

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

AGENDA
Executive Committee

Date: Thursday, May 14, 2015
Time: 9:00AM
Location: Alameda County Office of Education
313 W. Winton Ave.
Hayward, CA 94544

I. Call to order 9:00 AM

II. Roll call

Executive Committee Members

Susan Kinder	President	Livermore Valley Joint USD
Candi Clark	Vice President	Castro Valley USD
Raul Parungao	Board Member	Fremont USD
Akur Varadarajan	Board Member	New Haven USD

Kimberly Dennis	Executive Director	Alameda County Schools Insurance
Desiree Endert	Admin Assistant	Alameda County Schools Insurance

Tara Cooper-Salaiz	Guest	Keenan & Associates
Patrice Grant	Guest	Keenan & Associates
Kyle McKibbon	Guest	Keenan & Associates
Laurena Grabert	Guest	SETECH
Jack Joyce	Guest	Bay Actuarial

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

Settlement Authorization
Claim Numbers: N/A

Settlement Notification
Claims Number: 427543; 430278; 430509; 444638; 455057; 459850; 460487; 466243; 467471; 471842, 496589, 472925; 477382; 482599; 488822; 490034; 491563; 493298; 496083

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—Page 6
The Executive Committee will review/approve the meeting minutes from March 12, 2015.

Workers Compensation

VIII. Actuarial Study - Ex Mods—Page 19
The Executive Director will present the updated Ex-mods spreadsheet. The spreadsheet now includes 5 years of data as per the Executive Committee's request at the March 12, 2015 meeting.
Recommendation: For action

IX. 2015/2016 Workers Compensation Rates—Page 21
The Executive Director will present the Workers' Compensation Rates for the 2015/2016 program year.
Recommendation: For action

X. Keenan TPA Agreement—Page 24
Tara Salaiz from Keenan & Associates will present the TPA agreement to the committee.
Recommendation: For action

Dental

XI. Dental Rates 2015/2016—Page 38
The Executive Director will present the 2015/2016 Dental rate recommendations. The Executive Committee will be asked to recommend approval to the Full Board.
Recommendation: For action

XII. Actuarial Study - Dental—Page 43
The Executive Director will present the March 31, 2015 Actuarial study for the Dental Program. The Executive Committee will be asked to recommend approval to the Full Board.
Recommendation: For action

Vision

XIII. Vision Rates 2015/2016—Page 54
The Executive Director will present the 2015/16 Vision rate recommendations. The Executive Committee will be asked to recommend approval to the Full Board.
Recommendation: For action

Property & Liability

XIV. Property & Liability Actuarial Study—Page 59
The Executive Director and Jack Joyce from Bay Actuarial will present the Property & Liability Actuarial Study. The Executive Committee will be asked to recommend for approval to Full Board.
Recommendation: For action

XV. **Property & Liability Rates 2015/2016—Page 126**
The Executive Director will present the 2015/16 Property and Liability rates. The Executive Committee will be asked to recommend approval to the Full Board.
Recommendation: For action

General

XVI. **Third Quarter Financial Report—Page 133**
A representative from SETECH will present the 2014/2015 third quarter financials report. The Executive Committee will be asked for a recommendation to the Full Board.
Recommendation: For action

XVII. **Third Quarter Investment Report—Page 154**
The Executive Committee will review the 2014/15 third quarter investment report. The Executive Committee will be asked for a recommendation to the Full Board.
Recommendation: For action

XVIII. **2015/2016 Budget—Page 173**
The Executive Director will review the 2015/16 Budget with requested Workers Compensation changes. The Executive Committee will be asked for a recommendation to the Full Board.
Recommendation: For action

XIX. **ACSIG Salaries & Benefits—Page 184**
The Executive Director will present a cost of living increase proposal for the ACSIG staff.
Recommendation: For action

XX. **Strategic Plan Update—Page 186**
The Executive Director will present a progress report on the status of the 2014 Strategic Plan.
Recommendation: For discussion and/or action

XXI. **Strategic Plan 2015—Page 189**
The Executive Director will review the date and location for the Strategic Planning Session.
Recommendation: For discussion and/or action

Administrative

XXII. **Investment Policy—Page 190**
The Executive Committee will conduct the annual review of the written investment policy and will be asked for a recommendation to the Full Board.
Recommendation: For action

XXIII. Conflict of Interest Code—Page 197

The Executive Committee will conduct the annual review of the conflict of interest policy and will be asked for a recommendation to the Full Board.

Recommendation: For action

XXIV. Authorization of Signatures—Page 205

The Executive Committee will conduct the annual review of the authorization of signatures and will be asked for a recommendation to the Full Board.

Recommendation: For action

XXV. Meeting Calendar—Page 206

The Executive Committee will review the 2015/16 calendar and will be asked for a recommendation to the Full Board.

Recommendation: For action

XXVI. Posting and Mailing Address—Page 208

The Executive Committee will conduct the annual review of the posting and mailing address for ACSIG will be asked for a recommendation to the Full Board.

Recommendation: For action

XXVII. Recruitment of Executive Committee Members—Page 209

The Executive Committee will discuss strategies for the recruitment of Executive Committee members.

Recommendation: For discussion

XXVIII. Future Planning

XXIX. Adjournment



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

MINUTES
Executive Committee

Date: Thursday, March 12, 2015
Time: 9:00AM
Location: Alameda County Office of Education
313 W. Winton Ave.
Hayward, CA 94544

I. Susan Kinder called the meeting to order at 9:07am, with a quorum of members present.

II. Executive Committee Members

Susan Kinder	President	Livermore Valley Joint USD
Candi Clark	Vice President	Castro Valley USD
Raul Parungao	Board Member	Fremont USD
Kimberly Dennis	Executive Director	Alameda County Schools Insurance
Desiree Endert	Admin Assistant	Alameda County Schools Insurance
Ron Martin	Guest	Keenan & Associates
Tara Cooper-Salaiz	Guest	Keenan & Associates
Patrice Grant	Guest	Keenan & Associates
Kyle McKibbon	Guest	Keenan & Associates
Laurena Grabert	Guest	SETECH
Cary Allison	Guest	Morgan Stanley

III. Acceptance of the Agenda
It was moved by Candi Clark and seconded by Raul Parungao to approve the agenda as presented.
Ayes: Clark, Kinder, Parungao
Nays: None
Abstain: None

IV. Public Comment on Closed Session Agenda Items

No public present to comment.

Closed Session

Closed session began at 9:10am.

Open Session

Open session began at 9:22am.

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 Raul Parungao and seconded by Candi Clark to approve settlement notifications and authorizations listed below.
Ayes: Clark, Kinder, Parungao
Nays: None
Abstain: None

Settlement Notifications

Claim Numbers: 399684; 405603; 410907; 411182; 416779; 425904; 436448; 439481; 440466; 447884; 451015; 454671; 456283; 460156; 460803; 465887; 467418; 472871; 473526; 474364; 476457; 477880; 486401; 486472; 487952; 491906; 493822; 2203309; 2205128; 2205640; 2206770; 2502023; 2509266

Settlement Authorization:

Claim Numbers: 2204997; 2205557; 2205788

VII. Approval of Minutes

It was moved by Candi Calrk and seconded by Susan Kinder to approve the January 16, 2015 Executive Committee Meetings minutes as presented.
Ayes: Clark and Kinder
Nays: None
Abstain: Parungao

It was moved by Raul Parungao and seconded by Candi Clark to approve the November 6, 2014 Full Board Meeting Minutes as presented.
Ayes: Clark and Parungao
Nays: None
Abstain: Kinder

Workers Compensation

VIII. Actuarial Study - Ex Mods

The Executive Director presented the Ex-Mods as determined by the Actuary, Jack Joyce. Ex-Mods have a minimum of .75 and maximum of 1.25. There is not a limit to the amount that a member can change between years. The amounts are averaged to 1.00 and based on a member's experience within the pool. Positive risk management procedures will not have an immediate effect due to the numbers being based on a 3 year average, but will show positively in the future.

MEMBER	NEW EX-MOD 12/31/14	OLD EX-MOD 12/31/13
ACOE	0.750	0.750
ALAMEDA	0.993	0.929
ALBANY	0.901	0.951
CASTRO VALLEY	0.826	0.750
DUBLIN	0.858	0.858
EDEN ROP	1.018	0.973
EMERY	0.750	0.750
FREMONT	1.139	1.207
LIVERMORE	1.174	1.103
MISSION ROP	0.815	0.878
MT. HOUSE	1.239	1.250
NEWARK	1.250	1.250
NEW HAVEN	0.901	0.815
PIEDMONT	0.750	0.768
PLEASANTON	0.750	0.791
SAN LEANDRO	1.065	0.980
SAN LORENZO	1.133	1.221
SUNOL GLEN	0.763	0.750
TRI VALLEY ROP	1.250	1.250

It was recommended that future Ex-Mods have a column showing the +/- trends per member. It was moved by Raul Parungao and seconded by Candi Clark to approve the Actuarial Study Ex-Mods.
Ayes: Clark, Kinder, Parungao
Nays: None
Abstain: None

IX. Actuarial Study-Ultimate Loss

The Executive Director presented the Ultimate Loss report prepared by Jack Joyce who will attend the next meeting. It was estimated that ACSIG's liability for unpaid losses are $25,808,000 on December 31, 2014 and are projected to be $24,902,000 on June 30, 2015. The corresponding discounted values (at 1.5% interest) are $22,582,00 and $21,788,000. Last year it was estimated that the 3/31/14 liability would be $29.091 million. The new estimate of the 12/31/14 liability is $25.808 million. The estimate fell by $668,000+ and was reduced by claims paid.

X. Preliminary 2015/2016 Workers Compensation Rates

The Executive Director reviewed the changes proposed to the base rate. 2015-2016 base rate uses a calculation of PIPS rate + Administrative Costs + self-insurance fee + an adjustment of $1,000,000 + $0.35 for the deficit.

This adjustment is for the payroll adjustment to accommodate for the variance between payroll numbers used for ACSIG billing (2013-2014 audited payroll) versus the amount paid to PIPS (2015-2016 actual payroll).

This payroll adjustment resulted in an 8% increase to the Workers' Comp rate in 2014-2015.

********** ADDED ANOTHER $500,000 FOR PAYROLL ADJUSTMENT

	2013/2014 Actual Payroll	Base Rate	Ex Mod	Rate per $100 Payroll	2015/2016 PREMIUM	2014/2015 PREMIUM
ACOE	$24,636,551	2.90	0.7500	2.18	$535,845	$ 455,568.00
ALAMEDA	$61,967,305	2.90	0.9930	2.88	$1,784,472	$ 1,361,703.00
ALBANY	$24,982,608	2.90	0.9010	2.61	$652,771	$ 556,138.00
CASTRO VALLEY	$53,460,195	2.90	0.8260	2.40	$1,280,586	$ 954,393.00
DUBLIN	$49,742,372	2.90	0.8580	2.49	$1,237,690	$ 936,199.00
EDEN ROP	$3,146,268	2.90	1.0180	2.95	$92,884	$ 71,778.00
EMERY	$6,144,058	2.90	0.7500	2.18	$133,633	$ 108,175.00
FREMONT	$197,019,408	2.90	1.1390	3.30	$6,507,748	$ 5,754,449.00
LIVERMORE	$71,551,054	2.90	1.1740	3.40	$2,436,027	$ 1,902,299.00
MISSION ROP	$4,077,930	2.90	0.8150	2.36	$96,382	$ 79,531.00
MT. HOUSE	$207,725	2.90	1.2390	3.59	$7,464	$ 6,905.00
NEWARK	$39,066,489	2.90	1.2500	3.63	$1,416,160	$ 1,160,412.00
NEW HAVEN	$76,911,670	2.90	0.9010	2.61	$2,009,625	$ 1,414,229.00
PIEDMONT	$21,060,384	2.90	0.7500	2.18	$458,063	$ 390,948.00
PLEASANTON *	$90,406,310	2.90	0.7500	2.18	$1,966,337	$ 1,685,129.00
SAN LEANDRO	$54,476,887	2.90	1.0650	3.09	$1,682,519	$ 1,246,916.00
SAN LORENZO	$65,949,277	2.90	1.1330	3.29	$2,166,895	$ 1,822,468.00
SUNOL GLEN	$1,562,931	2.90	0.7630	2.21	$34,583	$ 26,989.00
TRI VALLEY ROP	$2,552,972	2.90	1.2500	3.63	$92,545	$ 85,640.00
TOTAL PREMIUMS	$848,922,396				$24,592,230	$ 20,019,869.00
Average Ex Mod			1.00000			

Payrolls based upon 2013/2014 Unaudited Actuals Reports provided by ACOE
* includes apprentice program

Rate Build UP

PIPS K-12 Rate		2.562735 (assumes a 5% increase and no change to ex-mod)			
ACSIG Ex-mod		0.9014	2.310049329	$ 20,103,730.84	0.02368147
Claims Admin		176,000		$ 176,000.00	0.00020732
Deficit		0.35		$ 3,045,954.78	0.00358802
ACSIG Admin	$	157,375.00		$ 157,375.00	0.00018538
Self-Insurance Fee	$	246,609.00		$ 246,609.00	0.00029049
PIPS Adj	$	1,000,000.00		$ 1,000,000.00	0.00100096
				$ 24,729,669.62	0.02903160
est. 15/16 payroll	$	870,272,794.00			

XI. Company Nurse Program

The Executive Director gave a progress update on the Company Nurse Program. Lag times for reporting incidents have decreased by 64%. Currently San Leandro, Castro Valley, Fremont, Newark, New Haven, Pleasanton and San Lorenzo are participating in the program. ACOE, Alameda Unified and Albany are in current discussions concerning joining the program.

XII. Keenan TPA Agreement

The wrong contract was included in the agenda packet so this item will be deferred to the May 14, 2015 Executive Committee Meeting.

XIII. Deficit Review

The Executive Director informed the Executive Committee that SETECH estimates an improvement to the ACSIG deficit of over $9 million. The deficit as of June 30, 2015 is estimated to be $6,176,693.

XIV. 3 Year Point in Time Comparison

The Executive Director and Tara Salaiz from Keenan & Associates presented the latest 3-year comparative using fiscal year end data.

Alameda County Schools Insurance Group - PIPS

Frequency and Severity

District	Count(19)	7/1/2011 - 6/30/2012 Frequency	7/1/2011 - 6/30/2012 Severity	7/1/2012 - 6/30/2013 Frequency	7/1/2012 - 6/30/2013 Severity	7/1/2013 - 6/30/2014 Frequency	7/1/2013 - 6/30/2014 Severity	Totals Frequency	Totals Severity
Alameda County Office of Education		8	$29,128	7	$6,592	6	$3,108	21	$38,829
Alameda Unified School District		44	$350,699	46	$328,318	48	$285,686	138	$964,703
Albany Unified School District		13	$150,422	18	$152,712	20	$216,008	51	$519,142
Castro Valley Unified School District		36	$322,317	24	$107,943	41	$255,827	101	$686,086
Dublin Unified School District		24	$405,814	22	$109,187	27	$96,190	73	$611,191
Eden Area ROP		2	$71,188	4	$39,972	3	$3,060	9	$114,221
Emery Unified School District		4	$13,186	5	$15,904	9	$37,386	18	$66,477
Fremont Unified School District		142	$1,698,923	130	$1,125,709	142	$988,023	414	$3,812,655
Livermore Valley Joint Unified School District		64	$498,478	55	$229,564	58	$612,009	177	$1,340,050
Mission Valley ROP		1	$12,500	2	$848	2	$1,826	5	$15,174
Mountain House Elementary School District		0	$0	1	$2,591	0	$0	1	$2,591
New Haven Unified School District		51	$240,948	65	$270,296	56	$358,623	172	$869,867
Newark Unified School District		42	$439,452	37	$191,909	44	$199,530	123	$830,892
Piedmont Unified School District		8	$47,283	7	$29,146	11	$35,731	26	$112,160
Pleasanton Unified School District		61	$397,636	47	$470,937	79	$498,530	187	$1,367,104
San Leandro Unified School District		51	$363,462	45	$185,887	43	$213,643	139	$762,992
San Lorenzo Unified School District		59	$605,021	65	$661,531	72	$359,176	196	$1,625,728
Sunol Glen School District		1	$1,000	1	$1,222	0	$0	2	$2,222
Tri Valley Regional Occupational Program		5	$12,120	1	$1,806	5	$2,552	11	$16,478
Totals		**616**	**$5,659,577**	**582**	**$3,932,074**	**666**	**$4,166,910**	**1,864**	**$13,758,560**

XV. Information Report for the Fiscal Year End

Laurena Grabert from SETECH presented the Financial Management Informational Report for Fiscal Year Ended June 30, 2014. The following numbers reflect each member's portion of the unfunded liability.

Alameda County Schools Insurance Group
Workers' Compensation
Allocation Net Position - Assets/(Deficit) by Member
As of 06/30/2014

Members	Sub-Total From Page 4d	Program Years										Total
		2002/2013			2013/2014							
		Pro Rata Share %		Net Assets	Pro Rata Share %		Net Assets	Pro Rata Share %		Pro Rata Share %		
Alameda COE	$ (313,619)	2.00	% $	43,094	2.29	% $	46,823	--	% $	--	% $	-- $ (223,702)
Alameda	(1,262,389)	5.85		126,051	6.71		137,198	--		--		-- (999,140)
Albany	(373,638)	2.41		51,929	2.76		56,433	--		--		-- (265,276)
Castro Valley	(795,124)	5.31		114,416	4.72		96,509	--		--		-- (584,199)
Dublin	(374,484)	3.65		78,647	3.85		78,720	--		--		-- (217,117)
Eden ROP	(181,069)	0.37		7,972	0.28		5,725	--		--		-- (167,372)
Emery	(178,164)	0.67		14,437	0.80		16,357	--		--		-- (147,370)
Fremont	(2,127,625)	28.86		621,852	29.82		609,724	--		--		-- (896,049)
Livermore	(1,116,521)	9.10		196,080	9.31		190,360	--		--		-- (730,081)
Mission ROP	(116,780)	0.39		8,403	0.39		7,974	--		--		-- (100,403)
Mt. House	(8,362)	0.03		646	0.04		818	--		--		-- (6,898)
Newark	(949,418)	4.36		93,946	4.46		91,193	--		--		-- (764,279)
New Haven	(1,670,553)	9.28		199,958	8.18		167,255	--		--		-- (1,303,340)
Piedmont	(354,355)	1.91		41,155	1.90		38,849	--		--		-- (274,351)
Pleasanton	(1,179,526)	9.71		209,223	9.50		194,245	--		--		-- (776,058)
San Leandro	(631,212)	6.13		132,084	5.15		105,301	--		--		-- (393,827)
San Lorenzo	(1,870,711)	9.42		202,975	9.22		188,520	--		--		-- (1,479,216)
Sunol Glen	(30,362)	0.13		2,801	0.13		2,658	--		--		-- (24,903)
Tri Valley ROP	(45,771)	0.42		9,051	0.49		10,019	--		--		-- (26,701)
Pleasanton Apprentice	--	--		--	--		--	--		--		-- --
Totals	$ (13,579,683)	100.00	% $	2,154,720	100.00	% $	2,044,681	--	% $	--	% $	-- $ (9,380,282)

XVI. Second Quarter Financial Report

Laurena Grabert from SETECH presented the 2014/2015 Second Quarter Financial Report.

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Position
Consolidated
As of 06/30/2014 and 12/31/2014

	Audited As of 06/30/2014	Activity 07/01/2013 - 12/31/2014	Unaudited As of 12/31/2014
Assets:			
Current Assets			
Workers Compensation	$ 5,777,645	1,055,603	$ 6,833,248
Dental	4,274,869	(983,787)	3,291,082
Vision	981,887	(128,350)	853,537
Property and Liability	733,370	167,210	900,580
Operations	423,786	(72,876)	350,910
Cash and Cash Equivalents	$ 12,191,557	37,800	$ 12,229,357
Investments Morgan Stanley - current	761,402	(614,202)	147,200
Accounts Receivable	6,023,869	179,212	6,203,081
Prepaid Expense	--	--	--
Interfund Receivable/(payable) (1)	--	--	--
Subtotal Current Assets	18,976,828	(397,190)	18,579,638
Noncurrent Assets			
Investments @ FMV - Morgan Stanley (3)	14,664,893	832,997	15,497,890
Capital - Equipment,net of depreciation	4,739	(3)	4,736
	14,669,632	832,994	15,502,626
Total Assets	**$ 33,646,460**	**$ 435,804**	**$ 34,082,264**
Liabilities:			
Current Liabilities			
Accounts Payable	$ 2,526,347	$ 1,755,793	$ 4,282,140
Prefunding deposits (2)	3,116,431	--	3,116,431
Advance Contributions	--	--	--
Current Portion of claims and claim adjustment	4,080,459	(647,302)	3,433,157
Subtotal Current Liabilities	9,723,237	1,108,491	10,831,728
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	22,841,074	(1,921,726)	20,919,348
Unallocated Loss Adjustment Expense (ULAE)	1,274,819	285,000	1,559,819
Subtotal Claim Liabilities	24,115,893	(1,636,726)	22,479,167
Total Liabilities	$ 33,839,130	$ (528,235)	$ 33,310,895
Net Position:			
Undesignated Net Postion - Net Assets/(Deficit)	(197,409)	964,042	766,633
Designated - Capital Assets	4,739	(3)	4,736
Total Net Position	$ (192,670)	$ 964,039	$ 771,369
Total Liabilities and Ending Net Position	**$ 33,646,460**	**$ 435,804**	**$ 34,082,264**

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, accured interest shown as accounts receivable.

It was moved by Raul Parungao and seconded by Candi Clark to approve the Second Quarter Financial Report for the Full Board.
Ayes: Clark, Kinder and Parungao
Nays: None
Abstain: None

XVII. Second Quarter Investment Report

Cary Allison from Morgan Stanley presented the 2014/15 Third Quarter Investment Report.

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

Change in Value and Dollar Weighted Return % (Net of fees)

Date of Report	12/31/14
Inception date	07/12/10
Beginning Total Value	$9,999,850.00
Net Contributions/Withdrawals	$5,033,025.75
Appreciation + Income	$756,482.16
Total Ending Value	$15,789,357.91
Current Quarter	0.37%
Year to Date	1.02%
Since Inception (annualized % per year)	1.24%

Historical Time Weighted Return % (Net of fees)

Last 3 Years (annualized % per year)	1.14%
Last 5 Years (annualized % per year)	-
Year 2010	0.29%
Year 2011	1.91%
Year 2012	2.44%
Year 2013	-0.03%
Year 2014	1.01%
Corporate bonds as percentage of portfolio	28.87%

It was moved by Raul Parungao and seconded by Candi Clark to approve the Second Quarter Investment Report for the Full Board.
Ayes: Clark, Kinder and Parungao
Nays: None
Abstain: None

XVIII. 2015/2016 Budget

The Executive Director reviewed the tentative 2015/16 Budget. The budget was developed using year-to-date 2014/15 data and preliminary estimates for the 2015/16 rates and costs.

Alameda County Schools Insurance Group (ACSIG)
Consolidated
2015/2016 Budget

	Budget 2015/2016	Allocations	Change in Accruals		2015/2016 Budget	2014/2015 Budget
Audited - Beginning Net Position, as of 07/01/2014				$ (4,999,807)		
Beginning Cash	$ 19,984,086				$ (4,999,807)	$ (2,782,409)
Operating Revenue:						
Premiums Paid by Members	$ 135,950,589	$ (24,266)	$ (24,266)	$ 135,913,978	$ 135,913,978	$ 128,003,769
Total Operating Revenue	135,950,589	(24,266)	(24,266)	135,913,978	135,913,978	128,003,769
Operating Expenditures:						
Classified Salaries	357,114	4,388	(13,214)	348,288	221,043	169,000
Statutory Benefits	122,923	6,182	(4,871)	124,234	78,846	58,617
Health & Welfare	55,011	10,065	(726)	64,350	39,000	20,992
Employer Tax Expense	109,852	(2,805)	--	107,048	67,938	57,561
Telephone & Internet	17,667	(7,167)	--	10,500	10,500	8,000
Supplies Office	18,403	--	(219)	18,184	10,500	20,000
Supplies - Other	12,441	--	--	12,441	10,500	5,500
Eligibility Processing	185,808	--	--	185,808	185,808	180,000
Brokerage Fees-Dental-ACSIG	284,000	--	--	284,000	284,000	258,000
Brokerage Fees-Dental-MD	276,000	--	--	276,000	276,000	183,600
Travel and Conferences	20,325	--	(825)	19,500	19,500	15,000
Mileage	11,974	(4,624)	--	7,350	7,350	7,000
Dues & Memberships	1,685	(385)	--	1,300	1,300	1,000
Postage & Meter	6,616	(3,866)	--	2,750	2,750	5,000
Insurance Expense-PIPS&NCR	21,036,983	--	--	21,036,983	21,036,983	19,323,300
PIPS payroll adjustment				500,000	500,000	
Utility - Operating-Rent	81,152	(54,215)	711	27,648	27,648	25,000
Advertising	2,100	--	--	2,100	2,100	--
Contract Services	19,025	--	--	19,025	19,025	12,500
Contract Services -PL-Investigation	--	--	--	--	--	--
Contract Services-PL-Legal	10,000	--	--	10,000	10,000	6,000
Audit Fees	28,850	(12,500)	--	16,350	16,350	15,000
Other Services/Operating Expenses	20,600	(9,471)	(4,000)	7,125	7,125	10,000
Capital Equipment/Depreciation	16,031	1	593	16,625	5,250	7,500
Repairs & Maintenance	5,250	--	--	5,250	5,250	2,000
Legal	5,250	--	--	5,250	5,250	2,000
Accounting Services	19,000	--	6,500	25,500	15,750	13,000
County Courier	3,675	--	--	3,675	3,675	2,500
Shredding	2,100	--	--	2,100	2,100	1,500
Copier & Scanner	15,000	--	--	15,000	15,000	10,000
Claims Administration Services	193,429	--	--	193,429	193,429	194,000
Self-Insurance Fee	246,609	--	--	246,609	246,609	280,000
Claims Paid-WC	4,000,000	--	--	4,000,000	4,000,000	3,100,000
Claims Paid-PL	100,000	--	--	100,000	100,000	75,000
Physical Abilities Testing	22,500	--	--	22,500	22,500	5,000
Training	5,000	--	--	5,000	5,000	10,000
First-Aid Program	25,000	--	--	25,000	25,000	15,000
Food Service Training	10,000	--	--	10,000	10,000	10,000
Special Ed Training	10,000	--	--	10,000	10,000	20,000
Bank Charge & WC Penalty Reimb	--	--	--	--	--	12,000
Cobra Premiums	235,000	--	--	235,000	235,000	240,000
Dental Insurance Premiums	106,652,000	--	--	106,652,000	106,652,000	103,400,000
Vision Insurance Premiums	2,550,000	--	--	2,550,000	2,550,000	2,044,000
Claim Development Expense	(3,000,000)	--	--	(3,000,000)	(3,000,000)	(2,810,000)
Prior Year Adjustment	--	--	--	--	--	--
Total Operating Expenditures	133,794,374	(74,396)	(16,051)	134,203,923	133,936,080	127,014,570
Net Increase/(Decrease) from Operations	2,156,215	50,130	(8,215)	1,710,055	1,977,898	989,199
Non Operating Income/(Expense)						
Interest Income	218,284	--	--	218,285	239,500	265,750
Change in FMV	--	--	--	--	--	--
Realized Gain/(Loss)	--	--	--	--	--	--
Net, Interfund Transfer	505,724	--	(505,724)	--	--	33,450
Total Non Operating Income/(Expense)	724,008	--	(505,724)	218,285	239,500	299,200
Ending Cash	$ 22,864,309	50,130				
Net Increase/(Decrease) in Net Position		$ 50,130	$ (513,939)	1,928,340	$ 2,217,398	$ 1,288,399

It was moved by Candi Clark and seconded by Raul Parungao to approve the tentative budget.
Ayes: Clark, Kinder and Parungao
Nays: None
Abstain: None

XIX. PLCA Contract

The Executive Director and Ron Martin from Keenan & Associates presented the 2015/16 PLCA contract renewal for Keenan & Associates to continue handling all Property & Liability Claims for ACSIG under NCR's $25,000 mark. A fee increase is not proposed, but the 3-year contract gives Keenan & Associates the option to revisit on a yearly basis.
It was moved by Raul Parungao and seconded by Candi Clark to approve the PLCA contract.
Ayes: Clark, Kinder and Parungao
Nays: None
Abstain: None

XX. NCR Update

Ron Martin from Keenan & Associates updated the Executive Committee on the status of the Mandatory Reporting Training. He informed the Committee that the Gatto bill has passed and this will require all new hires (as of January 1, 2015) to be trained in Mandatory Reporting within the first 6 weeks of reporting to their job. The state is providing a 90-minute to 3-hour internet training course. To provide a more time conscious alternative, Keenan & Associates has developed a state approved 32-minute course. Once the employee completes the course, they will receive a certificate, which they must then print and turn into their employer. Districts must also fill out a form for the state declaring that they will not use the state training course. All employees must have completed their training at the start of the new school year.

Keenan & Associates is working closely with the NCR HR Advisory Committee to help promote April as Child Abuse Prevention month. They will have a presence at the CASBO conference and will be sending districts buttons and flyers. If a member would like additional supplies they may contact Tara Salaiz or Kyle McKibbon.

XXI. CAJPA Fall Conference

The date for the 2015 CAJPA Fall Conference will be September 15-18, 2105 in South Lake Tahoe. All Executive Committee Members and new Board Members are invited to attend.

XXII. Executive Director Quarterly Goals and Objectives

The Executive Director updated the Executive Committee on the progress of her Quarterly Goals and Objectives.

XXIII. Executive Committee Vacancies

The Executive Director informed the Executive Committee of the current vacancies (4) and expiring terms (2). She asked if either of the current members with expiring terms would be willing to serve another term. Both Raul Parungao and Candi Clark have volunteered to do so. The Full Board will be asked for volunteers to run for the four vacancies and will vote on May 21, 2015.

XXIV. Service Team Vacancies

The Executive Director informed the Committee of the recent departure of Chris Stout, Loss Control and Arcenio Reyes, Claims Analyst from the Service Team.

XXV. Future Planning

None

XXVI. Adjournment

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: May 14, 2015

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

At the March 2015 Executive Committee meeting, 2015-16 experience modification factors as determined by the actuary were reviewed. There was a request that a review of the past five (5) years' ex-mods be brought to this meeting.

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-mods were 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 for recommendation to the full Board.

MEMBER	NEW EX-MOD 2015/2016	EX-MOD 2014/2015	EX-MOD 2013/2014	EX-MODS 2012/2013	EX-MODS 2011/2012
ACOE	0.750	0.750	0.812	0.7500	0.7500
ALAMEDA	0.993	0.929	0.948	0.8420	0.8150
ALBANY	0.901	0.951	0.942	0.7990	0.7500
CASTRO VALLEY	0.826	0.750	0.750	0.8420	0.8200
DUBLIN	0.858	0.858	0.750	0.7500	0.7500
EDEN ROP	1.018	0.973	0.750	0.9580	0.8980
EMERY	0.750	0.750	0.997	0.8000	0.8860
FREMONT	1.139	1.207	1.250	1.2500	1.2336
LIVERMORE	1.174	1.103	1.086	1.0397	0.8664
MISSION ROP	0.815	0.878	0.810	0.7500	0.7984
MT. HOUSE	1.239	1.250	1.250	1.0589	0.8824
NEWARK	1.250	1.250	1.018	0.8940	1.0030
NEW HAVEN	0.901	0.815	0.899	0.9050	0.9550
PIEDMONT	0.750	0.768	0.750	0.7500	0.7500
PLEASANTON	0.750	0.791	0.867	0.8910	0.8784
SAN LEANDRO	1.065	0.980	0.800	0.9520	0.9924
SAN LORENZO	1.133	1.221	1.210	1.2466	1.0390
SUNOL GLEN	0.763	0.750	0.750	0.7500	0.7500
TRI VALLEY ROP	1.250	1.250	1.250	1.0150	0.8930

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: May 14, 2015

SUBJECT: Revised 2015-16 Workers' Compensation Rates.

Enclosed please find the preliminary workers' compensation rates for 2015-2016. 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 2015-16.

The Workers' Compensation program continues to operate in a deficit but that deficit has been dramatically reduced throughout the past 8 years. The Board has contributed an additional $0.35/$100 payroll within their rate to fund this deficit. Through this additional funding and aggressive claims management, the deficit is estimated to be fully funded by 2017-18. The current, estimated unfunded liability is just over $6 million

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

********** ADDED ANOTHER $500,000 FOR PAYROLL ADJUSTMENT

	2013/2014 Actual Payroll	Base Rate	Ex Mod	Rate per $100 Payroll	2015/2016 PREMIUM	2014/2015 PREMIUM
ACOE	$24,636,551	2.90	0.7500	2.18	$535,845	$ 455,568.00
ALAMEDA	$61,967,305	2.90	0.9930	2.88	$1,784,472	$ 1,361,703.00
ALBANY	$24,982,608	2.90	0.9010	2.61	$652,771	$ 556,138.00
CASTRO VALLEY	$53,460,195	2.90	0.8260	2.40	$1,280,586	$ 954,393.00
DUBLIN	$49,742,372	2.90	0.8580	2.49	$1,237,690	$ 936,199.00
EDEN ROP	$3,146,268	2.90	1.0180	2.95	$92,884	$ 71,778.00
EMERY	$6,144,058	2.90	0.7500	2.18	$133,633	$ 108,175.00
FREMONT	$197,019,408	2.90	1.1390	3.30	$6,507,748	$ 5,754,449.00
LIVERMORE	$71,551,054	2.90	1.1740	3.40	$2,436,027	$ 1,902,299.00
MISSION ROP	$4,077,930	2.90	0.8150	2.36	$96,382	$ 79,531.00
MT. HOUSE	$207,725	2.90	1.2390	3.59	$7,464	$ 6,905.00
NEWARK	$39,066,489	2.90	1.2500	3.63	$1,416,160	$ 1,160,412.00
NEW HAVEN	$76,911,670	2.90	0.9010	2.61	$2,009,625	$ 1,414,229.00
PIEDMONT	$21,060,384	2.90	0.7500	2.18	$458,063	$ 390,948.00
PLEASANTON *	$90,406,310	2.90	0.7500	2.18	$1,966,337	$ 1,685,129.00
SAN LEANDRO	$54,476,887	2.90	1.0650	3.09	$1,682,519	$ 1,246,916.00
SAN LORENZO	$65,949,277	2.90	1.1330	3.29	$2,166,895	$ 1,822,468.00
SUNOL GLEN	$1,562,931	2.90	0.7630	2.21	$34,583	$ 26,989.00
TRI VALLEY ROP	$2,552,972	2.90	1.2500	3.63	$92,545	$ 85,640.00
TOTAL PREMIUMS	$848,922,396				$24,592,230	$ 20,019,869.00
Average Ex Mod			1.00000			

Payrolls based upon 2013/2014 Unaudited Actuals Reports provided by ACOE
* includes apprentice program

Rate Build UP

PIPS K-12 Rate		2.562735	(assumes a 5% increase and no change to ex-mod)		
ACSIG Ex-mod		0.9014	2.310049329	$ 20,103,730.84	0.023681471
Claims Admin		176,000		$ 176,000.00	0.000207322
Deficit		0.35		$ 3,045,954.78	0.003588025
ACSIG Admin	$	157,375.00		$ 157,375.00	0.000185382
Self-Insurance Fee	$	246,609.00		$ 246,609.00	0.000290497
PIPS Adj	$	1,000,000.00		$ 1,000,000.00	0.001000966
				$ 24,729,669.62	0.029031606
est. 15/16 payroll	$	870,272,794.00			

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: May 14, 2015

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 2015.

Ms. Tara Salaiz 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. Ms. Salaiz 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 Workers' Compensation Claims Administration 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, 2015** through **June 30, 2017** ("Term") unless extended or terminated earlier as provided herein.

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

   A. Keenan shall provide Client with the services described in Exhibit A ("Services") for all Workers' Compensation claims with a date of injury prior to **07/01/09**.

   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, or to bind 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 the 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 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.

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 as provided in Exhibit A 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:

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

(ii) Bodily Injury, Death and Property Damage Liability Insurance. General Liability Insurance (including motor vehicle operation) with a One Million Dollar ($1,000,000) limit of liability for each occurrence and a Two Million Dollar ($2,000,000) aggregate limit of liability.

(iii) Professional Liability Insurance. Professional Liability Insurance with a One Million Dollar ($1,000,000) 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 gross 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 either party be liable for any punitive damages, fines, penalties, taxes or any indirect, incidental, or consequential damages incurred by the other party, its officers, employees, agents, contractors or consultants whether or not foreseeable and whether or not based in contract or tort claims or otherwise, arising out of or in connection with this Agreement even if advised of the possibility of such damage. Keenan's liability under this Agreement shall further be limited to, and shall not exceed, the amount of its available insurance coverage, but not exceeding the limits of coverage outlined in Section 8.

11. **DISPUTE RESOLUTION:**

Disputes arising out of or relating to this Agreement which cannot be resolved by negotiation between the parties shall be submitted to non-binding mediation. If the dispute is not resolved through mediation within sixty (60) days following the first notification of a request to mediate, then either party shall have the right to require the matter to be resolved by final and binding arbitration by JAMS dispute resolution service pursuant to its Streamlined Arbitration Rules and

Procedures, or such other arbitration procedures as may be agreed to in writing by the parties. Negotiation, mediation, and arbitration shall be the exclusive means of dispute resolution between Client and Keenan and their respective agents, employees and officers. The site of the arbitration shall be in Los Angeles, California. A judgment of any having jurisdiction may be entered upon the award.

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 the Agreement shall be extended on a month-to-month basis until terminated by either party. In such case and where appropriate, compensation shall be paid to Keenan as agreed between the parties to the Agreement.

C. Keenan shall return claim files, 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 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 payments and invoices are due and payable upon presentation by Keenan. In the event Client fails to pay any invoice within thirty (30) 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. Keenan has the right to suspend performance of its Services if any balance remains unpaid for more than sixty (60) days from the date of the invoice.

H. 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 Crenshaw Blvd. Ste. 200**
	Dublin, CA. 94568			**Torrance, CA 90501**
Attention:	**Kimberly Dennis**		**Attention:**	**Ron Martin**

EXHIBIT A
SERVICES

1. Claims administration.

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

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

   C. 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.

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

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

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

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

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

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

   J. 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.

   K. Arrange and supervise rehabilitation services where appropriate.

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

   M. 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.

2. Medical Administration.

A. If Client participates in the Medical Provider Network ("MPN"), which the State of California approves, then Keenan will select, with Client's approval, a medical provider panel of general practitioners, specialists, hospitals and emergency treatment facilities to which injured employees should be referred. The panel will be reviewed and updated on at least an annual basis. Keenan will work with Client to formulate medical provider panels in order to derive maximum benefit from legislative (SB 899) medical control changes.

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 to claim file. 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.

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. Risk Management Services.

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

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

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

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

5. 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 B
COMPENSATION

1. Client agrees to pay Keenan for services provided under this Agreement as follows:

   (a) $170,000, payable in equal quarterly installments, commencing on July 1, 2015.

   (b) $170,000, payable in equal quarterly installments, commencing on July 1, 2016.

EXHIBIT C

PRIME

A Keenan Solution

Fee Schedule - Effective January 1, 2010
(Subject to change upon notice)

MANAGED CARE SERVICES

• Early Intervention Initial Assessment/Triage	$ 45 / Hour
• Total Case Management – PPO Channeling – 4 PT Contact – Initial Evaluation – RTW Plan	$ 95 / Hour
• RN File Review – Medical Care Evaluation – RTW Evaluation – Written/Case Management Action Plan	$ 95 / Hour
• Physician Advisor – Medical Necessity Determination – Physician-to-Physician Contact	$ 180 / Referral
• Physician Medical Record Review – Assessment Report of Medical History	$ 300 / Hour

IN PATIENT STAY REVIEW

• Pre-Admission Review • Concurrent Stay Review • Discharge Coordination	$ 95 / Hour
UTILIZATION REVIEW	$ 95 / Hour

BILL REVIEW

TYPE OF SERVICE	FEE:
• Professional	Flat Rate - $4.50 per bill plus $ 1.25 per line Plus 24% of PPO Savings below OMFS
• In-Patient Hospital	No flat fee or per line charge, 24% of total savings*

• Out-Patient Hospital	No flat fee or per line charge, 18% of total savings*
• Pharmacy	No flat fee or per line charge, 20% of PPO savings below OMFS
• Negotiated	No flat fee or per line charge, 24% of total savings
• Medical EDI processing (Effective 1/1/09) (Medical Non-Reviewable, Medical Transportation, Zero pay due to an objection, etc.)	Flat Rate - $4.50 per bill plus $ 1.25 per line

* In-Patient and Out-Patient Hospital bill review fees will not exceed $10,000.00

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 Board

FROM: Kimberly Dennis

DATE: May 14, 2015

SUBJECT: 2015/2016 Dental Rates

Enclosed are the proposed 2015/2016 Dental rate changes for ACSIG members. The program has been performing exceptionally well and efficiently. This is the third year in a row that we have seen the claims trending downward.

ACSIG has recognized a downward trend by keeping rates flat from year to year. This approach is continuing in 2015/16. In addition, the Committee will review the financials and discuss a possible rebate again in 2015/16.

These rates will be reviewed by the Executive Director at the meeting and will be asking for approval of the 2015/2016 dental rates.

PROGRAM ENROLLMENT SUMMARY

Dental Program

	Fixed Rate	Self-Funded	Total Dental
February 2014	13,273	75,668	88,941
February 2015	13,753	77,312	91,065
Difference			+2.4%

Enrollment provided by PBIA

Vision Program

	Fixed Rate	Self-Funded	Total Vision
March 2014	8,001	2,324	10,325
March 2015	9,585	2,278	11,863
Difference			+14.9%

Enrollment provided by VSP

DENTAL RENEWAL - CURRENT TREND DATA

Delta Dental Book Trend

- Premier Network: 7.6%
- PPO plus Premier Network: 6.6%
  - Members within ACSIG are a mix of Premier and PPO plus Premier plans

ACSIG Historical Performance

Calendar Year Claims PEPM vs. Prior Calendar Year

- 2014 vs. 2013: -0.1%
- 2013 vs. 2012: -1.2%
- 2012 vs. 2011: -2.8%
- 2011 vs. 2010: +5.1%
- 2010 vs. 2009: -0.9%
- 2009 vs. 2008: +2.8%

Market Trend Data

- Survey of national carriers that includes:
  - Various Delta Dental entities
  - Aetna
  - Various Blue Cross/Blue Shield entities
  - CIGNA
  - United Concordia
- Dental organizations: 4.7%
- Source: Segal 2015 Trend Survey

DENTAL RENEWAL - RECOMMENDATION

ACSIG 2015-2016 Dental Renewal Options

	Trend	Renewal
Segal Trend	4.7%	-2.1%
Alliant Recommended	5.0%	-1.7%
Delta Dental	6.6%	0.8%

2015-2016 Underwriting Assumptions/Recommendation

- Paid Claims: 24-months of claims data (March 2013 – February 2015)
- Trend of 5.0% was used
- Risk margin of 0.0%
- **Alliant Recommends No Change in Rates**

DENTAL RENEWAL

Fixed Rate Pool Renewals

RENEWAL	2012-2013	2013-2014	2014-2015	2015-2016
Underwriting Results	2.08%	0.08%	-1.8%	-1.7%
Actual Applied to Members	2.08%	0.00%	0.0%	0.0%

- Delta Administration Fee is 5.86% guaranteed through 10/1/2017

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: May 14, 2015

SUBJECT: Actuarial Report for Dental

Enclosed please find the actuarial report completed by Healthcare Actuaries for the ACSIG Dental 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 program, more reserve is required.

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

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP

March 31, 2015
Estimated Incurred Claim Liability

Fixed-Rate Dental Plans

May 1, 2015

Healthcare Actuaries

16519 107th Place NE
Bothell, Washington 98011
t: (425) 939-7444
f: (425) 939-0089

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
Actuarial Certification 3
Exhibit A 5
Exhibit B 6
Appendix 7

Executive Summary

Summary

A summary of the incurred claim liability estimates as of March 31, 2015 follows. We show the results for March 31, 2015, for the year-end of 2013 and 2014, and for the prior estimate, March 31, 2013. The estimates below include margin for claims fluctuation and administrative costs.

Incurred Claim Liability Estimates

March 31, 2013	December 31, 2013	December 31, 2014	March 31, 2015
$1,276,000	$1,322,000	$1,230,000	**$1,716,000**

Purpose of Report

The report presents the estimated liability for claims incurred but not reported ("IBNR") as of March 31, 2015 for ACSIG's fixed-rate dental 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.

We included the following groups in our analysis:

00795 00928 00978 00992 01076 01293 01469
03187 07046 07257 07267 06272 06556 06557
06712 10116 10147 10175 11452 11456 15966

We did this by taking the claims and enrollment data from the files "Group Number: 00795,00928,00935,00978,00992,01293,01469,05386,06272,06556,06557,06609,06712,10116,10147,10175,11456,15966,01076,03187,07267,11452.xlsx" and "07046Mar2015_S-FIN.xlsx", and added in the counts for the file provided to us for group number 07257. We then subtracted the counts for groups 00935, 05386, and 06609, since they were not in the group list from the last valuation. We left in groups 10116 and 10175 since these appear to be new groups since the last valuation.

Despite attempting to match enrollment counts from the last valuation to this one by matching group numbers, there is an increase in enrollment from the last valuation's last month of March 2013 to the first month of the data new for the current valuation, April 2013, of 2,311 employees. This is an increase of 15.1%. ACSIG asked Healthcare Actuaries to proceed with the valuation despite the discrepancy. Since none of the current liability estimate comes from the data prior to April 2013, we agreed and we do not believe that the discrepancy has any effect on the current liability.

This report includes estimates based on our understanding of ACSIG's current fixed-rate dental 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 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 estimates for March 31, 2013, March 31, 2015, year-end 2013, and year-end 2014.

The first section shows the change in reserve from the last estimate as of March 31, 2013, 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 2013 to year-end 2014, as well as the dollar and percentage change from year-end to year-end. These figures include margin and administrative costs.

Finally, the last section compares the March 31, 2013 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, 2013 for claims incurred prior to or on March 31, 2013. These figures do not include margin or administrative costs to give a more accurate comparison to the claims run-out.

Analysis

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 October 2013 through March 2015 (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 March 31, 2015 by subtracting incurred and paid claims through March 2015 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 6.44% of paid claims plus 65¢ per employee. We converted the 6.44% 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 **22.9** days for ACSIG's dental claims. This means that it takes just over 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 2014, including a separate calculation for margin and administrative costs developed as of year-end 2014.

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. This repot must be presented in its entirety.

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

May 6, 2015

Date

Alameda County Schools Insurance Group

Claim Liability Summary

Estimated Incurred Claim Liability as of March 31, 2015

Current Estimate[1]

Coverage	March 31, 2015	March 31, 2013	Change in Reserve	% Change
Dental	$1,716,000	$1,276,000	$440,000	34.5%

Year-End Estimates as of March 31, 2013[1]

Coverage	December 31, 2014	December 31, 2013	Change in Reserve	% Change
Dental	$1,230,000	$1,322,000	($92,000)	-7.0%

Prior Estimate Comparison to Actual Run-Out To-Date[2]

Coverage	March 31, 2013	Actual Run-Out	Difference over Run-Out	% Difference
Dental	$1,282,756	$1,136,709	$146,047	12.8%

[1]Includes margin and administrative costs; updated with current data
[2]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 March 31, 2015 – Completion Method

Estimated Completed Dental Claims

Mo-Yr	Employees	A Incurred Claims Paid Through 3/31/2015	B Percent Complete	C = A ÷ B Projected Completed Incurred Claims	D = C - A Liability
Oct-13	17,316	$1,408,386	100.0%	$1,408,386	$0
Nov-13	17,432	$1,394,036	100.0%	$1,394,036	$0
Dec-13	17,437	$1,731,603	100.0%	$1,731,603	$0
Jan-14	17,136	$2,233,166	100.0%	$2,233,446	$280
Feb-14	17,173	$1,705,668	100.0%	$1,705,853	$185
Mar-14	16,984	$1,641,850	100.0%	$1,642,299	$449
Apr-14	17,004	$1,637,458	99.9%	$1,638,853	$1,395
May-14	16,997	$1,337,120	99.9%	$1,338,753	$1,633
Jun-14	16,967	$1,738,411	99.8%	$1,742,126	$3,715
Jul-14	16,940	$1,906,130	99.8%	$1,910,557	$4,427
Aug-14	16,762	$1,564,980	99.7%	$1,569,553	$4,573
Sep-14	17,059	$1,298,917	99.5%	$1,304,838	$5,921
Oct-14	16,938	$1,358,159	99.3%	$1,368,003	$9,844
Nov-14	17,006	$1,281,208	98.9%	$1,295,665	$14,457
Dec-14	17,052	$1,710,268	98.0%	$1,744,915	$34,647
Jan-15	17,105	$1,991,944	92.3%	$2,159,090	$167,146
Feb-15	17,155	$1,543,307	88.3%	$1,747,050	$203,743
Mar-15	17,210	$722,496	39.7%	$1,822,081	$1,099,585
Total	**307,673**	**$28,205,106**	**n/a**	**$29,757,107**	**$1,552,001**

Estimated Dental Incurred Claim Liability

Projected completed claims for the period ending 3/31/2015		$29,757,107
Incurred claims paid through 3/31/2015	-	$28,205,106
Estimated liability as of 3/31/2015	=	$1,552,001
Estimated liability as of 3/31/2015, rounded	=	$1,552,000
Claim fluctuation margin at 5%	+	$78,000
Estimated administrative costs of $6.66 per employee for 0.75 months*	+	$86,000
Estimated liability at 3/31/2015 (including margin & administrative costs)	=	**$1,716,000**
Average Lag Days		**22.9**
Estimated liability as of 12/31/2014, rounded		**$1,088,000**
Claim fluctuation margin at 5%	+	$54,000
Estimated administrative costs of $6.89 per employee for 0.75 months*	+	$88,000
Estimated liability at 12/31/2014 (including margin & administrative costs)	=	**$1,230,000**

Notes:

**Estimated administration based on administrative costs of 6.44% of paid claims (converted to an estimated per employee rate)*

Appendix

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

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 ==> Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Total*	Runout To-Date*	Enrollment (employees)
Apr-12													$1,499,826	$729,341	15,854
May-12													$1,456,529	$715,861	15,761
Jun-12	($116)												$1,650,296	$983,981	15,741
Jul-12													$1,862,908	$1,207,518	16,944
Aug-12	($96)										($22)		$1,866,773	$865,747	16,789
Sep-12													$1,196,715	$829,113	16,895
Oct-12			$150										$1,327,900	$968,640	15,975
Nov-12													$1,368,227	$908,786	16,009
Dec-12	$588												$1,518,254	$1,072,442	16,100
Jan-13		$463		$44									$2,043,588	$1,186,293	15,264
Feb-13	$43	$300											$1,477,885	$1,032,632	15,253
Mar-13			$82										$1,545,077	$1,136,709	15,255
Apr-13	$182	$148											$1,717,632	$1,245,000	17,566
May-13	$1,725	$24		($96)	($147)								$1,495,435	$1,042,873	17,555
Jun-13	$1,005	$1,203	($688)		$114								$1,666,913	$1,177,869	17,557
Jul-13	$2,079	$149	$608	$233		($122)							$2,015,997	$1,612,337	17,495
Aug-13	$5,605	($514)	$606	($26)	$58	($572)	($1,591)		$2,330				$1,701,978	$1,122,999	17,412
Sep-13	$3,022	$3,585	$1,477	$1,833		($907)	$613						$1,259,163	$1,036,952	17,646
Oct-13	$3,361	$4,756	$1,067	$3,135	$1,453	($762)	$341	$573					$1,408,386	$843,047	17,316
Nov-13	$5,288	$6,179	$3,604	$2,987	$1,722	$2,127		$995	$190				$1,394,036	$927,278	17,432
Dec-13	$16,603	$16,389	$10,158	$8,585	$1,549	$4,391	$5,958	$2,003	$4,923	$1,326	$750	$869	$1,731,603	$1,190,612	17,437
Jan-14	$34,527	$19,863	$9,875	$4,705	$310	$2,944	$1,086	$3,635	$656	$651	$103		$2,233,166	$1,324,212	17,136
Feb-14	$66,049	$30,382	$17,031	$4,321	$2,333	$1,543	$2,803	$450	$1,862	$104	$869	$108	$1,705,668	$1,173,991	17,173
Mar-14	$708,099	$70,439	$33,137	$21,532	$3,405	$3,151	$1,634	$2,028	$951	$921	$987	$2,189	$1,641,850	$1,188,569	16,984
Apr-14	$700,276	$838,064	$47,365	$25,356	$7,899	$6,435	$2,667	$1,722	$2,714	$1,603	$962	$2,396	$1,637,458	$1,277,790	17,004
May-14		$764,167	$473,880	$47,421	$19,857	$14,960	$7,459	$3,451	$4,615	$740	$267	$301	$1,337,120	$859,313	16,997
Jun-14			$847,860	$782,748	$54,989	$22,291	$11,658	$7,116	$6,037	$1,927	$1,166	$2,617	$1,738,411	$1,151,512	16,967
Jul-14				$1,160,401	$601,705	$75,085	$33,141	$13,104	$8,119	$4,791	$6,855	$2,929	$1,906,130	$994,461	16,940
Aug-14					$906,109	$530,699	$68,052	$25,221	$8,598	$10,383	$11,304	$4,613	$1,564,980	$958,084	16,762
Sep-14						$515,728	$686,910	$46,253	$19,383	$18,583	$6,011	$6,049	$1,298,917	$1,080,012	17,059
Oct-14							$749,786	$519,844	$38,068	$22,230	$19,329	$8,903	$1,358,159	$867,654	16,938
Nov-14								$657,361	$522,825	$48,679	$31,201	$21,142	$1,281,208	$865,107	17,006
Dec-14									$947,465	$623,577	$96,952	$42,274	$1,710,268	$1,006,639	17,052
Jan-15										$1,090,804	$821,571	$79,570	$1,991,944	$1,172,265	17,105
Feb-15											$840,939	$702,368	$1,543,307	$876,327	17,155
Mar-15												$722,496	$722,496	n/a	17,210
Total*	$1,548,238	$1,755,597	$1,446,211	$2,063,182	$1,601,356	$1,176,989	$1,570,517	$1,283,755	$1,568,736	$1,826,318	$1,839,245	$1,598,824	$18,090,398	n/a	n/a

Notes:

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

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

FROM: Kimberly Dennis

DATE: May 14, 2015

SUBJECT: 2015/2016 Vision Rates

Enclosed are the proposed 2015/2016 Vision rate changes for ACSIG members. The underwriting model shows a slight decrease in claim development within the past several years.

Last year, ACSIG reduced vision rates by 5.2%. The experience within 2014/15 continues to be positive. Although not a decrease, the fund is trending well. Because of this, we are recommending a rate pass for 2015/16.

This rate recommendation and the underwriting information will be reviewed by the Executive Director at the meeting and will be asking for approval of the 2015/16 vision rates.

PROGRAM ENROLLMENT SUMMARY

Dental Program

	Fixed Rate	Self-Funded	Total Dental
February 2014	13,273	75,668	88,941
February 2015	13,753	77,312	91,065
Difference			+2.4%

Enrollment provided by PBIA

Vision Program

	Fixed Rate	Self-Funded	Total Vision
March 2014	8,001	2,324	10,325
March 2015	9,585	2,278	11,863
Difference			+14.9%

Enrollment provided by VSP

VISION RENEWAL - CURRENT TREND DATA

Vision Service Plan (VSP) Trend:

- Book of Business: 1.5%

Market Trend Data:

- Survey of national vision carriers
- Schedule of Allowance Plans: 2.7%
- Source: Segal 2015 Trend Survey

ACSIG Historical Performance:

Calendar Year Claims PEPM vs. Prior Calendar Year

- 2014 vs. 2013: -2.9%
- 2013 vs. 2012: -5.2%
- 2012 vs. 2011: -14.0%
- 2011 vs. 2010: -3.1%
- 2010 vs. 2009: +3.5%
- 2009 vs. 2008: -1.6%

VISION RENEWAL - RECOMMENDATION

ACSIG 2015-2016 Vision Renewal Options		
	Trend	**Renewal**
Segal Trend	2.7%	-0.1%
Alliant Recommended	1.5%	-1.8%
VSP Trend	1.5%	-1.8%

2015-2016 Underwriting Assumptions/Recommendation

- Paid Claims: 24-months of claims data (April 2013-March 2015)
- Trend of 1.5% was used
- Risk margin of 0.0%
- **Alliant Recommends No Change in Rates**

VISION RENEWAL

Fixed Rate Vision Pool Renewals

RENEWAL	2012-2013	2013-2014	2014-2015	2015-2016
Underwriting Results	-10.8%	-10.3%	-8.2%	-1.8%
Actual Applied to Members	0.0%	0.0%	-5.2%	0.0%

- VSP Administration Fee is 10.5% guaranteed through 10/1/2017

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: May 14, 2015

SUBJECT: Property/Liability Actuarial Study

Enclosed please find the draft of the 2014-2015 Actuarial study of the ACSIG property/liability program. This report was completed by Jack Joyce of Bay Actuarial. This is the third annual actuarial report ACSIG has commissioned for the P/L program. As a condition of accreditation, actuarial studies must be completed on an annual basis.

The Executive Director will review this report at the meeting .

Alameda County Schools Self Insurance Group

An Actuarial Review of the Property and Liability Program

DRAFT

BAY ACTUARIAL CONSULTANTS
Moraga, California
May 4, 2015

Bay Actuarial Consultants

May 4, 2015

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 property and liability program. We appreciate the opportunity to serve the Authority.

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

Respectfully,

BAY ACTUARIAL CONSULTANTS

Jack Joyce, FCAS, MAAA
Principal

DRAFT

346 Rheem Blvd., Suite 204, Moraga, California 94556
Tel 925.377.5269 · Fax 925.377.5270 · www.bayactuarial.com

Alameda County Schools Insurance Group

An Actuarial Review of the Property & Liability Self-Insurance Program

Table of Contents

	Page
Introduction	2
Background & Purpose	3
Conditions & Limitations	3
Organization of the Report	4
Management Summary	5
Recommended Funding for 2015-16	6
2015-16 Funding Rates	7
Rates at $50,000 & $100,000 Retention	8
Projected Liability as of June 30, 2015	9
Probability Levels – Capital Target	10
Claim Frequency – Liability Claims	10
Claim Severity – Liability Claims	11
Past Rates of Loss	11
Interest Rates	12
Technical Approach	13
Technical Exhibits	
Property & Liability Summary	18
Liability Summary	25
Property Summary	28
Liability Exhibits	31
Property Exhibits	54
Deductible Exhibits	61

DRAFT

Bay Actuarial Consultants

Alameda County Schools Insurance Group

An Actuarial Review of the Property & Liability Self-Insurance Program

Introduction

DRAFT

Alameda County Schools Insurance Group

An Actuarial Review of the Property & Liability Self-Insurance Program

Introduction

Background & Purpose

The Alameda County Schools Insurance Group ("ACSIG") self-insures its members' auto, general liability, and property claims up to a limit of $25,000 per loss. The portion of any loss that exceeds these limits is covered by the Northern California Regional Liability Excess Fund ("NCR"). The Group has asked Bay Actuarial Consultants to provide an actuarial report on program, using data evaluated as of March 31, 2015. The specific topics covered in this report include the following:

1) **Expected 2015-16 Losses.** A projection of the losses expected to be incurred during 2015-16, and a recommended level of funding, expressed both as a dollar amount and in terms of funding rates per ADA and per $1,000 of TIV.

2) **Balance Sheet Liability.** A Projection of the program's balance sheet liability for unpaid losses as of June 30, 2015. We also recommend levels of funding to finance this liability at expected value and at various "probability levels."

Conditions & Limitations

This report has been prepared for the Group's internal use. Copies of this report may be provided to the Group's auditors. Any other use of this report is not authorized without the prior written permission of Bay Actuarial Consultants. In particular, anyone considering selling insurance to the Group must perform his own actuarial analysis and may not rely upon our work.

We relied upon data provided by Keenan & Associates. We have not audited this data and are not responsible for its accuracy. With any actuarial analysis, the accuracy and relevance of the conclusions and the reasonableness of the recommendations depend upon the accuracy and relevance of the underlying data.

The term "losses" refers to all costs that can be tied to specific claims. This includes loss payments, attorney's fees, and other expenses linked to specific claims. We have

not included the cost of JPA management or claims handling fees.

In making our projections we have assumed that the Group will continue to purchase "excess" coverage attaching at $25,000 per loss in 2015-16.

The actuarial projections in this report are uncertain. Uncertainty is unavoidable because many of events that will determine the actual claims costs will take place in the future. These future events include the outcomes of future claims litigation and the amounts of future claims settlements, changes in the law and its interpretation, future rates of inflation, and the numbers and severity of the losses that will occur in 2015-16. Our projections are based upon the Group's past claims experience. We used actuarial methods that should produce reasonable results given current information. We have not anticipated any extraordinary changes in the various factors that might affect the future cost of claims. There is no guarantee, express or implied, that losses will develop as projected in this report.

Organization of the Report

We have divided the remainder of this report into seven sections:

- the *Management Summary*,
- the *Technical Approach* section,
- the *Property & Liability Summary,*
- the *Liability Summary,*
- the *Property Summary,*
- the *Liability Exhibits, and*
- the *Property Exhibits*.

The *Management Summary* provides an overview of the results of the analysis. We discuss and explain the assumptions and details that underlie the calculations in the *Technical Approach* section. Detailed results are displayed in the *Combined Property & Liability Summary*. The *Liability Summary* and the *Property Summary* provide summary exhibits for these two programs individually. The *Liability Exhibits* and the *Property Exhibits* document the actual calculations used in developing our results.

DRAFT

Alameda County Schools Insurance Group

An Actuarial Review of the Property & Liability Self-Insurance Program

Management Summary

DRAFT

Alameda County Schools Insurance Group

An Actuarial Review of the Property & Liability Self-Insurance Program

Management Summary

Recommended Funding for 2015-16

We project that the Group will incur losses of **$77,800** during 2015-16, net of deductibles. The discounted value is **$77,200**. We used a 0.5% interest rate to calculate the expected discount. This "discounted" value is our estimate of the amount the Group would need to invest at 0.5% interest on July 1, 2015 to pay for the claims that will be incurred during 2015-16. We assumed that the Group will continue to self-insure property and liability claims up to a limit of $25,000 per loss and that claims that exceed this amount will be covered by the Northern California Regional Liability Excess Fund ("NCR").

These are "actuarial central estimates." These are our "best" estimates of the actual costs. There is roughly a 45% probability that the actual costs will turn out to be higher, and a 55% probability that they will be lower. Many self-insurers go beyond funding the actuarial "expected" losses, and appropriate supplemental funds in the form of contingency, or "probability level", reserves. We recommend that the Group fund at the discounted 70% probability level, or **$94,100**. Table 1 shows this and other funding options.

Table 1: Projected 2015-16 Funding Needs (Dollars in Thousands) - $25K Retention – Net of Deductibles

Probability Level	Undiscounted	Discounted at 0.5% Interest
Central Estimate	$77.8	$77.2
70%	95.0	**$94.1**
80%	109.8	108.8
90%	132.3	131.2

Projected average daily attendance ("ADA") for 2015-16 is 15,884. Projected total insured value ("TIV") is $512.7 million.

2015-16 Funding Rates

The amounts in Table 1 were calculated by multiplying the Group's projected 2015-16 ADA and TIV by the rates in Tables 2 and 3. We highlighted the recommended discounted 70% probability level funding rates.

Table 2: Projected 2015-16 Liability Funding Rates
Dollars per ADA, $25,000 Retention, $5,000 Deductible

Probability Level	Undiscounted	Discounted @ 0.5%
Central Estimate	$3.66	$3.62
70%	4.46	**$4.42**
80%	5.15	5.10
90%	6.21	6.15

Table 3 shows the projected property rates for 2015-16.

Table 3: Projected 2015-16 Property Funding Rates
Cents per $1,000 TIV, $25,000 Retention, $5,000 Deductible

Probability Level	Undiscounted	Discounted @ 0.5%
Central Estimate	3.87¢	3.85¢
70%	4.65	**4.62¢**
80%	5.31	5.28
90%	6.31	6.28

Two years ago we projected an undiscounted central estimate liability rate of $4.16 for 2013-14. Therefore the projected rate of **$3.66** for 2015-16 is roughly a reduction of 12.0%. On the property side the projected rate of **3.87¢** is a reduction of 39.5% from the 6.40¢ rate that we projected for 2013-14.

The claims experience has been extremely good. There were no claims at all reported in 2013-14 or in 2014-15 through March 31.

Rates at $50,000 and $100,000 Retention

We calculated the rates in Tables 2 and 3 assuming a retention of $25,000. The following tables show rates at the $50,000 and $100,000 retention.

Table 4: Projected 2015-16 Liability Funding Rates
Dollars per ADA, $50,000 Retention, $5,000 Deductible

Probability Level	Undiscounted	Discounted @ 0.5%
Central Estimate	$7.00	$6.93
70%	8.68	**$8.59**
80%	10.08	9.98
90%	12.31	12.19

Table 5: Projected 2015-16 Property Funding Rates
Cents per $1,000 TIV, $50,000 Retention, $5,000 Deductible

Probability Level	Undiscounted	Discounted
Central Estimate	6.34¢	6.31¢
70%	7.87	**7.83¢**
80%	9.14	9.09
90%	11.17	11.11

Table 6: Projected 2015-16 Liability Funding Rates
Dollars per ADA, $100,000 Retention, $5,000 Deductible

Probability Level	Undiscounted	Discounted
Central Estimate	$11.72	$11.60
70%	14.64	**$14.50**
80%	17.34	17.16
90%	21.32	21.11

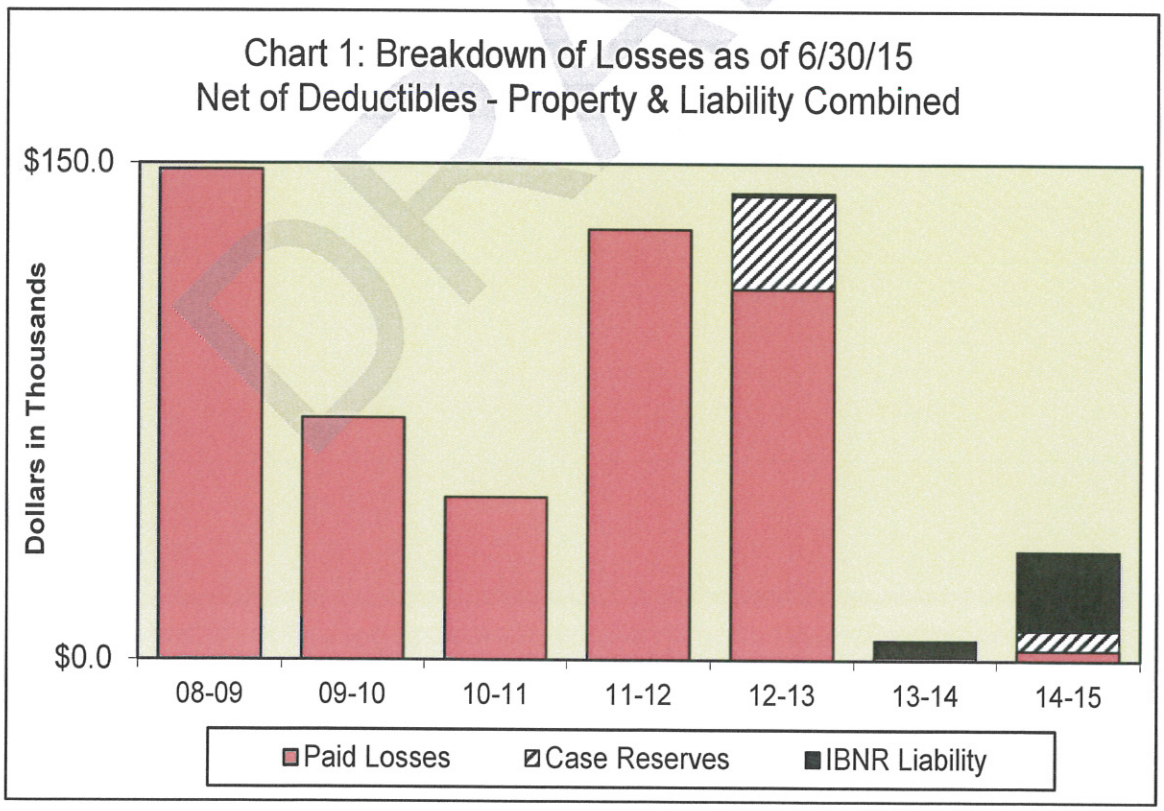
Table 7: Projected 2015-16 Property Funding Rates
Cents per $1,000 TIV, $100,000 Retention, $5,000 Deductible

Probability Level	Undiscounted	Discounted
Central Estimate	9.28¢	9.23¢
70%	11.60	**11.54¢**
80%	13.73	13.66
90%	16.89	16.80

Projected Liability as of June 30, 2015

We project that the Group's liability for unpaid losses will be **$64,300** on June 30, 2015. The corresponding discounted value is **$63,900**, assuming a 0.5% interest rate. The discounted estimate represents the amount that the Group would need to invest on June 30, 2015, at 0.5% interest, to pay off the claims incurred through that date.

Chart 1 shows the estimated ultimate losses in terms of paid losses, case reserves, and IBNR liabilities for program years 2008-09 through 2014-15.



There is 87¢ of IBNR liability for every $1.00 of case reserves.

DRAFT

Probability Levels – Capital target

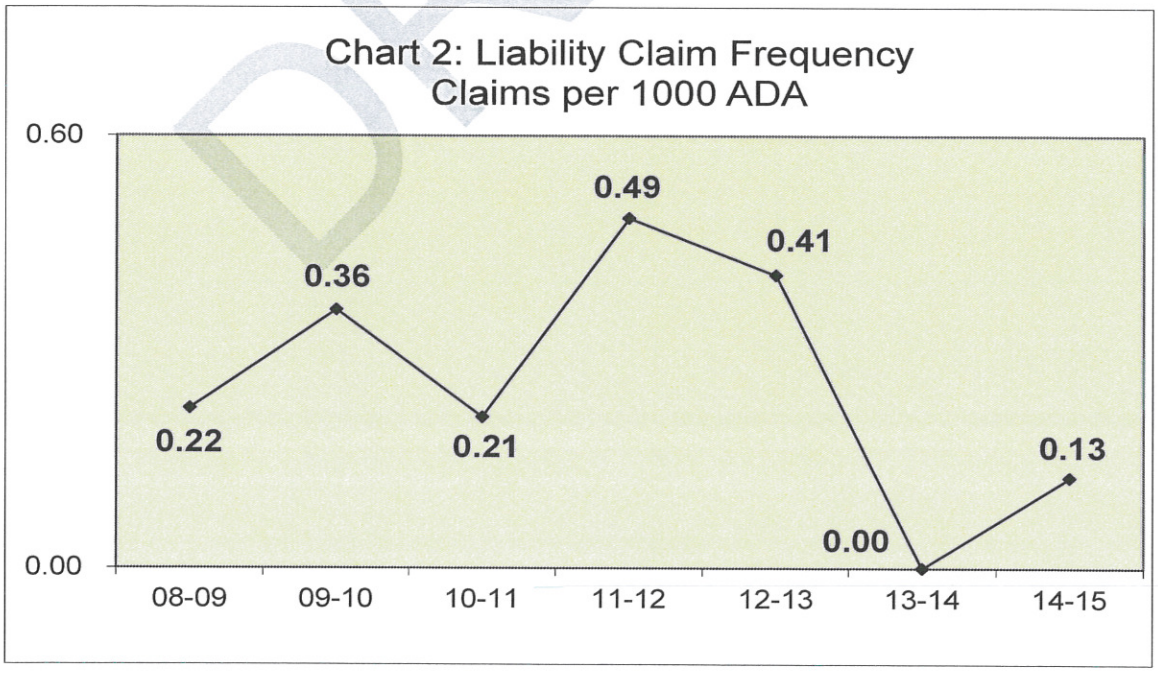
These estimates of the liability are "actuarial central estimates." A higher level of funding would increase the probability that the funds will be adequate. We estimate that funds of **$74,100** on June 30, 2015 will provide a 70% probability of being adequate, assuming that these funds are invested earning 0.5% interest. The equivalent undiscounted estimate is **$74,500**. Table 8 shows these and other probability levels of funding. The difference between the 90% probability level funding and the central estimate of the liability is **$32,800**. This is the amount of capital projected to provide 90% probability in claims paying ability as of June 30, 2015.

Table 8: Projected Liability for Unpaid Losses as of June 30, 2015 (Dollars in Thousands), Net of Deductibles

Probability Level	Undiscounted	Discounted @ 0.5%
Central Estimate	$64.3	$63.9
70%	74.5	**$74.1**
80%	84.8	84.4
90%	100.2	99.7

Claim Frequency – Liability Claims

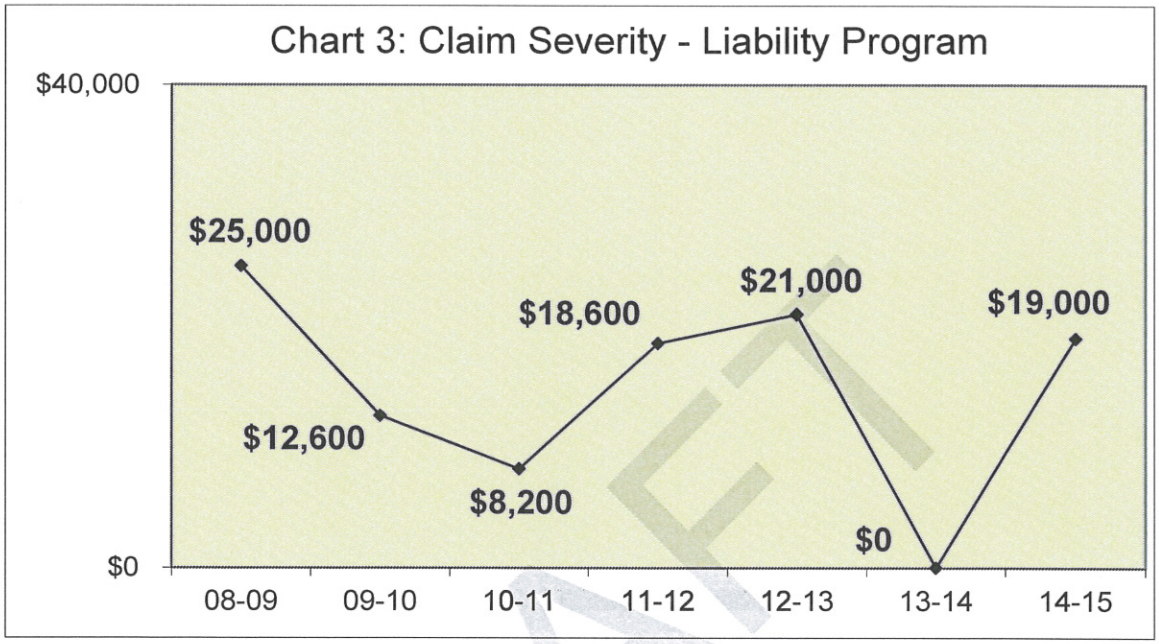
Chart 2 shows that claim frequency has been excellent. The projection for 2014-15 suggests that two claims will eventually be reported (none so far).



DRAFT

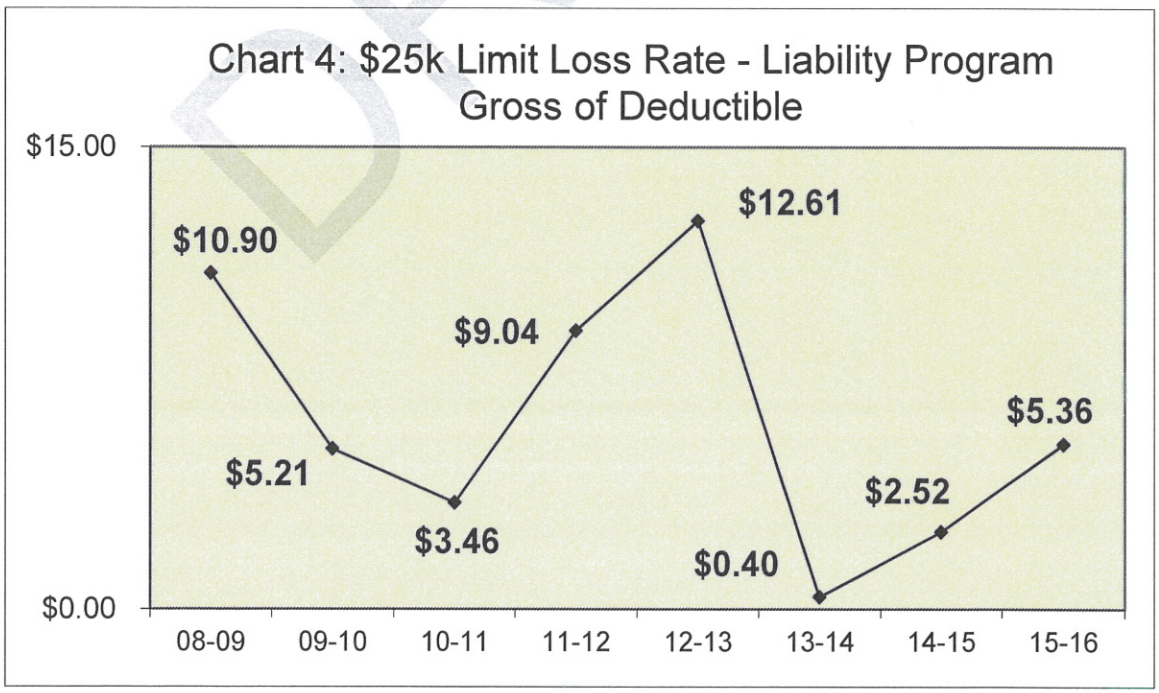
Claim Severity – Liability Claims

Chart 2 displays claim severity (average claim size). Claims are limited to the current $25,000 SIR.

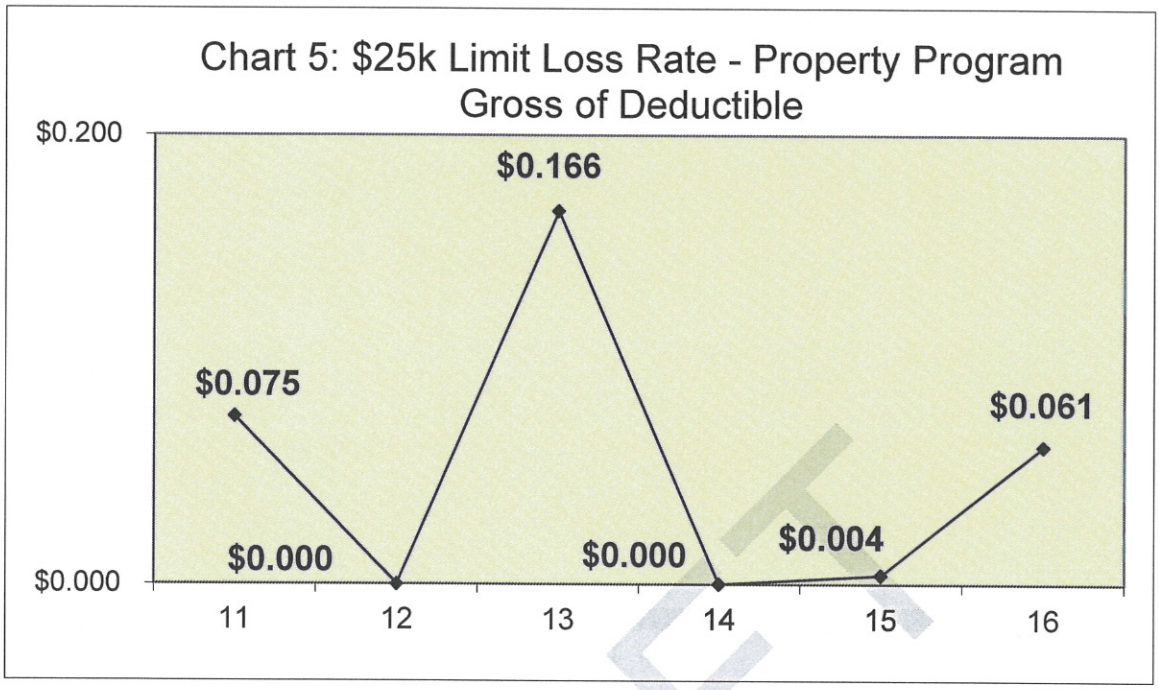


Past Rates of Loss

The following charts show how the Group's basic loss costs have changed over time. Chart 5 shows the past history in the liability program (average liability loss per ADA).



DRAFT



Interest Rates

The discounted liabilities and rates in this report were calculated using a 0.5% interest rate. Table 9 provides factors to adjust them for different interest rates:

Table 9: Factors to Adjust for Alternative Interest Rates

Interest Rate	0.31%	0.5%	0.60%	1.0%
Liability Rates	+0.4%	+0.0%	-0.2%	-1.0%
Property Rates	+0.2%	+0.0%	-0.1%	-0.5%
Liabilities	+0.2%	+0.0%	-0.1%	-0.5%

The Table includes columns for 0.31% and 0.60% interest rates. Those are the "risk-free buy-and-hold" interest rates obtained by calculating the overall yield on a hypothetical portfolio of US Treasuries selected to mature to match the future claims expenditures. The portfolio that matches the payments on the 2015-16 losses yields 0.60% and the portfolio matching the 6/30/15 liability expenditures yields 0.31%. We use these benchmark interest rates to evaluate the reasonableness the rate that is actually used in the discounting.

DRAFT

Alameda County Schools Insurance Group

An Actuarial Review of the Property & Liability Self-Insurance Program

Technical Approach

DRAFT

Alameda County Schools Insurance Group

An Actuarial Review of the Property & Liability Self-Insurance Program

Technical Approach

This section describes the actuarial calculations.

Combined Summary

These exhibits provide an overall summary of our findings. They show the projected liabilities as of June 30, 2015 and projected funding for the 2015-16 program year. These estimates represent the sum of the totals from the *Property Summary* and the *Liability Summary*.

All estimates are shown 1) on a nominal value basis, 2) discounted for investment income, and 3) discounted for investment income at 70%, 80%, and 90% probability levels. Part 3 breaks out the liabilities between case reserves and the IBNR liability.

Liability Summary

These exhibits summarize our findings for the Liability Program only. Part 1 shows the projected liability for unpaid losses as of June 30, 2015. Part 2 details our projection of losses for 2015-16.

Property Summary

These exhibits summarize the statistics on the Property Program. The format is identical to that of the Liability Summary.

DRAFT

Liability Exhibits

Exhibit 1

Exhibit 1 shows the projection of the unpaid losses as of June 30, 2015. The liability is calculated as the sum of the case reserves and an estimated incurred-but-not-reported (IBNR) liability.

Exhibit 2

This exhibit shows the results (and the calculations) of the various actuarial projection methods and our estimates of what the total gross losses will be for each program year once all the claims are settled.

We used five different actuarial methods, to avoid placing too much reliance on any given set of judgments and assumptions. Each actuarial projection method involves a specific set of assumptions regarding the claims process. Each can yield spurious results when important underlying assumptions do not hold. Multiple methods serve to check each other.

We used five standard actuarial methods:

1) Reported loss projection method,
2) Paid loss projection method,
3) IBNR to case reserves ratio projection method,
4) Bornhuetter-Ferguson method using reported losses, and
5) Frequency times severity method.

For liability claims, the actual case reserves at any given time usually understate the ultimate cost of the corresponding claims. Although some claims will settle for less than their current case reserves, this effect is usually more than offset by larger increases in the case reserves for claims that have been underestimated. The result is that the estimated total cost of the claims incurred in a given year, when computed as the sum of the case reserves and paid claims, rises over time. This is known as *loss development*. In applying the *reported loss projection method* (Part 2), we have assumed that future loss development can be reasonably predicted by analyzing past loss development.

The *paid loss projection method* (Part 3) is similar. It has the advantage of not being based on the subjective judgments of claims administrators, as well as the disadvantage that the projections are more sensitive to random variations in experience.

DRAFT

The *IBNR to case reserves ratio method* (Part 4) estimates dollars of IBNR per dollar of case reserve, and often produces a reasonable result when the other methods fail to produce realistic outcomes.

The *Bornhuetter-Ferguson method using reported losses* (Part 5) uses assumptions about the underlying relationship between losses and Average Daily Attendance (ADA). They are based on the assumption that future loss payments or future loss reports can be estimated from this underlying relationship. For example, if we estimate that 46% of all losses for a given program year have been reported and that the loss rate is $10 per ADA, then we would estimate the unreported losses as 54% times $10 times the ADA for that year. This estimate of the unreported losses is then added to the losses that have been reported to produce an estimate of the total losses.

In the *frequency times severity method* (Part 9) we estimate an average claim size for each program year. The average claim amount, or *severity*, is multiplied by the projected ultimate number of claims (Exhibit 3) to produce an estimate of the total losses.

Exhibit 3

We used two actuarial techniques to project the ultimate number of claims: a *reported claim count projection technique* (Part 2), analogous to the projection methods for losses, and a *Bornhuetter-Ferguson method using the reported claim counts* (Part 3), corresponding to the Bornhuetter-Ferguson method using reported losses. Part 1 shows our selection of the ultimate claim counts based on these two techniques.

Exhibit 4

This exhibit documents our projection of the 2015-16 losses. First we estimated a loss rate for 2015-16. A loss rate is simply the expected ratio of ultimate losses to average daily attendance (ADA) for a given accident period. We estimated the loss rate on the basis of the past experience, adjusted for inflation and for the changes in the Group's retention over time. We then applied the selected rate to the projected ADA for 2015-16, after adjusting for inflation. This calculation is shown on Part 1.

Exhibit 5

These exhibits show our discounted value calculations for unpaid losses as of June 30, 2015, and for losses expected to be incurred during 2015-16. The calculations are based on the observed claims payment pattern and a 0.5% interest rate.

Exhibit 6

This exhibit contains historical statistics on ADA's and self-insured retentions.

Property Exhibits

Exhibit 1 - Part 1

Part 1 shows our estimates of the liability for unpaid losses as of June 30, 2015. As in the Liability exhibits, this is calculated as the sum of case basis reserves and estimated IBNR liability.

Exhibit 1 - Part 2

This exhibit documents our estimation of ultimate losses. Due to the short-tailed nature of property claims, we use only the Bornhuetter-Ferguson method to estimate ultimate losses.

Exhibit 1 - Part 3

This exhibit documents our projection of the 2015-16 losses. First we selected loss rate for 2015-16. A loss rate is simply the expected ratio of ultimate losses to TIV for a given program year. We estimated the loss rate on the basis of the past experience, adjusted for inflation and for the changes in the Group's retention. We then applied the selected rate to the projected TIV for 2015-16, after adjusting for inflation.

Exhibit 1 - Part 4

This exhibit contains historical information and lists the SIR and TIV for each program year. No updated data was available for years older than 2008-09.

Deductibles Exhibits

Exhibit 1

This exhibit shows our estimate of member deductibles paid and reported as of June 30, 2015.

Exhibit 2

This exhibit projects paid and reported deductibles to June 30, 2015.

Exhibit 3

This exhibit shows the calculation of ultimate member deductibles. We used deductible claims data evaluated as of March 31, 2015.

Alameda County Schools Insurance Group

An Actuarial Review of the Property & Liability Self-Insurance Program

Property & Liability Summary

DRAFT

Alameda County Schools Insurance Group
Property & Liability Programs

Estimated Unpaid Losses as of June 30, 2015

	Gross of Deductibles	Net of Deductibles
(1) Estimated Unpaid Losses:	$75,097	$64,257
(2) Discounted Unpaid Losses: Assuming a 0.5% interest rate	$74,684	$63,904

Gross of Deductibles

Probability Level (3)	Gross Probability Factor (4)	Undiscounted (5)	Discounted (6)
Central Estimate	1.00	$75,097	$74,684
70%	1.17	87,864	87,380
80%	1.32	99,129	98,583
90%	1.56	117,152	116,507

Net of Deductibles

Probability Level (3)	Net Probability Factor (4)	Undiscounted (5)	Discounted (6)
Central Estimate	1.00	$64,257	$63,904
70%	1.16	74,539	74,128
80%	1.32	84,820	84,353
90%	1.56	100,242	99,690

Notes:
(1) Gross: Page 22, Column (6).
Net: Page 24, Column (6).
(2) Gross: [Page 26, Column (2)] + [Page 29, Column (2)].
Net: Estimated by BAC.
(3) Estimated Probability that funding will be adequate.
(4) Estimated by BAC.
(5) (1) x (4).
(6) (2) x (4).

Alameda County Schools Insurance Group
Property & Liability Programs

Projected Losses for 2015-16 at $25K SIR

	Gross of Deductibles	Net of Deductibles
(1) Projected Ultimate Losses:	$116,400	$77,845
(2) Discounted Value of Losses: (as of 6/30/15, 0.5% interest)	$115,385	$77,166

Gross of Deductibles

Probability Level (3)	Gross Probability Factor (4)	Undiscounted (5)	Discounted Value (6)
Central Estimate	1.00	$116,400	$115,385
70%	1.20	139,680	138,462
80%	1.37	159,468	158,078
90%	1.63	189,732	188,078

Net of Deductibles

Probability Level (3)	Net Probability Factor (4)	Undiscounted (5)	Discounted Value (6)
Central Estimate	1.00	$77,845	$77,166
70%	1.22	94,971	94,143
80%	1.41	109,761	108,804
90%	1.70	132,336	131,183

Notes:
(1) Gross: [Page 27, Item (1)] + [Page 30, Item (1)].
Net: (1), adjusted for 5K deductible.
(2) Gross: [Page 27, Item (2)] + [Page 30, Item (2)].
Net: (2), adjusted for 5K deductible.
(3) Estimated Probability that funding will be adequate.
(4) Estimated by BAC.
(5) (1) x (4).
(6) (2) x (4).

Alameda County Schools Insurance Group
Property & Liability Programs

Projected Unpaid Losses
by Member and Program

Program Year	Undiscounted: Claims Liabilities as of 6/30/15 (1)	Undiscounted: Members' Portion (2)	Undiscounted: Program's Portion (3)	Discounted at 0.5% interest: Claims Liabilities as of 6/30/15 (4)	Discounted at 0.5% interest: Members' Portion (5)	Discounted at 0.5% interest: Program's Portion (6)	Estimated Ultimate Losses: Estimated Gross Ultimate Losses (7)	Estimated Ultimate Losses: Members' Portion (8)	Estimated Ultimate Losses: Program's Portion (9)
2004-05	$0	$0	$0	$0	$0	$0	$0	$0	$0
2005-06	0	0	0	0	0	0	0	0	0
2006-07	0	0	0	0	0	0	65,794	0	65,794
2007-08	0	0	0	0	0	0	83,044	0	83,044
2008-09	0	0	0	0	0	0	147,507	0	147,507
2009-10	0	0	0	0	0	0	72,651	0	72,651
2010-11	0	0	0	0	0	0	49,463	0	49,463
2011-12	0	0	0	0	0	0	130,315	0	130,315
2012-13	34,344	4,455	29,889	34,193	4,435	29,758	186,045	44,483	141,562
2013-14	4,888	138	4,750	4,865	137	4,728	6,030	167	5,863
2014-15	35,865	6,247	29,618	35,626	6,205	29,421	40,000	7,157	32,843
Total	$75,097	$10,840	$64,257	$74,684	$10,777	$63,907	$780,849	$51,807	$729,043

DRAFT

Notes:
(1) Page 22, Column (6) .
(2) Page 62, Column (6).
(3) (1) - (2).
(4) [Page 26, Column (2)] + [Page 29, Column (2)].
(5) Estimated by BAC.
(6) (4) - (5).
(7) Page 64, Column (1).
(8) Page 62, Column (1).
(9) (7) - (8).

Alameda County Schools Insurance Group
Combined Property & Liability Programs

Projected Unpaid Losses as of 6/30/15
Gross of Deductibles

All Claims pre 2006-07 are Closed - No Data.

Program Year	Estimated Ultimate Losses (1)	Projected Paid Losses as of 6/30/15 (2)	Projected Case Reserves 6/30/15 (3)	Projected Reported Losses as of 6/30/15 (4)	Projected IBNR as of 6/30/15 (5)	Projected Unpaid Losses as of 6/30/15 (6)
2004-05	$0	$0	$0	$0	$0	$0
2005-06	0	0	0	0	0	0
2006-07	65,794	65,794	0	65,794	0	0
2007-08	83,044	83,044	0	83,044	0	0
2008-09	147,507	147,507	0	147,507	0	0
2009-10	72,651	72,651	0	72,651	0	0
2010-11	49,463	49,463	0	49,463	0	0
2011-12	130,315	130,315	0	130,315	0	0
2012-13	186,045	151,701	32,158	183,859	2,186	34,344
2013-14	6,030	1,142	95	1,236	4,794	4,888
2014-15	40,000	4,135	5,930	10,065	29,935	35,865
Total	$780,849	$705,751	$38,182	$743,933	$36,915	$75,097

DRAFT

Notes:
(1) - (6) Sum of Page 32 + Page 55 entries.

Alameda County Schools Insurance Group
Combined Property & Liability Programs

Estimated Unpaid Losses as of 3/31/15
Gross of Deductibles

All Claims pre 2006-07 are Closed - No Data.

Program Year	Estimated Ultimate Losses (1)	Losses Paid as of 3/31/15 (2)	Case Reserves as of 3/31/15 (3)	Losses Reported as of 3/31/15 (4)	Estimated IBNR as of 3/31/15 (5)	Estimated Unpaid Losses as of 3/31/15 (6)
2004-05	$0	$0	$0	$0	$0	$0
2005-06	0	0	0	0	0	0
2006-07	65,794	65,794	0	65,794	0	0
2007-08	83,044	83,044	0	83,044	0	0
2008-09	147,507	147,507	0	147,507	0	0
2009-10	72,651	72,651	0	72,651	0	0
2010-11	49,463	49,463	0	49,463	0	0
2011-12	130,315	130,315	0	130,315	0	0
2012-13	186,045	143,972	39,517	183,489	2,556	42,073
2013-14	6,030	0	0	0	6,030	6,030
2014-15	30,000	0	0	0	30,000	30,000
Total	$770,849	$692,746	$39,517	$732,263	$38,586	$78,103

Notes:
(1) - (6) Sum of Page 34 + Page 57 entries.

Alameda County Schools Insurance Group
Combined Property & Liability Programs

Projected Unpaid Losses as of 6/30/15
Net of Deductibles

All Claims pre 2006-07 are Closed - No Data.

Program Year	Estimated Ultimate Losses (1)	Projected Paid Losses as of 6/30/15 (2)	Projected Case Reserves 6/30/15 (3)	Projected Reported Losses as of 6/30/15 (4)	Projected IBNR as of 6/30/15 (5)	Projected Unpaid Losses as of 6/30/15 (6)
2004-05	$0	$0	$0	$0	$0	$0
2005-06	0	0	0	0	0	0
2006-07	65,794	65,794	0	65,794	0	0
2007-08	83,044	83,044	0	83,044	0	0
2008-09	147,507	147,507	0	147,507	0	0
2009-10	72,651	72,651	0	72,651	0	0
2010-11	49,463	49,463	0	49,463	0	0
2011-12	130,315	130,315	0	130,315	0	0
2012-13	141,562	111,673	28,481	140,154	1,409	29,889
2013-14	5,863	1,113	82	1,194	4,669	4,750
2014-15	32,843	3,225	5,717	8,942	23,901	29,618
Total	$729,042	$664,785	$34,279	$699,064	$29,978	$64,257

DRAFT

Notes:
(1) - (6) Page 22 entries - Page 62 entries.

Alameda County Schools Insurance Group

An Actuarial Review of the
Property & Liability Self-Insurance Program

Liability Summary

DRAFT

Alameda County Schools Insurance Group
Liability Program

Estimated Unpaid Losses as of 06/30/15

All Claims pre 2006-07 are Closed - No Data.

Program Year	Undiscounted Claims Liabilities as of 6/30/15 (1)	Discounted (0.5% Interest) Liabilities as of 6/30/15 (2)	Estimated Gross Ultimate Losses (3)
2004-05	$0	$0	$0
2005-06	0	0	0
2006-07	0	0	65,794
2007-08	0	0	83,044
2008-09	0	0	75,000
2009-10	0	0	62,961
2010-11	0	0	24,463
2011-12	0	0	130,315
2012-13	34,344	34,193	126,000
2013-14	4,865	4,841	6,000
2014-15	34,336	34,102	38,000
Total	$73,545	$73,136	$611,578

Notes:
(1) Page 32, Column (6).
(2) Page 51, Column (3).
(3) Page 35, Column (6).

Alameda County Schools Insurance Group
Liability Program

Projected Losses for 2015-16

$25,000 SIR

	Gross of $5K Deductible	Net of $5K Deductible
(1) Projected Losses:	$85,000	$58,000
(2) Discounted Value of Projected Losses: (as of July 1, 2015, 0.5% interest rate)	$84,150	$57,420

DRAFT

Notes:
(1) Gross: Page 49, Column (3).
Net: Adjusted for $5K Deductible.
(2) Gross: (1) x [Page 52, Item (4)].
Net: (1) x [Page 52, Item (4)].

Alameda County Schools Insurance Group

Actuarial Analysis of the
Property & Liability Self-Insurance Program

Property Summary

DRAFT

Alameda County Schools Insurance Group
Property Program

Estimated Unpaid Losses
Individual Claims Limited to SIR

All Claims pre 2008-09 are Closed - No Data.

Program Year	Undiscounted Claims Liabilities as of 6/30/15 (1)	Discounted (0.5% Interest) Liabilities as of 6/30/15 (2)	Estimated Ultimate Losses (3)
2004-05	$0	$0	$0
2005-06	0	0	0
2006-07	0	0	0
2007-08	0	0	0
2008-09	0	0	72,507
2009-10	0	0	9,690
2010-11	0	0	25,000
2011-12	0	0	0
2012-13	0	0	60,045
2013-14	24	24	30
2014-15	1,529	1,524	2,000
Total	$1,553	$1,548	$169,272

DRAFT

Notes:
(1) Page 55, Column (6).
(2) Estimated by BAC assuming a 0.5% interest rate.
(3) Page 58, Column (6).

Alameda County Schools Insurance Group
Property Program

Projected Losses for 2015-16 at $25K SIR

(1)	Projected Losses:	$31,400
(2)	Discounted Value of Losses: (as of July 1, 2015, 0.5% interest rate)	$31,235

DRAFT

Notes:
(1) Page 59, Item (6).
(2) Estimated by BAC.

Alameda County Schools Insurance Group

An Actuarial Review of the Property & Liability Self-Insurance Program

Liability Exhibits

DRAFT

Alameda County Schools Insurance Group
Liability Program

Projected Unpaid Losses as of 6/30/15
Limited to the SIR

All Claims pre 2006-07 are Closed - No Data.

Program Year	Estimated Ultimate Losses (1)	Projected Paid Losses as of 6/30/15 (2)	Projected Case Reserves 6/30/15 (3)	Projected Reported Losses as of 6/30/15 (4)	Projected IBNR as of 6/30/15 (5)	Projected Unpaid Losses as of 6/30/15 (6)
2004-05	$0	$0	$0	$0	$0	$0
2005-06	0	0	0	0	0	0
2006-07	65,794	65,794	0	65,794	0	0
2007-08	83,044	83,044	0	83,044	0	0
2008-09	75,000	75,000	0	75,000	0	0
2009-10	62,961	62,961	0	62,961	0	0
2010-11	24,463	24,463	0	24,463	0	0
2011-12	130,315	130,315	0	130,315	0	0
2012-13	126,000	91,656	32,158	123,813	2,187	34,344
2013-14	6,000	1,135	93	1,229	4,771	4,865
2014-15	38,000	3,664	5,835	9,500	28,500	34,336
Total	$611,577	$538,032	$38,087	$576,119	$35,458	$73,545

Notes:
(1) Page 35, Column (6).
(2) Page 33, Column (3).
(3) (4) - (2).
(4) Page 33, Column (6).
(5) (1) - (4).
(6) (1) - (2).

DRAFT

Alameda County Schools Insurance Group
Liability Program

Projected Losses Paid and Reported between 4/1/15 and 6/30/15
Individual Claims Limited to SIR

Program Year	Losses Paid as of 3/31/15 (1)	Projected Losses Paid 4/1/15 - 6/30/15 (2)	Projected Losses Paid as of 6/30/15 (3)	Losses Reported as of 3/31/15 (4)	Projected Losses Reported 4/1/15 - 6/30/15 (5)	Projected Losses Reported as of 6/30/15 (6)
2004-05	$0	$0	$0	$0	$0	$0
2005-06	0	0	0	0	0	0
2006-07	65,794	0	65,794	65,794	0	65,794
2007-08	83,044	0	83,044	83,044	0	83,044
2008-09	75,000	0	75,000	75,000	0	75,000
2009-10	62,961	0	62,961	62,961	0	62,961
2010-11	24,463	0	24,463	24,463	0	24,463
2011-12	130,315	0	130,315	130,315	0	130,315
2012-13	83,927	7,729	91,656	123,444	369	123,813
2013-14	0	1,135	1,135	0	1,229	1,229
2014-15	0	3,664	3,664	0	9,500	9,500
Total	$525,504	$12,528	$538,032	$565,021	$11,098	$576,119

Notes:
(1) Page 34, Column (2).
(2) Projected by BAC.
(3) (1) + (2).
(4) Page 34, Column (4).
(5) Projected by BAC.
(6) (4) + (5).

Alameda County Schools Insurance Group
Liability Program

Estimated Unpaid Losses as of 3/31/15
Gross of Deductibles

Program Year	Estimated Ultimate Losses (1)	Paid Losses as of 3/31/15 (2)	Case Reserves 3/31/15 (3)	Reported Losses as of 3/31/15 (4)	IBNR as of 3/31/15 (5)	Unpaid Losses as of 3/31/15 (6)
2004-05	$0	$0	$0	$0	$0	$0
2005-06	0	0	0	0	0	0
2006-07	65,794	65,794	0	65,794	0	0
2007-08	83,044	83,044	0	83,044	0	0
2008-09	75,000	75,000	0	75,000	0	0
2009-10	62,961	62,961	0	62,961	0	0
2010-11	24,463	24,463	0	24,463	0	0
2011-12	130,315	130,315	0	130,315	0	0
2012-13	126,000	83,927	39,517	123,444	2,556	42,073
2013-14	6,000	0	0	0	6,000	6,000
2014-15	28,500	0	0	0	28,500	28,500
Total	$602,077	$525,504	$39,517	$565,021	$37,056	$76,573

DRAFT

Notes:
(1) Page 35, Column (6).
2014-15 value adjusted for partial year through 03/31/15.
(2) Page 33, Column (3).
(3) (4) - (2).
(4) Page 33, Column (6).
(5) (1) - (4).
(6) (1) - (2).

Alameda County Schools Insurance Group
Liability Program

Estimated Ultimate Losses
Individual Claims Limited to SIR

All Claims pre 2006-07 are Closed - No Data.

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)
2004-05	$0	$0	$0	$0	$0	$0
2005-06	0	0	0	0	0	0
2006-07	65,794	65,794	65,794	65,794	121,896	65,794
2007-08	83,044	83,044	83,044	83,044	189,852	83,044
2008-09	75,000	75,000	75,000	75,000	35,451	75,000
2009-10	62,979	62,961	62,961	62,961	60,135	62,961
2010-11	24,484	24,924	24,463	24,522	36,708	24,463
2011-12	131,253	139,027	130,315	130,738	87,122	130,315
2012-13	125,557	105,749	126,961	124,512	75,930	126,000
2013-14	0	0	0	5,522	0	6,000
2014-15	0	0	0	37,757	26,160	38,000
Total	$568,111	$556,499	$568,538	$609,850	$633,254	$611,578

Notes:
(1) Page 36, Column (3).
(2) Page 37, Column (3).
(3) Page 38, Column (6).
(4) Page 39, Column (6).
(5) Page 43, Column (5).
(6) Selected on the basis of (1) - (5).

DRAFT

Alameda County Schools Insurance Group
Liability Program

Reported Loss Projection Method
Individual Claims Limited to SIR

All Claims pre 2006-07 are Closed - No Data.

Program Year	Cumulative Reported Losses as of 3/31/15 (1)	Reported Development Factor as of 3/31/15 (2)	Projected Ultimate Losses (3)
2004-05	$0	1.000	$0
2005-06	0	1.000	0
2006-07	65,794	1.000	65,794
2007-08	83,044	1.000	83,044
2008-09	75,000	1.000	75,000
2009-10	62,961	1.000	62,979
2010-11	24,463	1.001	24,484
2011-12	130,315	1.007	131,253
2012-13	123,444	1.017	125,557
2013-14	0	1.091	0
2014-15	0	2.173	0
Total	$565,021		$568,111

DRAFT

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

Alameda County Schools Insurance Group
Liability Program

Paid Loss Projection Method
Individual Claims Limited to SIR

All Claims pre 2006-07 are Closed - No Data.

Program Year	Cumulative Paid Losses as of 3/31/15 (1)	Paid Development Factor as of 3/31/15 (2)	Projected Ultimate Losses (3)
2004-05	$0	1.000	$0
2005-06	0	1.000	0
2006-07	65,794	1.000	65,794
2007-08	83,044	1.000	83,044
2008-09	75,000	1.000	75,000
2009-10	62,961	1.000	62,961
2010-11	24,463	1.019	24,924
2011-12	130,315	1.067	139,027
2012-13	83,927	1.260	105,749
2013-14	0	2.485	0
2014-15	0	11.144	0
Total	$525,504		$556,499

DRAFT

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

Alameda County Schools Insurance Group
Liability Program

IBNR to Case Reserves Ratio Method
Individual Claims Limited to SIR

All Claims pre 2006-07 are Closed - No Data.

Program Year	Reported Development Factor as of 3/31/15 (1)	Paid Development Factor as of 3/31/15 (2)	IBNR to Case Reserves Ratio (3)	Case Reserves as of 3/31/15 (4)	Estimated IBNR Losses as of 3/31/15 (5)	Estimated Ultimate Losses (6)
2004-05	1.000	1.000	0.000	$0	$0	$0
2005-06	1.000	1.000	0.000	0	0	0
2006-07	1.000	1.000	0.000	0	0	65,794
2007-08	1.000	1.000	0.000	0	0	83,044
2008-09	1.000	1.000	0.000	0	0	75,000
2009-10	1.000	1.000	0.000	0	0	62,961
2010-11	1.001	1.019	0.049	0	0	24,463
2011-12	1.007	1.067	0.129	0	0	130,315
2012-13	1.017	1.260	0.089	39,517	3,517	126,961
2013-14	1.091	2.485	0.163	0	0	0
2014-15	2.173	11.144	1.457	0	0	0
Total				$39,517	$3,517	$568,538

DRAFT

Notes:
(1) Page 36, Column (2).
(2) Page 37, Column (2).
(3) [(1) - 1.000] x (2) / [(2) - (1)].
(4) [Page 36, Column (1)] - [Page 37, Column (1)], rounded.
(5) (3) x (4), rounded.
(6) (5) + Page 36, Column (1).

Alameda County Schools Insurance Group
Liability Program

Bornhuetter-Ferguson Method Using Reported Losses
Individual Claims Limited to SIR

All Claims pre 2006-07 are Closed - No Data.

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 3/31/15 (5)	Estimated Ultimate Losses (6)
2004-05	$0	1.000	0.0%	$0	$0	$0
2005-06	0	1.000	0.0%	0	0	0
2006-07	138,733	1.000	0.0%	0	65,794	65,794
2007-08	144,049	1.000	0.0%	0	83,044	83,044
2008-09	53,797	1.000	0.0%	0	75,000	75,000
2009-10	56,482	1.000	0.0%	0	62,961	62,961
2010-11	58,896	1.001	0.1%	59	24,463	24,522
2011-12	60,384	1.007	0.7%	423	130,315	130,738
2012-13	62,837	1.017	1.7%	1,068	123,444	124,512
2013-14	65,742	1.091	8.4%	5,522	0	5,522
2014-15	69,921	2.173	54.0%	37,757	0	37,757
Total	$710,841			$44,829	$565,021	$609,850

Notes:
(1) Page 40, Column (5).
(2) Page 36, Column (2).
(3) 100% - [1.000 / (2)].
(4) (1) x (3).
(5) Page 36, Column (1).
(6) (4) + (5).

DRAFT

Alameda County Schools Insurance Group
Liability Program

A Priori Loss Rate for Bornhuetter-Ferguson Method
Individual Claims Limited to SIR

All Claims pre 2006-07 are Closed - No Data.

Program Year	Selected Loss Rate (1)	Factor from 2015-16 Cost Levels (2)	Detrended SIR-Adjusted Loss Rate (3)	Average Daily Attendance (ADA) (4)	Expected Ultimate Losses (5)
2004-05	$4.48	2.121	$9.494	N/A	$0
2005-06	4.48	2.205	9.869	N/A	0
2006-07	4.48	2.291	10.256	13,527	138,733
2007-08	4.48	2.379	10.649	13,527	144,049
2008-09	4.48	0.889	3.977	13,527	53,797
2009-10	4.48	0.904	4.048	13,953	56,482
2010-11	4.48	0.920	4.118	14,302	58,896
2011-12	4.48	0.936	4.189	14,415	60,384
2012-13	4.48	0.951	4.259	14,754	62,837
2013-14	4.48	0.967	4.330	15,183	65,742
2014-15	4.48	0.983	4.402	15,884	69,921
Total				129,072	$710,841

DRAFT

Notes:
(1) Page 41, Item (7).
(2) Estimated using a 5.0% first dollar trend.
(3) (1) x (2).
(4) Page 53, Column (1).
(5) (3) x (4).

Alameda County Schools Insurance Group
Liability Program

A Priori Loss Rate for Bornhuetter-Ferguson Method
Individual Claims Limited to SIR

All Claims pre 2006-07 are Closed - No Data.

Program Year	*A Priori* Ultimate Losses (1)	Factor to 2015-16 Cost Level (2)	Constant $ *A Priori* Losses (3)	Average Daily Attendance (ADA) (4)	Indicated Loss Rate (5)
2004-05	0	0.471	$0	13,527	$0.00
2005-06	0	0.454	0	13,527	0.00
2006-07	65,794	0.436	28,715	13,527	2.12
2007-08	83,044	0.420	34,906	13,527	2.58
2008-09	75,000	1.125	84,412	13,953	6.05
2009-10	62,970	1.106	69,634	14,302	4.87
2010-11	24,702	1.087	26,851	14,415	1.86
2011-12	135,028	1.069	144,294	14,754	9.78
2012-13	123,444	1.051	129,737	15,183	8.55
2013-14	0	1.034	0	15,884	0.00
2014-15	0	1.017	0	15,884	0.00
Total	$569,982		$518,549	158,483	$3.98
			(6) NCR 2015-16 $25K Loss Rate:		$3.59
			(7) Selected 2015-16 $25K Loss Rate:		$4.48

Notes:
(1) Page 42, Column (3).
(2) Estimated using a 5.0% first dollar trend.
(3) (1) x (2), rounded.
(4) Page 53, Column (1).
(5) (3) / (4).
(6) Estimated by BAC.
(7) Selected on the basis of (5) & (6).

Alameda County Schools Insurance Group
Liability Program

A Priori Ultimate losses
Individual Claims Limited to SIR

All Claims pre 2006-07 are Closed - No Data.

Program Year	Reported Loss Projection (1)	Paid Loss Projection (2)	*A Priori* Selection (3)
2004-05	$0	$0	$0
2005-06	0	0	0
2006-07	65,794	65,794	65,794
2007-08	83,044	83,044	83,044
2008-09	75,000	75,000	75,000
2009-10	62,979	62,961	62,970
2010-11	24,484	24,924	24,702
2011-12	131,253	139,027	135,028
2012-13	125,557	105,749	123,444
2013-14	0	0	0
2014-15	0	0	0
Total	$568,111	$556,499	$569,982

Notes:
(1) Page 36, Column (3).
(2) Page 37, Column (3).
(3) Selected on the basis of (1) and (2).

Alameda County Schools Insurance Group
Liability Program

Frequency Times Severity Method
Individual Claims Limited to SIR

All Claims pre 2006-07 are Closed - No Data.

Program Year	Selected Claim Severity (1)	Factor to Remove Severity Trend (2)	De-Trended Severity (3)	Estimated Ultimate Claims (4)	Estimated Ultimate Losses (5)
2004-05	$13,300	2.121	$28,209	0	$0
2005-06	13,300	2.205	29,323	0	0
2006-07	13,300	2.291	30,474	4	121,896
2007-08	13,300	2.379	31,642	6	189,852
2008-09	13,300	0.889	11,817	3	35,451
2009-10	13,300	0.904	12,027	5	60,135
2010-11	13,300	0.920	12,236	3	36,708
2011-12	13,300	0.936	12,446	7	87,122
2012-13	13,300	0.951	12,655	6	75,930
2013-14	13,300	0.967	12,865	0	0
2014-15	13,300	0.983	13,080	2	26,160
Total				36	$633,254

DRAFT

Notes:
(1) Page 44, Item (6).
(2) Estimated by BAC.
(3) (1) x (2), rounded.
(4) Page 45, Column (3).
(5) (3) x (4).

Alameda County Schools Insurance Group
Liability Program

Calculation of Expected Claim Severity
Frequency Times Severity Method

All Claims pre 2006-07 are Closed - No Data.

Program Year	*A Priori* Ultimate Losses (1)	Severity Trend Factor to 2015-16 (2)	Estimated Ultimate Claim Counts (3)	Constant $ Claim Severity (4)
2004-05	$0	0.471	0	$0
2005-06	0	0.454	0	0
2006-07	65,794	0.436	4	7,179
2007-08	83,044	0.420	6	5,818
2008-09	75,000	1.125	3	28,137
2009-10	62,970	1.106	5	13,927
2010-11	24,702	1.087	3	8,950
2011-12	135,028	1.069	7	20,613
2012-13	123,444	1.051	6	21,623
2013-14	0	1.034	0	0
2014-15	0	1.017	2	0
Total	$569,982		36	$11,805
			(5) NCR $25k SIR 2015-16 Severity:	$10,691
			(6) Selected $25k SIR 2015-16 Severity:	$13,300

Notes:
(1) Page 42, Column (3).
(2) Estimated by BAC.
(3) Page 45, Column (3).
(4) [(1) x (2)] / (3).
(5) Estimated by BAC.
(6) Selected on the basis of (4) & (5).

Alameda County Schools Insurance Group
Liability Program

Selected Claim Counts

All Claims pre 2006-07 are Closed - No Data.

Program Year	Reported Claim Count Projection (1)	Bornhuetter-Ferguson Method (2)	Selected Claim Count (3)
2004-05	0		0
2005-06	0		0
2006-07	4		4
2007-08	6		6
2008-09	3		3
2009-10	5		5
2010-11	3		3
2011-12	7		7
2012-13	6		6
2013-14	0		0
2014-15	0	2	2
Total	34		36

DRAFT

Notes:
(1) Page 46, Column (3).
(2) Page 47, Column (6).
(3) Selected on the basis of (1) and (2).

Alameda County Schools Insurance Group
Liability Program

Projection of Ultimate Claim Counts
Reported Claim Development Method

All Claims pre 2006-07 are Closed - No Data.

Program Year	Total Claims Reported 3/31/15 (1)	Development Factors as of 3/31/15 (2)	Projected Ultimate Claims (3)
2004-05	0	1.000	0
2005-06	0	1.000	0
2006-07	4	1.000	4
2007-08	6	1.000	6
2008-09	3	1.000	3
2009-10	5	1.000	5
2010-11	3	1.003	3
2011-12	7	1.009	7
2012-13	6	1.012	6
2013-14	0	0.927	0
2014-15	0	1.738	0
Total	34		34

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

DRAFT

Alameda County Schools Insurance Group
Liability Program

Projection of Ultimate Claim Counts
Method 2: Bornhuetter-Ferguson Method

Program Year	A Priori Claim Count (1)	Claim Development Factor (2)	Percentage of Claims Unreported (3)	Estimated Unreported Claims (4)	Claims as of 3/31/15 (5)	Projected Ultimate Claims (6)
2014-15	5	1.738	42.5%	2	0	2

DRAFT

Notes:
(1) Page 48, Item (6).
(2) Page 46, Column (2).
(3) 100% - [1.000 / (2)].
(4) (1) x (3).
(5) Page 46, Column (1).
(6) (4) + (5).

Alameda County Schools Insurance Group
Liability Program

Projection of Ultimate Claim Counts
Bornhuetter-Ferguson Method
Calculation of Expected 2014-15 Claim Counts

All Claims pre 2006-07 are Closed - No Data.

Program Year	Projected Ultimate Claim Counts (1)	Average Daily Attendance (ADA) (2)	Indicated Claim Frequency (3)
2004-05	0	13,527	0.0
2005-06	0	13,527	0.0
2006-07	4	13,527	3.0
2007-08	6	13,527	4.4
2008-09	3	13,527	2.2
2009-10	5	13,953	3.6
2010-11	3	14,302	2.1
2011-12	7	14,415	4.9
2012-13	6	14,754	4.1
2013-14	0	15,183	0.0
2014-15	0	15,884	0.0
Total	34	156,126	3.0

(4) Selected Claim Frequency:	3.0
(5) 2014-15 ADA:	15,884
(6) 2014-15 Expected Claim Count:	5

Notes:
(1) Page 46, Column (3).
(2) Page 53, Column (1).
(3) (1) x 10,000 / (2).
(4) Selected on the basis of (3).
(5) Page 53, Column (1).
(6) (4) x (5) / 10,000.

DRAFT

Alameda County Schools Insurance Group
Liability Program

Projected 2015-16 Ultimate Losses at $25K SIR

Program Year	2015-16 Level Loss Rate (1)	Projected Average Daily Attendance (ADA) (2)	Projected $25K SIR Ultimate Losses (3)
2015-16	$5.36	15,884	$85,000
	(4) Ratio of Net Losses to Gross Losses:		68.2%
		(5) Projected Net Losses:	$58,000
		(6) Indicated Net Loss Rate:	$3.65

Notes:
(1) Page 50, Item (7).
(2) Projected by BAC.
(3) (1) x (2), rounded.
(4) Estimated by BAC.
(5) (3) x (4), rounded.
(6) (5) / (2), rounded.

DRAFT

Alameda County Schools Insurance Group
Liability Program

Projected 2015-16 Loss Rate

All Claims pre 2006-07 are Closed - No Data.

Program Year	Estimated Ultimate Losses (1)	Pure Premium Trend (2)	Trended Losses (3)	Average Daily Attendance (ADA) (4)	Indicated Loss Rate (5)
2004-05	$0	0.471	$0	N/A	$0.00
2005-06	0	0.454	0	N/A	0.00
2006-07	65,794	0.436	28,715	13,527	2.12
2007-08	83,044	0.420	34,906	13,527	2.58
2008-09	75,000	1.125	84,412	13,527	6.24
2009-10	62,961	1.106	69,624	13,953	4.99
2010-11	24,463	1.087	26,591	14,302	1.86
2011-12	130,315	1.069	139,258	14,415	9.66
2012-13	126,000	1.051	132,423	14,754	8.98
2013-14	6,000	1.034	6,203	15,183	0.41
2014-15	38,000	1.017	38,638	15,884	2.43
Total	$611,578		$560,770	129,072	$4.36

(6) NCR 2015-16 Level Loss Rate - Limited to $25,000 per Loss: $3.59

(7) Selected 2015-16 Level Loss Rate - Limited to $25,000 per Loss: $5.36

Notes:
(1) Page 35, Column (6).
(2) Estimated using a 5.0% first dollar trend.
(3) (1) x (2).
(4) Page 53, Column (1).
(5) (3) / (4).
(6) Estimated by BAC.
(7) Selected on the basis of (5) & (6).

Alameda County Schools Insurance Group
Liability Program

Discounted Value of Unpaid Losses as of June 30, 2015
Assuming a 0.5% Interest Rate

All Claims pre 2006-07 are Closed - No Data.

Program Year	Estimated Unpaid Losses (1)	Discount Factor (2)	Discounted Unpaid Losses (3)
2004-05	$0	1.000	$0
2005-06	0	1.000	0
2006-07	0	1.000	0
2007-08	0	1.000	0
2008-09	0	1.000	0
2009-10	0	1.000	0
2010-11	0	0.998	0
2011-12	0	0.996	0
2012-13	34,344	0.996	34,193
2013-14	4,865	0.995	4,841
2014-15	34,336	0.993	34,102
Total	$73,545		$73,136

(4) Indicated Discount Factor: 0.994

Notes:
(1) Page 32, Column (6).
(2) Estimated by BAC.
(3) (1) x (2).
(4) [Sum of Column (3)] / [Sum of Column (1)].

DRAFT

Alameda County Schools Insurance Group
Liability Program

Discounted Value of 2015-16 Losses as of July 1, 2015
Assuming a 0.5% Interest rate

$25,000 SIR

Program Year	Projected Loss Payments (1)	Discount Factor (2)	Discounted Value of Payments (3)
2015-16	$15,089	0.998	$15,051
2016-17	28,722	0.993	28,508
2017-18	26,870	0.988	26,537
2018-19	9,947	0.983	9,775
2019-20	3,197	0.978	3,126
2020-21	1,174	0.973	1,143
2021-22	0	0.968	0
2022-23	0	0.963	0
2023-24	0	0.958	0
2024-25	0	0.954	0
2025-26	0	0.949	0
2026-27	0	0.944	0
Total	$85,000		$84,140

(4) Indicated Discount Factor: 0.990

Notes:
(1) Based upon the observed payment pattern.
(2) Based upon a 0.5% interest rate.
(3) (1) x (2).
(4) [Sum of Column (3)] / [Sum of Column (1)].

DRAFT

Alameda County Schools Insurance Group
Liability Program

Program Information

All Claims pre 2006-07 are Closed - No Data.

Program Year	Average Daily Attendance (ADA) (1)	Self-Insured Retention (SIR) (2)
2004-05	N/A	$0
2005-06	N/A	0
2006-07	N/A	150,000
2007-08	N/A	150,000
2008-09	13,527	25,000
2009-10	13,953	25,000
2010-11	14,302	25,000
2011-12	14,415	25,000
2012-13	14,754	25,000
2013-14	15,183	25,000
2014-15	15,884	25,000
2015-16	15,884	25,000

DRAFT

Notes:
(1) - (2) Provided by Keenan & Associates.
2015-16 ADA projected by BAC.

Alameda County Schools Insurance Group

An Actuarial Review of the Property & Liability Self-Insurance Program

Property Exhibits

DRAFT

Alameda County Schools Insurance Group
Property Program

Projected Unpaid Losses as of June 30, 2015
Individual Claims Limited to SIR

All Claims pre 2008-09 are Closed - No Data.

Program Year	Estimated Ultimate Losses (1)	Projected Losses Paid as of 6/30/15 (2)	Projected Case Reserves as of 6/30/15 (3)	Projected Losses Reported as of 6/30/15 (4)	Projected IBNR as of 6/30/15 (5)	Projected Losses Unpaid as of 6/30/15 (6)
2004-05	$0	$0	$0	$0	$0	$0
2005-06	0	0	0	0	0	0
2006-07	0	0	0	0	0	0
2007-08	0	0	0	0	0	0
2008-09	72,507	72,507	0	72,507	0	0
2009-10	9,690	9,690	0	9,690	0	0
2010-11	25,000	25,000	0	25,000	0	0
2011-12	0	0	0	0	0	0
2012-13	60,045	60,045	0	60,045	0	0
2013-14	30	6	1	7	23	24
2014-15	2,000	471	94	565	1,435	1,529
Total	$169,272	$167,719	$96	$167,815	$1,457	$1,553

Notes:
(1) Page 58, Column (6).
(2) Page 56, Column (3).
(3) (4) - (2).
(4) Page 56, Column (6).
(5) (1) - (4).
(6) (3) + (5).

DRAFT

Alameda County Schools Insurance Group
Property Program

Projected Losses Paid and Reported as of June 30, 2015
Individual Claims Limited to SIR

All Claims pre 2008-09 are Closed - No Data.

Program Year	Losses Paid as of 3/31/15 (1)	Projected Payments 4/1/15 - 6/30/15 (2)	Projected Losses Paid as of 6/30/15 (3)	Losses Reported as of 3/31/15 (4)	Projected Losses Reported 4/1/15 - 6/30/15 (5)	Projected Losses Reported as of 6/30/15 (6)
2004-05	$0	$0	$0	$0	$0	$0
2005-06	0	0	0	0	0	0
2006-07	0	0	0	0	0	0
2007-08	0	0	0	0	0	0
2008-09	72,507	0	72,507	72,507	0	72,507
2009-10	9,690	0	9,690	9,690	0	9,690
2010-11	25,000	0	25,000	25,000	0	25,000
2011-12	0	0	0	0	0	0
2012-13	60,045	0	60,045	60,045	0	60,045
2013-14	0	6	6	0	7	7
2014-15	0	471	471	0	565	565
Total	$167,242	$477	$167,719	$167,242	$572	$167,815

Notes:
(1) Provided by Keenan & Associates.
(2) Based upon the observed payment pattern.
(3) (1) + (2).
(4) Page 58, Column (5).
(5) Based upon the observed reporting pattern.
(6) (4) + (5).

DRAFT

Alameda County Schools Insurance Group
Property Program

Estimated Unpaid Losses as of March 31, 2015
Individual Claims Limited to SIR

All Claims pre 2008-09 are Closed - No Data.

Program Year	Estimated Ultimate Losses (1)	Losses Paid as of 3/31/15 (2)	Case Reserves as of 3/31/15 (3)	Losses Reported as of 3/31/15 (4)	Estimated IBNR as of 3/31/15 (5)	Estimated Losses Unpaid as of 3/31/15 (6)
2004-05	$0	$0	$0	$0	$0	$0
2005-06	0	0	0	0	0	0
2006-07	0	0	0	0	0	0
2007-08	0	0	0	0	0	0
2008-09	72,507	72,507	0	72,507	0	0
2009-10	9,690	9,690	0	9,690	0	0
2010-11	25,000	25,000	0	25,000	0	0
2011-12	0	0	0	0	0	0
2012-13	60,045	60,045	0	60,045	0	0
2013-14	30	0	0	0	30	30
2014-15	1,500	0	0	0	1,500	1,500
Total	$168,772	$167,242	$0	$167,242	$1,530	$1,530

DRAFT

Notes:
(1) Page 58, Column (6), adjusted for incomplete program year.
(2) Provided by Keenan & Associates.
(3) (4) - (2).
(4) Provided by Keenan & Associates.
(5) (1) - (4).
(6) (1) - (2).

Alameda County Schools Insurance Group
Property Program

Estimated Ultimate Losses
Individual Claims Limited to SIR

All Claims pre 2008-09 are Closed - No Data.

Program Year	Trended TIV ($000's) (1)	Expected Loss Rate per $1,000 Trended TIV (2)	Estimated Percentage of Losses Unreported (3)	Estimated Unreported Losses (4)	Reported Losses as of 3/31/15 (5)	Estimated Ultimate Losses (6)
2004-05	$0	$0.0068	0.0%	$0	$0	$0
2005-06	0	0.0068	0.0%	0	0	0
2006-07	0	0.0068	0.0%	0	0	0
2007-08	0	0.0068	0.0%	0	0	0
2008-09	436,083	0.0068	0.0%	0	72,507	72,507
2009-10	449,816	0.0069	0.0%	0	9,690	9,690
2010-11	461,067	0.0069	0.0%	0	25,000	25,000
2011-12	464,710	0.0069	0.0%	0	0	0
2012-13	475,639	0.0069	0.0%	0	60,045	60,045
2013-14	489,469	0.0069	0.9%	30	0	30
2014-15	512,068	0.0069	55.7%	1,979	0	2,000
Total	$3,288,852			$2,009	$167,242	$169,272

DRAFT

Notes:
(1) Page 60, Column (2).
(2) Estimated by BAC based on NCR loss data.
(3) Estimated by BAC.
(4) (1) x (2) x (3).
(5) Provided by Keenan & Associates.
(6) (4) + (5).

Alameda County Schools Insurance Group
Property Program

Projected Loss Rate and Losses for 2015-16
Individual Claims Limited to SIR

All Claims pre 2008-09 are Closed - No Data.

Program Year	Estimated Ultimate Losses at $25K MRL (1)	Adjusted Insured Value ($000's) (2)	Indicated $25K MRL Loss Rate (3)
2004-05	$0	$0	$0.000
2005-06	0	0	0.000
2006-07	0	0	0.000
2007-08	0	0	0.000
2008-09	72,507	436,083	0.166
2009-10	9,690	449,816	0.022
2010-11	25,000	461,067	0.054
2011-12	0	464,710	0.000
2012-13	60,045	475,639	0.126
2013-14	30	489,469	0.000
2014-15	2,000	512,068	0.004
Total	$169,272	$3,288,852	$0.053
		(4) Selected 2015-16 Loss Rate:	$0.061
		(5) Projected 2015-16 TIV ($000's):	$512,068
		(6) Projected 2015-16 $25K MRL Losses:	$31,400
		(7) Ratio of Net to Gross Losses:	63.2%
		(8) Projected 2015-16 Net Losses:	$19,800

Notes:
(1) Page 58, Column (6).
(2) Page 60, Column (1).
(3) (1) / (2).
(4) Selected on the basis of (3).
(5) Projected by BAC from program history.
(6) (4) x (5), rounded.
(7) Estimated by BAC.
(8) (6) x (7), rounded.

Alameda County Schools Insurance Group
Property Program

Historical Summary

All Claims pre 2008-09 are Closed - No Data.

Program Year	Total Insured Value ($000's) (1)	Trended Total Insured Value ($000's) (2)	Self-Insured Retention (SIR) (3)
2004-05	$0	$0	$0
2005-06	0	0	0
2006-07	0	0	0
2007-08	0	0	0
2008-09	329,809	436,083	25,000
2009-10	350,297	449,816	25,000
2010-11	335,308	461,067	25,000
2011-12	350,784	464,710	25,000
2012-13	361,534	475,639	25,000
2013-14	392,314	489,469	25,000
2014-15	502,027	512,068	25,000
2015-16	512,068	512,068	?

DRAFT

Notes:
(1) - (3) Provided by Keenan & Associates.
TIV back-trended from 2014-15 in proportion to ADA.
2015-16 TIV projected by BAC.

Alameda County Schools Insurance Group

An Actuarial Review of the
Property & Liability Self-Insurance Program

Deductibles Exhibits

DRAFT

Alameda County Schools Insurance Group
Deductibles

Estimated Unpaid Deductibles as of June 30, 2015

Program Year	Estimated Ultimate Deductibles (1)	Projected Deductibles Paid as of 6/30/15 (2)	Projected Deductible Reserves as of 6/30/15 (3)	Projected Deductibles Reported as of 6/30/15 (4)	Projected Deductibles IBNR as of 6/30/15 (5)	Projected Deductibles Unpaid as of 6/30/15 (6)
2004-05	N/A	N/A	N/A	N/A	N/A	N/A
2005-06	N/A	N/A	N/A	N/A	N/A	N/A
2006-07	N/A	N/A	N/A	N/A	N/A	N/A
2007-08	N/A	N/A	N/A	N/A	N/A	N/A
2008-09	N/A	N/A	N/A	N/A	N/A	N/A
2009-10	N/A	N/A	N/A	N/A	N/A	N/A
2010-11	N/A	N/A	N/A	N/A	N/A	N/A
2011-12	N/A	N/A	N/A	N/A	N/A	N/A
2012-13	44,483	40,028	3,677	43,705	778	4,455
2013-14	167	29	13	42	125	138
2014-15	7,157	910	212	1,122	6,035	6,247
Total	$51,807	$40,966	$3,903	$44,869	$6,937	$10,840

DRAFT

Notes:
(1) Page 64, Column (6).
(2) Page 63, Column (3).
(3) (4) - (2).
(4) Page 63, Column (6).
(5) (1) - (4).
(6) (1) - (2).

Alameda County Schools Insurance Group
Deductibles

Projected Deductibles Paid and Reported as of June 30, 2015

Program Year	Deductibles Paid as of 3/31/15 (1)	Projected Payments 4/1/15 - 6/30/15 (2)	Projected Deductibles Paid as of 6/30/15 (3)	Deductibles Reported as of 3/31/15 (4)	Projected Reported 4/1/15 - 6/30/15 (5)	Projected Deductibles Reported as of 6/30/15 (6)
2004-05	$0	$0	$0	$0	$0	$0
2005-06	0	0	0	0	0	0
2006-07	0	0	0	0	0	0
2007-08	0	0	0	0	0	0
2008-09	0	0	0	0	0	0
2009-10	0	0	0	0	0	0
2010-11	0	0	0	0	0	0
2011-12	0	0	0	0	0	0
2012-13	38,444	1,584	40,028	43,444	261	43,705
2013-14	0	29	29	0	42	42
2014-15	0	910	910	0	1,122	1,122
Total	$38,444	$2,523	$40,966	$43,444	$1,426	$44,869

DRAFT

Notes:
(1) Provided by Keenan & Associates.
(2) Based upon the observed payment pattern.
(3) (1) + (2).
(4) Page 64, Column (5).
(5) Based upon the assumed reporting pattern.
(6) (4) + (5).

Alameda County Schools Insurance Group
Deductibles

Estimated Ultimate Losses Limited to Member Deductibles

Program Year	Estimated Gross Ultimate Losses (1)	Expected Percentage of Losses Below Deductible (2)	Estimated Deductible Percentage Unreported (3)	Estimated Unreported Deductibles (4)	Reported Deductibles as of 3/31/15 (5)	Estimated Ultimate Losses Below Deductible (6)
2004-05	$0	N/A	0.0%	N/A	$0	N/A
2005-06	0	N/A	0.0%	N/A	0	N/A
2006-07	65,794	N/A	0.0%	N/A	0	N/A
2007-08	83,044	N/A	0.0%	N/A	0	N/A
2008-09	147,507	N/A	0.0%	N/A	0	N/A
2009-10	72,651	N/A	0.0%	N/A	0	N/A
2010-11	49,463	N/A	0.0%	N/A	0	N/A
2011-12	130,315	N/A	0.0%	N/A	0	N/A
2012-13	186,045	33.2%	1.7%	1,039	43,444	44,483
2013-14	6,030	33.2%	8.4%	167	0	167
2014-15	40,000	33.1%	54.0%	7,157	0	7,157
Total	$780,849			$8,363	$43,444	$51,807

DRAFT

Notes:
(1) Page 35, Column (6) + Page 58, Column (6).
(2) Estimated by BAC.
(3) Estimated by BAC.
(4) (1) x (2) x (3).
(5) Provided by Keenan & Associates.
(6) (4) + (5).

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: May 14, 2015

SUBJECT: Property/Liability Program 2015/16 Rates

The Alameda County Schools Insurance Group participates in the Northern California ReLiEF Property/Liability JPA. The ReLiEF Board met on Friday, May 1, 2015 to approve rates. Due to adverse claims experience, the liability rates increased almost 20%. The final rates are enclosed for your review.

We have included the adjusted property valuations and ADA estimates. ACSIG had a slight decrease in the experienced modification for the property program and the an increased experience modification factor for the liability programs.

The Executive Director will review and recommend action for the rate schedule at the meeting.

2015/2016 estimated Property & Liability Program Rates

ACSIG	Property	Liability	Total
ACOE	$30,081	$33,083	$63,164
Albany	$74,074	$171,855	$245,929
Dublin	$189,276	$367,949	$557,226
Emery	$15,107	$31,476	$46,583
Piedmont	$72,564	$120,865	$193,429
ACSIG TOTAL	$381,102	$725,229	$1,106,331

$50,000 loss fund funding included for Property
$50,000 loss funding included for Liability
Safety Inspection fee of $12, 250 Included

2015/2016 estimated
Property Program Rates

Member	EDP	Total Values	Rate $225,000 x $25,000	Rate PER TIV excess layers above $250,000		Loss Fund	Safety Inspection	Total Premium
ACSIG								
ACOE		40,043,315	0.01353026	0.0490	$25,058	$3,929	$ 1,093.98	$30,081
Albany	1,260,000	98,484,588	0.01353026	0.0490	$61,628	$9,664	$ 2,781.59	$74,074
Dublin		254,970,442	0.01353026	0.0490	$159,551	$25,020	$ 4,705.32	$189,276
Emery	290,938	19,488,365	0.01353026	0.0490	$12,196	$1,912	$ 998.92	$15,107
Piedmont		96,552,167	0.01353026	0.0490	$60,419	$9,474	$ 2,670.19	$72,564
					$0	$0		$0
ACSIG TOTAL	1,550,938	509,538,877			$318,852	$50,000	$ 12,250.00	$381,102

	NCR Premium	0.06255975
ACSIG		
ACOE	30,081	
Albany	74,074	
Dublin	189,276	
Emery	15,107	
Piedmont	72,564	
ACSIG TOTAL	381,102	

MRL $25,000

2015/2016 estimated
Liability Program Rates

MEMBER	SIR	Risk Factor ADA	ADA to $1 m	NCR to $1 million	SAFER $24 mil x $1 mil			$25 mil X $25 mil	Cyber	EDP	Crime	Equipment Breakdown	Total Liability	Loss Fund	Total Premium
				$27.01	$11.08			$1/ADA		.003174/$100					
ACS $25,000															
ACOE	$5,000	1,022	577	$15,583	$11.08	$6,391	$28,550	$577	$78		$115	$1,271	$30,591	$2,492	33,083
Albany	$5,000	4,764	4,061	$109,677	$11.08	$44,982	$148,274	$4,061	$548	$3,418	$812	$3,126	$160,239	$11,616	171,855
Dublin	$5,000	10,407	8,769	$236,828	$11.08	$97,130	$322,774	$8,769	$1,184		$1,754	$8,093	$342,574	$25,375	367,949
Emery	$5,000	872	728	$19,661	$11.08	$8,064	$26,970	$728	$98	$789	$146	$619	$29,350	$2,126	31,476
Piedmont	$5,000	3,441	2,804	$75,729	$11.08	$31,058	$105,666	$2,804	$379		$561	$3,065	$112,475	$8,390	120,865
	$25,000	20,506	16,939	$457,479		$187,625	$632,234	$16,939	$2,287	$4,207	$3,388	$16,174	$675,229	$50,000	725,229
						632234	$649,173								

NCR layer to $1 million is multiplied by the rates and then adjusted by the Risk Factor ADA as calculated by the actuary.

27,979	571	28,550	
144,254	4,020	148,274	
314,093	8,681	322,774	11.07649
26,249	721	26,970	
102,890	2,776	105,666	

ESTIMATED CONTRIBUTION/ PREMIUM SUMMARY

JULY 1, 2015 to JULY 1, 2016

DISTRICT	RF ADA	TIV Property	TIV EDP	Liability	Excess Liability	$25M xs $25M	2013/2014 LOTTERY ADA Property	2013/2014 LOTTERY ADA EDP	Crime	Cyber Liability	Equip Brkdn	Program Total
Alameda County Office of Education	1,022	$40,043,315	$0	$27,979	$571	$577	$25,058	577	$0	$ 115	$78	$1,271	$55,649
Albany City Unified School District	4,764	$98,484,588	$1,260,000	$144,254	$4,020	$4,061	$61,628	4,061	$3,418	$ 812	$548	$3,126	$221,867
Dublin Unified School District	10,407	$254,970,442	$0	$314,093	$8,681	$8,769	$159,551	8,769	$0	$ 1,754	$1,184	$8,093	$502,125
Emery Unified School District	872	$19,488,365	$290,938	$26,249	$721	$728	$12,196	728	$789	$ 146	$98	$619	$41,546
Piedmont Unified School District	3,441	$96,552,167	$0	$102,890	$2,776	$2,804	$60,419	2,804	$0	$ 561	$379	$3,065	$172,894
TOTALS	20,506	$ 509,538,877	$ 1,550,938	$ 615,465	$ 16,769	$16,939	$ 318,852	$ 16,939	$ 4,207	$ 3,388	$ 2,287	$ 16,174	$ 994,081
Member Retained Limit/Deductible				$ 25,000		$ 25,000			$ 250	$ 2,500	$ 25,000	$1,000	
Experience Modification Factor-Retained				129		97							

Service Team:
Ron Martin, Vice President
Tara Cooper-Salaiz, Senior Account Manager/Team Leader

* - Super Pool Minimum Contribution Applies

ESTIMATED CONTRIBUTION/ PREMIUM SUMMARY

JULY 1, 2015 to JULY 1, 2016

Latest Real Property Appraisal Date	01/31/2013
Next Real Property Appraisal Date	01/31/2018

- PROGRAM COSTS	$ 994,081
- RISK MANAGEMENT RESERVE*	$ 4,611
- TOTAL PROGRAM COSTS	$ 998,692

*RESERVE = .014 x 1,646,815 SQ FT

FIVE YEAR CONTRACT

Accepted by: _____

Authorized District Representative

Title: _____

Authorized District Representative

Witnessed by: _____

Ron Martin

SIGNATURE OF THE AUTHORIZED REPRESENTATIVE WILL BIND COVERAGE.

Keenan is compensated for the various services it provides in connection with the management and administration of Northern California ReLiEF ("NCR"), including general administration, financial processing, claims administration, loss control, reporting, marketing, underwriting, brokerage (reinsurance and other coverages) and reinsurance/insurance services. The compensation paid to Keenan is approved by the governing board of NCR and is included in the cost of member contributions. It is anticipated that the total compensation to be received by Keenan for these services for the 2014 / 2015 program year will not exceed 13% of total member contributions. This compensation does not include amounts payable to Keenan pursuant to separate contracts for services provided directly to individual members, the cost of allocated loss adjustment services provided in connection with individual claims, or reinsurance premium payable to Meritage Insurance Group, a wholly-owned subsidiary of Keenan, pursuant to a reinsurance contract. For additional information concerning Keenan compensation, see www.keenan.com/disclosure.asp.

* - Super Pool Minimum Contribution Applies



Alameda County Schools Insurance Group
Estimated Contribution/Premium Summary
July 1, 2015 to July 1, 2016
Member Retained Limit
Liability $25,000 Property $25,000

Super Pool Footnote Report

1. 2013/2014 LOTTERY ADA:	Average Daily Attendance from the Department of Education with the exception of certain special agencies which use special ADA Exposure data. ADA has been factor updated by 1.04446 in compliance with the Government Code Section 8880.5(m) to compensate for the rate of excused absences.
2. T.I.V. Property:	Total Insurable Values(T.I.V.) based upon Statement of Values as confirmed by the District (TIV for Charter Schools, EDP and COC included, if applicable.)
3. T.I.V. - EDP:	EDP T.I.V. as confirmed by the District.
4. Liability:	Risk Factored ADA x adjusted ReLiEF rate plus ADA x $9 Mil excess of $1 Mil rate.Does not consider Special Agency flat fees and Super Pool minimum contributions.
5. Excess Liability:	Lottery ADA x Excess Liability Rate + Lottery ADA x Reinsurance Liability Rate
6. Property:	TIV/$100 x Property Rate
7. EDP:	EDP TIV/$100 x EDP Rate
8. Crime:	Lottery ADA x Crime Rate
9. Cyber Liability:	Lottery ADA x Cyber Liability Rate
10. Equip Brkdn:	Equipment Breakdown (B&M) Property TIV/$100 x Equipment Breakdown Rate
11. Program Total:	Sum of Liability, Excess Liability, Property, EDP, Crime, Cyber Liability and Equipment Breakdown.

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: May 14, 2015

SUBJECT: 2014/2015 Third Quarter Financials

ACSIG partners with SETECH for financial services support. Enclosed are the 2014/2015 Third Quarter financial statements for review. These financial statements reflect the 2013/2014 audited, annual 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.

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP

TREASURER'S REPORT

AS OF MARCH 31, 2015 AND FOR THE NINE 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 May 14, 2015
For the Full Board Meeting of May 21, 2015

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 06/30/2014 and 03/31/2015	
B) Statement of Revenues, Expenditures and Changes in Net Position	
Adopted Budget Versus Actual	
For The Fiscal Year Ended 06/30/2014 and For The Nine Months Ended 03/31/2015 -	
Schedule of Discounted Claim Liabilities	
For The Fiscal Year Ended 06/30/2014 and For The Nine Months Ended 03/31/2015 -	
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 06/30/2014 and 03/31/2015

	Audited As of 06/30/2014	Activity 07/01/2013 - 03/31/2015	Unaudited As of 03/31/2015
Assets:			
Current Assets			
Workers Compensation	$ 5,777,645	1,622,698	$ 7,400,343
Dental	4,274,869	(1,957,184)	2,317,685
Vision	981,887	30,521	1,012,408
Property and Liability	733,370	168,123	901,493
Operations	423,786	(95,183)	328,603
Cash and Cash Equivalents	$ 12,191,557	(231,025)	$ 11,960,532
Investments Morgan Stanley - current	761,402	(138,099)	623,303
Accounts Receivable	6,023,869	108,205	6,132,074
Prepaid Expense	- -	- -	- -
Interfund Receivable/(payable) (1)	- -	- -	- -
Subtotal Current Assets	18,976,828	(260,919)	18,715,909
Noncurrent Assets			
Investments @ FMV - Morgan Stanley (3)	14,664,893	487,123	15,152,016
Capital - Equipment,net of depreciation	4,739	(3)	4,736
	14,669,632	487,120	15,156,752
Total Assets	**$ 33,646,460**	**$ 226,201**	**$ 33,872,661**
Liabilities:			
Current Liabilities			
Accounts Payable	$ 2,526,347	$ 1,496,581	$ 4,022,928
Prefunding deposits (2)	3,116,431	- -	3,116,431
Advance Contributions	- -	- -	- -
Current Portion of claims and claim adjustment	4,080,459	(696,938)	3,383,521
Subtotal Current Liabilities	9,723,237	799,643	10,522,880
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	22,841,074	(2,566,272)	20,274,802
Unallocated Loss Adjustment Expense (ULAE)	1,274,819	285,000	1,559,819
Subtotal Claim Liabilities	24,115,893	(2,281,272)	21,834,621
Total Liabilities	$ 33,839,130	$ (1,481,629)	$ 32,357,501
Net Position:			
Undesignated Net Postion - Net Assets/(Deficit)	(197,409)	1,707,833	1,510,424
Designated - Capital Assets	4,739	(3)	4,736
Total Net Position	$ (192,670)	$ 1,707,830	$ 1,515,160
Total Liabilities and Ending Net Position	**$ 33,646,460**	**$ 226,201**	**$ 33,872,661**

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, accured interest shown as accounts receivable.

Alameda County Schools Insurance Group (ACSIG)
Consolidated
Statement of Revenues, Expenditures and Changes in Net Position
For The Nine Months Ended 03/31/2015

	Cash Activity 07/01/2014 03/31/2015	Allocations	Change in Accruals	Balance Year to Date	2014/2015 Budget	Variance	Percentage of Budget
Audited - Beginning Net Position, as of 07/01/2014				$ (192,670)			
Beginning Cash	$ 27,617,852				$ (192,670)		
Operating Revenue:							
Premiums Paid by Members	$ 103,568,118	$ (35,131)	$ 134,085	$ 103,702,203	$ 128,003,769	$ (24,301,566)	81.01 %
Total Operating Revenue	103,568,118	(35,131)	134,085	103,702,203	128,003,769	(24,301,566)	81.01
Operating Expenditures:							
Classified Salaries	130,871	- -	(10,843)	120,028	169,000	(48,972)	71.02
Statutory Benefits	50,994	- -	- -	50,994	58,617	(7,623)	87.00
Health & Welfare	17,720	- -	- -	17,720	20,992	(3,272)	84.41
Employer Tax Expense	39,292	- -	- -	39,292	57,561	(18,269)	68.26
Telephone & Internet	3,646	- -	(603)	3,043	8,000	(4,957)	38.04
Supplies Office	2,560	- -	- -	2,560	20,000	(17,440)	12.80
Supplies - Other	2,793	- -	- -	2,793	5,500	(2,707)	50.78
Eligibility Processing	137,004	- -	- -	137,004	180,000	(42,996)	76.11
Brokerage Fees-Dental-ACSIG	190,066	- -	80	190,146	258,000	(67,854)	73.70
Brokerage Fees-Dental-MD	201,876	- -	- -	201,876	183,600	18,276	109.95
Travel and Conferences	18,920	- -	(931)	17,989	15,000	2,989	119.93
Mileage	5,112	- -	- -	5,112	7,000	(1,888)	73.03
Dues & Memberships	835	- -	- -	835	1,000	(165)	83.50
Postage & Meter	1,980	- -	- -	1,980	5,000	(3,020)	39.60
Insurance Expense-PIPS&NCR	16,161,768	- -	- -	16,161,768	19,323,300	(3,161,532)	83.64
Insurance Expense-PIPS Adj	957,488	- -	- -	957,488	- -	957,488	- -
Utility - Operating-Rent	59,985	(35,131)	- -	24,854	25,000	(146)	99.42
Advertising	- -	- -	- -	- -	- -	- -	- -
Contract Services	7,900	- -	- -	7,900	12,500	(4,600)	63.20
Contract Services -PL-Investigation	- -	- -	- -	- -	- -	- -	- -
Contract Services	17,773	- -	- -	17,773	6,000	11,773	296.22
Audit Fees	11,475	- -	- -	11,475	15,000	(3,525)	76.50
Other Services/Operating Expenses	2,151	- -	- -	2,151	10,000	(7,849)	21.51
Capital Equipment/Depreciation	(3)	- -	3	- -	7,500	(7,500)	- -
Repairs & Maintenance	948	- -	- -	948	2,000	(1,052)	47.40
Legal	- -	- -	- -	- -	2,000	(2,000)	- -
Accounting Services	9,825	- -	(3,250)	6,575	13,000	(6,425)	50.58
County Courier	- -	- -	- -	- -	2,500	(2,500)	- -
Shredding	736	- -	(123)	613	1,500	(887)	40.87
Copier & Scanner	9,435	- -	- -	9,435	10,000	(565)	94.35
Claims Administration Services	181,817	- -	(2,042)	179,775	194,000	(14,225)	92.67
Self-Insurance Fee	209,492	- -	- -	209,492	280,000	(70,508)	74.82
Claims Paid-WC	2,805,388	- -	(113,084)	2,692,304	3,100,000	(407,696)	86.85
Claims Paid-PL	20,079	- -	12,379	32,458	75,000	(42,542)	43.28
Physical Abilities Testing	8,063	- -	- -	8,063	5,000	3,063	161.26
Training	4,249	- -	- -	4,249	10,000	(5,751)	42.49
First-Aid Program	16,576	- -	- -	16,576	15,000	1,576	110.51
Food Service Training	- -	- -	- -	- -	10,000	(10,000)	- -
Special Ed Training	- -	- -	- -	- -	20,000	(20,000)	- -
Bank Charge & WC Penalty Reimb	9,262	- -	- -	9,262	12,000	(2,738)	77.18
Cobra Premiums	122,062	- -	- -	122,062	240,000	(117,938)	50.86
Dental Insurance Premiums	80,602,273	- -	1,464,373	82,066,646	103,200,000	(21,133,354)	79.52
Vision Insurance Premiums	1,887,223	- -	- -	1,887,223	2,044,000	(156,777)	92.33
Claim Development Expense	- -	- -	(2,978,210)	(2,978,210)	(2,810,000)	(168,210)	105.99
ACA Fees	- -	- -	- -	- -	- -	- -	- -
Total Operating Expenditures	103,909,634	(35,131)	(1,632,251)	102,242,252	126,814,570	(24,572,318)	80.62 %
Net Increase/(Decrease) from Operations	(341,516)	- -	1,766,336	1,459,951	1,189,199	270,752	%
Non Operating Income/(Expense)							
Interest Income	419,657	- -	(211,636)	208,021	265,750	(57,729)	78.28
Net Increase/(Decrease) in Fair Value	30,968	- -	- -	30,968	- -	30,968	- -
Realized Gain/(Loss) on Investments	8,890	- -	- -	8,890	- -	8,890	- -
Interfund Trans, Other Inc/Exp	- -	- -	- -	- -	33,450	(33,450)	- -
Total Non Operating Income/(Expense)	459,515	- -	(211,636)	247,879	299,200	(51,321)	82.85 %
Ending Cash	$ 27,735,851	- -					
Net Increase/(Decrease) in Net Position		$ - -	$ 1,554,700	1,707,830	$ 1,488,399	$ 219,431	%
Unaudited - Ending Net Position, as of 03/31/2015				**$ 1,515,160**	**$ 1,295,729**	**$ 219,431**	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Workers' Compensation
As of 06/30/2014 and 03/31/2015

	Audited As of 06/30/2014	Activity 07/01/2013 - 03/31/2015	Unaudited As of 03/31/2015
Assets:			
Current Assets			
Funds with County - WC - #44906	$ 1,340,200	1,965,320	$ 3,305,520
Funds in Transit - #44906 to Morgan Stanley Investments	- -	- -	- -
Funds with County - Retention Fund #44904	56,314	(38,985)	17,329
Union Bank Claims - #0129	205,625	(111,697)	93,928
Union Bank Claims Trust Account - #0600	832,829	(86,772)	746,057
Local Agency Investment Funds (L.A.I.F.)	3,137,819	3,643	3,141,462
Money Market - Morgan Stanley	204,858	(108,811)	96,047
Cash and Cash Equivalents	$ 5,777,645	1,622,698	$ 7,400,343
Investments Morgan Stanley - current	761,402	(138,099)	623,303
Accounts Receivable	285,993	(110,316)	175,677
Prepaid Expense	- -	- -	- -
Interfund Receivable/(payable)	1,777,763	(2,518,554)	(740,791)
Subtotal Current Assets	8,602,803	(1,144,271)	7,458,532
Noncurrent Assets			
Investments Morgan Stanley	8,412,431	2,983,362	11,395,793
Capital - Equipment,net of depreciation	- -	- -	- -
	8,412,431	2,983,362	11,395,793
Total Assets	**$ 17,015,234**	**$ 1,839,091**	**$ 18,854,325**
Liabilities:			
Current Liabilities			
Accounts Payable	$ - -	$ - -	$ - -
Prefunding deposits	- -	- -	- -
Advance Contributions	- -	- -	- -
Current Portion of claims and claim adjustment	2,420,000	(628,000)	1,792,000
Subtotal Current Liabilities	2,420,000	(628,000)	1,792,000
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	22,751,516	(2,509,868)	20,241,648
Unallocated Loss Adjustment Expense (ULAE)	1,224,000	285,000	1,509,000
Subtotal	23,975,516	(2,224,868)	21,750,648
Total Liabilities	$ 26,395,516	$ (2,852,868)	$ 23,542,648
Net Position:			
Undesignated Net Postion - Net Assets/(Deficit)	(9,380,282)	4,691,959	(4,688,323)
Designated - Capital Assets	- -	- -	- -
Total Net Position	$ (9,380,282)	$ 4,691,959	$ (4,688,323)
Total Liabilities and Ending Net Position	**$ 17,015,234**	**$ 1,839,091**	**$ 18,854,325**

Alameda County Schools Insurance Group (ACSIG)
Workers' Compensation
Statement of Revenues, Expenditures and Changes in Net Fund Assets
For The Nine Months Ended 03/31/2015

	Cash Activity 07/01/2014 03/31/2015	Allocations	Change in Accruals	Balance Year to Date	2014/2015 Budget	Variance	Percentage of Budget
Audited - Beginning Net Position, as of 07/01/2014				$ (9,380,282)			
Beginning Cash and Investments	$ 14,951,478				$ (9,380,282)		
Operating Revenue:							
Premiums Paid by Members	$ 18,505,283	$ --	$ --	$ 18,505,283	$ 20,019,868	$ (1,514,585)	92.43 %
Total Operating Revenue	18,505,283	--	--	18,505,283	20,019,868	(1,514,585)	92.43
Operating Expenditures:	--						
Classified Salaries	--	--	--	--	--	--	
Statutory Benefits	--	--	--	--	--	--	
Health & Welfare	--	--	--	--	--	--	
Employer Tax Expense	--	--	--	--	--	--	
Telephone & Internet	--	--	--	--	--	--	
Supplies Office	--	--	--	--	--	--	
Supplies - Other	--	--	--	--	--	--	
Eligibility Processing	--	--	--	--	--	--	
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--	
Brokerage Fees-Dental-MD	--	--	--	--	--	--	
Travel and Conferences	--	--	--	--	--	--	
Mileage	--	--	--	--	--	--	
Dues & Memberships	--	--	--	--	--	--	
Postage & Meter	--	--	--	--	--	--	
Insurance Expense-PIPS	15,330,498	--	--	15,330,498	18,500,000	(3,169,502)	82.87
PIPS Contribution Adjustmert	957,488	--	--	957,488	--	957,488	
Utility - Operating-Rent	--	--	--	--	--	--	
Advertising	--	--	--	--	--	--	
Contract Services - Actuarial	7,900	--	--	7,900	10,000	(2,100)	79.00
Contract Services -PL-Investigation	--	--	--	--	--	--	
CAJPA Dues/Accreditation	--	--	--	--	--	--	
Audit Fees	--	--	--	--	--	--	
Other Services/Operating Expenses	--	--	--	--	--	--	
Capital Equipment/Depreciation	--	--	--	--	--	--	
Repairs & Maintenance	--	--	--	--	--	--	
Legal	--	--	--	--	--	--	
Accounting Services	--	--	--	--	--	--	
County Courier	--	--	--	--	--	--	
Shredding	--	--	--	--	--	--	
Copier & Scanner	--	--	--	--	--	--	
Claims Administration Services	175,431	--	--	175,431	176,000	(569)	99.68
Self-Insurance Fee	209,492	--	--	209,492	280,000	(70,508)	74.82
Claims Paid-WC	2,805,388	--	(113,084)	2,692,304	3,100,000	(407,696)	86.85
Claims Paid-PL	--	--	--	--	--	--	
Physical Abilities Testing	8,063	--	--	8,063	5,000	3,063	161.26
Training	4,249	--	--	4,249	10,000	(5,751)	42.49
First-Aid Program	16,576	--	--	16,576	15,000	1,576	110.51
Food Service Training	--	--	--	--	10,000	(10,000)	--
Special Ed Training	--	--	--	--	20,000	(20,000)	--
Bank Charge & WC Penalty Reimb	--	--	--	--	--	--	--
Cobra Premiums	--	--	--	--	--	--	--
Dental Insurance Premiums	--	--	--	--	--	--	--
Vision Insurance Premiums	--	--	--	--	--	--	--
Claim Development Expense	--	--	(2,852,868)	(2,852,868)	(2,800,000)	(52,868)	101.89
ACA Fees	--	--	--	--	--	--	--
Total Operating Expenditures	19,515,085	--	(2,965,952)	16,549,133	19,326,000	(2,776,867)	85.63 %
Net Increase/(Decrease) from Operations	(1,009,802)	--	2,965,952	1,956,150	693,868	1,262,282	281.92 %
Non Operating Income/(Expense)							
Interest Income	368,181	--	(223,400)	144,781	200,000	(55,219)	72.39
Net Increase/(Decrease) in Fair Value	130,679	--	--	130,679	--	130,679	--
Realized Gain/(Loss) on Investments	10,349	--	--	10,349	--	10,349	--
Interfund Transfer, Other Income	4,968,554	--	(2,518,554)	2,450,000	--	2,450,000	--
Total Non Operating Income/(Expense)	5,477,763	$ --	$ (2,741,954)	2,735,809	200,000	2,535,809	1,367.90 %
Ending Cash	$ 19,419,439						
Net Increase/(Decrease) in Net Position				4,691,959	893,868	3,798,091	
Unaudited - Ending Net Position, as of 03/31/2015				**$ (4,688,323)**	**$ (8,486,414)**	**$ 3,798,091**	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Dental
As of 06/30/2014 and 03/31/2015

	Audited As of 06/30/2014	Activity 07/01/2013 - 03/31/2015	Unaudited As of 03/31/2015
Assets:			
Current Assets			
Cash with County ACSIG #44901	$ 70,696	1,185,613	$ 1,256,309
Union Bank - Eligibility #9938	3,964,172	(3,215,085)	749,087
Union Bank - Expense #2064	100,871	66,650	167,521
Union Bank - Cobra Trust #0273	139,130	5,638	144,768
Union Bank - zero balance accounts	- -	- -	- -
Cash and Cash Equivalents	$ 4,274,869	(1,957,184)	$ 2,317,685
Investments Morgan Stanley - current	- -	- -	- -
Accounts Receivable	5,679,234	(284,272)	5,394,962
Prepaid Expense	- -	- -	- -
Interfund Receivable/(payable)	(908,147)	2,931,655	2,023,508
Subtotal Current Assets	9,045,956	690,199	9,736,155
Noncurrent Assets			
Investments - Morgan Stanley	5,210,384	(2,512,252)	2,698,132
Capital - Equipment,net of depreciation	- -	- -	- -
	5,210,384	(2,512,252)	2,698,132
Total Assets	**$ 14,256,340**	**$ (1,822,053)**	**$ 12,434,287**
Liabilities:			
Current Liabilities			
Accounts Payable	$ 2,304,571	$ 1,514,373	$ 3,818,944
Prefunding deposits	3,085,589	- -	3,085,589
Advance Contributions	- -	- -	- -
Current Portion of claims and claim adjustment	1,431,000	- -	1,431,000
Subtotal Current Liabilities	6,821,160	1,514,373	8,335,533
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	- -	- -	- -
Subtotal Claim Liabilities	- -	- -	- -
Total Liabilities	$ 6,821,160	$ 1,514,373	$ 8,335,533
Net Position:			
Undesignated Net Postion - Net Assets/(Deficit)	7,435,180	(3,336,426)	4,098,754
Designated - Capital Assets	- -	- -	- -
Total Net Position	$ 7,435,180	$ (3,336,426)	$ 4,098,754
Total Liabilities and Ending Net Position	**$ 14,256,340**	**$ (1,822,053)**	**$ 12,434,287**

Alameda County Schools Insurance Group (ACSIG)
Dental
Statement of Revenues, Expenditures and Changes in Net Fund Assets
For The Nine Months Ended 03/31/2015

	Cash Activity 07/01/2014 03/31/2015	Allocations	Change in Accruals	Balance Year to Date	2014/2015 Budget	Variance	Percentage of Budget
Audited - Beginning Net Position, as of 07/01/2014				$ 7,435,180			
Beginning Cash and Investments	$ 9,485,253				$ 7,435,180		
Operating Revenue:							
Premiums Paid by Members	$ 82,562,055	$ --	$ (290,195)	$ 82,271,860	$ 105,000,000	$ (22,728,140)	78.35 %
Total Operating Revenue	82,562,055	--	(290,195)	82,271,860	105,000,000	(22,728,140)	78.35
Operating Expenditures:							
Classified Salaries	--	120,028	--	120,028	169,000	(48,972)	71.02
Statutory Benefits	--	50,994	--	50,994	58,617	(7,623)	86.99
Health & Welfare	--	17,720	--	17,720	20,992	(3,272)	84.41
Employer Tax Expense	--	39,292	--	39,292	57,561	(18,269)	68.26
Telephone & Internet	--	3,043	--	3,043	8,000	(4,957)	38.04
Supplies Office	--	2,560	--	2,560	10,000	(7,440)	25.60
Supplies - Other	--	2,793	--	2,793	3,000	(207)	93.10
Eligibility Processing	137,004	--	--	137,004	180,000	(42,996)	76.11
Brokerage Fees-Dental-ACSIG	190,066	--	80	190,146	258,000	(67,854)	73.70
Brokerage Fees-Dental-MD	201,876	--	--	201,876	183,600	18,276	109.95
Travel and Conferences	--	17,989	--	17,989	15,000	2,989	119.93
Mileage	--	5,112	--	5,112	7,000	(1,888)	73.03
Dues & Memberships	--	835	--	835	1,000	(165)	83.50
Postage & Meter	--	1,980	--	1,980	5,000	(3,020)	39.60
Insurance Expense	--	--	--	--	--	--	--
					--	--	--
Net, Operating-Rent	--	24,854	--	24,854	25,000	(146)	99.42
Advertising	--	--	--	--	--	--	--
Contract Services - Actuarial	--	--	--	--	--	--	--
Contract Services -PL-Investigation	--	--	--	--	--	--	--
Contracted Services	--	7,250	--	7,250	6,000	1,250	120.83
Audit Fees	--	11,475	--	11,475	15,000	(3,525)	76.50
Other Services/Operating Expenses	--	2,151	--	2,151	10,000	(7,849)	21.51
Capital Equipment/Depreciation	--	--	--	--	2,500	(2,500)	--
Repairs & Maintenance	--	948	--	948	1,000	(52)	94.80
Legal	--	--	--	--	--	--	--
Accounting Services	--	6,575	--	6,575	--	6,575	--
County Courier	--	--	--	--	2,500	(2,500)	--
Shredding	--	613	--	613	1,500	(887)	40.83
Copier & Scanner	--	9,435	--	9,435	10,000	(565)	94.35
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	9,262	--	--	9,262	12,000	(2,738)	77.18
Cobra Premiums	122,062	--	--	122,062	240,000	(117,938)	50.86
Dental Insurance Premiums	80,602,273	--	1,464,373	82,066,646	103,200,000	(21,133,354)	79.52
Vision Insurance Premiums	--	--	--	--	--	--	--
Claim Development Expense	--	--	--	--	--	--	--
ACA Fees	--	--	--	--	--	--	--
Total Operating Expenditures	81,262,543	325,647	1,464,453	83,052,643	104,502,270	(21,449,627)	79.47 %
Net Increase/(Decrease) from Operations	1,299,512	(325,647)	(1,754,648)	(780,783)	497,730	(1,278,513)	(156.87) %
Non Operating Income/(Expense)							
Interest Income	62,359	29	6,003	68,390	45,000	23,390	151.98
Net Increase/(Decrease) in Fair Value	(126,339)	--	--	(126,339)	--	(126,339)	--
Realized Gain/(Loss) on Investments	2,305	--	--	2,305	--	2,305	--
I Transfer, YE Close, Rebate	(5,707,273)	--	3,207,273	(2,500,000)	--	(2,500,000)	
Total Non Operating Income/(Expense)	(5,768,948)	$ 29	$ 3,213,276	(2,555,644)	45,000	(2,600,644)	(5,679.21) %
Ending Cash	$ 5,015,817						
Net Increase/(Decrease) in Net Position				(3,336,426)	542,730	(3,879,156)	%
Unaudited - Ending Net Position, as of 03/31/2015				**$ 4,098,754**	**$ 7,977,910**	**$ (3,879,156)**	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Vision
As of 06/30/2014 and 03/31/2015

	Audited As of 06/30/2014	Activity 07/01/2013 - 03/31/2015	Unaudited As of 03/31/2015
Assets:			
Current Assets			
Cash with County #44902	$ 981,887	30,521	$ 1,012,408
Funds in Transit - #44902 to Morgan Stanley Investments	- -	- -	- -
Cash and Cash Equivalents	981,887	30,521	1,012,408
Investments Morgan Stanley - current	- -	- -	- -
Accounts Receivable	45,392	(1,780)	43,612
Prepaid Expense	- -	- -	- -
Interfund Receivable/(payable)	78,606	75,629	154,235
Subtotal Current Assets	1,105,885	104,370	1,210,255
Noncurrent Assets			
Investments - Morgan Stanley	1,042,078	16,013	1,058,091
Capital - Equipment,net of depreciation	- -	- -	- -
	1,042,078	16,013	1,058,091
Total Assets	**$ 2,147,963**	**$ 120,383**	**$ 2,268,346**
Liabilities:			
Current Liabilities			
Accounts Payable	$ 203,984	$ - -	$ 203,984
Prefunding deposits	30,842	- -	30,842
Advance Contributions	- -	- -	- -
Current Portion of claims and claim adjustment	120,000	- -	120,000
Subtotal Current Liabilities	354,826	- -	354,826
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	- -	- -	- -
Subtotal Claim Liabilities	- -	- -	- -
Total Liabilities	$ 354,826	$ - -	$ 354,826
Net Position:			
Undesignated Net Postion - Net Assets/(Deficit)	1,793,137	120,383	1,913,520
Designated - Capital Assets	- -	- -	- -
Total Net Position	$ 1,793,137	$ 120,383	$ 1,913,520
Total Liabilities and Ending Net Position	**$ 2,147,963**	**$ 120,383**	**$ 2,268,346**

Alameda County Schools Insurance Group (ACSIG)
Vision
Statement of Revenues, Expenditures and Changes in Net Fund Assets
For The Nine Months Ended 03/31/2015

	Cash Activity 07/01/2014 03/31/2015	Allocations	Change in Accruals	Balance Year to Date	2014/2015 Budget	Variance	Percentage of Budget
Audited - Beginning Net Position, as of 07/01/2014				$ 1,793,137			
Beginning Cash and Investments	$ 2,023,965				$ 1,793,137		
Operating Revenue:							
Premiums Paid by Members	$ 1,998,700	$ --	$ (7,541)	$ 1,991,159	$ 2,050,000	$ (58,841)	97.13 %
Total Operating Revenue	1,998,700	--	(7,541)	1,991,159	2,050,000	(58,841)	97.13
Operating Expenditures:							
Classified Salaries	--	--	--	--	--	--	
Statutory Benefits	--	--	--	--	--	--	
Health & Welfare	--	--	--	--	--	--	
Employer Tax Expense	--	--	--	--	--	--	
Telephone & Internet	--	--	--	--	--	--	
Supplies Office	--	--	--	--	--	--	
Supplies - Other	--	--	--	--	--	--	
Eligibility Processing	--	--	--	--	--	--	
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--	
Brokerage Fees-Dental-MD	--	--	--	--	--	--	
Travel and Conferences	--	--	--	--	--	--	
Mileage	--	--	--	--	--	--	
Dues & Memberships	--	--	--	--	--	--	
Postage & Meter	--	--	--	--	--	--	
Insurance Expense	--	--	--	--	--	--	
					--		
Utility - Operating-Rent	--	--	--	--	--	--	
Advertising	--	--	--	--	--	--	
Contract Services - Actuarial	--	--	--	--	--	--	
Contract Services -PL-Investigation	--	--	--	--	--	--	
Contract Services	--	--	--	--	--	--	
Audit Fees	--	--	--	--	--	--	
Other Services/Operating Expenses	--	--	--	--	--	--	
Capital Equipment/Depreciation	--	--	--	--	--	--	
Repairs & Maintenance	--	--	--	--	--	--	
Legal	--	--	--	--	--	--	
Accounting Services	--	--	--	--	--	--	
County Courier	--	--	--	--	--	--	
Shredding	--	--	--	--	--	--	
Copier & Scanner	--	--	--	--	--	--	
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	1,887,223	--	--	1,887,223	2,044,000	(156,777)	92.33
Claim Development Expense	--	--	--	--	--	--	
ACA Fees	--	--	--	--	--	--	
Total Operating Expenditures	1,887,223	--	--	1,887,223	2,044,000	(156,777)	92.33 %
Net Increase/(Decrease) from Operations	111,477	--	(7,541)	103,936	6,000	97,936	%
Non Operating Income/(Expense)							
Interest Income	(12,178)	--	5,761	(6,417)	20,000	(26,417)	(32.09)
Net Increase/(Decrease) in Fair Value	26,628	--	--	26,628	--	26,628	--
Realized Gain/(Loss) on Investments	(3,764)	--	--	(3,764)	--	(3,764)	--
Interfund Transfer	(75,629)	--	75,629	--	--	--	
Total Non Operating Income/(Expense)	(64,943)	$ --	$ 81,390	16,447	20,000	(3,553)	82.24 %
Ending Cash	$ 2,070,499						
Net Increase/(Decrease) in Net Position				120,383	$ 26,000	$ 94,383	%
Unaudited - Ending Net Position, as of 03/31/2015				**$ 1,913,520**	**$ 1,819,137**	**$ 94,383**	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Property and Liability
As of 06/30/2014 and 03/31/2015

	Audited As of 06/30/2014	Activity 07/01/2013 - 03/31/2015	Unaudited As of 03/31/2015
Assets:			
Current Assets			
Cash with County - #44903	$ 597,018	72,632	$ 669,650
Funds in Transit - #44903 to Morgan Stanley Investments	- -	- -	- -
Union Bank - Checking #0311	119,723	90,208	209,931
Union Bank - Claims Trust #1186	16,629	5,283	21,912
Cash and Cash Equivalents	$ 733,370	168,123	$ 901,493
Investments Morgan Stanley - current	- -	- -	- -
Accounts Receivable	13,250	504,573	517,823
Prepaid Expense	- -	- -	- -
Interfund Receivable/(payable)	(534,855)	(568,166)	(1,103,021)
Subtotal Current Assets	211,765	104,530	316,295
Noncurrent Assets			
Investments - Morgan Stanley	- -	- -	- -
Capital - Equipment,net of depreciation	- -	- -	- -
	- -	- -	- -
Total Assets	**$ 211,765**	**$ 104,530**	**$ 316,295**
Liabilities:			
Current Liabilities			
Accounts Payable	$ 2,042	$ (2,042)	$ - -
Prefunding deposits	- -	- -	- -
Advance Contributions	- -	- -	- -
Current Portion of claims and claim adjustment	109,459	(68,938)	40,521
Subtotal Current Liabilities	111,501	(70,980)	40,521
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	89,558	(56,404)	33,154
Unallocated Loss Adjustment Expense (ULAE)	50,819	- -	50,819
Subtotal	140,377	(56,404)	83,973
Total Liabilities	$ 251,878	$ (127,384)	$ 124,494
Net Position:			
Undesignated Net Postion - Net Assets/(Deficit)	(40,113)	231,914	191,801
Designated - Capital Assets	- -	- -	- -
Total Net Position	$ (40,113)	$ 231,914	$ 191,801
Total Liabilities and Ending Net Position	**$ 211,765**	**$ 104,530**	**$ 316,295**

Alameda County Schools Insurance Group (ACSIG)
Property and Liability
Statement of Revenues, Expenditures and Changes in Net Fund Assets
For The Nine Months Ended 03/31/2015

	Cash Activity 07/01/2014 03/31/2015	Allocations	Change in Accruals	Balance Year to Date	2014/2015 Budget	Variance	Percentage of Budget
Audited - Beginning Net Position, as of 07/01/2014				$ (40,113)			
Beginning Cash and Investments	$ 733,370				$ (40,113)		
Operating Revenue:							
Premiums Paid by Members	$ 466,949	$ --	$ 466,952	$ 933,901	$ 933,901	$ --	100.00 %
Total Operating Revenue	466,949	--	466,952	933,901	933,901	--	100.00
Operating Expenditures:							
Classified Salaries	--	--	--	--	--	--	
Statutory Benefits	--	--	--	--	--	--	
Health & Welfare	--	--	--	--	--	--	
Employer Tax Expense	--	--	--	--	--	--	
Telephone & Internet	--	--	--	--	--	--	
Supplies Office	--	--	--	--	--	--	
Supplies - Other	--	--	--	--	--	--	
Eligibility Processing	--	--	--	--	--	--	
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--	
Brokerage Fees-Dental-MD	--	--	--	--	--	--	
Travel and Conferences	--	--	--	--	--	--	
Mileage	--	--	--	--	--	--	
Dues & Memberships	--	--	--	--	--	--	
Postage & Meter	--	--	--	--	--	--	
Insurance Expense-NCR	831,270	--	--	831,270	823,300	7,970	100.97
					--		
Utility - Operating-Rent	--	--	--	--	--	--	
Advertising	--	--	--	--	--	--	
Contract Services - Actuarial	--	--	--	--	2,500	(2,500)	--
Contract Services -PL-Investigation	--	--	--	--	--	--	
Contract Services - Legal	10,523	--	--	10,523	--	10,523	
Audit Fees	--	--	--	--	--	--	
Other Services/Operating Expenses	--	--	--	--	--	--	
Capital Equipment/Depreciation	--	--	--	--	--	--	
Repairs & Maintenance	--	--	--	--	--	--	
Legal	--	--	--	--	--	--	
Accounting Services	--	--	--	--	--	--	
County Courier	--	--	--	--	--	--	
Shredding	--	--	--	--	--	--	
Copier & Scanner	--	--	--	--	--	--	
Claims Administration Services	6,386	--	(2,042)	4,344	18,000	(13,656)	24.13
Self-Insurance Fee	--	--	--	--	--	--	
Claims Paid-WC	--	--	--	--	--	--	
Claims Paid-PL	20,079	--	12,379	32,458	75,000	(42,542)	43.28
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	--	--	--	--	--	--	
Claim Development Expense	--	--	(125,342)	(125,342)	(10,000)	(115,342)	1,253.42
ACA Fees	--	--	--	--	--	--	
Total Operating Expenditures	868,258	--	(115,005)	753,253	908,800	(155,547)	82.88 %
Net Increase/(Decrease) from Operations	(401,309)	--	581,957	180,648	25,101	155,547	-- %
Non Operating Income/(Expense)							
Interest Income	1,266	--	--	1,266	700	566	180.86
Net Increase/(Decrease) in Fair Value	--	--	--	--	--	--	--
Realized Gain/(Loss) on Investments	--	--	--	--	--	--	--
Interfund Transfer, Other Income	568,166	--	(518,166)	50,000	--	50,000	--
Total Non Operating Income/(Expense)	569,432	$ --	$ (518,166)	51,266	700	50,566	7,323.71 %
Ending Cash	$ 901,493						
Net Increase/(Decrease) in Net Position				231,914	25,801	206,113	-- %
Unaudited - Ending Net Position, as of 03/31/2015				**$ 191,801**	**$ (14,312)**	**$ 206,113**	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Operations
As of 06/30/2014 and 03/31/2015

	Audited As of 06/30/2014	Activity 07/01/2013 - 03/31/2015	Unaudited As of 03/31/2015
Assets:			
Current Assets			
Union Bank - Payroll #0176	$ 49,507	7,313	$ 56,820
Union Bank Checking Account #1521	374,279	(102,496)	271,783
Cash and Cash Equivalents	$ 423,786	(95,183)	$ 328,603
Investments Morgan Stanley - current	- -	- -	- -
Accounts Receivable	- -	- -	- -
Prepaid Expense	- -	- -	- -
Interfund Receivable/(payable)	(413,367)	79,436	(333,931)
Subtotal Current Assets	10,419	(15,747)	(5,328)
Noncurrent Assets			
Investments - Morgan Stanley	- -	- -	- -
Capital - Equipment,net of depreciation	4,739	(3)	4,736
	4,739	(3)	4,736
Total Assets	**$ 15,158**	**$ (15,750)**	**$ (592)**
Liabilities:			
Current Liabilities			
Accounts Payable	$ 15,750	$ (15,750)	$ - -
Prefunding deposits	- -	- -	- -
Advance Contributions	- -	- -	- -
Current Portion of claims and claim adjustment	- -	- -	- -
Subtotal Current Liabilities	15,750	(15,750)	- -
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	- -	- -	- -
Subtotal Claim Liabilities	- -	- -	- -
Total Liabilities	$ 15,750	$ (15,750)	$ - -
Net Position:			
Undesignated Net Postion - Net Assets/(Deficit)	(5,331)	3	(5,328)
Designated - Capital Assets	4,739	(3)	4,736
Total Net Position	$ (592)	$ - -	$ (592)
Total Liabilities and Ending Net Position	**$ 15,158**	**$ (15,750)**	**$ (592)**

Alameda County Schools Insurance Group (ACSIG)
Operations
Statement of Revenues, Expenditures and Changes in Net Fund Assets
For The Nine Months Ended 03/31/2015

	Cash Activity 07/01/2014 03/31/2015	Allocations	Change in Accruals	Balance Year to Date	2014/2015 Budget	Variance	Percentage of Budget
Audited - Beginning Net Position, as of 07/01/2014				$ (592)			
Beginning Cash and Investments	$ 423,786				$ (592)		
Operating Revenue:							
Offset to Rent - Sub Lease	$ 35,131	$ (35,131)	$ --	$ --	$ --	$ --	%
Total Operating Revenue	35,131	(35,131)	--	--	--	--	--
Operating Expenditures:							
Classified Salaries	130,871	(120,028)	(10,843)	--	--	--	
Statutory Benefits	50,994	(50,994)	--	--	--	--	
Health & Welfare	17,720	(17,720)	--	--	--	--	
Employer Tax Expense	39,292	(39,292)	--	--	--	--	
Telephone & Internet	3,646	(3,043)	(603)	--	--	--	
Supplies Office	2,560	(2,560)	--	--	10,000	(10,000)	--
Supplies - Other	2,793	(2,793)	--	--	2,500	(2,500)	--
Eligibility Processing	--	--	--	--	--	--	
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--	
Brokerage Fees-Dental-MD	--	--	--	--	--	--	
Travel and Conferences	18,920	(17,989)	(931)	--	--	--	
Mileage	5,112	(5,112)	--	--	--	--	
Dues & Memberships	835	(835)	--	--	--	--	
Postage & Meter	1,980	(1,980)	--	--	--	--	
Insurance Expense	--	--	--	--	--	--	
	--				--		
Utility - Operating-Rent	59,985	(59,985)	--	--	--	--	
Advertising	--	--	--	--	--	--	
Contract Services - Actuarial	--	--	--	--	--	--	
Contract Services -PL-Investigation	--	--	--	--	--	--	
Contract Services	7,250	(7,250)	--	--	--	--	
Audit Fees	11,475	(11,475)	--	--	--	--	
Other Services/Operating Expenses	2,151	(2,151)	--	--	--	--	
Capital Equipment/Depreciation	(3)	--	3	--	5,000	(5,000)	--
Repairs & Maintenance	948	(948)	--	--	1,000	(1,000)	--
Legal	--	--	--	--	2,000	(2,000)	--
Accounting Services	9,825	(6,575)	(3,250)	--	13,000	(13,000)	--
County Courier	--	--	--	--	--	--	
Shredding	736	(613)	(123)	--	--	--	
Copier & Scanner	9,435	(9,435)	--	--	--	--	
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	376,525	(360,778)	(15,747)	--	33,500	(33,500)	-- %
Net Increase/(Decrease) from Operations	(341,394)	325,647	15,747	--	(33,500)	33,500	-- %
Non Operating Income/(Expense)							
Interest Income	29	(29)	--	--	50	(50)	--
Net Increase/(Decrease) in Fair Value	--	--	--	--	--	--	--
Realized Gain/(Loss) on Investments	--	--	--	--	--	--	--
Interfund Transfer & YE Close	246,182	--	(246,182)	--	33,450	(33,450)	--
Total Non Operating Income/(Expense)	246,211	$ (29)	$ (246,182)	--	33,500	(33,500)	-- %
Ending Cash	$ 328,603						
Net Increase/(Decrease) in Net Position				$ --	$ --	$ --	-- %
Unaudited - Ending Net Position, as of 03/31/2015				**$ (592)**	**$ (592)**	**$ --**	

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 03/31/2015

	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 7A
Paid Claims	$ 911,232	$ 1,828,378	$ 2,848,543	$ 2,769,164	$ 2,865,060	$ 4,012,960	$ 2,917,755	$ 5,515,675	$ 5,147,841	$ 4,036,375	$ 3,615,854	$ 4,740,915	$ 41,209,752
Reserves	60,238	- -	74,244	68,864	20,160	46,553	29,273	120,401	21,197	131,187	131,278	189,886	893,281
Incurred Claims	971,470	1,828,378	2,922,787	2,838,028	2,885,220	4,059,513	2,947,028	5,636,076	5,169,038	4,167,562	3,747,132	4,930,801	42,103,033
Incurred But Not Reported (IBNR)	(9,000)	- -	27,213	131,972	34,780	23,487	52,972	143,924	100,962	162,438	122,868	239,199	1,030,815
Non- Discounted Estimated Ultimate Incurred (1)	962,470	1,828,378	2,950,000	2,970,000	2,920,000	4,083,000	3,000,000	5,780,000	5,270,000	4,330,000	3,870,000	5,170,000	43,133,848
Anticipated Investment Income (Discount) (2)	(2,767)	- -	(5,479)	(12,854)	(3,901)	(5,393)	(6,662)	(22,203)	(10,506)	(25,839)	(22,873)	(39,905)	(158,382)
Discounted Estimated Ultimate (1-2)	959,703	1,828,378	2,944,521	2,957,146	2,916,099	4,077,607	2,993,338	5,757,797	5,259,494	4,304,161	3,847,127	5,130,095	42,975,466
Paid Claims	(911,232)	(1,828,378)	(2,848,543)	(2,769,164)	(2,865,060)	(4,012,960)	(2,917,755)	(5,515,675)	(5,147,841)	(4,036,375)	(3,615,854)	(4,740,915)	(41,209,752)
Remaining Estimated Unpaid Claim Liabilities	$ 48,471	$ - -	$ 95,978	$ 187,982	$ 51,039	$ 64,647	$ 75,583	$ 242,122	$ 111,653	$ 267,786	$ 231,273	$ 389,180	$ 1,765,714

(1) Per Bay Actuarial Consultants actuarial study dated February 2015.

(2) Discounted at 2%, 06/30/2012, 1.5%, 06/30/2014, and 1.5%, 12/31/2014.

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	959,703	1,828,378	2,944,521	2,957,146	2,916,099	4,077,607	2,993,338	5,757,797	5,259,494	4,304,161	3,847,127	5,130,095	42,975,466
Increase/Decrease	614	- -	967	8,179	9,717	66,741	184	(35,510)	103,146	(16,931)	118,781	(15,467)	240,421

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Workers' Compensation
As of 03/31/2015

	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	$ 41,209,752	$ 5,219,385	$ 6,920,630	$ 6,704,888	$ 8,883,640	$ 7,107,824	$ 10,590,321	$ 11,489,953	$ 98,126,393
Reserves	893,281	318,395	393,946	674,978	1,700,082	1,319,771	779,523	973,468	7,053,444
Incurred Claims	42,103,033	5,537,780	7,314,576	7,379,866	10,583,722	8,427,595	11,369,844	12,463,421	105,179,837
Incurred But Not Reported (IBNR)	1,030,815	272,220	345,424	560,134	666,278	572,405	600,156	826,579	4,874,011
Non- Discounted Estimated Ultimate Incurred (1)	43,133,848	5,810,000	7,660,000	7,940,000	11,250,000	9,000,000	11,970,000	13,290,000	110,053,848
Anticipated Investment Income (Discount) (2)	(158,382)	(57,880)	(76,155)	(132,157)	(257,933)	(206,247)	(151,765)	(208,805)	(1,249,324)
Discounted Estimated Ultimate (1-2)	42,975,466	5,752,120	7,583,845	7,807,843	10,992,067	8,793,753	11,818,235	13,081,195	108,804,524
Paid Claims	(41,209,752)	(5,219,385)	(6,920,630)	(6,704,888)	(8,883,640)	(7,107,824)	(10,590,321)	(11,489,953)	(98,126,393)
Remaining Estimated Unpaid Claim Liabilities	$ 1,765,714	$ 532,735	$ 663,215	$ 1,102,955	$ 2,108,427	$ 1,685,929	$ 1,227,914	$ 1,591,242	$ 10,678,131
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	42,975,466	5,752,120	7,583,845	7,807,843	10,992,067	8,793,753	11,818,235	13,081,195	108,804,524
Increase/Decrease	240,421	13,960	6,246	93,190	(140,230)	59,809	46,424	(46,997)	272,823

(1) Per Bay Actuarial Consultants actuarial study dated February 2015.
(2) Discounted at 2%, 06/30/2012, 1.5%, 06/30/2014, and 1.5%, 12/31/2014.

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Workers' Compensation
As of 03/31/2015

	Totals From Page 7A	Self-Insured Program Years 2002/2003	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	As of 03/31/2015 Totals	Activity: As of 06/30/2014 Totals	Activity: 07/01/2014 - 03/31/2015
Paid Claims	$ 98,126,393	$ 9,708,125	$ 5,760,492	$ 4,999,268	$ 8,070,924	$ 7,695,443	$ 7,980,265	$ 8,162,656	$ 150,503,566	$ 147,603,014	$ 2,900,552
Reserves	7,053,444	341,383	574,379	764,827	1,453,518	1,173,764	829,692	573,344	12,764,351	14,423,410	(1,659,059)
Incurred Claims	105,179,837	10,049,508	6,334,871	5,764,095	9,524,442	8,869,207	8,809,957	8,736,000	163,267,917	162,026,424	1,241,493
Incurred But Not Reported (IBNR)	4,874,011	510,492	755,129	585,905	1,175,558	980,793	1,370,043	2,154,000	12,405,931	14,315,424	(1,909,493)
Non- Discounted Estimated Ultimate Incurred (1)	110,053,848	10,560,000	7,090,000	6,350,000	10,700,000	9,850,000	10,180,000	10,890,000	175,673,848	176,341,848	(668,000)
Anticipated Investment Income (Discount) (2)	(1,249,324)	(104,781)	(170,177)	(179,647)	(365,442)	(314,565)	(329,960)	(422,738)	(3,136,634)	(3,567,318)	430,684
Discounted Estimated Ultimate (1-2)	108,804,524	10,455,219	6,919,823	6,170,353	10,334,558	9,535,435	9,850,040	10,467,262	172,537,214	172,774,530	(237,316)
Paid Claims	(98,126,393)	(9,708,125)	(5,760,492)	(4,999,268)	(8,070,924)	(7,695,443)	(7,980,265)	(8,162,656)	(150,503,566)	(147,603,014)	(2,900,552)
Remaining Estimated Unpaid Claim Liabilities	$ 10,678,131	$ 747,094	$ 1,159,331	$ 1,171,085	$ 2,263,634	$ 1,839,992	$ 1,869,775	$ 2,304,606	$ 22,033,648	$ 25,171,516	$ (3,137,868)
								Estimated Current Portion /Short-Term Liability (1)	(1,792,000)		
								Estimated Non-Current portion of Claim Liabilities	$ 20,241,648		

(1) Per Bay Actuarial Consultants actuarial study dated February 2015.

(2) Discounted at 2%, 06/30/2012, 1.5%, 06/30/2014, and 1.5%, 12/31/2014.

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	108,804,524	10,455,219	6,919,823	6,170,353	10,334,558	9,535,435	9,850,040	10,467,262	172,537,214
Increase/Decrease	272,823	1,117	121,706	102,847	131,110	(236,803)	(512,241)	(117,875)	(237,316)

Claim Development Expense	
Claim Liabilities and ULAE Decrease	$ (3,137,868) 285,000 $ (2,852,868)

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Property Liability
As of 03/31/2015

	Self-Insured Program Years							As of 03/31/2015 Totals	Activity 06/30/2014 Totals	Activity 07/01/2014 - 09/30/2014
	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015			
Paid Claims	$ 117,507	$ 48,738	$ 33,141	$ 96,543	$ 105,529	$ --	$ --	$ 401,457	$ 365,692	$ 35,765
Reserves	--	--	--	--	39,517	--	--	39,517	72,643	(33,126)
Incurred Claims	117,507	48,738	33,141	96,543	145,045	--	--	440,974	438,335	2,639
Incurred But Not Reported (IBNR)	--	0	--	(0)	1,517	5,863	32,843	40,223	127,818	(87,596)
Non- Discounted Estimated Ultimate Incurred (1)	117,507 (4)	48,738 (4)	33,141 (4	96,543 (4)	146,562 (3)	5,863	32,843	481,197	566,153	(84,957)
Anticipated Investment Income (Discount) (2)	--	(0)	--	0	(179)	(165)	(5,720)	(6,065)	(1,444)	(4,621)
Discounted Estimated Ultimate (1-2)	117,507	48,738	33,141	96,543	146,383	5,698	27,123	475,132	564,709	(89,577)
Paid Claims	(117,507)	(48,738)	(33,141)	(96,543)	(105,529)	--	--	(401,457)	(365,692)	(35,765)
Remaining Estimated Unpaid Claim Liabilities	$ --	$ --	$ --	$ --	$ 40,854	$ 5,698	$ 27,123	$ 73,675	$ 199,017	$ (125,342)
								Estimated Current Portion /Short-Term Liability (1), paid claims factor of .65	(40,521)	
								Estimated Non-Current portion of Claim Liabilities	$ 33,154	

(1) Per Bay Actuarial Consultants actuarial study dated May 2015.
(2) Discounted at .5%.
(3) Adjusted for negative IBNR **(4) Ultimate adjusted for deductible, not shown on the Acuarial Report.**

Claim Development Expense	
Claim Liabilities and ULAE	$ (125,342)
	--
Increase	$ (125,342)

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	146,562	5,863	32,843	481,197
Increase/Decrease	--	(1,039)	(4,498)	(4,249)	(1,977)	(106,037)	32,843	(84,957)

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: May 14, 2015

SUBJECT: 2014/2015 Third 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 nearly $800,000 in revenue.

Enclosed is ACSIG's third quarterly investment report. The Executive Director will review this with the Committee and Cary Alison from Morgan Stanley Wealth Management will be in attendance at the full Board meeting to address this item and outline the current investment strategy.

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

April 1, 2015

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 complete compliance with California government code sections 53600 and 53601 as well as your current investment policy statement as of the date of this report.

Change in Value and Dollar Weighted Return % (Net of fees)

Date of Report	03/31/15
Inception date	07/12/10
Beginning Total Value	$9,999,850.00
Net Contributions/Withdrawals	$5,033,025.75
Appreciation + Income	$891,957.54
Total Ending Value	$15,924.833.29
Current Quarter	0.86%
Year to Date	0.86%
Since Inception (annualized % per year)	1.36%

Historical Time Weighted Return % (Net of fees)

Last 3 Years (annualized % per year)	1.14%
Last 5 Years (annualized % per year)	-
Year 2010	0.29%
Year 2011	1.91%
Year 2012	2.44%
Year 2013	-0.03%
Year 2014	1.01%
Year 2015	0.86%
Corporate bonds as percentage of portfolio	28.78%

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

© 2012 Morgan Stanley Smith Barney LLC. Member SIPC.

Morgan Stanley

Fixed Income Report

Prepared on April 01, 2015

Prepared For: **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
1478 STONE POINT DR SUITE 500
ROSEVILLE CA 95661
Tel: +1 916 797-7742
Cary.Allison@morganstanley.com
http://www.morganstanleyfa.com/cary.allison

TABLE OF CONTENTS

Account(s) Included In This Report	3
Investment Summary Dollar Weighted Returns	4
Time Weighted Performance Summary	5
Time Weighted Performance By Period	6
Risk Vs. Return	7
Fixed Income & Preferreds Quality, Maturity And Asset Allocation	8
Positions: Fixed Income Detail	9
Disclosures	13

ACCOUNT(S) INCLUDED IN THIS REPORT

Account No. 171-041349

Reporting Currency: USD

ACCOUNT(S) DETAIL

Account Name and Address	Account Type	Advisory/Brokerage	Account Number	Date Opened	Date Closed
Alameda County Schools Ins Group P O Box 2487 DUBLIN	Consulting and Evaluation Services	Advisory	171-041349	04/27/10	

INVESTMENT SUMMARY DOLLAR WEIGHTED RETURNS

Morgan Stanley

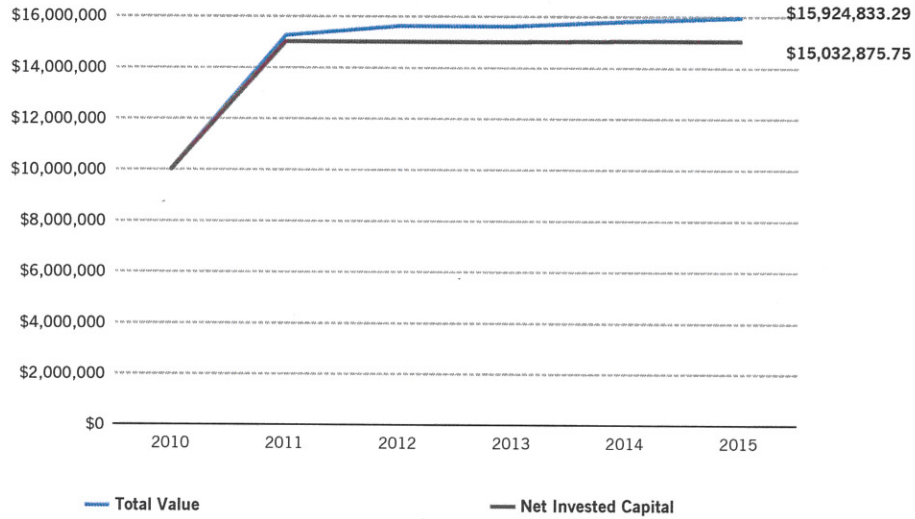
Account No. 171-041349

As of March 31, 2015|Reporting Currency: USD

CHANGE IN VALUE AND RETURN % (NET OF FEES)

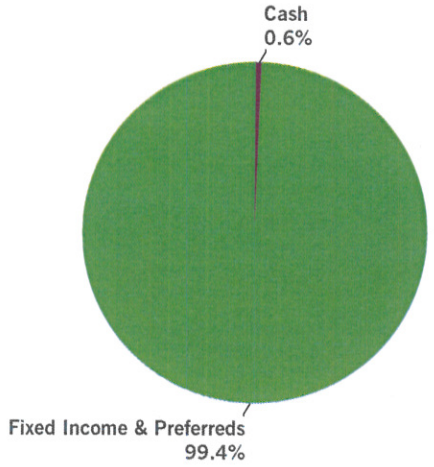
	Quarter to Date 12/31/14-03/31/15	Year to Date 12/31/14-03/31/15	Performance Inception 07/12/10-03/31/15
Beginning Total Value	**$15,789,357.87**	**$15,789,357.87**	**$9,999,850.00**
Net Contributions/Withdrawals	0.00	0.00	5,033,025.75
Total Income Received	80,617.55	80,617.55	1,613,276.68
Appreciation/Depreciation	54,857.87	54,857.87	-721,319.14
Ending Total Value	**$15,924,833.29**	**$15,924,833.29**	**$15,924,833.29**
DOLLAR WEIGHTED RATE OF RETURN			
Return % (Net of Fees)	0.86%	0.86%	1.36%

TOTAL VALUE VS. NET INVESTED CAPITAL



Does not include Performance Ineligible Assets.

ASSET ALLOCATION



Does not include Performance Ineligible Assets.

INCOME SUMMARY

	Year To Date 01/01/15-03/31/15	Projected Remaining Year (Until 12/31) 03/31/15-12/31/15	Projected Next 12 Months 05/01/15-04/30/16
INCOME BY ASSET CLASS			
Cash	$6.05	-	-
Fixed Income & Preferreds	80,611.50	179,443.44	283,594.84
Total Income	**$80,617.55**	**$179,443.44**	**$283,594.84**
INCOME BY TAX CATEGORY			
Taxable	80,617.55	179,443.44	283,594.84
Non Taxable	-	-	-
Tax Deferred	-	-	-
Total Income	**$80,617.55**	**$179,443.44**	**$283,594.84**

Income Summary does not include income from external assets.

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

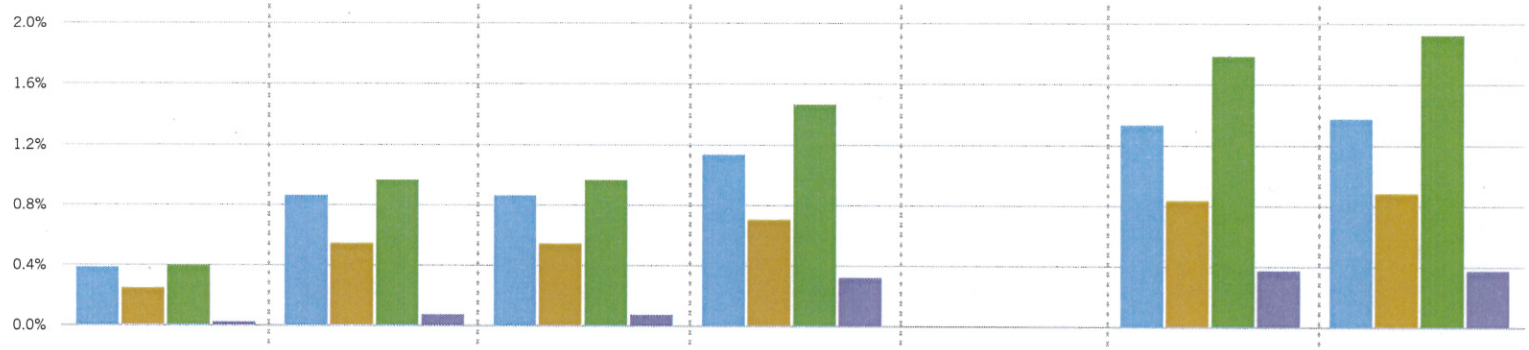
TIME WEIGHTED PERFORMANCE SUMMARY

Morgan Stanley

Account No. 171-041349

As of March 31, 2015|Reporting Currency: USD

RETURN % (NET OF FEES) VS. BENCHMARKS



	Month to Date 02/28/15 - 03/31/15	Quarter to Date 12/31/14 - 03/31/15	Year to Date 12/31/14 - 03/31/15	Last 3 Years 03/31/12 - 03/31/15	Last 5 Years 03/31/10 - 03/31/15	Performance Inception Month End 07/31/10 - 03/31/15	Performance Inception 07/12/10 - 03/31/15
Beginning Total Value	**$15,864,378.70**	**$15,789,357.87**	**$15,789,357.87**	**$15,363,956.06**	**-**	**$10,025,516.38**	**$9,999,850.00**
Net Contributions/Withdrawals	0.00	0.00	0.00	32,875.75	-	5,032,875.75	5,033,025.75
Income Received	28,864.74	80,617.55	80,617.55	1,157,077.71	-	1,667,796.50	1,613,276.68
Appreciation/Depreciation	31,589.85	54,857.87	54,857.87	-629,076.23	-	-801,355.34	-721,319.14
Ending Total Value	**$15,924,833.29**	**$15,924,833.29**	**$15,924,833.29**	**$15,924,833.29**	**-**	**$15,924,833.29**	**$15,924,833.29**
Return % (Net of Fees)	**0.38**	**0.86**	**0.86**	**1.13**	**-**	**1.33**	**1.37**
BC Gov 1-3 Yr	*0.24*	*0.54*	*0.54*	*0.70*	-	*0.83*	*0.88*
BC Gov/Cr 1-5 yr	*0.39*	*0.96*	*0.96*	*1.46*	-	*1.78*	*1.92*
Citi CD 6 Mth	*0.02*	*0.07*	*0.07*	*0.32*	-	*0.37*	*0.37*

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

Morgan Stanley

Account No. 171-041349

As of March 31, 2015 | Reporting Currency: USD

RETURN % (NET OF FEES) VS. BENCHMARKS

From 07/12/10 - 03/31/15

Period	Beginning Total Value	Net Contributions/ Withdrawals	Total Income Received	Appreciation/ (Depreciation)	Ending Total Value	Period Returns%			
						Portfolio (Net of Fees)	BC Gov 1-3 Yr	BC Gov/Cr 1-5 yr	Citi CD 6 Mth
2015 (YTD)	**$15,789,357.87**	**$0.00**	**$80,617.55**	**$54,857.87**	**$15,924,833.29**	**0.86%**	**0.54%**	**0.96%**	**0.07%**
1QTR	*15,789,357.87*	*0.00*	*80,617.55*	*54,857.87*	*15,924,833.29*	*0.86*	*0.54*	*0.96*	*0.07*
March	15,864,378.70	0.00	28,864.74	31,589.85	15,924,833.29	0.38	0.24	0.39	0.02
February	15,912,423.28	0.00	44,005.63	-92,050.21	15,864,378.70	-0.30	-0.22	-0.38	0.02
January	15,789,357.87	0.00	7,747.18	115,318.24	15,912,423.28	0.78	0.52	0.96	0.02
2014	**$15,597,806.94**	**$32,875.75**	**$360,315.83**	**-$201,640.65**	**$15,789,357.87**	**1.01%**	**0.64%**	**1.42%**	**0.27%**
2013	**$15,600,964.10**	**$0.00**	**$391,114.54**	**-$394,271.70**	**$15,597,806.94**	**-0.03%**	**0.37%**	**0.28%**	**0.27%**
2012	**$15,229,289.11**	**$0.00**	**$408,127.05**	**-$36,452.06**	**$15,600,964.10**	**2.44%**	**0.51%**	**2.24%**	**0.49%**
2011	**$10,028,996.97**	**$5,000,000.00**	**$303,269.37**	**-$102,977.23**	**$15,229,289.11**	**1.91%**	**1.56%**	**3.14%**	**0.39%**
2010 Performance Inception: 07/12/10	**$9,999,850.00**	**$150.00**	**$69,832.34**	**-$40,835.37**	**$10,028,996.97**	**0.29%**	**0.53%**	**1.03%**	**0.25%**

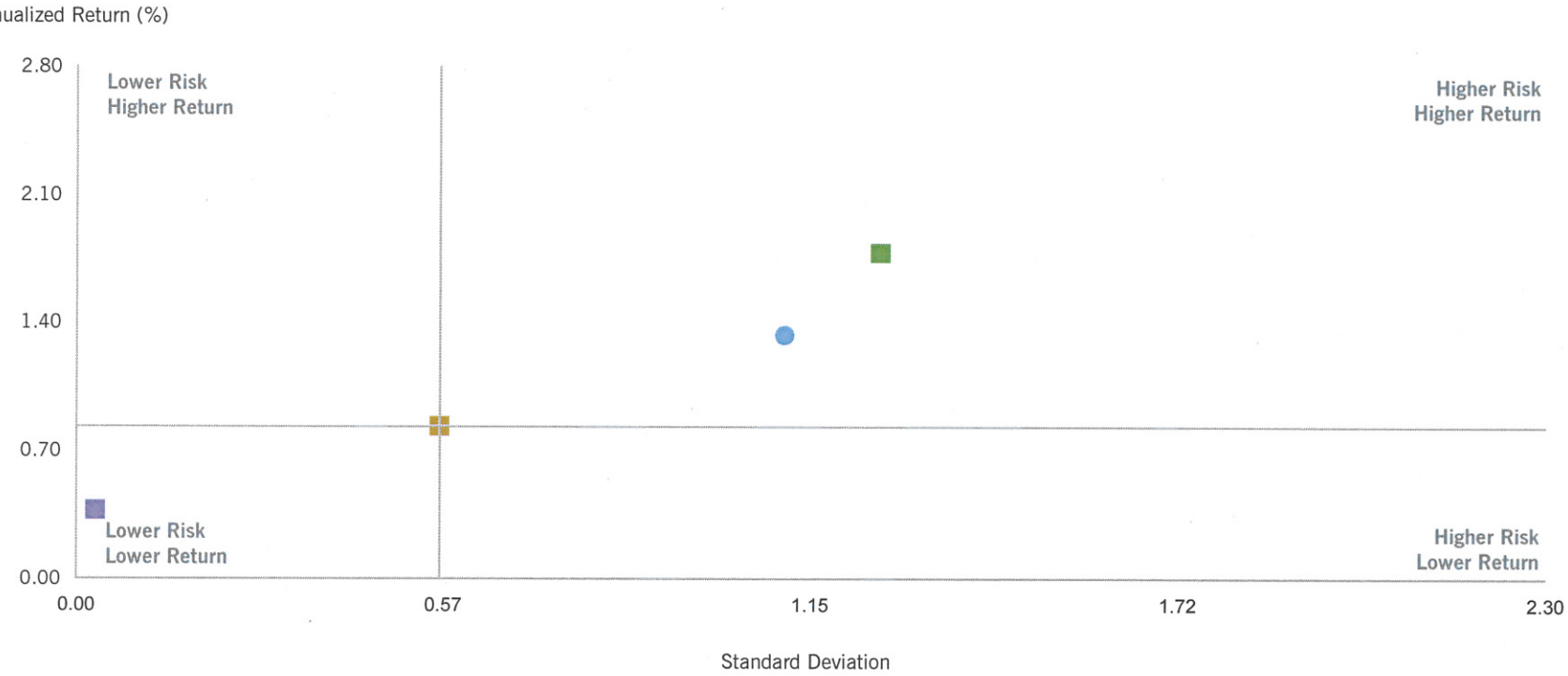
Inception dates for advisory account(s) reflect the most recent advisory program or account change.

RISK VS. RETURN

Account No. 171-041349

As of March 31, 2015|Reporting Currency: USD

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



	Return % (Net of Fees) 07/31/10-03/31/15	Standard Deviation 07/31/10-03/31/15
Portfolio	1.33 %	1.11 %
BC Gov 1-3 Yr	*0.83*	*0.57*
BC Gov/Cr 1-5 yr	*1.78*	*1.26*
Citi CD 6 Mth	*0.37*	*0.03*

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

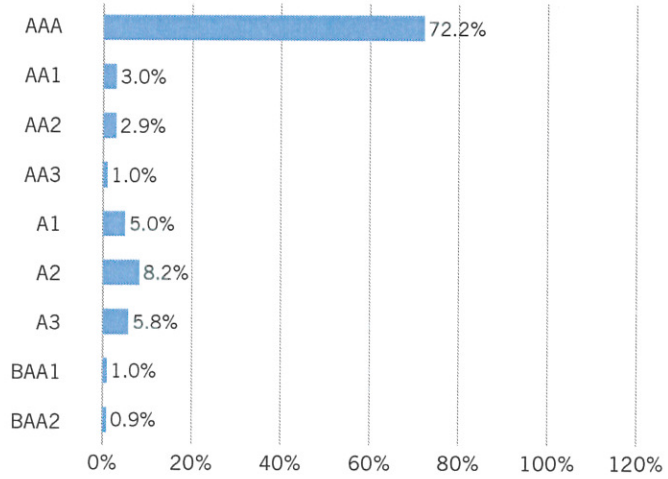
FIXED INCOME & PREFERREDS QUALITY, MATURITY AND ASSET ALLOCATION

Morgan Stanley

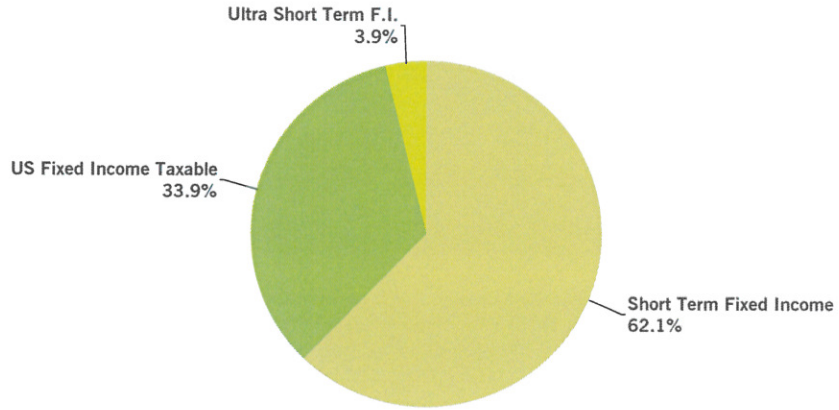
Account No. 171-041349

As of March 31, 2015 | Reporting Currency: USD

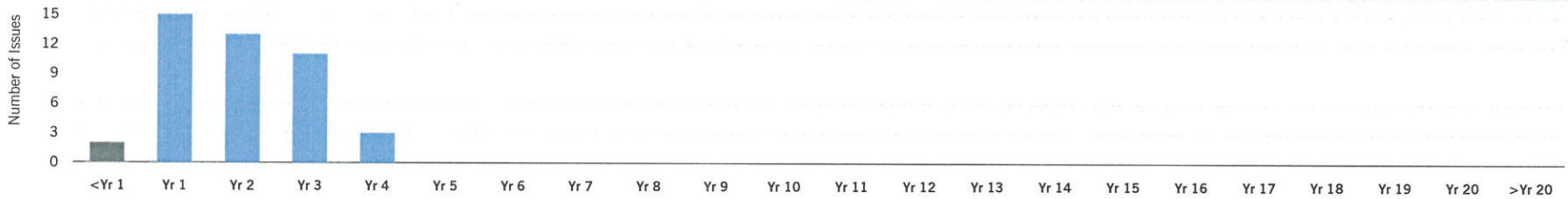
FIXED INCOME AND PREFERREDS QUALITY ANALYSIS



FIXED INCOME AND PREFERREDS ASSET ALLOCATION



MATURITY SCHEDULE



	Number of Issues	Total Value 03/31/15	% of Fixed Income & Preferreds
Less than 1 yr	2	$231,759.91	1.5%
1-5 yrs	42	15,597,026.44	98.5
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	**44**	**$15,828,786.34**	**100.0%**

Others includes securities without maturities, such as mutual funds. These securities are not included on the chart.

CORPORATE FIXED INCOME

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Accrued Int.	Total Value	Unrealized Gain/Loss	Duration	% of Fixed Income
AMERICAN EXPRESS CREDIT	-	$290,000.00	$102.81	$298,151.90	$298,422.57	$1,221.50	1.44	1.89%
	$296,930.40			$270.67				
Cusip: 0258M0DC0, Moody's Rating: A2, S & P Rating: A-, Maturity Date: 9/19/2016, Coupon: 2.800, Accrued Interest: $270.666, Curr Yield: 2.72%								
ANHEUSER-BUSCH INBEV WOR	-	156,000.00	100.62	156,964.08	157,416.91	301.15	2.24	0.99
	156,662.93			452.83				
Cusip: 03523TBN7, Moody's Rating: A2, S & P Rating: A, Maturity Date: 7/15/2017, Coupon: 1.375, Accrued Interest: $452.832, Curr Yield: 1.36%								
APPLE INC	-	161,000.00	99.37	159,980.87	160,341.33	1,688.89	4.64	1.01
	158,291.98			360.46				
Cusip: 037833AX8, Moody's Rating: AA1, S & P Rating: AA+, Maturity Date: 2/7/2020, Coupon: 1.550, Accrued Interest: $360.460, Curr Yield: 1.55%								
BANK OF NOVA SCOTIA	-	155,000.00	100.35	155,542.50	156,054.00	410.14	1.68	0.99
	155,132.36			511.50				
Cusip: 064159DA1, Moody's Rating: AA2, S & P Rating: A+, Maturity Date: 12/13/2016, Coupon: 1.100, Accrued Interest: $511.500, Curr Yield: 1.09%								
BB&T CORPORATION	-	151,000.00	101.82	153,749.71	153,830.87	1,709.94	1.85	0.97
	152,039.77			81.16				
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: $81.162, Curr Yield: 2.11%								
BERKSHIRE HATHAWAY INC	-	150,000.00	102.24	153,354.00	153,775.67	328.89	1.35	0.97
	153,025.11			421.67				
Cusip: 084670BB3, Moody's Rating: AA2, S & P Rating: AA, Maturity Date: 8/15/2016, Coupon: 2.200, Accrued Interest: $421.666, Curr Yield: 2.15%								
BHP BILLITON FIN USA LTD	-	152,000.00	101.54	154,343.84	155,373.01	996.13	1.61	0.98
	153,347.71			1,029.17				
Cusip: 055451AK4, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 11/21/2016, Coupon: 1.875, Accrued Interest: $1029.166, Curr Yield: 1.84%								
BNP PARIBAS	-	156,000.00	102.17	159,377.40	159,526.03	3,278.85	3.76	1.01
	156,098.55			148.63				
Cusip: 05574LXH6, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 3/17/2019, Coupon: 2.450, Accrued Interest: $148.632, Curr Yield: 2.39%								
COMCAST CORP	-	135,000.00	105.05	141,821.55	143,789.17	619.42	1.16	0.91
	141,202.13			1,967.62				
Cusip: 20030NAG6, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 6/15/2016, Coupon: 4.950, Accrued Interest: $1967.624, Curr Yield: 4.71%								
DUKE ENERGY CAROLINAS	-	152,000.00	101.60	154,428.96	155,212.18	67.44	1.67	0.98
	154,361.52			783.22				
Cusip: 26442CAL8, Moody's Rating: AA2, S & P Rating: A, Maturity Date: 12/15/2016, Coupon: 1.750, Accrued Interest: $783.221, Curr Yield: 1.72%								
GENERAL ELECTRIC CAPITAL CORP	-	150,000.00	102.60	153,903.00	155,378.83	1,291.48	2.01	0.98
	152,611.52			1,475.83				
Cusip: 36962G5W0, Moody's Rating: A1, S & P Rating: AA+, Maturity Date: 4/27/2017, Coupon: 2.300, Accrued Interest: $1475.832, Curr Yield: 2.24%								
GLAXOSMITHKLINE CAP INC	-	156,000.00	100.20	156,307.32	156,346.75	258.06	0.96	0.99
	156,049.26			39.43				

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 / Accrued Int.	Total Value	Unrealized Gain/Loss	Duration	% of Fixed Income
Cusip: 377372AG2, Moody's Rating: A2, S & P Rating: A+, Maturity Date: 3/18/2016, Coupon: 0.700, Accrued Interest: $39.432, Curr Yield: 0.69%								
GOLDMAN SACHS GROUP INC	-	155,000.00	101.39	157,149.85	157,525.62	1,175.16	3.00	1.00
	155,974.69			375.77				
Cusip: 38141GVK7, Moody's Rating: BAA1, S & P Rating: A-, Maturity Date: 4/30/2018, Coupon: 1.455, Accrued Interest: $375.771, Curr Yield: 1.43%								
JP MORGAN CHASE & CO	-	155,000.00	101.22	156,892.55	157,221.07	665.08	2.77	0.99
	156,227.47			328.52				
Cusip: 46625HJF8, Moody's Rating: A3, S & P Rating: A, Maturity Date: 1/25/2018, Coupon: 1.156, Accrued Interest: $328.524, Curr Yield: 1.14%								
MERCK & CO INC	-	158,000.00	100.11	158,173.80	158,932.64	2,125.10	3.04	1.00
	156,048.70			758.84				
Cusip: 58933YAG0, Moody's Rating: A2, S & P Rating: AA, Maturity Date: 5/18/2018, Coupon: 1.300, Accrued Interest: $758.838, Curr Yield: 1.29%								
MERRILL LYNCH & CO	-	132,000.00	110.83	146,299.56	147,003.56	2,451.99	2.25	0.93
	143,847.57			704.00				
Cusip: 59018YJ69, Moody's Rating: BAA2, S & P Rating: A-, Maturity Date: 8/28/2017, Coupon: 6.400, Accrued Interest: $704.000, Curr Yield: 5.77%								
METLIFE INC	-	136,000.00	106.73	145,150.08	148,210.08	-165.35	1.11	0.94
	145,315.43			3,060.00				
Cusip: 59156RAU2, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 6/1/2016, Coupon: 6.750, Accrued Interest: $3059.999, Curr Yield: 6.32%								
MICROSOFT CORP	-	159,000.00	99.72	158,556.39	159,081.97	1,545.48	2.58	1.01
	157,010.91			525.58				
Cusip: 594918AP9, Moody's Rating: AAA, S & P Rating: AAA, Maturity Date: 11/15/2017, Coupon: 0.875, Accrued Interest: $525.582, Curr Yield: 0.87%								
OCCIDENTAL PETROLEUM CORP	-	74,000.00	101.49	75,104.82	75,413.15	-20.14	0.82	0.48
	75,124.96			308.33				
Cusip: 674599BZ7, Moody's Rating: A2, S & P Rating: A, Maturity Date: 2/1/2016, Coupon: 2.500, Accrued Interest: $308.333, Curr Yield: 2.46%								
ORACLE CORP	-	154,000.00	102.75	158,228.84	159,000.98	1,910.13	3.60	1.01
	156,318.71			772.14				
Cusip: 68389XAQ8, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 1/15/2019, Coupon: 2.375, Accrued Interest: $772.138, Curr Yield: 2.31%								
PNC FUNDING CORP	-	150,000.00	102.38	153,565.50	153,700.50	-256.20	1.36	0.97
	153,821.70			135.00				
Cusip: 693476BM4, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 9/19/2016, Coupon: 2.700, Call Date: 8/19/2016, Call Price: 100.000, Accrued Interest: $134.998, Curr Yield: 2.63%								
PROCTER & GAMBLE CO/THE	-	149,000.00	101.36	151,021.93	152,185.79	-75.15	4.34	0.96
	151,097.08			1,163.86				
Cusip: 742718EG0, Moody's Rating: AA3, S & P Rating: AA-, Maturity Date: 11/1/2019, Coupon: 1.900, Accrued Interest: $1163.855, Curr Yield: 1.87%								
RIO TINTO FINANCE (USA) LIMITED	-	152,000.00	101.74	154,644.80	154,749.30	200.94	1.44	0.98
	154,443.86			104.50				
Cusip: 767201AP1, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 9/20/2016, Coupon: 2.250, Accrued Interest: $104.500, Curr Yield: 2.21%								
SHELL INTERNATIONAL FIN	-	155,000.00	101.70	157,630.35	158,047.56	1,599.56	3.24	1.00

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 / Accrued Int.	Total Value	Unrealized Gain/Loss	Duration	% of Fixed Income
	156,030.79			417.21				
Cusip: 822582AW2, Moody's Rating: AA1, S & P Rating: AA, Maturity Date: 8/10/2018, Coupon: 1.900, Accrued Interest: $417.207, Curr Yield: 1.86%								
TORONTO-DOMINION BANK	-	155,000.00	100.03	155,051.15	155,955.32	-223.45	2.99	0.99
	155,274.60			904.17				
Cusip: 89114QAG3, Moody's Rating: AA1, S & P Rating: AA-, Maturity Date: 4/30/2018, Coupon: 1.400, Accrued Interest: $904.166, Curr Yield: 1.39%								
UNITED TECHNOLOGIES CORP	-	151,000.00	101.84	153,779.91	154,685.91	389.97	2.12	0.98
	153,389.94			906.00				
Cusip: 913017BU2, Moody's Rating: A2, S & P Rating: A, Maturity Date: 6/1/2017, Coupon: 1.800, Accrued Interest: $905.998, Curr Yield: 1.76%								
UNITEDHEALTH GROUP INC	-	155,000.00	100.97	156,506.60	157,507.21	656.79	2.47	1.00
	155,849.81			1,000.61				
Cusip: 91324PBY7, Moody's Rating: A3, S & P Rating: A+, Maturity Date: 10/15/2017, Coupon: 1.400, Accrued Interest: $1000.610, Curr Yield: 1.38%								
US BANCORP	-	150,000.00	102.10	153,150.00	154,396.67	-44.80	1.50	0.98
	153,194.80			1,246.67				
Cusip: 91159HHB9, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 11/15/2016, Coupon: 2.200, Call Date: 10/14/2016, Call Price: 100.000, Accrued Interest: $1246.666, Curr Yield: 2.15%								
WELLS FARGO CO	-	130,000.00	111.11	144,437.80	146,672.18	390.48	2.49	0.93
	144,047.32			2,234.38				
Cusip: 949746NX5, Moody's Rating: A2, S & P Rating: A+, Maturity Date: 12/11/2017, Coupon: 5.625, Accrued Interest: $2234.375, Curr Yield: 5.06%								
Corporate Fixed Income Total	-	$4,434,000.00		$4,533,269.06	$4,555,756.81	$24,497.48		28.78%
	$4,508,771.58			$22,487.75				

GOVERNMENT SECURITIES

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Accrued Int.	Total Value	Unrealized Gain/Loss	Duration	% of Fixed Income
FED HOME LN MTG CORP	-	$780,000.00	$102.13	$796,606.20	$798,166.20	$654.21	1.38	5.04%
	$795,951.99			$1,560.00				
Cusip: 3137EACW7, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 8/25/2016, Coupon: 2.000, Accrued Interest: $1560.000, Curr Yield: 1.95%								
FED HOME LN MTG CORP	-	1,175,000.00	100.31	1,178,642.50	1,178,707.77	394.04	2.46	7.45
	1,178,248.46			65.27				
Cusip: 3137EADL0, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 9/29/2017, Coupon: 1.000, Accrued Interest: $65.271, Curr Yield: 0.99%								
FED NATL MTG ASSN	-	613,000.00	101.15	620,024.98	621,302.06	1,923.18	1.80	3.93
	618,101.80			1,277.08				
Cusip: 3135G0GY3, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 1/30/2017, Coupon: 1.250, Accrued Interest: $1277.081, Curr Yield: 1.23%								
FED NATL MTG ASSN	-	901,000.00	100.91	909,154.05	913,490.11	2,469.11	2.04	5.77
	906,684.94			4,336.06				
Cusip: 3135G0JA2, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 4/27/2017, Coupon: 1.125, Accrued Interest: $4336.062, Curr Yield: 1.11%								

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 / Accrued Int.	Total Value	Unrealized Gain/Loss	Duration	% of Fixed Income
FED NATL MTG ASSN	-	640,000.00	99.76	638,476.80	640,499.02	11,302.40	3.08	4.05
	627,174.40			2,022.22				
Cusip: 3135G0WJ8, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 5/21/2018, Coupon: 0.875, Accrued Interest: $2022.221, Curr Yield: 0.87%								
FED NATL MTG ASSN	-	640,000.00	99.94	639,584.00	640,408.44	4,940.81	2.81	4.05
	634,643.19			824.44				
Cusip: 3135G0TG8, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 2/8/2018, Coupon: 0.875, Accrued Interest: $824.442, Curr Yield: 0.87%								
FED NATL MTG ASSN	-	705,000.00	101.59	716,195.40	720,141.44	12,760.50	3.52	4.55
	703,434.90			3,946.04				
Cusip: 3135G0YT4, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 11/27/2018, Coupon: 1.625, Accrued Interest: $3946.040, Curr Yield: 1.59%								
FED NATL MTG ASSN	-	890,000.00	102.31	910,532.30	912,479.18	12,591.45	3.73	5.77
	897,940.85			1,946.88				
Cusip: 3135G0ZA4, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 2/19/2019, Coupon: 1.875, Accrued Interest: $1946.875, Curr Yield: 1.83%								
FED NATL MTG ASSN	-	699,000.00	102.51	716,572.86	717,046.14	6,501.82	3.35	4.53
	710,071.04			473.28				
Cusip: 3135G0YM9, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 9/18/2018, Coupon: 1.875, Accrued Interest: $473.279, Curr Yield: 1.82%								
UNITED STATES TREASURY NOTE	-	1,221,000.00	105.41	1,287,007.26	1,289,835.79	4,085.91	2.80	8.15
	1,282,921.35			2,828.53				
Cusip: 912828PY0, Moody's Rating: AAA, Maturity Date: 2/28/2018, Coupon: 2.750, Accrued Interest: $2828.532, Curr Yield: 2.60%								
UNITED STATES TREASURY NOTE	-	540,000.00	100.88	544,725.00	546,977.49	3,869.82	1.57	3.46
	540,855.18			2,252.49				
Cusip: 912828RM4, Moody's Rating: AAA, Maturity Date: 10/31/2016, Coupon: 1.000, Accrued Interest: $2252.486, Curr Yield: 0.99%								
UNITED STATES TREASURY NOTE	-	744,000.00	104.56	777,948.72	784,749.98	4,888.27	2.09	4.96
	773,060.45			6,801.26				
Cusip: 912828NG1, Moody's Rating: AAA, Maturity Date: 5/31/2017, Coupon: 2.750, Accrued Interest: $6801.261, Curr Yield: 2.62%								
UNITED STATES TREASURY NOTE	-	311,000.00	101.23	314,837.74	315,900.89	6,109.59	3.16	2.00
	308,728.15			1,063.15				
Cusip: 912828VK3, Moody's Rating: AAA, Maturity Date: 6/30/2018, Coupon: 1.375, Accrued Interest: $1063.154, Curr Yield: 1.35%								
UNITED STATES TREASURY NOTE	-	804,000.00	99.48	799,851.36	801,433.82	8,225.72	4.66	5.06
	791,625.64			1,582.46				
Cusip: 912828H52, Moody's Rating: AAA, Maturity Date: 1/31/2020, Coupon: 1.250, Accrued Interest: $1582.457, Curr Yield: 1.25%								
UNITED STATES TREASURY NOTE	-	384,000.00	102.06	391,891.20	391,891.20	1,025.06	0.99	2.48
	390,866.14			-				
Cusip: 912828KT6, Moody's Rating: AAA, Maturity Date: 3/31/2016, Coupon: 2.375, Curr Yield: 2.32%								
Government Securities Total	-	$11,047,000.00		$11,242,050.37	$11,273,029.53	$81,741.89		71.22%
	$11,160,308.48			$30,979.16				

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

DISCLOSURES

Explanatory Notes and Disclosures: 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.

For convenience purposes, your Financial Advisor may have assigned a designated name for this Document. The list of the accounts covered in this document is noted herein and may not include all of your accounts with us. Furthermore, the information included in this document may not include all asset classes/securities held by you at the firm. Please review this document carefully and discuss any questions you may have with your Financial Advisor. If you do not understand an entry, suspect an error, or want more details on current values or other information, contact your Financial Advisor. This document is based upon your Morgan Stanley account holdings and may include other holdings/information that you or a third party provided about assets custodied elsewhere. Morgan Stanley will not verify any other holdings/information. If any information reflects assets held away from Morgan Stanley, that will be indicated. The information contained in this document is subject to, and does not supersede the confirmations and account statements you receive from us. Values shown in your official account statement may differ from the values shown in this document due to, among other things, different reporting methods, delays, market conditions and interruptions. If there are discrepancies between your official account statement and this document, rely on your official account statement.

The information in this document is approximate and subject to updating, correction and other changes. We are not obligated to notify you if information changes. Although the statements of fact and data in this document have been obtained from, and are based upon sources that we believe to be reliable, we do not guarantee their accuracy, or timeliness, and any such information may be incomplete or condensed. Percentage values shown in this document are subject to rounding, which may impact total values. The values of securities and other investments not actively traded may be estimated or may not be available.

This information is provided for informational purposes only and should not be used for tax preparation. The information reported on your Form(s) 1099 supersedes the information provided in this report and should be exclusively relied upon for tax preparation. Morgan Stanley, its affiliates and its employees are not in the business of providing tax or legal advice. This Document and any tax-related statements are not intended or written to be used, and cannot be used or relied upon, by any taxpayer for the purpose of avoiding tax penalties. Tax-related statements, if any, may have been written in connection with promotion or marketing of the transaction(s) or matters addressed by these materials, to the extent allowed by applicable law. Any taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor. Morgan Stanley Smith Barney LLC, member SIPC.

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. Asset allocations may differ from product allocations.

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.

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, some annuities and assets held externally. 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).
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 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. 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 Next 12 Months income: Projected Next 12 Months income includes cash income such as interest and cash dividends, based on current yields and does not include income from external accounts. These are projections and the actual income may be lower or higher than the projections.

Bank Deposit Program: Morgan Stanley Smith Barney LLC is a registered broker-dealer, not a bank. Unless specifically disclosed in writing, other investments and services offered through Morgan Stanley Smith Barney LLC are not insured by the Federal Deposit Insurance Corporation (FDIC), are not deposits or other obligations of, or guaranteed by, a Bank and involve risks, including possible loss of principal amount invested. Bank Deposit Program balances are held at (1) Morgan Stanley Bank, N.A., and/or Morgan Stanley Private Bank, National Association, affiliates of Morgan Stanley Smith Barney, or (2) Citibank, N.A., each Members FDIC.

GENERAL DEFINITIONS

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 Change in Portfolio

Value and Asset Allocation before January 2014 does not include accruals.

Dollar-Weighted Return (Internal Rate of Return): A return calculation that measures the performance of your portfolio based on actual dollars invested over the reporting period. Since dollar weighted returns include the impact of the timing of 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 your progress toward investment goals.

Time-Weighted Return: A return calculation that measures the performance of one dollar invested over the reporting period. As time-weighted returns do not include the impact of timing of contributions and withdrawals, they can be compared to market indices and used to evaluate the performance of an investment or manager.

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.

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.

Appreciation/Depreciation: The total portfolio value increase or decrease over the reporting period excluding net contributions and withdrawals.

Income Received: Income received includes cash income such as interest and cash dividends and does not include income from external accounts.

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

Performance ineligible assets: Performance returns are not calculated for certain assets because accurate valuations and transaction data for these assets are not processed or maintained by us. Common examples of these include life insurance, some annuities and some assets held externally.

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

Adjusted Cost: A bond's original cost less amortization of any premium or plus the accretion of any discount. For zero coupon bonds it is the cost basis plus accreted interest.

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

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.

Duration: The approximate percentage change in a bond's price for a 100 basis points change in yield.

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

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

Consulting Group Investment Advisor Research (CG IAR): Consulting Group Investment Advisor Research (CG IAR) reviews certain investment products in the Consulting and Evaluation Services, Fiduciary Services, Select UMA, TRAK Fund Solution, Institutional Consulting Group and Fiduciary Asset Management programs. CG IAR statuses for these products are:
Focus (FL): Investment products on the Focus List have been subject to an in-depth review and possess CG IAR's highest level of confidence.
Approved (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 (NL): Investment products that were previously on the Focus List or Approved List but are no longer on either of those lists. CG IAR no longer covers these products.

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)

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.

STANDARD & POOR'S Equity Research Ratings: For ease of comparison, Morgan Stanley Wealth Management has normalized Standard & Poor's proprietary research ratings

to a 1 (Buy), 2 (Hold), and 3 (Sell), which differs from Standard & Poor's rating system. Please refer to a Standard & Poor's research report for a complete description of Standard & Poor's rating system and Standard & Poor's actual proprietary rating on any covered company. Standard & Poor's ratings are described below:
1 / 5-STARS (Strong Buy): Total return is expected to outperform the total return of a relevant benchmark, by a wide margin over the coming 12 months, with shares rising in price on an absolute basis
1 / 4-STARS (Buy): Total return is expected to outperform the total return of a relevant benchmark over the coming 12 months, with shares rising in price on an absolute basis
2 / 3-STARS (Hold): Total return is expected to closely approximate the total return of a relevant benchmark over the coming 12 months, with shares generally rising in price on an absolute basis
3 / 2-STARS (Sell): Total return is expected to underperform the total return of a relevant benchmark over the coming 12 months, and the share price not anticipated to show a gain
3 / 1-STARS (Strong Sell): Total return is expected to underperform the total return of a relevant benchmark by a wide margin over the coming 12 months, with shares falling in price on an absolute basis
Relevant benchmarks: In North America the relevant benchmark is the S&P 500 Index, in Europe and in Asia, the relevant benchmarks are generally the S&P Europe 350 Index and the S&P Asia 50 Index.

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

Accrued Income: Income earned but not yet received.

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 Mth: 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.

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: May 14, 2015

SUBJECT: 2015/2016 Budget

The ACSIG budget is enclosed for your review. This budget was developed using year-to-date 2014/2015 data and preliminary estimates for 2015/2016 rates and costs. Because all rates are not firm at this time, estimates were used for this report. All ACSIG operation costs will now be distributed to each program operated by ACSIG according to time studies

Due to the success of the trainings for Special Education ParaEducators and Food Service workers JPA wide since 2012/2013, we have continued to allocate funds the 2015/2016 budget so we can hold regional trainings for new staff of member agencies. Because there continues to be a need for trainings, additional options will be discussed at the meeting regarding opportunities for providing training within the JPA in an effort to mitigate injuries.

The budget will be reviewed by the Executive Director.

Alameda County Schools Insurance Group (ACSIG)
Consolidated
2015/2016 Budget

	Budget 2015/2016	Allocations	Change in Accruals	Actuals As of 3/31/14	2015/2016 Budget	2014/2015 Budget
Audited - Beginning Net Position, as of 07/01/2014				$ (2,424,500)		
Beginning Cash	$ (6,468,552)				$ (2,424,500)	$ (2,379,905)
Operating Revenue:						
Premiums Paid by Members	$ 136,326,495	$ --	$ --	$ 136,326,495	$ 136,326,495	$ 128,003,769
Total Operating Revenue	136,326,495	--	--	136,326,495	136,326,495	128,003,769
Operating Expenditures:						
Classified Salaries	221,043		--	221,043	221,043	169,000
Statutory Benefits	78,846		--	78,846	78,846	58,617
Health & Welfare	39,000		--	39,000	39,000	20,992
Employer Tax Expense	67,938		--	67,938	67,938	57,561
Telephone & Internet	10,500		--	10,500	10,500	8,000
Supplies Office	10,500	--	--	10,500	10,500	20,000
Supplies - Other	10,500	--	--	10,500	10,500	5,500
Eligibility Processing	185,808	--	--	185,808	185,808	180,000
Brokerage Fees-Dental-ACSIG	284,000	--	--	284,000	284,000	258,000
Brokerage Fees-Dental-MD	276,000	--	--	276,000	276,000	183,600
Travel and Conferences	19,500	--	--	19,500	19,500	15,000
Mileage	7,350	--	--	7,350	7,350	7,000
Dues & Memberships	1,300	--	--	1,300	1,300	1,000
Postage & Meter	2,750	--	--	2,750	2,750	5,000
Insurance Expense-PIPS&NCR	21,125,746	--	--	21,125,746	21,125,746	19,323,300
PIPS payroll adjustment	500,000			500,000	500,000	
Utility - Operating-Rent	27,648	--	--	27,648	27,648	25,000
Advertising	2,100	--	--	2,100	2,100	--
Contract Services	19,025	--	--	19,025	19,025	12,500
Contract Services -PL-Investigation	--	--	--	--	--	--
Contract Services-PL-Legal	10,000		--	10,000	10,000	6,000
Audit Fees	16,350		--	16,350	16,350	15,000
Other Services/Operating Expenses	7,125		--	7,125	7,125	10,000
Capital Equipment/Depreciation	5,250		--	5,250	5,250	7,500
Repairs & Maintenance	5,250		--	5,250	5,250	2,000
Legal	5,250		--	5,250	5,250	2,000
Accounting Services	15,750		--	15,750	15,750	13,000
County Courier	3,675		--	3,675	3,675	2,500
Shredding	2,100		--	2,100	2,100	1,500
Copier & Scanner	15,000		--	15,000	15,000	10,000
Claims Administration Services	193,429		--	193,429	193,429	194,000
Self-Insurance Fee	246,609		--	246,609	246,609	280,000
Claims Paid-WC	4,000,000		--	4,000,000	4,000,000	3,100,000
Claims Paid-PL	100,000	--	--	100,000	100,000	75,000
Physical Abilities Testing	22,500	--	--	22,500	22,500	5,000
Training	5,000	--	--	5,000	5,000	10,000
First-Aid Program	25,000	--	--	25,000	25,000	15,000
Food Service Training	10,000	--	--	10,000	10,000	10,000
Special Ed Training	10,000	--	--	10,000	10,000	20,000
Bank Charge & WC Penalty Reimb	--	--	--	--	--	12,000
Cobra Premiums	235,000	--	--	235,000	235,000	240,000
Dental Insurance Premiums	106,652,000	--	--	106,652,000	106,652,000	103,400,000
Vision Insurance Premiums	2,550,000	--	--	2,550,000	2,550,000	2,044,000
Claim Development Expense	(3,000,000)	--	--	(3,000,000)	(3,000,000)	(2,810,000)
Prior Year Adjustment	(50,000)	--	--	(50,000)	(50,000)	--
Total Operating Expenditures	133,974,843	--	--	133,974,843	133,974,843	127,014,570
Net Increase/(Decrease) from Operations	2,351,652	--	--	2,351,652	2,351,652	989,199
Non Operating Income/(Expense)						
Interest Income	218,250	--	--	218,250	218,250	265,750
Change in FMV	--	--	--	--	--	--
Realized Gain/(Loss)	--	--	--	--	--	--
Net, Interfund Transfer	--	--	--	--	--	33,450
Total Non Operating Income/(Expense)	218,250	--	--	218,250	218,250	299,200
Ending Cash	$ (3,898,650)	--				
Net Increase/(Decrease) in Net Position		$ --	$ --	2,569,902	$ 2,569,902	$ 1,288,399

Alameda County Schools Insurance Group (ACSIG)
Workers' Compensation
2015/2016 Budget

	Budget 2015/2016 0	Allocations	Change in Accruals	Balance Year to Date	2015/2016 Budget	2014/2015 Budget
Audited - Beginning Net Position, as of 07/01/2014				$ (9,202,835)		
Beginning Cash and Investments	$ (9,202,835)				$ (9,202,835)	$ (9,202,835)
Operating Revenue:						
Premiums Paid by Members	$ 24,592,230	$ --	$	$ 24,592,230	$ 24,592,230	$ 20,019,868
PIPS Contribution Adjustmert	--	--		--		
Total Operating Revenue	24,592,230	--	--	24,592,230	24,592,230	20,019,868
Operating Expenditures:	--					
Classified Salaries	55,164	--	--	55,164	55,164	--
Statutory Benefits	19,677	--	--	19,677	19,677	--
Health & Welfare	7,800	--	--	7,800	7,800	--
Employer Tax Expense	16,955	--	--	16,955	16,955	--
Telephone & Internet	1,500	--	--	1,500	1,500	--
Supplies Office	1,500	--	--	1,500	1,500	--
Supplies - Other	1,500	--	--	1,500	1,500	--
Utility - Rent	4,608	--	--	4,608	4,608	--
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--
Brokerage Fees-Dental-MD	--	--	--	--	--	--
Travel and Conferences	2,250	--	--	2,250	2,250	--
Mileage	1,050	--	--	1,050	1,050	--
Dues & Memberships	150	--	--	150	150	--
Postage & Meter	100	--	--	100	100	
Insurance Expense-PIPS	20,103,731	--	--	20,103,731	20,103,731	18,500,000
PIPS Contribution Adjustmert	500,000	--	--	500,000	500,000	
Advertising	300	--	--	300	300	
Contract Services - Actuarial	7,775	--	--	7,775	7,775	10,000
Contract Services -PL-Investigation	--	--	--	--	--	
Contract Services-PL-Legal	--	--	--	--	--	
Audit Fees	2,175	--	--	2,175	2,175	
Other Services/Operating Expenses	2,625	--	--	2,625	2,625	
Capital Equipment/Depreciation	750	--	--	750	750	
Repairs & Maintenance	750	--	--	750	750	
Legal	750	--	--	750	750	--
Accounting Services	2,250	--	--	2,250	2,250	--
County Courier	525	--		525	525	--
Shredding	750	--		750	750	--
Copier & Scanner	250	--		250	250	--
Claims Administration Services	175,429			175,429	175,429	176,000
Self-Insurance Fee	246,609	--		246,609	246,609	280,000
Claims Paid-WC	4,000,000	--		4,000,000	4,000,000	3,100,000
Claims Paid-PL	--	--		--	--	--
Physical Abilities Testing	10,000	--		10,000	10,000	5,000
Training	5,000	--		5,000	5,000	10,000
First-Aid Program	25,000	--		25,000	25,000	15,000
Food Service Training	10,000	--		10,000	10,000	10,000
Special Ed Training	10,000	--		10,000	10,000	20,000
Bank Charge & WC Penalty Reimb		--		--	--	--
Cobra Premiums	--	--		--	--	--
Dental Insurance Premiums	--	--		--	--	--
Vision Insurance Premiums	--	--		--	--	--
Claim Development Expense	(3,000,000)	--		(3,000,000)	(3,000,000)	(2,800,000)
Prior Year Adjustment	--	--	--	--	--	--
Total Operating Expenditures	22,216,923	--	--	22,216,923	22,216,923	19,326,000
Net Increase/(Decrease) from Operations	2,375,307	--	--	2,375,307	2,375,307	693,868
Non Operating Income/(Expense)						
Interest Income	150,000	--		150,000	150,000	200,000
Change in FMV		--	--		--	--
Realized Gain/(Loss)		--	--		--	--
Interfund Transfer		--		--	--	--
Total Non Operating Income/(Expense)	150,000	$ --	$ --	150,000	150,000	200,000
Ending Cash	$ (6,677,528)					
Net Increase/(Decrease) in Net Position				2,525,307	2,525,307	893,868
				$ (6,677,528)	$ (6,677,528)	$ (8,308,967)

Alameda County Schools Insurance Group (ACSIG)
Dental
2015/2016 Budget

	Budget 2015/2016	Allocations	Change in Accruals	Balance Year to Date	2015/2016 Budget	2014/2015 Budget
Audited - Beginning Net Position, as of 07/01/2014				$ 5,229,792		
Beginning Cash and Investments	$				$ 5,229,792	$ 5,268,084
Operating Revenue:						
Premiums Paid by Members	$ 108,000,000	$ --	$ --	$ 108,000,000	$ 108,000,000	$ 105,000,000
Total Operating Revenue	108,000,000	--	--	108,000,000	108,000,000	105,000,000
Operating Expenditures:						
Classified Salaries	127,245			127,245	127,245	169,000
Statutory Benefits	45,388			45,388	45,388	58,617
Health & Welfare	25,350			25,350	25,350	20,992
Employer Tax Expense	39,109			39,109	39,109	57,561
Telephone & Internet	7,500			7,500	7,500	8,000
Supplies Office	7,500			7,500	7,500	10,000
Supplies - Other	7,500			7,500	7,500	3,000
Eligibility Processing	181,200			181,200	181,200	180,000
Brokerage Fees-Dental-ACSIG	284,000			284,000	284,000	258,000
Brokerage Fees-Dental-MD	276,000			276,000	276,000	183,600
Travel and Conferences	15,000			15,000	15,000	15,000
Mileage	5,250			5,250	5,250	7,000
Dues & Memberships	1,000			1,000	1,000	1,000
Postage & Meter	2,500			2,500	2,500	5,000
Insurance Expense	--			--	--	--
Net, Operating-Rent	23,040			23,040	23,040	25,000
Advertising	1,500			1,500	1,500	--
Contract Services - Actuarial	9,375			9,375	9,375	--
Contract Services -PL-Investigation	--			--	--	--
Contract Services	10,000			10,000	10,000	6,000
Audit Fees	12,000			12,000	12,000	15,000
Other Services/Operating Expenses	3,750			3,750	3,750	10,000
Capital Equipment/Depreciation	3,750			3,750	3,750	2,500
Repairs & Maintenance	3,750			3,750	3,750	1,000
Legal	3,750			3,750	3,750	--
Accounting Services	11,250			11,250	11,250	--
County Courier	2,625			2,625	2,625	2,500
Shredding	1,125			1,125	1,125	1,500
Copier & Scanner	14,250			14,250	14,250	10,000
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	--	--	--	--	--	12,000
Cobra Premiums	235,000	--	--	235,000	235,000	240,000
Dental Insurance Premiums	106,652,000	--	--	106,652,000	106,652,000	103,400,000
Vision Insurance Premiums	--	--	--	--	--	--
Claim Development Expense	--	--	--	--		--
Prior Year Adjustment	--	--	--	--	--	--
Total Operating Expenditures	108,011,708	--	--	108,011,708	108,011,708	104,702,270
Net Increase/(Decrease) from Operations	(11,708)	--	--	(11,708)	(11,708)	297,730
Non Operating Income/(Expense)						
Interest Income	50,000	--		50,000	50,000	45,000
Change in FMV	--	--		--	--	--
Realized Gain/(Loss)	--	--		--	--	--
Interfund Transfer & YE Close Oper	--	--		--		--
Total Non Operating Income/(Expense)	50,000	$ --	$ --	50,000	50,000	45,000
Ending Cash	$ 38,292					
Net Increase/(Decrease) in Net Position				38,292	38,292	342,730
				$ 5,268,084	$ 5,268,084	$ 5,610,814

Alameda County Schools Insurance Group (ACSIG)
Vision
2015/2016 Budget

	Budget 2015/2016	Allocations	Change in Accruals	Balance Year to Date	2015/2016 Budget	2014/2015 Budget
Audited - Beginning Net Position, as of 07/01/2014				$ 1,534,984		
Beginning Cash and Investments	$ 1,704,258				$ 1,534,984	$ 1,545,979
Operating Revenue:						
Premiums Paid by Members	$ 2,600,000	$ --	$	$ 2,600,000	$ 2,600,000	$ 2,050,000
Total Operating Revenue	2,600,000	--	--	2,600,000	2,600,000	2,050,000
Operating Expenditures:						
Classified Salaries	22,104	--	--	22,104	22,104	0
Statutory Benefits	7,885	--	--	7,885	7,885	0
Health & Welfare	3,900	--	--	3,900	3,900	0
Employer Tax Expense	6,794	--	--	6,794	6,794	0
Telephone & Internet	1,000	--	--	1,000	1,000	0
Supplies Office	1,000	--	--	1,000	1,000	0
Supplies - Other	1,000	--	--	1,000	1,000	0
Eligibility Processing	--	--	--	--	--	0
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	0
Brokerage Fees-Dental-MD	--	--	--	--	--	0
Travel and Conferences	1,500	--	--	1,500	1,500	0
Mileage	700	--	--	700	700	0
Dues & Memberships	100	--	--	100	100	0
Postage & Meter	150	--	--	150	150	0
Insurance Expense	--	--	--	--	--	0
Utility - Operating-Rent	3,072	--	--	3,072	3,072	0
Advertising	200	--	--	200	200	0
Contract Services - Actuarial	1,250	--	--	1,250	1,250	0
Contract Services -PL-Investigation	--	--	--	--	--	0
Contract Services-PL-Legal	--	--	--	--	--	0
Audit Fees	1,450	--	--	1,450	1,450	0
Other Services/Operating Expenses	500	--	--	500	500	0
Capital Equipment/Depreciation	500	--	--	500	500	0
Repairs & Maintenance	500	--	--	500	500	0
Legal	500	--	--	500	500	0
Accounting Services	1,500	--	--	1,500	1,500	0
County Courier	350	--	--	350	350	0
Shredding	150	--	--	150	150	0
Copier & Scanner	400	--	--	400	400	0
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	2,550,000	--		2,550,000	2,550,000	2,044,000
Claim Development Expense	--	--	--	--	--	0
Prior Year Adjustment	--	--	--	--	--	0
Total Operating Expenditures	2,606,505	--	--	2,606,505	2,606,505	2,044,000
Net Increase/(Decrease) from Operations	(6,505)	--	--	(6,505)	(6,505)	6,000
Non Operating Income/(Expense)						
Interest Income	17,500	--		17,500	17,500	20,000
Change in FMV		--	--	--	--	0
Realized Gain/(Loss)		--	--	--	--	0
Interfund Transfer	--	--	--	--	--	0
Total Non Operating Income/(Expense)	17,500	$ --	$ --	17,500	17,500	20,000
Ending Cash	$ 1,715,253					
Net Increase/(Decrease) in Net Position				10,995	$ 10,995	$ 26,000
			0	$ 1,545,979	$ 1,545,979	$ 1,571,979

Alameda County Schools Insurance Group (ACSIG)
Property and Liability
2015/2016 Budget

	Budget 2015/2016	Allocations	Change in Accruals	Balance Year to Date	2015/2016 Budget	2014/2015 Budget
Audited - Beginning Net Position, as of 07/01/2014				$ 13,559		
Beginning Cash and Investments	$ 738,445				$ 13,559	$ 8,867
Operating Revenue:						
Premiums Paid by Members	$ 1,134,265	$ --	$	$ 1,134,265	$ 1,134,265	$ 933,901
Total Operating Revenue	1,134,265	--	--	1,134,265	1,134,265	933,901
Operating Expenditures:						
Classified Salaries	16,530	--	--	16,530	16,530	--
Statutory Benefits	5,896	--	--	5,896	5,896	--
Health & Welfare	1,950	--	--	1,950	1,950	--
Employer Tax Expense	5,080	--	--	5,080	5,080	--
Telephone & Internet	500	--	--	500	500	--
Supplies Office	500	--	--	500	500	--
Supplies - Other	500	--	--	500	500	--
Eligibility Processing	--	--	--	--	--	--
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--
Brokerage Fees-Dental-MD	--	--	--	--	--	--
Travel and Conferences	750	--	--	750	750	--
Mileage	350	--	--	350	350	--
Dues & Memberships	50	--	--	50	50	--
Postage & Meter	--	--	--	--	--	--
Insurance Expense-NCR	1,022,015	--		1,022,015	1,022,015	823,300
Utility - Operating-Rent	1,536	--	--	1,536	1,536	--
Advertising	100	--	--	100	100	--
Contract Services - Actuarial	625	--	--	625	625	2,500
Contract Services -PL-Investigation	--	--	--	--	--	
Contract Services-PL-Legal	--	--	--	--	--	--
Audit Fees	725	--	--	725	725	
Other Services/Operating Expenses	250	--	--	250	250	--
Capital Equipment/Depreciation	250	--	--	250	250	--
Repairs & Maintenance	250	--	--	250	250	--
Legal	250	--	--	250	250	--
Accounting Services	750	--	--	750	750	--
County Courier	175	--	--	175	175	--
Shredding	75	--	--	75	75	--
Copier & Scanner	100	--		100	100	--
Claims Administration Services	18,000	--		18,000	18,000	18,000
Self-Insurance Fee	--	--		--	--	--
Claims Paid-WC	--	--		--	--	--
Claims Paid-PL	100,000	--		100,000	100,000	75,000
Safety Inspection	12,500	--	--	12,500	12,500	--
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)
Prior Year Adjustment	(50,000)	--	--	(50,000)	(50,000)	--
Total Operating Expenditures	1,139,707	--	--	1,139,707	1,139,707	908,800
Net Increase/(Decrease) from Operations	(5,442)	--	--	(5,442)	(5,442)	25,101
Non Operating Income/(Expense)						
Interest Income	750	--	--	750	750	700
Change in FMV	--	--	--	--	--	--
Realized Gain/(Loss)	--	--	--	--	--	--
Interfund Transfer	--	--	--	--	--	--
Total Non Operating Income/(Expense)	750	$ --	$ --	750	750	700
Ending Cash	$ 733,753					
Net Increase/(Decrease) in Net Position				(4,692)	(4,692)	25,801
			0	$ 8,867	$ 8,867	$ 34,668

Alameda County Schools Insurance Group (ACSIG)
Operations
2015/2016 Budget

	Cash Activity 2015/2016 1/0/00	Allocations	Change in Accruals	Balance Year to Date	2015/2016 Budget	2014/2015 Budget
Audited - Beginning Net Position, as of 07/01/2014				$ --		
Beginning Cash and Investments	$ 291,580				$ --	$ --
Operating Revenue:						
Offset to Rent - Sub Lease	$	$	$ --	$ --	$	$
Total Operating Revenue	--	--	--	--	--	--
Operating Expenditures:						
Classified Salaries				--		--
Statutory Benefits				--		--
Health & Welfare				--		--
Employer Tax Expense			--	--		--
Telephone & Internet			--	--		--
Supplies Office				--		10,000
Supplies - Other			--	--		2,500
Eligibility Processing	--	--	--	--		--
Brokerage Fees-Dental-ACSIG	--	--	--	--		--
Brokerage Fees-Dental-MD	--	--	--	--		--
Travel and Conferences		--		--		--
Mileage	--		--	--		--
Dues & Memberships			--	--		--
Postage & Meter			--	--		--
Insurance Expense	--	--	--	--		--
Utility - Operating-Rent				--		--
Advertising	--	--	--	--		--
Contract Services - Actuarial	--	--	--	--		--
Contract Services -PL-Investigation	--	--	--	--		--
Contract Services-PL-Legal	--	--	--	--		--
Audit Fees			--	--		--
Other Services/Operating Expenses				--		--
Capital Equipment/Depreciation				--		5,000
Repairs & Maintenance	--	--	--	--		1,000
Legal	--	--	--	--		2,000
Accounting Services		--		--		13,000
County Courier	--	--	--	--		
Shredding	--	--	--	--		--
Copier & Scanner	--	--	--	--		--
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	--	--	--	--	--	--
Prior Year Adjustment	--	--	--	--	--	--
Total Operating Expenditures	--	--	--	--	--	33,500
Net Increase/(Decrease) from Operations	--	--	--	--	--	(33,500)
Non Operating Income/(Expense)						
Interest Income		--	--		--	50
Change in FMV	--	--	--	--	--	--
Realized Gain/(Loss)	--	--	--	--	--	--
Interfund Transfer & YE Close		--		--		33,450
Total Non Operating Income/(Expense)	--	$ --	$ --	--		33,500
Ending Cash	$ 291,580					
Net Increase/(Decrease) in Net Position				$ --	$ --	$ --
			0	$ --	$ --	$ --

Kimberly	salary & benefits	$ 165,298.32	$ 19,500.00	$ 58,961.75	$ 50,804.93
	50% dental	$ 82,649.16	$ 9,750.00	$ 29,480.88	$ 25,402.46
	30% wc	$ 49,589.50	$ 5,850.00	$ 17,688.53	$ 15,241.48
	10% vision	$ 16,529.83	$ 1,950.00	$ 5,896.18	$ 5,080.49
	10% p/l	$ 16,529.83	$ 1,950.00	$ 5,896.18	$ 5,080.49
Desiree	salary & benefits	$ 55,745.00	$ 19,500.00	$ 19,884.23	$ 17,133.42
	80 % dental	$ 44,596.00	$ 15,600.00	$ 15,907.38	$ 13,706.74
	10% wc	$ 5,574.50	$ 1,950.00	$ 1,988.42	$ 1,713.34
	10% vision	$ 5,574.50	$ 1,950.00	$ 1,988.42	$ 1,713.34
Amy	100% COBRA Dental	$ 18,000.00		$ 6,420.60	$ 5,532.36
		$ 239,043.32			

Telephone & Internet	$ 10,000.00
Supplies Office	$ 10,000.00
Supplies - Other	$ 10,000.00
Eligibility Processing	
Brokerage Fees-Dental-ACSIG	
Brokerage Fees-Dental-MD	
Travel and Conferences	$ 15,000.00
Mileage	$ 7,000.00
Dues & Memberships	$ 1,000.00
Postage & Meter	$ 5,000.00
Insurance Expense-PIPS&NCR	
PIPS payroll adjustment	
Utility - Operating-Rent	$ 30,720.00
Advertising	$ 2,000.00
Contract Services	$ 12,500.00
Contract Services -PL-Investigation	
Contract Services-PL-Legal	
Audit Fees	$ 14,500.00
Other Services/Operating Expenses	$ 5,000.00

(this is 95% dental)

Capital Equipment/Depreciation	$ 5,000.00	
Repairs & Maintenance	$ 5,000.00	
Legal	$ 5,000.00	
Accounting Services	$ 15,000.00	
County Courier	$ 3,500.00	
Shredding	$ 1,500.00	
Copier & Scanner	$ 15,000.00	(this is 95% dental)
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		
Claim Development Expense		
Prior Year Adjustment		
	$ 172,720.00	

WC INCREASE	5%
LIABILITY INCREASE	20%
PROPERY INCREASE	5%

WC	DENTAL	VISION	PL
$ 99,595.76	$ 267,045.58	$ 40,682.76	$ 29,456.50

15%	75%	10%	5%
$ 1,500.00	$ 7,500.00	$ 1,000.00	$ 500.00
$ 1,500.00	$ 7,500.00	$ 1,000.00	$ 500.00
$ 1,500.00	$ 7,500.00	$ 1,000.00	$ 500.00
$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -
$ 2,250.00	$ 11,250.00	$ 1,500.00	$ 750.00
$ 1,050.00	$ 5,250.00	$ 700.00	$ 350.00
$ 150.00	$ 750.00	$ 100.00	$ 50.00
$ 100.00	$ 4,500.00	$ 150.00	
$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -
$ 4,608.00	$ 23,040.00	$ 3,072.00	$ 1,536.00
$ 300.00	$ 1,500.00	$ 200.00	$ 100.00
$ 1,875.00	$ 9,375.00	$ 1,250.00	$ 625.00
$ -	$ -	$ -	$ -
$ -	$ -	$ -	$ -
$ 2,175.00	$ 10,875.00	$ 1,450.00	$ 725.00
$ 750.00	$ 3,750.00	$ 500.00	$ 250.00

$ 750.00	$ 3,750.00	$ 500.00	$ 250.00
$ 750.00	$ 3,750.00	$ 500.00	$ 250.00
$ 750.00	$ 3,750.00	$ 500.00	$ 250.00
$ 2,250.00	$ 11,250.00	$ 1,500.00	$ 750.00
$ 525.00	$ 2,625.00	$ 350.00	$ 175.00
$ 225.00	$ 1,125.00	$ 150.00	$ 75.00
$ 250.00	$ 14,250.00	$ 400.00	$ 100.00

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: May 14, 2015

SUBJECT: Employee Compensation

Enclosed please find the existing salary schedule for the Alameda County Schools Insurance Group (ACSIG). ACSIG currently has an Executive Director, one (1) full time Administrative Assistant Position and a part time Benefit Technician.

ACSIG staff salary requests are annually reviewed in conjunction with the salary increases negotiated throughout Alameda County. Attached is a worksheet that shows those Alameda County districts that have settled and the increases negotiated.

With the financial picture for many within California and Alameda County continuing to improve this year, the staff is requesting consideration of a 3% salary schedule increase. The total cost of this would be $8,623.

This item will be discussed at the meeting.

2014-2015 salary settlements

ACOE	2.5	mgmt
ALAMEDA UNIFIED	1.75	
ALBANY	not settled	
CASTRO VALLEY	5	
DUBLIN	5	
EDEN ROP	0	
EMERY	5	
FREMONT	5.9	
LIVERMORE	2.58	
MISSION VALLEY ROP		
MT HOUSE		
NEWARK	3% retro 7/1/13, 2.5% effective 4/1/14 and 1.83% effective 7/1/14	
NEW HAVEN	not settled	
PIEDMONT	3	
PLEASANTON	2%	
SAN LEANDRO		
SAN LORENZO	4.02	+ 2.02% bonus
SUNOL GLEN		
TRI VALLEY ROP		

average from 12 settled agencies 3.61363636

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: May 14, 2015

SUBJECT: Strategic Plan Update

In July 2014 the Executive Committee met with Dr. Betsy Eubanks and developed the 2014 Strategic Plan. In addition to the Executive Committee, 4 HR Administrators joined the group to discuss their perspective of ACSIG and what should be done to reach their peers.

One of the items requested from the HR Administrators was a one-page dashboard that would give the HR administrator a quick synopsis of their workers' compensation program and highlight anything that is unique. A sample is attached for your review. This sample was sent out to several HR administrators and has received positive feedback.

Additionally, the Executive Committee asked to review the ACSIG budget as part of a 5-year comparison. That document, too, is attached for Committee Review.

These items I will be reviewed at the meeting.

Castro Valley October - December 2014

District Specific Quarterly Data Report

WORKERS' COMPENSATION

	12/13	13/14	14/15
Quarterly Claims Data			
frequency	5	8	22
severity	$ 13,673.00	$ 58,189.00	$ 110,323.00

Top 3 causes by District for last quarter

1 fall/slip
2 cumulative trame
3 struck by

Top 3 causes by JPA for last quarter

1 strain by/repetitive motion
2 struck by
3 struck by falling object

Quarterly	
Claims Open	20
Claims Closed	2

Company Nurse	43
Treated with triage	7
Emergency Visits	3
Lag Days	2.17

Return to Work Success

Temporary Disability

EMPLOYEE TRAINING

Top 3 KSS Courses completed by District

1 10-things you should know
2 mandatory reporting
3 sexual misconduct/staff:student

Top 3 KSS Courses completed JPA-wide

1 mandatory reporting
2 child abuse identification/intervention
3 sexual harassment/staff:staff

Upcoming Live Training Opportunity

Lunch 'n Learn - Workers' Comp 101	18-Aug-15

ACSIG BUDGET COMPARATIVE

	12-13 Actual	13-14 Actual	14-15 Budget	15-16 Budget
Revenue				
Premiums	$132,878,170	$134,956,037	$128,003,769	$135,913,978
Sub-Lease	$47,688	$48,956	$46,584	$47,880
Interest	$55,246	$256,449	$265,750	$239,500
	$132,981,104	$135,261,442	$128,316,103	$136,201,358
Expenditures				
Salaries & Benefits	$348,644	$369,290	$386,170	$406,827
Supplies	$9,661	$11,594	$25,500	$20,669
Rent	$85,685	$81,234	$75,360	$77,880
Utilities	$39,178	$21,917	$21,000	$22,475
Broker Fee	$804,317	$709,661	$621,600	$745,808
Contracted Services	$52,766	$62,131	$55,000	$66,900
Insurance Expense	$16,975,187	$18,121,928	$19,380,200	$21,036,983
Claims Administration Services	$204,594	$193,805	$194,000	$193,429
Other Services	$30,500	$27,623	$26,950	$30,750
Equipment	$592	$11,964	$7,500	$5,250
Premiums	$110,434,933	$108,914,692	$105,444,000	$109,437,000
Claims Payments	$4,563,710	$5,108,456	$3,600,000	$4,100,000
self-insurance fee	$238,133	$234,866	$280,000	$246,609
Training	$17,917		$67,500	$72,500
Claims Development	-$6,997,855	-$3,414,856	-$2,810,000	-$3,000,000
WC Payroll Adjustment				$500,000
	$126,807,962	$130,454,305	$127,374,780	$133,963,080

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: May 14, 2015

SUBJECT: Strategic Planning 2015

In July 2014, the Executive Committee of the Alameda County Schools Insurance Group (ACSIG) conducted its annual Strategic Planning Session. Dr. Betsy Eubanks returned as the event facilitator. The plan has been reviewed with this Committee. 2015 represents a review year.

The Committee will discuss its need to review the plan and decide if a review is necessary and if so, when such a meeting should take place.

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: May 14, 2015

SUBJECT: Investment Policy

In order to stay in compliance with CAJPA accreditation standards, the written investment policy must be reviewed annually by the Executive Committee. No changes are proposed to this policy.

The policy will be reviewed by the Executive Director at the meeting.

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP

POLICY AND PROCEDURES MANUAL

SUBJECT: INVESTMENT OF FUNDS

1.0 POLICY

It shall be the policy of Alameda County Schools Insurance Group (Authority), that the Executive Committee shall have the power to invest or cause to be invested in compliance with Section 6509.5 of the California Government Code such funds as are not necessary for the immediate operation of the Schools Insurance Group in such securities as allowed by Section 53601 of the California Government Code.

The amount of money to be retained for the day-to-day operation of the Schools Insurance Group shall be determined by the Executive Committee.

All funds shall be invested in a manner which will 1) preserve principal; 2) meet the Authority's daily cash flow needs; and 3) optimize returns while conforming to all federal, state, and local statutes governing the investment of public funds. The Authority's investment portfolio shall be a suitable blend of investment strategies which achieve the desired objectives of the Authority as stated above.

2.0 SCOPE

This investment policy applies to all financial assets of the Authority. These funds are accounted for in the Authority's annual financial report and include:

2.1 Funds

- 2.1.1 Dental
- 2.1.2 Operations
- 2.1.3 Property/Liability
- 2.1.4 Workers' Compensation
- 2.1.5 Vision

3.0 PRUDENCE

Investments shall be made with same judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of capital as well as the probable income to be derived.

The standard of prudence to be used by the Authority's investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. The Investment Committee, acting in accordance with written procedures and their investment policy and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments. The Executive Committee serves as the Investment Committee.

4.0 OBJECTIVE

The primary objectives, in priority order, of the Authority's investment activities shall be:

4.1 Liquidity

The Authority's investment portfolio will remain sufficiently liquid to enable the Authority to meet all operating requirements which can be reasonably anticipated.

4.2 Safety

Safety of principal is a primary objective of the investment program. Investments of the Authority shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective diversification is required in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.

4.3 Return on Investment

The Authority's investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the Authority's investment risk constraints and the cash flow characteristics of the portfolio.

5.0 DELEGATION OF AUTHORITY

Authority to manage the Authority's investment program is derived from Government Code Sections 53601 & 53601.1. In accordance with Government Code Section 53607, Management responsibility for the investment program is hereby delegated to the Executive Committee, subject to annual review. The Executive Committee shall establish written investment program consistent with this investment policy.

Procedures should include reference to: safekeeping, PSA repurchase agreements, wire transfer agreements, collateral/depository agreements and banking service contracts. Such

procedures shall include explicit delegation of authority to persons responsible for investment transactions, except as provided under the terms of this

policy, and the procedures established by the Executive Committee. The Executive Committee shall be responsible for all transactions undertaken and shall establish a system of control to regulate the activities of subordinate officials.

6.0 ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to the Governing Board of Directors, any material financial interests in financial institutions that conduct business within this jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the Authority's portfolio. Employees and officers shall subordinate their personal investment transactions to those of the Authority particularly with regard to the time of purchases and sales.

7.0 AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The ACSIG treasurer will maintain a list of financial institutions authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness who are authorized to provide investment services in the State of California. These may include "primary" dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1. No public deposit shall be made except in a qualified public depository as established by state laws. All financial institutions and/or broker/dealers who desire to be placed on the list of financial institutions for investment transactions must supply the Treasurer with the following: 1.) audited financial statements, 2.) proof of National Association of Security Dealers certification, 3.) trading resolution, 4.) proof of state registrations, 5.) complete broker/dealer questionnaire, 6.) certification of having read Authority's investment policy and depository contracts). A current audited financial statement is required to be on file for each financial institution and broker/dealer through which ACSIG invests.

8.0 AUTHORIZED & SUITABLE INVESTMENTS

Deposit up to a maximum of 30% of the portfolio, b.) Repurchase Agreements, c.) Reverse Repurchase Agreement, d.) Corporate Obligations up to a maximum of 30% of the portfolio, e.) Money Market Accounts, f.) Local Agency Investment Fund, g.) County Treasurer. Securities eligible for investment shall be rated "A" or better at the time of

purchase. *If an investment is subsequently downgraded below "A" the Executive Director shall notify the Executive Committee upon learning of the downgrade. After review, the Executive Director shall make a recommendation to the

Executive Committee and a determination shall be made as to the action to be taken at either a special meeting or regular Executive Committee meeting.

9.0 COLLATERALIZATION

Collateralization will be required on two types of investments: certificates of deposit and repurchase (and reverse) agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be (102%) of market value of principal and accrued interest. The entity chooses to limit collateral to the following:

- Treasuries under ten years
- Agencies under ten years
- A1/P1 Commercial Paper/Bankers Acceptance

Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the Authority and retained. The right of collateral substitution is granted.

10.0 SAFEKEEPING AND CUSTODY

All security transactions, including collateral for repurchase agreements, entered into by the authority shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third party custodian designated by the Executive Committee and evidenced by safekeeping receipts.

11.0 DIVERSIFICATION

The Authority will diversify its investments by security type, maturity, and institution. With the exception of U.S. Treasury securities and authorized pools, no more than 50% of the entity's total investment portfolio will be invested in a single security type or with a single financial institution.

12.0 MAXIMUM MATURITIES

To the extent possible, the Authority will attempt to match its investments with anticipated cash flow requirements. In accordance with Government Code Section 53601, the Board of

Directors authorizes investments in U.S. Treasuries or Agencies of up to 20% of the investment portfolio in maturities over 5 years but not over 7 years. Any investment with a maturity over 5 years must be approved by two members of the Executive Committee.

13.0 INTERNAL CONTROL

A system of internal controls shall be established and documented in writing. The controls shall be designed to prevent losses of public funds arising from fraud, misrepresentation of third parties, or imprudent actions by ACSIG employees or officers.

14.0 PERFORMANCE STANDARDS

The investment portfolio will be designed to obtain a market average rate of return during budgetary and economic cycles, taking into account the Authority's investment risk constraints and cash flow needs.

14.1 Market Yield (Benchmark)

The Authority's investment strategy is passive. Given this strategy, the basis used by the Executive Committee to determine whether market yields are being achieved shall be the six-month U.S. Treasury Bill and the average Fed Funds rate.

15.0 REPORTING

The Executive Director shall submit a quarterly report to the Board which complies with the requirements of Government Code Sections 53646 (b) and (c). Reports will include performance, market sector breakdown, interest earnings, portfolio market value, etc.

16.0 INVESTMENT POLICY ADOPTION

The Authority's investment policy shall be adopted by the Board of Directors. The Policy shall be reviewed on an annual basis by the Executive Committee and any modifications made thereto must be approved by the Board of Directors.

APPROVED: 12/11/08
REVISED:
REVIEWED: 05/22/14

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: May 14, 2015

SUBJECT: Conflict of Interest

In order to stay in compliance with CAJPA accreditation standards, the written conflict of interest policy must be reviewed annually by the Executive Committee. No changes are proposed to this policy.

The policy will be reviewed by the Executive Director at the meeting.

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP

POLICY AND PROCEDURES MANUAL

SUBJECT: CONFLICT OF INTEREST

POLICY

The Political Reform Act, Government Code Sections 81000 et seq., requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. Sec. 18730) that contains the terms of a standard Conflict of Interest Code, that can be incorporated by reference in an agency's code and that may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings. Therefore, the terms of 2 California Code of Regulations, Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation, along with the attached Appendix in which officials and employees are designated and disclosure categories are set forth, shall constitute the Conflict of Interest Code of the Alameda County Schools Insurance Group.

Designated employees shall file their statements with the Executive Director of Alameda County Schools Insurance Group who will make the statements available for public inspection and reproduction. (Gov. Code Section 81008). Statements for all designated employees will be retained by the agency.

CONFLICT OF INTEREST CODE FOR ALAMEDA COUNTY SCHOOLS INSURANCE GROUP

APPENDIX

DESIGNATED OFFICERS/EMPLOYEES CATEGORIES	DISCLOSURE
Board of Directors (Except Executive Committee)	All
Board Alternates	All
All Agency Management Staff:	All
General Counsel	All
Insurance Broker	All
Claims Examiner(s)	All

DISCLOSURE CATEGORIES

1. Investments and business positions in business entities, and sources of income, (including gifts, loans and travel payments) of the type to contract with the Authority to supply materials, services, commodities, supplies, books, machinery, vehicles or equipment utilized by the Authority.

2. Investments and business positions in business entities, and sources of income, (including gifts, loans and travel payments) which are contractors or subcontractors, engaged in the performance of work or services of the type utilized by the Authority, including but not limited to, insurance companies, carriers, holding companies, underwriters, agents, or accounting firms.

3. Investments and business positions in business entities, and sources of income, (including gifts, loans and travel payments) which have filed claims, or have claims pending against the Authority.

4. Investments and business positions in business entities, and sources of income, (including gifts, loans and travel payments) from banks or savings and loans.

5. Investments and business positions in, and income (including gifts, loans and travel payments) from, entities in which the Authority is empowered to invest its funds.

6. Interest in commercial real property (or interests in real property used for commercial leasing purposes).

*With respect to Consultants, the Executive Director may determine in writing that a particular consultant, although a "designated person," is hired to perform a range of duties that are limited in scope and thus is not required to comply fully with the disclosure requirements described in this Section. Such determination shall include a description of the consultant's duties and based upon that description, a statement of the extent of disclosure requirements. A copy of this determination shall be retained by Alameda County Schools Insurance Group. Nothing herein excuses any such consultant from any other provision of the Conflict of Interest Code.

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

The following positions are not covered by the code because they must file under section 87200 and, therefore, are listed for informational purposes only:

Executive Director
Executive Committee of the Board

An individual holding one of the above listed positions may contact Fair Political Practices Commission for assistance or written advice regarding their filing obligations of they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Section 87200.

WRITTEN EXPLANATION OF REASONS FOR DESIGNATIONS AND DISCLOSURE RESPONSIBILITIES ALAMEDA COUNTY SCHOOLS INSURANCE GROUP

DESIGNATIONS

The position of Board of Directors including Executive Committee, Board Alternate, Executive Director, all Agency Managers, and Consultants have been designated as those positions subject to the provisions of the Conflict of Interest Code in that those positions are the only positions which have any substantial responsibility relative to the Alameda County Schools Insurance Group (hereinafter referred to as ACSIG) decision-making process or policy. The term consultant includes the insurance brokers and the general counsel even though said positions are separately specified as well.

DISCLOSURE RESPONSIBILITIES

The categories relative to the types of interests that must be disclosed are based upon the types of financial interest relevant to the ACSIG business which is confined to providing various types of insurance coverage to local public entities.

DECLARATION OF CHIEF EXECUTIVE OFFICER FOR

Alameda County Schools Insurance Group

The proposed Conflict of Interest Code specifically enumerates each of the positions within the agency which involve the making or participation in the making of decisions which may foreseeably have a material effect on any financial interest.

_____
Date

Signature on File
Executive Director

Approved: 12/11/08
Revised:

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
PRIMARY PROPERTY/LIABILITY PROGRAM
SELF-INSURED LAYER (MRL)
CERTIFICATE OF COVERAGE

ITEM 1....COVERED PARTY: ALAMEDA COUNTY OFFICE OF EDUCATION
ALBANY UNIFIED SCHOOL DISTRICT
DUBLIN UNIFIED SCHOOL DISTRICT
EMERY UNIFIED SCHOOL DISTRICT
PIEDMONT UNIFIED SCHOOL DISTRICT

ITEM 2....COVERAGE PERIOD: From 12:01 am, July 1 local time to 12:00 am June 30 local time of the coverage year as dictated in Excess Layer MOC.

ITEM 3...STATE: California

ITEM 4...LIMITS OF INDEMNITY: $25,000 per occurrence

The Authority's limit of indemnity, includes pooled limits that apply to all Members and all Covered Parties combined for all losses as a result of any one occurrence.

ITEM 5...RETENTION AND INDEMNITY:

As respects loss which the Covered Party sustains as a result of each occurrence, the Primary Property/Liability Program shall be responsible for all covered losses and agrees to pay on behalf of the Covered Party for losses within the amount of the limits stated under Item 4. The Primary Property/Liability Program agrees to satisfy, on behalf of the Covered Party, all Terms and Limitations of Coverage and General Conditions as defined within the NCR Memorandum of Coverage.

ITEM 6...COVERAGE AFFORDED:

Coverage is provided for the Covered Party in accordance with the NCR Memorandum of Coverage adopted by the Covered Party including any subsequent amendments thereto. Terms and Conditions of coverage in the Program are identical to that which is provided to NCR members as outlined in the NCR Memorandum of Coverage unless otherwise expressly stated herein.

ITEM 7...ADMINISTRATION OF CLAIMS

The administration of claims is the responsibility of the Primary Property/Liability Program. The responsibilities of the Covered Party are outlined in the ACSIG Policy and Procedure Manual.

ITEM 8...CANCELLATION

Cancellation of this coverage shall be in accordance with the terms and conditions set forth in the ACSIG Bylaws and the applicable provisions of the Joint Powers Agreement.

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: May 14, 2015

SUBJECT: Authorization of Signatures

In order to stay in compliance with CAJPA accreditation standards, the ACSIG Executive Committee must designate those authorized to sign documents on behalf of the JPA. Currently, only the Executive Director is the only authorized signer. No changes are proposed to this procedure.

The procedure will be reviewed by the Executive Director at the meeting.

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: May 14, 2015

SUBJECT: 2015/2016 Draft Calendar

Enclosed is a draft calendar for the 2015/2016 fiscal year. We try to coordinate our full Board meetings with the monthly CBO meeting, however, that calendar has not been finalized. We have coordinated with the County Office of Education to avoid duplicating meeting dates and any foreseen conflicts.

Please check these dates at your earliest convenience and notify Desiree Endert of any conflicts.



2015/2016

ACSIG Calendar

July TBA, 2015	Strategic Planning	9:30-4:00
October 29, 2015	Executive Committee	9am-noon
November 5, 2015	Joint Full Board w/HR	12pm with lunch
December 10, 2015	Executive Committee	9am-noon
March 10, 2016	Executive Committee	9am-noon
May 12, 2016	Executive Committee	9am-noon
May 19, 2016	Joint Full Board	12pm with lunch

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: May 14, 2015

SUBJECT: Posting and Mailing Address

As a matter of administration and in order to stay in compliance with CAJPA accreditation standards, the official ACSIG mailing and posting address must be reviewed and approved annually. No changes are proposed to this policy. The mailing and posting address for the JPA are:

Alameda County Schools Insurance Group
5776 Stoneridge Mall Road, Suite 130
Pleasanton, CA 94588

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: May 14, 2015

SUBJECT: 2015/2016 Executive Committee

The Alameda County Schools Insurance Group (ACSIG) has a seven member Executive Committee that works directly with the Executive Director to manage the operations of ACSIG. The Committee members serve a 2-year term and the expiration of term is on a cycle so that 4 seats are up in one year and the remaining 3 seats expire the subsequent year. This year, the Executive Committee has six (6) seats up for election. The Executive Committee meets approximately 8 times a year, including the annual strategic planning session.

The committee will discuss recruitment efforts for the Full Board meeting.