such liabilities for other purposes may produce results different from the results in this report. In particular, these estimates are insufficient for use in connection with the funding of a 501(c)(9) trust or VEBA, since the Internal Revenue Code requires additional calculations for use in such funding.

## Results

**Exhibit A** is a summary of the results of the incurred claim liability analysis. The summary shows the prior and current estimates, as well as revised estimates for year-end 2014 and year-end 2015 using data through December 31, 2016.

The first section shows the change in reserve from the last estimate as of March 31, 2015, to the current estimate. It shows the dollar and percentage change in the estimate also. These numbers include a margin for claims fluctuation and estimated administrative costs for paying claims processing costs during run-out should the plan terminate.

The second section shows the change in reserve from year-end 2014 to year-end 2015, as well as the dollar and percentage change from year-end to year-end. These figures include administrative costs, and include claims paid through December 31, 2016. The December 31, 2016 estimates also include margin.

Finally, the last section compares the original March 31, 2015 estimates to the run-out to-date, which will be nearly one-hundred percent complete at this time. The run-out is the claims paid after March 31, 2015 for claims incurred prior to or on March 31, 2015. These figures do not include margin or administrative costs to give a more accurate comparison to the claims run-out.

## Analysis

### Dental Claims

**Exhibit B** illustrates the **completion method** applied to dental claims. The top of the exhibit shows the reported incurred claims, based on claims incurred and paid from January 2014 through December 2016 (column A). We then estimate complete incurred claims (column C) by "completing" the incomplete incurred claims using actuarial completion factors (column B). We developed the completion factors from historical lag data. Finally, we calculated the liability as of December 31, 2016 by subtracting incurred and paid claims from the projected complete incurred claims.

To develop fully the estimated incurred claim liability, we added an estimate of the administrative costs, based on a rate of 5.86% of paid claims plus 60¢ per employee. We converted the 5.86% to a per employee basis for our estimate. These costs anticipate that ACSIG will incur additional administrative costs to pay run-out claims if the plan terminates. The first section of the bottom part of the exhibit shows this development. We add a 5% margin to account for unexpected increases in claims over the year. This section also shows the average lag to payment, which represents the average time to pay a claim. This number is **20.9** days for ACSIG's dental claims. This means that it takes just under three weeks, on average, to pay the dental claims after the date of service.

The second section of the exhibit shows the incurred claim liability for year-end 2015, including a separate calculation for margin and administrative costs developed as of year-end 2015.

### Vision Claims

**Exhibit C** illustrates the completion method for vision claims. The development of the vision incurred claim liability is the same as for the dental claims. The average number of lag days for vision claims is currently 16.6. This means that it takes just over two weeks, on average, to pay the vision claims after the incurred date of the claim.

## Actuarial Certification

The preparation of this report accords with generally recognized and accepted actuarial principles and practices, and it is consistent with the applicable "Actuarial Standards of Practice" and "Actuarial Compliance Guidelines" of the American Academy of Actuaries

Healthcare Actuaries' work is prepared solely for the internal business use of the Alameda County Schools Insurance Group. To the extent that Healthcare Actuaries' work is not subject to disclosure under applicable public record laws, the Alameda County Schools Insurance Group and its agents may not provide our work to third parties without Healthcare Actuaries' prior written consent.

There is no relationship between Healthcare Actuaries, its owner, subcontractors, or staff, and the Alameda County Schools Insurance Group beyond the contractual services that we perform for the Alameda County Schools Insurance Group.

No third-party recipient of Healthcare Actuaries' work product should rely on Healthcare Actuaries' work product. Any third-party recipient should engage qualified professionals for advice appropriate to their own needs. One must present this report in its entirety for it to be a valid report.

The undersigned is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein, and is available to answer any questions with respect to the information contained in this report.

Roger T. Burton, FSA, MAAA, FCA

January 31, 2017

Date

# Alameda County Schools Insurance Group

## Claim Liability Summary

*Estimated Incurred Claim Liability as of December 31, 2016*

### Prior and Current Estimates[1]

| Coverage | *Prior* March 31, 2015 | *Current* December 31, 2016 | Change in Reserve | % Change |
|---|---|---|---|---|
| Dental | $1,709,000 | $1,899,000 | $190,000 | 11.1% |
| Vision | $142,000 | $300,000 | $158,000 | 111.3% |
| **Total** | **$1,851,000** | **$2,199,000** | **$348,000** | 18.8% |

### Year-End Estimates as of December 31, 2016[2]

| Coverage | *Revised* December 31, 2014 | *Revised* December 31, 2015 | *Current* December 31, 2016 |
|---|---|---|---|
| Dental | $1,275,000 | $1,474,000 | $1,899,000 |
| Vision | $140,000 | $223,000 | $300,000 |
| **Total** | **$1,415,000** | **$1,697,000** | **$2,199,000** |

### Prior Estimate Compared to Actual Run-Out To-Date[3]

| Coverage | March 31, 2015 | Actual Runout | Difference over Runout | % Difference |
|---|---|---|---|---|
| Dental | $1,552,000 | $1,509,383 | $42,617 | 2.8% |
| Vision | $123,000 | $100,332 | $22,668 | 22.6% |
| **Total** | **$1,675,000** | **$1,609,715** | **$65,285** | 4.1% |

[1] *Includes margin and administrative costs*

[2] *Includes administrative costs. The most current estimate also includes margin.*

[3] *Excludes margin and administrative costs*

# Alameda County Schools Insurance Group

## Dental Claims for Active Employees, COBRA Participants, and Retirees

*Estimated Incurred Claim Liability as of December 31, 2016 – Completion Method*

*Estimated Completed Dental Claims*

| Mo-Yr | Employees | A Incurred Claims Paid Through 12/31/2016 | B Percent Complete | C = A ÷ B Projected Completed Incurred Claims | D = C - A Liability |
|---|---|---|---|---|---|
| Jan-15 | 17,105 | $2,100,220 | 100.0% | $2,100,220 | $0 |
| Feb-15 | 17,155 | $1,682,418 | 100.0% | $1,682,418 | ($0) |
| Mar-15 | 17,210 | $1,818,478 | 100.0% | $1,818,478 | $0 |
| Apr-15 | 15,543 | $1,811,599 | 100.0% | $1,811,599 | $0 |
| May-15 | 15,514 | $1,441,768 | 100.0% | $1,441,768 | $0 |
| Jun-15 | 15,473 | $2,046,316 | 100.0% | $2,046,316 | ($0) |
| Jul-15 | 15,444 | $2,209,529 | 100.0% | $2,209,529 | ($0) |
| Aug-15 | 15,403 | $1,840,196 | 100.0% | $1,840,222 | $26 |
| Sep-15 | 15,517 | $1,478,366 | 100.0% | $1,478,387 | $21 |
| Oct-15 | 15,889 | $1,556,299 | 100.0% | $1,556,504 | $205 |
| Nov-15 | 15,978 | $1,573,630 | 100.0% | $1,573,837 | $207 |
| Dec-15 | 15,955 | $2,126,737 | 100.0% | $2,126,895 | $158 |
| Jan-16 | 16,012 | $2,437,138 | 99.9% | $2,439,446 | $2,308 |
| Feb-16 | 16,054 | $2,057,058 | 99.8% | $2,061,036 | $3,978 |
| Mar-16 | 16,055 | $2,036,692 | 99.7% | $2,042,563 | $5,871 |
| Apr-16 | 16,057 | $1,697,788 | 99.6% | $1,704,062 | $6,274 |
| May-16 | 15,987 | $1,535,661 | 99.6% | $1,542,402 | $6,741 |
| Jun-16 | 15,976 | $2,121,136 | 99.5% | $2,131,036 | $9,900 |
| Jul-16 | 15,924 | $2,001,895 | 99.4% | $2,014,909 | $13,014 |
| Aug-16 | 15,803 | $1,915,584 | 99.2% | $1,931,560 | $15,976 |
| Sep-16 | 16,010 | $1,378,327 | 98.6% | $1,398,166 | $19,839 |
| Oct-16 | 16,131 | $1,396,485 | 91.3% | $1,528,995 | $132,510 |
| Nov-16 | 16,155 | $1,441,845 | 86.2% | $1,673,584 | $231,739 |
| Dec-16 | 16,147 | $933,476 | 42.9% | $2,176,430 | $1,242,954 |
| **Total** | **384,497** | **$42,638,639** | **n/a** | **$44,330,362** | **$1,691,723** |

*Estimated Dental Incurred Claim Liability*

| | | |
|---|---|---|
| Projected completed claims for the period ending 12/31/2016 | | $44,330,362 |
| Incurred claims paid through 12/31/2016 | - | $42,638,639 |
| Estimated liability as of 12/31/2016 | = | $1,691,723 |
| Estimated liability as of 12/31/2016, rounded | = | $1,692,000 |
| Claim fluctuation margin at 5% | + | $85,000 |
| Estimated administrative costs of $7.63 per employee for 1 month(s)* | + | $122,000 |
| **Estimated liability at 12/31/2016 (including margin & administrative costs)** | = | **$1,899,000** |
| **Average Lag Days** | | **20.9** |
| Estimated liability as of 12/31/2015, rounded | | **$1,337,000** |
| Estimated administrative costs of $8.74 per employee for 1 month(s)* | + | $137,000 |
| **Estimated liability at 12/31/2015 (including margin & administrative costs)** | = | **$1,474,000** |
| Estimated liability as of 12/31/2014, rounded | | **$1,168,000** |
| Estimated administrative costs of $6.33 per employee for 1 month(s)* | + | $107,000 |
| **Estimated liability at 12/31/2014 (including margin & administrative costs)** | = | **$1,275,000** |

**Estimated administration based on administrative costs of 5.86% of paid claims (converted to an estimated per employee rate) plus 60¢ per employee.*

# Alameda County Schools Insurance Group

## Vision Claims for Active Employees, COBRA Participants, and Retirees

*Estimated Incurred Claim Liability as of December 31, 2016 – Completion Method*

*Estimated Completed Vision Claims*

| Mo-Yr | Employees | A Incurred Claims Paid Through 12/31/2016 | B Percent Complete | C = A ÷ B Projected Completed Incurred Claims | D = C - A Liability |
|---|---|---|---|---|---|
| Jan-15 | 11,246 | $185,114 | 100.0% | $185,114 | $0 |
| Feb-15 | 11,258 | $155,133 | 100.0% | $155,133 | $0 |
| Mar-15 | 11,221 | $182,179 | 100.0% | $182,179 | $0 |
| Apr-15 | 11,228 | $177,627 | 100.0% | $177,627 | $0 |
| May-15 | 11,308 | $151,828 | 100.0% | $151,828 | $0 |
| Jun-15 | 11,272 | $211,651 | 100.0% | $211,651 | $0 |
| Jul-15 | 12,969 | $326,625 | 100.0% | $326,625 | $0 |
| Aug-15 | 13,028 | $296,087 | 100.0% | $296,087 | $0 |
| Sep-15 | 13,285 | $208,011 | 100.0% | $208,011 | $0 |
| Oct-15 | 14,014 | $235,282 | 100.0% | $235,282 | $0 |
| Nov-15 | 14,079 | $239,640 | 100.0% | $239,644 | $4 |
| Dec-15 | 14,127 | $313,775 | 100.0% | $313,775 | $0 |
| Jan-16 | 14,122 | $226,793 | 100.0% | $226,796 | $3 |
| Feb-16 | 14,149 | $207,628 | 100.0% | $207,658 | $30 |
| Mar-16 | 14,185 | $230,251 | 100.0% | $230,251 | $0 |
| Apr-16 | 14,184 | $212,892 | 100.0% | $212,898 | $6 |
| May-16 | 14,204 | $185,397 | 100.0% | $185,431 | $34 |
| Jun-16 | 14,220 | $275,828 | 99.9% | $276,139 | $311 |
| Jul-16 | 15,760 | $354,188 | 99.8% | $354,930 | $742 |
| Aug-16 | 15,722 | $325,993 | 99.6% | $327,363 | $1,370 |
| Sep-16 | 16,054 | $245,984 | 99.2% | $247,850 | $1,866 |
| Oct-16 | 16,509 | $254,786 | 92.0% | $277,029 | $22,243 |
| Nov-16 | 16,484 | $252,852 | 89.6% | $282,193 | $29,341 |
| Dec-16 | 16,484 | $181,165 | 48.4% | $374,477 | $193,312 |
| **Total** | **331,112** | **$5,636,709** | **n/a** | **$5,885,971** | **$249,262** |

*Estimated Vision Incurred Claim Liability*

| | | |
|---|---|---|
| Projected completed claims for the period ending 12/31/2016 | | $5,885,971 |
| Incurred claims paid through 12/31/2016 | - | $5,636,709 |
| Estimated liability as of 12/31/2016 | = | $249,262 |
| Estimated liability as of 12/31/2016, rounded | = | $249,000 |
| Claim fluctuation margin at 5% | + | $12,000 |
| Estimated administrative costs of $2.39 per employee for 1 month(s)* | + | $39,000 |
| **Estimated liability at 12/31/2016 (including margin & administrative costs)** | = | **$300,000** |
| **Average Lag Days** | | **16.6** |
| Estimated liability as of 12/31/2015, rounded | | **$188,000** |
| Estimated administrative costs of $2.55 per employee for 1 month(s)* | + | $35,000 |
| **Estimated liability at 12/31/2015 (including margin & administrative costs)** | = | **$223,000** |
| Estimated liability as of 12/31/2014, rounded | | **$116,000** |
| Estimated administrative costs of $2.41 per employee for 1 month(s)* | + | $24,000 |
| **Estimated liability at 12/31/2014 (including margin & administrative costs)** | = | **$140,000** |

**Estimated administration based on administrative costs of 10.50% of paid claims (converted to an estimated per employee rate) plus 60¢ per employee.*

## Appendix

The appendix includes recent lag data used in establishing estimated incurred claim liabilities for the dental and vision benefits.

- Dental Claims Lag Data
- Vision Claims Lag Data

## Alameda County Schools Insurance Group

Dental Claims for Active Employees, COBRA Participants, and Retirees

*Claims Lag Data*

*Delta Dental of California Dental Claims*

| Month Incurred | Month Paid ==> Jan-16 | Feb-16 | Mar-16 | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 | Nov-16 | Dec-16 | Total* | Runout To-Date* | Enrollment (employees) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Jan-14 | | | | | | ($811) | | | | | | | $2,232,619 | $983,685 | 17,136 |
| Feb-14 | | | | | | $47 | $19 | | | | | | $1,706,681 | $969,886 | 17,173 |
| Mar-14 | | | $1,080 | | | | $84 | | | | | | $1,643,528 | $1,056,825 | 16,984 |
| Apr-14 | | | | $57 | | | ($92) | | | | | | $1,637,887 | $1,185,761 | 17,004 |
| May-14 | | | | | | | | | | | | | $1,338,923 | $801,768 | 16,997 |
| Jun-14 | | | | | ($196) | | | | | | | | $1,740,242 | $1,112,862 | 16,967 |
| Jul-14 | | | | | | | | | | | | | $1,913,070 | $979,446 | 16,940 |
| Aug-14 | | | | | | $31 | | | | | | | $1,575,201 | $958,041 | 16,762 |
| Sep-14 | | $52 | | | | | $900 | | | | | | $1,313,616 | $1,098,821 | 17,059 |
| Oct-14 | | | | | | | | ($139) | | | | $88 | $1,376,283 | $909,908 | 16,938 |
| Nov-14 | $646 | | | $15 | | | | | | $149 | | | $1,312,468 | $942,192 | 17,006 |
| Dec-14 | $589 | $45 | $52 | | | | ($11) | | | | ($2,845) | | $1,788,832 | $1,169,730 | 17,052 |
| Jan-15 | $4,330 | | $712 | | | | | | | | | | $2,100,220 | $1,444,959 | 17,105 |
| Feb-15 | $1,218 | $916 | | | | $33 | ($160) | $318 | | | | | $1,682,418 | $1,288,860 | 17,155 |
| Mar-15 | $823 | $4,960 | $99 | | $134 | | ($1,282) | | | | | | $1,818,478 | $1,509,383 | 17,210 |
| Apr-15 | $2,616 | $1,984 | $940 | | | $210 | | | | | | | $1,811,599 | $1,061,355 | 15,543 |
| May-15 | $1,741 | $1,872 | $1,064 | $730 | $100 | | | | $1,000 | | | | $1,441,768 | $1,038,092 | 15,514 |
| Jun-15 | $4,174 | $6,283 | $2,434 | $969 | $107 | $448 | | | | | | | $2,046,316 | $1,442,083 | 15,473 |
| Jul-15 | $6,730 | $3,719 | $7,003 | $1,523 | $2,476 | $1,294 | $2,349 | $372 | | | | $125 | $2,209,529 | $1,237,620 | 15,444 |
| Aug-15 | $9,542 | $8,058 | $6,326 | $3,357 | $2,418 | $4,171 | $1,760 | $911 | | | $864 | | $1,840,196 | $1,174,771 | 15,403 |
| Sep-15 | $9,687 | $6,870 | $13,048 | $1,173 | $1,452 | $3,355 | $1,254 | $698 | $1,706 | | | | $1,478,366 | $1,247,859 | 15,517 |
| Oct-15 | $19,454 | $17,199 | $13,732 | $11,134 | $6,369 | $3,069 | $1,427 | $1,582 | $1,909 | $1,866 | | | $1,556,299 | $984,051 | 15,889 |
| Nov-15 | $56,029 | $18,066 | $23,914 | $8,223 | $6,274 | $9,486 | ($753) | $8,505 | $2,868 | $3,981 | $381 | $113 | $1,573,630 | $1,200,368 | 15,978 |
| Dec-15 | $738,326 | $105,605 | $51,317 | $33,348 | $14,932 | $10,831 | $5,246 | $7,575 | $6,436 | $4,954 | $2,724 | $995 | $2,126,737 | $1,337,887 | 15,955 |
| Jan-16 | $1,345,410 | $886,051 | $107,130 | $36,126 | $23,002 | $15,967 | $6,676 | $7,572 | $4,003 | $1,536 | $2,544 | $1,122 | $2,437,138 | $1,573,710 | 16,012 |
| Feb-16 | | $1,030,060 | $891,877 | $63,968 | $22,991 | $21,357 | $9,561 | $4,004 | $8,505 | $3,391 | $1,833 | ($488) | $2,057,058 | $1,539,031 | 16,054 |
| Mar-16 | | | $1,190,616 | $705,686 | $73,796 | $30,301 | $15,320 | $6,022 | $7,374 | $3,885 | $1,389 | $2,304 | $2,036,692 | $1,264,379 | 16,055 |
| Apr-16 | | | | $933,555 | $632,912 | $76,121 | $24,419 | $17,119 | $4,544 | $6,946 | $1,365 | $807 | $1,697,788 | $1,162,303 | 16,057 |
| May-16 | | | | | $806,017 | $638,667 | $45,006 | $17,257 | $14,035 | $7,398 | $4,911 | $2,369 | $1,535,661 | $1,105,179 | 15,987 |
| Jun-16 | | | | | | $1,315,286 | $695,497 | $55,586 | $30,011 | $13,925 | $3,798 | $7,032 | $2,121,136 | $1,096,451 | 15,976 |
| Jul-16 | | | | | | | $1,149,522 | $746,118 | $73,686 | $15,944 | $6,253 | $10,372 | $2,001,895 | $1,141,605 | 15,924 |
| Aug-16 | | | | | | | | $1,045,142 | $771,960 | $58,082 | $22,899 | $17,501 | $1,915,584 | $1,138,547 | 15,803 |
| Sep-16 | | | | | | | | | $820,100 | $501,181 | $33,324 | $23,723 | $1,378,327 | $768,737 | 16,010 |
| Oct-16 | | | | | | | | | | $787,255 | $554,778 | $54,452 | $1,396,485 | $754,730 | 16,131 |
| Nov-16 | | | | | | | | | | | $641,296 | $800,548 | $1,441,845 | $921,061 | 16,155 |
| Dec-16 | | | | | | | | | | | | $933,476 | $933,476 | n/a | 16,147 |
| Total* | $2,201,315 | $2,091,737 | $2,311,345 | $1,799,864 | $1,592,784 | $2,129,863 | $1,956,742 | $1,918,641 | $1,748,137 | $1,410,493 | $1,275,514 | $1,854,537 | $20,953,083 | n/a | n/a |

Notes:

* *Includes all paid months, even for months not shown in the exhibit.*

## Alameda County Schools Insurance Group

Vision Claims for Active Employees, COBRA Participants, and Retirees

*Claims Lag Data*

*VSP Vision Claims*

| Month Incurred | Month Paid ==> Jan-16 | Feb-16 | Mar-16 | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 | Nov-16 | Dec-16 | Total* | Runout To-Date* | Enrollment (employees) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Jan-14 | | | | | | | | | | | | | $182,417 | $81,559 | 10,125 |
| Feb-14 | | | | | | | | | | | | | $134,626 | $67,199 | 10,136 |
| Mar-14 | | | | | | | | | | | | | $160,884 | $96,414 | 10,115 |
| Apr-14 | | | | | | | | | | | | | $153,040 | $73,330 | 10,074 |
| May-14 | | | | | | | | | | | | | $145,006 | $86,163 | 10,083 |
| Jun-14 | | | | | | | | | | | | | $190,647 | $96,513 | 10,071 |
| Jul-14 | | | | | $10 | | | | | | | | $236,659 | $124,922 | 10,063 |
| Aug-14 | | | | | | | | | | | | | $225,948 | $112,103 | 10,016 |
| Sep-14 | | | | | | | | | | | | | $153,762 | $71,526 | 10,151 |
| Oct-14 | | | | | | | | | | | | | $180,802 | $101,336 | 10,185 |
| Nov-14 | | | | | | | | | | | | | $157,986 | $93,375 | 10,220 |
| Dec-14 | ($15) | | | | | | | | | | | | $200,425 | $116,022 | 10,244 |
| Jan-15 | | | | | | | | | | | | | $185,114 | $110,424 | 11,246 |
| Feb-15 | | | | | | | | | | | | | $155,133 | $78,634 | 11,258 |
| Mar-15 | | | | | | | | | | | | | $182,179 | $100,332 | 11,221 |
| Apr-15 | $200 | | | $45 | | | | | | | | | $177,627 | $95,382 | 11,228 |
| May-15 | | | | | | | | | $10 | | | | $151,828 | $87,191 | 11,308 |
| Jun-15 | $589 | ($70) | | $165 | | | | | | | | | $211,651 | $105,567 | 11,272 |
| Jul-15 | $2,168 | $191 | | | $410 | $59 | $16 | | | | | | $326,625 | $191,912 | 12,969 |
| Aug-15 | $1,576 | $712 | $182 | | | | $105 | | | $66 | | | $296,087 | $161,123 | 13,028 |
| Sep-15 | $559 | $1,824 | $436 | $814 | $172 | | | | | | | | $208,011 | $114,925 | 13,285 |
| Oct-15 | $1,397 | $568 | $323 | $114 | $142 | | | | | | | | $235,282 | $133,570 | 14,014 |
| Nov-15 | $6,050 | $2,544 | $210 | ($60) | $246 | $267 | $135 | | | | | | $239,640 | $150,017 | 14,079 |
| Dec-15 | $147,415 | $11,889 | $3,290 | $1,953 | $206 | $613 | $254 | | $194 | | $317 | | $313,775 | $188,291 | 14,127 |
| Jan-16 | $113,331 | $100,910 | $9,862 | $955 | $733 | $509 | $446 | $120 | | | ($73) | | $226,793 | $141,814 | 14,122 |
| Feb-16 | | $108,135 | $92,229 | $3,864 | $1,659 | $1,106 | $269 | $70 | $251 | | $45 | | $207,628 | $122,739 | 14,149 |
| Mar-16 | | | $106,778 | $111,467 | $8,166 | $1,216 | $674 | $654 | $955 | $350 | $15 | ($24) | $230,251 | $139,680 | 14,185 |
| Apr-16 | | | | $110,923 | $91,875 | $7,315 | $1,435 | $788 | $266 | $23 | $267 | | $212,892 | $122,332 | 14,184 |
| May-16 | | | | | $95,744 | $84,291 | $3,260 | $555 | $321 | $661 | $501 | $64 | $185,397 | $108,366 | 14,204 |
| Jun-16 | | | | | | $148,019 | $115,566 | $8,355 | $401 | $2,258 | $849 | $380 | $275,828 | $140,799 | 14,220 |
| Jul-16 | | | | | | | $190,844 | $149,897 | $9,314 | $2,696 | $1,136 | $301 | $354,188 | $181,983 | 15,760 |
| Aug-16 | | | | | | | | $216,371 | $98,072 | $7,807 | $2,820 | $923 | $325,993 | $131,166 | 15,722 |
| Sep-16 | | | | | | | | | $126,169 | $108,524 | $6,955 | $4,336 | $245,984 | $141,197 | 16,054 |
| Oct-16 | | | | | | | | | | $148,058 | $96,913 | $9,815 | $254,786 | $125,540 | 16,509 |
| Nov-16 | | | | | | | | | | | $132,204 | $120,648 | $252,852 | $136,443 | 16,484 |
| Dec-16 | | | | | | | | | | | | $181,165 | $181,165 | n/a | 16,484 |
| Total* | $273,270 | $226,703 | $213,310 | $230,240 | $199,363 | $243,395 | $313,004 | $376,810 | $235,953 | $270,443 | $241,949 | $317,608 | $2,953,757 | n/a | n/a |

**Notes:**

** Includes all paid months, even for months not shown in the exhibit.*

Alameda County Schools Insurance Group
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# EXECUTIVE SUMMARY

TO: ACSIG Executive Committee

FROM: Kimberly Dennis

DATE: February 16, 2017

SUBJECT: 2016/2017 Second Quarter Financials

ACSIG partners with SETECH for financial services support. Enclosed are the 2016/2017. Second Quarter financial statements for review. These financial statements reflect the 2015/2016 audited balances. ACSIG is very pleased with the services of SETECH and validates the accuracy of these financial statements.

A representative from SETECH will review the financial statements with the Executive Committee. The Executive Committee will be asked to recommend approval to the full Board.

# ALAMEDA COUNTY SCHOOLS INSURANCE GROUP

## TREASURER'S REPORT

### AS OF DECEMBER 31, 2016 AND FOR THE SIX MONTHS THEN ENDED

As mandated by Section 53646 of the California Government Code, Alameda County Schools Insurance Group is required to disclose that it is able to meet its pool's expenditure requirements for the next six months and is in complete compliance with the current Investment Policy as of the date of this report.



President

**SETECH (Service Enhancement Technologies)**

***Client Confidential Use Only***

SETECH
A Keenan Solution

**Innovative Solutions. Enduring Principles.**

License No. 0451271

For the Executive Committee Meeting of February 16, 2017

## Alameda County Schools Insurance Group (ACSIG)

### Table of Contents


| | Page |
|---|---|
| **Distribution and Use of Report** | I |
| **Financial Statements by Program:** | |
| **By Program:** | |
| Consolidated | 1 |
| Workers Compensation | 2 |
| Dental | 3 |
| Vision | 4 |
| Property and Liability | 5 |
| Operations | 6 |
| **A) Statement of Net Position** | |
| As of 06/30/2016 and 12/31/2016 | |
| **B) Statement of Revenues, Expenditures and Changes in Net Position** | |
| **Adopted Budget Versus Actual** | |
| For The Six Months Ended 12/31/2016 - | |
| **Schedule of Discounted Claim Liabilities** | |
| For The Six Months Ended 12/31/2016 - | |
| Workers Compensation | 7, 7A, 7B |
| Property Liability | 8 |

## Distribution and Use of Report

This financial management information report (Report) prepared by Service Enhancement Technologies (SETECH), a Division of Keenan & Associates, is intended solely for internal use by the Authority's Officers, Board Members, Advisory Committee Members, and for internal decision making purposes only in regards to the Authority's insurance program.

SETECH makes no representations or warranties regarding the use of this Report for any other purpose other than for the Authority's insurance program. The official version of the Report is finalized only upon approval by the Authority's Board of Directors and/or Advisory Committee in accordance with the Authority's Agreement and Bylaws following presentation by SETECH or Keenan & Associates. We understand that members may wish to provide a copy of this Report to auditors and regulatory authorities on the conditions that:

A) The official approved Report is used,

B) The entire Report be distributed rather than any excerpts,

C) All recipients be made aware that a SETECH staff member is available to answer any questions regarding the contents of the Report,

D) The recipients recognize that the furnishing of this Report is not a substitute for their own due diligence, and they place no undue reliance on the Report or the data for purposes other than for which it was created. No creation of any duty or liability of SETECH to the recipient is owed if the Report is used for purposes other than for which it was created.

SETECH may utilize actuarial projections as an integral component of this Report, as provided by the Authority's actuary and in the case of some Benefit Groups, by a staff member of the Keenan & Associates Technical Department. We may also rely upon financial data provided by the Authority's Treasurer, Accountant or County Office of Education. We have not audited this data and are not responsible for its accuracy. With any financial analysis, the accuracy and relevance of the conclusions as well as the reasonableness of the recommendations depend upon the accuracy and relevance of the underlying data. Financial information provided in this Report is subject to an annual independent financial audit.

SETECH strives to maintain the strictest confidentiality of any information for our clients. The pages of this Report indicate that the information contained in the Report is for "Client Confidential Use Only." This indicates that SETECH will only disclose information contained in these Reports to our intended clients, their members or their contracted parties.

## Alameda County Schools Insurance Group (ACSIG)
## Treasurer's Report- Statement of Net Position
## Consolidated
## As of 06/30/2016 and 12/31/2016

| | Audited As of 06/30/2016 | Activity 07/01/2015 - 12/31/2016 | As of 12/31/2016 |
|---|---|---|---|
| **Assets:** | | | |
| Current Assets | | | |
| Workers Compensation | $ 8,758,964 | 4,539,146 | $ 13,298,111 |
| Dental | 3,019,012 | 1,735,328 | 4,754,340 |
| Vision | 1,175,897 | (70,458) | 1,105,439 |
| Property and Liability | 1,206,795 | (384,794) | 822,001 |
| Operations | 169,423 | (62,155) | 107,268 |
| Cash and Cash Equivalents | $ 14,330,091 | 5,757,067 | $ 20,087,159 |
| Investments Morgan Stanley - current | 1,701,027 | (168,865) | 1,532,162 |
| Accounts Receivable | 7,965,408 | 34,868 | 8,000,276 |
| Prepaid Expense | - - | 542,148 | 542,148 |
| Interfund Receivable/(payable) (1) | - - | - - | - - |
| Subtotal Current Assets | 23,996,526 | 6,165,218 | 30,161,744 |
| Noncurrent Assets | | | |
| Investments @ FMV - Morgan Stanley (3) | 14,370,020 | 48,329 | 14,418,349 |
| Capital - Equipment, net of depreciation | 3,555 | - - | 3,555 |
| | 14,373,575 | 48,329 | 14,421,904 |
| **Total Assets** | **$ 38,370,101** | **$ 6,213,547** | **$ 44,583,648** |
| **Deferred Outflow of Resources:** | | | |
| Deferred outflow of resources - pension | 44,203 | - - | 44,203 |
| **Liabilities:** | | | |
| Current Liabilities | | | |
| Accounts Payable | $ 5,414,640 | $ 4,440,360 | $ 9,855,000 |
| Prefunding deposits (2) | 3,418,159 | 252,000 | 3,670,159 |
| Advance Contributions | - - | - - | - - |
| Current Portion of claims and claim adjustment | 3,542,657 | 283,861 | 3,826,518 |
| Subtotal Current Liabilities | 12,375,456 | 4,976,221 | 17,351,677 |
| Noncurrent Liabilities | | | |
| Unpaid claims and claim adjustment expenses less current | 16,149,791 | (1,250,479) | 14,899,312 |
| Unallocated Loss Adjustment Expense (ULAE) | 1,570,819 | (192,000) | 1,378,819 |
| Subtotal Noncurrent Claim Liabilities | 17,720,610 | (1,442,479) | 16,278,131 |
| Net Pension Liability (NPL) | 525,511 | - - | 525,511 |
| **Total Liabilities** | $ 30,621,577 | $ 3,533,742 | $ 34,155,319 |
| **Deferred Inflow of Resources:** | | | |
| Deferred inflow of resources - pension | 63,483 | - - | 63,483 |
| **Net Position:** | | | |
| Undesignated Net Position - Net Assets/(Deficit) | 7,725,689 | 2,679,805 | 10,405,494 |
| Designated - Capital Assets | 3,555 | - - | 3,555 |
| **Total Net Position** | $ 7,729,244 | $ 2,679,805 | $ 10,409,049 |
| **Total Liabilities, Deferred Pension, and Ending Net Position** | **$ 38,370,101** | **$ 6,213,547** | **$ 44,583,648** |

**Footnote:**

**(1) Interfund transfers net to zero on consolidated financial statements. This is a internal function used to transfer or allocate expense and income from one program to another without transfer of cash.**

**(2) Estimated six weeks of dental claims funded by each member to maintain positive cash flow.**

**(3) Morgan Stanley Smith Barney Investment shown at Fair Market Value, accrued interest shown as accounts receivable.**

Alameda County Schools Insurance Group (ACSIG)
Consolidated
Statement of Revenues, Expenditures and Changes in Net Position
For The Six Months Ended 12/31/2016

| | Cash Activity 07/01/2015 12/31/2016 | Allocations | Change in Accruals | Balance Year to Date | 2016/2017 Budget | Variance | Percentage of Budget |
|---|---|---|---|---|---|---|---|
| **Audited - Beginning Net Position, as of 07/01/2016** | | | | $ 7,729,244 | | | |
| Beginning Cash | $ 30,401,138 | | | | $ 7,729,244 | | |
| **Operating Revenue:** | | | | | | | |
| Premiums Paid by Members | $ 73,777,751 | $ -- | $ 53,436 | $ 73,831,187 | $ 147,408,159 | $ (73,576,972) | 50.09 % |
| Other Income | 17,283 | (17,283) | -- | -- | -- | -- | -- |
| Total Operating Revenue | 73,795,034 | (17,283) | 53,436 | 73,831,187 | 147,408,159 | (73,576,972) | 50.09 |
| **Operating Expenditures:** | | | | | | | |
| Classified Salaries | 53,764 | 69,578 | (185) | 123,157 | 236,778 | (113,621) | 52.01 |
| Statutory Benefits | 8,919 | 28,785 | (4,948) | 32,757 | 55,498 | (22,741) | 59.02 |
| Health & Welfare | 4,514 | 2,974 | -- | 7,488 | 39,000 | (31,512) | 19.20 |
| Employer Tax Expense | -- | 1,775 | -- | 1,775 | 3,411 | (1,636) | 52.05 |
| Net Pension Expense | -- | -- | -- | -- | -- | -- | -- |
| Telephone & Internet | 2,367 | -- | (108) | 2,259 | 5,250 | (2,991) | 43.02 |
| Supplies Office | 466 | -- | -- | 466 | 5,250 | (4,784) | 8.88 |
| Supplies - Other | 1,321 | -- | (107) | 1,214 | 5,250 | (4,036) | 23.12 |
| Eligibility Processing | 89,336 | -- | -- | 89,336 | 252,000 | (162,664) | 35.45 |
| Brokerage Fees-Dental-ACSIG | 84,926 | -- | -- | 84,926 | 276,000 | (191,074) | 30.77 |
| Brokerage Fees-Dental-MD | 158,714 | -- | -- | 158,714 | 300,000 | (141,286) | 52.90 |
| Travel and Conferences | 4,752 | 1,853 | (430) | 6,175 | 21,000 | (14,825) | 29.40 |
| Mileage | 2,800 | -- | -- | 2,800 | 8,925 | (6,125) | 31.37 |
| Dues & Memberships | 385 | -- | -- | 385 | 1,575 | (1,190) | 24.44 |
| Postage & Meter | 5,655 | -- | -- | 5,655 | 3,400 | 2,255 | 166.32 |
| Insurance Expense-PIPS&NCR | 10,849,092 | -- | (542,148) | 10,306,944 | 23,989,931 | (13,682,987) | 42.96 |
| Insurance Expense-PIPS Adj | -- | -- | 2,963,955 | 2,963,955 | 1,500,000 | 1,463,955 | 197.60 |
| Utility - Operating-Rent | 40,370 | (24,690) | -- | 15,680 | 35,420 | (19,740) | 44.27 |
| Advertising | -- | -- | -- | -- | 2,100 | (2,100) | -- |
| Contract Services | -- | -- | -- | -- | 8,426 | (8,426) | -- |
| Contract Services -Claim Audit | -- | -- | -- | -- | -- | -- | -- |
| Contract Services | -- | -- | -- | -- | 10,000 | (10,000) | -- |
| Audit Fees | 10,600 | -- | -- | 10,600 | 14,175 | (3,575) | 74.78 |
| Other Services/Operating Expenses | 1,101 | -- | -- | 1,101 | 5,250 | (4,149) | 20.97 |
| Capital Equipment/Depreciation | -- | -- | -- | -- | 2,550 | (2,550) | -- |
| Repairs & Maintenance | -- | -- | -- | -- | 4,800 | (4,800) | -- |
| Legal | -- | -- | -- | -- | 2,550 | (2,550) | -- |
| Accounting Services | 4,900 | 2,100 | -- | 7,000 | 15,750 | (8,750) | 44.44 |
| County Courier | -- | -- | -- | -- | 3,675 | (3,675) | -- |
| Shredding | 312 | 78 | -- | 390 | 1,575 | (1,185) | 24.75 |
| Copier & Scanner | 4,158 | 64 | (1,455) | 2,767 | 15,000 | (12,233) | 18.45 |
| Claims Administration Services | 129,095 | -- | (227) | 128,868 | 190,000 | (61,132) | 67.83 |
| Self-Insurance Fee | 261,221 | -- | -- | 261,221 | 245,000 | 16,221 | 106.62 |
| Claims Paid-WC | 330,897 | -- | 31,937 | 362,834 | 3,000,000 | (2,637,166) | 12.09 |
| Claims Paid-PL | 20,331 | -- | -- | 20,331 | 80,000 | (59,669) | 25.41 |
| Physical Abilities Testing | 3,920 | -- | (1,225) | 2,695 | 22,445 | (19,750) | 12.01 |
| Training | (154) | -- | -- | (154) | 5,000 | (5,154) | (3.08) |
| First-Aid Program | 5,764 | -- | (553) | 5,211 | 10,000 | (4,789) | 52.11 |
| Food Service Training | -- | -- | -- | -- | 10,000 | (10,000) | -- |
| Special Ed Training | -- | -- | -- | -- | 10,000 | (10,000) | -- |
| Bank Charge & WC Penalty Reimb | 12,983 | -- | -- | 12,983 | 15,000 | (2,017) | -- |
| Cobra Premiums | 101,607 | -- | -- | 101,607 | 250,000 | (148,393) | 40.64 |
| Dental Insurance Premiums | 54,117,276 | -- | 1,637,415 | 55,754,691 | 113,877,908 | (58,123,217) | 48.96 |
| Vision Insurance Premiums | 1,860,193 | -- | (151,770) | 1,708,423 | 2,758,000 | (1,049,577) | 61.94 |
| Claim Development Expense | -- | -- | (1,158,618) | (1,158,618) | (2,430,000) | 1,271,382 | 47.68 |
| ACA Fees | -- | -- | -- | -- | -- | -- | -- |
| Total Operating Expenditures | 68,171,585 | 82,517 | 2,771,532 | 71,025,634 | 144,867,892 | (73,842,258) | 49.03 % |
| **Net Increase/(Decrease) from Operations** | 5,623,449 | (99,800) | (2,718,096) | 2,805,553 | 2,540,267 | 265,286 | 110.44 % |
| **Non Operating Income/(Expense)** | | | | | | | |
| Interest Income | 159,781 | (7) | 13,371 | 173,145 | 218,250 | (45,105) | 79.33 |
| Net Increase/(Decrease) in Fair Value | (316,919) | -- | -- | (316,919) | -- | (316,919) | -- |
| Realized Gain/(Loss) on Investments | 18,026 | -- | -- | 18,026 | -- | 18,026 | -- |
| Cumulative effect of GASB 68 | -- | -- | -- | -- | -- | -- | -- |
| Interfund Trans, Other Inc/Exp | 152,194 | -- | (152,194) | -- | -- | -- | -- |
| Total Non Operating Income/(Expense) | 13,082 | (7) | (138,823) | (125,748) | 218,250 | (343,998) | (57.62) % |
| Ending Cash | $ 36,037,669 | (99,807) | | | | | |
| **Net Increase/(Decrease) in Net Position** | | $ (99,807) | $ (2,856,919) | 2,679,805 | $ 2,758,517 | $ (78,712) | 97.15 % |
| **Unaudited - Ending Net Position, as of 12/31/2016** | | | | **$ 10,409,049** | **$ 10,487,761** | **$ (78,712)** | |

## Alameda County Schools Insurance Group (ACSIG)
## Treasurer's Report- Statement of Net Assets
## Workers' Compensation
## As of 06/30/2016 and 12/31/2016

| | Audited As of 06/30/2016 | Activity 07/01/2015 - 12/31/2016 | As of 12/31/2016 |
|---|---|---|---|
| **Assets:** | | | |
| Current Assets | | | |
| Funds with County - WC - #44906 | $ 4,265,592 | 5,332,358 | $ 9,597,950 |
| Funds in Transit - #44906 to Morgan Stanley Investments | -- | -- | -- |
| Funds with County - Retention Fund #44904 | 17,411 | 79 | 17,490 |
| Union Bank Claims - #0129 | 564,239 | (386,436) | 177,803 |
| Union Bank Claims Trust Account - #0600 | 648,218 | (352,051) | 296,167 |
| Local Agency Investment Funds (L.A.I.F.) | 3,156,805 | 9,098 | 3,165,903 |
| Money Market - Morgan Stanley | 106,699 | (63,902) | 42,798 |
| Cash and Cash Equivalents | $ 8,758,964 | 4,539,146 | $ 13,298,111 |
| Investments Morgan Stanley - current | 1,701,027 | (168,865) | 1,532,162 |
| Accounts Receivable | 240,872 | 22,082 | 262,954 |
| Prepaid Expense | -- | -- | -- |
| Interfund Receivable/(payable) | (997,048) | (950,497) | (1,947,545) |
| Subtotal Current Assets | 9,703,815 | 3,441,866 | 13,145,681 |
| Noncurrent Assets | | | |
| Investments Morgan Stanley | 8,815,661 | 111,652 | 8,927,313 |
| Capital - Equipment, net of depreciation | -- | -- | -- |
| | 8,815,661 | 111,652 | 8,927,313 |
| **Total Assets** | **$ 18,519,476** | **$ 3,553,518** | **$ 22,072,994** |
| **Deferred Outflow of Resources:** | | | |
| Deferred outflow of resources - pension | 13,261 | -- | 13,261 |
| **Liabilities:** | | | |
| Current Liabilities | | | |
| Accounts Payable | $ 1,778 | $ 2,962,177 | $ 2,963,955 |
| Prefunding deposits | -- | -- | -- |
| Advance Contributions | -- | -- | -- |
| Current Portion of claims and claim adjustment | 1,680,000 | (89,000) | 1,591,000 |
| Subtotal Current Liabilities | 1,681,778 | 2,873,177 | 4,554,955 |
| Noncurrent Liabilities | | | |
| Unpaid claims and claim adjustment expenses less current | 16,140,255 | (1,270,820) | 14,869,435 |
| Unallocated Loss Adjustment Expense (ULAE) | 1,520,000 | (192,000) | 1,328,000 |
| Subtotal Noncurrent Claim Liabilities | 17,660,255 | (1,462,820) | 16,197,435 |
| Net Pension Liability (NPL) | 157,653 | -- | 157,653 |
| **Total Liabilities** | $ 19,499,686 | $ 1,410,357 | $ 20,910,043 |
| **Deferred Inflow of Resources:** | | | |
| Deferred inflow of resources - pension | 19,045 | -- | 19,045 |
| **Net Position:** | | | |
| Undesignated Net Position - Net Assets/(Deficit) | (985,994) | 2,143,161 | 1,157,167 |
| Designated - Capital Assets | -- | -- | -- |
| **Total Net Position** | $ (985,994) | $ 2,143,161 | $ 1,157,167 |
| **Total Liabilities, Deferred Pension, and Ending Net Position** | **$ 18,519,476** | **$ 3,553,518** | **$ 22,072,994** |

## Alameda County Schools Insurance Group (ACSIG)
## Workers' Compensation
## Statement of Revenues, Expenditures and Changes in Net Fund Assets
## For The Six Months Ended 12/31/2016

| | Cash Activity 07/01/2015 12/31/2016 | Allocations | Change in Accruals | Balance Year to Date | 2016/2017 Budget | Variance | Percentage of Budget |
|---|---|---|---|---|---|---|---|
| **Audited - Beginning Net Position, as of 07/01/2016** | | | | $ (985,994) | | | |
| Beginning Cash and Investments | $ 19,275,652 | | | | $ (985,994) | | |
| **Operating Revenue:** | | | | | | | |
| Premiums Paid by Members | $ 14,087,272 | $ -- | $ 44,862 | $ 14,132,134 | $ 28,264,268 | $ (14,132,134) | 50.00 % |
| Other Income | -- | -- | -- | -- | -- | -- | -- |
| Total Operating Revenue | 14,087,272 | -- | 44,862 | 14,132,134 | 28,264,268 | (14,132,134) | 50.00 |
| **Operating Expenditures:** | -- | | | | | | |
| Classified Salaries | -- | 30,624 | -- | 30,624 | 59,432 | (28,808) | 51.53 |
| Statutory Benefits | -- | 9,840 | -- | 9,840 | 13,930 | (4,090) | 70.64 |
| Health & Welfare | -- | 2,246 | -- | 2,246 | 7,800 | (5,554) | 28.80 |
| Employer Tax Expense | -- | 438 | -- | 438 | 856 | (418) | 51.13 |
| Net Pension Expense | -- | -- | -- | -- | -- | -- | -- |
| Telephone & Internet | -- | 339 | -- | 339 | 750 | (411) | 45.20 |
| Supplies Office | -- | 70 | -- | 70 | 750 | (680) | 9.33 |
| Supplies - Other | -- | 182 | -- | 182 | 750 | (568) | 24.27 |
| Eligibility Processing | -- | -- | -- | -- | -- | -- | -- |
| Brokerage Fees-Dental-ACSIG | -- | -- | -- | -- | -- | -- | -- |
| Brokerage Fees-Dental-MD | -- | -- | -- | -- | -- | -- | -- |
| Travel and Conferences | -- | 926 | -- | 926 | 3,000 | (2,074) | 30.87 |
| Mileage | -- | 420 | -- | 420 | 1,275 | (855) | 32.95 |
| Dues & Memberships | -- | 58 | -- | 58 | 225 | (167) | 25.78 |
| Postage & Meter | -- | 94 | -- | 94 | 100 | (6) | 94.00 |
| Insurance Expense-PIPS | 9,691,222 | -- | -- | 9,691,222 | 22,758,486 | (13,067,264) | 42.58 |
| PIPS Contribution Adjustment | -- | -- | 2,963,955 | 2,963,955 | 1,500,000 | 1,463,955 | 197.60 |
| Utility - Operating-Rent | -- | 2,352 | -- | 2,352 | 5,060 | (2,708) | 46.48 |
| Advertising | -- | -- | -- | -- | 300 | (300) | -- |
| Contract Services - Actuarial | -- | -- | -- | -- | 8,426 | (8,426) | -- |
| Contract Services -Claim Audit | -- | -- | -- | -- | -- | -- | -- |
| CAJPA Dues/Accreditation | -- | -- | -- | -- | -- | -- | -- |
| Audit Fees | -- | 1,590 | -- | 1,590 | 2,025 | (435) | 78.52 |
| Other Services/Operating Expenses | -- | 165 | -- | 165 | 750 | (585) | 22.00 |
| Capital Equipment/Depreciation | -- | -- | -- | -- | 750 | (750) | -- |
| Repairs & Maintenance | -- | -- | -- | -- | 300 | (300) | -- |
| Legal | -- | -- | -- | -- | 750 | (750) | -- |
| Accounting Services | -- | 1,050 | -- | 1,050 | 2,250 | (1,200) | 46.67 |
| County Courier | -- | -- | -- | -- | 525 | (525) | -- |
| Shredding | -- | 58 | -- | 58 | 675 | (617) | 8.59 |
| Copier & Scanner | -- | 46 | -- | 46 | 250 | (204) | 18.40 |
| Claims Administration Services | 127,500 | -- | -- | 127,500 | 170,000 | (42,500) | 75.00 |
| Self-Insurance Fee | 261,221 | -- | -- | 261,221 | 245,000 | 16,221 | 106.62 |
| Claims Paid-WC | 330,897 | -- | 31,937 | 362,834 | 3,000,000 | (2,637,166) | 12.09 |
| Claims Paid-PL | -- | -- | -- | -- | -- | -- | -- |
| Physical Abilities Testing | 3,920 | -- | (1,225) | 2,695 | 10,000 | (7,305) | 26.95 |
| Training | (154) | -- | -- | (154) | 5,000 | (5,154) | (3.08) |
| First-Aid Program | 5,764 | -- | (553) | 5,211 | 10,000 | (4,789) | 52.11 |
| Food Service Training | -- | -- | -- | -- | 10,000 | (10,000) | -- |
| Special Ed Training | -- | -- | -- | -- | 10,000 | (10,000) | -- |
| Bank Charge & WC Penalty Reimb | (871) | -- | -- | (871) | -- | (871) | -- |
| Cobra Premiums | -- | -- | -- | -- | -- | -- | -- |
| Dental Insurance Premiums | -- | -- | -- | -- | -- | -- | -- |
| Vision Insurance Premiums | -- | -- | -- | -- | -- | -- | -- |
| Claim Development Expense | -- | -- | (1,551,820) | (1,551,820) | (2,400,000) | 848,180 | 64.66 |
| ACA Fees | -- | -- | -- | -- | -- | -- | -- |
| Total Operating Expenditures | 10,419,499 | 50,498 | 1,442,294 | 11,912,291 | 25,429,415 | (13,517,124) | 46.84 % |
| **Net Increase/(Decrease) from Operations** | 3,667,773 | (50,498) | (1,397,432) | 2,219,843 | 2,834,853 | (615,010) | 78.31 % |
| **Non Operating Income/(Expense)** | | | | | | | |
| Interest Income | 110,435 | -- | 9,157 | 119,592 | 150,000 | (30,408) | 79.73 |
| Net Increase/(Decrease) in Fair Value | (208,111) | -- | -- | (208,111) | -- | (208,111) | -- |
| Realized Gain/(Loss) on Investments | 11,837 | -- | -- | 11,837 | -- | 11,837 | -- |
| Cumulative effect of GASB 68 | -- | -- | -- | -- | -- | -- | -- |
| Interfund Transfer, Other Income | 899,999 | -- | (899,999) | -- | -- | -- | -- |
| Total Non Operating Income/(Expense) | 814,160 | $ -- | $ (890,842) | (76,682) | 150,000 | (226,682) | (51.12) % |
| Ending Cash | $ 23,757,585 | | | | | | |
| **Net Increase/(Decrease) in Net Position** | | | | 2,143,161 | 2,984,853 | (841,692) | |
| **Unaudited - Ending Net Position, as of 12/31/2016** | | | | **$ 1,157,167** | **$ 1,998,859** | **$ (841,692)** | |

## Alameda County Schools Insurance Group (ACSIG)
## Treasurer's Report- Statement of Net Assets
## Dental
## As of 06/30/2016 and 12/31/2016

| | Audited As of 06/30/2016 | Activity 07/01/2015 - 12/31/2016 | As of 12/31/2016 |
|---|---|---|---|
| **Assets:** | | | |
| Current Assets | | | |
| Cash with County ACSIG #44901 | $ 212,879 | 1,578,332 | $ 1,791,211 |
| Union Bank - Eligibility #9938 | 2,706,607 | 148,962 | 2,855,569 |
| Union Bank - Expense #2064 | 564 | 32,058 | 32,622 |
| Union Bank - Cobra Trust #0273 | 98,962 | (24,024) | 74,938 |
| Union Bank - zero balance accounts | -- | -- | -- |
| Cash and Cash Equivalents | $ 3,019,012 | 1,735,328 | $ 4,754,340 |
| Investments Morgan Stanley - current | -- | -- | -- |
| Accounts Receivable | 7,584,385 | 3,396 | 7,587,781 |
| Prepaid Expense | -- | -- | -- |
| Interfund Receivable/(payable) | 1,780,181 | 978,507 | 2,758,688 |
| Subtotal Current Assets | 12,383,578 | 2,717,231 | 15,100,809 |
| Noncurrent Assets | | | |
| Investments - Morgan Stanley | 4,475,843 | (51,028) | 4,424,815 |
| Capital - Equipment, net of depreciation | -- | -- | -- |
| | 4,475,843 | (51,028) | 4,424,815 |
| **Total Assets** | **$ 16,859,421** | **$ 2,666,203** | **$ 19,525,624** |
| **Deferred Outflow of Resources:** | | | |
| Deferred outflow of resources - pension | 22,102 | -- | 22,102 |
| **Liabilities:** | | | |
| Current Liabilities | | | |
| Accounts Payable | $ 5,117,585 | $ 1,637,414 | $ 6,754,999 |
| Prefunding deposits | 3,337,589 | 252,000 | 3,589,589 |
| Advance Contributions | -- | -- | -- |
| Current Portion of claims and claim adjustment | 1,709,000 | 190,000 | 1,899,000 |
| Subtotal Current Liabilities | 10,164,174 | 2,079,414 | 12,243,588 |
| Noncurrent Liabilities | | | |
| Unpaid claims and claim adjustment expenses less current | -- | -- | -- |
| Subtotal Noncurrent Claim Liabilities | -- | -- | -- |
| Net Pension Liability (NPL) | 262,756 | -- | 262,756 |
| **Total Liabilities** | $ 10,426,930 | $ 2,079,414 | $ 12,506,344 |
| **Deferred Inflow of Resources:** | | | |
| Deferred inflow of resources - pension | 31,742 | -- | 31,742 |
| **Net Position:** | | | |
| Undesignated Net Position - Net Assets/(Deficit) | 6,422,851 | 586,789 | 7,009,640 |
| Designated - Capital Assets | -- | -- | -- |
| **Total Net Position** | $ 6,422,851 | $ 586,789 | $ 7,009,640 |
| **Total Liabilities, Deferred Pension, and Ending Net Position** | **$ 16,859,421** | **$ 2,666,203** | **$ 19,525,624** |

## Alameda County Schools Insurance Group (ACSIG)
## Dental
## Statement of Revenues, Expenditures and Changes in Net Fund Assets
## For The Six Months Ended 12/31/2016

| | Cash Activity 07/01/2015 12/31/2016 | Allocations | Change in Accruals | Balance Year to Date | 2016/2017 Budget | Variance | Percentage of Budget |
|---|---|---|---|---|---|---|---|
| **Audited - Beginning Net Position, as of 07/01/2016** | | | | $ 6,422,851 | | | |
| Beginning Cash and Investments | $ 7,494,855 | | | | $ 6,422,851 | | |
| **Operating Revenue:** | | | | | | | |
| Premiums Paid by Members | $ 57,157,679 | $ -- | $ (0) | $ 57,157,679 | $ 115,000,000 | $ (57,842,321) | 49.70 % |
| Other Income | -- | -- | -- | -- | -- | -- | -- |
| Total Operating Revenue | 57,157,679 | -- | (0) | 57,157,679 | 115,000,000 | (57,842,321) | 49.70 |
| **Operating Expenditures:** | | | | | | | |
| Classified Salaries | -- | 70,840 | -- | 70,840 | 135,791 | (64,951) | 52.17 |
| Statutory Benefits | -- | 16,324 | -- | 16,324 | 31,828 | (15,504) | 51.29 |
| Health & Welfare | -- | 3,744 | -- | 3,744 | 25,350 | (21,606) | 14.77 |
| Employer Tax Expense | -- | 1,028 | -- | 1,028 | 1,956 | (928) | 52.55 |
| Net Pension Expense | -- | -- | -- | -- | -- | -- | -- |
| Telephone & Internet | -- | 1,581 | -- | 1,581 | 3,750 | (2,169) | 42.16 |
| Supplies Office | -- | 326 | -- | 326 | 3,750 | (3,424) | 8.69 |
| Supplies - Other | -- | 849 | -- | 849 | 3,750 | (2,901) | 22.64 |
| Eligibility Processing | 89,336 | -- | -- | 89,336 | 252,000 | (162,664) | 35.45 |
| Brokerage Fees-Dental-ACSIG | 84,926 | -- | -- | 84,926 | 276,000 | (191,074) | 30.77 |
| Brokerage Fees-Dental-MD | 158,714 | -- | -- | 158,714 | 300,000 | (141,286) | 52.90 |
| Travel and Conferences | -- | 4,322 | -- | 4,322 | 15,000 | (10,678) | 28.81 |
| Mileage | -- | 1,960 | -- | 1,960 | 6,375 | (4,415) | 30.75 |
| Dues & Memberships | -- | 270 | -- | 270 | 1,125 | (856) | 23.96 |
| Postage & Meter | -- | 5,372 | -- | 5,372 | 3,150 | 2,222 | 170.55 |
| Insurance Expense | -- | -- | -- | -- | -- | -- | -- |
| | | | | | -- | -- | -- |
| Net, Operating-Rent | -- | 10,976 | -- | 10,976 | 25,300 | (14,324) | 43.38 |
| Advertising | -- | -- | -- | -- | 1,500 | (1,500) | -- |
| Contract Services - Actuarial | -- | -- | -- | -- | -- | -- | -- |
| Contract Services -Claim Audit | -- | -- | -- | -- | -- | -- | -- |
| Contracted Services | -- | -- | -- | -- | 10,000 | (10,000) | -- |
| Audit Fees | -- | 7,420 | -- | 7,420 | 10,125 | (2,705) | 73.28 |
| Other Services/Operating Expenses | -- | 771 | -- | 771 | 3,750 | (2,979) | 20.56 |
| Capital Equipment/Depreciation | -- | -- | -- | -- | 1,500 | (1,500) | -- |
| Repairs & Maintenance | -- | -- | -- | -- | 3,750 | (3,750) | -- |
| Legal | -- | -- | -- | -- | 1,500 | (1,500) | -- |
| Accounting Services | -- | 4,900 | -- | 4,900 | 11,250 | (6,350) | 43.56 |
| County Courier | -- | -- | -- | -- | 2,625 | (2,625) | -- |
| Shredding | -- | 273 | -- | 273 | 750 | (477) | 36.36 |
| Copier & Scanner | -- | 2,629 | -- | 2,629 | 14,250 | (11,621) | 18.45 |
| Claims Administration Services | -- | -- | -- | -- | -- | -- | -- |
| Self-Insurance Fee | -- | -- | -- | -- | -- | -- | -- |
| Claims Paid-WC | -- | -- | -- | -- | -- | -- | -- |
| Claims Paid-PL | -- | -- | -- | -- | -- | -- | -- |
| Physical Abilities Testing | -- | -- | -- | -- | -- | -- | -- |
| Training | -- | -- | -- | -- | -- | -- | -- |
| First-Aid Program | -- | -- | -- | -- | -- | -- | -- |
| Food Service Training | -- | -- | -- | -- | -- | -- | -- |
| Special Ed Training | -- | -- | -- | -- | -- | -- | -- |
| Bank Charge | 13,854 | -- | -- | 13,854 | 15,000 | (1,146) | 92.36 |
| Cobra Premiums | 101,607 | -- | -- | 101,607 | 250,000 | (148,393) | 40.64 |
| Dental Insurance Premiums | 54,117,276 | -- | 1,637,415 | 55,754,691 | 113,877,908 | (58,123,217) | 48.96 |
| Vision Insurance Premiums | -- | -- | -- | -- | -- | -- | -- |
| Claim Development Expense | -- | -- | 190,000 | 190,000 | -- | 190,000 | -- |
| ACA Fees | -- | -- | -- | -- | -- | -- | -- |
| Total Operating Expenditures | 54,565,713 | 133,583 | 1,827,415 | 56,526,711 | 115,289,033 | (58,762,322) | 49.03 % |
| **Net Increase/(Decrease) from Operations** | 2,591,966 | (133,583) | (1,827,415) | 630,968 | (289,033) | 920,001 | (218.30) % |
| **Non Operating Income/(Expense)** | | | | | | | |
| Interest Income | 35,119 | -- | 3,396 | 38,515 | 50,000 | (11,485) | 77.03 |
| Net Increase/(Decrease) in Fair Value | (87,681) | -- | -- | (87,681) | -- | (87,681) | -- |
| Realized Gain/(Loss) on Investments | 4,987 | -- | -- | 4,987 | -- | 4,987 | -- |
| Cumulative effect of GASB 68 | -- | -- | -- | -- | -- | -- | -- |
| I Transfer, YE Close, Rebate | (860,090) | -- | 860,090 | -- | -- | -- | |
| Total Non Operating Income/(Expense) | (907,665) | $ -- | $ 863,486 | (44,179) | 50,000 | (94,179) | (88.36) % |
| Ending Cash | $ 9,179,155 | | | | | | |
| **Net Increase/(Decrease) in Net Position** | | | | 586,789 | (239,033) | 825,822 | % |
| **Unaudited - Ending Net Position, as of 12/31/2016** | | | | **$ 7,009,640** | **$ 6,183,818** | **$ 825,822** | |

## Alameda County Schools Insurance Group (ACSIG)
## Treasurer's Report- Statement of Net Assets
## Vision
## As of 06/30/2016 and 12/31/2016

| | Audited As of 06/30/2016 | Activity 07/01/2015 - 12/31/2016 | As of 12/31/2016 |
|---|---|---|---|
| **Assets:** | | | |
| Current Assets | | | |
| Cash with County #44902 | $ 1,175,897 | (70,458) | $ 1,105,439 |
| Funds in Transit - #44902 to Morgan Stanley Investments | -- | -- | -- |
| Cash and Cash Equivalents | 1,175,897 | (70,458) | 1,105,439 |
| Investments Morgan Stanley - current | -- | -- | -- |
| Accounts Receivable | 140,151 | 816 | 140,967 |
| Prepaid Expense | -- | -- | -- |
| Interfund Receivable/(payable) | 252,984 | 62,582 | 315,566 |
| Subtotal Current Assets | 1,569,032 | (7,060) | 1,561,972 |
| Noncurrent Assets | | | |
| Investments - Morgan Stanley | 1,078,516 | (12,295) | 1,066,221 |
| Capital - Equipment, net of depreciation | -- | -- | -- |
| | 1,078,516 | (12,295) | 1,066,221 |
| **Total Assets** | **$ 2,647,548** | **$ (19,355)** | **$ 2,628,193** |
| **Deferred Outflow of Resources:** | | | |
| Deferred outflow of resources - pension | 4,420 | -- | 4,420 |
| **Liabilities:** | | | |
| Current Liabilities | | | |
| Accounts Payable | $ 268,949 | $ (151,771) | $ 117,178 |
| Prefunding deposits | 80,570 | -- | 80,570 |
| Advance Contributions | -- | -- | -- |
| Current Portion of claims and claim adjustment | 142,000 | 158,000 | 300,000 |
| Subtotal Current Liabilities | 491,519 | 6,229 | 497,748 |
| Noncurrent Liabilities | | | |
| Unpaid claims and claim adjustment expenses less current | -- | -- | -- |
| Subtotal Noncurrent Claim Liabilities | -- | -- | -- |
| Net Pension Liability (NPL) | 52,551 | -- | 52,551 |
| **Total Liabilities** | $ 544,070 | $ 6,229 | $ 550,299 |
| **Deferred Inflow of Resources:** | | | |
| Deferred inflow of resources - pension | 6,348 | -- | 6,348 |
| **Net Position:** | | | |
| Undesignated Net Position - Net Assets/(Deficit) | 2,101,550 | (25,584) | 2,075,966 |
| Designated - Capital Assets | -- | -- | -- |
| **Total Net Position** | $ 2,101,550 | $ (25,584) | $ 2,075,966 |
| **Total Liabilities, Deferred Pension, and Ending Net Position** | **$ 2,647,548** | **$ (19,355)** | **$ 2,628,193** |

## Alameda County Schools Insurance Group (ACSIG)
## Vision
## Statement of Revenues, Expenditures and Changes in Net Fund Assets
## For The Six Months Ended 12/31/2016

| | Cash Activity 07/01/2015 12/31/2016 | Allocations | Change in Accruals | Balance Year to Date | 2016/2017 Budget | Variance | Percentage of Budget |
|---|---|---|---|---|---|---|---|
| **Audited - Beginning Net Position, as of 07/01/2016** | | | | $ 2,101,550 | | | |
| Beginning Cash and Investments | $ 2,254,413 | | | | $ 2,101,550 | | |
| **Operating Revenue:** | | | | | | | |
| Premiums Paid by Members | $ 1,869,428 | $ -- | $ -- | $ 1,869,428 | $ 2,800,000 | $ (930,572) | 66.77 % |
| Other Income | -- | -- | -- | -- | -- | -- | -- |
| Total Operating Revenue | 1,869,428 | -- | -- | 1,869,428 | 2,800,000 | (930,572) | 66.77 |
| **Operating Expenditures:** | | | | | | | |
| Classified Salaries | -- | 12,764 | -- | 12,764 | 23,678 | (10,914) | 53.91 |
| Statutory Benefits | -- | 3,344 | -- | 3,344 | 5,550 | (2,206) | 60.26 |
| Health & Welfare | -- | 749 | -- | 749 | 3,900 | (3,151) | 19.20 |
| Employer Tax Expense | -- | 182 | -- | 182 | 341 | (159) | 53.42 |
| Net Pension Expense | -- | -- | -- | -- | -- | -- | -- |
| Telephone & Internet | -- | 226 | -- | 226 | 500 | (274) | 45.20 |
| Supplies Office | -- | 47 | -- | 47 | 500 | (453) | 9.40 |
| Supplies - Other | -- | 121 | -- | 121 | 500 | (379) | 24.20 |
| Eligibility Processing | -- | -- | -- | -- | -- | -- | -- |
| Brokerage Fees-Dental-ACSIG | -- | -- | -- | -- | -- | -- | -- |
| Brokerage Fees-Dental-MD | -- | -- | -- | -- | -- | -- | -- |
| Travel and Conferences | -- | 617 | -- | 617 | 2,000 | (1,383) | 30.85 |
| Mileage | -- | 280 | -- | 280 | 850 | (570) | 32.95 |
| Dues & Memberships | -- | 39 | -- | 39 | 150 | (111) | 26.00 |
| Postage & Meter | -- | 151 | -- | 151 | 150 | 1 | 100.67 |
| Insurance Expense | -- | -- | -- | -- | -- | -- | -- |
| | -- | -- | -- | -- | -- | -- | -- |
| Utility - Operating-Rent | -- | 1,568 | -- | 1,568 | 3,373 | (1,805) | 46.49 |
| Advertising | -- | -- | -- | -- | 200 | (200) | -- |
| Contract Services - Actuarial | -- | -- | -- | -- | -- | -- | -- |
| Contract Services -Claim Audit | -- | -- | -- | -- | -- | -- | -- |
| Contract Services | -- | -- | -- | -- | -- | -- | -- |
| Audit Fees | -- | 1,060 | -- | 1,060 | 1,350 | (290) | 78.52 |
| Other Services/Operating Expenses | -- | 110 | -- | 110 | 500 | (390) | 22.00 |
| Capital Equipment/Depreciation | -- | -- | -- | -- | 200 | (200) | -- |
| Repairs & Maintenance | -- | -- | -- | -- | 500 | (500) | -- |
| Legal | -- | -- | -- | -- | 200 | (200) | -- |
| Accounting Services | -- | 700 | -- | 700 | 1,500 | (800) | 46.67 |
| County Courier | -- | -- | -- | -- | 350 | (350) | -- |
| Shredding | 39 | -- | -- | 39 | 100 | (61) | 39.00 |
| Copier & Scanner | 74 | -- | -- | 74 | 400 | (326) | 18.50 |
| Claims Administration Services | -- | -- | -- | -- | -- | -- | -- |
| Self-Insurance Fee | -- | -- | -- | -- | -- | -- | -- |
| Claims Paid-WC | -- | -- | -- | -- | -- | -- | -- |
| Claims Paid-PL | -- | -- | -- | -- | -- | -- | -- |
| Physical Abilities Testing | -- | -- | -- | -- | -- | -- | -- |
| Training | -- | -- | -- | -- | -- | -- | -- |
| First-Aid Program | -- | -- | -- | -- | -- | -- | -- |
| Food Service Training | -- | -- | -- | -- | -- | -- | -- |
| Special Ed Training | -- | -- | -- | -- | -- | -- | -- |
| Bank Charge & WC Penalty Reimb | -- | -- | -- | -- | -- | -- | -- |
| Cobra Premiums | -- | -- | -- | -- | -- | -- | -- |
| Dental Insurance Premiums | -- | -- | -- | -- | -- | -- | -- |
| Vision Insurance Premiums | 1,860,193 | -- | (151,770) | 1,708,423 | 2,758,000 | (1,049,577) | 61.94 |
| Claim Development Expense | -- | -- | 158,000 | 158,000 | -- | 158,000 | -- |
| ACA Fees | -- | -- | -- | -- | -- | -- | -- |
| Total Operating Expenditures | 1,860,306 | 21,958 | 6,230 | 1,888,494 | 2,804,792 | (916,298) | 67.33 % |
| **Net Increase/(Decrease) from Operations** | 9,122 | (21,958) | (6,230) | (19,066) | (4,792) | (14,274) | % |
| **Non Operating Income/(Expense)** | | | | | | | |
| Interest Income | 12,591 | -- | 816 | 13,407 | 17,500 | (4,093) | 76.61 |
| Net Increase/(Decrease) in Fair Value | (21,127) | -- | -- | (21,127) | -- | (21,127) | -- |
| Realized Gain/(Loss) on Investments | 1,202 | -- | -- | 1,202 | -- | 1,202 | -- |
| Cumulative effect of GASB 68 | -- | -- | -- | -- | -- | -- | -- |
| Interfund Transfer | (84,540) | -- | 84,540 | -- | -- | -- | |
| Total Non Operating Income/(Expense) | (91,874) | $ -- | $ 85,356 | (6,518) | 17,500 | (24,018) | (37.25) % |
| Ending Cash | $ 2,171,660 | | | | | | |
| **Net Increase/(Decrease) in Net Position** | | | | (25,584) | $ 12,708 | $ (38,292) | % |
| **Unaudited - Ending Net Position, as of 12/31/2016** | | | | **$ 2,075,966** | **$ 2,114,258** | **$ (38,292)** | |

## Alameda County Schools Insurance Group (ACSIG)
## Treasurer's Report- Statement of Net Assets
## Property and Liability
## As of 06/30/2016 and 12/31/2016

| | Audited As of 06/30/2016 | Activity 07/01/2015 - 12/31/2016 | As of 12/31/2016 |
|---|---|---|---|
| **Assets:** | | | |
| Current Assets | | | |
| Cash with County - #44903 | $ 342,818 | 382,986 | $ 725,804 |
| Funds in Transit - #44903 to Morgan Stanley Investments | -- | -- | -- |
| Union Bank - Checking #0311 | 850,669 | (772,557) | 78,112 |
| Union Bank - Claims Trust #1186 | 13,308 | 4,777 | 18,085 |
| Cash and Cash Equivalents | $ 1,206,795 | (384,794) | $ 822,001 |
| Investments Morgan Stanley - current | -- | -- | -- |
| Accounts Receivable | -- | 8,574 | 8,574 |
| Prepaid Expense | -- | 542,148 | 542,148 |
| Interfund Receivable/(payable) | (887,464) | (145,515) | (1,032,979) |
| Subtotal Current Assets | 319,331 | 20,413 | 339,744 |
| Noncurrent Assets | | | |
| Investments - Morgan Stanley | -- | -- | -- |
| Capital - Equipment, net of depreciation | -- | -- | -- |
| | -- | -- | -- |
| **Total Assets** | **$ 319,331** | **$ 20,413** | **$ 339,744** |
| **Deferred Outflow of Resources:** | | | |
| Deferred outflow of resources - pension | 4,420 | -- | 4,420 |
| **Liabilities:** | | | |
| Current Liabilities | | | |
| Accounts Payable | $ 227 | $ (227) | $ -- |
| Prefunding deposits | -- | -- | -- |
| Advance Contributions | -- | -- | -- |
| Current Portion of claims and claim adjustment | 11,657 | 24,861 | 36,518 |
| Subtotal Current Liabilities | 11,884 | 24,634 | 36,518 |
| Noncurrent Liabilities | | | |
| Unpaid claims and claim adjustment expenses less current | 9,536 | 20,341 | 29,877 |
| Unallocated Loss Adjustment Expense (ULAE) | 50,819 | -- | 50,819 |
| Subtotal Noncurrent Claim Liabilities | 60,355 | 20,341 | 80,696 |
| Net Pension Liability (NPL) | 52,551 | -- | 52,551 |
| **Total Liabilities** | $ 124,790 | $ 44,975 | $ 169,765 |
| **Deferred Inflow of Resources:** | | | |
| Deferred inflow of resources - pension | 6,348 | -- | 6,348 |
| **Net Position:** | | | |
| Undesignated Net Position - Net Assets/(Deficit) | 192,613 | (24,562) | 168,051 |
| Designated - Capital Assets | -- | -- | -- |
| **Total Net Position** | $ 192,613 | $ (24,562) | $ 168,051 |
| **Total Liabilities, Deferred Pension, and Ending Net Position** | **$ 319,331** | **$ 20,413** | **$ 339,744** |

## Alameda County Schools Insurance Group (ACSIG)
## Property and Liability
## Statement of Revenues, Expenditures and Changes in Net Fund Assets
## For The Six Months Ended 12/31/2016

| | Cash Activity 07/01/2015 12/31/2016 | Allocations | Change in Accruals | Balance Year to Date | 2016/2017 Budget | Variance | Percentage of Budget |
|---|---|---|---|---|---|---|---|
| **Audited - Beginning Net Position, as of 07/01/2016** | | | | $ 192,613 | | | |
| Beginning Cash and Investments | $ 1,206,795 | | | | $ 192,613 | | |
| **Operating Revenue:** | | | | | | | |
| Premiums Paid by Members | $ 663,372 | $ -- | $ 8,574 | $ 671,946 | $ 1,343,891 | $ (671,945) | 50.00 % |
| Other Income | -- | -- | -- | -- | -- | -- | -- |
| Total Operating Revenue | 663,372 | -- | 8,574 | 671,946 | 1,343,891 | (671,945) | 50.00 |
| **Operating Expenditures:** | | | | | | | |
| Classified Salaries | -- | 8,930 | -- | 8,930 | 17,877 | (8,947) | 49.95 |
| Statutory Benefits | -- | 3,248 | -- | 3,248 | 4,190 | (942) | 77.52 |
| Health & Welfare | -- | 749 | -- | 749 | 1,950 | (1,201) | 38.40 |
| Employer Tax Expense | -- | 128 | -- | 128 | 258 | (130) | 49.52 |
| Net Pension Expense | -- | -- | -- | -- | -- | -- | -- |
| Telephone & Internet | -- | 112 | -- | 112 | 250 | (138) | 44.91 |
| Supplies Office | -- | 23 | -- | 23 | 250 | (227) | 9.18 |
| Supplies - Other | -- | 61 | -- | 61 | 250 | (189) | 24.58 |
| Eligibility Processing | -- | -- | -- | -- | -- | -- | -- |
| Brokerage Fees-Dental-ACSIG | -- | -- | -- | -- | -- | -- | -- |
| Brokerage Fees-Dental-MD | -- | -- | -- | -- | -- | -- | -- |
| Travel and Conferences | -- | 310 | -- | 310 | 1,000 | (690) | 30.96 |
| Mileage | -- | 140 | -- | 140 | 425 | (285) | 32.95 |
| Dues & Memberships | -- | 19 | -- | 19 | 75 | (57) | 24.67 |
| Postage & Meter | -- | 38 | -- | 38 | -- | 38 | -- |
| Insurance Expense-NCR | 1,157,870 | -- | (542,148) | 615,722 | 1,231,445 | (615,723) | 50.00 |
| | | | | | -- | | -- |
| Utility - Operating-Rent | -- | 784 | -- | 784 | 1,687 | (903) | 46.47 |
| Advertising | -- | -- | -- | -- | 100 | (100) | -- |
| Contract Services - Actuarial | -- | -- | -- | -- | -- | -- | -- |
| Contract Services -Claim Audit | -- | -- | -- | -- | -- | -- | -- |
| Contract Services - Legal | -- | -- | -- | -- | -- | -- | -- |
| Audit Fees | -- | 530 | -- | 530 | 675 | (145) | 78.52 |
| Other Services/Operating Expenses | -- | 55 | -- | 55 | 250 | (195) | 22.14 |
| Capital Equipment/Depreciation | -- | -- | -- | -- | 100 | (100) | -- |
| Repairs & Maintenance | -- | -- | -- | -- | 250 | (250) | -- |
| Legal | -- | -- | -- | -- | 100 | (100) | -- |
| Accounting Services | -- | 350 | -- | 350 | 750 | (400) | 46.67 |
| County Courier | -- | -- | -- | -- | 175 | (175) | -- |
| Shredding | -- | 20 | -- | 20 | 50 | (30) | 39.74 |
| Copier & Scanner | -- | 18 | -- | 18 | 100 | (82) | 18.34 |
| Claims Administration Services | 1,595 | -- | (227) | 1,368 | 20,000 | (18,632) | 6.84 |
| Self-Insurance Fee | -- | -- | -- | -- | -- | -- | -- |
| Claims Paid-WC | -- | -- | -- | -- | -- | -- | -- |
| Claims Paid-PL | 20,331 | -- | -- | 20,331 | 80,000 | (59,669) | 25.41 |
| Physical Abilities Testing | -- | -- | -- | -- | 12,445 | (12,445) | -- |
| Training | -- | -- | -- | -- | -- | -- | -- |
| First-Aid Program | -- | -- | -- | -- | -- | -- | -- |
| Food Service Training | -- | -- | -- | -- | -- | -- | -- |
| Special Ed Training | -- | -- | -- | -- | -- | -- | -- |
| Bank Charge & WC Penalty Reimb | -- | -- | -- | -- | -- | -- | -- |
| Cobra Premiums | -- | -- | -- | -- | -- | -- | -- |
| Dental Insurance Premiums | -- | -- | -- | -- | -- | -- | -- |
| Vision Insurance Premiums | -- | -- | -- | -- | -- | -- | -- |
| Claim Development Expense | -- | -- | 45,202 | 45,202 | (30,000) | 75,202 | (150.67) |
| ACA Fees | -- | -- | -- | -- | -- | -- | -- |
| Total Operating Expenditures | 1,179,796 | 15,515 | (497,173) | 698,138 | 1,344,652 | (646,514) | 51.92 % |
| **Net Increase/(Decrease) from Operations** | (516,424) | (15,515) | 505,747 | (26,192) | (761) | (25,431) | -- % |
| **Non Operating Income/(Expense)** | | | | | | | |
| Interest Income | 1,630 | -- | -- | 1,630 | 750 | 880 | 217.33 |
| Net Increase/(Decrease) in Fair Value | -- | -- | -- | -- | -- | -- | -- |
| Realized Gain/(Loss) on Investments | -- | -- | -- | -- | -- | -- | -- |
| Cumulative effect of GASB 68 | -- | -- | -- | -- | -- | -- | -- |
| Interfund Transfer, Other Income | 130,000 | -- | (130,000) | -- | -- | -- | -- |
| Total Non Operating Income/(Expense) | 131,630 | $ -- | $ (130,000) | 1,630 | 750 | 880 | 217.33 % |
| Ending Cash | $ 822,001 | | | | | | |
| **Net Increase/(Decrease) in Net Position** | | | | (24,562) | (11) | (24,551) | -- % |
| **Unaudited - Ending Net Position, as of 12/31/2016** | | | | **$ 168,051** | **$ 192,602** | **$ (24,551)** | |

## Alameda County Schools Insurance Group (ACSIG)
## Treasurer's Report- Statement of Net Assets
## Operations
## As of 06/30/2016 and 12/31/2016

| | Audited As of 06/30/2016 | Activity 07/01/2015 - 12/31/2016 | Unaudited As of 12/31/2016 |
|---|---|---|---|
| **Assets:** | | | |
| Current Assets | | | |
| Union Bank - Payroll #0176 | $ 34,482 | 26,433 | $ 60,915 |
| Union Bank Checking Account #1521 | 134,941 | (88,588) | 46,353 |
| Cash and Cash Equivalents | $ 169,423 | (62,155) | $ 107,268 |
| Investments Morgan Stanley - current | -- | -- | -- |
| Accounts Receivable | -- | -- | -- |
| Prepaid Expense | -- | -- | -- |
| Interfund Receivable/(payable) | (148,653) | 54,922 | (93,731) |
| Subtotal Current Assets | 20,770 | (7,233) | 13,537 |
| Noncurrent Assets | | | |
| Investments - Morgan Stanley | -- | -- | -- |
| Capital - Equipment, net of depreciation | 3,555 | -- | 3,555 |
| | 3,555 | -- | 3,555 |
| **Total Assets** | **$ 24,325** | **$ (7,233)** | **$ 17,092** |
| **Deferred Outflow of Resources:** | | | |
| Deferred outflow of resources - pension | -- | -- | -- |
| **Liabilities:** | | | |
| Current Liabilities | | | |
| Accounts Payable | $ 26,101 | $ (7,233) | $ 18,868 |
| Prefunding deposits | -- | -- | -- |
| Advance Contributions | -- | -- | -- |
| Current Portion of claims and claim adjustment | -- | -- | -- |
| Subtotal Current Liabilities | 26,101 | (7,233) | 18,868 |
| Noncurrent Liabilities | | | |
| Unpaid claims and claim adjustment expenses less current | -- | -- | -- |
| Subtotal Noncurrent Claim Liabilities | -- | -- | -- |
| Net Pension Liability (NPL) | -- | -- | -- |
| **Total Liabilities** | $ 26,101 | $ (7,233) | $ 18,868 |
| **Deferred Inflow of Resources:** | | | |
| Deferred inflow of resources - pension | -- | -- | -- |
| **Net Position:** | | | |
| Undesignated Net Position - Net Assets/(Deficit) | (5,331) | -- | (5,331) |
| Designated - Capital Assets | 3,555 | -- | 3,555 |
| **Total Net Position** | $ (1,776) | $ -- | $ (1,776) |
| **Total Liabilities, Deferred Pension, and Ending Net Position** | **$ 24,325** | **$ (7,233)** | **$ 17,092** |

Alameda County Schools Insurance Group (ACSIG)
Operations
Statement of Revenues, Expenditures and Changes in Net Fund Assets
For The Six Months Ended 12/31/2016

| | Cash Activity 07/01/2015 12/31/2016 | Allocations | Change in Accruals | Balance Year to Date | 2016/2017 Budget | Variance | Percentage of Budget |
|---|---|---|---|---|---|---|---|
| **Audited - Beginning Net Position, as of 07/01/2016** | | | | $ (1,776) | | | |
| Beginning Cash and Investments | $ 169,423 | | | | $ (1,776) | | |
| **Operating Revenue:** | | | | | | | |
| Contributions | $ -- | $ -- | $ -- | $ -- | $ -- | $ -- | % |
| Offset to Rent - Sub Lease | 17,283 | (17,283) | -- | -- | -- | -- | |
| Total Operating Revenue | 17,283 | (17,283) | -- | -- | -- | -- | -- |
| **Operating Expenditures:** | | | | | | | |
| Classified Salaries | 53,764 | (53,580) | (185) | -- | -- | -- | |
| Statutory Benefits | 8,919 | (3,971) | (4,948) | -- | -- | -- | |
| Health & Welfare | 4,514 | (4,514) | -- | -- | -- | -- | |
| Employer Tax Expense | -- | -- | -- | -- | -- | -- | |
| Net Pension Expense | -- | -- | -- | -- | -- | -- | |
| Telephone & Internet | 2,367 | (2,258) | (108) | -- | -- | -- | -- |
| Supplies Office | 466 | (466) | -- | -- | -- | -- | |
| Supplies - Other | 1,321 | (1,213) | (107) | -- | -- | -- | |
| Eligibility Processing | -- | -- | -- | -- | -- | -- | |
| Brokerage Fees-Dental-ACSIG | -- | -- | -- | -- | -- | -- | |
| Brokerage Fees-Dental-MD | -- | -- | -- | -- | -- | -- | |
| Travel and Conferences | 4,752 | (4,322) | (430) | -- | -- | -- | |
| Mileage | 2,800 | (2,800) | -- | -- | -- | -- | |
| Dues & Memberships | 385 | (385) | -- | -- | -- | -- | |
| Postage & Meter | 5,655 | (5,655) | -- | -- | -- | -- | |
| Insurance Expense | -- | -- | -- | -- | -- | -- | |
| | -- | -- | -- | -- | -- | -- | |
| Utility - Operating-Rent | 40,370 | (40,370) | -- | -- | -- | -- | |
| Advertising | -- | -- | -- | -- | -- | -- | |
| Contract Services - Actuarial | -- | -- | -- | -- | -- | -- | |
| Contract Services -Claim Audit | -- | -- | -- | -- | -- | -- | |
| Contract Services | -- | -- | -- | -- | -- | -- | |
| Audit Fees | 10,600 | (10,600) | -- | -- | -- | -- | |
| Other Services/Operating Expenses | 1,101 | (1,101) | -- | -- | -- | -- | |
| Capital Equipment/Depreciation | -- | -- | -- | -- | -- | -- | |
| Repairs & Maintenance | -- | -- | -- | -- | -- | -- | |
| Legal | -- | -- | -- | -- | -- | -- | |
| Accounting Services | 4,900 | (4,900) | -- | -- | -- | -- | |
| County Courier | -- | -- | -- | -- | -- | -- | |
| Shredding | 273 | (273) | -- | -- | -- | -- | |
| Copier & Scanner | 4,084 | (2,629) | (1,455) | -- | -- | -- | |
| Claims Administration Services | -- | -- | -- | -- | -- | -- | |
| Self-Insurance Fee | -- | -- | -- | -- | -- | -- | |
| Claims Paid-WC | -- | -- | -- | -- | -- | -- | |
| Claims Paid-PL | -- | -- | -- | -- | -- | -- | |
| Physical Abilities Testing | -- | -- | -- | -- | -- | -- | |
| Training | -- | -- | -- | -- | -- | -- | |
| First-Aid Program | -- | -- | -- | -- | -- | -- | |
| Food Service Training | -- | -- | -- | -- | -- | -- | |
| Special Ed Training | -- | -- | -- | -- | -- | -- | |
| Bank Charge & WC Penalty Reimb | -- | -- | -- | -- | -- | -- | |
| Cobra Premiums | -- | -- | -- | -- | -- | -- | |
| Dental Insurance Premiums | -- | -- | -- | -- | -- | -- | |
| Insurance - Vision | -- | -- | -- | -- | -- | -- | |
| Claim Development Expense | -- | -- | -- | -- | -- | -- | |
| ACA Fees | -- | -- | -- | -- | -- | -- | |
| Total Operating Expenditures | 146,271 | (139,038) | (7,234) | -- | -- | -- | -- % |
| **Net Increase/(Decrease) from Operations** | (128,988) | 121,755 | 7,234 | -- | -- | -- | -- % |
| **Non Operating Income/(Expense)** | | | | | | | |
| Interest Income | 7 | (7) | -- | -- | -- | -- | -- |
| Net Increase/(Decrease) in Fair Value | -- | -- | -- | -- | -- | -- | -- |
| Realized Gain/(Loss) on Investments | -- | -- | -- | -- | -- | -- | -- |
| Cumulative effect of GASB 68 | -- | -- | -- | -- | -- | -- | -- |
| Interfund Transfer & YE Close | 66,826 | -- | (66,826) | -- | -- | -- | -- |
| Total Non Operating Income/(Expense) | 66,833 | $ (7) | $ (66,826) | -- | -- | -- | -- % |
| Ending Cash | $ 107,268 | | | | | | |
| **Net Increase/(Decrease) in Net Position** | | | | $ -- | $ -- | $ -- | -- % |
| **Unaudited - Ending Net Position, as of 12/31/2016** | | | | **$ (1,776)** | **$ (1,776)** | **$ --** | |

1) Percentage Variance calculated using cash activity, prior to allocation.

# Alameda County Schools Insurance Group (ACSIG)
## Schedule of Claim Liabilities for Workers' Compensation
## As of 12/31/2016

| | Self-Insured Program Years | | | | | | | | | | | | Totals to Page 7A |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1978/1979 | 1984/1985 | 1985/1986 | 1986/1987 | 1987/1988 | 1988/1989 | 1989/1990 | 1990/1991 | 1991/1992 | 1992/1993 | 1993/1994 | 1994/1995 | |
| Paid Claims | $ 914,658 | $ 1,828,378 | $ 2,852,328 | $ 2,805,094 | $ 2,868,957 | $ 4,014,775 | $ 2,922,252 | $ 5,549,553 | $ 5,165,621 | $ 4,058,369 | $ 3,709,047 | $ 4,755,400 | $ 41,444,432 |
| Reserves | 34,284 | -- | 25,848 | 68,890 | 16,263 | 33,855 | 31,276 | 96,560 | 60,066 | 218,339 | 124,471 | 241,405 | 951,257 |
| Incurred Claims | 948,942 | 1,828,378 | 2,878,176 | 2,873,984 | 2,885,220 | 4,048,630 | 2,953,528 | 5,646,113 | 5,225,687 | 4,276,708 | 3,833,518 | 4,996,805 | 42,395,689 |
| Incurred But Not Reported (IBNR) | -- | -- | -- | 86,016 | 24,780 | 41,370 | 36,472 | 103,887 | 104,313 | 163,292 | 136,482 | 193,195 | 889,807 |
| Non- Discounted Estimated Ultimate Incurred (1) | 948,942 | 1,828,378 | 2,878,176 | 2,960,000 | 2,910,000 | 4,090,000 | 2,990,000 | 5,750,000 | 5,330,000 | 4,440,000 | 3,970,000 | 5,190,000 | 43,285,496 |
| Anticipated Investment Income (Discount) (2) | (1,714) | -- | (1,292) | (7,745) | (2,380) | (5,115) | (5,081) | (16,036) | (13,808) | (32,439) | (22,964) | (39,114) | (147,688) |
| Discounted Estimated Ultimate (1-2) | 947,228 | 1,828,378 | 2,876,884 | 2,952,255 | 2,907,620 | 4,084,885 | 2,984,919 | 5,733,964 | 5,316,192 | 4,407,561 | 3,947,036 | 5,150,886 | 43,137,808 |
| Paid Claims | (914,658) | (1,828,378) | (2,852,328) | (2,805,094) | (2,868,957) | (4,014,775) | (2,922,252) | (5,549,553) | (5,165,621) | (4,058,369) | (3,709,047) | (4,755,400) | (41,444,432) |
| Remaining Estimated Unpaid Claim Liabilities | $ 32,570 | $ -- | $ 24,556 | $ 147,161 | $ 38,663 | $ 70,110 | $ 62,667 | $ 184,411 | $ 150,571 | $ 349,192 | $ 237,989 | $ 395,486 | $ 1,693,376 |

**(1) Per Bay Actuarial Consultants actuarial study dated February 2017.**

**(2) Discounted at 2%, 06/30/2012, 1.5%, 06/30/2014, and 1.5%, 06/30/2015, 06/30/2016 & 06/30/2017.**

| Historical Discounted Estimated Ultimate Incurred: | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| As of 06/30/2006 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| As of 06/30/2007 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| As of 06/30/2008 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| As of 06/30/2009 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| As of 06/30/2010 | 793,059 | 1,889,004 | 2,789,731 | 2,944,000 | 2,906,506 | 4,017,275 | 2,912,254 | 5,524,202 | 5,140,647 | 4,323,930 | 3,718,595 | 5,137,560 | 42,096,763 |
| As of 06/30/2011 | 852,621 | 1,886,310 | 2,800,604 | 2,899,286 | 2,949,183 | 4,029,712 | 2,912,357 | 5,687,163 | 5,154,464 | 4,316,645 | 3,706,533 | 5,171,358 | 42,366,236 |
| As of 06/30/2012 | 865,386 | 1,891,056 | 2,829,735 | 2,939,513 | 2,664,915 | 3,978,682 | 2,914,559 | 5,840,572 | 5,219,982 | 4,364,052 | 3,687,860 | 5,166,611 | 42,362,923 |
| As of 06/30/2013 | 954,963 | 1,828,378 | 2,917,252 | 3,003,200 | 2,674,593 | 4,009,091 | 2,922,237 | 5,789,363 | 5,200,522 | 4,331,119 | 3,639,169 | 5,209,906 | 42,479,793 |
| As of 06/30/2014 | 959,089 | 1,828,378 | 2,943,554 | 2,948,967 | 2,906,382 | 4,010,866 | 2,993,154 | 5,793,307 | 5,156,348 | 4,321,092 | 3,728,346 | 5,145,562 | 42,735,045 |
| As of 06/30/2015 | 959,745 | 1,828,378 | 2,944,649 | 2,957,392 | 2,916,153 | 4,077,607 | 2,993,338 | 5,759,425 | 5,259,555 | 4,304,405 | 3,847,149 | 5,130,367 | 42,978,163 |
| As of 06/30/2016 | 919,585 | 1,828,378 | 2,935,792 | 2,958,911 | 2,907,220 | 4,065,869 | 2,966,210 | 5,750,806 | 5,315,636 | 4,278,349 | 3,855,186 | 5,114,027 | 42,895,969 |
| As of 06/30/2017 | 947,228 | 1,828,378 | 2,876,884 | 2,952,255 | 2,907,620 | 4,084,885 | 2,984,919 | 5,733,964 | 5,316,192 | 4,407,561 | 3,947,036 | 5,150,886 | 43,137,808 |
| Increase/Decrease | 27,643 | -- | (58,908) | (6,656) | 400 | 19,016 | 18,709 | (16,842) | 556 | 129,212 | 91,850 | 36,859 | 241,839 |

# Alameda County Schools Insurance Group (ACSIG)
## Schedule of Claim Liabilities for Workers' Compensation
## As of 12/31/2016

| | Totals From Page 7 | Self-Insured Program Years | | | | | | | Totals To Page 7B |
|---|---|---|---|---|---|---|---|---|---|
| | | 1995/1996 | 1996/1997 | 1997/1998 | 1998/1999 | 1999/2000 | 2000/2001 | 2001/2002 | |
| Paid Claims | $ 41,444,432 | $ 5,311,130 | $ 7,058,559 | $ 6,750,732 | $ 9,057,897 | $ 7,280,120 | $ 10,684,648 | $ 11,774,838 | $ 99,362,356 |
| Reserves | 951,257 | 136,247 | 364,459 | 638,348 | 1,292,686 | 757,662 | 731,887 | 695,711 | 5,568,257 |
| Incurred Claims | 42,395,689 | 5,447,377 | 7,423,018 | 7,389,080 | 10,350,583 | 8,037,782 | 11,416,535 | 12,470,549 | 104,930,613 |
| Incurred But Not Reported (IBNR) | 889,807 | 162,623 | 346,982 | 380,920 | 559,417 | 382,218 | 683,465 | 809,451 | 4,214,883 |
| Non- Discounted Estimated Ultimate Incurred (1) | 43,285,496 | 5,610,000 | 7,770,000 | 7,770,000 | 10,910,000 | 8,420,000 | 12,100,000 | 13,280,000 | 109,145,496 |
| Anticipated Investment Income (Discount) (2) | (147,688) | (27,197) | (67,587) | (102,946) | (196,323) | (124,247) | (154,273) | (162,557) | (982,818) |
| Discounted Estimated Ultimate (1-2) | 43,137,808 | 5,582,803 | 7,702,413 | 7,667,054 | 10,713,677 | 8,295,753 | 11,945,727 | 13,117,443 | 108,162,678 |
| Paid Claims | (41,444,432) | (5,311,130) | (7,058,559) | (6,750,732) | (9,057,897) | (7,280,120) | (10,684,648) | (11,774,838) | (99,362,356) |
| Remaining Estimated Unpaid Claim Liabilities | $ 1,693,376 | $ 271,673 | $ 643,854 | $ 916,322 | $ 1,655,780 | $ 1,015,633 | $ 1,261,079 | $ 1,342,605 | $ 8,800,322 |

**(1) Per Bay Actuarial Consultants actuarial study dated February 2017.**

**(2) Discounted at 2%, 06/30/2012, 1.5%, 06/30/2014, and 1.5%, 06/30/2015, 06/30/2016 & 06/30/2017.**

| Historical Discounted Estimated Ultimate Incurred: | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| As of 06/30/2006 | N/A | N/A | N/A | N/A | N/A | 6,333,000 | 8,381,000 | 7,897,000 | N/A |
| As of 06/30/2007 | N/A | N/A | N/A | N/A | N/A | 6,651,000 | 9,924,000 | 9,258,000 | N/A |
| As of 06/30/2008 | N/A | N/A | N/A | N/A | N/A | 7,464,000 | 11,199,000 | 10,319,000 | N/A |
| As of 06/30/2009 | N/A | N/A | N/A | N/A | N/A | 7,691,266 | 12,739,081 | 11,713,580 | N/A |
| As of 06/30/2010 | 42,096,763 | 5,727,741 | 7,172,192 | 6,843,071 | 10,750,070 | 7,983,737 | 13,184,486 | 12,525,480 | 106,283,540 |
| As of 06/30/2011 | 42,366,236 | 5,721,425 | 7,145,019 | 7,440,306 | 11,250,829 | 8,670,787 | 13,295,238 | 12,326,440 | 108,216,280 |
| As of 06/30/2012 | 42,362,923 | 5,641,456 | 7,470,783 | 7,427,596 | 11,162,085 | 8,724,801 | 11,904,345 | 13,678,790 | 108,372,779 |
| As of 06/30/2013 | 42,479,793 | 5,833,514 | 7,743,609 | 7,798,325 | 11,018,070 | 9,598,230 | 12,098,931 | 13,618,383 | 110,188,855 |
| As of 06/30/2014 | 42,735,045 | 5,738,160 | 7,577,599 | 7,714,653 | 11,132,297 | 8,733,944 | 11,771,811 | 13,128,192 | 108,531,701 |
| As of 06/30/2015 | 42,978,163 | 5,752,631 | 7,584,812 | 7,808,635 | 10,993,497 | 8,806,657 | 11,818,771 | 13,083,683 | 108,826,849 |
| As of 06/30/2016 | 42,895,969 | 5,607,306 | 7,562,358 | 7,660,593 | 11,011,641 | 8,642,537 | 11,753,128 | 12,959,861 | 108,093,393 |
| As of 06/30/2017 | 43,137,808 | 5,582,803 | 7,702,413 | 7,667,054 | 10,713,677 | 8,295,753 | 11,945,727 | 13,117,443 | 108,162,678 |
| Increase/Decrease | 159,645 | (24,503) | 140,055 | 6,461 | (297,964) | (346,784) | 192,599 | 157,582 | (12,909) |

# Alameda County Schools Insurance Group (ACSIG)
## Schedule of Claim Liabilities for Workers' Compensation
## As of 12/31/2016

| | Totals From Page 7A | Self-Insured Program Years | | | | | | | As of 12/31/2016 Totals | Activity | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2002/2003 | 2003/2004 | 2004/2005 | 2005/2006 | 2006/2007 | 2007/2008 | 2008/2009 | | As of 06/30/2016 Totals | 07/01/2016 - 12/31/2016 |
| Paid Claims | $ 99,362,356 | $ 9,832,736 | $ 5,831,191 | $ 5,404,587 | $ 8,537,141 | $ 8,072,045 | $ 8,343,200 | $ 8,559,538 | $ 153,942,794 | $ 153,212,401 | $ 730,393 |
| Reserves | 5,568,257 | 411,274 | 550,414 | 224,090 | 863,197 | 757,596 | 711,675 | 599,738 | 9,686,241 | 10,453,729 | (767,488) |
| Incurred Claims | 104,930,613 | 10,244,010 | 6,381,605 | 5,628,677 | 9,400,338 | 8,829,641 | 9,054,875 | 9,159,276 | 163,629,035 | 163,666,130 | (37,095) |
| Incurred But Not Reported (IBNR) | 4,214,883 | 575,990 | 558,395 | 331,323 | 1,069,662 | 520,359 | 645,125 | 980,724 | 8,896,461 | 9,722,140 | (825,679) |
| Non- Discounted Estimated Ultimate Incurred (1) | 109,145,496 | 10,820,000 | 6,940,000 | 5,960,000 | 10,470,000 | 9,350,000 | 9,700,000 | 10,140,000 | 172,525,496 | 173,388,270 | (862,774) |
| Anticipated Investment Income (Discount) (2) | (982,818) | (110,574) | (135,275) | (69,982) | (259,003) | (171,246) | (183,168) | (210,201) | (2,122,267) | (2,355,614) | 233,347 |
| Discounted Estimated Ultimate (1-2) | 108,162,678 | 10,709,426 | 6,804,725 | 5,890,018 | 10,210,997 | 9,178,754 | 9,516,832 | 9,929,799 | 170,403,229 | 171,032,656 | (629,427) |
| Paid Claims | (99,362,356) | (9,832,736) | (5,831,191) | (5,404,587) | (8,537,141) | (8,072,045) | (8,343,200) | (8,559,538) | (153,942,794) | (153,212,401) | (730,393) |
| Remaining Estimated Unpaid Claim Liabilities | $ 8,800,322 | $ 876,690 | $ 973,534 | $ 485,431 | $ 1,673,856 | $ 1,106,709 | $ 1,173,632 | $ 1,370,261 | $ 16,460,435 | $ 17,820,255 | $ (1,359,820) |
| | | | | | | | | Estimated Current Portion /Short-Term Liability (1) | (1,591,000) | | |
| | | | | | | | | Estimated Non-Current portion of Claim Liabilities | $ 14,869,435 | | |
| **Historical Discounted Estimated Ultimate Incurred:** | | | | | | | | | | | |
| As of 06/30/2006 | N/A | 6,787,000 | 4,378,000 | 2,665,000 | 1,943,000 | -- | -- | -- | N/A | | |
| As of 06/30/2007 | N/A | 7,677,000 | 5,299,000 | 3,502,000 | 3,727,000 | 3,498,000 | -- | -- | N/A | | |
| As of 06/30/2008 | N/A | 8,867,000 | 5,704,000 | 4,776,000 | 6,673,000 | 6,867,000 | 6,117,000 | -- | N/A | | |
| As of 06/30/2009 | N/A | 9,952,286 | 6,342,724 | 5,888,070 | 8,380,255 | 9,209,624 | 10,474,925 | 8,012,622 | N/A | | |
| As of 06/30/2010 | 106,283,540 | 9,857,770 | 7,326,142 | 6,233,943 | 8,159,431 | 9,705,395 | 11,525,318 | 10,768,305 | 169,859,844 | | |
| As of 06/30/2011 | 108,216,280 | 9,806,352 | 7,347,756 | 6,873,035 | 9,276,212 | 9,956,828 | 10,929,748 | 10,770,204 | 173,176,415 | | |
| As of 06/30/2012 | 108,372,779 | 11,103,705 | 7,180,516 | 6,779,730 | 9,113,232 | 10,061,847 | 10,833,352 | 11,378,258 | 174,823,419 | | |
| As of 06/30/2013 | 110,188,855 | 10,710,077 | 7,136,860 | 6,043,782 | 8,435,497 | 9,522,890 | 10,141,142 | 10,501,500 | 172,680,603 | | |
| As of 06/30/2014 | 108,531,701 | 10,454,102 | 6,798,117 | 6,067,506 | 10,203,448 | 9,772,238 | 10,362,281 | 10,585,137 | 172,774,530 | | |
| As of 06/30/2015 | 108,826,849 | 10,457,705 | 6,920,842 | 6,214,866 | 10,347,509 | 9,539,023 | 9,859,233 | 10,469,961 | 172,635,988 | | |
| As of 06/30/2016 | 108,093,393 | 10,531,877 | 6,860,336 | 6,223,567 | 10,366,713 | 9,216,061 | 9,639,692 | 10,101,017 | 171,032,656 | | |
| As of 06/30/2017 | 108,162,678 | 10,709,426 | 6,804,725 | 5,890,018 | 10,210,997 | 9,178,754 | 9,516,832 | 9,929,799 | 170,403,229 | | |
| Increase/Decrease | (12,909) | 177,549 | (55,611) | (333,549) | (155,716) | (37,307) | (122,860) | (171,218) | (711,621) | | |

**(1) Per Bay Actuarial Consultants actuarial study dated February 2017.**

**(2) Discounted at 2%, 06/30/2012, 1.5%, 06/30/2014, and 1.5%, 06/30/2015, 06/30/2016 & 06/30/2017.**

| Claim Development Expense | |
|---|---|
| Claim Liabilities and ULAE Decrease | $ (1,359,820) |
| | (192,000) |
| | $ (1,551,820) |

## Alameda County Schools Insurance Group (ACSIG)
## Schedule of Claim Liabilities for Property Liability
## As of 12/31/2016

| | Self-Insured Program Years | | | | | | | | | As of 12/31/2016 | Activity: As of 06/30/2016 | Activity: 07/01/2016 - 09/30/2016 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2008/2009 | 2009/2010 | 2010/2011 | 2011/2012 | 2012/2013 | 2013/2014 | 2014/2015 | 2015/2016 | 2016/2017 | | | |
| Paid Claims | $ 117,507 | $ 48,738 | $ 33,141 | $ 96,543 | $ 125,045 | $ 20,000 | $ 18,078 | $ 6,681 | $ -- | $ 465,732 | $ 454,426 | $ 11,306 |
| Reserves | -- | -- | -- | -- | -- | -- | -- | 40,000 | -- | 40,000 | -- | 40,000 |
| Incurred Claims | 117,507 | 48,738 | 33,141 | 96,543 | 125,045 | 20,000 | 18,078 | 46,681 | -- | 505,732 | 454,426 | 51,306 |
| Incurred But Not Reported (IBNR) | -- | 0 | -- | (0) | (0) | -- | 0 | 3,319 | 25,000 | 28,319 | 21,770 | 6,549 |
| Non- Discounted Estimated Ultimate Incurred (1) | 117,507 (4) | 48,738 (4) | 33,141 (4 | 96,543 (4) | 125,045 (3) | 20,000 | 18,078 | 50,000 (3) | 25,000 | 534,052 | 476,197 | 57,855 |
| Anticipated Investment Income (Discount) (2) | -- | -- | -- | -- | 0 | -- | (0) | (1,220) | (704) | (1,924) | (577) | (1,347) |
| Discounted Estimated Ultimate (1-2) | 117,507 | 48,738 | 33,141 | 96,543 | 125,045 | 20,000 | 18,078 | 48,780 | 24,296 | 532,128 | 475,620 | 56,508 |
| Paid Claims | (117,507) | (48,738) | (33,141) | (96,543) | (125,045) | (20,000) | (18,078) | (6,681) | -- | (465,732) | (454,426) | (11,306) |
| Remaining Estimated Unpaid Claim Liabilities | $ -- | $ -- | $ -- | $ -- | $ -- | $ -- | $ -- | $ 42,099 | $ 24,296 | $ 66,396 | $ 21,194 | $ 45,202 |
| Estimated Current Portion /Short-Term Liability (1), paid claims factor of .65 | | | | | | | | | | (36,518) | | |
| Estimated Non-Current portion of Claim Liabilities | | | | | | | | | | $ 29,878 | | |

**(1) Per Bay Actuarial Consultants actuarial study dated May 2015. Adjusted for negative IBNR & closed years, new year 2016/2017 estimated based upon 2015/2016 1st estimate.**

**(2) Discounted at .5%.**

**(3) Adjusted for negative IBNR** **(4) Ultimate adjusted for deductible, not shown on the Actuarial Report.**

| Claim Development Expense | |
|---|---|
| Claim Liabilities and ULAE | $ 45,202 |
| | -- |
| Increase | $ 45,202 |

| Historical Estimated Ultimate Incurred: | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| As of 06/30/2011 | 117,441 | 63,001 | 80,193 | -- | -- | -- | -- | -- | -- | 260,635 |
| As of 06/30/2012 | 117,441 | 63,001 | 80,193 | 77,802 | -- | -- | -- | -- | -- | 338,437 |
| As of 06/30/2013 | 117,507 | 49,777 | 62,638 | 115,793 | 108,539 | -- | -- | -- | -- | 454,254 |
| As of 06/30/2014 | 117,507 | 49,777 | 37,638 | 100,792 | 148,539 | 111,900 | -- | -- | -- | 566,153 |
| As of 06/30/2015 | 117,507 | 48,738 | 33,141 | 96,543 | 126,562 | 20,863 | 32,843 | -- | -- | 566,153 |
| As of 06/30/2016 | 117,507 | 48,738 | 33,141 | 96,543 | 126,562 | 20,863 | 7,843 | 25,000 | -- | 476,197 |
| As of 06/30/2017 | 117,507 | 48,738 | 33,141 | 96,543 | 125,045 | 20,000 | 18,078 | 50,000 | 25,000 | 534,052 |
| Increase/Decrease | -- | -- | -- | -- | (1,517) | (863) | 10,235 | 25,000 | 25,000 | 57,855 |

SETECH
A Division of Keenan

January 23, 2017

State Controller's Office
Division of Accounting & Reporting
RDA-SD Reporting Section
P. O. Box 942850
Sacramento, CA 94250-5875

**RE: Special Districts Financial Transactions Report**

To Whom It May Concern:

By notice received by Alameda County Schools Insurance Group (ACSIG) regarding the filing of the 2015/2016 Special Districts Financial Transactions Report, I am hereby enclosing the signed cover page. The actual report was filed electronically via File Transfer Protocol.

If you have any questions regarding information in this report, please call me at (916) 859-7160 extension 4250.

Sincerely,

Laurena Grabert
Assistant Vice President

LG/jbm
Enclosures

cc: ACSIG Board of Directors

*P.O. Box 4328*
*Torrance, CA 90510*
*Phone: (310) 212-2550*
*Fax: (310) 212-0300*
*License No. 0451271*

# SPECIAL DISTRICTS FINANCIAL TRANSACTIONS REPORT

## COVER PAGE

## Alameda County Schools Insurance Group

SCO Reporting Year: **2016** ID Number: **12500100800**

Fiscal Year Ended: 06/30/16 (MM/DD/YY)

Certification:

I hereby certify that, to the best of my knowledge and belief, the report forms fairly reflect the financial transactions of the district in accordance with the requirements as prescribed by the California State Controller.

District Fiscal Officer

| | |
|---|---|
| Signature | Title: Treasurer's Agent |
| Laurena Grabert | 01/23/17 |
| Name (Please Print) | Date |

Per Government Code section 53891(a), this report is due within seven months after the end of each fiscal year. The report shall contain underlying data from audited financial statements prepared in accordance with generally accepted accounting principles, if this data is available.

Per Government Code section 26909, a copy of the independent audit is to be filed with the Controller within 12 months after the close of the fiscal year.

Please complete, sign, and mail this cover page to either address below.

Mailing Address:

State Controller's Office
Division of Accounting and Reporting
Local Government Reporting Section
P. O. Box 942850
Sacramento, CA 94250

Express Mailing Address:

State Controller's Office
Division of Accounting and Reporting
Local Government Reporting Section
3301 C Street, Suite 740
Sacramento, CA 95816

**Local Agency Investment Fund**
**P.O. Box 942809**
**Sacramento, CA 94209-0001**
**(916) 653-3001**

www.treasurer.ca.gov/pmia-laif/laif.asp
February 02, 2017

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP

RISK MANAGER
P.O. BOX 2487
DUBLIN, CA 94568

PMIA Average Monthly Yields

**Account Number:**
35-01-001

Tran Type Definitions

December 2016 Statement

**Account Summary**

| | | | |
|---|---|---|---|
| Total Deposit: | 0.00 | Beginning Balance: | 3,165,902.54 |
| Total Withdrawal: | 0.00 | Ending Balance: | 3,165,902.54 |

# JOHN CHIANG
# TREASURER
# STATE OF CALIFORNIA

## PMIA Performance Report

| Date | Daily Yield* | Quarter to Date Yield | Average Maturity (in days) |
|---|---|---|---|
| 12/13/16 | 0.71 | 0.67 | 182 |
| 12/14/16 | 0.72 | 0.67 | 181 |
| 12/15/16 | 0.72 | 0.68 | 181 |
| 12/16/16 | 0.72 | 0.68 | 184 |
| 12/17/16 | 0.72 | 0.68 | 184 |
| 12/18/16 | 0.72 | 0.68 | 184 |
| 12/19/16 | 0.72 | 0.68 | 179 |
| 12/20/16 | 0.72 | 0.68 | 180 |
| 12/21/16 | 0.72 | 0.68 | 179 |
| 12/22/16 | 0.73 | 0.68 | 179 |
| 12/23/16 | 0.73 | 0.68 | 185 |
| 12/24/16 | 0.73 | 0.68 | 185 |
| 12/25/16 | 0.73 | 0.68 | 185 |
| 12/26/16 | 0.73 | 0.68 | 185 |
| 12/27/16 | 0.73 | 0.68 | 180 |
| 12/28/16 | 0.73 | 0.68 | 173 |
| 12/29/16 | 0.73 | 0.68 | 176 |
| 12/30/16 | 0.74 | 0.68 | 172 |
| 12/31/16 | 0.74 | 0.68 | 171 |
| 01/01/17 | 0.74 | 0.74 | 171 |
| 01/02/17 | 0.74 | 0.74 | 171 |
| 01/03/17 | 0.74 | 0.74 | 181 |
| 01/04/17 | 0.74 | 0.74 | 184 |
| 01/05/17 | 0.75 | 0.74 | 186 |
| 01/06/17 | 0.75 | 0.74 | 186 |
| 01/07/17 | 0.75 | 0.74 | 186 |
| 01/08/17 | 0.75 | 0.74 | 186 |
| 01/09/17 | 0.75 | 0.74 | 185 |
| 01/10/17 | 0.75 | 0.74 | 185 |
| 01/11/17 | 0.75 | 0.74 | 187 |
| 01/12/17 | 0.75 | 0.74 | 186 |

*Daily yield does not reflect capital gains or losses

View Prior Month Daily Rates

## LAIF Performance Report

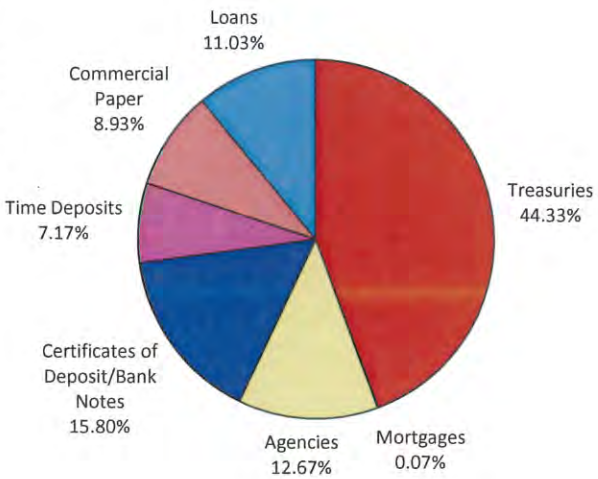
**Quarter Ending 12/31/16**

| | |
|---|---|
| Apportionment Rate: | 0.68% |
| Earnings Ratio: | 0.00001851848158529 |
| Fair Value Factor: | 0.999423823 |
| Daily: | 0.74% |
| Quarter to Date: | 0.68% |
| Average Life: | 171 |

**PMIA Average Monthly Effective Yields**

| | |
|---|---|
| Dec 2016 | 0.719% |
| Nov 2016 | 0.678% |
| Oct 2016 | 0.654% |

## Pooled Money Investment Account Portfolio Composition 12/31/16 $73.7 billion




Based on data available as of 1/13/2017

Alameda County Schools Insurance Group
P.O. Box 2487
Dublin, CA 94568
Phone (925) 225-1030
Fax (925) 225-0653
www.acsig.com

# EXECUTIVE SUMMARY

TO: ACSIG Executive Committee

FROM: Kimberly Dennis

DATE: February 16, 2017

SUBJECT: 2016/2017 Second Quarter Investment Report

In an effort to improve ACSIG's interest earnings, the Executive Committee amended its investment policy and selected Morgan Stanley Smith Barney as its investment advisor effective July 1, 2010. 2010-2011 was the first full year that ACSIG invested funds outside of the Alameda County Treasurer. I am pleased to say, although returns were low due to market conditions, the portfolio has yielded over $1 million in revenue.

Enclosed is ACSIG's second quarterly investment report. Cary Allison from Morgan Stanley Wealth Management will be in attendance to address this item and outline the current investment strategy. The Executive Committee will be asked to approve a recommendation to the full Board.

Wealth Management
1478 Stone Point Dr Suite 500
Roseville, CA 95661

tel 916 797 7742 or 888 335 6370
fax 916 797 7750

Morgan Stanley

January 6, 2017

Kimberly Dennis, Executive Director
ACSIG – Alameda County Schools Insurance Group
PO Box 2487
Dublin, CA 94568-0710

Dear Board:

Please find attached your most recent portfolio summary. I certify that your portfolio is in compliance with California government code sections 53600 and 53601 as well as your current investment policy statement as of the date of this report.

***Investment Summary Dollar Weighted Return % (Net of fees)***

| | |
|---|---|
| Date of Report | 12/31/16 |
| Inception date | 07/12/10 |
| Beginning Total Value | $9,999,850.00 |
| Net Contributions/Withdrawals | $5,033,025.75 |
| Investment Earnings | $1,050,105.12 |
| Total Ending Value | $16,082,980.87 |
| Current Quarter | -0.97% |
| Year to Date | 0.99% |
| Since Inception (annualized % per year) | 1.13% |

***Time Weighted Return % by Period (Net of fees)***

| | |
|---|---|
| Last 3 Years (annualized % per year) | 0.95% |
| Last 5 Years (annualized % per year) | 1.05% |
| Since Inception (annualized % per year) | 1.15% |
| Year 2016 | 0.99% |
| Year 2015 | 0.87% |
| Year 2014 | 1.01% |
| Year 2013 | -0.03% |
| Year 2012 | 2.44% |
| Year 2011 | 1.91% |
| Year 2010 (partial year) | 0.29% |
| Corporate bonds as percentage of portfolio | 28.89% |

More details on the portfolio summary are attached. Please contact me with any questions.

Sincerely,

Cary M. Allison, CIMA®
Senior Institutional Consultant
www.morganstanley.com
cary.allison@morganstanley.com

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Morgan Stanley

# Fixed Income Report

Prepared on January 06, 2017

Prepared For: **ACSIG - Alameda County Schools Ins Group**

**Account No. 171-041349**

ALAMEDA COUNTY SCHOOLS INS GROUP
ATTENTION: KIMBERLY DENNIS
P O BOX 2487
DUBLIN CA 94568-0710

**Cary Allison**
Financial Advisor
Senior Vice President
Tel: +1 916 797-7742
Cary.Allison@morganstanley.com
http://www.morganstanleyfa.com/cary.allison

**Your Branch:**
1478 STONE POINT DR SUITE 500
ROSEVILLE, CA 95661

## TABLE OF CONTENTS

| | |
|---|---|
| Account(s) Included In This Report | 3 |
| Investment Summary Dollar Weighted Returns - Advisory Assets Only | 4 |
| Time Weighted Performance Summary - Advisory Assets Only | 5 |
| Time Weighted Performance By Period - Advisory Assets Only | 6 |
| Risk Vs. Return - Advisory Assets Only | 7 |
| Fixed Income & Preferreds Quality, Maturity And Asset Allocation | 8 |
| Positions: Fixed Income Detail | 9 |
| Disclosures | 15 |

Please review the disclosures and definitions throughout this Document.
Various sub-sections of this Document may not contain information on all accounts/positions covered in this Document.

# ACCOUNT(S) INCLUDED IN THIS REPORT



Alameda County Schools Ins Group 171-041349-Western Asset - Gov Sec... Reporting Currency: USD

## ACCOUNT(S) DETAIL

| Account Name and Address | Account Type/Manager Name | Advisory/ Brokerage | Account Number | Date Opened | Date Closed |
|---|---|---|---|---|---|
| Alameda County Schools Ins Group<br>P O Box 2487 DUBLIN | Western Asset - Gov Sec Mgmt 3 year CES | Advisory | 171-041349 | 04/27/10 | |

**Investment, insurance and annuity products offered through Morgan Stanley Smith Barney LLC are: NOT FDIC INSURED | MAY LOSE VALUE | NOT BANK GUARANTEED | NOT A BANK DEPOSIT | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY.**
All content within this Document applies to the accounts listed above or a subset thereof, unless otherwise indicated.

# INVESTMENT SUMMARY DOLLAR WEIGHTED RETURNS - ADVISORY ASSETS ONLY

Morgan Stanley

Alameda County Schools Ins Group 171-041349-Western Asset - Gov Sec...

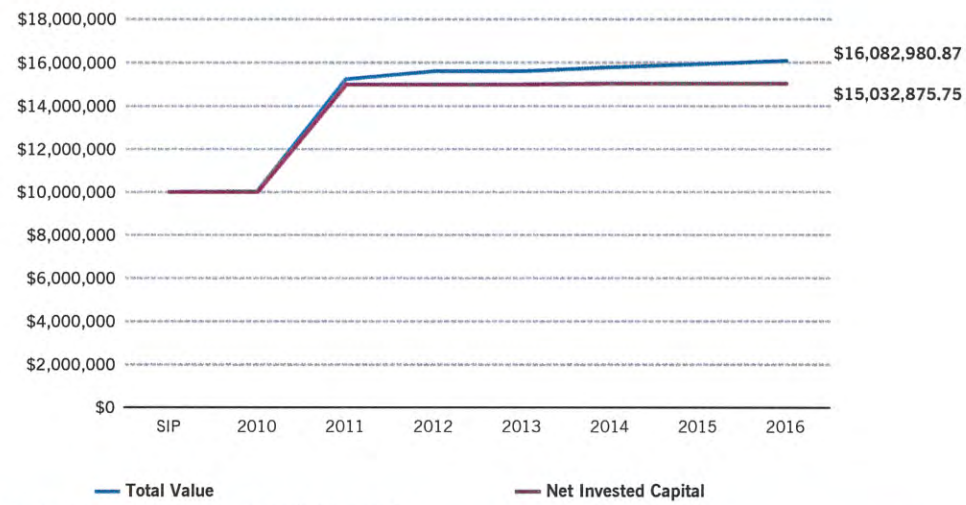
As of December 31, 2016 | Reporting Currency: USD

## CHANGE IN VALUE AND RETURN % (NET OF FEES)

| | Quarter to Date 09/30/16-12/31/16 | Year to Date 12/31/15-12/31/16 | Performance Inception 07/12/10-12/31/16 |
|---|---|---|---|
| **Beginning Total Value** | **$16,240,430.74** | **$15,926,083.41** | **$9,999,850.00** |
| Net Contributions/Withdrawals | 0.00 | 0.00 | 5,033,025.75 |
| Investment Earnings | -157,449.87 | 156,897.47 | 1,050,105.12 |
| **Ending Total Value** | **$16,082,980.87** | **$16,082,980.87** | **$16,082,980.87** |
| **DOLLAR WEIGHTED RATE OF RETURN (Annualized for periods over 12 months)** | | | |
| Return % (Net of Fees) | -0.97% | 0.99% | 1.13% |

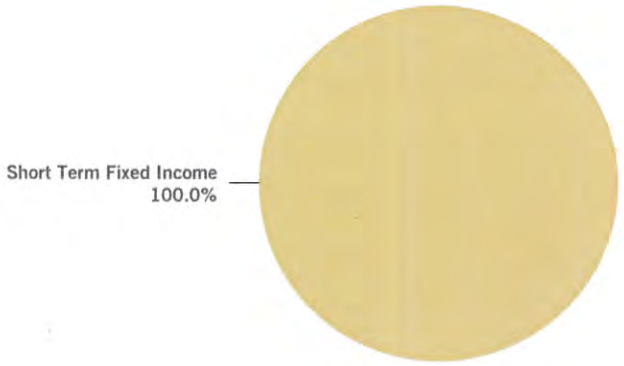
Does not include Performance Ineligible Assets.

## TOTAL VALUE VS. NET INVESTED CAPITAL




Does not include Performance Ineligible Assets.

## ASSET ALLOCATION




## INCOME SUMMARY

| | Year To Date 01/01/17-01/05/17 | Projected Remaining Year (Until 12/31) 01/06/17-12/31/17 | Projected Next 12 Months 02/01/17-01/31/18 |
|---|---|---|---|
| **INCOME BY ASSET CLASS** | | | |
| Cash | - | $0.00 | - |
| Fixed Income & Preferreds | - | 290,664.00 | 287,773.00 |
| **Total Income** | - | **$290,664.00** | **$287,773.00** |
| **INCOME BY TAX CATEGORY** | | | |
| Taxable | - | 290,664.00 | 287,773.00 |
| Non Taxable | - | - | - |
| Tax Deferred | - | - | - |
| **Total Income** | - | **$290,664.00** | **$287,773.00** |

Income Summary does not include income from external assets.

Inception dates for advisory account(s) reflect the most recent advisory program or discretion change.

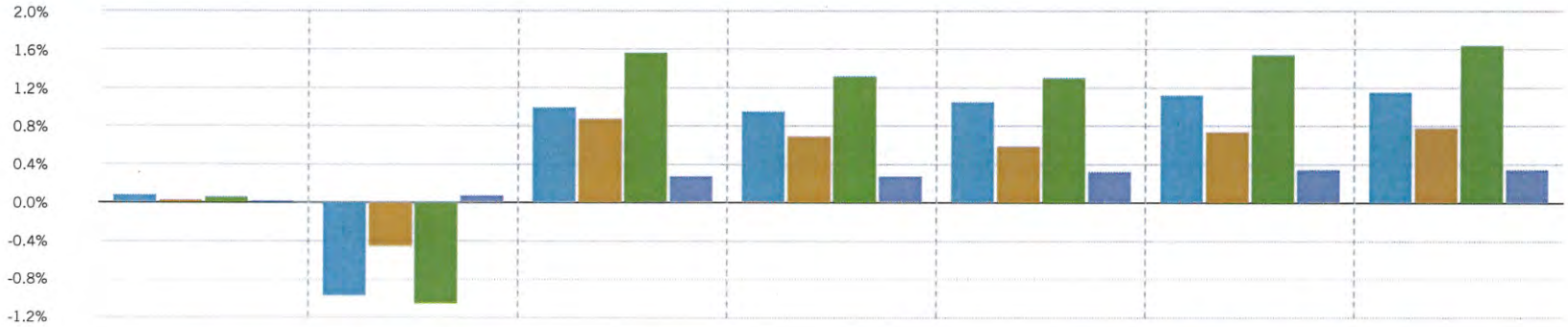
# TIME WEIGHTED PERFORMANCE SUMMARY - ADVISORY ASSETS ONLY

Morgan Stanley

Alameda County Schools Ins Group 171-041349-Western Asset - Gov Sec...

As of December 31, 2016 | Reporting Currency: USD

## RETURN % (NET OF FEES) VS. BENCHMARKS




| | Month to Date 11/30/16 - 12/31/16 | Quarter to Date 09/30/16 - 12/31/16 | Year to Date 12/31/15 - 12/31/16 | Last 3 Years 12/31/13 - 12/31/16 | Last 5 Years 12/31/11 - 12/31/16 | Performance Inception Month End 07/31/10 - 12/31/16 | Performance Inception 07/12/10 - 12/31/16 |
|---|---|---|---|---|---|---|---|
| **Beginning Total Value** | **$16,070,546.57** | **$16,240,430.74** | **$15,926,083.41** | **$15,597,806.94** | **$15,229,289.11** | **$10,025,516.38** | **$9,999,850.00** |
| Net Contributions/Withdrawals | 0.00 | 0.00 | 0.00 | 32,875.75 | 32,875.75 | 5,032,875.75 | 5,033,025.75 |
| Investment Earnings | 12,434.30 | -157,449.87 | 156,897.47 | 452,298.18 | 820,816.01 | 1,024,588.74 | 1,050,105.12 |
| **Ending Total Value** | **$16,082,980.87** | **$16,082,980.87** | **$16,082,980.87** | **$16,082,980.87** | **$16,082,980.87** | **$16,082,980.87** | **$16,082,980.87** |
| **Return % (Net of Fees)** | **0.08** | **-0.97** | **0.99** | **0.95** | **1.05** | **1.12** | **1.15** |
| *BC Gov 1-3 Yr* | *0.03* | *-0.45* | *0.87* | *0.69* | *0.59* | *0.74* | *0.78* |
| *BC Gov/Cr 1-5 yr* | *0.06* | *-1.05* | *1.56* | *1.32* | *1.30* | *1.54* | *1.64* |
| *Citi CD 6 Month* | *0.02* | *0.07* | *0.27* | *0.27* | *0.32* | *0.34* | *0.34* |

Inception dates for advisory account(s) reflect the most recent advisory program or discretion change.
The investment returns shown on this page are time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals.

# TIME WEIGHTED PERFORMANCE BY PERIOD - ADVISORY ASSETS ONLY



Alameda County Schools Ins Group 171-041349-Western Asset - Gov Sec...

As of December 31, 2016 | Reporting Currency: USD

## RETURN % (NET OF FEES) VS. BENCHMARKS

From 07/12/10 - 12/31/16

| Period | Beginning Total Value | Net Contributions/ Withdrawals | Investment Earnings | Ending Total Value | Period Returns% | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | Portfolio (Net of Fees) | BC Gov 1-3 Yr | BC Gov/Cr 1-5 yr | Citi CD 6 Month |
| **2016** | **$15,926,083.41** | **$0.00** | **$156,897.47** | **$16,082,980.87** | **0.99%** | **0.87%** | **1.56%** | **0.27%** |
| *4QTR* | *16,240,430.74* | *0.00* | *-157,449.87* | *16,082,980.87* | *-0.97* | *-0.45* | *-1.05* | *0.07* |
| December | 16,070,546.57 | 0.00 | 12,434.30 | 16,082,980.87 | 0.08 | 0.03 | 0.06 | 0.02 |
| November | 16,204,476.67 | 0.00 | -133,930.10 | 16,070,546.57 | -0.83 | -0.41 | -0.95 | 0.02 |
| October | 16,240,430.74 | 0.00 | -35,954.07 | 16,204,476.67 | -0.22 | -0.07 | -0.16 | 0.02 |
| *3QTR* | *16,255,106.57* | *0.00* | *-14,675.83* | *16,240,430.74* | *-0.09* | *-0.10* | *0.04* | *0.07* |
| September | 16,221,608.77 | 0.00 | 18,821.97 | 16,240,430.74 | 0.12 | 0.12 | 0.15 | 0.02 |
| August | 16,251,286.98 | 0.00 | -29,678.22 | 16,221,608.77 | -0.18 | -0.16 | -0.20 | 0.02 |
| July | 16,255,106.57 | 0.00 | -3,819.59 | 16,251,286.98 | -0.02 | -0.06 | 0.09 | 0.02 |
| *2QTR* | *16,150,162.43* | *0.00* | *104,944.15* | *16,255,106.57* | *0.65* | *0.52* | *0.98* | *0.07* |
| June | 16,129,757.45 | 0.00 | 125,349.13 | 16,255,106.57 | 0.78 | 0.59 | 0.94 | 0.02 |
| May | 16,149,697.71 | 0.00 | -19,940.27 | 16,129,757.45 | -0.12 | -0.10 | -0.12 | 0.02 |
| April | 16,150,162.43 | 0.00 | -464.71 | 16,149,697.71 | 0.00 | 0.04 | 0.15 | 0.02 |
| *1QTR* | *15,926,083.41* | *0.00* | *224,079.02* | *16,150,162.43* | *1.41* | *0.89* | *1.61* | *0.07* |
| March | 16,085,409.16 | 0.00 | 64,753.26 | 16,150,162.43 | 0.40 | 0.17 | 0.52 | 0.02 |
| February | 16,063,789.98 | 0.00 | 21,619.18 | 16,085,409.16 | 0.13 | 0.11 | 0.19 | 0.02 |
| January | 15,926,083.41 | 0.00 | 137,706.57 | 16,063,789.98 | 0.86 | 0.61 | 0.89 | 0.02 |
| **2015** | **$15,789,357.87** | **$0.00** | **$136,725.54** | **$15,926,083.41** | **0.87%** | **0.57%** | **0.97%** | **0.27%** |
| **2014** | **$15,597,806.94** | **$32,875.75** | **$158,675.18** | **$15,789,357.87** | **1.01%** | **0.64%** | **1.42%** | **0.27%** |
| **2013** | **$15,600,964.10** | **$0.00** | **-$3,157.16** | **$15,597,806.94** | **-0.03%** | **0.37%** | **0.28%** | **0.27%** |
| **2012** | **$15,229,289.11** | **$0.00** | **$371,674.99** | **$15,600,964.10** | **2.44%** | **0.51%** | **2.24%** | **0.49%** |
| **2011** | **$10,028,996.97** | **$5,000,000.00** | **$200,292.14** | **$15,229,289.11** | **1.91%** | **1.56%** | **3.14%** | **0.39%** |
| **2010** Performance Inception: 07/12/10 | **$9,999,850.00** | **$150.00** | **$28,996.97** | **$10,028,996.97** | **0.29%** | **0.53%** | **1.03%** | **0.25%** |

Inception dates for advisory account(s) reflect the most recent advisory program or discretion change.
The investment returns shown on this page are time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals.

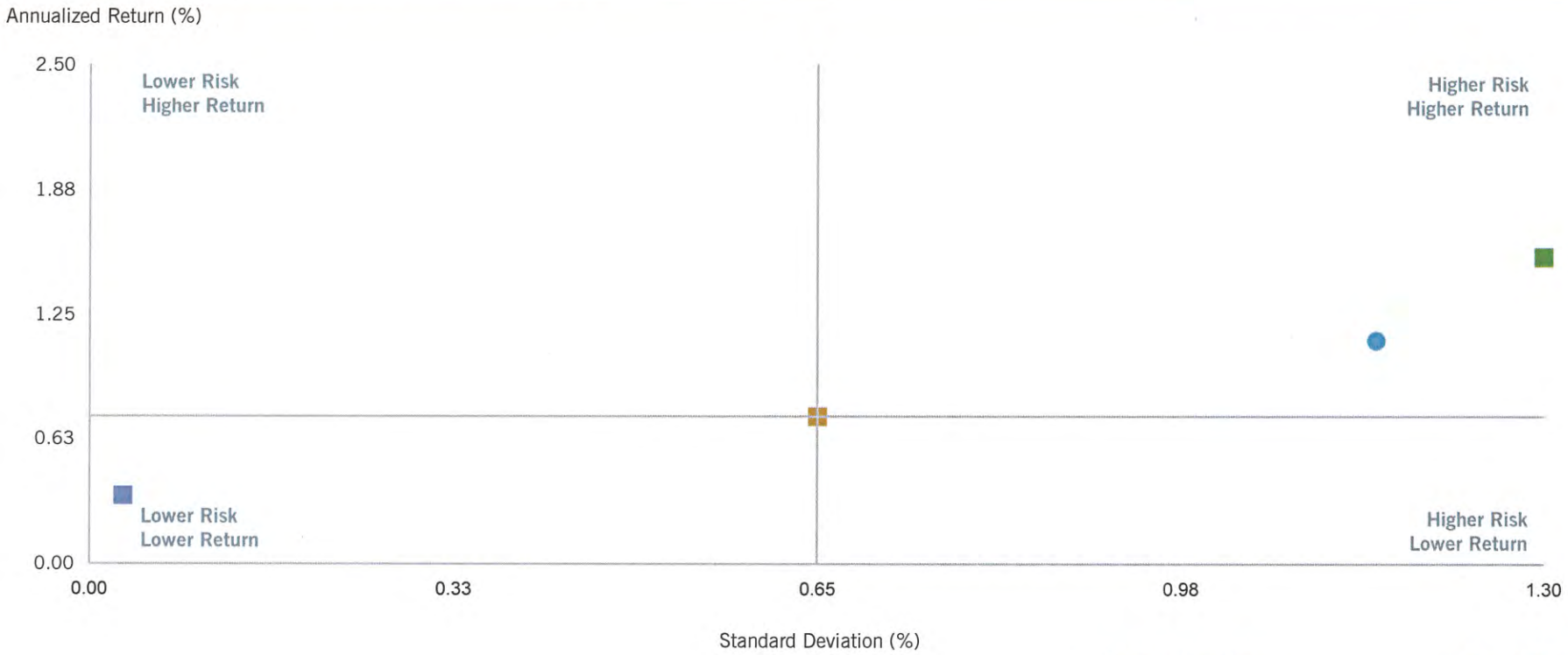
# RISK VS. RETURN - ADVISORY ASSETS ONLY



Alameda County Schools Ins Group 171-041349-Western Asset - Gov Sec...

As of December 31, 2016 | Reporting Currency: USD

## RETURN % (NET OF FEES) AND VOLATILITY VS. BENCHMARKS




| | Return % (Net of Fees) 07/31/10-12/31/16 | Standard Deviation 07/31/10-12/31/16 (%) |
|---|---|---|
| Portfolio | 1.12% | 1.15% |
| *BC Gov 1-3 Yr* | *0.74* | *0.65* |
| *BC Gov/Cr 1-5 yr* | *1.54* | *1.30* |
| *Citi CD 6 Month* | *0.34* | *0.03* |

Inception dates for advisory account(s) reflect the most recent advisory program or discretion change.
The investment returns shown on this page are time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals.

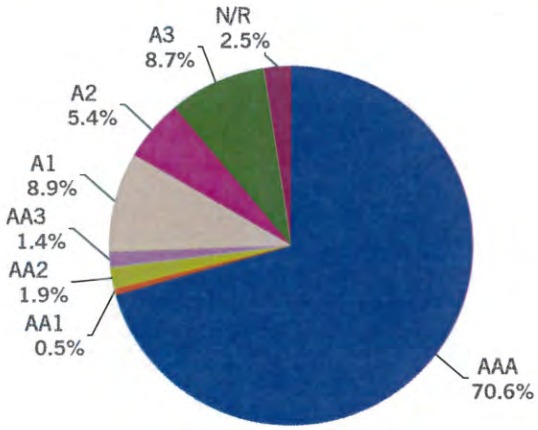
# FIXED INCOME & PREFERREDS QUALITY, MATURITY AND ASSET ALLOCATION

Morgan Stanley

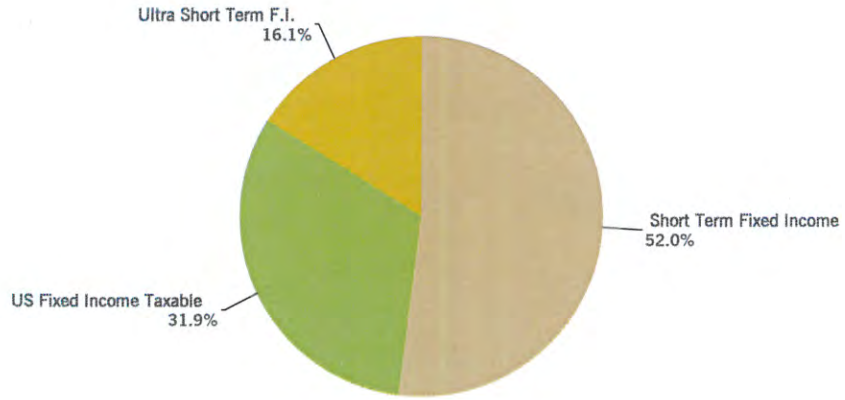
Alameda County Schools Ins Group 171-041349-Western Asset - Gov Sec...

As of December 31, 2016 | Reporting Currency: USD

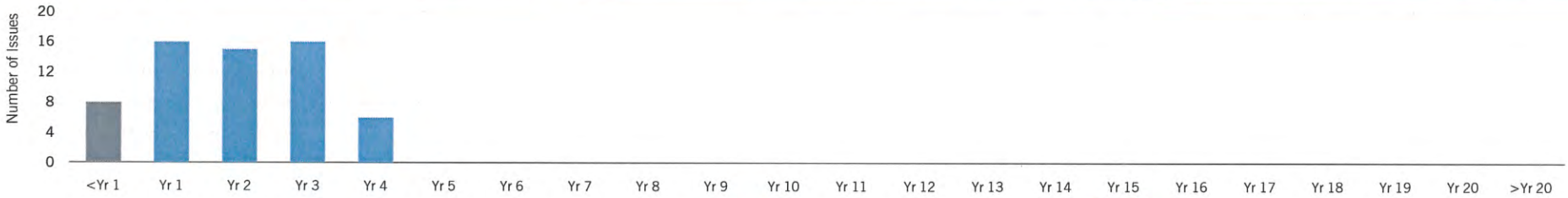
## FIXED INCOME AND PREFERREDS QUALITY ANALYSIS




## FIXED INCOME AND PREFERREDS ASSET ALLOCATION




## MATURITY SCHEDULE




| | Number of Issues | Total Value 12/31/16 | % of Fixed Income & Preferreds |
|---|---|---|---|
| Less than 1 yr | 8 | $2,583,133.31 | 16.1% |
| 1-5 yrs | 53 | 13,456,048.16 | 83.9 |
| 6-10 yrs | 0 | 0.00 | 0.0 |
| 11-15 yrs | 0 | 0.00 | 0.0 |
| 16-20 yrs | 0 | 0.00 | 0.0 |
| More than 20 yrs | 0 | 0.00 | 0.0 |
| Others | 0 | 0.00 | 0.0 |
| **Total Fixed Income & Preferreds** | **61** | **$16,039,181.46** | **100.0%** |

The Maturity Schedule only includes securities with a stated maturity date.

## CORPORATE FIXED INCOME

| Security Description | Original Cost / Adjusted Cost | Face Value | Current Price | Market Value / Total Value | Unrealized Gain/Loss | Current Yield / Yield on Cost | % of Fixed Income |
|---|---|---|---|---|---|---|---|
| **3M CO** | $81,094.39<br>$81,094.39 | $81,000.00 | $97.45 | $78,935.31<br>$79,308.25 | -$2,159.08 | 1.66%<br>1.62% | 0.49% |
| *Cusip: 88579YAU5, Moody's Rating: A1, S & P Rating: AA-, Maturity Date: 9/19/2021, Coupon: 1.625, Call Date: 8/19/2021, Call Price: 100.000, Accrued Interest: $372.937* | | | | | | | |
| **ACE INA HOLDINGS INC** | 80,368.18<br>80,368.18 | 79,000.00 | 99.98 | 78,981.83<br>79,274.57 | -1,386.35 | 2.30<br>2.26 | 0.49 |
| *Cusip: 00440EAT4, Moody's Rating: A3, S & P Rating: A, Maturity Date: 11/3/2020, Coupon: 2.300, Call Date: 10/3/2020, Call Price: 100.000, Accrued Interest: $292.738* | | | | | | | |
| **AMERICAN EXPRESS CREDIT** | 161,577.18<br>161,577.18 | 162,000.00 | 100.58 | 162,937.98<br>163,355.73 | 1,360.80 | 1.48<br>1.49 | 1.02 |
| *Cusip: 0258M0DW6, Moody's Rating: A2, S & P Rating: A-, Maturity Date: 7/31/2018, Coupon: 1.497, Call Date: 6/30/2018, Call Price: 100.000, Accrued Interest: $417.746* | | | | | | | |
| **APPLE INC** | 80,961.12<br>80,961.12 | 81,000.00 | 100.23 | 81,183.87<br>81,331.45 | 222.75 | 1.12<br>1.12 | 0.51 |
| *Cusip: 037833AG5, Moody's Rating: AA1, S & P Rating: AA+, Maturity Date: 5/3/2018, Coupon: 1.131, Accrued Interest: $147.582* | | | | | | | |
| **BANK OF NEW YORK MELLON** | 158,364.69<br>158,364.69 | 158,000.00 | 100.44 | 158,698.36<br>160,228.33 | 333.67 | 2.09<br>2.09 | 1.00 |
| *Cusip: 06406HCP2, Moody's Rating: A1, S & P Rating: A, Maturity Date: 1/15/2019, Coupon: 2.100, Call Date: 12/15/2018, Call Price: 100.000, Accrued Interest: $1529.966* | | | | | | | |
| **BB&T CORPORATION** | 151,120.19<br>151,120.19 | 151,000.00 | 100.14 | 151,209.89<br>152,102.68 | 89.70 | 2.14<br>2.11 | 0.95 |
| *Cusip: 05531FAK9, Moody's Rating: A2, S & P Rating: A-, Maturity Date: 3/22/2017, Coupon: 2.150, Call Date: 2/22/2017, Call Price: 100.000, Accrued Interest: $892.788* | | | | | | | |
| **BERKSHIRE HATHAWAY INC** | 158,182.85<br>158,182.85 | 157,000.00 | 100.90 | 158,413.00<br>159,667.69 | 230.15 | 2.08<br>2.08 | 1.00 |
| *Cusip: 084670BL1, Moody's Rating: AA2, S & P Rating: AA, Maturity Date: 8/14/2019, Coupon: 2.100, Accrued Interest: $1254.691* | | | | | | | |
| **BOEING CAPITAL CORPORATION** | 78,016.04<br>78,016.04 | 76,000.00 | 102.21 | 77,678.08<br>78,510.70 | -337.96 | 2.83<br>2.77 | 0.49 |
| *Cusip: 097014AM6, Moody's Rating: A2, S & P Rating: A, Maturity Date: 8/15/2018, Coupon: 2.900, Call Date: 7/15/2018, Call Price: 100.000, Accrued Interest: $832.622* | | | | | | | |
| **BURLINGTON NORTH SANTA FE** | 78,191.32<br>78,191.32 | 74,000.00 | 105.12 | 77,785.84<br>79,038.70 | -405.48 | 5.47<br>5.35 | 0.49 |
| *Cusip: 12189TBA1, Moody's Rating: A3, S & P Rating: A, Maturity Date: 3/15/2018, Coupon: 5.750, Accrued Interest: $1252.861* | | | | | | | |
| **CATERPILLAR FINANCIAL SE** | 78,712.82<br>78,712.82 | 77,000.00 | 100.36 | 77,280.28<br>77,379.10 | -1,432.54 | 2.09<br>2.04 | 0.48 |
| *Cusip: 14912L6B2, Moody's Rating: A3, S & P Rating: A, Maturity Date: 6/9/2019, Coupon: 2.100, Accrued Interest: $98.816* | | | | | | | |
| **CHEVRON CORP** | 72,669.88<br>72,669.88 | 71,000.00 | 100.71 | 71,505.52<br>71,715.44 | -1,164.36 | 2.40<br>2.35 | 0.45 |
| *Cusip: 166764AY6, Moody's Rating: AA2, S & P Rating: AA-, Maturity Date: 11/17/2020, Coupon: 2.419, Call Date: 10/17/2020, Call Price: 100.000, Accrued Interest: $209.915* | | | | | | | |

Unrealized Gain/Loss value does not reflect interest and dividend accruals.

## CORPORATE FIXED INCOME (CONTINUED)

| Security Description | Original Cost / Adjusted Cost | Face Value | Current Price | Market Value / Total Value | Unrealized Gain/Loss | Current Yield / Yield on Cost | % of Fixed Income |
|---|---|---|---|---|---|---|---|
| **CISCO SYSTEMS INC** | 159,125.80<br>159,125.80 | 159,000.00 | 101.01 | 160,604.31<br>160,777.44 | 1,478.51 | 2.42<br>2.44 | 1.00 |
| *Cusip: 17275RAX0, Moody's Rating: A1, S & P Rating: AA-, Maturity Date: 6/15/2020, Coupon: 2.450, Accrued Interest: $173.132* | | | | | | | |
| **COCA-COLA CO/THE** | 80,946.00<br>80,946.00 | 80,000.00 | 99.15 | 79,320.00<br>79,586.67 | -1,626.00 | 1.89<br>1.85 | 0.50 |
| *Cusip: 191216BT6, Moody's Rating: AA3, S & P Rating: AA-, Maturity Date: 10/27/2020, Coupon: 1.875, Accrued Interest: $266.666* | | | | | | | |
| **COMCAST CORP** | 150,922.93<br>150,922.93 | 139,000.00 | 109.16 | 151,728.23<br>154,114.40 | 805.30 | 4.71<br>4.57 | 0.96 |
| *Cusip: 20030NBA8, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 3/1/2020, Coupon: 5.150, Accrued Interest: $2386.166* | | | | | | | |
| **COSTCO WHOLESALE CORP** | 81,390.72<br>81,390.72 | 80,000.00 | 99.89 | 79,915.20<br>79,975.64 | -1,475.52 | 1.70<br>1.67 | 0.50 |
| *Cusip: 22160KAF2, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 12/15/2019, Coupon: 1.700, Accrued Interest: $60.444* | | | | | | | |
| **EXXON MOBIL CORPORATION** | 162,343.15<br>162,343.15 | 159,000.00 | 100.23 | 159,364.11<br>160,541.77 | -2,979.04 | 2.21<br>2.16 | 1.00 |
| *Cusip: 30231GAV4, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 3/1/2021, Coupon: 2.222, Call Date: 2/1/2021, Call Price: 100.000, Accrued Interest: $1177.659* | | | | | | | |
| **GENERAL ELEC CAP CORP** | 156,891.03<br>156,891.03 | 141,000.00 | 108.58 | 153,099.21<br>156,251.15 | -3,791.82 | 4.25<br>4.08 | 0.97 |
| *Cusip: 36962G4Y7, Moody's Rating: A1, S & P Rating: AA-, Maturity Date: 1/7/2021, Coupon: 4.625, Accrued Interest: $3151.937* | | | | | | | |
| **GILEAD SCIENCES INC** | 79,461.90<br>79,461.90 | 79,000.00 | 100.38 | 79,298.62<br>79,773.61 | -163.28 | 1.84<br>1.83 | 0.50 |
| *Cusip: 375558BE2, Moody's Rating: A3, S & P Rating: A, Maturity Date: 9/4/2018, Coupon: 1.850, Accrued Interest: $474.988* | | | | | | | |
| **HOME DEPOT INC** | 79,948.36<br>79,948.36 | 79,000.00 | 100.87 | 79,688.09<br>79,758.31 | -260.27 | 1.98<br>1.96 | 0.50 |
| *Cusip: 437076BE1, Moody's Rating: A2, S & P Rating: A, Maturity Date: 6/15/2019, Coupon: 2.000, Call Date: 5/15/2019, Call Price: 100.000, Accrued Interest: $70.222* | | | | | | | |
| **INTEL CORP** | 79,696.98<br>79,696.98 | 79,000.00 | 101.41 | 80,113.90<br>80,931.11 | 416.92 | 2.41<br>2.42 | 0.51 |
| *Cusip: 458140AQ3, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 7/29/2020, Coupon: 2.450, Accrued Interest: $817.211* | | | | | | | |
| **JOHN DEERE CAPITAL CORP** | 79,983.92<br>79,983.92 | 79,000.00 | 101.08 | 79,850.04<br>80,215.42 | -133.88 | 2.22<br>2.20 | 0.50 |
| *Cusip: 24422ERR2, Moody's Rating: A2, S & P Rating: A, Maturity Date: 4/17/2019, Coupon: 2.250, Accrued Interest: $365.375* | | | | | | | |
| **JOHNSON & JOHNSON** | 79,649.70<br>79,649.70 | 79,000.00 | 100.55 | 79,434.50<br>79,528.64 | -215.20 | 1.64<br>1.64 | 0.50 |
| *Cusip: 478160BG8, Moody's Rating: AAA, S & P Rating: AAA, Maturity Date: 12/5/2018, Coupon: 1.650, Accrued Interest: $94.141* | | | | | | | |

Unrealized Gain/Loss value does not reflect interest and dividend accruals.

## CORPORATE FIXED INCOME (CONTINUED)

| Security Description | Original Cost / Adjusted Cost | Face Value | Current Price | Market Value / Total Value | Unrealized Gain/Loss | Current Yield / Yield on Cost | % of Fixed Income |
|---|---|---|---|---|---|---|---|
| **JP MORGAN CHASE & CO** | 155,471.23<br>155,471.23 | 155,000.00 | 100.65 | 156,013.70<br>156,527.67 | 542.47 | 1.77<br>1.76 | 0.98 |
| *Cusip: 46625HJF8, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 1/25/2018, Coupon: 1.782, Accrued Interest: $513.971* | | | | | | | |
| **KIMBERLY-CLARK CORP** | 80,411.26<br>80,411.26 | 80,000.00 | 99.43 | 79,542.40<br>79,965.51 | -868.86 | 1.40<br>1.38 | 0.50 |
| *Cusip: 494368BT9, Moody's Rating: A2, S & P Rating: A, Maturity Date: 2/15/2019, Coupon: 1.400, Accrued Interest: $423.110* | | | | | | | |
| **LOWES COMPANIES INC** | 78,615.01<br>78,615.01 | 76,000.00 | 103.37 | 78,559.68<br>79,924.72 | -55.33 | 5.90<br>5.89 | 0.50 |
| *Cusip: 548661CN5, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 9/15/2017, Coupon: 6.100, Accrued Interest: $1365.044* | | | | | | | |
| **MEDTRONIC INC** | 79,968.80<br>79,968.80 | 80,000.00 | 99.83 | 79,863.20<br>80,138.20 | -105.60 | 1.37<br>1.37 | 0.50 |
| *Cusip: 585055BA3, Moody's Rating: A3, S & P Rating: A, Maturity Date: 4/1/2018, Coupon: 1.375, Accrued Interest: $275.000* | | | | | | | |
| **METLIFE INC** | 146,741.24<br>146,741.24 | 135,000.00 | 107.81 | 145,543.50<br>149,020.17 | -1,197.74 | 6.32<br>6.11 | 0.93 |
| *Cusip: 59156RAR9, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 8/15/2018, Coupon: 6.817, Accrued Interest: $3476.670* | | | | | | | |
| **MICROSOFT CORP** | 80,406.60<br>80,406.60 | 80,000.00 | 99.92 | 79,936.00<br>80,103.56 | -470.60 | 1.30<br>1.29 | 0.50 |
| *Cusip: 594918BF0, Moody's Rating: AAA, S & P Rating: AAA, Maturity Date: 11/3/2018, Coupon: 1.300, Accrued Interest: $167.555* | | | | | | | |
| **OCCIDENTAL PETROLEUM CORP** | 79,638.64<br>79,638.64 | 74,000.00 | 106.23 | 78,607.98<br>79,872.15 | -1,030.66 | 3.85<br>3.76 | 0.50 |
| *Cusip: 674599BY0, Moody's Rating: A3, S & P Rating: A, Maturity Date: 2/1/2021, Coupon: 4.100, Call Date: 11/1/2020, Call Price: 100.000, Accrued Interest: $1264.166* | | | | | | | |
| **ORACLE CORP** | 79,651.50<br>79,651.50 | 79,000.00 | 101.34 | 80,057.81<br>80,922.97 | 406.31 | 2.34<br>2.33 | 0.51 |
| *Cusip: 68389XAQ8, Moody's Rating: A1, S & P Rating: AA-, Maturity Date: 1/15/2019, Coupon: 2.375, Accrued Interest: $865.159* | | | | | | | |
| **PACCAR FINANCIAL CORP** | 80,148.69<br>80,148.69 | 81,000.00 | 98.42 | 79,716.96<br>80,094.96 | -431.73 | 1.21<br>1.20 | 0.50 |
| *Cusip: 69371RN36, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 8/12/2019, Coupon: 1.200, Accrued Interest: $377.999* | | | | | | | |
| **PEPSICO INC** | 160,104.64<br>160,104.64 | 160,000.00 | 100.22 | 160,350.40<br>160,775.93 | 245.76 | 1.22<br>1.22 | 1.00 |
| *Cusip: 713448DA3, Moody's Rating: A1, S & P Rating: A, Maturity Date: 10/13/2017, Coupon: 1.228, Accrued Interest: $425.533* | | | | | | | |
| **PNC FUNDING CORP** | 153,941.29<br>153,941.29 | 142,000.00 | 108.20 | 153,638.32<br>156,529.10 | -302.97 | 4.73<br>4.58 | 0.98 |
| *Cusip: 693476BJ1, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 2/8/2020, Coupon: 5.125, Accrued Interest: $2890.783* | | | | | | | |

Unrealized Gain/Loss value does not reflect interest and dividend accruals.

## CORPORATE FIXED INCOME (CONTINUED)

| Security Description | Original Cost / Adjusted Cost | Face Value | Current Price | Market Value / Total Value | Unrealized Gain/Loss | Current Yield / Yield on Cost | % of Fixed Income |
|---|---|---|---|---|---|---|---|
| **PROCTER & GAMBLE CO/THE** | 150,314.74<br>150,314.74 | 149,000.00 | 100.91 | 150,352.92<br>150,824.75 | 38.18 | 1.88<br>1.87 | 0.94 |
| *Cusip: 742718EG0, Moody's Rating: AA3, S & P Rating: AA-, Maturity Date: 11/1/2019, Coupon: 1.900, Accrued Interest: $471.832* | | | | | | | |
| **STATE STREET CORP STT** | 72,137.52<br>72,137.52 | 70,000.00 | 101.01 | 70,706.30<br>71,365.76 | -1,431.22 | 2.52<br>2.46 | 0.45 |
| *Cusip: 857477AS2, Moody's Rating: A1, S & P Rating: A, Maturity Date: 8/18/2020, Coupon: 2.550, Accrued Interest: $659.458* | | | | | | | |
| **TARGET CORP** | 78,736.80<br>78,736.80 | 73,000.00 | 105.92 | 77,323.79<br>78,628.16 | -1,413.01 | 3.65<br>3.54 | 0.49 |
| *Cusip: 87612EAV8, Moody's Rating: A2, S & P Rating: A, Maturity Date: 7/15/2020, Coupon: 3.875, Accrued Interest: $1304.368* | | | | | | | |
| **THE WALT DISNEY COMPANY** | 78,435.20<br>78,435.20 | 78,000.00 | 100.45 | 78,348.66<br>78,833.13 | -86.54 | 2.14<br>2.13 | 0.49 |
| *Cusip: 25468PDE3, Moody's Rating: A2, S & P Rating: A, Maturity Date: 9/17/2020, Coupon: 2.150, Accrued Interest: $484.467* | | | | | | | |
| **TRAVELERS COMPANIES INC** | 80,308.29<br>80,308.29 | 77,000.00 | 104.18 | 80,219.37<br>80,416.15 | -88.92 | 5.51<br>5.50 | 0.50 |
| *Cusip: 89417EAC3, Moody's Rating: A2, S & P Rating: A, Maturity Date: 12/15/2017, Coupon: 5.750, Accrued Interest: $196.777* | | | | | | | |
| **UNITED PARCEL SERVICE** | 80,265.01<br>80,265.01 | 74,000.00 | 107.39 | 79,468.60<br>80,416.73 | -796.41 | 4.77<br>4.70 | 0.50 |
| *Cusip: 911312AK2, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 4/1/2019, Coupon: 5.125, Accrued Interest: $948.125* | | | | | | | |
| **UNITED TECHNOLOGIES CORP** | 151,464.31<br>151,464.31 | 151,000.00 | 100.26 | 151,394.11<br>151,620.61 | -70.20 | 1.79<br>1.74 | 0.95 |
| *Cusip: 913017BU2, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 6/1/2017, Coupon: 1.800, Accrued Interest: $226.498* | | | | | | | |
| **UNITEDHEALTH GROUP INC** | 78,229.45<br>78,229.45 | 77,000.00 | 101.51 | 78,158.85<br>79,117.50 | -70.60 | 2.65<br>2.63 | 0.49 |
| *Cusip: 91324PCM2, Moody's Rating: A3, S & P Rating: A+, Maturity Date: 7/15/2020, Coupon: 2.700, Accrued Interest: $958.649* | | | | | | | |
| **US BANCORP** | 80,577.70<br>80,577.70 | 79,000.00 | 100.85 | 79,674.66<br>79,993.29 | -903.04 | 2.18<br>2.15 | 0.50 |
| *Cusip: 91159HHH6, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 4/25/2019, Coupon: 2.200, Call Date: 3/25/2019, Call Price: 100.000, Accrued Interest: $318.633* | | | | | | | |
| **VISA INC** | 160,572.11<br>160,572.11 | 160,000.00 | 99.99 | 159,977.60<br>160,068.27 | -594.51 | 1.20<br>1.19 | 1.00 |
| *Cusip: 92826CAA0, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 12/14/2017, Coupon: 1.200, Accrued Interest: $90.666* | | | | | | | |
| **WAL-MART STORES INC** | 79,986.29<br>79,986.29 | 74,000.00 | 105.71 | 78,224.66<br>79,513.75 | -1,761.63 | 3.42<br>3.32 | 0.50 |
| *Cusip: 931142CU5, Moody's Rating: AA2, S & P Rating: AA, Maturity Date: 7/8/2020, Coupon: 3.625, Accrued Interest: $1289.090* | | | | | | | |

Unrealized Gain/Loss value does not reflect interest and dividend accruals.

## CORPORATE FIXED INCOME TOTAL (CONTINUED)

| Security Description | Original Cost / Adjusted Cost | Face Value | Current Price | Market Value / Total Value | Unrealized Gain/Loss | Current Yield / Yield on Cost | % of Fixed Income |
|---|---|---|---|---|---|---|---|
| **Corporate Fixed Income Total** | $4,635,745.47<br>$4,635,745.47 | $4,524,000.00 | | $4,612,705.64<br>$4,648,039.80 | -$23,039.83 | | 28.98% |

## GOVERNMENT SECURITIES

| Security Description | Original Cost / Adjusted Cost | Face Value | Current Price | Market Value / Total Value | Unrealized Gain/Loss | Current Yield / Yield on Cost | % of Fixed Income |
|---|---|---|---|---|---|---|---|
| **FED HOME LN BK** | $650,447.75<br>$650,447.75 | $655,000.00 | $96.53 | $632,245.30<br>$635,663.58 | -$18,202.45 | 1.16%<br>1.13% | 3.96% |
| *Cusip: 3130A8QS5, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 7/14/2021, Coupon: 1.125, Accrued Interest: $3418.281* | | | | | | | |
| **FED HOME LN MTG CORP** | 954,216.64<br>954,216.64 | 950,000.00 | 99.59 | 946,086.00<br>951,033.91 | -8,130.64 | 1.25<br>1.24 | 5.93 |
| *Cusip: 3137EADK2, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 8/1/2019, Coupon: 1.250, Accrued Interest: $4947.914* | | | | | | | |
| **FED HOME LN MTG CORP** | 505,339.95<br>505,339.95 | 500,000.00 | 99.23 | 496,125.00<br>497,270.83 | -9,214.95 | 1.38<br>1.35 | 3.10 |
| *Cusip: 3137EADR7, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 5/1/2020, Coupon: 1.375, Accrued Interest: $1145.830* | | | | | | | |
| **FED HOME LN MTG CORP** | 484,781.53<br>484,781.53 | 481,000.00 | 99.42 | 478,186.15<br>479,672.57 | -6,595.38 | 1.25<br>1.23 | 2.99 |
| *Cusip: 3137EADM8, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 10/2/2019, Coupon: 1.250, Accrued Interest: $1486.420* | | | | | | | |
| **FED HOME LN MTG CORP** | 1,041,960.61<br>1,041,960.61 | 1,040,000.00 | 100.16 | 1,041,612.00<br>1,046,032.00 | -348.61 | 0.99<br>0.99 | 6.52 |
| *Cusip: 3137EADJ5, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 7/28/2017, Coupon: 1.000, Accrued Interest: $4420.000* | | | | | | | |
| **FED HOME LN MTG CORP MED TERM NOTE** | 398,340.00<br>398,340.00 | 400,000.00 | 99.63 | 398,524.00<br>399,207.33 | 184.00 | 0.75<br>0.75 | 2.49 |
| *Cusip: 3137EAEA3, S & P Rating: AA+, Maturity Date: 4/9/2018, Coupon: 0.750, Accrued Interest: $683.332* | | | | | | | |
| **FED NATL MTG ASSN** | 726,844.06<br>726,844.06 | 730,000.00 | 99.93 | 729,503.60<br>732,040.85 | 2,659.54 | 0.87<br>0.87 | 4.56 |
| *Cusip: 3135G0TG8, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 2/8/2018, Coupon: 0.875, Accrued Interest: $2537.254* | | | | | | | |
| **FED NATL MTG ASSN** | 320,059.47<br>320,059.47 | 321,000.00 | 100.00 | 321,006.42<br>322,621.45 | 946.95 | 1.12<br>1.12 | 2.01 |
| *Cusip: 3135G0E33, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 7/20/2018, Coupon: 1.125, Accrued Interest: $1615.028* | | | | | | | |
| **FED NATL MTG ASSN** | 362,768.59<br>362,768.59 | 355,000.00 | 100.26 | 355,937.20<br>355,992.67 | -6,831.39 | 1.87<br>1.83 | 2.22 |
| *Cusip: 3135G0H55, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 12/28/2020, Coupon: 1.875, Accrued Interest: $55.465* | | | | | | | |

Unrealized Gain/Loss value does not reflect interest and dividend accruals.

## GOVERNMENT SECURITIES (CONTINUED)

| Security Description | Original Cost / Adjusted Cost | Face Value | Current Price | Market Value / Total Value | Unrealized Gain/Loss | Current Yield / Yield on Cost | % of Fixed Income |
|---|---|---|---|---|---|---|---|
| **FED NATL MTG ASSN** | 353,214.12<br>353,214.12 | 354,000.00 | 100.75 | 356,669.16<br>357,212.45 | 3,455.04 | 1.61<br>1.63 | 2.23 |
| *Cusip: 3135G0YT4, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 11/27/2018, Coupon: 1.625, Accrued Interest: $543.291* | | | | | | | |
| **FED NATL MTG ASSN** | 894,426.05<br>894,426.05 | 890,000.00 | 101.22 | 900,840.20<br>906,958.95 | 6,414.15 | 1.85<br>1.85 | 5.66 |
| *Cusip: 3135G0ZA4, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 2/19/2019, Coupon: 1.875, Accrued Interest: $6118.750* | | | | | | | |
| **FED NATL MTG ASSN** | 704,546.89<br>704,546.89 | 699,000.00 | 101.16 | 707,101.41<br>710,851.25 | 2,554.52 | 1.85<br>1.84 | 4.43 |
| *Cusip: 3135G0YM9, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 9/18/2018, Coupon: 1.875, Accrued Interest: $3749.841* | | | | | | | |
| **UNITED STATES TREASURY NOTE** | 1,245,882.66<br>1,245,882.66 | 1,221,000.00 | 102.00 | 1,245,468.84<br>1,256,785.01 | -413.82 | 2.69<br>2.54 | 7.84 |
| *Cusip: 912828PY0, Moody's Rating: AAA, Maturity Date: 2/28/2018, Coupon: 2.750, Accrued Interest: $11316.167* | | | | | | | |
| **UNITED STATES TREASURY NOTE** | 749,581.86<br>749,581.86 | 744,000.00 | 100.87 | 750,450.48<br>752,192.95 | 868.62 | 2.72<br>2.61 | 4.69 |
| *Cusip: 912828NG1, Moody's Rating: AAA, Maturity Date: 5/31/2017, Coupon: 2.750, Accrued Interest: $1742.470* | | | | | | | |
| **UNITED STATES TREASURY NOTE** | 640,525.91<br>640,525.91 | 641,000.00 | 98.96 | 634,340.01<br>637,326.08 | -6,185.90 | 1.38<br>1.37 | 3.97 |
| *Cusip: 912828L32, Moody's Rating: AAA, Maturity Date: 8/31/2020, Coupon: 1.375, Accrued Interest: $2986.073* | | | | | | | |
| **UNITED STATES TREASURY NOTE** | 393,843.60<br>393,843.60 | 400,000.00 | 99.27 | 397,064.00<br>399,142.80 | 3,220.40 | 1.25<br>1.26 | 2.49 |
| *Cusip: 912828H52, Moody's Rating: AAA, Maturity Date: 1/31/2020, Coupon: 1.250, Accrued Interest: $2078.804* | | | | | | | |
| **UNITED STATES TREASURY NOTE** | 961,310.71<br>961,310.71 | 961,000.00 | 98.40 | 945,643.22<br>951,136.98 | -15,667.49 | 1.39<br>1.37 | 5.93 |
| *Cusip: 912828N89, Moody's Rating: AAA, Maturity Date: 1/31/2021, Coupon: 1.375, Accrued Interest: $5493.758* | | | | | | | |
| **Government Securities Total** | $11,388,090.40<br>$11,388,090.40 | $11,342,000.00 | | $11,336,802.99<br>$11,391,141.67 | -$51,287.41 | | 71.02% |

Unrealized Gain/Loss value does not reflect interest and dividend accruals.

## DISCLOSURES

**Explanatory Notes and Disclosure:** This document is designed to assist you and your Financial Advisor in understanding portfolio positions, composition and subsets thereof. It is designed solely for your individual use, is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security. Do not take action relying on this information without confirming its accuracy and completeness. Please read carefully all accompanying notes and disclosures provided in this Document.
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**Investment, insurance and annuity products offered through Morgan Stanley Smith Barney LLC are: NOT FDIC INSURED | MAY LOSE VALUE | NOT BANK GUARANTEED | NOT A BANK DEPOSIT | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY.**

**Additional information about your Floating Rate Notes:** For floating rate securities, the estimated accrued interest and estimated annual income are based on the current floating coupon rate and may not reflect historic rates within the accrual period.

**Important Information About Auction Rate Securities:** For certain Auction Rate Securities there is no or limited liquidity. Therefore, the price(s) for these Auction Rate Securities are indicated as not available by a dash "-". There can be no assurance that a successful auction will occur or that a secondary market exists or will develop for a particular security.

**Important Pricing Information:** Prices of securities not actively traded may not be available, and are indicated by a dash "-".

**Asset Classification:** We classify assets based on general characteristics such as: income generation, underlying capital structure, or exposure to certain market sectors. As many assets contain characteristics of more than one asset class, allocations may be under or over inclusive. These classifications do not constitute a recommendation and may differ from the classification of instruments for regulatory or tax purposes. In addition, the Other asset class contains securities that are not included in the various asset class classifications. This can include, but is not limited to, non-traditional investments such as some Equity Unit Trusts, Index Options and Structured Investments issued outside of Morgan Stanley. Additionally, investments for which we are unable to procure market data to properly classify them will appear in the Other category.

**Performance:** Performance results are annualized for time periods greater than one year and include all cash and cash equivalents, realized and unrealized capital gains and losses, and dividends, interest and income. The investment results depicted herein represent historical performance. As a result of recent market activity, current performance may vary from the figures shown. Please contact your Financial Advisor for up to date performance information. Past performance is not a guarantee of future results.
Market values used for performance calculation do not include performance ineligible assets and thus may differ from asset allocation market values. Common examples of Performance Ineligible Assets include life insurance, Manually Added assets and some annuities and Externally Held accounts. Unless otherwise indicated, performance is a composite calculation on the entire portfolio and may include brokerage and investment advisory accounts, as well as assets for different accounts included in this report. The accounts included in the composite may have (or have had) different investment objectives and strategies, been subject to different restrictions, and incurred different types of fees, markups, commissions and other charges. Accordingly, performance results may blend

the performance of assets and strategies that may not have been available in all of the accounts at all times during the reporting period. In addition, accounts in the composite may have changed from brokerage to advisory or vice versa. Accounts may also have moved from one advisory program to another (including from a discretionary program to a non-discretionary program).
For Morgan Stanley Smith Barney LLC accounts, Performance information may cover the full history of the account(s) or just the performance of an account(s) since the inception of the current program(s). Performance results on individual accounts will vary and may differ from the composite returns. Your Financial Advisor can provide you with individual account portfolio composition and performance information. For investment advisory accounts, please see the Morgan Stanley Smith Barney LLC Form ADV Part 2 or applicable disclosure brochure and any applicable brokerage commission and/or fee schedule for a full disclosure of fees and expenses. Your Financial Advisor will provide those documents to you upon request. For brokerage accounts, please speak to your Financial Advisor for more information on commissions and other account fees and expenses.
Performance inception date does not necessarily correspond to the account opening date. Where multiple accounts are included in performance calculations, the inception date is the oldest performance inception. Performance data may not be available for all periods as some accounts included in performance may have more recent performance inception dates. Consequently, the actual performance for a group of accounts may differ from reported performance. Please ask your Financial Advisor for the performance inception date for each account.

**Indices:** Benchmark indices and blends included in this material are for informational purposes only, are provided solely as a comparison tool and may not reflect the underlying composition and/or investment objective(s) associated with the account(s). In some circumstances, the benchmark index may not be an appropriate benchmark for use with the specific composite portfolio. For instance, an index may not take into consideration certain changes that may have occurred in the portfolio since the inception of the account(s), (e.g., changes from a brokerage to an advisory account or from one advisory program to another, asset class changes, or index changes for individual managers). The volatility of the index used for comparison may be materially different from that of the performance shown. Indices are unmanaged and not available for direct investment. Index returns do not take into account fees or other charges. Such fees and charges would reduce performance. Please see the Benchmark Definitions section of this material for additional information on the indices used for comparison.

**Performance Inception Month End:** Performance Inception Month End refers to performance calculated from the end of the month in which the accounts became eligible for performance. Calculating performance from the Performance Inception Month End allows for a comparison to be made to appropriate benchmarks. Performance Inception Month End does not necessarily correspond to the account opening date.

**Realized/Unrealized Gain/Loss:** The gain and loss information is provided for informational purposes only, may not be complete, is not a substitute 1099 form (or any other appropriate tax form), and should not be used for tax planning or preparation. Gain and loss values are estimates and should be independently verified. We are not responsible for any gain and loss information provided by you or another financial institution. You are responsible for ensuring the accuracy of such information.

**Projected 12 Month Income:** Projected Next 12 Months income includes cash income such as interest and cash dividends, based on current yields and may include income from Morgan Stanley & Co. and Externally Held accounts where data is available. These are projections based on historical data and the actual income may be lower or higher than the projections. Projected income for Morgan Stanley & Co. and Externally Held accounts is calculated based upon data obtained from sources that we believe to be reliable, however, Morgan Stanley Wealth Management does not guarantee its accuracy or timeliness. As such, Morgan Stanley Wealth Management recommends confirming projected income information with the custodian institution prior to taking any action. Projections will not include income from Manually Added assets.

**Bank Deposit Program:** Under the Bank Deposit Program, cash balances held in account(s) at Morgan Stanley Smith Barney LLC are automatically deposited into an interest bearing FDIC-insured deposit account(s), at Morgan Stanley Bank, N.A. and/or Morgan Stanley Private Bank, National Association, each a national bank, Member FDIC, and an affiliate of Morgan Stanley Smith Barney LLC. Detailed information on federal deposit insurance coverage is available on the FDIC's website (https://www.fdic.gov/deposit/deposits/). Cash balances generally include the uninvested cash in a client's account(s) minus certain items such as purchase transactions due to settle within a specified time period, other charges to a client's account(s), and cash balances that are designated as collateral for a client's obligations.

**GENERAL DEFINITIONS**

**APY:** The Annual Percentage Yield ("APY") for deposits represents the applicable rate in effect for your deposits at the period ending date. This APY may be different than the APY that was in effect during the statement period. For current Bank Deposit or Money Market Fund yields, go to
http://www.morganstanleyindividual.com/AccountOptions/ActiveAssets/InvestmentFeatures

**Accrued Interest:** The interest earned but not yet received at both the beginning and end of each reporting period.

**Adjusted Cost:** Adjusted Cost generally reflects the security's original cost adjusted as required by applicable tax rules, including the accrual of discount or premium. Adjusted cost figures are provided for reference purposes only. Although we make every effort to adjust the cost basis for securities' capital changes, we do not adjust the cost basis for all events and may not reflect all of the basis adjustments required to make for tax reporting purposes. Please review with your tax advisor on what is the best method for allocating cost basis for your account.

**Annualized Standard Deviation:** A statistical calculation that measures the volatility of returns over time; the larger the standard deviation, the greater the volatility.

**Call Date:** The date on which a bond or preferred stock can be redeemed by the issuer before maturity.

**Call Price:** The price at which a bond or a preferred stock can be redeemed by the issuer before maturity.

**Coupon Rate:** The interest rate stated on a bond when it is issued. The coupon is typically paid semiannually.

**Current Yield:** The indicated Estimated Annual Income divided by the Market Value/Current Cost.

**Dollar-Weighted Return (Internal Rate of Return):** A return calculation that measures the actual performance of a portfolio over the reporting period. Since dollar weighted returns include the impact of client contributions and withdrawals, they should not be compared to market indices or used to evaluate the performance of a manager, but can be used to evaluate progress toward investment goals.

**Global Investment Manager Analysis (GIMA):** Global Investment Manager Analysis (GIMA) reviews certain investment products in various advisory programs. For these programs, a GIMA status will apply:
**Focus List (FL):** Investment products on the Focus List have been subject to an in-depth review and possess GIMA's highest level of confidence.
**Approved List (AL):** Investment products on the Approved List have typically been subject to a less rigorous review process and have been approved for recommendation to investors.
**Not Approved List (NL):** Investment products that were previously on the Focus List or Approved List but are no longer on either of those lists. GIMA no longer covers these products. For more information, please ask your Financial Advisor for the applicable Morgan Stanley ADV brochure.

**Gross Accumulated Value ($):** Gross Accumulated Value is the most current market value provided by carriers of the Annuity or Life insurance product.

**Investment Earnings:** A combination of the income received and total portfolio value increase or decrease, excluding net contributions and withdrawals, over the reporting period.

**Moody's Investor Service and Standard & Poor's Credit Ratings:** The credit ratings from Moody's Investors Service and Standard & Poor's may be shown for certain securities. All credit ratings represent the "opinions" of the provider and are not representations or guarantees of performance. Your Financial Advisor will be pleased to provide you with further information or assistance in interpreting these credit ratings.

**Morgan Stanley Research Ratings:** Morgan Stanley uses a relative rating system using terms such as Overweight, Equal-weight, Not-Rated, or Underweight (see definition below). Morgan Stanley does not assign ratings of Buy, Hold or Sell to the stocks we cover. Overweight, Equal-weight, Not-Rated and Underweight are not the equivalent of buy, hold and sell. Investors should carefully read the definitions of all ratings used in Morgan Stanley Research. In addition, since Morgan Stanley Research contains more complete information concerning the analyst's view, investors should carefully read Morgan Stanley Research, in its entirety, and not infer the contents from the ratings alone. In any case, ratings (or research) should not be used or relied upon as investment advice. An investor's decision to buy or sell a stock should depend on individual circumstances (such as the investor's existing holdings) and other considerations.
**Overweight (OVWEIGHT)**: The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.
**Equal-weight (EQWEIGHT)**: The stock's total return is expected to be in line with the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.
**Underweight (UNWEIGHT)**: The stock's total return is expected to be below the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

**Not-Rated (NR)**: Currently, the analyst does not have adequate conviction about the stock's total return relative to the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.
**Not Available (NAV)**: Indicates that the ratings for this company are not available because of a Morgan Stanley policy.
**Discontinued Coverage (DC)**

**Net Contributions/Withdrawals:** The net value of cash and securities contributed to or withdrawn from the account(s) during the reporting period. Net contributions and withdrawals may include advisory fees for advisory accounts.

**Net Invested Premium($):** Net Invested Premium is the total amount invested minus the total amount withdrawn. The total amount invested includes the initial investment and any future contributions.

**Net of Fees:** Performance results depicted as "net" of fees shall mean that any wrap fee, investment management fees, trade commissions, and/or other account fees have been deducted. Any other fees or expenses associated with the account, such as third party custodian fees, may not have been deducted. Please see the Morgan Stanley Smith Barney LLC Form ADV Part 2 Brochure for advisory accounts and/or any applicable brokerage account trade confirmation statements for a full disclosure of the applicable charges, fees and expenses. Your Financial Advisor will provide those documents to you upon request.

**Not Rated:** Not Rated is assigned to an unrated issuer, obligation and/or program and can also include mutual funds and ETFs.

**Performance ineligible assets:** Performance returns are not calculated for certain assets because accurate valuations and transactions for these assets are not processed or maintained by Morgan Stanley Smith Barney LLC. Common examples include life insurance, Manually Added assets and some annuities and Externally Held accounts.

**Time-Weighted Return:** A return calculation that measures the investment performance of a portfolio over the reporting period. Time weighted returns do not include the impact of client contributions and withdrawals and therefore, may not reflect the actual rate of return the client received. Time weighted returns isolate investment actions and can be compared to benchmarks and used to evaluate the performance of a manager.

**Total Value:** Total Value represents the Market Value of the portfolio or of a given Asset Class inclusive of interest and dividend accruals. Total Value for Asset Allocation before January 2014 does not include accruals. Total Value for Morgan Stanley & Co. and Externally Held accounts may not include accruals.

**BENCHMARK DEFINITIONS**

**BC Gov 1-3 Yr:** The Barclays 1-3 Year Government Bond Index is composed of government bonds with maturities between one and three years.

**BC Gov/Cr 1-5 yr:** The Government/Credit Index includes securities in the Government and Credit Indices. The Government Index includes treasuries (i.e., public obligations of the U.S. Treasury that have remaining maturities of more than one year) and agencies (i.e., publicly issued debt of U.S. Government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. Government). The Credit Index includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements. This index is the 1-5 Yr component of the U.S. Government/Credit index.

**Citi CD 6 Month:** The Citigroup Certificate-of-Deposit indexes measure the monthly return equivalents of yield averages that are not marked to market. The CD rate is a rotating sample (collected by the New York Federal Reserve Bank) of five banks and dealers surveyed daily about secondary-market dealer offer rates for jumbo certificates of deposit. Returns for these indexes are calculated on a monthly basis only.

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# EXECUTIVE SUMMARY

TO: ACSIG Executive Committee

FROM: Kimberly Dennis

DATE: February 16, 2017

SUBJECT: 2017/2018 Budget

The ACSIG budget is enclosed for your review. This budget was developed using year-to-date 2016/2017 data and preliminary estimates for 2017/2018 rates and costs. Because all rates are not firm at this time, estimates were used for this report. Salaries have been distributed to each program based upon a time-study.

The assumptions are listed on the final pages of the budget. Many of these assumptions are preliminary due to the very early nature of this budget cycle. Updates will be brought to the May meeting as more information becomes available. Because there continues to be a need for trainings, I have continued to allocate funds to support release time for regional trainings for Special Education and Food Service staffing.

The budget will be reviewed by the Executive Director.

# Alameda County Schools Insurance Group (ACSIG)
## Consolidated
## 2017/2018 Budget

| | Budget 2017/2018 | Allocations | Change in Accruals | | 2017/2018 Budget | 2016/2017 Budget |
|---|---|---|---|---|---|---|
| **Audited - Beginning Net Position, as of 07/01/2017** | | | | $ 29,375,762 | | |
| Beginning Cash | $ 29,375,762 | | | | $ 29,375,762 | $ 24,927,031 |
| **Operating Revenue:** | | | | | | |
| Premiums Paid by Members | $ 156,515,907 | $ -- | $ -- | $ 156,515,907 | $ 156,515,907 | $ 147,408,159 |
| Total Operating Revenue | 156,515,907 | -- | -- | 156,515,907 | 156,515,907 | 147,408,159 |
| **Operating Expenditures:** | | | | | | |
| Classified Salaries | 248,633 | | -- | 248,633 | 248,633 | 236,778 |
| Statutory Benefits | 56,552 | | -- | 56,552 | 56,552 | 55,498 |
| Health & Welfare | 39,000 | | -- | 39,000 | 39,000 | 39,000 |
| Employer Tax Expense | 3,476 | | -- | 3,476 | 3,476 | 3,411 |
| Net Pension Expense | 38,657 | | | 38,657 | 38,657 | |
| Telephone & Internet | 7,350 | | -- | 7,350 | 7,350 | 7,500 |
| Supplies Office | 4,200 | | -- | 4,200 | 4,200 | 5,775 |
| Supplies - Other | 2,625 | | -- | 2,625 | 2,625 | 4,725 |
| Eligibility Processing | 245,627 | | -- | 245,627 | 245,627 | 257,060 |
| Brokerage Fees-Dental-ACSIG | 288,000 | | -- | 288,000 | 288,000 | 276,000 |
| Brokerage Fees-Dental-MD | 350,000 | | -- | 350,000 | 350,000 | 300,000 |
| Travel and Conferences | 23,100 | | -- | 23,100 | 23,100 | 21,000 |
| Mileage | 8,925 | | -- | 8,925 | 8,925 | 8,925 |
| Dues & Memberships | 1,575 | | -- | 1,575 | 1,575 | 1,575 |
| Postage & Meter | 5,200 | | -- | 5,200 | 5,200 | 3,400 |
| Insurance Expense-PIPS&NCR | 25,330,928 | | -- | 25,330,928 | 25,330,928 | 23,989,931 |
| PIPS payroll adjustment | 2,000,000 | | | 2,000,000 | 2,000,000 | 1,500,000 |
| Utility - Operating-Rent | 33,761 | | -- | 33,761 | 33,761 | 1,530,360 |
| Advertising | 600 | | -- | 600 | 600 | 6,860 |
| Contract Services | 26,275 | | -- | 26,275 | 26,275 | 8,426 |
| Contract Services -PL-Investigation | 20,000 | | -- | 20,000 | 20,000 | -- |
| Contract Services-PL-Legal | 6,375 | | -- | 6,375 | 6,375 | 10,000 |
| Audit Fees | 15,540 | | -- | 15,540 | 15,540 | 14,175 |
| Other Services/Operating Expenses | 10,500 | | -- | 10,500 | 10,500 | 5,250 |
| Capital Equipment/Depreciation | 2,625 | | -- | 2,625 | 2,625 | 2,550 |
| Repairs & Maintenance | 3,675 | | -- | 3,675 | 3,675 | 4,800 |
| Legal | 2,100 | | -- | 2,100 | 2,100 | 2,550 |
| Accounting Services | 15,750 | | -- | 15,750 | 15,750 | 15,750 |
| County Courier | 4,200 | | -- | 4,200 | 4,200 | 3,675 |
| Shredding | 1,575 | | -- | 1,575 | 1,575 | 1,575 |
| Copier & Scanner | 15,000 | | -- | 15,000 | 15,000 | 15,000 |
| Claims Administration Services | 154,000 | | -- | 154,000 | 154,000 | 190,000 |
| Self-Insurance Fee | 250,000 | | -- | 250,000 | 250,000 | 245,000 |
| Claims Paid-WC | 2,500,000 | | -- | 2,500,000 | 2,500,000 | 3,000,000 |
| Claims Paid-PL | 50,000 | | -- | 50,000 | 50,000 | 80,000 |
| Physical Abilities Testing | 37,445 | | -- | 37,445 | 37,445 | 22,445 |
| Training | 20,000 | | -- | 20,000 | 20,000 | 5,000 |
| First-Aid Program | 10,000 | | -- | 10,000 | 10,000 | 10,000 |
| Food Service Training | 5,000 | | -- | 5,000 | 5,000 | 10,000 |
| Special Ed Training | 15,000 | | -- | 15,000 | 15,000 | 10,000 |
| Bank Charge & WC Penalty Reimb | 17,200 | | -- | 17,200 | 17,200 | 15,000 |
| Cobra Premiums | 242,000 | -- | -- | 242,000 | 242,000 | 250,000 |
| Dental Insurance Premiums | 123,000,000 | -- | -- | 123,000,000 | 123,000,000 | 113,877,908 |
| Vision Insurance Premiums | 3,340,000 | -- | -- | 3,340,000 | 3,340,000 | 2,550,000 |
| Claim Development Expense | (2,510,000) | -- | -- | (2,510,000) | (2,510,000) | (2,430,000) |
| Prior Year Adjustment | -- | -- | -- | -- | -- | -- |
| Total Operating Expenditures | 155,942,468 | -- | -- | 155,942,468 | 155,942,468 | 146,166,902 |
| **Net Increase/(Decrease) from Operations** | 573,439 | -- | -- | 573,439 | 573,439 | 1,241,257 |
| **Non Operating Income/(Expense)** | | | | | | |
| Interest Income | 231,500 | -- | -- | 231,500 | 231,500 | 218,250 |
| Change in FMV | -- | -- | -- | -- | -- | -- |
| Realized Gain/(Loss) | -- | -- | -- | -- | -- | -- |
| GASB 68 | -- | -- | -- | -- | -- | -- |
| Total Non Operating Income/(Expense) | 231,500 | -- | -- | 231,500 | 231,500 | 218,250 |
| Ending Cash | $ 30,180,701 | -- | | | | |
| **Net Increase/(Decrease) in Net Position** | | $ -- | $ -- | 804,939 | $ 804,939 | $ 1,459,507 |

**Alameda County Schools Insurance Group (ACSIG)**
**Workers' Compensation**
**2017/2018 Budget**

| | Budget 2017/2018 0 | Allocations | Change in Accruals | Balance Year to Date | 2017/2018 Budget | 2016/2017 Budget |
|---|---|---|---|---|---|---|
| **Audited - Beginning Net Position, as of 07/01/2017** | | | | $ 21,144,362 | | |
| Beginning Cash and Investments | $ 21,144,362 | | | | $ 21,144,362 | $ 17,321,015 |
| **Operating Revenue:** | | | | | | |
| Premiums Paid by Members | $ 26,712,774 | $ -- | $ | $ 26,712,774 | $ 26,712,774 | $ 28,264,268 |
| PIPS Contribution Adjustmert | -- | -- | | -- | | |
| Total Operating Revenue | 26,712,774 | -- | -- | 26,712,774 | 26,712,774 | 28,264,268 |
| **Operating Expenditures:** | -- | | | | | |
| Classified Salaries | 61,516 | -- | -- | 61,516 | 61,516 | 59,432 |
| Statutory Benefits | 14,246 | -- | -- | 14,246 | 14,246 | 13,930 |
| Health & Welfare | 7,800 | -- | -- | 7,800 | 7,800 | 7,800 |
| Employer Tax Expense | 876 | -- | -- | 876 | 876 | 856 |
| Net Pension Expense | 8,612 | | | 8,612 | 8,612 | |
| Telephone & Internet | 1,050 | -- | -- | 1,050 | 1,050 | 3,000 |
| Supplies Office | 600 | -- | -- | 600 | 600 | 1,275 |
| Supplies - Other | 375 | -- | -- | 375 | 375 | 225 |
| Utility - Rent | 5,627 | -- | -- | 5,627 | 5,627 | 5,060 |
| Brokerage Fees-Dental-ACSIG | | -- | -- | -- | -- | -- |
| Brokerage Fees-Dental-MD | | -- | -- | -- | -- | -- |
| Travel and Conferences | 3,300 | -- | -- | 3,300 | 3,300 | 3,000 |
| Mileage | 1,275 | -- | -- | 1,275 | 1,275 | 1,275 |
| Dues & Memberships | 225 | -- | -- | 225 | 225 | 225 |
| Postage & Meter | 100 | -- | -- | 100 | 100 | 100 |
| Insurance Expense-PIPS | 24,040,241 | -- | -- | 24,040,241 | 24,040,241 | 22,758,486 |
| PIPS Contribution Adjustmert | 2,000,000 | -- | -- | 2,000,000 | 2,000,000 | 1,500,000 |
| Advertising | 300 | -- | -- | 300 | 300 - | 5,060 |
| Contract Services - Actuarial | 10,000 | -- | -- | 10,000 | 10,000 | 8,426 |
| Contract Services -Claims Audit | 20,000 | -- | -- | 20,000 | 20,000 | |
| Contract Services-PL-Legal | | -- | -- | -- | -- | |
| Audit Fees | 2,220 | -- | -- | 2,220 | 2,220 | 2,025 |
| Other Services/Operating Expenses | 1,500 | -- | -- | 1,500 | 1,500 | 750 |
| Capital Equipment/Depreciation | 375 | -- | -- | 375 | 375 | 750 |
| Repairs & Maintenance | 525 | -- | -- | 525 | 525 | 300 |
| Legal | 300 | -- | -- | 300 | 300 | 750 |
| Accounting Services | 2,250 | -- | -- | 2,250 | 2,250 | 2,250 |
| County Courier | 600 | -- | | 600 | 600 | 525 |
| Shredding | 225 | -- | | 225 | 225 | 675 |
| Copier & Scanner | 250 | -- | | 250 | 250 | 250 |
| Claims Administration Services | 154,000 | | | 154,000 | 154,000 | 170,000 |
| Self-Insurance Fee | 250,000 | -- | | 250,000 | 250,000 | 245,000 |
| Claims Paid-WC | 2,500,000 | -- | | 2,500,000 | 2,500,000 | 3,000,000 |
| Claims Paid-PL | | -- | | -- | -- | -- |
| Physical Abilities Testing | 25,000 | -- | | 25,000 | 25,000 | 10,000 |
| Training | 20,000 | -- | | 20,000 | 20,000 | 5,000 |
| First-Aid Program | 10,000 | -- | | 10,000 | 10,000 | 10,000 |
| Food Service Training | 5,000 | -- | | 5,000 | 5,000 | 10,000 |
| Special Ed Training | 15,000 | -- | | 15,000 | 15,000 | 10,000 |
| Bank Charge & WC Penalty Reimb | | -- | | -- | -- | -- |
| Cobra Premiums | | -- | | -- | -- | -- |
| Dental Insurance Premiums | | -- | | -- | -- | -- |
| Vision Insurance Premiums | | -- | | -- | -- | -- |
| Claim Development Expense | (2,500,000) | -- | | (2,500,000) | (2,500,000) | (2,400,000) |
| Prior Year Adjustment | -- | -- | -- | -- | -- | -- |
| Total Operating Expenditures | 26,663,388 | -- | -- | 26,663,388 | 26,663,388 | 25,436,425 |
| **Net Increase/(Decrease) from Operations** | 49,386 | -- | -- | 49,386 | 49,386 | 2,827,843 |
| **Non Operating Income/(Expense)** | | | | | | |
| Interest Income | 150,000 | -- | | 150,000 | 150,000 | 150,000 |
| Change in FMV | | -- | -- | -- | -- | -- |
| Realized Gain/(Loss) | | -- | -- | -- | -- | -- |
| GASB 68 | | | | -- | -- | |
| Interfund Transfer | | -- | | -- | -- | -- |
| Total Non Operating Income/(Expense) | 150,000 | $ -- | $ -- | 150,000 | 150,000 | 150,000 |
| Ending Cash | $ 21,343,748 | | | | | |
| **Net Increase/(Decrease) in Net Position** | | | | 199,386 | 199,386 | 2,977,843 |
| | | | | $ 21,343,748 | $ 21,343,748 | $ 20,298,858 |

**Alameda County Schools Insurance Group (ACSIG)**
**Dental**
**2017/2018 Budget**

| | Budget 2017/2018 | Allocations | Change in Accruals | Balance Year to Date | 2017/2018 Budget | 2016/2017 Budget |
|---|---|---|---|---|---|---|
| **Audited - Beginning Net Position, as of 07/01/2017** | | | | $ 5,488,064 | | |
| Beginning Cash and Investments | $ 5,488,064 | | | | $ 5,488,064 | $ 5,318,251 |
| **Operating Revenue:** | | | | | | |
| Premiums Paid by Members | $ 125,000,000 | $ -- | $ -- | $ 125,000,000 | $ 125,000,000 | $ 115,000,000 |
| Total Operating Revenue | 125,000,000 | -- | -- | 125,000,000 | 125,000,000 | 115,000,000 |
| **Operating Expenditures:** | | | | | | |
| Classified Salaries | 143,927 | | | 143,927 | 143,927 | 135,791 |
| Statutory Benefits | 32,355 | | | 32,355 | 32,355 | 31,828 |
| Health & Welfare | 25,350 | | | 25,350 | 25,350 | 25,350 |
| Employer Tax Expense | 1,989 | | | 1,989 | 1,989 | 1,956 |
| Net Pension Expense | 23,998 | | | 23,998 | 23,998 | |
| Telephone & Internet | 5,250 | | | 5,250 | 5,250 | 3,750 |
| Supplies Office | 3,000 | | | 3,000 | 3,000 | 3,750 |
| Supplies - Other | 1,875 | | | 1,875 | 1,875 | 3,750 |
| Eligibility Processing | 240,000 | | | 240,000 | 240,000 | 252,000 |
| Brokerage Fees-Dental-ACSIG | 288,000 | | | 288,000 | 288,000 | 276,000 |
| Brokerage Fees-Dental-MD | 350,000 | | | 350,000 | 350,000 | 300,000 |
| Travel and Conferences | 16,500 | | | 16,500 | 16,500 | 15,000 |
| Mileage | 6,375 | | | 6,375 | 6,375 | 6,375 |
| Dues & Memberships | 1,125 | | | 1,125 | 1,125 | 1,125 |
| Postage & Meter | 4,950 | | | 4,950 | 4,950 | 3,150 |
| Insurance Expense | -- | | | -- | -- | -- |
| Net, Operating-Rent | 28,134 | | | 28,134 | 28,134 | 25,300 |
| Advertising | -- | | | -- | | 1,500 |
| Contract Services - Actuarial | 15,000 | | | 15,000 | 15,000 | -- |
| Contract Services -PL-Investigation | -- | | | -- | | -- |
| Contract Services | 6,375 | | | 6,375 | 6,375 | 10,000 |
| Audit Fees | 11,100 | | | 11,100 | 11,100 | 10,125 |
| Other Services/Operating Expenses | 7,500 | | | 7,500 | 7,500 | 3,750 |
| Capital Equipment/Depreciation | 1,875 | | | 1,875 | 1,875 | 1,500 |
| Repairs & Maintenance | 2,625 | | | 2,625 | 2,625 | 3,750 |
| Legal | 1,500 | | | 1,500 | 1,500 | 1,500 |
| Accounting Services | 11,250 | | | 11,250 | 11,250 | 11,250 |
| County Courier | 3,000 | | | 3,000 | 3,000 | 2,625 |
| Shredding | 1,125 | | | 1,125 | 1,125 | 750 |
| Copier & Scanner | 14,250 | | | 14,250 | 14,250 | 14,250 |
| Claims Administration Services | -- | | | -- | -- | -- |
| Self-Insurance Fee | -- | | | -- | -- | -- |
| Claims Paid-WC | -- | | | -- | -- | -- |
| Claims Paid-PL | -- | | | -- | -- | -- |
| Physical Abilities Testing | -- | | | -- | -- | -- |
| Training | -- | | | -- | -- | -- |
| First-Aid Program | -- | -- | -- | -- | -- | -- |
| Food Service Training | -- | -- | -- | -- | -- | -- |
| Special Ed Training | -- | -- | -- | -- | -- | -- |
| Bank Charge | 17,200 | -- | -- | 17,200 | 17,200 | 15,000 |
| Cobra Premiums | 242,000 | -- | -- | 242,000 | 242,000 | 250,000 |
| Dental Insurance Premiums | 123,000,000 | -- | -- | 123,000,000 | 123,000,000 | 113,877,908 |
| Vision Insurance Premiums | -- | -- | -- | -- | -- | -- |
| Claim Development Expense | -- | -- | -- | -- | | -- |
| Prior Year Adjustment | -- | -- | -- | -- | -- | -- |
| Total Operating Expenditures | 124,507,628 | -- | -- | 124,507,628 | 124,507,628 | 115,289,033 |
| **Net Increase/(Decrease) from Operations** | 492,372 | -- | -- | 492,372 | 492,372 | (289,033) |
| **Non Operating Income/(Expense)** | | | | | | |
| Interest Income | 60,000 | -- | | 60,000 | 60,000 | 50,000 |
| Change in FMV | -- | -- | | -- | -- | -- |
| Realized Gain/(Loss) | -- | -- | | -- | -- | -- |
| GASB 68 | | | | | | |
| Interfund Transfer & YE Close Oper | -- | -- | | -- | | -- |
| Total Non Operating Income/(Expense) | 60,000 | $ -- | $ -- | 60,000 | 60,000 | 50,000 |
| Ending Cash | $ 6,040,436 | | | | | |
| **Net Increase/(Decrease) in Net Position** | | | | 552,372 | 552,372 | (239,033) |
| | | | | **$ 6,040,436** | **$ 6,040,436** | **$ 5,079,218** |

Alameda County Schools Insurance Group (ACSIG)
Vision
2017/2018 Budget

| | Budget 2017/2018 | Allocations | Change in Accruals | Balance Year to Date | 2017/2018 Budget | 2016/2017 Budget |
|---|---|---|---|---|---|---|
| **Audited - Beginning Net Position, as of 07/01/2017** | | | | $ 2,093,269 | | |
| Beginning Cash and Investments | $ 2,093,269 | | | | $ 2,093,269 | $ 2,094,297 |
| **Operating Revenue:** | | | | | | |
| Premiums Paid by Members | $ 3,400,000 | $ -- | $ | $ 3,400,000 | $ 3,400,000 | $ 2,800,000 |
| Total Operating Revenue | 3,400,000 | -- | -- | 3,400,000 | 3,400,000 | 2,800,000 |
| **Operating Expenditures:** | | | | | | |
| Classified Salaries | 24,863 | -- | -- | 24,863 | 24,863 | 23,678 |
| Statutory Benefits | 5,655 | -- | -- | 5,655 | 5,655 | 5,550 |
| Health & Welfare | 3,900 | -- | -- | 3,900 | 3,900 | 3,900 |
| Employer Tax Expense | 348 | -- | -- | 348 | 348 | 341 |
| Net Pension Expense | 3,481 | | | 3,481 | 3,481 | |
| Telephone & Internet | 700 | -- | -- | 700 | 700 | 500 |
| Supplies Office | 400 | -- | -- | 400 | 400 | 500 |
| Supplies - Other | 250 | -- | -- | 250 | 250 | 500 |
| Eligibility Processing | -- | -- | -- | -- | -- | 0 |
| Brokerage Fees-Dental-ACSIG | -- | -- | -- | -- | -- | 0 |
| Brokerage Fees-Dental-MD | -- | -- | -- | -- | -- | 0 |
| Travel and Conferences | 2,200 | -- | -- | 2,200 | 2,200 | 2,000 |
| Mileage | 850 | -- | -- | 850 | 850 | 850 |
| Dues & Memberships | 150 | -- | -- | 150 | 150 | 150 |
| Postage & Meter | 150 | -- | -- | 150 | 150 | 150 |
| Insurance Expense | -- | -- | -- | -- | -- | |
| Utility - Operating-Rent | 3,751 | -- | -- | 3,751 | 3,751 | 3,373 |
| Advertising | 200 | -- | -- | 200 | 200 | 200 |
| Contract Services - Actuarial | 850 | -- | -- | 850 | 850 | 0 |
| Contract Services -PL-Investigation | -- | -- | -- | -- | -- | 0 |
| Contract Services-PL-Legal | -- | -- | -- | -- | -- | 0 |
| Audit Fees | 1,480 | -- | -- | 1,480 | 1,480 | 1,350 |
| Other Services/Operating Expenses | 1,000 | -- | -- | 1,000 | 1,000 | 500 |
| Capital Equipment/Depreciation | 250 | -- | -- | 250 | 250 | 200 |
| Repairs & Maintenance | 350 | -- | -- | 350 | 350 | 500 |
| Legal | 200 | -- | -- | 200 | 200 | 200 |
| Accounting Services | 1,500 | -- | -- | 1,500 | 1,500 | 1,500 |
| County Courier | 400 | -- | -- | 400 | 400 | 350 |
| Shredding | 150 | -- | -- | 150 | 150 | 100 |
| Copier & Scanner | 400 | -- | -- | 400 | 400 | 400 |
| Claims Administration Services | -- | -- | -- | -- | -- | 0 |
| Self-Insurance Fee | -- | -- | -- | -- | -- | 0 |
| Claims Paid-WC | -- | -- | -- | -- | -- | 0 |
| Claims Paid-PL | -- | -- | -- | -- | -- | 0 |
| Physical Abilities Testing | -- | -- | -- | -- | -- | 0 |
| Training | -- | -- | -- | -- | -- | 0 |
| First-Aid Program | -- | -- | -- | -- | -- | 0 |
| Food Service Training | -- | -- | -- | -- | -- | 0 |
| Special Ed Training | -- | -- | -- | -- | -- | 0 |
| Bank Charge & WC Penalty Reimb | -- | -- | -- | -- | -- | 0 |
| Cobra Premiums | -- | -- | -- | -- | -- | 0 |
| Dental Insurance Premiums | -- | -- | -- | -- | -- | 0 |
| Vision Insurance Premiums | 3,340,000 | -- | | 3,340,000 | 3,340,000 | 2,550,000 |
| Claim Development Expense | -- | -- | -- | -- | -- | 0 |
| Prior Year Adjustment | -- | -- | -- | -- | -- | 0 |
| Total Operating Expenditures | 3,393,478 | -- | -- | 3,393,478 | 3,393,478 | 2,596,792 |
| **Net Increase/(Decrease) from Operations** | 6,522 | -- | -- | 6,522 | 6,522 | 203,208 |
| **Non Operating Income/(Expense)** | | | | | | |
| Interest Income | 20,000 | -- | | 20,000 | 20,000 | 17,500 |
| Change in FMV | | -- | -- | -- | -- | 0 |
| Realized Gain/(Loss) | | -- | -- | -- | -- | 0 |
| GASB 68 | | | | | | |
| Interfund Transfer | -- | -- | -- | -- | -- | 0 |
| Total Non Operating Income/(Expense) | 20,000 | $ -- | $ -- | 20,000 | 20,000 | 17,500 |
| Ending Cash | $ 2,119,791 | | | | | |
| **Net Increase/(Decrease) in Net Position** | | | | 26,522 | $ 26,522 | $ 220,708 |
| | | | | 0 $ 2,119,791 | $ 2,119,791 | $ 2,315,005 |

Alameda County Schools Insurance Group (ACSIG)
Property and Liability
2017/2018 Budget

| | Budget 2017/2018 | Allocations | Change in Accruals | Balance Year to Date | 2017/2018 Budget | 2016/2017 Budget |
|---|---|---|---|---|---|---|
| **Audited - Beginning Net Position, as of 07/01/2017** | | | | $ 650,067 | | |
| Beginning Cash and Investments | $ 650,067 | | | | $ 650,067 | $ 193,468 |
| **Operating Revenue:** | | | | | | |
| Premiums Paid by Members | $ 1,403,133 | $ -- | $ | $ 1,403,133 | $ 1,403,133 | $ 1,343,891 |
| Total Operating Revenue | 1,403,133 | -- | -- | 1,403,133 | 1,403,133 | 1,343,891 |
| **Operating Expenditures:** | | | | | | |
| Classified Salaries | 18,326 | -- | -- | 18,326 | 18,326 | 17,877 |
| Statutory Benefits | 4,296 | -- | -- | 4,296 | 4,296 | 4,190 |
| Health & Welfare | 1,950 | -- | -- | 1,950 | 1,950 | 1,950 |
| Employer Tax Expense | 264 | -- | -- | 264 | 264 | 258 |
| Net Pension Expense | 2,566 | | | 2,566 | 2,566 | |
| Telephone & Internet | 350 | -- | -- | 350 | 350 | 250 |
| Supplies Office | 200 | -- | -- | 200 | 200 | 250 |
| Supplies - Other | 125 | -- | -- | 125 | 125 | 250 |
| Eligibility Processing | -- | -- | -- | -- | -- | -- |
| Brokerage Fees-Dental-ACSIG | -- | -- | -- | -- | -- | -- |
| Brokerage Fees-Dental-MD | -- | -- | -- | -- | -- | -- |
| Travel and Conferences | 1,100 | -- | -- | 1,100 | 1,100 | 1,000 |
| Mileage | 425 | -- | -- | 425 | 425 | 425 |
| Dues & Memberships | 75 | -- | -- | 75 | 75 | 75 |
| Postage & Meter | -- | -- | -- | -- | -- | -- |
| Insurance Expense-NCR | 1,290,687 | -- | | 1,290,687 | 1,290,687 | 1,231,445 |
| Utility - Operating-Rent | 1,876 | -- | -- | 1,876 | 1,876 | 1,687 |
| Advertising | 100 | -- | -- | 100 | 100 | 100 |
| Contract Services - Actuarial | 425 | -- | -- | 425 | 425 | |
| Contract Services -PL-Investigation | -- | -- | -- | -- | -- | |
| Contract Services-PL-Legal | -- | -- | -- | -- | -- | -- |
| Audit Fees | 740 | -- | -- | 740 | 740 | 675 |
| Other Services/Operating Expenses | 500 | -- | -- | 500 | 500 | 250 |
| Capital Equipment/Depreciation | 125 | -- | -- | 125 | 125 | 100 |
| Repairs & Maintenance | 175 | -- | -- | 175 | 175 | 250 |
| Legal | 100 | -- | -- | 100 | 100 | 100 |
| Accounting Services | 750 | -- | -- | 750 | 750 | 750 |
| County Courier | 200 | -- | -- | 200 | 200 | 175 |
| Shredding | 75 | -- | -- | 75 | 75 | 50 |
| Copier & Scanner | 100 | -- | | 100 | 100 | 100 |
| Claims Administration Services | -- | -- | | -- | | 20,000 |
| Self-Insurance Fee | -- | -- | | -- | -- | -- |
| Claims Paid-WC | -- | -- | | -- | -- | -- |
| Claims Paid-PL | 50,000 | -- | | 50,000 | 50,000 | 80,000 |
| Safety Inspection | 12,445 | -- | -- | 12,445 | 12,445 | 12,445 |
| Training | -- | -- | -- | -- | -- | -- |
| First-Aid Program | -- | -- | -- | -- | -- | -- |
| Food Service Training | -- | -- | -- | -- | -- | -- |
| Special Ed Training | -- | -- | -- | -- | -- | -- |
| Bank Charge & WC Penalty Reimb | -- | -- | -- | -- | -- | -- |
| Cobra Premiums | -- | -- | -- | -- | -- | -- |
| Dental Insurance Premiums | -- | -- | -- | -- | -- | -- |
| Vision Insurance Premiums | -- | -- | -- | -- | -- | -- |
| Claim Development Expense | (10,000) | -- | | (10,000) | (10,000) | (30,000) |
| Prior Year Adjustment | -- | -- | -- | -- | -- | -- |
| Total Operating Expenditures | 1,377,974 | -- | -- | 1,377,974 | 1,377,974 | 1,344,652 |
| **Net Increase/(Decrease) from Operations** | 25,159 | -- | -- | 25,159 | 25,159 | (761) |
| **Non Operating Income/(Expense)** | | | | | | |
| Interest Income | 1,500 | -- | -- | 1,500 | 1,500 | 750 |
| Change in FMV | -- | -- | -- | -- | -- | -- |
| Realized Gain/(Loss) | -- | -- | -- | -- | -- | -- |
| GASB 68 | | | | | | |
| Interfund Transfer | -- | -- | -- | -- | -- | -- |
| Total Non Operating Income/(Expense) | 1,500 | $ -- | $ -- | 1,500 | 1,500 | 750 |
| Ending Cash | $ 676,726 | | | | | |
| **Net Increase/(Decrease) in Net Position** | | | | 26,659 | 26,659 | (11) |
| | | | 0 | $ 676,726 | $ 676,726 | $ 193,457 |

| | | | | Statutory | Employer Tax Expense |
|---|---|---|---|---|---|
| Kimberly (moves to Longevity II) | salary & benefits | $ 183,264.68 | $ 19,500.00 | $ 42,955.08 | $ 2,640.35 |
| | 50% dental | $ 91,632.34 | $ 9,750.00 | $ 21,477.54 | $ 1,320.18 |
| | 30% wc | $ 54,979.40 | $ 5,850.00 | $ 12,886.53 | $ 792.11 |
| | 10% vision | $ 18,326.47 | $ 1,950.00 | $ 4,295.51 | $ 264.04 |
| | 10% p/l | $ 18,326.47 | $ 1,950.00 | $ 4,295.51 | $ 264.04 |
| Celina | salary & benefits | $ 65,368.60 | $ 19,500.00 | $ 13,596.44 | $ 835.74 |
| | 80 % dental | $ 52,294.88 | $ 15,600.00 | $ 10,877.15 | $ 668.59 |
| | 10% wc | $ 6,536.86 | $ 1,950.00 | $ 1,359.64 | $ 83.57 |
| | 10% vision | $ 6,536.86 | $ 1,950.00 | $ 1,359.64 | $ 83.57 |
| Amy | 100% COBRA Dental | $ 27,487.90 | $ 9,750.00 | $ 5,941.96 | $ 365.24 |

***assumes 3.5% salary increase

| | |
|---|---|
| Telephone & Internet | $ 7,000.00 |
| Supplies Office | $ 4,000.00 |
| Supplies - Other | $ 2,500.00 |
| Eligibility Processing | |
| Brokerage Fees-Dental-ACSIG | |
| Brokerage Fees-Dental-MD | |
| Travel and Conferences | $ 22,000.00 |
| Mileage | $ 8,500.00 |
| Dues & Memberships | $ 1,500.00 |
| Postage & Meter | $ 5,500.00 |
| Insurance Expense-PIPS&NCR | |
| PIPS payroll adjustment | |
| Utility - Operating-Rent | $ 37,512.00 |
| Advertising | $ 2,000.00 |
| Contract Services | $ 8,500.00 |
| Contract Services -PL-Investigation | |
| Contract Services-PL-Legal | |
| Audit Fees | $ 14,800.00 |
| Other Services/Operating Expenses | $ 10,000.00 |

(this is 95% dental)

| | | |
|---|---|---|
| Capital Equipment/Depreciation | $ 2,500.00 | |
| Repairs & Maintenance | $ 3,500.00 | |
| Legal | $ 2,000.00 | |
| Accounting Services | $ 15,000.00 | |
| County Courier | $ 4,000.00 | |
| Shredding | $ 1,500.00 | |
| Copier & Scanner | $ 15,000.00 | (this is 95% dental) |

$ 167,312.00

| pensionn liability | WC | DENTAL | VISION | PL |
|---|---|---|---|---|
| $ 25,657.06 | | | | |
| $ 12,828.53 | $ 93,050.39 | $ 254,092.62 | $ 38,246.96 | $ 27,401.72 |
| $ 7,697.12 | | | | |
| $ 2,565.71 | | | | |
| $ 2,565.71 | | | | |
| $ 9,151.60 | | | | |
| $ 7,321.28 | | | | |
| $ 915.16 | | | | |
| $ 915.16 | | | | |
| $ 3,848.31 | | | | |

| 15% | 75% | 10% | 5% |
|---|---|---|---|
| $ 1,050.00 | $ 5,250.00 | $ 700.00 | $ 350.00 |
| $ 600.00 | $ 3,000.00 | $ 400.00 | $ 200.00 |
| $ 375.00 | $ 1,875.00 | $ 250.00 | $ 125.00 |
| $ - | $ - | $ - | $ - |
| $ - | $ - | $ - | $ - |
| $ - | $ - | $ - | $ - |
| $ 3,300.00 | $ 16,500.00 | $ 2,200.00 | $ 1,100.00 |
| $ 1,275.00 | $ 6,375.00 | $ 850.00 | $ 425.00 |
| $ 225.00 | $ 1,125.00 | $ 150.00 | $ 75.00 |
| $ 100.00 | $ 4,950.00 | $ 150.00 | |
| $ - | $ - | $ - | $ - |
| $ - | $ - | $ - | $ - |
| $ 5,626.80 | $ 28,134.00 | $ 3,751.20 | $ 1,875.60 |
| $ 300.00 | $ 1,500.00 | $ 200.00 | $ 100.00 |
| $ 1,275.00 | $ 6,375.00 | $ 850.00 | $ 425.00 |
| $ - | $ - | $ - | $ - |
| $ - | $ - | $ - | $ - |
| $ 2,220.00 | $ 11,100.00 | $ 1,480.00 | $ 740.00 |
| $ 1,500.00 | $ 7,500.00 | $ 1,000.00 | $ 500.00 |

| | | | |
|---|---|---|---|
| $ 375.00 | $ 1,875.00 | $ 250.00 | $ 125.00 |
| $ 525.00 | $ 2,625.00 | $ 350.00 | $ 175.00 |
| $ 300.00 | $ 1,500.00 | $ 200.00 | $ 100.00 |
| $ 2,250.00 | $ 11,250.00 | $ 1,500.00 | $ 750.00 |
| $ 600.00 | $ 3,000.00 | $ 400.00 | $ 200.00 |
| $ 225.00 | $ 1,125.00 | $ 150.00 | $ 75.00 |
| $ 250.00 | $ 14,250.00 | $ 400.00 | $ 100.00 |

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# EXECUTIVE SUMMARY

TO: ACSIG Executive Committee

FROM: Kimberly Dennis

DATE: February 16, 2017

SUBJECT: Strategic Planning Update

The Executive Director will review the progress to date of the strategies established at the 2016-2017 strategic planning session held in October 2016. . A summary will be presented by the Executive Director.




# Strategic Planning 2016 Update 2/16/2017

The Committee discussed some of the challenges facing our members and the lack of resources in all agencies. Felt resources provided by ACSIG were outstanding but connecting those resources to members was lacking. The following suggestions/strategies were suggested for the upcoming year:

- Celebrate our accomplishments – Host a holiday reception to celebrate the elimination of the deficit and use as opportunity to socialize with all Board members. Invite partners. December 16, 2016 at Strizzi's in Fremont from 4:30 – 6:30.

  This event was held and enjoyed by those who attended, although it proved to be the core group of members and not the level of success we were hoping for.

- Create a 1-page synopsis describing ACSIG
  From that, develop "elevator speech"

  In Process

- Create a list-serve linking all ACSIG Board members. This will help build the relationship between Board members and between ACSIG and Board.

  This group has been created and in use. Seems to be functioning well.

- Create an illustration/example to show Board how they could save money by reducing their ex-mod by improving their claims experience. For example, if you reduced your ex-mod by X%, you could save $. Use Fremont as an example for job shadowing/return to work. Use Albany as an example for better hiring practices.
  - "Look how you can save money"

- Kimberly is working with a couple of new members to refine this process and get a narrative with examples

- Begin a new level of training program. Target the training to Director level management (food service, MOT, fiscal services, special ed, etc.). This will help them learn more about the operations within their agency and introduce them to ACSIG and the world of risk management. Suggested topics:
  - How to review contracts for proper indemnification language to protect your District
  - How/Why to start a safety committee
  - Risk Management 101
  - Ed Code/Leaves

  Try to schedule every 2-3 months and hold off-site. Committee felt participants will better engage when they are away from their work environment. Contact local businesses to partner (google, safeway, oracle, etc.)

  The first training is tentatively scheduled for the end of March. The initial training will be on how to read a contract and what are the important components (emphasizing the need for indemnification for the District). We are still working on securing a location for this training. More information will be sent out in the very near future.

- Begin an individual mentoring program. Executive Committee members reach out to a Board member and encourage their participation. Offer help and guidance.

  For Discussion

Special Education Trainings were discussed, specifically for ParaEducators and I am pleased to announce that ACSIG has had better access and more trainings have been held.

# SAVE THE DATE:
# CAJPA




## Sept 12- 15, 2017