



Alameda County Schools Insurance Group

Full Board Meeting

November 8, 2018

12:00PM – 3:00PM

Alameda County Office of Education

313 W. Winton Ave.

Hayward, CA 94544



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

AGENDA Full Board

Date: Thursday, November 8, 2018
Time: 12:00PM
Location: Alameda County Office of Education
313 W. Winton Ave.
Hayward, CA 94544

I. Call to order 12:00 PM

II. Roll call

Full Board

Annette Helman
Susan Kinder
Vacant
Teresa Kapellas
Shariq Khan
Jackie Kim
Suzy Chan
Joe Sorrera
Marites Fermin
Dora Siu
Raul Parungao
Marie Dela Cruz
Vicki Hu
Khai Nguyen
Ruth Alahydoian
Micaela Ochoa
Dr. Kevin Collins
Madeline Gabel
Miki Whetfield
Julie Duncan

President
Vice President
Secretary
Board Member
Board Member
Board Member
Board Member
Board Member
Board Member
Board Member
Board Member
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Board Member
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Board Member
Board Member
Board Member
Board Member
Board Member
Board Member
Board Member

New Haven Unified School District
Livermore Valley Joint USD
-
Alameda County Office of Education
Alameda Unified School District
Albany Unified School District
Castro Valley USD
Dublin Unified School District
Eden Area ROP
Emery Unified School District
Fremont USD
Mission Valley ROP
Mountain House Unified School District
Newark Unified School District
Piedmont Unified School District
Pleasanton Unified School District
San Leandro Unified School District
San Lorenzo Unified School District
Sunol Glen Unified School District
Tri-Valley ROP

Kimberly Dennis
Celina Flotte

Executive Director
Executive Assistant

Alameda County Schools Insurance
Alameda County Schools Insurance

Tara Cooper-Salaiz	Guest	Keenan & Associates
Patrice Grant	Guest	Keenan & Associates
Ron Martin	Guest	Keenan & Associates
Michael Clark	Guest	Keenan & Associates
Dave Kundert	Guest	Keenan & Associates
Laurena Grabert	Guest	SETECH
Heather Daud Rubio	Guest	Christy White & Associates
Mark Payne	Guest	Morgan Stanley

III. Acceptance of the Agenda

The Board will vote on the acceptance of the agenda.

IV. Approval of Minutes

The Board will review and approve the Executive Committee meeting minutes from May 10, 2018, the Full Board minutes from May 17, 2018, and the Strategic Planning minutes from June 28, 2018.

Consent Calendar

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

- **2017/18 Fourth Quarter Financials**
- **2017/18 Fourth Quarter Investment Report**
- **Annual Report**

General Business

V. Members to Executive Committee

The Board will elect members to the Executive Committee for the 2018/19 year.

Recommendation: For action

VI. 2017/18 Audit

Heather Daud Rubio from Christy White will present the 2017/18 Audit. The Board will be asked to approve this report.

Recommendation: For action

VII. 2018/19 First Quarter Financials

Laurena Grabert from SETECH will present the 2018/19 1st Quarter Financials. The Board will be asked to approve to this report.

Recommendation: For action

VIII. 2018/19 First Quarter Investment Report

Mark Payne from Morgan Stanley will present the 2018/19 1st Quarter Investment report.
The Board will be asked to approve this report.

Recommendation: For action

Workers Compensation

IX. 2018/19 Service Plan

The 2018/19 Service Plan will be reviewed with the Board.

Recommendation: For discussion

X. Telemedicine

Michael Clark from Keenan will discuss with the Board a new program offering as part of the PIPS program.

Recommendation: For discussion

XI. Workers Compensation Claims History

The Executive Director and Keenan Associates will review a 5-year claims history report.

Recommendation: For discussion

XII. Workers Compensation Deficit History

The Executive Director will review the current fund balance in the workers compensation program.

Recommendation: For discussion

XIII. Future Planning

XIV. Adjournment



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

MINUTES Executive Committee

Date: Thursday, May 10, 2018
Time: 9:30 AM
Location: Alameda County Office of Education
 313 W. Winton Ave.
 Hayward, CA 94544

I. Annette Heldman called the meeting to order at 9:30am

II. Roll call

Executive Committee Members

Annette Heldman	President	New Haven USD
Susan Kinder	Vice President	Livermore USD
Bryan Richards	Secretary	Newark USD
Raul Parungao	Board Member	Fremont USD
Kevin Collins	Board Member	San Leandro USD
Madeline Gabel	Board Member	San Lorenzo USD
Kimberly Dennis	Executive Director	Alameda County Schools Insurance
Celina Flotte	Executive Assistant	Alameda County Schools Insurance
Ron Martin	Guest	Keenan & Associates
Tara Cooper-Salaiz	Guest	Keenan & Associates
Patrice Grant	Guest	Keenan & Associates
Michael Clark	Guest	Keenan & Associates
Laurena Grabert	Guest	SETECH
Cary Allison	Guest	Morgan Stanley

III. Acceptance of the Agenda

It was moved by Bryan Richards and seconded by Raul Parungao to approve the agenda as presented.

Ayes: Heldman, Kinder, Richards, Parungao, Collins

Nays: None

Abstain: None

IV. Public Comment on Closed Session Agenda Items

No public present to comment.

Closed Session

Closed session began at 9:31am

A. Settlement Notification

- Claim Numbers:**

401941	Rossman, Michael	484231	Dean, Clinton	504935	Jiran, Steven
407334	Dean, Clinton	487007	Tomcik, Allison	506176	Honda, Martin K
417758	Ellis, April C	487989	Arnold, Peggy	511368	Tafolla, Leticia
426977	Rossman, Michael	496788	Gilroy, Kadie	526520	Alvarez, Roberto
428974	Dean, Clinton	498066	Gozun, Alan P	529769	Ariwoola, Vanessa
447335	Dean, Clinton	498795	Alvarez, Roberto	535832	Sanchez, Loretta
458309	Dean, Clinton	501285	Gholami, Nahid	2204320	Kalany, Hassan
466381	Perez, Leah	502115	Kelley, M'lisa	2206618	Dean, Clinton
471869	Daniello, Kathleen	504685	Neves, Joe H	2206738	Crosetti, Paula

B. Settlement Authorization

- Claims Numbers: N/A**

C. Executive Director Evaluation

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

D. CastlePoint Memo

Ron Martin from Keenan and Associates discussed the CastlePoint Memo and Loss Run with the Executive Committee.

Open Session

Open session began at 10:25am.

V. Public Comment on Open Session Agenda Items

No public present to comment.

VI. Report of Action Taken in Closed Session

No action was taken.

VII. Approval of Minutes

It was moved by Bryan Richards and seconded by Kevin Collins to approve the February 8, 2018 Executive Committee Meeting minutes as amended.

Ayes: Heldman, Kinder, Richards, Parungao, Collins

Nays: None

Abstain: None

General

VIII. Third Quarter Investment Report

Cary Allison of Morgan Stanley reviewed the 2017/18 third quarter investment report with the Executive Committee.

Time Weighted Performance Summary (Net of fees) – March 31, 2018

Total Ending Value	\$16,101,608.63
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Rolling Periods

Quarter to Date	-0.47%
Year to Date	-0.47%
Last 12 Months	-0.22%
Last 3 Years	0.37%
Last 5 Years	0.57%
Since Inception (annualized %)	0.98%

Calendar Years

2018 YTD	-0.47%
2017	0.59%
2016	0.99%
2015	0.87%
2014	1.01%
2013	-0.03%
2012	2.44%
2011	1.91%
2010 (partial year)	0.29%

Fiscal Years

2017-18	-0.60%
2016-17	-0.35%
2015-16	2.13%
2014-15	1.09%
2013-14	1.32%
2012-13	0.48%
2011-12	1.75%

It was moved by Raul Parungao and seconded by Susan Kinder to recommend approval of the third quarter investment report as presented to the Full Board.
Ayes: Heldman, Kinder, Richards, Parungao, Collins
Nays: None
Abstain: None

IX. Third Quarter Financial Report

Laurena Grabert from SETECH presented the 2017/2018 third quarter financial report.

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Position
Consolidated
As of 06/30/2017 and 03/31/2018

	Audited As of 06/30/2017	Activity 07/01/2017 - 03/31/2018	As of 03/31/2018
Assets:			
Current Assets			
Workers Compensation	\$ 13,726,737	7,519,898	\$ 21,246,635
Dental	2,073,984	381,945	2,455,929
Vision	1,251,024	120,486	1,371,510
Property and Liability	1,234,912	57,774	1,292,686
Operations	238,251	(129,225)	109,026
Cash and Cash Equivalents	\$ 18,524,908	7,950,878	\$ 26,475,786
Investments Morgan Stanley - current	2,032,238	(1,069,778)	962,460
Accounts Receivable	7,827,985	2,701,156	10,529,141
Prepaid Expense	9,948	11,732	21,680
Interfund Receivable/(payable) (1)	--	--	--
Subtotal Current Assets	28,395,079	9,593,988	37,989,067
Noncurrent Assets			
Investments @ FMV - Morgan Stanley (3)	14,018,468	776,230	14,794,698
Capital - Equipment, net of depreciation	2,963	--	2,963
	14,021,431	776,230	14,797,661
Total Assets	\$ 42,416,510	\$ 10,370,218	\$ 52,786,728
Deferred Outflow of Resources:			
Deferred outflow of resources - pension	217,668	--	217,668
Liabilities:			
Current Liabilities			
Accounts Payable	\$ 3,053,398	\$ 3,916,423	\$ 6,969,821
Prefunding deposits (2)	3,817,300	--	3,817,300
Advance Contributions	--	3,978,019	3,978,019
Other Claim Liabilities - Castlepoint Reinsurance Insolvency	--	923,183	923,183
Current Portion of claims and claim adjustment	3,832,965	160,875	3,993,841
Subtotal Current Liabilities	10,703,663	8,978,500	19,682,164
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	14,245,110	(1,287,456)	12,957,654
Unallocated Loss Adjustment Expense (ULAE)	1,365,838	12,000	1,377,838
Subtotal Noncurrent Claim Liabilities	15,610,948	(1,275,456)	14,335,492
Net Pension Liability (NPL)	586,196	--	586,196
Total Liabilities	\$ 26,900,807	\$ 7,703,044	\$ 34,603,851
Deferred Inflow of Resources:			
Deferred inflow of resources - pension	128,507	--	128,507
Net Position:			
Undesignated Net Position - Net Assets/(Deficit)	15,601,901	2,667,174	18,269,075
Designated - Capital Assets	2,963	--	2,963
Total Net Position	\$ 15,604,864	\$ 2,667,174	\$ 18,272,038
Total Liabilities, Deferred Pension, and Ending Net Position	\$ 42,416,510	\$ 10,370,218	\$ 52,786,728

Footnote:

- (1) Interfund transfers net to zero on consolidated financial statements. This is a internal function used to transfer or allocate expense and income from one program to another without transfer of cash.
- (2) Estimated six weeks of dental claims funded by each member to maintain positive cash flow.
- (3) Morgan Stanley Smith Barney Investment shown at Fair Market Value, accrued interest shown as accounts receivable.

It was moved by Kevin Collins and seconded by Bryan Richards to recommend approval of the third quarter financial report as presented to the Full Board.

Ayes: Heldman, Kinder, Richards, Parungao, Collins

Nays: None

Abstain: None

X. 2018/2019 Budget

The Executive Director reviewed the 2017/18 Budget to the Executive Committee. An amendment was made to make corrections to the workers compensation, property and liability and consolidated reports.

Alameda County Schools Insurance Group (ACSIG)						
Consolidated						
Statement of Revenues, Expenditures and Changes in Net Position						
For The Nine Months Ended 03/31/2018						
	2016/2017		2017/2018			
	Budget	Audited Actuals	Budget	Actuals 07/01/2017 - 3/31/2018	Variance	Percentage of Budget
Operating Revenue:						
Premiums Paid by Members	\$ 147,391,011	\$ 158,165,112	\$ 156,427,872	\$ 125,816,929	\$ 30,610,943	80.43 %
Return of Premiums	--	--	--	(1,143,270)	--	--
Other Income	--	247	--	--	--	--
Total Operating Revenue	147,391,011	158,165,359	156,427,872	124,673,659	30,610,943	79.70
Operating Expenditures:						
Classified Salaries	236,778	237,143	251,051	198,502	52,549	79.07
Statutory Benefits	55,498	70,823	56,552	18,021	38,531	31.87
Health & Welfare	39,000	47,037	39,000	36,255	2,745	92.96
Employer Tax Expense	3,411	3,915	3,477	3,120	357	89.72
Net Pension Expense	--	(47,757)	39,345	39,127	218	99.45
Telephone & Internet	5,250	6,380	7,350	4,753	2,597	64.67
Supplies Office	5,250	1,675	4,200	1,259	2,941	29.98
Supplies - Other	5,250	1,946	2,625	2,716	(91)	103.47
Eligibility Processing	252,000	208,279	240,000	159,057	80,943	66.27
Brokerage Fees-Dental-ACSIG	276,000	271,257	288,000	218,665	69,335	75.93
Brokerage Fees-Dental-MD	300,000	402,435	350,000	302,569	47,431	86.45
Travel and Conferences	21,000	22,759	23,100	6,517	16,583	28.21
Mileage	8,925	5,370	8,925	5,579	3,346	62.51
Dues & Memberships	1,575	6,635	1,575	835	740	53.02
Postage & Meter	3,400	7,265	8,350	2,847	5,503	34.09
Insurance Expense-PIPS&NCR	23,989,931	20,585,426	25,192,893	15,780,951	9,411,942	62.64
Insurance Expense-PY Adj	1,500,000	2,212,707	2,000,000	749,186	1,250,814	37.46
Utility - Operating-Rent	35,420	33,655	39,388	33,435	5,953	84.89
Advertising	2,100	--	600	--	600	--
Contract Services	8,426	17,650	26,275	8,273	18,002	31.49
Contract Services -Claim Audit	--	--	20,000	--	20,000	--
Contract Services	10,000	--	6,375	--	6,375	--
Audit Fees	14,175	13,250	15,540	13,500	2,040	86.87
Other Services/Operating Expenses	5,250	2,499	10,500	2,093	8,407	19.93
Capital Equipment/Depreciation	2,550	592	2,625	--	2,625	--
Repairs & Maintenance	4,800	--	3,675	--	3,675	--
Legal	2,550	--	2,100	--	2,100	--
Accounting Services	15,750	14,000	15,750	10,815	4,935	68.67
County Courier	3,675	--	4,200	3,568	632	84.94
Shredding	1,575	782	1,574	557	1,017	35.36
Copier & Scanner	15,000	10,928	15,000	7,464	7,536	49.76
Claims Administration Services	190,000	179,067	154,000	166,911	(12,911)	108.38
Self-Insurance Fee	245,000	261,221	290,000	297,811	(7,811)	102.69
Claims Paid-WC	3,000,000	1,280,507	2,500,000	779,122	1,720,878	31.16
Claims Paid-PL	80,000	27,495	50,000	43,731	6,269	87.46
Physical Abilities Testing	10,000	10,045	25,000	7,940	17,060	31.76
Training	5,000	--	20,000	--	20,000	--
First-Aid Program	10,000	23,945	10,000	14,304	(4,304)	143.04
Food Service Training	10,000	--	5,000	--	5,000	--
Special Ed Training	10,000	--	15,000	--	15,000	--
Incentives	--	--	--	23,726	(23,726)	--
Safety Inspections	12,445	--	12,445	--	12,445	--
Bank Charge & WC Penalty Reimb	15,000	26,826	17,200	16,796	404	97.65
Cobra Premiums	250,000	188,075	242,000	186,837	55,163	77.21
Dental Insurance Premiums	113,877,908	122,317,587	123,000,000	99,971,913	23,028,087	81.28
Vision Insurance Premiums	2,758,000	3,677,690	3,340,000	3,142,109	197,891	94.08
Claim Development Expense	(2,430,000)	(1,819,353)	(2,510,000)	(191,398)	(2,318,602)	7.63
ACA Fees	--	--	--	--	--	--
Total Operating Expenditures	144,867,892	150,309,757	155,850,690	122,069,465	33,781,225	78.32 %
Net Increase/(Decrease) from Operations	2,523,119	7,855,602	577,182	2,604,194	(3,170,282)	451.19 %
Non Operating Income/(Expense)						
Interest Income	218,250	338,231	231,500	364,963	(133,463)	157.65
Net Increase/(Decrease) in Fair Value	--	(337,414)	--	(302,554)	302,554	--
Realized Gain/(Loss) on Investments	--	19,201	--	571	(571)	--
Cumulative effect of GASB 68	--	--	--	--	--	--
Interfund Trans, Other Inc/Exp	--	--	--	--	--	--
Total Non Operating Income/(Expense)	218,250	20,018	231,500	62,980	168,518	27.21 %
Net Increase/(Decrease) in Net Position	\$ 2,741,369	\$ 7,875,620	808,682	\$ 2,667,174	\$ (3,001,764)	329.82 %
Beginning Balance Prior Year End	\$ 7,729,244	\$ 7,729,244	15,604,864	\$ 15,604,864	\$ --	100.00 %
Unaudited Ending Balance, as of 03/31/2018	\$ 10,470,613	\$ 15,604,864	\$ 16,413,546	\$ 18,272,038	\$ (3,001,764)	

It was moved by Kevin Collins and seconded by Raul Parungao to recommend approval of the budget as amended with changes to the WC, PL and consolidated reports to the Full Board.

Ayes: Heldman, Kinder, Richards, Parungao, Collins

Nays: None

Abstain: None

XI. ACSIG Salaries & Benefits

The Executive Director presented a schedule increase proposal for the ACSIG staff of 2% and a 1% off the salary schedule. The average from 10 settled agencies was 2.01%. The overall cost for this increase would total \$9757.79.

It was moved by Kevin Collins and seconded by Susan Kinder to approve ACSIG salaries and benefits as presented.

Ayes: Heldman, Kinder, Richards, Parungao, Collins

Nays: None

Abstain: None

XII. Strategic Plan 2018

The Executive Committee will be holding the Strategic Planning meeting on June 28, 2018 at 9:00am at the ACSIG office. They discussed wanting to emphasize/recognize the strengths of ACSIG at that time.

Workers Compensation

XIII. Claims Audit

The Executive Director presented the results of the USI Claims Audit. The overall score given to the Keenan & Associate claims team was 3.5 out of 5. The total score given was lower than the score of 4.0 received in 2016. Corrective action has been taken and a full-time supervisor has been hired to work with Patrice in the Pleasanton office.

It was moved by Kevin Collins and seconded by Raul Parungao to recommend approval the USI Claims Audit as presented to the Full Board.

Ayes: Heldman, Kinder, Richards, Parungao, Collins

Nays: None

Abstain: None

XIV. 5-year Claim Trend by Member

Michael Clark from Keenan and Associates discussed the 5-year workers compensation claim trend. As resources are dedicated to improve frequency and

severity of injuries within ACSIG, it is important to review claims data to evaluate the effectiveness of programs. Through analysis, we can identify trends within the districts.

Dental

XV. Dental Rates 2018/2019

The Executive Director presented the 2018/2019 Dental Rate recommendations to the Executive Committee. The program has been performing well, rates decreased last year by 2%. The program as leveled off and we are recommending a flat renewal for 2018/19.

It was moved by Kevin Collins and seconded by Raul Parungao to recommend approval of Dental Rates to the Full Board.

Ayes: Heldman, Kinder, Richards, Parungao, Collins

Nays: None

Abstain: None

XVI. Review Dental Overpayment Reimbursement

The Executive Director discussed the dental overpayment reimbursement to Centinela Valley. Centinela Valley has originally been elected and been underwritten as a 10-pay client. Their annual costs were recalculated over 10 months, and due to an oversight, Centinela Valley paid 12 premiums each year – resulting in an overpayment of more than \$1 million.

Vision

XVII. Vision Rates 2018/2019

The Executive Director presented the 2017/18 Vision rate recommendation as a flat renewal due to the increasing growth within the program.

It was moved by Bryan Richards and seconded by Raul Parungao to recommend approval of the Vision rates as presented with no increase to the Full Board.

Ayes: Heldman, Kinder, Richards, Parungao, Collins

Nays: None

Abstain: None

Property & Liability

XVIII. Property & Liability Rates 2018/2019

The Executive Director presented the 2018/19 Property and Liability rates. ACSIG has 5 members in the Property & Liability pool, which attaches to NCR at the \$25,000 SIR. NCR Property rates and Liability rates showed adverse development in the program. ACSIG has higher experience than the NCR average. These negative factors have resulted in an increase to the ACSIG property and liability rates.

It was moved by Kevin Collins and seconded by Raul Parungao to recommend approval of the Property & Liability rates as presented to the Full Board.

Ayes: Heldman, Kinder, Richards, Parungao, Collins

Nays: None

Abstain: None

2018/2019 Property & Liability Program Rates

ACSIG	Property	Liability	Total
ACOE	\$31,868	\$28,067	\$59,935
Albany	\$78,218	\$207,877	\$286,096
Dublin	\$233,319	\$570,475	\$803,794
Emery	\$62,766	\$38,553	\$101,319
Piedmont	\$76,748	\$151,850	\$228,598
ACSIG TOTAL	\$482,920	\$996,822	\$1,479,742

XIX. PLCA Agreement Renewal

The Executive Director presented the extension of terms with no fee increase for the claim administration services with Keenan & Associates. The contract was approved in 2018-2019 and has been in effect for 3 subsequent years.

It was moved by Raul Parungao and seconded by Susan Kinder to recommend approval the PLCA Renewal as presented to the Full Board.

Ayes: Heldman, Kinder, Richards, Parungao, Collins

Nays: None

Abstain: None

Administrative

XX. Investment Policy

The Executive Committee conducted the annual review of the written investment policy and found no changes necessary.

It was moved by Bryan Richards and seconded by Susan Kinder to recommend approval the Investment Policy as presented to the Full Board.

Ayes: Heldman, Kinder, Richards, Parungao, Collins

Nays: None

Abstain: None

XXI. Conflict of Interest Code

The Executive Committee conducted the annual review of the Conflict of Interest policy and requested a check for any updates.

It was moved by Kevin Collins and seconded by Raul Parungao to recommend approval the Conflict of Interest Code as presented to the Full Board.

Ayes: Heldman, Kinder, Richards, Parungao, Collins

Nays: None

Abstain: None

XXII. Authorization of Signatures

The Executive Committee conducted the annual review of the Authorization of Signatures and found no changes necessary.

It was moved by Bryan Richards and seconded by Raul Parungao to recommend approval the Authorization of Signatures as presented to the Full Board.

Ayes: Heldman, Kinder, Richards, Parungao, Collins

Nays: None

Abstain: None

XXIII. Meeting Calendar

The Executive Committee reviewed the 2018/19 draft calendar.

It was moved by Kevin Collins and seconded by Susan Kinder to recommend approval of the draft meeting calendar as presented to the Full Board.

Ayes: Heldman, Kinder, Richards, Parungao, Collins

Nays: None

Abstain: None

XXIV. Posting and Mailing Address

The Executive Committee conducted the annual review of the Posting and Mailing Address for ACSIG and found no changes necessary.

It was moved by Bryan Richards and seconded by Kevin Collins to recommend approval the Posting and Mailing address as presented to the Full Board.

Ayes: Heldman, Kinder, Richards, Parungao, Collins

Nays: None

Abstain: None

XXV. Future Planning

XXVI. This meeting was adjourned at 11:42am.



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

MINUTES Full Board

Date: Thursday, May 17, 2018
Time: 12:00PM
Location: Alameda County Office of Education
313 W. Winton Ave.
Hayward, CA 94544

[Conference Call](#)

[Dial-in instructions: 888-240-3210, access code 5912465#](#)

I. The meeting was called to order by Annette Heldman at 12:06 PM

II. Roll call

Board Members

Annette Heldman	President	New Haven USD
Bryan Richards	Secretary	Newark USD
Suzy Chan	Board Member	Castro Valley USD
Marites Fermin	Board Member	Eden Area ROP
Minh Vu	Alternate	Fremont USD
Joyce Veasley	Board Member	Mission Valley ROP
Vicki Hu	Alternate	Mountain House USD
Micaela Ochoa	Board Member	Pleasanton Unified School District
Kevin Collins	Board Member	San Leandro Unified School District
Madeline Gabel	Board Member	San Lorenzo Unified School District
Anne Spalasso	Alternate	Tri-Valley ROP

Kimberly Dennis	Executive Director	ACSIG
Celina Flotte	Executive Assistant	ACSIG

Ron Martin	Guest	Keenan & Associates
Tara Cooper-Salaiz	Guest	Keenan & Associates

Patrice Grant	Guest	Keenan & Associates
Dave Kundert	Guest	Keenan & Associates
Michael Clark	Guest	Keenan & Associates
Laurena Grabert	Guest	SETECH

III. Acceptance of the Agenda

It was moved by Kevin Collins and seconded by Bryan Richards to accept the agenda as presented.

Ayes: Heldman, Richards, Chan, Fermin, Vu, Veasley, Hu, Ochoa, Collins, Gabel, Whetfield, Spalasso

Nays: None

Abstain: None

IV. Public Comment on Open Session Agenda Items

There was no public present to comment.

Consent Calendar

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

- **Executive Committee Minutes from February 8, 2018**
- **2nd Quarter Financials**
- **2nd Quarter Investment Report**
- **Investment Policy**
- **Conflict of Interest Code**
- **Authorization of Signatures**
- **Posting and Mailing Address**

It was moved by Marites Fermin and seconded by Micaela Ochoa to approve the consent calendar as presented.

Ayes: Heldman, Richards, Chan, Fermin, Vu, Veasley, Hu, Ochoa, Collins, Gabel, Spalasso

Nays: None

Abstain: None

General

V. Third Quarter Financials

Laurena Grabert from SETECH presented the 2017/18 Third Quarter Financial statements.

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Position
Consolidated
As of 06/30/2017 and 03/31/2018

	Audited As of 06/30/2017	Activity 07/01/2017 - 03/31/2018	As of 03/31/2018
Assets:			
Current Assets			
Workers Compensation	\$ 13,726,737	7,519,898	\$ 21,246,635
Dental	2,073,984	381,945	2,455,929
Vision	1,251,024	120,486	1,371,510
Property and Liability	1,234,912	57,774	1,292,686
Operations	238,251	(129,225)	109,026
Cash and Cash Equivalents	\$ 18,524,908	7,950,878	\$ 26,475,786
Investments Morgan Stanley - current	2,032,238	(1,069,778)	962,460
Accounts Receivable	7,827,985	2,701,156	10,529,141
Prepaid Expense	9,948	11,732	21,680
Interfund Receivable/(payable) (1)	--	--	--
Subtotal Current Assets	28,395,079	9,593,988	37,989,067
Noncurrent Assets			
Investments @ FMV - Morgan Stanley (3)	14,018,468	776,230	14,794,698
Capital - Equipment, net of depreciation	2,963	--	2,963
	14,021,431	776,230	14,797,661
Total Assets	\$ 42,416,510	\$ 10,370,218	\$ 52,786,728
Deferred Outflow of Resources:			
Deferred outflow of resources - pension	217,668	--	217,668
Liabilities:			
Current Liabilities			
Accounts Payable	\$ 3,053,398	\$ 3,916,423	\$ 6,969,821
Prefunding deposits (2)	3,817,300	--	3,817,300
Advance Contributions	--	3,978,019	3,978,019
Other Claim Liabilities - Castlepoint Reinsurance Insolvency	--	923,183	923,183
Current Portion of claims and claim adjustment	3,832,965	160,875	3,993,841
Subtotal Current Liabilities	10,703,663	8,978,500	19,682,164
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	14,245,110	(1,287,456)	12,957,654
Unallocated Loss Adjustment Expense (ULAE)	1,365,838	12,000	1,377,838
Subtotal Noncurrent Claim Liabilities	15,610,948	(1,275,456)	14,335,492
Net Pension Liability (NPL)	586,196	--	586,196
Total Liabilities	\$ 26,900,807	\$ 7,703,044	\$ 34,603,851
Deferred Inflow of Resources:			
Deferred inflow of resources - pension	128,507	--	128,507
Net Position:			
Undesignated Net Position - Net Assets/(Deficit)	15,601,901	2,667,174	18,269,075
Designated - Capital Assets	2,963	--	2,963
Total Net Position	\$ 15,604,864	\$ 2,667,174	\$ 18,272,038
Total Liabilities, Deferred Pension, and Ending Net Position	\$ 42,416,510	\$ 10,370,218	\$ 52,786,728

Footnote:

- (1) Interfund transfers net to zero on consolidated financial statements. This is a internal function used to transfer or allocate expense and income from one program to another without transfer of cash.
- (2) Estimated six weeks of dental claims funded by each member to maintain positive cash flow.
- (3) Morgan Stanley Smith Barney Investment shown at Fair Market Value, accrued interest shown as accounts receivable.

Alameda County Schools Insurance Group (ACSIG)
Consolidated
Statement of Revenues, Expenditures and Changes in Net Position
For The Nine Months Ended 03/31/2018

	2016/2017		2017/2018			
	Budget	Audited Actuals	Budget	Actuals 07/01/2017 - 3/31/2018	Variance	Percentage of Budget
Operating Revenue:						
Premiums Paid by Members	\$ 147,391,011	\$ 158,165,112	\$ 156,427,872	\$ 125,816,929	\$ 30,610,943	80.43 %
Return of Premiums	--	--	--	(1,143,270)	--	--
Other Income	--	247	--	--	--	--
Total Operating Revenue	147,391,011	158,165,359	156,427,872	124,673,659	30,610,943	79.70
Operating Expenditures:						
Classified Salaries	236,778	237,143	251,051	198,502	52,549	79.07
Statutory Benefits	55,498	70,823	56,552	18,021	38,531	31.87
Health & Welfare	39,000	47,037	39,000	36,255	2,745	92.96
Employer Tax Expense	3,411	3,915	3,477	3,120	357	89.72
Net Pension Expense	--	(47,757)	39,345	39,127	218	99.45
Telephone & Internet	5,250	6,380	7,350	4,753	2,597	64.67
Supplies Office	5,250	1,675	4,200	1,259	2,941	29.98
Supplies - Other	5,250	1,946	2,625	2,716	(91)	103.47
Eligibility Processing	252,000	208,279	240,000	159,057	80,943	66.27
Brokerage Fees-Dental-ACSIG	276,000	271,257	288,000	218,665	69,335	75.93
Brokerage Fees-Dental-MD	300,000	402,435	350,000	302,569	47,431	86.45
Travel and Conferences	21,000	22,759	23,100	6,517	16,583	28.21
Mileage	8,925	5,370	8,925	5,579	3,346	62.51
Dues & Memberships	1,575	6,635	1,575	835	740	53.02
Postage & Meter	3,400	7,265	8,350	2,847	5,503	34.09
Insurance Expense-PIPS&NCR	23,989,931	20,585,426	25,192,893	15,780,951	9,411,942	62.64
Insurance Expense-PY Adj	1,500,000	2,212,707	2,000,000	749,186	1,250,814	37.46
Utility - Operating-Rent	35,420	33,655	39,388	33,435	5,953	84.89
Advertising	2,100	--	600	--	600	--
Contract Services	8,426	17,650	26,275	8,273	18,002	31.49
Contract Services -Claim Audit	--	--	20,000	--	20,000	--
Contract Services	10,000	--	6,375	--	6,375	--
Audit Fees	14,175	13,250	15,540	13,500	2,040	86.87
Other Services/Operating Expenses	5,250	2,499	10,500	2,093	8,407	19.93
Capital Equipment/Depreciation	2,550	592	2,625	--	2,625	--
Repairs & Maintenance	4,800	--	3,675	--	3,675	--
Legal	2,550	--	2,100	--	2,100	--
Accounting Services	15,750	14,000	15,750	10,815	4,935	68.67
County Courier	3,675	--	4,200	3,568	632	84.94
Shredding	1,575	782	1,574	557	1,017	35.36
Copier & Scanner	15,000	10,928	15,000	7,464	7,536	49.76
Claims Administration Services	190,000	179,067	154,000	166,911	(12,911)	108.38
Self-Insurance Fee	245,000	261,221	290,000	297,811	(7,811)	102.69
Claims Paid-WC	3,000,000	1,280,507	2,500,000	779,122	1,720,878	31.16
Claims Paid-PL	80,000	27,495	50,000	43,731	6,269	87.46
Physical Abilities Testing	10,000	10,045	25,000	7,940	17,060	31.76
Training	5,000	--	20,000	--	20,000	--
First-Aid Program	10,000	23,945	10,000	14,304	(4,304)	143.04
Food Service Training	10,000	--	5,000	--	5,000	--
Special Ed Training	10,000	--	15,000	--	15,000	--
Incentives	--	--	--	23,726	(23,726)	--
Safety Inspections	12,445	--	12,445	--	12,445	--
Bank Charge & WC Penalty Reimb	15,000	26,826	17,200	16,796	404	97.65
Cobra Premiums	250,000	188,075	242,000	186,837	55,163	77.21
Dental Insurance Premiums	113,877,908	122,317,587	123,000,000	99,971,913	23,028,087	81.28
Vision Insurance Premiums	2,758,000	3,677,690	3,340,000	3,142,109	197,891	94.08
Claim Development Expense	(2,430,000)	(1,819,353)	(2,510,000)	(191,398)	(2,318,602)	7.63
ACA Fees	--	--	--	--	--	--
Total Operating Expenditures	144,867,892	150,309,757	155,850,690	122,069,465	33,781,225	78.32 %
Net Increase/(Decrease) from Operations	2,523,119	7,855,602	577,182	2,604,194	(3,170,282)	451.19 %
Non Operating Income/(Expense)						
Interest Income	218,250	338,231	231,500	364,963	(133,463)	157.65
Net Increase/(Decrease) in Fair Value	--	(337,414)	--	(302,554)	302,554	--
Realized Gain/(Loss) on Investments	--	19,201	--	571	(571)	--
Cumulative effect of GASB 68	--	--	--	--	--	--
Interfund Trans, Other Inc/Exp	--	--	--	--	--	--
Total Non Operating Income/(Expense)	218,250	20,018	231,500	62,980	168,518	27.21 %
Net Increase/(Decrease) in Net Position	\$ 2,741,369	\$ 7,875,620	808,682	\$ 2,667,174	\$ (3,001,764)	329.82 %
Beginning Balance Prior Year End	\$ 7,729,244	\$ 7,729,244	15,604,864	\$ 15,604,864	\$ --	100.00 %
Unaudited Ending Balance, as of 03/31/2018	\$ 10,470,613	\$ 15,604,864	\$ 16,413,546	\$ 18,272,038	\$ (3,001,764)	

It was moved by Kevin Collins and seconded by Bryan Richards to approve the Third Quarter Financials as presented.

Ayes: Heldman, Richards, Chan, Fermin, Vu, Veasley, Hu, Ochoa, Collins, Gabel, Spalasso

Nays: None

Abstain: None

VI. Third Quarter Investment Report

The Executive Director reviewed the 2017/18 Third Quarter Investment Report with the Board.

Time Weighted Performance Summary (Net of fees) – March 31, 2018

Total Ending Value	\$16,101,608.63
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Rolling Periods

Quarter to Date	-0.47%
Year to Date	-0.47%
Last 12 Months	-0.22%
Last 3 Years	0.37%
Last 5 Years	0.57%
Since Inception (annualized %)	0.98%

Calendar Years

2018 YTD	-0.47%
2017	0.59%
2016	0.99%
2015	0.87%
2014	1.01%
2013	-0.03%
2012	2.44%
2011	1.91%
2010 (partial year)	0.29%

Fiscal Years

2017-18	-0.60%
2016-17	-0.35%
2015-16	2.13%
2014-15	1.09%
2013-14	1.32%
2012-13	0.48%
2011-12	1.75%

It was moved by Kevin Collins and seconded by Micaela Ochoa to approve the Third Quarter Investment Report as presented.

Ayes: Heldman, Richards, Chan, Fermin, Vu, Veasley, Hu, Ochoa, Collins, Gabel, Spalasso

Nays: None

Abstain: None

VII. 2018/2019 Budget

The Executive Director presented the 2018/19 Budget to the Board. The budget was developed using year to date 2017/18 data and preliminary estimates for 2018/19 rates and costs. Because all the rates are not firm at this time, estimates were used for this report. Salaries have been distributed to each program based upon a time study.

Alameda County Schools Insurance Group (ACSIG)
Consolidated
2018/2019 Budget

	Budget 2018/2019	Allocations	Change in Accruals		2018/2019 Budget	2017/2018 Budget	2016/2017 ACTUAL
Audited - Beginning Net Position, as of 07/01/2017				\$ 29,375,762			
Beginning Cash	\$ 29,375,762				\$ 29,375,762	\$ 24,927,031	21,332,753
Operating Revenue:							
Premiums Paid by Members	\$ 158,439,211	\$ --	\$ --	\$ 158,439,211	\$ 158,439,211	\$ 146,427,872	158,165,112
Total Operating Revenue	158,439,211	--	--	158,439,211	158,439,211	146,427,872	158,165,112
Operating Expenditures:							
Classified Salaries	251,917	--	--	251,917	251,917	251,051	237,143
Statutory Benefits	88,316	--	--	88,316	88,316	56,532	70,823
Health & Welfare	51,190	--	--	51,190	51,190	39,000	47,038
Employer Tax Expense	4,769	--	--	4,769	4,769	3,477	3,915
Net Pension Expense	51,787	--	--	51,787	51,787	39,345	47,757
Telephone & Internet	7,350	--	--	7,350	7,350	7,350	6,380
Supplies Office	4,200	--	--	4,200	4,200	4,200	1,675
Supplies - Other	4,200	--	--	4,200	4,200	2,625	1,945
Eligibility Processing	246,077	--	--	246,077	246,077	245,627	213,327
Brokerage Fees-Dental-ACSIG	294,000	--	--	294,000	294,000	288,000	271,257
Brokerage Fees-Dental-MD	425,000	--	--	425,000	425,000	350,000	402,435
Travel and Conferences	23,100	--	--	23,100	23,100	23,100	22,759
Mileage	8,925	--	--	8,925	8,925	8,925	5,369
Dues & Memberships	7,350	--	--	7,350	7,350	1,575	6,636
Postage & Meter	10,000	--	--	10,000	10,000	8,350	7,265
Insurance Expense-PIPS&NCR	24,950,383	--	--	24,950,383	24,950,383	25,192,893	20,585,426
PIPS payroll adjustment	2,000,000	--	--	2,000,000	2,000,000	2,000,000	2,241,314
Utility - Operating-Rent	36,461	--	--	36,461	36,461	33,761	--
Advertising	600	--	--	600	600	600	--
Contract Services	31,275	--	--	31,275	31,275	24,701	17,650
Contract Services -PL-Investigation	--	--	--	--	--	--	--
Contract Services-PL-Legal	6,375	--	--	6,375	6,375	6,375	--
Audit Fees	16,275	--	--	16,275	16,275	15,540	13,250
Other Services/Operating Expenses	10,500	--	--	10,500	10,500	10,500	2,499
Capital Equipment/Depreciation	4,200	--	--	4,200	4,200	2,625	--
Repairs & Maintenance	3,675	--	--	3,675	3,675	3,675	--
Legal	2,100	--	--	2,100	2,100	2,100	--
Accounting Services	15,750	--	--	15,750	15,750	16,000	14,000
County Courier	4,200	--	--	4,200	4,200	4,200	--
Shredding	2,100	--	--	2,100	2,100	1,649	782
Copier & Scanner	15,000	--	--	15,000	15,000	15,050	10,928
Claims Administration Services	174,000	--	--	174,000	174,000	154,000	179,067
Self-Insurance Fee	325,000	--	--	325,000	325,000	290,000	261,221
Claims Paid-WC	1,750,000	--	--	1,750,000	1,750,000	2,500,000	1,280,507
Claims Paid-PL	100,000	--	--	100,000	100,000	50,000	27,495
Physical Abilities Testing	35,000	--	--	35,000	35,000	10,000	10,045
Safety Inspection	12,445	--	--	12,445	12,445	12,445	--
Training	40,000	--	--	40,000	40,000	40,000	--
First-Aid Program	30,000	--	--	30,000	30,000	10,000	23,945
Risk Management Prevention Program	30,000	--	--	30,000	30,000	--	--
Bank Charge & WC Penalty Reimb	41,000	--	--	41,000	41,000	17,200	36,826
Cobra Premiums	250,000	--	--	250,000	250,000	242,000	188,075
Dental Insurance Premiums	123,120,000	--	--	123,120,000	123,120,000	123,000,000	122,317,587
Vision Insurance Premiums	3,950,000	--	--	3,950,000	3,950,000	3,340,000	3,677,690
Claim Development Expense	(2,000,000)	--	--	(2,000,000)	(2,000,000)	(2,510,000)	(1,819,353)
Prior Year Adjustment	--	--	--	--	--	--	--
Total Operating Expenditures	156,434,519	--	--	156,434,519	156,434,519	155,814,471	150,414,678
Net Increase/(Decrease) from Operations	2,004,692	--	--	2,004,692	2,004,692	(9,386,599)	7,750,434
Non Operating Income/(Expense)							
Interest Income	376,500	--	--	376,500	379,200	240,750	338,229
Change in FMV	--	--	--	--	--	--	(337,414)
Realized Gain/(Loss)	--	--	--	--	--	--	19,201
GASB 68	--	--	--	--	--	--	--
Total Non Operating Income/(Expense)	376,500	--	--	376,500	379,200	240,750	20,016
Ending Cash	\$ 31,756,954	--	--				
Net Increase/(Decrease) in Net Position	\$ --	\$ --	\$ --	2,381,192	\$ 2,383,892	\$ (9,145,849)	7,770,450

It was moved by Kevin Collins and seconded by Bryan Richards to approve the Budget as presented.

Ayes: Heldman, Richards, Chan, Fermin, Vu, Veasley, Hu, Ochoa, Collins, Gabel, Spalasso

Nays: None

Abstain: None

Dental

VIII. Dental Rates 2018/2019

The Executive Director presented the 2018/19 Dental program proposed rate changes. The program continues to perform well. Last year, ACSIG decreased rates by 2%. The program has leveled off and we are recommending a flat renewal for 2018/19.

It was moved by Bryan Richards and seconded by Micaela Ochoa to approve the Dental Rates as presented.

Ayes: Heldman, Richards, Chan, Fermin, Vu, Veasley, Hu, Ochoa, Collins, Gabel, Spalasso

Nays: None

Abstain: None

Vision

IX. Vision Rates 2018/2019

The Executive Director presented the 2018/19 Vision program proposed rate changes. The underwriting model shows a slight decrease in claim development within the past several years. Because of the increasing growth within the program, it is our recommendation that rates remain flat for 2018/19.

It was moved by Kevin Collins and seconded by Suzy Chan to approve the Vision Rates as presented.

Ayes: Heldman, Richards, Chan, Fermin, Vu, Veasley, Hu, Ochoa, Collins, Gabel, Spalasso

Nays: None

Abstain: None

Property & Liability

X. Property & Liability Rates 2018/2019

The Executive Director presented 2018/19 Property and Liability rates. ACSIG participates in the NCR P/LJPA. The NCR Board met on May 4, 2018 to approve rates. NCR Property rates and Liability rates showed adverse development in the program. ACSIG has higher experience than the NCR average. These negative factors have resulted in an increase to the ACSIG PL rates.

We have included the adjusted valuations and ADA estimates. The rates have been estimated using the latest NCR and SAFER rate estimates.

2018/2019 Property & Liability Program Rates

ACSIG	Property	Liability	Total
ACOE	\$31,868	\$28,067	\$59,935
Albany	\$78,218	\$207,877	\$286,096
Dublin	\$233,319	\$570,475	\$803,794
Emery	\$62,766	\$38,553	\$101,319
Piedmont	\$76,748	\$151,850	\$228,598
ACSIG TOTAL	\$482,920	\$996,822	\$1,479,742

\$50,000 loss fund funding included for Property
 \$50,000 loss funding included for Liability
 Safety Inspection fee of \$12, 446 Included

It was moved by Bryan Richards and seconded by Micaela Ochoa to approve the Property and Liability Rates conditionally with adjustments of SAFER final rates.
 Ayes: Heldman, Richards, Chan, Fermin, Vu, Veasley, Hu, Ochoa, Collins, Gabel, Spalasso
 Nays: None
 Abstain: None

XI. PLCA Agreement Renewal

The Executive Director presented the renewal contract for Property and Casualty Claims Administration Services from Keenan and Associates.

It was moved by Kevin Collins and seconded by Bryan Richards to approve the PLCA Agreement Renewal.

Ayes: Heldman, Richards, Chan, Fermin, Vu, Veasley, Hu, Ochoa, Collins, Gabel, Spalasso
 Nays: None
 Abstain: None

Workers Compensation

XII. Claims Audit

The Executive Director presented the results of the USI Claims Audit. The overall score given to the Keenan & Associate claims team was 3.5 out of 5. The total score given was lower than the score of 4.0 received in 2016. Corrective action has been taken and a full-time supervisor has been hired to work with Patrice in the Pleasanton office.

It was moved by Kevin Collins and seconded by Bryan Richards to approve the Claims Audit.

Ayes: Heldman, Richards, Chan, Fermin, Vu, Veasley, Hu, Ochoa, Collins, Gabel, Spalasso

Nays: None

Abstain: None

XIII. Actuarial Study – Ultimate Loss

The Executive Director presented the February 2018 Actuarial study of the ultimate loss of the self-insured portion of the ACSIG Workers Compensation program. Bay Actuarial estimates that ACSIG's liability for unpaid losses were \$18.5M on December 31, 2016 and project that it will be \$17.8M on June 30, 2017. The corresponding discounted values (at 1.5% interest) are \$16.4M and \$15.7M.

It was moved by Bryan Richards and seconded by Suzy Chan to approve the Ultimate Loss Actuarial Study as presented.

Ayes: Heldman, Richards, Chan, Fermin, Vu, Veasley, Hu, Ochoa, Collins, Gabel, Spalasso

Nays: None

Abstain: None

XIV. Actuarial Study – Ex-Mods

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

MEMBER	NEW EX-MOD 12/31/17	OLD EX-MOD 12/31/16
ACOE	0.750	0.750
ALAMEDA	1.250	1.188
ALBANY	1.003	0.989
CASTRO VALLEY	0.884	1.078
DUBLIN	0.750	0.768
EDEN ROP	0.750	0.750
EMERY	0.750	0.750
FREMONT	0.836	0.917
LIVERMORE	1.109	1.092
MISSION ROP	0.750	0.750
MT. HOUSE	0.750	1.250
NEWARK	0.932	1.000
NEW HAVEN	1.128	1.076
PIEDMONT	0.750	0.750
PLEASANTON	1.134	0.920
SAN LEANDRO	1.250	1.115
SAN LORENZO	1.250	1.250
SUNOL GLEN	0.750	0.750
TRI VALLEY ROP	0.750	0.750

It was moved by Bryan Richards and seconded by Kevin Collins to approve the Ex-Mods as presented.

Ayes: Heldman, Richards, Chan, Fermin, Vu, Veasley, Hu, Ochoa, Collins, Gabel, Spalasso

Nays: None

Abstain: None

XV. Workers Compensation Rates 2018/2019

The Executive Director presented 2018/19 Workers Compensation rates.

**2018/2019
Workers' Compensation Rates**

	2015/2016 Actual Payroll	2016/2017 Actual Payroll	Base Rate	Ex Mod	Rate per \$100 Payroll	2018/2019 PREMIUM
ACOE	\$25,061,341	\$23,717,493	2.65	0.7500	1.99	\$471,385
ALAMEDA	\$68,660,947	\$70,301,878	2.65	1.2500	3.31	\$2,328,750
ALBANY	\$27,672,524	\$27,858,715	2.65	1.0030	2.66	\$740,471
CASTRO VALLEY	\$61,699,837	\$64,078,083	2.65	0.8840	2.34	\$1,501,093
DUBLIN	\$66,582,268	\$68,658,689	2.65	0.7500	1.99	\$1,364,591
EDEN ROP	\$3,885,140	\$4,583,000	2.65	0.7500	1.99	\$91,087
EMERY	\$5,695,727	\$5,808,634	2.65	0.7500	1.99	\$115,447
FREMONT	\$242,522,930	\$255,927,440	2.65	0.8360	2.22	\$5,669,817
LIVERMORE	\$78,864,191	\$84,264,612	2.65	1.1090	2.94	\$2,476,411
MISSION ROP	\$3,996,482	\$4,351,284	2.65	0.7500	1.99	\$86,482
MT. HOUSE	\$174,844	\$183,365	2.65	0.7500	1.99	\$3,644
NEWARK	\$43,428,226	\$43,509,192	2.65	0.9320	2.47	\$1,074,590
NEW HAVEN	\$82,394,985	\$89,658,169	2.65	1.1280	2.99	\$2,680,062
PIEDMONT	\$23,943,792	\$24,365,158	2.65	0.7500	1.99	\$484,258
PLEASANTON *	\$100,602,848	\$102,590,453	2.65	1.1340	3.01	\$3,082,946
SAN LEANDRO	\$60,732,865	\$63,320,230	2.65	1.2500	3.31	\$2,097,483
SAN LORENZO	\$74,342,651	\$78,240,528	2.65	1.2500	3.31	\$2,591,717
SUNOL GLEN	\$1,912,229	\$2,031,253	2.65	0.7500	1.99	\$40,371
TRI VALLEY ROP	\$3,200,723	\$2,121,140	2.65	0.7500	1.99	\$42,158
TOTAL PREMIUMS	\$975,374,549	\$1,015,569,318				\$26,942,761

Average Ex Mod 1.00000

Payrolls based upon 2016/2017 Unaudited Actuals Reports provided by ACOE

* includes apprentice program

It was moved by Kevin Collins and seconded by Bryan Richards to approve the Workers Compensation rates as presented.

Ayes: Heldman, Richards, Chan, Fermin, Vu, Veasley, Hu, Ochoa, Collins, Gabel, Spalasso

Nays: None

Abstain: None

XVI. Informational Report for Fiscal Year End

Laurena Grabert from SETECH presented the 2016/2017 Informational Report for the Fiscal Year Ended June 30, 2017. 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 06/30/2017

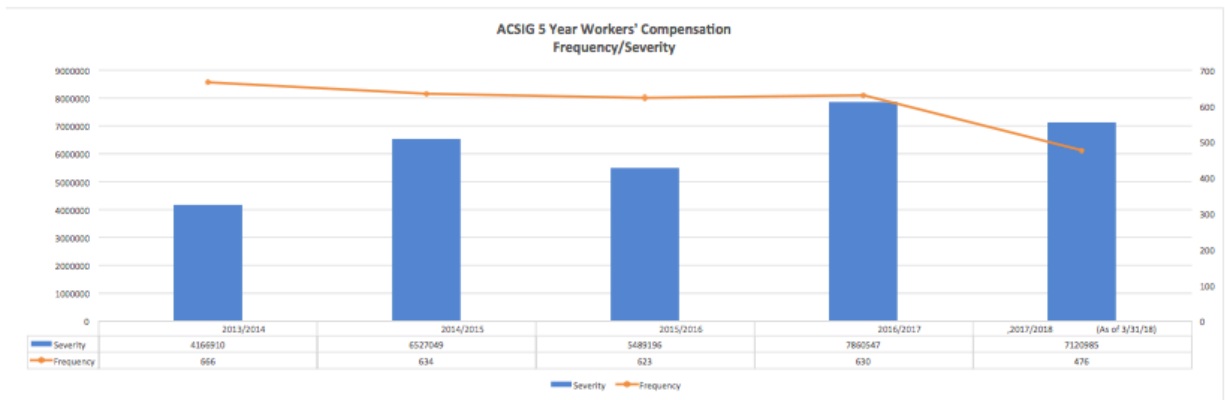
Members	Sub-Total From Page 12	Program Years								Total
		2016/2017								
		Pro Rata Share %	Net Assets	Pro Rata Share %	Net Assets	Pro Rata Share %	Net Assets	Pro Rata Share %	Net Assets	
Alameda COE	\$ (59,906)	2.03 %	\$ 168,226	-- %	\$ --	-- %	\$ --	-- %	\$ --	\$ 108,320
Alameda	(500,101)	7.07	585,891	--	--	--	--	--	--	85,790
Albany	(78,329)	3.53	292,531	--	--	--	--	--	--	214,202
Castro Valley	(209,303)	6.27	519,595	--	--	--	--	--	--	310,292
Dublin	109,914	5.45	451,642	--	--	--	--	--	--	561,556
Eden ROP	(141,731)	0.37	30,662	--	--	--	--	--	--	(111,069)
Emery	(105,976)	0.48	39,778	--	--	--	--	--	--	(66,198)
Fremont	1,031,642	23.56	1,952,418	--	--	--	--	--	--	2,984,060
Livermore	(96,640)	9.10	754,117	--	--	--	--	--	--	657,477
Mission ROP	(66,772)	0.32	26,518	--	--	--	--	--	--	(40,254)
Mt. House	(4,698)	0.03	2,486	--	--	--	--	--	--	(2,212)
Newark	(363,411)	5.60	464,072	--	--	--	--	--	--	100,661
New Haven	(692,289)	8.32	689,479	--	--	--	--	--	--	(2,810)
Piedmont	(137,956)	1.90	157,453	--	--	--	--	--	--	19,497
Pleasanton	(192,168)	7.77	643,900	--	--	--	--	--	--	451,732
San Leandro	64,696	7.57	627,326	--	--	--	--	--	--	692,022
San Lorenzo	(850,125)	10.12	838,645	--	--	--	--	--	--	(11,480)
Sunol Glen	(14,166)	0.16	13,259	--	--	--	--	--	--	(907)
Tri Valley ROP	2,579	0.35	29,006	--	--	--	--	--	--	31,585
Pleasanton Apprentice	--	--	--	--	--	--	--	--	--	--
Totals	\$ (2,304,740)	100.00 %	\$ 8,287,004	-- %	\$ --	-- %	\$ --	-- %	\$ --	\$ 5,982,264

XVII. 5 Year Point in Time Comparison

Michael Clark from Keenan & Associates discussed the 5 year point in time comparison. As resources are dedicated to improve frequency and severity of injuries within ACSIG, it is important to review the claims data to evaluate the effectiveness of the programs.

ACSIG 5 Year Workers' Compensation Frequency / Severity

	2013/2014 FY As of 6/30/14		2014/2015 FY As of 6/30/15		FY 2015/2016 As of 6/30/16		FY 2016/2017 As of 6/30/17		FY 2017/2018 As of 3/31/18	
	Frequency	Severity	Frequency	Severity	Frequency	Severity	Frequency	Severity	Frequency	Severity
Alameda County Office of Education	6	\$ 3,108.18	5	\$ 245,761.27	7	\$ 132,585.95	0	\$ -	4	\$ 85,296.72
Alameda Unified School District	48	\$ 285,686.10	58	\$ 208,696.83	53	\$ 499,039.37	56	\$ 449,298.19	29	\$ 781,341.52
Albany Unified School District	20	\$ 216,007.97	17	\$ 69,264.20	17	\$ 183,032.87	14	\$ 352,831.25	12	\$ 248,755.20
Castro Valley Unified School District	41	\$ 255,827.06	55	\$ 586,919.46	33	\$ 176,976.24	43	\$ 522,336.05	27	\$ 290,968.73
Dublin Unified School District	27	\$ 96,189.88	32	\$ 128,121.34	27	\$ 117,677.63	50	\$ 434,165.78	37	\$ 255,747.16
Eden Area ROP	3	\$ 3,060.39	3	\$ 2,078.41	4	\$ 13,313.38	5	\$ 88,665.52	3	\$ 3,786.13
Emery Unified School District	9	\$ 37,385.98	2	\$ 312.27	5	\$ 92,826.89	8	\$ 87,388.51	4	\$ 71,070.12
Fremont Unified School District	142	\$ 988,023.09	112	\$ 1,339,750.12	129	\$ 1,179,715.35	119	\$ 2,172,400.23	112	\$ 1,990,950.88
Livermore Valley Joint Unified School District	58	\$ 612,008.82	56	\$ 663,929.55	60	\$ 760,827.73	59	\$ 653,589.78	33	\$ 529,915.39
Mission Valley ROP	2	\$ 1,826.46	0	\$ -	1	\$ 531.38	8	\$ 222,087.58	3	\$ 34,281.46
New Haven Unified School District	56	\$ 358,623.24	64	\$ 416,916.09	70	\$ 431,612.03	53	\$ 623,189.03	41	\$ 417,140.55
Newark Unified School District	44	\$ 199,530.19	32	\$ 228,604.81	29	\$ 290,531.11	26	\$ 310,594.99	26	\$ 500,233.43
Piedmont Unified School District	11	\$ 35,731.40	12	\$ 101,511.17	14	\$ 168,071.30	13	\$ 323,790.60	12	\$ 19,075.83
Pleasanton Unified School District	79	\$ 498,530.45	72	\$ 828,819.49	50	\$ 817,013.28	66	\$ 873,096.56	52	\$ 759,385.89
San Leandro Unified School District	43	\$ 213,643.22	46	\$ 503,938.34	47	\$ 344,359.69	34	\$ 219,659.70	35	\$ 654,808.12
San Lorenzo Unified School District	72	\$ 359,175.55	66	\$ 699,105.60	71	\$ 274,373.11	64	\$ 489,323.30	44	\$ 474,494.46
Sunol Glen School District	0	\$ -	0	\$ -	2	\$ 1,933.89	0	\$ -	1	\$ 33.17
Tri Valley Regional Occupational Program	5	\$ 2,551.60	2	\$ 3,315.98	4	\$ 4,774.99	3	\$ 38,129.68	1	\$ 3,700.00
Grand Total	666	\$ 4,166,909.59	634	\$ 6,527,044.93	623	\$ 5,489,196.19	630	\$ 7,860,546.75	476	\$ 7,120,984.76



Administrative

XVIII. Election of Executive Committee

Due to Allan Garde, Annette Heldman, Susan Kinder, and Bryan Richard's terms expiring, we have 4 seats available for rotation on the Executive Committee. Annette, Susan, and Bryan have agreed to sit for another 2 years. Suzy Chan will be a new member to our Executive Committee.

It was moved by Micaela Ochoa and seconded by Annette Heldman to approve the Election of Executive Committee as presented.

Ayes: Heldman, Richards, Chan, Fermin, Vu, Veasley, Hu, Ochoa, Collins, Gabel, Spalasso

Nays: None

Abstain: None

XIX. ACSIG Salaries & Benefits

The Executive Director presented a schedule increase proposal for the ACSIG staff of 2% and a 1% off the salary schedule. The average from 10 settled agencies was 2.01%. The overall cost for this increase would total \$9757.79.

It was moved by Kevin Collins and seconded by Bryan Richards to approve the ACSIG Salary as presented.

Ayes: Heldman, Richards, Chan, Fermin, Vu, Veasley, Hu, Ochoa, Collins, Gabel, Spalasso

Nays: None

Abstain: None

XX. Meeting Calendar

The Full Board received the draft 2018/19 Calendar with the following dates.

2018/ 2019 Calendar (DRAFT)

November 1, 2018	Executive Committee	9:30am – 12:00pm
November 8, 2018	Joint Full Board Lunch will be served	12:00pm – 3:00pm
December 13, 2018	Executive Committee	9:30am – 12:00pm
February 7, 2019	Executive Committee	9:30am – 12:00pm
May 9, 2019	Executive Committee	9:30am – 12:00pm
May 16, 2019	Joint Full Board Lunch will be served	12:00pm – 3:00pm

XXI. Future Planning

XXII. This meeting was adjourned at 1:28pm.



**LOCATION CALL- IN SHEET
ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
FULL BOARD MEETING**

May 17, 2018
12:00 PM

1) Enter call-in number (888) 240-3210 2) Enter Participation Code 5912465# 3) State your name.

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

Alameda County Office of Education

313 W Winton Ave.
Hayward, CA 94544
Teresea Kapellas (510) 670-4270

Alameda Unified School District

2060 Challenger Drive #100
Alameda, CA 94501
Shariq Khan (510) 337-7066

Albany Unified School District

1051 Monroe Street
Albany, CA 94706
Douglas Crancer (510) 558-3751

Castro Valley Unified School District

4400 Alma Avenue
Castro Valley, CA 94546
Suzy Chan (510) 537-3000

Dublin Unified School District

7471 Lakedale Avenue
Dublin, CA 94568
Joe Sorrera (925) 828-2551

Eden Area ROP

26316 Hesperian Blvd.
Hayward, CA 94545
Marites Fermin (510) 293-2906

Emery Unified School District

1275 61st Street
Emeryville, CA 94608
Dora Siu (510) 601-4905

Fremont Unified School District

4210 Technology Drive
Fremont, CA 94539
Raul Parungao (510) 659-2572

Livermore Unified School District

685 East Jack London Blvd.
Livermore, CA 94501
Susan Kinder (925) 606-3255

Mission Valley ROP

5019 Stevenson Blvd.
Fremont, CA 94538
Joyce Veasley (510) 657-1865

Mountain House School District

3950 Mountain House Road
Byron, CA 94546
Vickie Chang (510) 670-4192

New Haven Unified School District

34200 Alvarado-Niles Rd.
Union City, CA 94587
Annette Heldman (510) 471-1100

Newark Unified School District

5715 Musick Avenue
Newark, CA 94560
Bryan Richards (510) 818-4115

Piedmont Unified School District

760 Magnolia Ave
Piedmont, CA 94611
Song Chin-Bendib (510) 594-2608

Pleasanton Unified School District

4665 Bernal Ave
Pleasanton, CA 94566
Micaela Ochoa (925) 426-4307

San Leandro Unified School District

835 E 14th St
San Leandro, CA 94577
Kevin Collins (510) 667-3504

San Lorenzo Unified School District

15510 Usher Street
San Lorenzo, CA 94580
Madeline Gabel (510) 317-4641

Sunol Glen School District

11601 Main Street
Sunol, CA 94586
Miki Whetfield (925) 862-2026

Tri-Valley ROP

1040 Florence Road

Livermore, CA 94550

Julie Duncan (925) 455-4800

Minutes

Strategic Planning 2018

Date: June 28, 2018
Time: 9:30 AM
Location: 5776 Stoneridge Mall Road
Pleasanton, CA 94588

Kimberly Dennis called the meeting to order at 9:44 am.

In attendance were:

Annette Heldman, Board President
Susan Kinder, Board Vice-President
Kevin Collins, Board Member
Micaela Ochoa, Board Member
Kimberly Dennis - ACSIG
Ron Martin - Keenan
Tara Cooper-Salaiz – Keenan
Michael Clark – Keenan
Patrice Grant – Keenan
Dave Kundert – Keenan

I. Review of 2016 Strategic Plan Status

Kimberly Dennis reviewed the goals developed at the 2016 Strategic Planning session and the status of each item. All items have been addressed with the majority being completed. The on-going items will continue into the 2018 Plan.

II. Review Increased Frequency and Severity Trend

Michael Clark reviewed a 3-year point in time. The data showed that frequency since 2015 has been very consistent but severity for the same number of claims has gone up more than 50% over the past 3 years. Michael indicated that many of the reasons for these increased costs will be discussed today in the next portion of the agenda.

III. Risk Management Incentive Programs

Kimberly Dennis reviewed the available programs with the group. Extensive conversation about the Post Offer/Pre Placement program and how these programs can be incorporated into the hiring process for both Merit Districts and non-Merit Districts. The benefits and challenges of such a program were outlined and members expressed concern about how such a program would be received by the

unions. Discussion ensued about how such programs would work with existing staff trying to promote into new positions as well as new hires.

Kimberly also reviewed how implementation of risk management incentive programs can help each member's culture, rate and experience modification factor.

IV. Service Team Identified Areas for Improvement

a. TTD/Return to Work

One of the largest causes of the increase in severity for some members of the JPA is the cost of TTD. When injured workers with work restrictions are not accommodated at the District, they remain off work and are paid Total, Temporary Disability (TTD). A Return to Work program can help mitigate these increased costs. Return to Work programs need careful monitoring and supervision. Fremont Unified was able to positively affect their program by hiring substitute employees to job shadow those employees with temporary work restrictions. This enabled the substitute to learn from the permanent employee while allowing the injured worker to perform within their work restrictions. Each member must also review their specific collective bargaining agreement which may allow for more generous leaves than the law requires (ie, use of all leaves, then differential pay).

Michael Clark also reviewed statistics with regard to what percentage of the JPA the member consists of compared to the percentage of TTD paid JPA wide. This helps membership see how they compare to the other members of the JPA.

b. EAP/Psych component of injury

One of the newer add-ons to claims made by injured workers is a psych component. Patrice Grant reviewed the increased number of claims that are accompanied by psychological treatment and/or anxiety medication. One of the areas where claims have seen an increase is when there is negative co-worker interaction. These claims usually involve multiple parties. Additionally, many ParaEducators are being injured by a student only to be placed back with that same student when they are released back to work. One of the dangers of this practice is what is referred to as a 132(a). This essentially says that if an employer knows that an employee is likely to be injured performing the duties of their position and the employer still required that employee to work in that environment, should the employee be injured again, there could be a serious and willful claim made against the employer. Workers' Compensation doesn't cover these type of claims and judgments.

Patrice indicated that many of the employers with the JPA have no program to address the psychological needs of their employees outside their health carrier. Throughout the State, some employers sponsor an Employee Assistance Program (EAP). These are low-cost programs that allow employees access to psychologists for a specific number of visits to address any needs the employee has whether they are work-related or not. By having such a program, employers may be able to address the issue without the employee filing a workers' compensation claim.

Kimberly Dennis is going to research which JPA members have EAP programs and what available vendor there are in our area as well as the cost associated with the program.

c. Training

Dave Kundert outlined the number of trainings he has conducted throughout the JPA. While there are a lot of resources available for JPA membership, the Service Team continues to have difficulty making the correct contact within each member agency. The Service Team expressed the need to have each Board Member make the introduction to the appropriate department head at each District. Included Special Education in this discussion. There continues to be a need to train ParaEducators in behavior-related circumstances they may face in their work day. These trainings should be expanded to include substitutes so that all employees are best prepared for work.

d. Aging Workforce

Michael Clark reviewed some data regarding the average age of injured workers within the JPA. We are seeing the average age increasing with some substitute employees being in their mid-late 70's. Injuries within this age category have accompanying costs that are less likely in younger workers. Some of these include rehabilitation centers, home health workers and assistive devices. As employees age, the severity of their injuries can increase. Hip, Knee and Shoulder surgeries are most common in employees over 50. The group discussed some solutions toward this issue. They include fitness for duty evaluations, less strenuous options for lateral movement and early retirement.

Kimberly discussed a strategy that she will be implanting in the coming year to sponsor workshops throughout the County in partnership with CalPERS to enable all employees to hear from a CalPERS representative about the retirement calculator and how to retire within CalPERS. This is being launched in an effort to get all employees informed.

V. What is ACSIG doing well

Intergrated Service Team (IST) approach. Members like that all service team members are consistent between WC program and PL program. Training is the same for all members regardless their membership or which program its about. This allows for all departments to be served by same team members.

Elimination of deficit and accumulation of surplus while continuing to keep rates competitive.

Better exposure to opportunities available.

VI. ACSIG Areas of Improvement

Over the next 2 years, the following were identified as initiatives:

1. Add Workers' Compensation related items to the HR Advisory Committee agendas as appropriate. Additionally, make contact with Countywide HR administrators to attend their meetings on a more regular basis.
2. Full implementation of Retirement Education Initiative.
3. Review Wellness program opportunities within each agencies Health program.
4. Expand and Educate members about the Post Offer/Pre Placement Program
5. Research which JPA members have EAP programs and what available vendor there are in our area as well as the cost associated with the program.
6. Research Fitness for Duty Options
 - a. Board Policies
 - b. Trigger Parameters
 - c. Who uses and How
7. Improve Special Education training to include 3 real life scenarios outlining what occurred and what could have been improved.
8. Schedule an annual Board/HR meeting to review JPA related items attributable to both departments.
9. Research available job faire options for classified employees
10. Greater involvement with members/Improved Board Meeting experience
 - a. Fewer changes to meeting dates/times
 - b. Better notification when there is a meeting date/time change
 - c. Send calendar invites for meeting with location address in invite
 - d. Research Brown Act requirements for meeting utilizing Conference Call options
 - e. Correct address for all membership
 - f. Better use of alternates
 - g. Put page numbers on the agenda
 - h. Send reminder of meetings
 - i. Raffle prizes



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 of Directors

FROM: Kimberly Dennis

DATE: November 8, 2018

SUBJECT: 2017/2018 Fourth Quarter Financials

ACSIG partners with SETECH for financial services support. Enclosed are the 2017/2018 Fourth Quarter financial statements for review. These financial statements reflect the 2017/2018 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 Board.



ALAMEDA COUNTY SCHOOLS INSURANCE GROUP

TREASURER'S REPORT

AS OF JUNE 30, 2018 AND FOR THE FISCAL YEAR 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



Innovative Solutions. Enduring Principles.
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For the Executive Committee Meeting of November 1, 2018
For the Board Meeting of November 8, 2018

Alameda County Schools Insurance Group (ACSIG)

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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 06/30/2017 and 06/30/2018

	Audited As of 06/30/2017	Activity 07/01/2017 - 06/30/2018	Audited As of 06/30/2018
Assets:			
Current Assets			
Workers Compensation	\$ 13,726,737	4,807,971	\$ 18,534,707
Dental	2,073,984	1,210,685	3,284,669
Vision	1,251,024	72,702	1,323,726
Property and Liability	1,234,912	83,034	1,317,946
Operations	238,251	(136,990)	101,261
Cash and Cash Equivalents	<u>\$ 18,524,908</u>	<u>6,037,402</u>	<u>\$ 24,562,309</u>
Investments Morgan Stanley - current	2,032,238	606,886	2,639,124
Accounts Receivable	7,827,985	196,215	8,024,200
Prepaid Expense	9,948	(2,263)	7,685
Interfund Receivable/(payable) (1)	--	--	--
Subtotal Current Assets	<u>28,395,079</u>	<u>6,838,240</u>	<u>35,233,319</u>
Noncurrent Assets			
Investments @ FMV - Morgan Stanley (3)	14,018,468	(666,490)	13,351,978
Capital - Equipment, net of depreciation	2,963	(592)	2,371
	<u>14,021,431</u>	<u>(667,082)</u>	<u>13,354,349</u>
Total Assets	<u>\$ 42,416,510</u>	<u>\$ 6,171,158</u>	<u>\$ 48,587,667</u>
Deferred Outflow of Resources:			
Deferred outflow of resources - pension	<u>217,668</u>	<u>328,709</u>	<u>546,377</u>
Liabilities:			
Current Liabilities			
Accounts Payable	\$ 3,053,398	\$ 393,437	\$ 3,446,835
Prefunding deposits (2)	3,817,300	213,277	4,030,577
Advance Contributions	--	--	--
Other Claim Liabilities - Castlepoint Reinsurance Insolvency	--	908,036	908,036
Current Portion of claims and claim adjustment	3,832,965	160,820	3,993,786
Subtotal Current Liabilities	<u>10,703,663</u>	<u>1,675,570</u>	<u>12,379,234</u>
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	14,245,110	(1,438,191)	12,806,919
Unallocated Loss Adjustment Expense (ULAE)	1,365,838	12,000	1,377,838
Subtotal Noncurrent Claim Liabilities	<u>15,610,948</u>	<u>(1,426,191)</u>	<u>14,184,757</u>
Net Pension Liability (NPL)	586,196	146,631	732,827
Total Liabilities	<u>\$ 26,900,807</u>	<u>\$ 396,010</u>	<u>\$ 27,296,818</u>
Deferred Inflow of Resources:			
Deferred inflow of resources - pension	<u>128,507</u>	<u>(62,895)</u>	<u>65,612</u>
Net Position:			
Undesignated Net Position - Net Assets/(Deficit)	15,601,901	6,167,342	21,769,243
Designated - Capital Assets	2,963	(592)	2,371
Total Net Position	<u>\$ 15,604,864</u>	<u>\$ 6,166,750</u>	<u>\$ 21,771,614</u>
Total Liabilities, Deferred Pension, and Ending Net Position	<u>\$ 42,416,510</u>	<u>\$ 6,171,156</u>	<u>\$ 48,587,667</u>

Footnote:

- (1) Interfund transfers net to zero on consolidated financial statements. This is a internal function used to transfer or allocate expense and income from one program to another without transfer of cash.
- (2) Estimated six weeks of dental claims funded by each member to maintain positive cash flow.
- (3) Morgan Stanley Smith Barney Investment shown at Fair Market Value, accrued interest shown as accounts receivable.

Alameda County Schools Insurance Group (ACSIG)
Consolidated
Statement of Revenues, Expenditures and Changes in Net Position
As of 06/30/2018 and For The Fiscal Year Then Ended

	2016/2017		2017/2018			
	Budget	Audited Actuals	Budget	Audited Actuals	Variance	Percentage of Budget
Operating Revenue:						
Premiums Paid by Members	\$ 147,391,011	\$ 158,165,112	\$ 156,427,872	\$ 165,692,065	\$ (9,264,193)	105.92 %
Return of Premiums	--	--	--	(1,145,883)	--	--
Other Income	--	247	--	--	--	--
Total Operating Revenue	147,391,011	158,165,359	156,427,872	164,546,182	(9,264,193)	105.19
Operating Expenditures:						
Classified Salaries	236,778	237,143	251,051	286,178	(35,127)	113.99
Statutory Benefits	55,498	70,823	56,552	31,954	24,598	56.50
Health & Welfare	39,000	47,037	39,000	47,510	(8,510)	121.82
Employer Tax Expense	3,411	3,915	3,477	4,443	(966)	127.79
Net Pension Expense	--	(47,757)	39,345	(191,171)	230,516	(485.88)
Telephone & Internet	5,250	6,380	7,350	6,102	1,248	83.03
Supplies Office	5,250	1,675	4,200	1,885	2,315	44.87
Supplies - Other	5,250	1,946	2,625	3,276	(651)	124.80
Eligibility Processing	252,000	208,279	240,000	213,141	26,859	88.81
Brokerage Fees-Dental-ACSIG	276,000	271,257	288,000	293,050	(5,050)	101.75
Brokerage Fees-Dental-MD	300,000	402,435	350,000	410,333	(60,333)	117.24
Travel and Conferences	21,000	22,759	23,100	10,458	12,642	45.27
Mileage	8,925	5,370	8,925	6,756	2,169	75.70
Dues & Memberships	1,575	6,635	1,575	1,635	(60)	103.81
Postage & Meter	3,400	7,265	8,350	3,875	4,475	46.41
Insurance Expense-PIPS&NCR	23,989,931	20,585,426	25,192,893	21,028,823	4,164,070	83.47
Insurance Expense-PY Adj	1,500,000	2,212,707	2,000,000	749,186	1,250,814	37.46
Utility - Operating-Rent	35,420	33,655	39,388	36,395	2,993	92.40
Advertising	2,100	--	600	--	600	--
Contract Services	8,426	17,650	26,275	8,272	18,003	31.48
Contract Services -Claim Audit	--	--	20,000	15,570	4,430	77.85
Contract Services	10,000	--	6,375	--	6,375	--
Audit Fees	14,175	13,250	15,540	13,500	2,040	86.87
Other Services/Operating Expenses	5,250	2,499	10,500	5,614	4,886	53.47
Capital Equipment/Depreciation	2,550	592	2,625	592	2,033	22.55
Repairs & Maintenance	4,800	--	3,675	--	3,675	--
Legal	2,550	--	2,100	--	2,100	--
Accounting Services	15,750	14,000	15,750	14,420	1,330	91.56
County Courier	3,675	--	4,200	3,568	632	84.94
Shredding	1,575	782	1,574	851	723	54.05
Copier & Scanner	15,000	10,928	15,000	10,277	4,723	68.51
Claims Administration Services	190,000	179,067	154,000	166,909	(12,909)	108.38
Self-Insurance Fee	245,000	261,221	290,000	297,811	(7,811)	102.69
Claims Paid-WC	3,000,000	1,280,507	2,500,000	1,001,753	1,498,247	40.07
Claims Paid-PL	80,000	27,495	50,000	53,650	(3,650)	107.30
Physical Abilities Testing	10,000	10,045	25,000	14,004	10,996	56.02
Training	5,000	--	20,000	--	20,000	--
First-Aid Program	10,000	23,945	10,000	23,953	(13,953)	239.53
Food Service Training	10,000	--	5,000	--	5,000	--
Special Ed Training	10,000	--	15,000	--	15,000	--
Incentives	--	--	--	28,559	(28,559)	--
Safety Inspections	12,445	--	12,445	12,445	--	--
Bank Charge & WC Penalty Reimb	15,000	26,826	17,200	21,071	(3,871)	122.51
Cobra Premiums	250,000	188,075	242,000	246,832	(4,832)	102.00
Dental Insurance Premiums	113,877,908	122,317,587	123,000,000	129,945,472	(6,945,472)	105.65
Vision Insurance Premiums	2,758,000	3,677,690	3,340,000	4,066,932	(726,932)	121.76
Claim Development Expense	(2,430,000)	(1,819,353)	(2,510,000)	(357,335)	(2,152,665)	14.24
ACA Fees	--	--	--	--	--	--
Total Operating Expenditures	144,867,892	150,309,757	155,850,690	158,538,548	(2,687,858)	101.72 %
Net Increase/(Decrease) from Operations	2,523,119	7,855,602	577,182	6,007,634	(6,576,335)	1,040.86 %
Non Operating Income/(Expense)						
Interest Income	218,250	338,231	231,500	499,738	(268,238)	215.87
Net Increase/(Decrease) in Fair Value	--	(337,414)	--	(341,266)	341,266	--
Realized Gain/(Loss) on Investments	--	19,201	--	644	(644)	--
Cumulative effect of GASB 68	--	--	--	--	--	--
Interfund Trans, Other Inc/Exp	--	--	--	--	--	--
Total Non Operating Income/(Expense)	218,250	20,018	231,500	159,116	72,384	68.73 %
Net Increase/(Decrease) in Net Position	\$ 2,741,369	\$ 7,875,620	808,682	\$ 6,166,750	\$ (6,503,951)	762.57 %
Beginning Balance Prior Year End	\$ 7,729,244	\$ 7,729,244	15,604,864	\$ 15,604,864	\$ 592	100.00 %
Audited Ending Balance, as of 06/30/2018	\$ 10,470,613	\$ 15,604,864	\$ 16,413,546	\$ 21,771,614	\$ (6,503,359)	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Workers' Compensation
As of 06/30/2017 and 06/30/2018

	Audited As of 06/30/2017	Activity 07/01/2017 - 06/30/2018	Audited As of 06/30/2018
Assets:			
Current Assets			
Funds with County - WC - #44906	\$ 10,087,244	2,246,753	\$ 12,333,997
Funds in Transit - #44906 to Morgan Stanley Investments	--	--	--
Funds with County - Retention Fund #44904	17,517	224	17,741
Union Bank Claims - #0129	55,746	2,514,717	2,570,463
Union Bank Claims Trust Account - #0600	332,381	28,278	360,659
Local Agency Investment Funds (L.A.I.F.)	3,177,362	37,549	3,214,911
Money Market - Morgan Stanley	56,487	(19,550)	36,936
Cash and Cash Equivalents	<u>\$ 13,726,737</u>	<u>4,807,971</u>	<u>\$ 18,534,707</u>
Investments Morgan Stanley - current	2,032,238	606,886	2,639,124
Accounts Receivable	188,678	(71,034)	117,644
Prepaid Expense	--	--	--
Interfund Receivable/(payable)	<u>(68,669)</u>	<u>(118,630)</u>	<u>(187,299)</u>
Subtotal Current Assets	<u>15,878,984</u>	<u>5,225,193</u>	<u>21,104,177</u>
Noncurrent Assets			
Investments Morgan Stanley	7,386,420	(633,899)	6,752,521
Capital - Equipment, net of depreciation	--	--	--
	<u>7,386,420</u>	<u>(633,899)</u>	<u>6,752,521</u>
Total Assets	<u>\$ 23,265,404</u>	<u>\$ 4,591,294</u>	<u>\$ 27,856,698</u>
Deferred Outflow of Resources:			
Deferred outflow of resources - pension	<u>65,300</u>	<u>81,599</u>	<u>146,899</u>
Liabilities:			
Current Liabilities			
Accounts Payable	\$ 5,073	\$ (5,073)	\$ --
Prefunding deposits	--	--	--
Advance Contributions	--	--	--
Other Claim Liabilities - Castlepoint Reinsurance Insolvency	--	908,036	908,036
Current Portion of claims and claim adjustment	1,591,000	149,000	1,740,000
Subtotal Current Liabilities	<u>1,596,073</u>	<u>1,051,963</u>	<u>2,648,036</u>
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	14,209,957	(1,447,862)	12,762,095
Unallocated Loss Adjustment Expense (ULAE)	1,328,000	12,000	1,340,000
Subtotal Noncurrent Claim Liabilities	<u>15,537,957</u>	<u>(1,435,862)</u>	<u>14,102,095</u>
Net Pension Liability (NPL)	175,858	36,400	212,258
Total Liabilities	<u>\$ 17,309,888</u>	<u>\$ (347,499)</u>	<u>\$ 16,962,389</u>
Deferred Inflow of Resources:			
Deferred inflow of resources - pension	<u>38,552</u>	<u>(15,613)</u>	<u>22,939</u>
Net Position:			
Undesignated Net Position - Net Assets/(Deficit)	5,982,264	5,036,004	11,018,268
Designated - Capital Assets	--	--	--
Total Net Position	<u>\$ 5,982,264</u>	<u>\$ 5,036,004</u>	<u>\$ 11,018,268</u>
Total Liabilities, Deferred Pension, and Ending Net Position	<u>\$ 23,265,404</u>	<u>\$ 4,591,293</u>	<u>\$ 27,856,698</u>

Alameda County Schools Insurance Group (ACSIG)
Workers' Compensation
Statement of Revenues, Expenditures and Changes in Net Fund Assets
As of 06/30/2018 and For The Fiscal Year Then Ended

	2016/2017		2017/2018			
	Budget	Audited Actuals	Budget	Audited Actuals	Variance	Percentage of Budget
Operating Revenue:						
Premiums Paid by Members	\$ 28,264,268	\$ 28,264,266	\$ 26,712,774	\$ 26,712,774	\$ --	100.00 %
Return of Premiums	--	--	--	--	--	--
Other Income	--	247	--	--	--	--
Total Operating Revenue	28,264,268	28,264,513	26,712,774	26,712,774	--	100.00
Operating Expenditures:						
Classified Salaries	59,432	61,858	61,053	65,608	(4,555)	107.46
Statutory Benefits	13,930	23,208	14,246	8,266	5,980	58.02
Health & Welfare	7,800	14,111	7,800	14,253	(6,453)	182.73
Employer Tax Expense	856	934	876	959	(83)	109.46
Net Pension Expense	--	(14,326)	8,547	(44,672)	53,219	(522.66)
Telephone & Internet	750	957	1,050	915	135	87.14
Supplies Office	750	251	600	283	317	47.17
Supplies - Other	750	292	375	491	(116)	130.93
Eligibility Processing	--	--	--	--	--	--
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--
Brokerage Fees-Dental-MD	--	--	--	--	--	--
Travel and Conferences	3,000	3,414	3,300	1,569	1,731	47.55
Mileage	1,275	805	1,275	1,013	262	79.49
Dues & Memberships	225	995	225	245	(20)	108.89
Postage & Meter	100	121	100	194	(94)	194.00
Insurance Expense-PIPS	22,758,486	19,382,444	24,040,241	19,857,950	4,182,291	82.60
Insurance Expense-PY Adj	1,500,000	2,212,707	2,000,000	749,186	1,250,814	37.46
Utility - Operating-Rent	5,060	5,048	5,627	5,459	168	97.01
Advertising	300	--	300	--	300	--
Contract Services - Actuarial	8,426	8,150	10,000	8,272	1,728	82.72
Contract Services -Claim Audit	--	--	20,000	15,570	4,430	77.85
CAJPA Dues/Accreditation	--	--	--	--	--	--
Audit Fees	2,025	1,988	2,220	2,025	195	91.22
Other Services/Operating Expense:	750	375	1,500	842	658	56.13
Capital Equipment/Depreciation	750	--	375	--	375	--
Repairs & Maintenance	300	--	525	--	525	--
Legal	750	--	300	--	300	--
Accounting Services	2,250	2,100	2,250	2,163	87	96.13
County Courier	525	--	600	535	65	89.17
Shredding	675	117	225	128	97	56.89
Copier & Scanner	250	183	250	514	(264)	205.60
Claims Admin/Consult Services	170,000	170,000	154,000	154,000	--	100.00
Self-Insurance Fee	245,000	261,221	290,000	297,811	(7,811)	102.69
Claims Paid-WC	3,000,000	1,280,507	2,500,000	1,001,753	1,498,247	40.07
Claims Paid-PL	--	--	--	--	--	--
Physical Abilities Testing	10,000	10,045	25,000	14,004	10,996	56.02
Training	5,000	--	20,000	--	20,000	--
First-Aid Program	10,000	23,945	10,000	23,953	(13,953)	239.53
Food Service Training	10,000	--	5,000	--	5,000	--
Special Ed Training	10,000	--	15,000	--	15,000	--
Incentives	--	--	--	28,559	(28,559)	--
Safety Inspections	--	--	--	--	--	--
Bank Charge & WC Penalty Reimb	--	(875)	--	--	--	--
Cobra Premiums	--	--	--	--	--	--
Dental Insurance Premiums	--	--	--	--	--	--
Vision Insurance Premiums	--	--	--	--	--	--
Claim Development Expense	(2,400,000)	(2,211,298)	(2,500,000)	(378,826)	(2,121,174)	15.15
ACA Fees	--	--	--	--	--	--
Total Operating Expenditures	25,429,415	21,239,277	26,702,860	21,833,022	4,869,838	81.76 %
Net Increase/(Decrease) from Operations	2,834,853	7,025,236	9,914	4,879,752	(4,869,838)	49,220.82 %
Non Operating Income/(Expense)						
Interest Income	150,000	210,784	150,000	356,625	(206,625)	237.75
Net Increase/(Decrease) in Fair Value	--	(279,057)	--	(200,752)	200,752	--
Realized Gain/(Loss) on Investments	--	11,295	--	379	(379)	--
Cumulative effect of GASB 68	--	--	--	--	--	--
Interfund Transfer, Other Income	--	--	--	--	--	--
Total Non Operating Income/(Expense)	150,000	(56,978)	150,000	156,252	(6,252)	104.17 %
Net Increase/(Decrease) in Net Position	2,984,853	6,968,258	159,914	5,036,004	(4,876,090)	3,149.20 %
Beginning Balance Prior Year End	(985,994)	(985,994)	5,982,264	5,982,264	--	100.00 %
Audited Ending Balance, as of 06/30/2018	\$ 1,998,859	\$ 5,982,264	\$ 6,142,178	\$ 11,018,268	\$ (4,876,090)	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Dental
As of 06/30/2017 and 06/30/2018

	Audited As of 06/30/2017	Activity 07/01/2017 - 06/30/2018	Audited As of 06/30/2018
Assets:			
Current Assets			
Cash with County ACSIG #44901	\$ 432,292	(172,657)	\$ 259,635
Union Bank - Eligibility #9938	1,574,501	1,108,055	2,682,556
Union Bank - Expense #2064	10,044	318,185	328,229
Union Bank - Cobra Trust #0273	57,147	(42,898)	14,249
Union Bank - zero balance accounts	--	--	--
Cash and Cash Equivalents	<u>\$ 2,073,984</u>	<u>1,210,685</u>	<u>\$ 3,284,669</u>
Investments Morgan Stanley - current	--	--	--
Accounts Receivable	7,458,388	16,820	7,475,208
Prepaid Expense	--	--	--
Interfund Receivable/(payable)	<u>888,258</u>	<u>87,564</u>	<u>975,822</u>
Subtotal Current Assets	<u>10,420,630</u>	<u>1,315,069</u>	<u>11,735,699</u>
Noncurrent Assets			
Investments - Morgan Stanley	5,558,235	(27,314)	5,530,921
Capital - Equipment, net of depreciation	--	--	--
	<u>5,558,235</u>	<u>(27,314)</u>	<u>5,530,921</u>
Total Assets	<u>\$ 15,978,865</u>	<u>\$ 1,287,755</u>	<u>\$ 17,266,620</u>
Deferred Outflow of Resources:			
Deferred outflow of resources - pension	<u>108,834</u>	<u>190,986</u>	<u>299,820</u>
Liabilities:			
Current Liabilities			
Accounts Payable	\$ 2,740,033	\$ 372,615	\$ 3,112,648
Prefunding deposits	3,693,230	204,424	3,897,654
Advance Contributions	--	--	--
Other Claim Liabilities	--	--	--
Current Portion of claims and claim adjustment	1,899,000	--	1,899,000
Subtotal Current Liabilities	<u>8,332,263</u>	<u>577,039</u>	<u>8,909,302</u>
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	--	--	--
Subtotal Noncurrent Claim Liabilities	--	--	--
Net Pension Liability (NPL)	<u>293,098</u>	<u>85,195</u>	<u>378,293</u>
Total Liabilities	<u>\$ 8,625,361</u>	<u>\$ 662,234</u>	<u>\$ 9,287,595</u>
Deferred Inflow of Resources:			
Deferred inflow of resources - pension	<u>64,253</u>	<u>(36,544)</u>	<u>27,709</u>
Net Position:			
Undesignated Net Position - Net Assets/(Deficit)	7,398,085	853,051	8,251,136
Designated - Capital Assets	--	--	--
Total Net Position	<u>\$ 7,398,085</u>	<u>\$ 853,051</u>	<u>\$ 8,251,136</u>
Total Liabilities, Deferred Pension, and Ending Net Position	<u>\$ 15,978,865</u>	<u>\$ 1,287,755</u>	<u>\$ 17,266,620</u>

Alameda County Schools Insurance Group (ACSIG)

Dental

Statement of Revenues, Expenditures and Changes in Net Fund Assets

As of 06/30/2018 and For The Fiscal Year Then Ended

	2016/2017		2017/2018			
	Budget	Audited Actuals	Budget	Audited Actuals	Variance	Percentage of Budget
Operating Revenue:						
Premiums Paid by Members	\$ 115,000,000	\$ 124,773,696	\$ 125,000,000	\$ 133,333,165	\$ (8,333,165)	106.67 %
Return of Premiums	--	--	--	(1,145,883)	--	--
Other Income	--	--	--	--	--	--
Total Operating Revenue	115,000,000	124,773,696	125,000,000	132,187,282	(8,333,165)	105.75
Operating Expenditures:						
Classified Salaries	135,791	132,102	146,919	174,771	(27,852)	118.96
Statutory Benefits	31,828	31,989	32,355	18,051	14,304	55.79
Health & Welfare	25,350	23,519	25,350	23,755	1,595	93.71
Employer Tax Expense	1,956	2,322	1,989	2,809	(820)	141.24
Net Pension Expense	--	(23,879)	24,767	(115,435)	140,202	(466.08)
Telephone & Internet	3,750	4,467	5,250	4,272	978	81.37
Supplies Office	3,750	1,173	3,000	1,319	1,681	43.97
Supplies - Other	3,750	1,361	1,875	2,293	(418)	122.29
Eligibility Processing	252,000	208,279	240,000	213,141	26,859	88.81
Brokerage Fees-Dental-ACSIG	276,000	271,257	288,000	293,050	(5,050)	101.75
Brokerage Fees-Dental-MD	300,000	402,435	350,000	410,333	(60,333)	117.24
Travel and Conferences	15,000	15,930	16,500	7,320	9,180	44.36
Mileage	6,375	3,759	6,375	4,729	1,646	74.18
Dues & Memberships	1,125	4,645	1,125	1,145	(20)	101.78
Postage & Meter	3,150	6,901	8,100	3,487	4,613	43.05
Insurance Expense	--	--	--	--	--	--
Insurance Expense - PY Adj	--	--	--	--	--	--
Net, Operating-Rent	25,300	23,558	28,134	25,476	2,658	90.55
Advertising	1,500	--	--	--	--	--
Contract Services - Actuarial	--	5,000	15,000	--	15,000	--
Contract Services -Claim Audit	--	--	--	--	--	--
Contracted Services	10,000	--	6,375	--	6,375	--
Audit Fees	10,125	9,274	11,100	9,450	1,650	85.14
Other Services/Operating Expense:	3,750	1,749	7,500	3,930	3,570	52.40
Capital Equipment/Depreciation	1,500	--	1,875	--	1,875	--
Repairs & Maintenance	3,750	--	2,625	--	2,625	--
Legal	1,500	--	1,500	--	1,500	--
Accounting Services	11,250	9,800	11,250	10,094	1,156	89.72
County Courier	2,625	--	3,000	2,497	503	83.24
Shredding	750	547	1,124	596	528	53.02
Copier & Scanner	14,250	10,381	14,250	9,249	5,001	64.91
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	--	--	--	--	--	--
Incentives	--	--	--	--	--	--
Safety Inspections	--	--	--	--	--	--
Bank Charge	15,000	27,701	17,200	21,071	(3,871)	122.51
Cobra Premiums	250,000	188,075	242,000	246,832	(4,832)	102.00
Dental Insurance Premiums	113,877,908	122,317,587	123,000,000	129,945,472	(6,945,472)	105.65
Vision Insurance Premiums	--	--	--	--	--	--
Claim Development Expense	--	190,000	--	--	--	--
ACA Fees	--	--	--	--	--	--
Total Operating Expenditures	115,289,033	123,869,931	124,514,538	131,319,708	(6,805,170)	105.47 %
Net Increase/(Decrease) from Operations	(289,033)	903,765	485,462	867,574	(1,527,995)	178.71 %
Non Operating Income/(Expense)						
Interest Income	50,000	100,706	60,000	103,017	(43,017)	171.69
Net Increase/(Decrease) in Fair Value	--	(35,863)	--	(117,763)	117,763	--
Realized Gain/(Loss) on Investments	--	6,626	--	222	(222)	--
Cumulative effect of GASB 68	--	--	--	--	--	--
I Transfer, YE Close, Rebate	--	--	--	--	--	--
Total Non Operating Income/(Expense)	50,000	71,469	60,000	(14,524)	74,524	(24.21) %
Net Increase/(Decrease) in Net Position	(239,033)	975,234	545,462	853,050	(1,453,471)	156.39 %
Beginning Balance Prior Year End	6,422,851	6,422,851	7,398,085	7,398,086	--	100.00 %
Audited Ending Balance, as of 06/30/2018	\$ 6,183,818	\$ 7,398,085	\$ 7,943,547	\$ 8,251,136	\$ (1,453,471)	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Vision
As of 06/30/2017 and 06/30/2018

	Audited As of 06/30/2017	Activity 07/01/2017 - 06/30/2018	Audited As of 06/30/2018
Assets:			
Current Assets			
Cash with County #44902	\$ 1,251,024	72,702	\$ 1,323,726
Funds in Transit - #44902 to Morgan Stanley Investments	--	--	--
Cash and Cash Equivalents	<u>1,251,024</u>	<u>72,702</u>	<u>1,323,726</u>
Investments Morgan Stanley - current	--	--	--
Accounts Receivable	156,508	268,456	424,964
Prepaid Expense	--	--	--
Interfund Receivable/(payable)	<u>299,118</u>	<u>(50,678)</u>	<u>248,440</u>
Subtotal Current Assets	<u>1,706,650</u>	<u>290,480</u>	<u>1,997,130</u>
Noncurrent Assets			
Investments - Morgan Stanley	1,073,813	(5,277)	1,068,536
Capital - Equipment, net of depreciation	<u>--</u>	<u>--</u>	<u>--</u>
	<u>1,073,813</u>	<u>(5,277)</u>	<u>1,068,536</u>
Total Assets	<u>\$ 2,780,463</u>	<u>\$ 285,203</u>	<u>\$ 3,065,666</u>
Deferred Outflow of Resources:			
Deferred outflow of resources - pension	<u>21,767</u>	<u>30,650</u>	<u>52,417</u>
Liabilities:			
Current Liabilities			
Accounts Payable	\$ 281,884	\$ 26,519	\$ 308,403
Prefunding deposits	124,070	8,853	132,923
Advance Contributions	--	--	--
Other Claim Liabilities	--	--	--
Current Portion of claims and claim adjustment	300,000	--	300,000
Subtotal Current Liabilities	<u>705,954</u>	<u>35,372</u>	<u>741,326</u>
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	--	--	--
Subtotal Noncurrent Claim Liabilities	<u>--</u>	<u>--</u>	<u>--</u>
Net Pension Liability (NPL)	58,620	13,672	72,292
Total Liabilities	<u>\$ 764,574</u>	<u>\$ 49,044</u>	<u>\$ 813,618</u>
Deferred Inflow of Resources:			
Deferred inflow of resources - pension	<u>12,851</u>	<u>(5,864)</u>	<u>6,987</u>
Net Position:			
Undesignated Net Position - Net Assets/(Deficit)	2,024,805	272,673	2,297,478
Designated - Capital Assets	<u>--</u>	<u>--</u>	<u>--</u>
Total Net Position	<u>\$ 2,024,805</u>	<u>\$ 272,673</u>	<u>\$ 2,297,478</u>
Total Liabilities, Deferred Pension, and Ending Net Position	<u>\$ 2,780,463</u>	<u>\$ 285,203</u>	<u>\$ 3,065,666</u>

Alameda County Schools Insurance Group (ACSIG)

Vision

Statement of Revenues, Expenditures and Changes in Net Fund Assets

As of 06/30/2018 and For The Fiscal Year Then Ended

	2016/2017		2017/2018			
	Budget	Audited Actuals	Budget	Audited Actuals	Variance	Percentage of Budget
Operating Revenue:						
Premiums Paid by Members	\$ 2,800,000	\$ 3,800,407	\$ 3,400,000	\$ 4,356,498	\$ (956,498)	128.13 %
Retrun of Premiums	--	--	--	--	--	--
Other Income	--	--	--	--	--	--
Total Operating Revenue	2,800,000	3,800,407	3,400,000	4,356,498	(956,498)	128.13
Operating Expenditures:						
Classified Salaries	23,678	24,508	25,105	25,991	(886)	103.53
Statutory Benefits	5,550	8,045	5,655	3,010	2,645	53.23
Health & Welfare	3,900	4,704	3,900	4,751	(851)	121.82
Employer Tax Expense	341	385	348	392	(44)	112.62
Net Pension Expense	--	(4,776)	3,515	(17,461)	20,976	(496.77)
Telephone & Internet	500	638	700	610	90	87.14
Supplies Office	500	167	400	188	212	47.00
Supplies - Other	500	195	250	328	(78)	131.20
Eligibility Processing	--	--	--	--	--	--
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--
Brokerage Fees-Dental-MD	--	--	--	--	--	--
Travel and Conferences	2,000	2,276	2,200	1,046	1,154	47.55
Mileage	850	537	850	676	174	79.53
Dues & Memberships	150	664	150	164	(14)	109.33
Postage & Meter	150	194	150	194	(44)	129.33
Insurance Expense	--	--	--	--	--	--
Insurance Expense - PY Adj	--	--	--	--	--	--
Utility - Operating-Rent	3,373	3,366	3,751	3,639	112	97.01
Advertising	200	--	200	--	200	--
Contract Services - Actuarial	--	--	850	--	850	--
Contract Services -Claim Audit	--	--	--	--	--	--
Contract Services	--	--	--	--	--	--
Audit Fees	1,350	1,325	1,480	1,350	130	91.22
Other Services/Operating Expense	500	250	1,000	561	439	56.10
Capital Equipment/Depreciation	200	--	250	--	250	--
Repairs & Maintenance	500	--	350	--	350	--
Legal	200	--	200	--	200	--
Accounting Services	1,500	1,400	1,500	1,442	58	96.13
County Courier	350	--	400	357	43	89.25
Shredding	100	78	150	85	65	56.67
Copier & Scanner	400	292	400	514	(114)	128.50
Claims Administration Services	--	--	--	--	--	--
Self-Insurance Fee	--	--	--	--	--	--
Claims Paid-WC	--	--	--	--	--	--
Claims Paid-PL	--	--	--	--	--	--
Physical Abilities Testing	--	--	--	--	--	--
Training	--	--	--	--	--	--
First-Aid Program	--	--	--	--	--	--
Food Service Training	--	--	--	--	--	--
Special Ed Training	--	--	--	--	--	--
Incentives	--	--	--	--	--	--
Safety Inspections	--	--	--	--	--	--
Bank Charge & WC Penalty Reimb	--	--	--	--	--	--
Cobra Premiums	--	--	--	--	--	--
Dental Insurance Premiums	--	--	--	--	--	--
Vision Insurance Premiums	2,758,000	3,677,690	3,340,000	4,066,932	(726,932)	121.76
Claim Development Expense	--	158,000	--	--	--	--
ACA Fees	--	--	--	--	--	--
Total Operating Expenditures	2,804,792	3,879,937	3,393,754	4,094,769	(701,015)	120.66 %
Net Increase/(Decrease) from Operations	(4,792)	(79,530)	6,246	261,729	(255,483)	4,190.35 %
Non Operating Income/(Expense)						
Interest Income	17,500	23,999	20,000	33,652	(13,652)	168.26
Net Increase/(Decrease) in Fair Value	--	(22,494)	--	(22,751)	22,751	--
Realized Gain/(Loss) on Investments	--	1,280	--	43	(43)	--
Cumulative effect of GASB 68	--	--	--	--	--	--
Interfund Transfer	--	--	--	--	--	--
Total Non Operating Income/(Expense)	17,500	2,785	20,000	10,944	9,056	54.72 %
Net Increase/(Decrease) in Net Position	12,708	(76,745)	26,246	272,673	(246,427)	1,038.91 %
Beginning Balance Prior Year End	2,101,550	2,101,550	2,024,805	2,024,805	--	100.00 %
Audited Ending Balance, as of 06/30/2018	\$ 2,114,258	\$ 2,024,805	\$ 2,051,051	\$ 2,297,478	\$ (246,427)	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Property and Liability
As of 06/30/2017 and 06/30/2018

	Audited As of 06/30/2017	Activity 07/01/2017 - 06/30/2018	Audited As of 06/30/2018
Assets:			
Current Assets			
Cash with County - #44903	\$ 38,710	904,438	\$ 943,148
Funds in Transit - #44903 to Morgan Stanley Investments	--	--	--
Union Bank - Checking #0311	1,180,272	(826,150)	354,122
Union Bank - Claims Trust #1186	15,930	4,746	20,676
Cash and Cash Equivalents	<u>\$ 1,234,912</u>	<u>83,034</u>	<u>\$ 1,317,946</u>
Investments Morgan Stanley - current	--	--	--
Accounts Receivable	15,000	(8,616)	6,384
Prepaid Expense	--	--	--
Interfund Receivable/(payable)	<u>(877,223)</u>	<u>(69,603)</u>	<u>(946,826)</u>
Subtotal Current Assets	<u>372,689</u>	<u>4,815</u>	<u>377,504</u>
Noncurrent Assets			
Investments - Morgan Stanley	--	--	--
Capital - Equipment, net of depreciation	<u>--</u>	<u>--</u>	<u>--</u>
	<u>--</u>	<u>--</u>	<u>--</u>
Total Assets	<u>\$ 372,689</u>	<u>\$ 4,815</u>	<u>\$ 377,504</u>
Deferred Outflow of Resources:			
Deferred outflow of resources - pension	<u>21,767</u>	<u>25,474</u>	<u>47,241</u>
Liabilities:			
Current Liabilities			
Accounts Payable	\$ 4,952	\$ (3,308)	\$ 1,644
Prefunding deposits	--	--	--
Advance Contributions	--	--	--
Other Claim Liabilities	--	--	--
Current Portion of claims and claim adjustment	42,965	11,820	54,786
Subtotal Current Liabilities	<u>47,917</u>	<u>8,512</u>	<u>56,430</u>
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	35,153	9,671	44,824
Unallocated Loss Adjustment Expense (ULAE)	37,838	--	37,838
Subtotal Noncurrent Claim Liabilities	<u>72,991</u>	<u>9,671</u>	<u>82,662</u>
Net Pension Liability (NPL)	<u>58,620</u>	<u>11,364</u>	<u>69,984</u>
Total Liabilities	<u>\$ 179,528</u>	<u>\$ 18,183</u>	<u>\$ 209,076</u>
Deferred Inflow of Resources:			
Deferred inflow of resources - pension	<u>12,851</u>	<u>(4,874)</u>	<u>7,977</u>
Net Position:			
Undesignated Net Position - Net Assets/(Deficit)	202,077	5,615	207,692
Designated - Capital Assets	<u>--</u>	<u>--</u>	<u>--</u>
Total Net Position	<u>\$ 202,077</u>	<u>\$ 5,615</u>	<u>\$ 207,692</u>
Total Liabilities, Deferred Pension, and Ending Net Position	<u>\$ 372,689</u>	<u>\$ (6,550)</u>	<u>\$ 377,504</u>

Alameda County Schools Insurance Group (ACSIG)
Property and Liability
Statement of Revenues, Expenditures and Changes in Net Fund Assets
As of 06/30/2018 and For The Fiscal Year Then Ended

	2016/2017		2017/2018			
	Budget	Audited Actuals	Budget	Audited Actuals	Variance	Percentage of Budget
Operating Revenue:						
Premiums Paid by Members	\$ 1,326,743	\$ 1,326,743	\$ 1,315,098	\$ 1,289,628	\$ 25,470	98.06 %
Return of Premiums	--	--	--	--	--	--
Other Income	--	--	--	--	--	--
Total Operating Revenue	1,326,743	1,326,743	1,315,098	1,289,628	25,470	98.06
Operating Expenditures:						
Classified Salaries	17,877	18,675	17,974	19,808	(1,834)	110.20
Statutory Benefits	4,190	7,581	4,296	2,627	1,669	61.14
Health & Welfare	1,950	4,704	1,950	4,751	(2,801)	243.63
Employer Tax Expense	258	274	264	283	(19)	107.33
Net Pension Expense	--	(4,776)	2,516	(13,603)	16,119	(540.66)
Telephone & Internet	250	318	350	305	45	87.26
Supplies Office	250	84	200	95	105	47.36
Supplies - Other	250	97	125	164	(39)	131.21
Eligibility Processing	--	--	--	--	--	--
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--
Brokerage Fees-Dental-MD	--	--	--	--	--	--
Travel and Conferences	1,000	1,139	1,100	523	577	47.51
Mileage	425	268	425	338	87	79.49
Dues & Memberships	75	332	75	81	(6)	108.00
Postage & Meter	--	49	--	--	--	--
Insurance Expense-NCR	1,231,445	1,202,982	1,152,652	1,170,873	(18,221)	101.58
Insurance Expense-PY Adj	--	--	--	--	--	--
Utility - Operating-Rent	1,687	1,683	1,876	1,821	55	97.07
Advertising	100	--	100	--	100	--
Contract Services - Actuarial	--	4,500	425	--	425	--
Contract Services - Claim Audit	--	--	--	--	--	--
Contract Services - Legal	--	--	--	--	--	--
Audit Fees	675	663	740	675	65	91.22
Other Services/Operating Expenses	250	125	500	281	219	56.17
Capital Equipment/Depreciation	100	--	125	--	125	--
Repairs & Maintenance	250	--	175	--	175	--
Legal	100	--	100	--	100	--
Accounting Services	750	700	750	721	29	96.13
County Courier	175	--	200	178	22	89.13
Shredding	50	40	75	42	33	55.63
Copier & Scanner	100	72	100	--	100	--
Claims Administration Services	20,000	9,067	--	12,909	(12,909)	--
Self-Insurance Fee	--	--	--	--	--	--
Claims Paid-WC	--	--	--	--	--	--
Claims Paid-PL	80,000	27,495	50,000	53,650	(3,650)	107.30
Physical Abilities Testing	--	--	--	--	--	--
Training	--	--	--	--	--	--
First-Aid Program	--	--	--	--	--	--
Food Service Training	--	--	--	--	--	--
Special Ed Training	--	--	--	--	--	--
Incentives	--	--	--	--	--	--
Safety Inspections	12,445	--	12,445	12,445	--	100.00
Bank Charge & WC Penalty Reimb	--	--	--	--	--	--
Cobra Premiums	--	--	--	--	--	--
Dental Insurance Premiums	--	--	--	--	--	--
Vision Insurance Premiums	--	--	--	--	--	--
Claim Development Expense	(30,000)	43,945	(10,000)	21,491	(31,491)	(214.91)
ACA Fees	--	--	--	--	--	--
Total Operating Expenditures	1,344,652	1,320,019	1,239,538	1,290,457	(50,919)	104.11 %
Net Increase/(Decrease) from Operations	(17,909)	6,724	75,560	(829)	76,389	(1.10) %
Non Operating Income/(Expense)						
Interest Income	750	2,740	1,500	6,444	(4,944)	429.60
Net Increase/(Decrease) in Fair Value	--	--	--	--	--	--
Realized Gain/(Loss) on Investments	--	--	--	--	--	--
Cumulative effect of GASB 68	--	--	--	--	--	--
Interfund Transfer, Other Income	--	--	--	--	--	--
Total Non Operating Income/(Expense)	750	2,740	1,500	6,444	(4,944)	429.60 %
Net Increase/(Decrease) in Net Position	(17,159)	9,464	77,060	5,615	71,445	7.29 %
Beginning Balance Prior Year End	192,613	192,613	202,077	202,077	--	100.00 %
Audited Ending Balance, as of 06/30/2018	\$ 175,454	\$ 202,077	\$ 279,137	\$ 207,692	\$ 71,445	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Operations
As of 06/30/2017 and 06/30/2018

	Audited As of 06/30/2017	Activity 07/01/2017 - 06/30/2018	Audited As of 06/30/2018
Assets:			
Current Assets			
Union Bank - Payroll #0176	\$ 39,841	8,795	\$ 48,636
Union Bank Checking Account #1521	198,410	(145,785)	52,625
Cash and Cash Equivalents	<u>\$ 238,251</u>	<u>(136,990)</u>	<u>\$ 101,261</u>
Investments Morgan Stanley - current	--	--	--
Accounts Receivable	9,411	(9,411)	--
Prepaid Expense	9,948	(2,263)	7,685
Interfund Receivable/(payable)	<u>(241,484)</u>	<u>151,347</u>	<u>(90,137)</u>
Subtotal Current Assets	<u>16,126</u>	<u>2,683</u>	<u>18,809</u>
Noncurrent Assets			
Investments - Morgan Stanley	--	--	--
Capital - Equipment, net of depreciation	<u>2,963</u>	<u>(592)</u>	<u>2,371</u>
	<u>2,963</u>	<u>(592)</u>	<u>2,371</u>
Total Assets	<u>\$ 19,089</u>	<u>\$ 2,091</u>	<u>\$ 21,180</u>
Deferred Outflow of Resources:			
Deferred outflow of resources - pension	<u>--</u>	<u>--</u>	<u>--</u>
Liabilities:			
Current Liabilities			
Accounts Payable	\$ 21,455	\$ 2,685	\$ 24,140
Prefunding deposits	--	--	--
Advance Contributions	--	--	--
Other Claim Liabilities	--	--	--
Current Portion of claims and claim adjustment	--	--	--
Subtotal Current Liabilities	<u>21,455</u>	<u>2,685</u>	<u>24,140</u>
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	--	--	--
Subtotal Noncurrent Claim Liabilities	--	--	--
Net Pension Liability (NPL)	--	--	--
Total Liabilities	<u>\$ 21,455</u>	<u>\$ 2,685</u>	<u>\$ 24,140</u>
Deferred Inflow of Resources:			
Deferred inflow of resources - pension	<u>--</u>	<u>--</u>	<u>--</u>
Net Position:			
Undesignated Net Position - Net Assets/(Deficit)	(5,331)	--	(5,331)
Designated - Capital Assets	<u>2,963</u>	<u>(592)</u>	<u>2,371</u>
Total Net Position	<u>\$ (2,368)</u>	<u>\$ (592)</u>	<u>\$ (2,960)</u>
Total Liabilities, Deferred Pension, and Ending Net Position	<u>\$ 19,087</u>	<u>\$ 2,093</u>	<u>\$ 21,180</u>

Alameda County Schools Insurance Group (ACSIG)
Operations
Statement of Revenues, Expenditures and Changes in Net Fund Assets
As of 06/30/2018 and For The Fiscal Year Then Ended

	2016/2017		2017/2018			
	Budget	Audited Actuals	Budget	Audited Actuals	Variance	Percentage of Budget
Operating Revenue:						
Contributions	\$ --	\$ --	\$ --	\$ --	\$ --	-- %
Offset to Rent - Sub Lease	--	--	--	--	--	--
Total Operating Revenue	--	--	--	--	--	--
Operating Expenditures:						
Classified Salaries	--	--	--	--	--	--
Statutory Benefits	--	--	--	--	--	--
Health & Welfare	--	--	--	--	--	--
Employer Tax Expense	--	--	--	--	--	--
Net Pension 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 -Claim Audit	--	--	--	--	--	--
Contract Services	--	--	--	--	--	--
Audit Fees	--	--	--	--	--	--
Other Services/Operating Expense:	--	--	--	--	--	--
Capital Equipment/Depreciation	--	592	--	592	(592)	--
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	--	--	--	--	--	--
Incentives	--	--	--	--	--	--
Safety Inspections	--	--	--	--	--	--
Bank Charge & WC Penalty Reimb	--	--	--	--	--	--
Cobra Premiums	--	--	--	--	--	--
Dental Insurance Premiums	--	--	--	--	--	--
Insurance - Vision	--	--	--	--	--	--
Claim Development Expense	--	--	--	--	--	--
ACA Fees	--	--	--	--	--	--
Total Operating Expenditures	--	592	--	592	(592)	-- %
Net Increase/(Decrease) from Operations	--	(592)	--	(592)	592	-- %
Non Operating Income/(Expense)						--
Interest Income	--	--	--	--	--	--
Net Increase/(Decrease) in Fair Value	--	--	--	--	--	--
Realized Gain/(Loss) on Investments	--	--	--	--	--	--
Cumulative effect of GASB 68	--	--	--	--	--	--
Interfund Transfer & YE Close	--	--	--	--	--	--
Total Non Operating Income/(Expense)	--	--	--	--	--	-- %
Net Increase/(Decrease) in Net Position	--	(592)	--	(592)	592	-- %
Beginning Balance Prior Year End	(1,776)	(1,776)	(2,368)	(2,368)	--	100.00 %
Audited Ending Balance, as of 06/30/2018	\$ (1,776)	\$ (2,368)	\$ (2,368)	\$ (2,960)	\$ 592	

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Workers' Compensation
As of 06/30/2018

	Self-Insured Program Years												Totals to Page 7A
	1978/1979	1984/1985	1985/1986	1986/1987	1987/1988	1988/1989	1989/1990	1990/1991	1991/1992	1992/1993	1993/1994	1994/1995	
Paid Claims	\$ 916,273	\$ 1,828,378	\$ 2,852,970	\$ 2,807,180	\$ 2,870,659	\$ 4,015,965	\$ 2,927,345	\$ 5,556,342	\$ 5,166,494	\$ 4,080,136	\$ 3,713,660	\$ 4,770,102	\$ 41,505,504
Reserves	--	--	25,228	66,807	36,733	12,665	28,183	90,173	59,193	196,595	140,158	202,091	857,826
Incurred Claims	916,273	1,828,378	2,878,198	2,873,987	2,907,392	4,028,630	2,955,528	5,646,515	5,225,687	4,276,731	3,853,818	4,972,193	42,363,330
Incurred But Not Reported (IBNR)	32,669	--	--	126,013	42,608	71,370	44,472	113,485	104,313	183,269	96,182	177,807	992,188
Non- Discounted Estimated Ultimate Incurred (1)	948,942	1,828,378	2,878,198	3,000,000	2,950,000	4,100,000	3,000,000	5,760,000	5,330,000	4,460,000	3,950,000	5,150,000	43,355,518
Anticipated Investment Income (Discount) (2)	(1,927)	--	(1,488)	(11,376)	(4,998)	(5,714)	(5,376)	(16,293)	(14,716)	(37,227)	(23,870)	(39,889)	(162,874)
Discounted Estimated Ultimate (1-2)	947,015	1,828,378	2,876,710	2,988,624	2,945,002	4,094,286	2,994,624	5,743,707	5,315,284	4,422,773	3,926,130	5,110,111	43,192,644
Paid Claims	(916,273)	(1,828,378)	(2,852,970)	(2,807,180)	(2,870,659)	(4,015,965)	(2,927,345)	(5,556,342)	(5,166,494)	(4,080,136)	(3,713,660)	(4,770,102)	(41,505,504)
Remaining Estimated Unpaid Claim Liabilities	\$ 30,742	\$ --	\$ 23,740	\$ 181,444	\$ 74,343	\$ 78,321	\$ 67,279	\$ 187,365	\$ 148,790	\$ 342,637	\$ 212,470	\$ 340,009	\$ 1,687,140

(1) Per Bay Actuarial Consultants actuarial study dated February 2018.

(2) Discounted at 2%, 06/30/2012, 1.5%, 06/30/2014, and 1.5%, 06/30/2015, 2016, 2017 & 09/30/2017. Effective 2018 1.75%.

Historical Discounted Estimated Ultimate Incurred:													
As of 06/30/2006	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
As of 06/30/2007	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
As of 06/30/2008	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
As of 06/30/2009	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
As of 06/30/2010	793,059	1,889,004	2,789,731	2,944,000	2,906,506	4,017,275	2,912,254	5,524,202	5,140,647	4,323,930	3,718,595	5,137,560	42,096,763
As of 06/30/2011	852,621	1,886,310	2,800,604	2,899,286	2,949,183	4,029,712	2,912,357	5,687,163	5,154,464	4,316,645	3,706,533	5,171,358	42,366,236
As of 06/30/2012	865,386	1,891,056	2,829,735	2,939,513	2,664,915	3,978,682	2,914,559	5,840,572	5,219,982	4,364,052	3,687,860	5,166,611	42,362,923
As of 06/30/2013	954,963	1,828,378	2,917,252	3,003,200	2,674,593	4,009,091	2,922,237	5,789,363	5,200,522	4,331,119	3,639,169	5,209,906	42,479,793
As of 06/30/2014	959,089	1,828,378	2,943,554	2,948,967	2,906,382	4,010,866	2,993,154	5,793,307	5,156,348	4,321,092	3,728,346	5,145,562	42,735,045
As of 06/30/2015	959,745	1,828,378	2,944,649	2,957,392	2,916,153	4,077,607	2,993,338	5,759,425	5,259,555	4,304,405	3,847,149	5,130,367	42,978,163
As of 06/30/2016	919,585	1,828,378	2,935,792	2,958,911	2,907,220	4,065,869	2,966,210	5,750,806	5,315,636	4,278,349	3,855,186	5,114,027	42,895,969
As of 06/30/2017	947,318	1,828,378	2,876,895	2,952,342	2,907,650	4,084,897	2,985,063	5,734,186	5,316,245	4,408,281	3,947,076	5,151,520	43,139,851
As of 06/30/2018	947,015	1,828,378	2,876,710	2,988,624	2,945,002	4,094,286	2,994,624	5,743,707	5,315,284	4,422,773	3,926,130	5,110,111	43,192,644
Increase/Decrease	(303)	--	(185)	36,282	37,352	9,389	9,561	9,521	(961)	14,492	(20,946)	(41,409)	52,793

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Workers' Compensation
As of 06/30/2018

	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	\$ 41,505,504	\$ 5,328,520	\$ 7,121,174	\$ 6,815,306	\$ 9,163,542	\$ 7,342,458	\$ 10,737,379	\$ 11,877,828	\$ 99,891,711
Reserves	857,826	199,933	261,544	381,575	1,252,022	438,551	521,388	535,612	4,448,451
Incurred Claims	<u>42,363,330</u>	<u>5,528,453</u>	<u>7,382,718</u>	<u>7,196,881</u>	<u>10,415,564</u>	<u>7,781,009</u>	<u>11,258,767</u>	<u>12,413,440</u>	<u>104,340,162</u>
Incurred But Not Reported (IBNR)	<u>992,188</u>	<u>281,547</u>	<u>447,282</u>	<u>633,119</u>	<u>444,436</u>	<u>738,991</u>	<u>741,233</u>	<u>736,560</u>	<u>5,015,356</u>
Non- Discounted Estimated Ultimate Incurred (1)	43,355,518	5,810,000	7,830,000	7,830,000	10,860,000	8,520,000	12,000,000	13,150,000	109,355,518
Anticipated Investment Income (Discount) (2)	(162,874)	(52,963)	(82,224)	(123,793)	(217,147)	(154,258)	(166,666)	(170,471)	(1,130,396)
Discounted Estimated Ultimate (1-2)	<u>43,192,644</u>	<u>5,757,037</u>	<u>7,747,776</u>	<u>7,706,207</u>	<u>10,642,853</u>	<u>8,365,742</u>	<u>11,833,334</u>	<u>12,979,529</u>	<u>108,225,122</u>
Paid Claims	<u>(41,505,504)</u>	<u>(5,328,520)</u>	<u>(7,121,174)</u>	<u>(6,815,306)</u>	<u>(9,163,542)</u>	<u>(7,342,458)</u>	<u>(10,737,379)</u>	<u>(11,877,828)</u>	<u>(99,891,711)</u>
Remaining Estimated Unpaid Claim Liabilities	<u>\$ 1,687,140</u>	<u>\$ 428,517</u>	<u>\$ 626,602</u>	<u>\$ 890,901</u>	<u>\$ 1,479,311</u>	<u>\$ 1,023,284</u>	<u>\$ 1,095,955</u>	<u>\$ 1,101,701</u>	<u>\$ 8,333,411</u>

(1) Per Bay Actuarial Consultants actuarial study dated February 2018.

(2) Discounted at 2%, 06/30/2012, 1.5%, 06/30/2014, and 1.5%, 06/30/2015, 2016, 2017 & 09/30/2017. Effective 2018 1.75%.

Historical Discounted Estimated Ultimate Incurred:									
As of 06/30/2006	N/A	N/A	N/A	N/A	N/A	6,333,000	8,381,000	7,897,000	N/A
As of 06/30/2007	N/A	N/A	N/A	N/A	N/A	6,651,000	9,924,000	9,258,000	N/A
As of 06/30/2008	N/A	N/A	N/A	N/A	N/A	7,464,000	11,199,000	10,319,000	N/A
As of 06/30/2009	N/A	N/A	N/A	N/A	N/A	7,691,266	12,739,081	11,713,580	N/A
As of 06/30/2010	42,096,763	5,727,741	7,172,192	6,843,071	10,750,070	7,983,737	13,184,486	12,525,480	106,283,540
As of 06/30/2011	42,366,236	5,721,425	7,145,019	7,440,306	11,250,829	8,670,787	13,295,238	12,326,440	108,216,280
As of 06/30/2012	42,362,923	5,641,456	7,470,783	7,427,596	11,162,085	8,724,801	11,904,345	13,678,790	108,372,779
As of 06/30/2013	42,479,793	5,833,514	7,743,609	7,798,325	11,018,070	9,598,230	12,098,931	13,618,383	110,188,855
As of 06/30/2014	42,735,045	5,738,160	7,577,599	7,714,653	11,132,297	8,733,944	11,771,811	13,128,192	108,531,701
As of 06/30/2015	42,978,163	5,752,631	7,584,812	7,808,635	10,993,497	8,806,657	11,818,771	13,083,683	108,826,849
As of 06/30/2016	42,895,969	5,607,306	7,562,358	7,660,593	11,011,641	8,642,537	11,753,128	12,959,861	108,093,393
As of 06/30/2017	43,139,851	5,583,200	7,705,812	7,670,526	10,717,018	8,299,131	11,947,119	13,121,523	108,184,180
As of 06/30/2018	43,192,644	5,757,037	7,747,776	7,706,207	10,642,853	8,365,742	11,833,334	12,979,529	108,225,122
Increase/Decrease	52,793	173,837	41,964	35,681	(74,165)	66,611	(113,785)	(141,994)	40,942

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Workers' Compensation
As of 06/30/2018

		Self-Insured Program Years								As of 06/30/2018 Totals	Activity	
		2002/2003	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	As of 06/30/2017 Totals		07/01/2017 - 06/30/2018	
Totals From Page 7A												
Paid Claims	\$ 99,891,711	\$ 9,930,154	\$ 6,007,079	\$ 5,495,141	\$ 8,610,563	\$ 8,367,188	\$ 8,423,537	\$ 8,861,911	\$ 155,587,284	\$ 154,692,381	\$ 894,903	
Reserves	4,448,451	341,633	278,096	221,286	692,108	579,677	685,120	195,902	7,442,273	8,909,881	(1,467,608)	
Incurred Claims	104,340,162	10,271,787	6,285,175	5,716,427	9,302,671	8,946,865	9,108,657	9,057,813	163,029,557	163,602,262	(572,705)	
Incurred But Not Reported (IBNR)	5,015,356	548,213	514,825	403,573	1,087,329	463,135	551,343	662,187	9,245,961	8,923,234	322,727	
Non- Discounted Estimated Ultimate Incurred (1)	109,355,518	10,820,000	6,800,000	6,120,000	10,390,000	9,410,000	9,660,000	9,720,000	172,275,518	172,525,496	(249,978)	
Anticipated Investment Income												
(Discount) (2)	(1,130,396)	(122,799)	(110,216)	(91,229)	(261,577)	(159,550)	(184,233)	(126,139)	(2,186,139)	(2,032,158)	(153,981)	
Discounted Estimated Ultimate (1-2)	108,225,122	10,697,201	6,689,784	6,028,771	10,128,423	9,250,450	9,475,767	9,593,861	170,089,379	170,493,338	(403,959)	
Paid Claims	(99,891,711)	(9,930,154)	(6,007,079)	(5,495,141)	(8,610,563)	(8,367,188)	(8,423,537)	(8,861,911)	(155,587,284)	(154,692,381)	(894,903)	
Remaining Estimated Unpaid Claim Liabilities \$	8,333,411	\$ 767,047	\$ 682,705	\$ 533,630	\$ 1,517,860	\$ 883,262	\$ 1,052,230	\$ 731,950	\$ 14,502,095	\$ 15,800,957	\$ (1,298,862)	
(1) Per Bay Actuarial Consultants actuarial study dated February 2018.									Estimated Current Portion /Short-Term Liability (1)	(1,740,000)		
(2) Discounted at 2%, 06/30/2012, 1.5%, 06/30/2014, and 1.5%, 06/30/2015, 2016, 2017 & 09/30/2017. Effective 2018 1.75%.									Estimated Non-Current portion of Claim Liabilities	\$ 12,762,095		
Historical Discounted Estimated Ultimate Incurred:										Claim Development Expense		
As of 06/30/2006	N/A	6,787,000	4,378,000	2,665,000	1,943,000	--	--	--	N/A	Claim Liabilities	\$ (1,298,862)	
As of 06/30/2007	N/A	7,677,000	5,299,000	3,502,000	3,727,000	3,498,000	--	--	N/A	ULAE	12,000	
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	Castlepoint		
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	Reinsurance		
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	Insolvency	908,036	
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		\$ (378,826)	
As of 06/30/2012	108,372,779	11,103,705	7,180,516	6,779,730	9,113,232	10,061,847	10,833,352	11,378,258	174,823,419			
As of 06/30/2013	110,188,855	10,710,077	7,136,860	6,043,782	8,435,497	9,522,890	10,141,142	10,501,500	172,680,603			
As of 06/30/2014	108,531,701	10,454,102	6,798,117	6,067,506	10,203,448	9,772,238	10,362,281	10,585,137	172,774,530			
As of 06/30/2015	108,826,849	10,457,705	6,920,842	6,214,866	10,347,509	9,539,023	9,859,233	10,469,961	172,635,988			
As of 06/30/2016	108,093,393	10,531,877	6,860,336	6,223,567	10,366,713	9,216,061	9,639,692	10,101,017	171,032,656			
As of 06/30/2017	108,184,180	10,716,918	6,817,755	5,896,649	10,214,975	9,198,996	9,520,490	9,943,375	170,493,338			
As of 06/30/2018	108,225,122	10,697,201	6,689,784	6,028,771	10,128,423	9,250,450	9,475,767	9,593,861	170,089,379			
Increase/Decrease	40,942	(19,717)	(127,971)	132,122	(86,552)	51,454	(44,723)	(349,514)	(403,959)			

Claim Development Expense		
Claim Liabilities	\$	(1,298,862)
ULAE		12,000
Castlepoint		
Reinsurance		
Insolvency		908,036
	\$	(378,826)

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Property Liability
As of 06/30/2018

	Self-Insured Program Years											As of 06/30/2018	Activity	
	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	As of 06/30/2017		07/01/2017 - 06/30/2018	
Paid Claims	\$ 45,000	\$ 39,048	\$ 33,141	\$ 96,543	\$ 125,045	\$ 20,000	\$ 18,078	\$ 52,777	\$ 20,000	\$ 3,221	\$ 452,853	\$ 403,293	\$ 49,560	
Reserves	--	--	--	--	--	--	--	20,000	20,000	56,779	96,779	67,206	29,573	
Incurred Claims	45,000	39,048	33,141	96,543	125,045	20,000	18,078	72,777	40,000	60,000	549,632	470,499	79,133	
Incurred But Not Reported (IBNR)	--	--	--	--	--	--	--	(0)	968	3,000	3,968	11,770	(7,802)	
Non- Discounted Estimated Ultimate Incurred (1)	45,000	39,048	33,141	96,543	125,045	20,000	18,078	72,777	(3 40,968	(3 63,000	553,600	482,269	71,331	
Anticipated Investment Income (Discount) (2)	--	--	--	--	--	--	--	(168)	(252)	(717)	(1,137)	(857)	(280)	
Discounted Estimated Ultimate (1-2)	45,000	39,048	33,141	96,543	125,045	20,000	18,078	72,609	40,716	62,283	552,463	481,412	71,051	
Paid Claims	(45,000)	(39,048)	(33,141)	(96,543)	(125,045)	(20,000)	(18,078)	(52,777)	(20,000)	(3,221)	(452,853)	(403,293)	(49,560)	
Remaining Estimated Unpaid Claim Liabilities:	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 19,832	\$ 20,716	\$ 59,062	\$ 99,610	\$ 78,119	\$ 21,491	
Estimated Current Portion /Short-Term Liability (1), paid claims factor of .65											(54,786)			
Estimated Non-Current portion of Claim Liabilities											\$ 44,825			
(1) Per Bay Actuarial Consultants actuarial study dated February 2017. 2017/2018 Estimated based upon budget.														
(2) Discounted at 1.0%.														
(3) Not adjusted for negative IBNR, based upon Actuarial report, maybe adjusted at year end if incurred has not been reduced.														
Historical Estimated Ultimate Incurred:														
As of 06/30/2011	117,441	63,001	80,193	--	--	--	--	--	--	--	260,635			
As of 06/30/2012	117,441	63,001	80,193	77,802	--	--	--	--	--	--	338,437			
As of 06/30/2013	117,507	49,777	62,638	115,793	108,539	--	--	--	--	--	454,254			
As of 06/30/2014	117,507	49,777	37,638	100,792	148,539	111,900	--	--	--	--	566,153			
As of 06/30/2015	117,507	48,738	33,141	96,543	126,562	20,863	32,843	--	--	--	566,153			
As of 06/30/2016	45,000	39,048	33,141	96,543	126,562	20,863	7,843	25,000	--	--	394,000			
As of 06/30/2017	45,000	39,048	33,141	96,543	125,045	20,000	18,078	51,345	54,069	--	482,269			
As of 06/30/2018	45,000	39,048	33,141	96,543	125,045	20,000	18,078	72,777	40,968	63,000	553,600			
Increase/Decrease	--	--	--	--	--	--	--	21,432	(13,101)	63,000	71,331			
												Claim Development Expense		
												Claim Liabilities and ULAE	\$ 21,491	
												Increase	\$ 21,491	

Claim Development Expense	
Claim Liabilities	\$ 21,491
and ULAE	--
Increase	\$ 21,491

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

www.treasurer.ca.gov/pmia-laif/laif.asp

July 26, 2018

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP

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

PMIA Average Monthly Yields

Account Number:
35-01-001

Tran Type Definitions

June 2018 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	3,214,910.63
Total Withdrawal:	0.00	Ending Balance:	3,214,910.63



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 of Directors

FROM: Kimberly Dennis

DATE: November 8, 2018

SUBJECT: 2017/2018 Fourth 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. The investments must be in compliance with the California Investment Code. This Code puts many restrictions on what types of securities can be invested in as well as the term of those investments. While the returns are small, they are better than what would be obtained through LAIF. I am pleased to say, although returns were low due to market conditions, the portfolio has yielded over \$1 million in revenue.

Enclosed is ACSIG's third quarterly investment report. A Representative from Morgan Stanley Wealth Management will be in attendance at the full Board meeting to address this item and outline the current investment strategy.

Morgan Stanley

July 9, 2018

ACSIG – Alameda County Schools Insurance Group

Dear Board:

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

Time Weighted Performance Summary (Net of fees) – June 30, 2018

Total Ending Value \$16,131,338.11

Rolling Periods

Quarter to Date	0.18%
Year to Date	-0.29%
Last 12 Months	-0.42%
Last 3 Years	0.45%
Last 5 Years	0.75%
Since Inception (annualized %)	0.97%

Calendar Years

2018 YTD	-0.29%
2017	0.59%
2016	0.99%
2015	0.87%
2014	1.01%
2013	-0.03%
2012	2.44%
2011	1.91%
2010 (partial year)	0.29%

Fiscal Years

2017-18	-0.42%
2016-17	-0.35%
2015-16	2.13%
2014-15	1.09%
2013-14	1.32%
2012-13	0.48%
2011-12	1.75%

Morgan Stanley uses Interactive Data Concepts (IDC) for its bond pricing services. More details on the portfolio summary are attached and can also be found in the monthly statements.

Please contact me with any questions.

Sincerely,



Cary M. Allison, CIMA®

Senior Institutional Consultant, U.S. Government Entity Specialist

www.morganstanley.com

cary.allison@morganstanley.com

Attachment

Fixed Income Report

Prepared on July 09, 2018 for:

ACSIG - Alameda County Schools Ins Group

Account No. 171-XXX349

ALAMEDA COUNTY SCHOOLS INS GROUP

ATTENTION: KIMBERLY DENNIS

P O BOX 2487

DUBLIN CA 94568-0710

Cary Allison

Financial Advisor

Senior Vice President

Tel: +1 916 797-7742

Cary.Allison@morganstanley.com

Your Branch:

1478 STONE POINT DR SUITE 500

ROSEVILLE, CA 95661

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

ACCOUNT(S) INCLUDED IN THIS REPORT

Alameda County Schools Ins Group 171-XXX349 - Western Asset - Gov... Reporting Currency: USD

MORGAN STANLEY WEALTH MANAGEMENT

Account Name and Address	Account Type/ Manager Name	Advisory/ Brokerage	Account Number	Date Opened	Date Closed
Alameda County Schools Ins Group P O Box 2487 DUBLIN	Western Asset - Gov Sec Mgmt 3 year CES	Advisory	171-XXX349	04/27/10	-

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

INVESTMENT SUMMARY

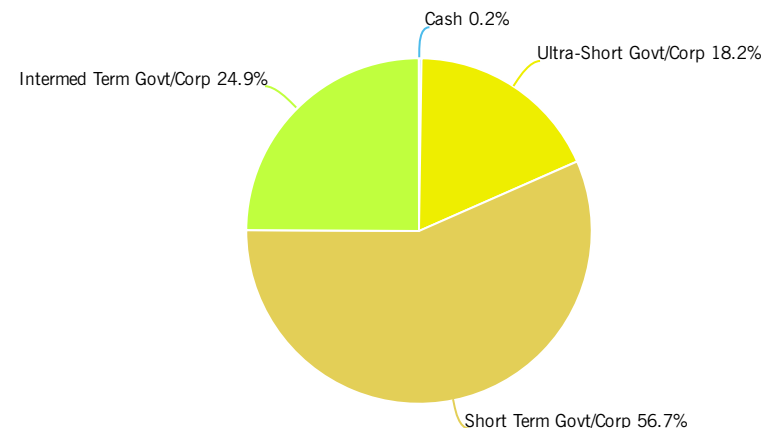
Alameda County Schools Ins Group 171-XXX349 - Western Asset - Gov...

As of June 30, 2018 | Reporting Currency: USD

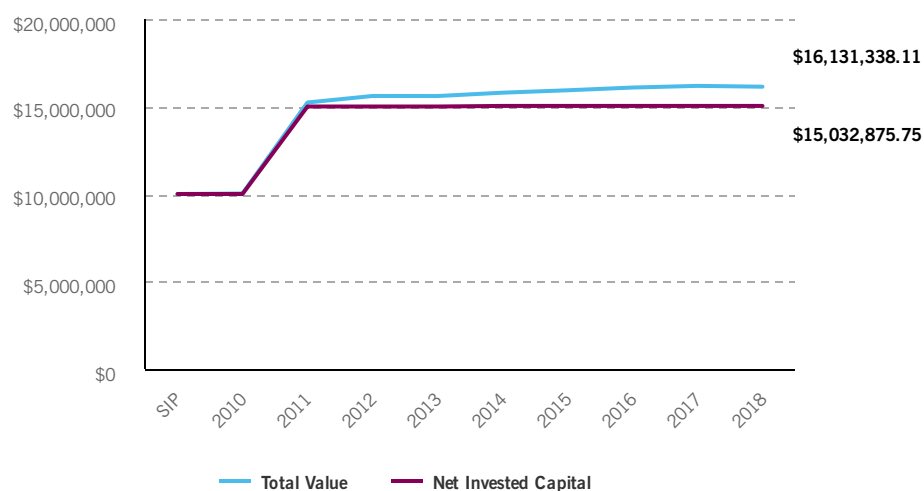
TIME-WEIGHTED RETURN % (NET OF FEES)

	Quarter to Date (\$) 03/31/18-06/30/18	Custom Period (\$) 06/30/17-06/30/18	Performance Inception (\$) 07/12/10-06/30/18
Beginning Total Value	16,101,608.63	16,198,635.43	9,999,850.00
Net Contributions/Withdrawals	0.00	0.00	5,033,025.75
Investment Earnings	29,729.48	-67,297.32	1,098,462.36
Ending Total Value	16,131,338.11	16,131,338.11	16,131,338.11
TIME WEIGHTED RATE OF RETURN (Annualized for periods over 12 months)			
Return % (Net of Fees)	0.18	-0.42	0.97
BC Gov 1-3 Yr	0.21	0.03	0.70
BC Gov/Cr 1-5 yr	0.17	-0.20	1.45
Citi T-Bill 6 Month	0.44	1.35	0.34

ASSET ALLOCATION



TOTAL VALUE VS. NET INVESTED CAPITAL

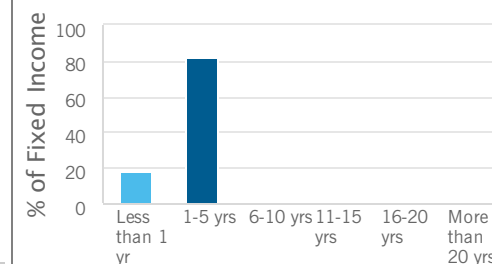
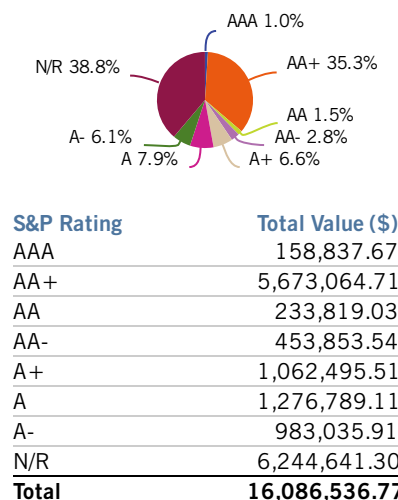


Does not include Performance Ineligible Assets.

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

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 QUALITY AND MATURITY



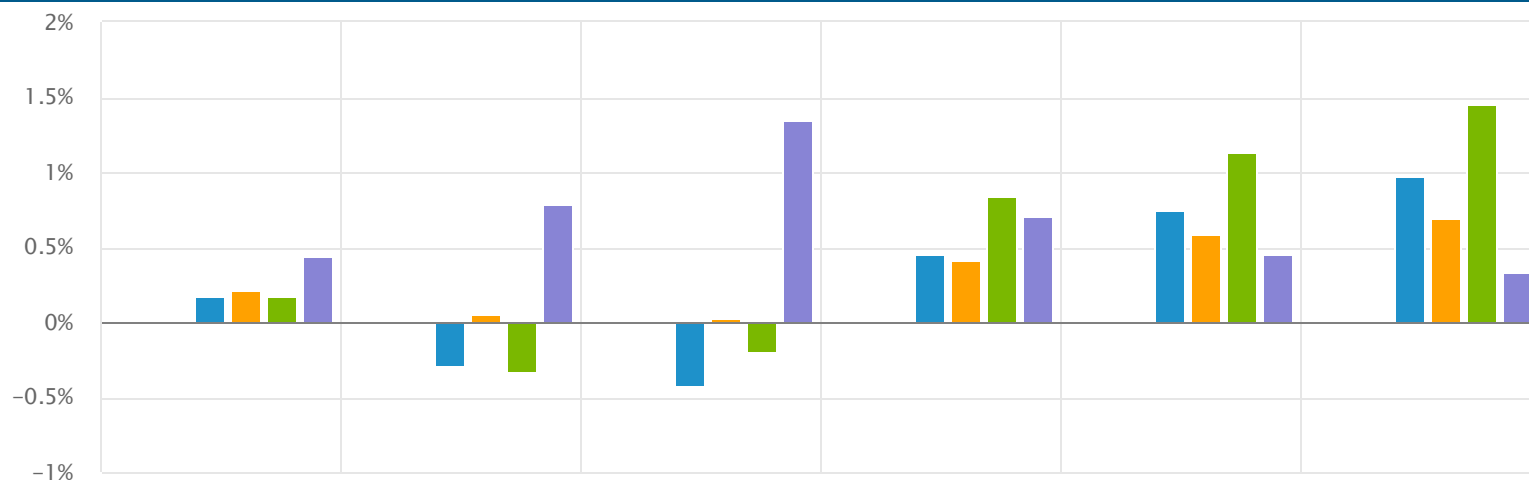
Par Value (\$)	
Less than 1 yr	2,931,057.99
1-5 yrs	13,155,478.78
6-10 yrs	0.00
11-15 yrs	0.00
16-20 yrs	0.00
More than 20 yrs	0.00
Total	16,086,536.77

TIME WEIGHTED PERFORMANCE SUMMARY

Alameda County Schools Ins Group 171-XXX349 - Western Asset - Gov...

As of June 30, 2018 | Reporting Currency: USD

RETURN % (NET OF FEES) VS. BENCHMARKS



	Quarter to Date 03/31/18 - 06/30/18	Year to Date 12/31/17 - 06/30/18	Last 12 Months 06/30/17 - 06/30/18	Last 3 Years 06/30/15 - 06/30/18	Last 5 Years 06/30/13 - 06/30/18	Performance Inception 07/12/10 - 06/30/18
Beginning Total Value (\$)	16,101,608.63	16,178,410.09	16,198,635.43	15,915,884.25	15,506,118.74	9,999,850.00
Net Contributions/Withdrawals (\$)	0.00	0.00	0.00	0.00	32,875.75	5,033,025.75
Investment Earnings (\$)	29,729.48	-47,071.99	-67,297.32	215,453.86	592,343.62	1,098,462.36
Ending Total Value (\$)	16,131,338.11	16,131,338.11	16,131,338.11	16,131,338.11	16,131,338.11	16,131,338.11
Return % (Net of Fees)	0.18	-0.29	-0.42	0.45	0.75	0.97
BC Gov 1-3 Yr (%)	0.21	0.06	0.03	0.42	0.59	0.70
BC Gov/Cr 1-5 yr (%)	0.17	-0.33	-0.20	0.84	1.13	1.45
Citi T-Bill 6 Month (%)	0.44	0.79	1.35	0.71	0.46	0.34

The investment returns shown on this page are time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals.

TIME WEIGHTED PERFORMANCE BY PERIOD - ADVISORY ASSETS ONLY

Alameda County Schools Ins Group 171-XXX349 - Western Asset - Gov...

As of June 30, 2018 | Reporting Currency: USD

RETURN % (NET OF FEES) VS. BENCHMARKS

From 07/12/2010 - 06/30/2018

Period	Beginning Total Value (\$)	Net Contributions/ Withdrawals (\$)	Investment Earnings (\$)	Ending Total Value (\$)	Period Returns%			
					Portfolio (Net Of Fees)	BC Gov 1-3 Yr	BC Gov/Cr 1-5 yr	Citi T-Bill 6 Month
2018 (YTD)	16,178,410.09	0.00	-47,071.99	16,131,338.11	-0.29	0.06	-0.33	0.79
2017	16,082,980.87	0.00	95,429.22	16,178,410.09	0.59	0.45	1.27	0.88
4QTR	16,243,278.19	0.00	-64,868.10	16,178,410.09	-0.40	-0.27	-0.30	0.30
3QTR	16,198,635.43	0.00	44,642.77	16,243,278.19	0.28	0.24	0.43	0.25
2QTR	16,137,758.08	0.00	60,877.35	16,198,635.43	0.38	0.20	0.56	0.19
1QTR	16,082,980.87	0.00	54,777.20	16,137,758.08	0.34	0.28	0.57	0.14
2016	15,926,083.41	0.00	156,897.47	16,082,980.87	0.99	0.87	1.56	0.40
4QTR	16,240,430.74	0.00	-157,449.87	16,082,980.87	-0.97	-0.45	-1.05	0.11
3QTR	16,255,106.57	0.00	-14,675.83	16,240,430.74	-0.09	-0.10	0.04	0.10
2QTR	16,150,162.43	0.00	104,944.15	16,255,106.57	0.65	0.52	0.98	0.11
1QTR	15,926,083.41	0.00	224,079.02	16,150,162.43	1.41	0.89	1.61	0.08
2015	15,789,357.87	0.00	136,725.54	15,926,083.41	0.87	0.57	0.97	0.10
4QTR	16,009,547.07	0.00	-83,463.67	15,926,083.41	-0.52	-0.43	-0.57	0.04
3QTR	15,915,884.25	0.00	93,662.82	16,009,547.07	0.59	0.32	0.60	0.03
2QTR	15,924,833.29	0.00	-8,949.04	15,915,884.25	-0.06	0.15	-0.02	0.02
1QTR	15,789,357.87	0.00	135,475.42	15,924,833.29	0.86	0.54	0.96	0.02
2014	15,597,806.94	32,875.75	158,675.18	15,789,357.87	1.01	0.64	1.42	0.06
4QTR	15,731,323.54	0.00	58,034.33	15,789,357.87	0.37	0.19	0.41	0.01
3QTR	15,711,381.44	32,875.75	-12,933.65	15,731,323.54	-0.08	0.03	-0.05	0.01
2QTR	15,638,820.00	0.00	72,561.44	15,711,381.44	0.46	0.27	0.65	0.02
1QTR	15,597,806.94	0.00	41,013.06	15,638,820.00	0.26	0.14	0.40	0.02
2013	15,600,964.10	0.00	-3,157.16	15,597,806.94	-0.03	0.37	0.28	0.10
4QTR	15,588,728.38	0.00	9,078.56	15,597,806.94	0.06	0.07	0.14	0.02
3QTR	15,506,118.74	0.00	82,609.64	15,588,728.38	0.53	0.29	0.63	0.02
2QTR	15,618,935.48	0.00	-112,816.74	15,506,118.74	-0.72	-0.11	-0.75	0.03

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

The investment returns shown on this page are time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals.

TIME WEIGHTED PERFORMANCE BY PERIOD - ADVISORY ASSETS ONLY

Alameda County Schools Ins Group 171-XXX349 - Western Asset - Gov...

As of June 30, 2018 | Reporting Currency: USD

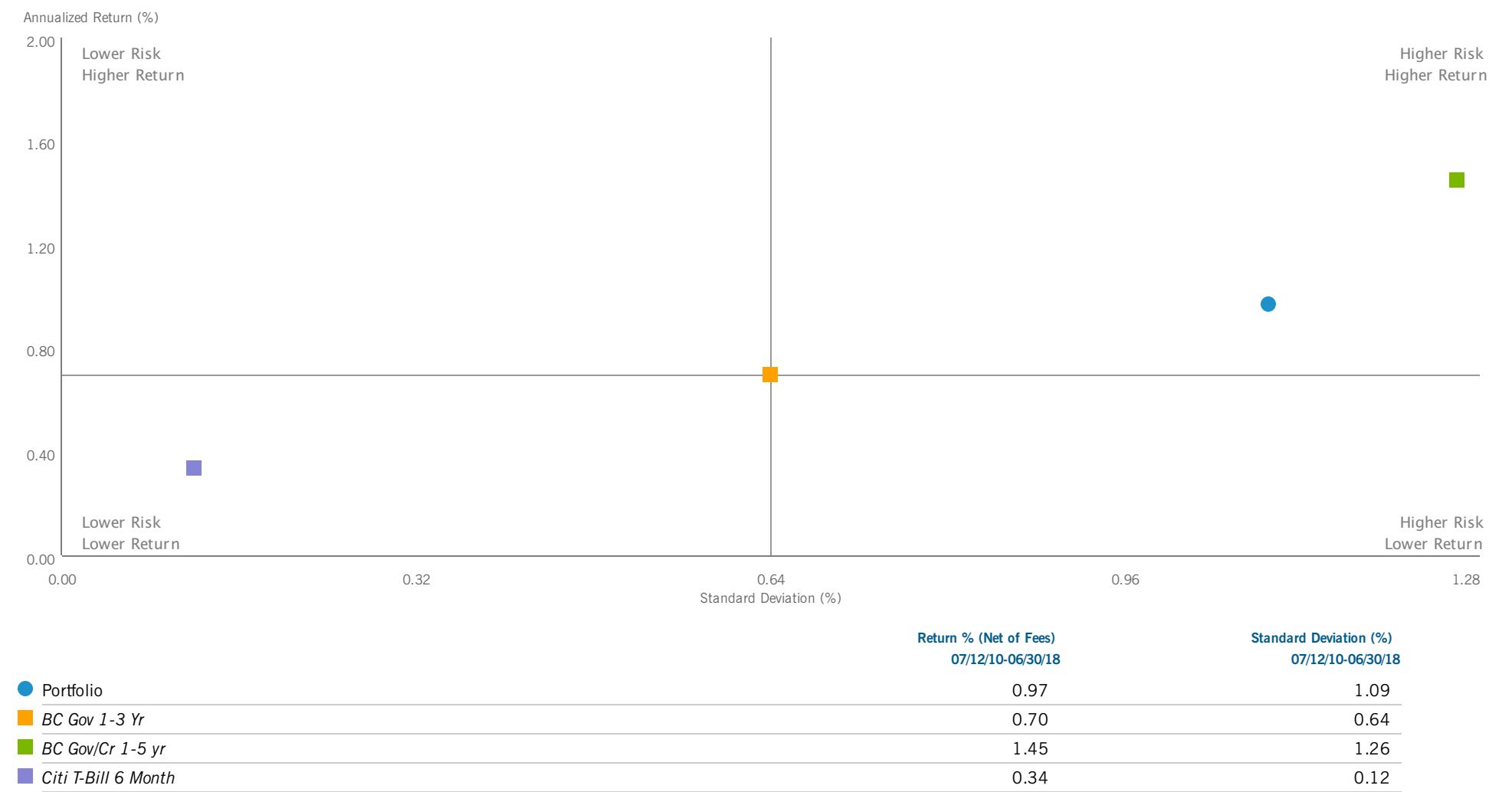
RETURN % (NET OF FEES) VS. BENCHMARKS (Continued)

Period	Beginning Total Value (\$)	Net Contributions/ Withdrawals (\$)	Investment Earnings (\$)	Ending Total Value (\$)	Period Returns%			
					Portfolio (Net Of Fees)	BC Gov 1-3 Yr	BC Gov/Cr 1-5 yr	Citi T-Bill 6 Month
1QTR	15,600,964.10	0.00	17,971.38	15,618,935.48	0.11	0.12	0.27	0.03
2012	15,229,289.11	0.00	371,674.99	15,600,964.10	2.44	0.51	2.24	0.11
4QTR	15,574,837.84	0.00	26,126.26	15,600,964.10	0.17	0.07	0.20	0.04
3QTR	15,431,234.53	0.00	143,603.31	15,574,837.84	0.93	0.26	0.89	0.03
2QTR	15,363,956.06	0.00	67,278.47	15,431,234.53	0.43	0.20	0.59	0.02
1QTR	15,229,289.11	0.00	134,666.95	15,363,956.06	0.88	-0.02	0.54	0.02
2011	10,028,996.97	5,000,000.00	200,292.14	15,229,289.11	1.91	1.56	3.14	0.14
4QTR	10,184,368.27	5,000,000.00	44,920.84	15,229,289.11	0.36	0.21	0.43	0.02
3QTR	10,177,172.05	0.00	7,196.22	10,184,368.27	0.07	0.47	0.91	0.03
2QTR	10,049,163.76	0.00	128,008.29	10,177,172.05	1.27	0.81	1.49	0.04
1QTR	10,028,996.97	0.00	20,166.79	10,049,163.76	0.20	0.06	0.27	0.05
2010 Performance Inception: 07/12/2010	9,999,850.00	150.00	28,996.97	10,028,996.97	0.29	0.53	1.03	0.11
4QTR	10,078,017.02	0.00	-49,020.05	10,028,996.97	-0.49	-0.13	-0.60	0.05
3QTR Performance Inception: 07/12/2010	9,999,850.00	150.00	78,017.02	10,078,017.02	0.78	0.66	1.64	0.05

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

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



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.

POSITIONS: FIXED INCOME DETAIL

Alameda County Schools Ins Group 171-XXX349 - Western Asset - Gov...

As of June 30, 2018 | Reporting Currency: USD

CORPORATE FIXED INCOME

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Total Value	Unrealized Gain/Loss	Current Yield / Yield on Cost	% of Fixed Income
3M CO	\$81,099.63	\$81,000.00	\$95.68	\$77,497.56	-\$3,567.46	1.69%	0.48%
	\$81,065.02			\$77,866.84		1.62%	
<i>Cusip: 88579YAU5, Moody's Rating: A1, S & P Rating: AA-, Maturity Date: 9/19/2021, Coupon: 1.625, Call Date: 8/19/2021, Call Price: 100.000, Accrued Interest: \$369.281</i>							
AMERICAN EXPRESS CREDIT CORP	162,308.79	159,000.00	97.63	155,230.11	-6,497.90	2.76	0.97
	161,728.01			156,625.34		2.64	
<i>Cusip: 0258MOEG0, Moody's Rating: A2, S & P Rating: A-, Maturity Date: 3/3/2022, Coupon: 2.700, Call Date: 2/1/2022, Call Price: 100.000, Accrued Interest: \$1395.225</i>							
APPLE INC	161,204.46	157,000.00	98.43	154,530.39	-5,966.42	2.74	0.96
	160,496.81			155,083.82		2.63	
<i>Cusip: 037833BF6, Moody's Rating: AA1, S & P Rating: AA+, Maturity Date: 5/13/2022, Coupon: 2.700, Accrued Interest: \$553.425</i>							
BANK OF AMERICA CORP	161,382.40	160,000.00	98.77	158,032.00	-3,088.47	2.65	0.99
	161,120.47			158,860.33		2.60	
<i>Cusip: 06051GFT1, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 10/19/2020, Coupon: 2.625, Accrued Interest: \$828.333</i>							
BANK OF NEW YORK MELLON CORP/THE	158,589.34	158,000.00	99.73	157,578.14	-518.66	2.10	0.99
	158,096.80			159,098.89		2.09	
<i>Cusip: 06406HCP2, Moody's Rating: A1, S & P Rating: A, Maturity Date: 1/15/2019, Coupon: 2.100, Call Date: 12/15/2018, Call Price: 100.000, Accrued Interest: \$1520.748</i>							
BB&T CORP	80,095.73	79,000.00	99.02	78,228.17	-1,418.99	2.47	0.49
	79,647.16			79,115.27		2.41	
<i>Cusip: 05531FAS2, Moody's Rating: A2, S & P Rating: A-, Maturity Date: 1/15/2020, Coupon: 2.450, Call Date: 12/15/2019, Call Price: 100.000, Accrued Interest: \$887.104</i>							
BERKSHIRE HATHAWAY INC	158,767.82	157,000.00	99.44	156,114.52	-1,395.18	2.11	0.98
	157,509.70			157,360.05		2.08	
<i>Cusip: 084670BL1, Moody's Rating: AA2, S & P Rating: AA, Maturity Date: 8/14/2019, Coupon: 2.100, Accrued Interest: \$1245.533</i>							
BOEING CAPITAL CORP	79,472.44	76,000.00	100.02	76,015.96	-130.06	2.89	0.48
	76,146.02			76,842.46		2.76	
<i>Cusip: 097014AM6, Moody's Rating: A2, S & P Rating: A, Maturity Date: 8/15/2018, Coupon: 2.900, Call Date: 7/29/2018, Call Price: 100.000, Accrued Interest: \$826.500</i>							
BURLINGTON NORTHERN SANTA FE LLC	79,962.19	77,000.00	99.02	76,246.94	-3,207.39	3.08	0.48
	79,454.33			76,931.92		2.94	
<i>Cusip: 12189LAH4, Moody's Rating: A3, S & P Rating: A+, Maturity Date: 3/15/2022, Coupon: 3.050, Call Date: 12/15/2021, Call Price: 100.000, Accrued Interest: \$684.979</i>							
CATERPILLAR FINANCIAL SERVICES CORP	79,058.21	77,000.00	99.45	76,577.27	-1,083.90	2.11	0.48
	77,661.17			76,671.59		2.04	
<i>Cusip: 14912L6B2, Moody's Rating: A3, S & P Rating: A, Maturity Date: 6/9/2019, Coupon: 2.100, Accrued Interest: \$94.324</i>							
CHEVRON CORP	72,897.83	71,000.00	98.84	70,179.24	-1,855.89	2.44	0.44
	72,035.13			70,384.39		2.35	
<i>Cusip: 166764AY6, Moody's Rating: AA2, S & P Rating: AA-, Maturity Date: 11/17/2020, Coupon: 2.419, Call Date: 10/17/2020, Call Price: 100.000, Accrued Interest: \$205.145</i>							

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

POSITIONS: FIXED INCOME DETAIL

Alameda County Schools Ins Group 171-XXX349 - Western Asset - Gov...

As of June 30, 2018 | Reporting Currency: USD

CORPORATE FIXED INCOME (CONTINUED)

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Total Value	Unrealized Gain/Loss	Current Yield / Yield on Cost	% of Fixed Income
CHUBB INA HOLDINGS INC	123,061.95	121,000.00	98.22	118,847.41	-3,336.46	2.34	0.74
	122,183.87			119,288.05		2.26	
<i>Cusip: 00440EAT4, Moody's Rating: A3, S & P Rating: A, Maturity Date: 11/3/2020, Coupon: 2.300, Call Date: 10/3/2020, Call Price: 100.000, Accrued Interest: \$440.641</i>							
CISCO SYSTEMS INC	79,200.66	77,000.00	102.53	78,951.18	-56.58	4.34	0.50
	79,007.76			80,521.66		4.33	
<i>Cusip: 17275RAH5, Moody's Rating: A1, S & P Rating: AA-, Maturity Date: 1/15/2020, Coupon: 4.450, Accrued Interest: \$1570.479</i>							
COCA-COLA CO/THE	81,082.40	80,000.00	97.74	78,194.40	-2,385.59	1.91	0.49
	80,579.99			78,456.90		1.84	
<i>Cusip: 191216BT6, Moody's Rating: AA3, S & P Rating: A+, Maturity Date: 10/27/2020, Coupon: 1.875, Accrued Interest: \$262.500</i>							
COMCAST CORP	156,366.66	139,000.00	103.22	143,475.80	-1,886.10	4.98	0.91
	145,361.90			145,842.08		4.57	
<i>Cusip: 20030NBA8, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 3/1/2020, Coupon: 5.150, Accrued Interest: \$2366.282</i>							
COSTCO WHOLESALE CORP	81,574.40	80,000.00	98.44	78,752.80	-1,935.09	1.72	0.49
	80,687.89			78,809.47		1.66	
<i>Cusip: 22160KAF2, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 12/15/2019, Coupon: 1.700, Accrued Interest: \$56.666</i>							
EXXON MOBIL CORPORATION	162,744.45	159,000.00	98.16	156,074.40	-5,087.69	2.26	0.98
	161,162.09			157,242.25		2.17	
<i>Cusip: 30231GAV4, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 3/1/2021, Coupon: 2.222, Call Date: 2/1/2021, Call Price: 100.000, Accrued Interest: \$1167.845</i>							
GENERAL ELEC CAP CORP	159,406.14	141,000.00	103.10	145,371.00	-5,690.57	4.48	0.92
	151,061.57			148,504.82		4.09	
<i>Cusip: 36962G4Y7, Moody's Rating: A2, S & P Rating: A, Maturity Date: 1/7/2021, Coupon: 4.625, Accrued Interest: \$3133.822</i>							
HOME DEPOT INC	80,576.84	79,000.00	99.41	78,534.69	-836.30	2.01	0.49
	79,370.99			78,600.52		1.96	
<i>Cusip: 437076BE1, Moody's Rating: A2, S & P Rating: A, Maturity Date: 6/15/2019, Coupon: 2.000, Call Date: 5/15/2019, Call Price: 100.000, Accrued Interest: \$65.833</i>							
HONEYWELL INTERNATIONAL	80,569.08	81,000.00	98.25	79,585.74	-983.34	1.42	0.50
	80,569.08			79,774.74		1.40	
<i>Cusip: 438516BJ4, Moody's Rating: A2, S & P Rating: A, Maturity Date: 10/30/2019, Coupon: 1.400, Accrued Interest: \$189.000</i>							
INTEL CORP	79,932.20	79,000.00	99.36	78,493.61	-916.66	2.46	0.49
	79,410.27			79,305.44		2.42	
<i>Cusip: 458140AQ3, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 7/29/2020, Coupon: 2.450, Accrued Interest: \$811.834</i>							
JOHN DEERE CAPITAL CORP	80,480.46	79,000.00	99.74	78,792.23	-550.23	2.25	0.49
	79,342.46			79,152.67		2.20	
<i>Cusip: 24422ERR2, Moody's Rating: A2, S & P Rating: A, Maturity Date: 4/17/2019, Coupon: 2.250, Accrued Interest: \$360.438</i>							

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

POSITIONS: FIXED INCOME DETAIL

Alameda County Schools Ins Group 171-XXX349 - Western Asset - Gov...

As of June 30, 2018 | Reporting Currency: USD

CORPORATE FIXED INCOME (CONTINUED)

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Total Value	Unrealized Gain/Loss	Current Yield / Yield on Cost	% of Fixed Income
JOHNSON & JOHNSON	81,111.78	81,000.00	98.36	79,668.36	-1,420.06	1.98	0.50
	81,088.42			79,887.74		1.95	
<i>Cusip: 478160CH5, Moody's Rating: AAA, S & P Rating: AAA, Maturity Date: 11/10/2020, Coupon: 1.950, Accrued Interest: \$219.375</i>							
JP MORGAN CHASE & CO.	160,541.52	148,000.00	103.44	153,089.72	-4,529.27	4.47	0.96
	157,618.99			154,040.41		4.26	
<i>Cusip: 46625HHZ6, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 5/10/2021, Coupon: 4.625, Accrued Interest: \$950.694</i>							
KIMBERLY-CLARK CORP	80,443.20	80,000.00	99.25	79,403.20	-717.29	1.41	0.50
	80,120.49			79,823.20		1.39	
<i>Cusip: 494368BT9, Moody's Rating: A2, S & P Rating: A, Maturity Date: 2/15/2019, Coupon: 1.400, Accrued Interest: \$420.000</i>							
MASTERCARD INC	159,790.89	161,000.00	96.80	155,851.22	-3,939.67	2.06	0.97
	159,790.89			156,200.05		2.01	
<i>Cusip: 57636QAF1, Moody's Rating: A2, S & P Rating: A, Maturity Date: 11/21/2021, Coupon: 2.000, Call Date: 10/21/2021, Call Price: 100.000, Accrued Interest: \$348.832</i>							
METLIFE INC	150,589.80	135,000.00	100.51	135,693.90	-157.18	6.78	0.87
	135,851.08			139,145.01		6.11	
<i>Cusip: 59156RAR9, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 8/15/2018, Coupon: 6.817, Accrued Interest: \$3451.106</i>							
MICROSOFT CORP	80,922.40	80,000.00	97.78	78,221.60	-2,548.74	2.42	0.49
	80,770.34			78,949.93		2.34	
<i>Cusip: 594918BA1, Moody's Rating: AAA, S & P Rating: AAA, Maturity Date: 2/12/2022, Coupon: 2.375, Call Date: 1/12/2022, Call Price: 100.000, Accrued Interest: \$728.333</i>							
OCCIDENTAL PETROLEUM CORP	80,446.14	74,000.00	102.33	75,724.94	-1,891.37	4.00	0.48
	77,616.31			76,980.68		3.77	
<i>Cusip: 674599BY0, Moody's Rating: A3, S & P Rating: A, Maturity Date: 2/1/2021, Coupon: 4.100, Call Date: 11/1/2020, Call Price: 100.000, Accrued Interest: \$1255.739</i>							
ORACLE CORP	80,280.59	79,000.00	97.37	76,923.88	-3,158.09	2.56	0.48
	80,081.97			77,170.76		2.45	
<i>Cusip: 68389XBB0, Moody's Rating: A1, S & P Rating: AA-, Maturity Date: 5/15/2022, Coupon: 2.500, Call Date: 3/15/2022, Call Price: 100.000, Accrued Interest: \$246.875</i>							
PACCAR FINANCIAL CORP	80,148.69	81,000.00	98.34	79,655.40	-493.29	1.22	0.50
	80,148.69			80,028.00		1.21	
<i>Cusip: 69371RN36, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 8/12/2019, Coupon: 1.200, Accrued Interest: \$372.599</i>							
PEPSICO INC	161,270.40	160,000.00	99.84	159,740.80	-795.61	2.25	1.00
	160,536.41			161,470.80		2.23	
<i>Cusip: 713448CK2, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 1/7/2019, Coupon: 2.250, Call Date: 12/7/2018, Call Price: 100.000, Accrued Interest: \$1730.000</i>							
PNC FUNDING CORP	158,731.86	142,000.00	103.20	146,536.90	-1,715.15	4.96	0.93
	148,252.05			149,407.47		4.58	
<i>Cusip: 693476BJ1, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 2/8/2020, Coupon: 5.125, Accrued Interest: \$2870.568</i>							

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

POSITIONS: FIXED INCOME DETAIL

Alameda County Schools Ins Group 171-XXX349 - Western Asset - Gov...

As of June 30, 2018 | Reporting Currency: USD

CORPORATE FIXED INCOME (CONTINUED)

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Total Value	Unrealized Gain/Loss	Current Yield / Yield on Cost	% of Fixed Income
PROCTER & GAMBLE CO/THE	151,176.89	149,000.00	98.96	147,445.93	-2,177.39	1.92	0.92
	149,623.32			147,909.90		1.87	
<i>Cusip: 742718EGO, Moody's Rating: AA3, S & P Rating: AA-, Maturity Date: 11/1/2019, Coupon: 1.900, Accrued Interest: \$463.968</i>							
STATE STREET CORP STT	72,450.70	70,000.00	99.19	69,430.20	-1,836.54	2.57	0.44
	71,266.74			70,084.70		2.46	
<i>Cusip: 857477AS2, Moody's Rating: A1, S & P Rating: A, Maturity Date: 8/18/2020, Coupon: 2.550, Accrued Interest: \$654.500</i>							
TARGET CORP	79,705.05	73,000.00	102.01	74,470.22	-1,864.95	3.79	0.47
	76,335.17			75,766.73		3.54	
<i>Cusip: 87612EAV8, Moody's Rating: A2, S & P Rating: A, Maturity Date: 7/15/2020, Coupon: 3.875, Accrued Interest: \$1296.510</i>							
THE WALT DISNEY COMPANY	78,557.70	78,000.00	97.95	76,402.56	-1,859.91	2.19	0.48
	78,262.47			76,882.37		2.13	
<i>Cusip: 25468PDE3, Moody's Rating: A2, S & P Rating: A+, Maturity Date: 9/17/2020, Coupon: 2.150, Accrued Interest: \$479.808</i>							
UNITED PARCEL SERVICE	80,722.90	74,000.00	101.80	75,333.48	-758.56	5.03	0.47
	76,092.04			76,271.07		4.69	
<i>Cusip: 911312AK2, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 4/1/2019, Coupon: 5.125, Accrued Interest: \$937.590</i>							
UNITEDHEALTH GROUP INC	120,699.04	118,000.00	99.40	117,295.54	-2,108.61	2.71	0.74
	119,404.15			118,755.79		2.63	
<i>Cusip: 91324PCM2, Moody's Rating: A3, S & P Rating: A+, Maturity Date: 7/15/2020, Coupon: 2.700, Accrued Interest: \$1460.249</i>							
US BANCORP	80,945.77	79,000.00	99.62	78,696.64	-861.05	2.20	0.49
	79,557.69			79,010.45		2.14	
<i>Cusip: 91159HHH6, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 4/25/2019, Coupon: 2.200, Call Date: 3/25/2019, Call Price: 100.000, Accrued Interest: \$313.805</i>							
VISA INC	160,184.55	159,000.00	98.38	156,417.84	-3,398.18	2.23	0.97
	159,816.02			156,573.31		2.18	
<i>Cusip: 92826CAB8, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 12/14/2020, Coupon: 2.200, Call Date: 11/14/2020, Call Price: 100.000, Accrued Interest: \$155.465</i>							
WAL-MART STORES INC	80,517.18	74,000.00	101.59	75,177.34	-2,280.62	3.56	0.48
	77,457.96			76,458.98		3.32	
<i>Cusip: 931142CU5, Moody's Rating: AA2, S & P Rating: AA, Maturity Date: 7/8/2020, Coupon: 3.625, Accrued Interest: \$1281.639</i>							
Corporate Fixed Income Total	\$4,619,071.13	\$4,462,000.00		\$4,442,483.23	-\$90,906.46		27.86%
	\$4,533,389.69			\$4,481,156.82			

GOVERNMENT SECURITIES

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Total Value	Unrealized Gain/Loss	Current Yield / Yield on Cost	% of Fixed Income
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Unrealized Gain/Loss value does not reflect interest and dividend accruals.

POSITIONS: FIXED INCOME DETAIL

Alameda County Schools Ins Group 171-XXX349 - Western Asset - Gov...

As of June 30, 2018 | Reporting Currency: USD

GOVERNMENT SECURITIES (CONTINUED)

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Total Value	Unrealized Gain/Loss	Current Yield / Yield on Cost	% of Fixed Income
FED HOME LN BK	\$650,447.75 \$650,447.75	\$655,000.00	\$95.69	\$626,782.60 \$630,180.41	-\$23,665.15	1.17% 1.13%	3.92%
Cusip: 3130A8QS5, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 7/14/2021, Coupon: 1.125, Accrued Interest: \$3397.806							
FED HOME LN MTG CORP	955,279.00 951,772.14	950,000.00	98.75	938,096.50 943,011.43	-13,675.64	1.26 1.24	5.86
Cusip: 3137EADK2, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 8/1/2019, Coupon: 1.250, Accrued Interest: \$4914.930							
FED HOME LN MTG CORP	505,965.00 502,950.88	500,000.00	97.94	489,710.00 490,836.74	-13,240.88	1.40 1.36	3.05
Cusip: 3137EADR7, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 5/1/2020, Coupon: 1.375, Accrued Interest: \$1126.735							
FED HOME LN MTG CORP	485,131.79 482,725.46	481,000.00	98.48	473,693.61 475,163.33	-9,031.85	1.26 1.23	2.95
Cusip: 3137EADM8, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 10/2/2019, Coupon: 1.250, Accrued Interest: \$1469.720							
FED HOME LN MTG CORP MED TERM NOTE	687,579.85 684,590.36	673,000.00	98.69	664,163.51 671,578.19	-20,426.85	2.40 2.32	4.18
Cusip: 3137EADB2, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 1/13/2022, Coupon: 2.375, Accrued Interest: \$7414.683							
FED NATL MTG ASSN	557,590.42 557,303.83	557,000.00	98.67	549,569.62 553,567.25	-7,734.21	1.64 1.62	3.44
Cusip: 3135GOA78, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 1/21/2020, Coupon: 1.625, Accrued Interest: \$3997.634							
FED NATL MTG ASSN	363,955.48 359,885.81	355,000.00	98.15	348,446.70 348,483.68	-11,439.11	1.91 1.83	2.17
Cusip: 3135GOH55, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 12/28/2020, Coupon: 1.875, Accrued Interest: \$36.977							
FED NATL MTG ASSN	353,214.12 353,214.12	354,000.00	99.80	353,302.62 353,829.93	88.50	1.62 1.62	2.20
Cusip: 3135GOYT4, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 11/27/2018, Coupon: 1.625, Accrued Interest: \$527.311							
FED NATL MTG ASSN	899,005.51 891,317.64	890,000.00	99.78	888,015.30 894,087.69	-3,302.34	1.87 1.85	5.56
Cusip: 3135GOZA4, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 2/19/2019, Coupon: 1.875, Accrued Interest: \$6072.390							
UNITED STATES TREASURY BILL	274,668.08 274,668.08	275,000.00	99.92	274,774.50 274,774.50	106.42	- -	1.71
Cusip: 912796MK2, Maturity Date: 7/19/2018							
UNITED STATES TREASURY NOTE	640,803.39 638,927.39	641,000.00	97.52	625,077.56 627,999.51	-13,849.83	1.41 1.38	3.90
Cusip: 912828L32, Moody's Rating: AAA, Maturity Date: 8/31/2020, Coupon: 1.375, Accrued Interest: \$2921.947							

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

POSITIONS: FIXED INCOME DETAIL

Alameda County Schools Ins Group 171-XXX349 - Western Asset - Gov...

As of June 30, 2018 | Reporting Currency: USD

GOVERNMENT SECURITIES (CONTINUED)

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Total Value	Unrealized Gain/Loss	Current Yield / Yield on Cost	% of Fixed Income
UNITED STATES TREASURY NOTE	405,395.68 405,163.17	405,000.00	99.12	401,440.05 402,279.21	-3,723.12	1.26 1.25	2.50
Cusip: 912828ST8, Moody's Rating: AAA, Maturity Date: 4/30/2019, Coupon: 1.250, Accrued Interest: \$839.164							
UNITED STATES TREASURY NOTE	970,043.87 969,099.21	968,000.00	98.76	955,977.44 955,977.44	-13,121.77	1.64 1.62	5.94
Cusip: 912828G95, Moody's Rating: AAA, Maturity Date: 12/31/2019, Coupon: 1.625							
UNITED STATES TREASURY NOTE	968,772.49 968,772.49	974,000.00	96.81	942,919.66 950,486.99	-25,852.83	1.93 1.88	5.91
Cusip: 912828P4, Moody's Rating: AAA, Maturity Date: 7/31/2022, Coupon: 1.875, Accrued Interest: \$7567.327							
UNITED STATES TREASURY NOTE	727,207.86 726,384.76	723,000.00	98.44	711,728.43 716,522.23	-14,656.33	2.03 1.99	4.45
Cusip: 912828B90, Moody's Rating: AAA, Maturity Date: 2/28/2021, Coupon: 2.000, Accrued Interest: \$4793.801							
UNITED STATES TREASURY NOTE	393,843.60 393,843.60	400,000.00	98.09	392,344.00 394,415.82	-1,499.60	1.27 1.27	2.45
Cusip: 912828H52, Moody's Rating: AAA, Maturity Date: 1/31/2020, Coupon: 1.250, Accrued Interest: \$2071.820							
UNITED STATES TREASURY NOTE	486,515.63 486,269.80	485,000.00	97.91	474,844.10 476,451.98	-11,425.70	2.04 1.99	2.96
Cusip: 912828F96, Moody's Rating: AAA, Maturity Date: 10/31/2021, Coupon: 2.000, Accrued Interest: \$1607.877							
UNITED STATES TREASURY NOTE	524,384.70 524,384.70	525,000.00	96.58	507,055.50 508,578.43	-17,329.20	1.81 1.75	3.16
Cusip: 912828WZ9, Moody's Rating: AAA, Maturity Date: 4/30/2022, Coupon: 1.750, Accrued Interest: \$1522.925							
UNITED STATES TREASURY NOTE	961,541.57 959,954.38	961,000.00	96.95	931,679.89 937,155.20	-28,274.49	1.41 1.37	5.83
Cusip: 912828N89, Moody's Rating: AAA, Maturity Date: 1/31/2021, Coupon: 1.375, Accrued Interest: \$5475.307							
Government Securities Total	\$11,811,345.79 \$11,781,675.57	\$11,772,000.00		\$11,549,621.59 \$11,605,379.94	-\$232,053.98		72.15%

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.

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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.

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

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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, 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 and annuities as well as Manually Added and External accounts, assets and liabilities.

Unless otherwise indicated, performance is a composite calculation of the entire portfolio and may include brokerage and investment advisory accounts as well as assets for different accounts included in this report. The accounts included in the composite may have (or have had) different investment objectives and strategies, been subject to different restrictions, and incurred different types of fees, markups, commissions and other charges. Accordingly, performance results may blend the performance of assets and strategies that may not have been available in all of the accounts at all times during the reporting period. In addition, accounts in the composite may have changed from brokerage to advisory or vice versa. Accounts may also have moved from one advisory program to another (including from a discretionary program to a non-discretionary program).

For Morgan Stanley Smith Barney LLC accounts, performance information may cover the full history of the account(s) or just the performance of an account(s) since the inception of the current program(s). Performance results on individual accounts will vary and may differ from the composite returns. Your Financial Advisor can provide you with individual account portfolio composition and performance information. For investment advisory accounts, please see the Morgan Stanley Smith Barney LLC Form ADV Part 2 or applicable disclosure brochure and any applicable brokerage commission and/or fee schedule for a full disclosure of fees and expenses. Your Financial Advisor will provide those documents to you upon request. For brokerage accounts, please speak to your Financial Advisor for more information on commissions and other account fees and expenses.

Performance inception date does not necessarily correspond to the account opening date. Where multiple accounts are included in performance calculations, the inception date is the oldest performance inception. Performance data may not be available for all periods as some accounts included in performance may have more recent performance inception dates. Consequently, the actual performance for a group of accounts may differ from reported performance. Please ask your Financial Advisor for the performance inception date for each account.

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

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

Projected 12 Month: Projected 12 Month Income is based upon cash income from interest, cash dividends, and partnership distributions. It is a hypothetical projection calculated using current yields. The projected income referenced is based upon certain market projections effective as at today's date only and can change at any time. Such projected income is hypothetical, do not reflect actual investment results, and is not a guarantee of future results. The projected income is referenced for illustrative purposes only. Morgan Stanley does not represent or guarantee that the projected income referenced will or can be attained. The actual income may be lower or higher than the projections based upon a variety of factors and assumptions. The projected income shown may under or over compensate for the impact of actual market conditions and other factors. We make no representation or warranty as to the reasonableness of the assumptions made, or that all assumptions used to construct this projected income information have been stated or fully considered. To the extent that the assumptions made do not reflect actual conditions, the illustrative value of the hypothetical projected income will decrease. The projected income referenced may include income from Morgan Stanley & Co. and External Accounts, where data is available. Such information was obtained from third party sources which Morgan Stanley believes to be reliable. However, we make no representation or guarantee that the information is accurate or complete. You should not rely upon this information to make any investment decision. Please refer to the official account statements and performance reports you received from your custodian and/or financial institution for information about projected income in your External Accounts. The projected income referenced does not include income from assets in Manually Added External Accounts.

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

GENERAL DEFINITIONS

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

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

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

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

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

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

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

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

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

Global Investment Manager Analysis (GIMA): Global Investment Manager Analysis (GIMA) reviews certain investment products in various advisory programs. For these programs, a GIMA status will apply:

Focus List (FL): Investment products on the Focus List have been subject to an in-depth review and possess GIMA's highest level of confidence.

Approved List (AL): Investment products on the Approved List have typically been subject to a less rigorous review process and have been approved for recommendation to investors.

Not Approved List (NL): Investment products that were previously on the Focus List or Approved List but are no longer on either of those lists. GIMA no longer covers these products. For more information, please ask your Financial Advisor for the applicable Morgan Stanley ADV brochure.

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

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

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

Morgan Stanley Research Ratings: Morgan Stanley uses a relative rating system using terms such as Overweight, Equal-weight, Not-Rated, or Underweight (see definition below). Morgan Stanley does not assign ratings of Buy, Hold or Sell to the stocks we cover. Overweight, Equal-weight, Not-Rated and Underweight are not the equivalent of buy, hold and sell. Investors should carefully read the definitions of all ratings used in Morgan Stanley Research. In addition, since Morgan Stanley Research contains more complete information concerning the analyst's view, investors should carefully read Morgan Stanley Research, in its entirety, and not infer the contents from the ratings alone. In any case, ratings (or research) should not be used or relied upon as investment advice. An investor's decision to buy or sell a stock should depend on individual circumstances (such as the investor's existing holdings) and other considerations.

Overweight (OVWEIGHT): The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Equal-weight (EQWEIGHT): The stock's total return is expected to be in line with the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Underweight (UNWEIGHT): The stock's total return is expected to be below the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Not-Rated (NR): Currently, the analyst does not have adequate conviction about the stock's total return relative to the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Not Available (NAV): Indicates that the ratings for this company are not available because of a Morgan Stanley policy.

Discontinued Coverage (DC)

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

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

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

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

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

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

Total Value: "Total Value" represents the Market Value of the portfolio or Asset Class referenced and includes the accrual of interest and dividends. Total Value in the Asset Allocation view prior to January 2014 does not reflect the accrual of interest and dividends. Total Value for Morgan Stanley & Co. and External accounts also does not include accrued interest and dividends.

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 T-Bill 6 Month: Citigroup T-Bill 6 Month



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Fax (925) 225-0653

www.acsig.com

EXECUTIVE SUMMARY

TO: ACSIG Board of Directors

FROM: Kimberly Dennis

DATE: November 8, 2018

SUBJECT: 2017/2018 Annual Report

A goal established by the Executive Director was the development of a report to document the historical perspective of the JPA and to highlight the progress of ACSIG. Because this is the third Annual Report published, we tried to target program specific goals and objectives and provide the reader a good explanation of ACSIG Services. Enclosed is a draft annual report developed in response to this goal. Because this is a draft report, please feel free to provide feedback to improve the document.



Alameda County Schools Insurance Group (ACSIG)



2017/18 Annual Report

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Executive Director's Message



Welcome to the Annual Report for the Alameda County Schools Insurance Group (ACSIG). We are celebrating our 40th Anniversary. ACSIG is a Joint Powers Authority that was formed in 1978 and operates programs providing Workers' Compensation coverage, Property & Liability coverage as well as self-funded Dental and Vision coalitions. This JPA has weathered good times and very difficult times never waivering from its commitment to provide competitive, adaptable, resolute, equitable products and services that provides solutions for the unique risks facing its members.

As I reflect on the accomplishments of the Board, it is impossible not to consider what changes have been made to respond to emerging risks within the California school environment. ACSIG began in 1978 to address the insurance needs presented to Alameda County Schools due to the hardening of the Insurance market within California and the United States as a whole. Faced with limited coverage and unpredictable rates, school districts within Alameda County formed the ACSIG JPA to transfer or self-insure the risks associated with providing Workers' Compensation coverage for its employees. The success of the Workers' Compensation program led to expansion of services to include Property/Liability coverage as well as Dental/Vision coverage. In 1988, the ACSIG/EDGE dental coalition was formed. The Dental coalition is celebrating its 30th year and insures more than 100,000 public employees and their dependents throughout the State of California.

Throughout these 40 years, ACSIG has adapted to the changes of its members and the insurance market to ensure the best coverage for its members at a fiscally responsible rate. What started as a self-insured, self-administered Workers' Compensation program has been through several adaptations. Today, the ACSIG Workers' Compensation program is a member of the Protected Insurance Program for Schools (PIPS) JPA. PIPS is the largest non-profit, member- owned and operated workers' compensation program for public educational agencies in the country. Through strategic combinations of risk transfer and risk retention, PIPS maintains structural flexibility and obtains the most effective program pricing for frequency protection at a 99% probability level, undiscounted, and catastrophic protection up to \$155,000,000 per occurrence. All services are performed by a third-party administrator.

The Property/Liability program also began as a self-insured, self-administered program. Due to the changes in coverage available in the marketplace and the evolution of JPA's within California, ACSIG is now a member of the Northern California ReLiEF (NCR) program. ACSIG maintains a member-retained limit of \$25,000 for all property and liability claims. However, above this limit, ACSIG purchases through NCR additional coverage up to \$250,250,000 for Property and \$50,000,000 for Liability claims. It is currently more cost effective to provide coverage to its members through NCR with this program design. However, the structure of all ACSIG programs is discussed annually by the Board of Directors.

Today, ACSIG's financial position is the strongest it has been in 20 years. All programs operate in an equity position. This has been accomplished during a fiscal climate within California that has been challenging. ACSIG membership has seen years of deficits, deferrals and little to no increased funding. The Board of Directors has strengthened its internal controls to include independent reporting of the financial reports, audit reports and actuarial reports directly to the Board. The Board has recognized the critical need to set systems in place to ensure the fiscal integrity of the JPA into the future. An investment policy has been adopted and an investment advisor retained. Since inception in 2010, ACSIG

has recognized more than \$1 million in investment earnings while invested in accordance with California Code. The current, strong financial position speaks to the dedication and commitment of the ACSIG Board both past and present.

California schools have seen an ever-growing number of liability claims. While we can't control the behaviors of people, ACSIG can work with its members to empower its employees and student population to say something when they see something. ACSIG remains committed to provide the safest environment for students and employees. We have provided new micro-learning videos that help ACSIG members distribute critical information to its employees and parents alike. By empowering adults to recognize the early signs of child abuse, it is our goal to make our schools a place where children are safe from predators. With heightened awareness and renewed commitment, ACSIG members are attacking the problem head-on.

As ACSIG looks forward into 2018/19, we will implement strategic foresight, bringing a proactive mindset to assist members with emerging risk exposures resulting from technical, governmental, economic, social, environmental and legislative trends. We have introduced risk management incentive programs like Shoes for Crews, in an effort to support healthy employees. This year also introduces a telemedicine option for our injured workers that face geographical challenges or time restrictions making visitation to a general practitioner difficult.

It is once again my pleasure to lead this organization into tomorrow. There are exciting opportunities ahead and a strong foundation upon which to build. I would like to thank our Board, Membership and Business Partners for their continued commitment and support. ACSIG 's success is because of you.

Kimberly Dennis

Our Mission



Alameda County Schools Insurance Group is an accredited JPA that conservatively balances cost and risk through self- supporting, service driven insurance programs that is committed to providing services to district and county members through education and outstanding customer service.

President's Message



To My Alameda County Schools Insurance Group Colleagues:

It is with great pleasure that I present to you the 2017-2018 Annual Report.

Our strong fiscal health and enhanced programmatic structure tell a powerful story on the strides we've made over the past few years. Alameda County Schools Insurance Group prides itself in distinguishing the diverse needs of its member districts and consistently endeavors to collaborate and be inclusive. This is not merely the approach, but the belief that permeates within the organization that has allowed us to deliver quality services to our clients.

Partnering with reputable agencies, providing access, training opportunities, and timely and relevant information are vital in our program and service delivery to our members. We value innovation and creativity and are committed to being open-minded and constantly look for ways to improve and build upon our programs and services to member districts.

We have had numerous successes this past year, including:

- Expanding the Company Nurse Program;
- Eliminating the Workers Compensation deficit and ending 2017/18 with a \$10M surplus;
- Increased participation in the dental and vision programs;
- Introduction of Risk Management Incentive Program, i.e. Shoes for Crews

The success of our organization, in many ways, relies on the success of our member districts, and we are grateful for their ongoing support.

Lastly, I'd like to express my appreciation to the outstanding work of the Alameda County Schools Insurance Group team. I am confident that their professionalism and collective expertise will successfully navigate any challenges that may come our way in the years ahead.

Thank you for the opportunity to serve as your President.

Annette Feldman



Governance

Executive Committee

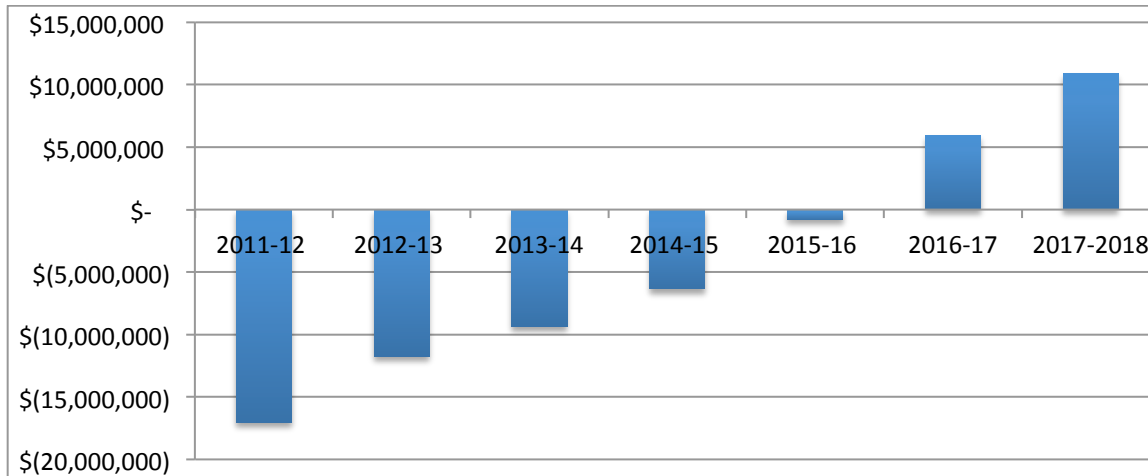
Annette Heldman	President	New Haven USD
Susan Kinder	Vice President	Livermore USD
Vacant	Secretary	
Suzy Chan	Board Member	Castro Valley USD
Joe Sorrera	Board Member	Dublin USD
Raul Parungao	Board Member	Fremont USD
Kevin Collins	Board Member	San Leandro USD

Board of Directors

Annette Heldman	President	New Haven USD
Susan Kinder	Vice President	Livermore USD
Vacant	Secretary	
Teresa Kapellas	Board Member	Alameda County Office of Education
Shariq Khan	Board Member	Alameda USD
Jackie Kim	Board Member	Albany USD
Suzy Chan	Board Member	Castro Valley USD
Joe Sorrera	Board Member	Dublin USD
Marites Fermin	Board Member	Eden Area ROP
Dora Siu	Board Member	Emery USD
Raul Parungao	Board Member	Fremont USD
Marie Dela Cruz	Board Member	Mission Valley ROP
Vicki Hu	Board Member	Mountain House USD
Khai Nguyen	Board Member	Newark USD
Ruth Alahydoian	Board Member	Piedmont USD
Kevin Collins	Board Member	San Leandro USD
Madeline Gabel	Board Member	San Lorenzo USD
Miki Whetfield	Board Member	Sunol Glen USD
Julie Duncan	Board Member	Tri Valley ROP

Evolution of Deficit

DEFICIT Projections



	DEFICIT	Revenue	TRANSFER	Expenditures	Change in financial position
2011-12 actual	\$(19,665,295)	\$20,034,030		\$17,376,343	\$2,657,687
2012-13 actual	\$(17,007,608)	\$19,217,218		\$13,937,752	\$5,279,466
2013-14 actual	\$(11,728,142)	\$19,670,032		\$17,322,172	\$2,347,860
2014-15 actual	\$(9,380,282)	\$20,284,500	\$2,450,000	\$19,701,818	\$3,032,682
2015-16 actual	\$(6,347,600)	\$24,592,230		\$19,067,187	\$5,525,043
2016-17 actual	\$(822,557)	\$28,264,513		\$21,309,992	\$6,954,521
2017-18 actual	\$5,968,527	\$26,712,774		\$21,786,067	\$4,926,707

	Ending Deficit	Tail Claims	Liability
2011-12	\$(17,007,608)	395	\$35,011,547
2012-13	\$(11,728,142)	296	\$28,388,856
2013-14	\$(9,380,282)	237	\$25,171,516
2014-15	\$(6,347,600)	208	\$21,359,518
2015-16	\$(822,557)	177	\$18,359,518
2016-17	\$5,968,527	139	\$14,830,518
2017-18	\$10,908,971	112	\$11,910,259

Workers Compensation Program

Core Program

The Alameda County Schools Insurance Group (ACSIG) was founded in 1978 for the purpose of self-insuring for Workers' Compensation claims exposure.

This core program has grown throughout the past 35 years and now includes 19 member agencies and employee payroll of over \$1 billion.



Self-Insured Retention

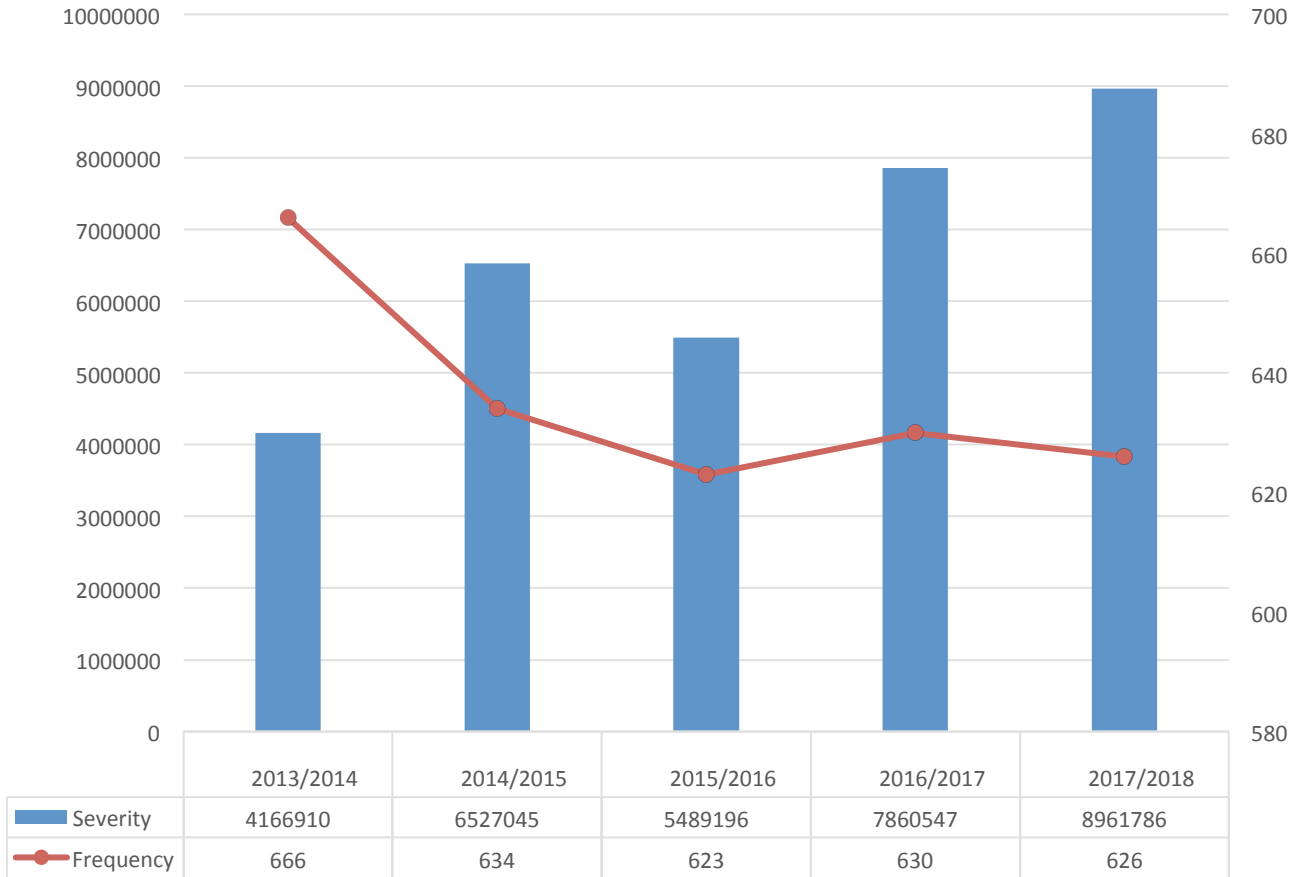
At inception ACSIG was a 100% self-insured program. Beginning in 1979, ACSIG began purchasing reinsurance to provide for catastrophe claims. The following schedule details the self-insured retention and dollar value at which reinsurance was purchased for the program since inception.

Coverage by Fiscal Year

<u>Occurrence</u>	<u>Self-Insured Retention</u>
July 1, 1978 – June 30, 1979	Unlimited
July 1, 1979—June 30, 1980	\$250,000
July 1, 1980—June 30, 1981	\$250,000
July 1, 1981 – June 30, 1982	\$250,000
July 1, 1982 – June 30, 1986	\$250,000
July 1, 1986 – June 30, 1987	\$500,000
July 1, 1988 – June 30, 1995	Unlimited
July 1, 1995 – June 30, 2001	\$2,000,000
July 1, 2001 – June 30, 2003	\$1,000,000
July 1, 2003 – June 30, 2004	Unlimited
July 1, 2004 –June 30, 2006	\$3,000,000
July 1, 2006 – June 30, 2009	\$250,000
July 1, 2009 – Present	\$0

As of July 1, 2009, ACSIG reinsures for \$1 coverage in the Workers Compensation Program through the Projected Insurance Program for Schools (PIPS).

ACSIG 5-Year Workers' Compensation Frequency/Severity as of 6/30/18



Service Team Model



One of the most exciting things about the ACSIG/Keenan partnership is the Service Team delivery model. The Service Team consists of the ACSIG Executive Director, Claims Manager, Account Manager, Risk Management Analyst and Loss Control Specialists. This dedicated team works together to maximize efficiency and services to reduce the frequency and severity of Workers Comp claims. The Service Team analyzes loss data in a variety of terms in an effort to target resources to the areas most in need.

Workers Compensation Claims Administration

Since Partnering with ACSIG in July 2007, Keenan has continually improved upon the success achieved the year before. The Key to our success has been our adherence to our basic claims philosophy; effectively manage all aspects of a claim to ensure that benefits are delivered efficiently, and in accordance with California Labor Code. We approach every claim individually, proactively managing the benefits and moving the claim to final resolution. Through utilization of our best practices, and proprietary products, we can provide ACSIG members and their employees with superlative service in the most efficient and cost effective manner. To that end, during the 17/18 fiscal year we were able to deliver the following high level results to ACSIG's member districts:

- From July 2017 to June 2018, Keenan Claims Administration successfully closed/resolved 28 tail claim files (20.2% of ACSIG's self-insured workers compensation claims inventory from the prior year) 11 of the file closures were full and final Compromise and Release settlements. ACSIG ended the fiscal year with a total 111 claim files (15 Active Indemnity & 96 Future Medical).
 - The impact of the claims activity for the fiscal year resulted in an overall reduction of \$1,298,862 in the self-insured workers compensation claim liabilities, which contributed to the \$11,018,268 positive effect on the ACSIG's financial position.
- Utilization of Keenan's PRIME program has also delivered significant savings to ACSIG:
 - Overall reduction of 69%; a 4% increase over the 2016/2017 year, with net savings of \$6,487,531.51.
 - Return on investment realized for fiscal year 2017/2018 was \$8.91 compared to \$9.07 from the previous year.
 - There were continued savings realized with the Nurse Case Management Savings and Utilization Reviews. Net savings (the majority of the savings was realized with hospital costs and pharmaceutical control) realized were: \$889,106.

The administration of claims by Keenan is based on a district specific caseload handled by a designated Claims Examiner. The designated Claims Examiner handles all claims for the district and is wholly responsible for overall district satisfaction and claims performance. We continue to receive positive feedback regarding this structure of claim handling.

Account Manager Role and Activities

The Account Manager is responsible for servicing and providing technical support to the JPA. The Account Manager works closely with the Executive Director to develop a strategic plan to provide focus and accountability for meeting the needs identified by the JPA and Keenan. Below is a list of the responsibilities and services provided by the Account Manager:



- Provides proactive day-to-day client service by anticipating client needs and responding to client questions and issues in a timely manner
- Oversees the renewal process by working with the Executive Director to obtain payroll information, monitor questionnaire process, sends renewal binders & invoices.
- Maintain relationships with member districts by providing regular visits and open communication
- Works closely with claims and loss control departments on client-related issues
- Schedules and coordinates quarterly Workers' Compensation claim specific lunch and learns
- Provides informational brochures and posters for the WeTip program to districts as needed
- Provides monthly updates of the JPA service plan and provides monthly P&C Bridge and Keenan SafeSchools usage reports to the JPA Executive Director

In addition the Account Manager is responsible for the implementation and training of P&C Bridge and Keenan SafeSchools. The main focus of the Keenan service team, driven by the account manager, is to meet with new district contacts to provide training, to be a resource to current contacts as needed, and to assist the district with the assigning of Keenan SafeSchools online training courses.



Keenan SafeSchools

Alameda County Schools Insurance Group course completions for 7/1/2017 – 6/30/18.

①

Top Courses

69.1k

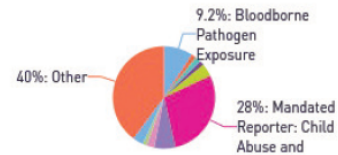
Completions

22k

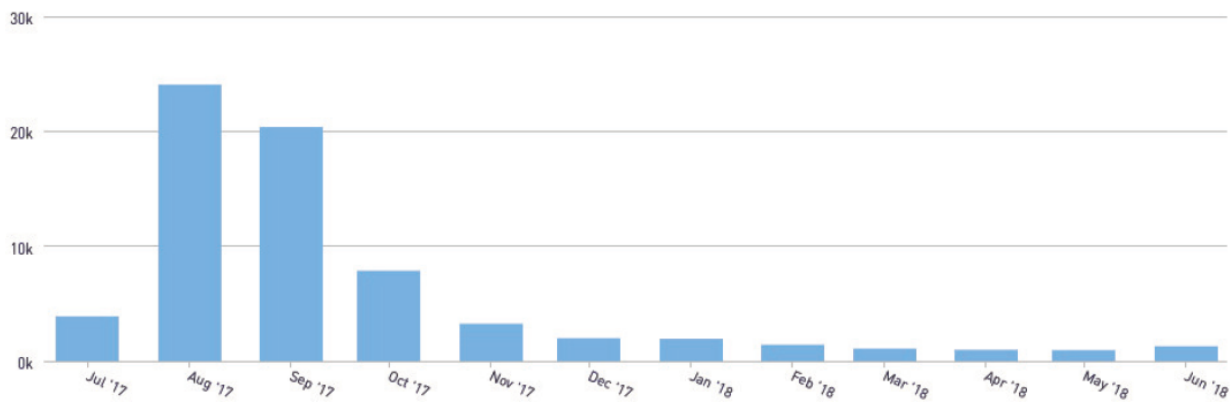
Active Users
at End of

19.8k

Users with
Completions



Completions Over Time



Top Positions - Completions

	DESCRIPTION	COMPLETIONS
1	Uncategorized	43808
2	Teacher	22803
3	Substitute Teacher	8263
4	Administrator	4268
5	Coach	3875
6	Para-professional / Aide	3079
7	Secretarial / Clerical	2903
8	Student	2634
9	Special Education	2622
10	Kitchen Staff	1787
11	Custodian	1643
12	Maintenance	848
13	Driver	149
14	Nurse	142

Top Organizations - Completions

	CUSTOMER	SITE	COMPLETIONS	-
1	Livermore Valley Jt. Unified SD	livermoreschools.keenan.safesch...	14,342	
2	Fremont Unified School District	fremont.keenan.safeschools.com	11,877	
3	Castro Valley Unified School Di...	cv.keenan.safeschools.com	6,478	
4	San Leandro Unified School Dis...	sanleandro.keenan.safeschools.co...	5,765	
5	San Lorenzo Unified School Dis...	sanlorenzousd.keenan.safeschool...	5,152	
6	Dublin Unified School District	dublin.ca.safeschools.com	4,682	
7	Alameda Unified School District	alameda.keenan.safeschools.com	4,672	
8	Newark Unified School District	newarkusd.keenan.safeschools.com	3,493	
9	Pleasanton Unified School Distr...	pleasanton.keenan.safeschools.com	3,372	
10	Tri Valley R.O.P.	tvrop.keenan.safeschools.com	2,721	
11	New Haven Unified CA	nhusd.ca.safeschools.com	2,616	
12	Albany Unified School District	ausd.keenan.safeschools.com	1,077	
13	Mission Valley ROP/Center	mvrop.keenan.safeschools.com	682	
14	Eden Area R.O.P.	edenrop.keenan.safeschools.com	654	

Risk Management Analyst Role and Activities



The Risk Management Analyst has overall responsibility for the development and delivery of high quality, consistent and internally collaborative workers' compensation claims programs and customer service plans for the JPA and individual member districts. The Risk Management Analyst collaborates with the Executive Director to clearly outline the vision of the JPA and develop a strategic plan to carry out that vision. While not all inclusive, the following list demonstrates a variety of tasks handled by the Risk Management Analyst.

- Meet with member Districts and update individual profiles to identify the systems, programs in place, and specific areas for development by individual District.
- Modify Best Practice measures focused on improving internal/external communication and relations between Districts, medical providers, and the Keenan claims team, including meeting with all front-line providers within the Medical Provider Network.
- Attended majority of scheduled claims reviews, provide analytics and assist with Action Plans to bring claims to resolution and/or closure.
- Identify and follow through of training opportunities at the District level.
- Continue to be a resource to Districts interested in implementing Ability USA pre-employment physical abilities testing protocols.
- Maintain ADA/FEHA compliant Job Analysis Bank – 21 specific job analysis, have been completed as of June 2015 for various Classified and Certificated positions.

- Conduct educational workshops/symposiums on topics including “Return-to-Work Program,” “Education Code Industrial Accident Benefits,” “Employment Practices Liability Resource Center,” “ADA-FEHA Symposium”.
- Expand the “Company Nurse” Nurse Triage & telephonic claims reporting tool. The program has continued to demonstrate reduced reporting lag time which leads to placing stronger emphasis on prompt claims investigations and expedited employee benefits

In addition to workers’ compensation issues, the Risk Management Analyst assists Districts with coordination of non-industrial “Fitness for Duty” efforts; “Cal OSHA requests for information”, “The Interactive Process”, “Special Education Resources” and “Employment Practices Liability Resources”

Loss Control / Risk Management



ACSIG closed out the 17/18 fiscal year with a total of 626 claims that had a total incurred of \$8.9M. While this represents a decrease of 4 claims and an increase of \$1.0M compared to last year, it does not take into account the growth in employee headcount throughout the membership. In addition, 10 of ACSIG's 19 members (52%) experienced the same, or a reduction in the number of claims this past year compared to last year, and these 10 members utilized over 33% of the total Loss Control time spent on all members, which was in excess of 1,152 hours in total. This once again shows a strong correlation between the utilization of Loss Control services being tied to a reduction of claims. Loss Control helped ACSIG control its losses in a variety of ways, including:

- 531 hours meeting and communicating safety information with members
- 308 hours conducting ergonomic evaluations
- 207 hours conducting employee safety trainings
- 74 hours assessing specific safety hazards
- 32 hours attending file reviews

Focus continued Slips/Trips/Falls as well as Special-Education losses. Loss Control provided numerous trainings and site inspections specifically targeting these two main areas of employee injury. Slip/Trip/Fall inspections were conducted at 27 school sites at two-member Districts. Special-Ed trainings continued this year at five-member Districts as well. Hoyer inspections/training were conducted at one member District. Trainings conducted during the year included Blood Borne Pathogens, Ladder Safety, Back/Lifting Safety, and Personal Protective Equipment. Four other member districts received other loss-related trainings as well, including Slip/Trip/Fall prevention, Back Injury prevention, ladder safety and ergonomics. As usual, Loss Control conducted a large amount of ergonomic evaluations (64 in total), with the vast majority of those being preventative in nature (pre-claim).

As a result of ACSIG's heavy utilization of Loss Control services, by June 30, 2018 the following members had experienced a reduction in overall claim frequency this year compared to last year:

- Alameda USD
- Castro Valley USD
- Dublin USD
- Eden Area ROP
- Emery USD
- Livermore Valley JUSD
- Mission Valley ROP

- Mountain House
- San Lorenzo USD
- Tri Valley ROP

Finally, but certainly not least, online training utilization increased by more than 14,000 courses from last year, resulting in over 69,000 courses completed by ACSIG members

We will continue to focus on our loss drivers in the 18/19 school year which include Special Education training and Slip/Trip/Falls. New focus areas are training for Aging Workforce, Substitute Employees, Kitchen Worker safety and increased observation/training of work force body mechanics.

We look forward to our continued partnership with the ACSIG JPA to create a safe working environment for the member Districts' employees.

Special Recognition



The Keenan Claims Team in Pleasanton, which is dedicated to ACSIG members, has received the prestigious "Office of the Year" for the past 3 years. These claims assistants, examiners, supervisor and manager work tirelessly on behalf of ACSIG members to provide excellent customer service and claims management. Of note are the following:

- Superior 2015 DWC PAR audit results. Pleasanton was ranked #1 out of all TPAs audited in 2015. Of the 43 entities audited, 17 were TPAs.
- Technical Audit – Excellent claims handling including investigation, subrogation identification, completion of all internal forms and adherence to Policies & Procedures, and litigation management was excellent. There were no late benefit notices issued and all indemnity benefits were paid timely.
- Operational Audit – Superior handling of delayed and denied claims, aggressive action taken by examiners on subrogated claims as well as proactive management oversight and direction provided to the examiners.
- Closing ratios have consistently exceeded the annual statewide goal of 100%. Pleasanton reached 111.34% for the 16/17 year and 102.28% for the 17/18 year.
- Paid to Incurred Ratio performance was excellent for 17/18 at 28.06%, which was on target for the annual goal of 30%.
- Lowest in litigation paid in 17/18 at 79.53% of annual budgeted goal.
- Lowest in penalties paid in 17/18 at \$1,767.78 as compared to the maximum allowed for the branch of \$14,496, which was just over 12%.
- PIPS Reinsurance Reporting – Pleasanton has maintained an average reporting timeliness of over the 90% monthly goal.
- Thank you so much for all you do on behalf of ACSIG members and their injured workers!



Property & Liability Program



General Program Information

- ACSIG expanded its program offerings to include property and liability coverage beginning in July 1, 1980.
- For many years, ACSIG self-insured 100% of the claim liability for the Property / Liability program.
- Beginning in 1993, ACSIG joined the Bay Area Schools Insurance Cooperation (BASIC). From 1993-2008, ACSIG self-insured the first \$150,000 of any property/liability claim and purchased reinsurance for the excess coverage.
- Beginning in 2008, ACSIG participates in the Northern California Regional Liability Excess Fund (NCR) for Excess Property & Liability coverage. The total per occurrence coverage for property is \$250,000; for liability is \$50,000,000.
- ACSIG self insures its first party property and liability claims at \$25,000 per occurrence and third party claim liabilities at \$25,000 per occurrence.
- Members' deductible/retention is \$5,000 per occurrence for any Property or Liability loss.
- The program includes \$636,532,665 in Total Insured Value (TIV) and represents 22,724 total Average Daily Attendance (ADA).

Property and Liability Member Districts

DISTRICT

Alameda County Office of Education

Albany Unified School District

Dublin Unified School District

Emery Unified School District

Piedmont Unified School District

Dental Program



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

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

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

Rates are revised and voted on by the JPA Board each May.

There are more than 100,000 employees covered in the dental program with membership statewide with a total budget of \$150 million annually



PREFERRED BENEFIT
INSURANCE ADMINISTRATORS



Vision Program

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



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

Rates are revised and voted on by the JPA Board each May.

Membership represents 30 agencies statewide. Because the program is self-funded, members have a lot of flexibility for plan design. The program totals more than \$2 million annually and covers 10,000 employees statewide. All eligibility is managed through ACSIG who partners with Alliant Insurance Services for all underwriting.



Member Resources

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Suzy Chan	Castro Valley USD	510-537-3000 ext 1230	4400 Alma Ave. Castro Valley, CA 94546	schan@cv.k12.ca.us
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Alameda County Schools Insurance Group

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www.acsig.com

EXECUTIVE SUMMARY

TO: ACSIG Board of Directors

FROM: Kimberly Dennis

DATE: November 8, 2018

SUBJECT: 2018/2019 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 3 seats are up in one year and the remaining 4 seats expire the subsequent year. Due to a retirement at the end of June 2018, there is a vacancy on the Executive Committee

The Executive Committee meets approximately 4 times a year, including the annual strategic planning session.

The Board will be asked to appoint four (4) members to the Executive Committee.

Alameda County Schools Insurance Group
Executive Committee Officers and Terms

MEMBER	OFFICE	TERM EXPIRES
Annette Heldman	President	2020
Susan Kinder	Vice President	2020
Vacant	Secretary	2020
Suzy Chan	Member	2020
Raul Parungao	Member	2019
Kevin Collins	Member	2019
Joe Sorrera	Member	2019

****Officers serve a one year term.**

****Committee members are elected for 2 years.**



Alameda County Schools Insurance Group

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EXECUTIVE SUMMARY

TO: ACSIG Board of Directors

FROM: Kimberly Dennis

DATE: November 8, 2018

SUBJECT: 2017/2018 Audit

The audit for fiscal year 2017/2018 is complete and a draft of the report is included for your review. The audit team was very professional, seasoned and conducted the audit in a timely and efficient manner. SETECH provided all necessary support and the audit was quite favorable. There were no audit findings.

Heather Daud from Christy White and Associates will review the report with the Board. The Board will be asked to approve this report.

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP

AUDIT REPORT

JUNE 30, 2018 AND 2017

San Diego

Los Angeles

San Francisco
Bay Area

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
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JUNE 30, 2018 AND 2017

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

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

Christy White, CPA

Michael D. Ash, CPA

John Whitehouse, CPA

Heather Daud Rubio

Report on the Financial Statements

We have audited the accompanying financial statements of the Alameda County Schools Insurance Group, as of and for the years ended June 30, 2018 and 2017, and the related notes to the financial statements, which collectively comprise the Alameda County Schools Insurance Group's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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*Licensed by the California
State Board of Accountancy*

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Alameda County Schools Insurance Group, as of June 30, 2018 and 2017, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis on pages 4 through 11. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated October 24, 2018 on our consideration of Alameda County Schools Insurance Group's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Alameda County Schools Insurance Group's internal control over financial reporting or on compliance.. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Alameda County Schools Insurance Group's internal control over financial reporting and compliance.

Christy White Associates

San Diego, California
October 24, 2018

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

The following report reflects on the financial condition of Alameda County Schools Insurance Group (“ACSIG”) as of and for the fiscal years ended June 30, 2017, and 2018. It is provided in order to enhance the information in the independent financial audit, basic financial statements, and notes to the basic financial statements included in the financial audit report. Please read it in conjunction with the Group’s financial statements, which immediately follow this section.

Introduction and Background:

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

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

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

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

Dental:

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

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

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

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

Vision:

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

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

Workers' Compensation:

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

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

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

ACSIG had not adequately funded for their loss development for self-insured program years prior to 07/01/2009. Historically, the premium level for agencies was adjusted by a discount factor. As no validation existed for the application of a discount to rates, this practice was discontinued in 2007/2008. Beginning in 2008/09, experience modification factors used to determine each agency's fees were modified so that in three years, all experience modification factors will be adjusted to 1.0. Also, in 2008/2009, all agencies experience modification factors were determined by an independent actuary. The effect of the change will improve the funds financial information and funding capability toward the IBNR.

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

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

Property and Liability:

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

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

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

Financial Highlights:

In 2017/2018, ACSIG's net position improved by \$6.2 million. This group moved from a deficit position, to an equity position of \$7.7 million in 2015/2016. In 2016/2017, ACSIG's net position improved by \$7.9 million. In 2017/2018, this equity position has increased to \$12.8 million, as of 06/30/2018. All programs (below) are in an equity position.

By Program:

Workers' Compensation

In 2017/2018 the Worker's Compensation program added \$5 million to their equity position. In 2016/2017 the Worker's Compensation program moved from a deficit to an equity net position of \$6 million. As of 06/30/2018, equity in the program is \$11 million.

In 2017/2018, assets increased by \$4.6 million and liabilities decreased by \$350 thousand. Operating income is \$5 million in excess of expenses.

Based upon the annual actuarial report performed in 2017/2018, the re-estimation of the ultimate cost for the self-insured claims prior the 07/01/2009 decreased by \$250 thousand. This decrease in actuarial liability was offset by a \$900 thousand increase related to the Castlepoint Reinsurance Insolvency.

Claim liabilities are discounted. As claims are paid, discount is applied to a decreasing cash reserve amount, in 2017/2018 the discount factor was revised from 1.5% to 1.75%, increasing the discount available for claim liabilities. All claim liabilities are fully funded.

Property/Liability

In 2017/2018, the net equity position increased by \$6 thousand, as of 06/30/2018 and an ending net position of \$208 thousand. All liabilities are fully reserved in this program.

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

Financial Management and Control:

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

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

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

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

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

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

Christy White Associates, A Professional Accountancy Corporation, is contracted to perform the annual independent audit examination of the financial statements in accordance with generally accepted auditing principles (GAAP). Morgan Stanley Smith Barney LLC, is contracted for some of the investments for ACSIG. In 2010/2011, based upon Board action and review of long term liabilities and investment goals ACSIG invested \$10 million with Morgan Stanley. In 2011/2012, an additional \$5 million was added to this portfolio, increasing the transferred funds to \$15 million. These funds are invested in compliance with Government Code and the internal investment policy of ACSIG. Invested funds are shown at Fair Market Value on the financial statements in compliance with GASB Stmt #31.

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

Basic Financial Statements:

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

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

Statement of Net Position:

Below is a consolidated summary of the Statement of Net Position as of 06/30/2016, 06/30/2017, and 06/30/2018 showing total assets versus total liabilities, with a percentage of change between program years.

	As of		2016/2017			2017/2018		
	06/30/16	06/30/17	Variance	%	06/30/18	Variance	%	
ASSETS								
Current Assets								
Cash and Cash Equivalents	\$ 14,330,091	\$ 18,524,908	\$ 4,194,817	29.27 %	\$ 24,562,309	\$ 6,037,401	32.59 %	
Investments, current	1,701,027	2,032,238	331,211	19.47	2,639,124	606,886	29.86	
Accounts Receivable	7,965,408	7,827,985	(137,423)	(1.73)	8,024,200	196,215	2.51	
Prepaid Expense	- -	9,948	9,948	- -	7,685	(2,263)	- -	
Total Current Assets	23,996,526	28,395,079	4,398,553	18.33	35,233,318	6,838,239	24.08	
Noncurrent								
Investments	14,370,020	14,018,468	(351,552)	(2.45)	13,351,978	(666,490)	(4.75)	
Capital assets, net	3,555	2,963	(592)	(16.65)	2,371	(592)	(19.98)	
Total Noncurrent Assets	14,373,575	14,021,431	(352,144)	(2.45)	13,354,349	(667,082)	(4.76)	
Total Assets	38,370,101	42,416,510	4,046,409	10.55	48,587,667	6,171,157	14.55	
DEFERRED OUTFLOW OF RESOURCES								
Deferred outflow of resources - pension	44,203	217,668	173,465	- -	546,377	328,709	151.01	
LIABILITIES								
Current Liabilities								
Accounts payable	5,414,640	3,053,398	(2,361,242)	(43.61)	3,446,835	393,437	12.89	
Prefunding deposits	3,418,159	3,817,300	399,141	11.68	4,030,577	213,277	5.59	
Current portion of unpaid claims and claim adjustment expenses	3,542,657	3,832,965	290,308	8.19	4,901,822	1,068,857	27.89	
Total current Liabilities	12,375,456	10,703,663	(1,671,793)	(13.51)	12,379,234	1,675,571	15.65	
Noncurrent Liabilities	17,720,610	15,610,948	(2,109,662)	(11.91)	14,184,757	(1,426,191)	(9.14)	
Total noncurrent Liabilities	17,720,610	15,610,948	(2,109,662)	(11.91)	14,184,757	(1,426,191)	(9.14)	
Net pension liabilities	525,511	586,196	60,685	- -	732,827	146,631	- -	
Total Liabilities	30,621,577	26,900,807	(3,720,770)	(12.15)	27,296,818	396,011	1.47	
DEFERRED INFLOW OF RESOURCES								
Deferred inflow of resources - pension	63,483	128,507	65,024	- -	65,612	(62,895)	(48.94)	
NET POSITION								
	\$ 7,729,244	\$ 15,604,864	\$ 7,875,620	101.89 %	\$ 21,771,614	\$ 6,166,750	39.52 %	

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

Basic Financial Statements (continued):

Assets:

In 2017/2018, the assets of ACSIG increased by \$6.2 million or 14.55%, as seen above, primarily attributed to an increase of cash. The major factors in this year's increase of cash can be seen on the cash flow statement, pg 15, of this report.

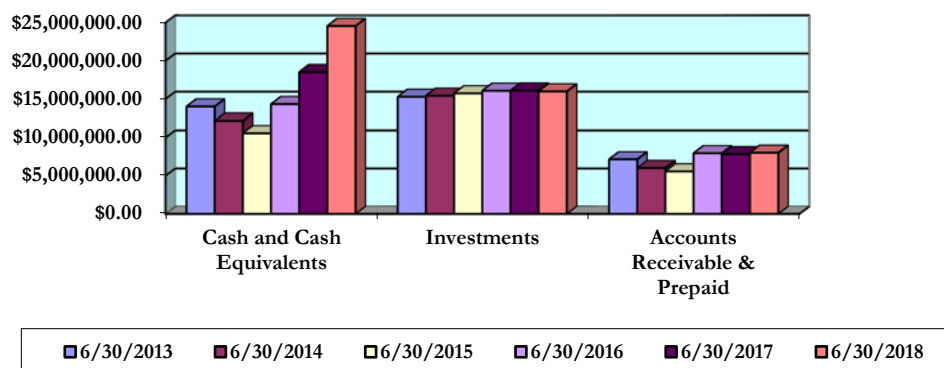
Cash variances are mainly attributed to receipt of member contributions, and deficit assessments, which are less or greater than, claim payments, insurance premiums, and other operating expense. Investment income also increases cash and investments.

Liabilities:

In 2017/2018, the liabilities of ACSIG decreased by \$396 thousand or 1.47%.

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

The annual variance in liabilities can be seen below.



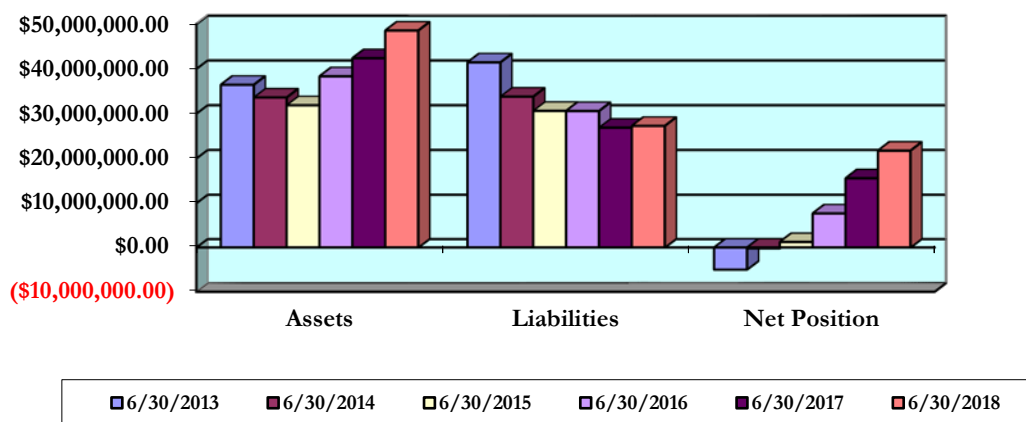
**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
MANAGEMENT’S DISCUSSION AND ANALYSIS, continued
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

Net Position:

In 2017/2018, as of 06/30/2018, ACSIG’s ending Net Position is \$21.8 million. An increase in net position of \$6.2 million, from 07/01/2017 – 06/30/2018 is due to the following factors.

- 1) Increase in net assets from net operating income, greater than operating expenditures of \$6 million
- 2) Increase in net assets from non-operating investment income of \$200 thousand.

Statement of Net Position year variances can be seen below.



ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

Statements of Revenues, Expenses and Change in Net Position:

In 2017/2018, revenues exceeded expenses by \$6.2 million, resulting in an increase to the Net Position. Details of these changes are shown below, in the Condensed Statements of Revenues, Expenses, and Changes in Net Position.

	Fiscal Year Ended				Fiscal Year		
	06/30/16	06/30/17	Increase/ (Decrease) 2016/2017		Ended	Increase/ (Decrease) 2017/2018	
			Variance	Percentage	06/30/18	Variance	Percentage
Operating Revenue:							
Member Contributions	\$ 151,865,101	\$ 158,165,112	\$ 6,300,011	4.15 %	\$ 164,546,182	\$ 6,381,070	4.03 %
Other	5,798	247	(5,551)	- -	- -	(247)	- -
Total Operating Revenue	151,870,899	158,165,359	6,294,460	4.14	164,546,182	6,380,823	4.03
Operating Expenses:							
Claims and Claims Adj Expense	122,619,880	125,732,817	3,112,937	2.54	135,016,333	9,283,516	7.38
Insurance Expense	20,932,781	22,798,133	1,865,352	8.91	21,790,454	(1,007,679)	(4.42)
Services and other operating	1,316,044	1,463,432	147,388	11.20	1,547,096	83,664	5.72
Salaries and benefits	521,616	311,162	(210,454)	(40.35)	178,912	(132,250)	(42.50)
Supplies	2,896	3,621	725	25.03	5,161	1,540	42.53
Depreciation	592	592	- -	- -	592	- -	- -
Total Operating Expenses	145,393,809	150,309,757	4,915,948	3.38	158,538,548	8,228,791	5.47
Net Operating Income/(loss)	6,477,090	7,855,602	1,378,512	21.28	6,007,634	(1,847,968)	(23.52)
Non Operating Income/(Expense)	380,236	20,018	(360,218)	(94.74)	159,116	139,098	694.86
Change in Net Position	6,857,326	7,875,620	1,018,294	14.85	6,166,750	(1,708,870)	(21.70)
Cumulative effect of GASB 68	(385,314)	- -	385,314	- -	- -	- -	- -
Beginning Net Position	1,257,232	7,729,244	6,472,012	514.78	15,604,864	7,875,620	101.89
Ending Net Position	\$ 7,729,244	\$ 15,604,864	\$ 7,490,306	101.89 %	\$ 21,771,614	\$ 6,166,750	39.52 %

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

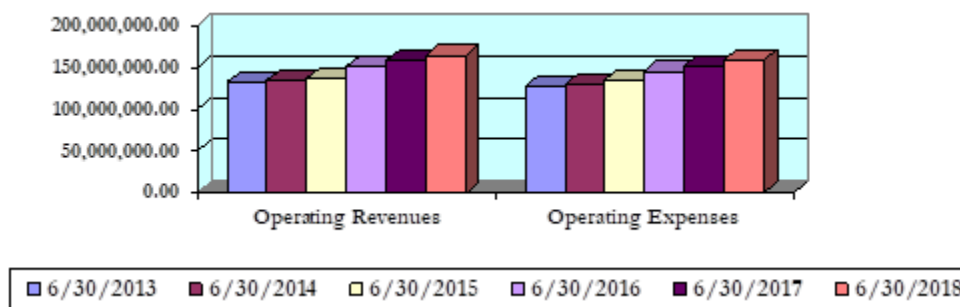
Statements of Revenues, Expenses and Change in Net Position (continued):

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

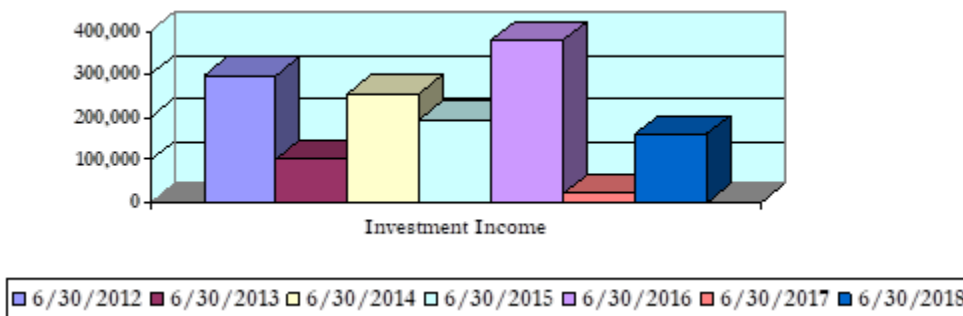
In 2017/2018, operating revenue increased by \$6.4 million, or 4.03%.

Operating revenue and expense increased primarily due to new membership in the Dental and Vision programs.

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



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



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

At present there are no known facts or conditions that are expected to have a significant effect on the financial position or results of operations for ACSIG.

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
STATEMENTS OF NET POSITION
JUNE 30, 2018 AND 2017

	2018	2017
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 24,562,309	\$ 18,524,908
Investments, current	2,639,124	2,032,238
Accounts receivable	8,024,200	7,827,985
Prepaid expenses	7,685	9,948
Total Current Assets	35,233,318	28,395,079
Noncurrent Assets		
Investments	13,351,978	14,018,468
Capital assets, net of depreciation	2,371	2,963
Total Noncurrent Assets	13,354,349	14,021,431
Total Assets	48,587,667	42,416,510
DEFERRED OUTFLOW OF RESOURCES		
Deferred outflow of resources - pension	546,377	217,668
LIABILITIES		
Current Liabilities:		
Accounts payable and accrued expenses	3,446,835	3,053,398
Prefunding deposits	4,030,577	3,817,300
Current portion of unpaid claims and claim adjustment expenses	4,901,822	3,832,965
Total Current Liabilities	12,379,234	10,703,663
Noncurrent Liabilities		
Unpaid claims and claim adjustment expenses less current portion	14,184,757	15,610,948
Net pension liability	732,827	586,196
Total Liabilities	27,296,818	26,900,807
DEFERRED INFLOW OF RESOURCES		
Deferred inflow of resources - pension	65,612	128,507
NET POSITION		
Unrestricted	21,769,243	15,601,901
Net investment in capital assets	2,371	2,963
Total Net Position	21,771,614	15,604,864
Total Liabilities and Net Position	\$ 49,134,044	\$ 42,634,178

See accompanying notes to the financial statements.

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	2018	2017
OPERATING REVENUE		
Member contributions	\$ 164,546,182	\$ 158,165,112
Other income	-	247
Total Operating Revenues	164,546,182	158,165,359
OPERATING EXPENSES		
Claims and claims adjustment expense	135,016,333	125,732,817
Insurance expense	21,790,454	22,798,133
Services and other operating	1,547,096	1,463,432
Salaries and benefits	178,912	311,162
Supplies	5,161	3,621
Depreciation	592	592
Total Operating Expense	158,538,548	150,309,757
Net Operating Income/(Loss)	6,007,634	7,855,602
NON-OPERATING REVENUE:		
Investment income	159,116	20,018
CHANGE IN NET POSITION	6,166,750	7,875,620
Net Position - Beginning	15,604,864	7,729,244
Net Position - Ending	\$ 21,771,614	\$ 15,604,864

See accompanying notes to the financial statements.

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	2018	2017
Cash flows from operating activities		
Cash received from members and others	\$ 164,563,244	\$ 158,701,923
Cash payments for claims	(135,373,667)	(127,552,171)
Cash payments for insurance	(21,788,191)	(22,808,081)
Cash payments to suppliers for goods and services	(1,158,820)	(3,828,295)
Cash payments for employee salaries and benefits	(423,885)	(358,918)
Net cash provided by (used in) operating activities	5,818,681	4,154,458
Cash flows from investing activities		
Purchase of investments	(281,018)	(297,873)
Interest income received	499,738	338,232
Net cash provided by (used in) investing activities	218,720	40,359
NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	6,037,401	4,194,817
CASH AND CASH EQUIVALENTS		
Beginning of year	18,524,908	14,330,091
End of year	\$ 24,562,309	\$ 18,524,908
Reconciliation of operating income to net cash provided by (used in) operating activities		
Operating income (loss)	\$ 6,007,634	\$ 7,855,602
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities		
Depreciation	592	592
(Increase) decrease in:		
Accounts receivable	(196,215)	137,423
Prepaid expenses	2,263	(9,948)
Deferred outflows	(328,709)	(173,465)
Increase (decrease) in:		
Accounts payable	393,437	(2,361,242)
Prefunding deposits	213,277	399,141
Unpaid claims and claim adjustment expenses	(357,334)	(1,819,354)
Deferred inflows	(62,895)	65,024
Net pension liability	146,631	60,685
Net cash provided by (used in) operating activities	\$ 5,818,681	\$ 4,154,458

See accompanying notes to the financial statements.

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018 AND 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

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

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2018 AND 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

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

Investments and Investment Pools: The Group records its cash in Local Agency Investment Fund (LAIF) and its other investments at fair value. Changes in Fair value are reported as non-operating revenue in the statement of revenues, expenses and changes in net position. The effect of recording investments and LAIF at fair value for the years ended June 30, 2018 and 2017 is reflected as investment income on the statement of revenues, expenses and change in net position.

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

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2018 AND 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

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

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

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2018 AND 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Outflows/Inflows of Resources: In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The JPA has two items that qualify for reporting in this category. The first item is the deferred outflow related to pensions. This amount is equal to employer contributions made after the measurement date of the net pension liability. The second item is a deferred outflow related to pensions for the changes in proportion and differences between employer contributions and the proportionate share of contributions. This amount is amortized over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions through the Plans determined as of June 30, 2016 (the beginning of the measurement period ended June 30, 2017).

In addition to liabilities, the Statement of Net Position and the governmental funds Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The City has one item that qualifies for reporting in this category. That item is a deferred inflow related to pensions resulting from the difference in projected and actual earnings on investments of the pension plan fiduciary net position. This amount is amortized over five years.

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

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2018 AND 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash, cash equivalents and investments as of June 30, 2018 and 2017 are reported at fair value and consisted of the following:

	Fiscal Year Ended	
	2018	2017
Cash and cash equivalents		
Cash in bank	\$ 6,432,215	\$ 3,464,272
Cash in county treasury	14,878,247	11,826,787
Local agency investment fund	3,214,911	3,177,362
Money market accounts	36,936	56,487
Total cash and cash equivalents	\$ 24,562,309	\$ 18,524,908

Custodial Credit Risk: The Group limits custodial credit risk by ensuring uninsured balances are collateralized by the respective financial institution. Interest-bearing cash balances held in banks are insured up to \$250,000 and non-interest bearing cash balances held in banks are fully insured by the Federal Deposit Insurance Corporation (FDIC) and are collateralized by the respective financial institution. At June 30, 2018, the carrying amount of the Group's interest-bearing and noninterest-bearing accounts were \$24,180,974 and \$381,335, and the bank balances were \$24,090,387 and \$471,922, respectively, of which \$1,396,921 was insured. At June 30, 2017, the carrying amount of the Group's interest-bearing and noninterest-bearing accounts were \$18,176,597 and \$348,311, and the bank balances were \$17,684,188 and \$372,029, respectively, of which \$1,355,406 was insured.

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2018 AND 2017

NOTE 2 – CASH AND CASH EQUIVALENTS (continued)

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

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

In accordance with authorized investment laws, the Alameda County Treasurer may invest in derivative securities to enhance the yield on the portfolio. However, at June 30, 2018, the Alameda County Treasurer has represented that the Treasurer's pooled investment fund contained no derivatives or other investments with similar risk profiles.

Local Agency Investment Fund: Alameda County Schools Insurance Group places certain funds with the State of California's Local Agency Fund (LAIF). The Group is a voluntary participant in LAIF, which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California and the Pooled Money Investment Board. The State Treasurer's Office pools these funds with those of other governmental agencies in the State and invests the cash. The fair value of the Group's investment in this pool is reported in the accompanying financial statements based upon the Group's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The monies held in the pooled investment funds are not subject to categorization by risk category. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Funds are accessible and transferable to the master account within twenty-four hour notice. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, and floating rate securities issued by Federal agencies, government-sponsored enterprises and corporations. As of June 30, 2018, this fund was yielding approximately 0.55% interest annually.

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

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2018 AND 2017

NOTE 3 – INVESTMENTS

At June 30, 2018 and 2017, investments are reported at fair value and consisted of the following:

	2018	2017
Investments		
Corporate Bonds	\$ 4,442,483	\$ 4,634,404
Federal Agency Bonds and Notes	6,216,838	7,357,381
U.S. Treasury Notes	5,331,781	4,058,921
Total investments	\$ 15,991,102	\$ 16,050,706
Investments maturing within one year	2,639,124	2,032,238
Long-term investments	\$ 13,351,978	\$ 14,018,468

Maturities of investments held at June 30, 2018 consist of the following:

	Rating	Fair Value	Maturity	
			Less Than One Year	One Year through Five Years
Investment maturities:				
Corporate Bonds	A-	\$ 4,442,483	\$ 996,366	\$ 3,446,117
Federal Agency Bonds and Notes:				
FHLMC	AA+	3,192,446	1,642,758	1,549,688
FNMA	AA+	2,139,335	-	2,139,335
U.S. Treasury Notes	TSY	6,216,838	-	6,216,838
		\$ 15,991,102	\$ 2,639,124	\$ 13,351,978

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

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

As of June 30, 2018, 100% of the portfolio was invested in "A-" rated obligations, or better. All credit ratings presented in this paragraph are Standard & Poor's ratings.

Concentration of Investment Credit Risk: At June 30, 2018, the Group has the following investments that represent more than five percent of the Group's net investments:

Corporate Bonds 28%
U.S. Treasury Notes 39%
FNMA 13%
FHLMC 20%

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2018 AND 2017

NOTE 3 – INVESTMENTS (continued)

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

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

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

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

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

The Group's fair value measurements at June 30, 2018 were as follows:

	Quoted Prices		
	Level 1	Uncategorized	Total
Cash in county treasury	\$ -	\$ 14,878,247	\$ 14,878,247
Local agency investment fund	-	3,214,911	3,214,911
Money market accounts	-	36,936	36,936
Corporate Bonds	4,442,483	-	4,442,483
Federal Agency Bonds and Notes	5,331,781	-	5,331,781
U.S. Treasury Notes	6,216,838	-	6,216,838
Total fair market value of investments	\$ 15,991,102	\$ 18,130,094	\$ 34,121,196

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2018 AND 2017

NOTE 4 – ACCOUNTS RECEIVABLE

The balance of \$8,024,200 as of June 30, 2018 and \$7,827,985 as of June 30, 2017 consisted of premiums due from members.

NOTE 5 – CAPITAL ASSETS

The following is a summary as of June 30, 2018 and 2017 of furniture and equipment, net of accumulated depreciation:

	2018	2017
Capital Assets		
Furniture and equipment	\$ 5,923	\$ 5,923
Less accumulated depreciation	3,552	2,960
Total capital assets, net	\$ 2,371	\$ 2,963

Activity for furniture and equipment for the years ended June 30, 2018 and 2017 included the following:

Furniture and Equipment Activity	2018	2017
Furniture and equipment, net, beginning of year	\$ 2,963	\$ 3,555
Current year depreciation	592	592
Furniture and equipment, net, end of year	\$ 2,371	\$ 2,963

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2018 AND 2017

NOTE 6 – UNPAID CLAIMS AND CLAIM ADJUSTMENT EXPENSES

As discussed in Note 1, the Group establishes a liability for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustments expenses, both allocated and unallocated. The following represents changes in those aggregate liabilities during the years ended June 30, 2018 and 2017:

	2018	2017
Unpaid claims and claim adjustment expenses, beginning of fiscal year	\$ 19,443,913	\$ 21,263,267
Incurred claims and claim adjustment expenses:		
Provision for covered events of the current year	126,510,219	117,074,535
Change in provision for covered events of prior years	635,068	(910,489)
Total incurred claims and claim adjustment expenses	\$ 127,145,287	\$ 116,164,046
Payments:		
Claims and claim adjustment expenses attributable to covered events of the current year	124,251,439	114,824,398
Claims and claim adjustment expenses attributable to covered events of prior years	3,251,182	3,159,002
Total payments:	127,502,621	117,983,400
Total unpaid claims and claim adjustment expenses, end of year	\$ 19,086,579	\$ 19,443,913

The components of the unpaid claims and claim adjustment expenses as of June 30, 2018 and 2017 were as follows:

	2018	2017
Unpaid claims and claim adjustment expenses, end of year		
Claim reserves	\$ 6,259,812	\$ 6,944,071
Claims incurred but not reported (IBNR)	11,448,929	11,134,004
Unallocated loss adjustment expenses (ULAE)	1,377,838	1,365,838
Total unpaid claims and claim adjustment expenses, end of year	\$ 19,086,579	\$ 19,443,913

The current and long-term portions were \$4,901,822 and \$14,184,757, respectively, as of June 30, 2018 and were \$3,832,965 and \$15,610,948, respectively, as of June 30, 2017. These liabilities were reported at their present value using an expected future investment yield assumption of 1.5% Workers' Compensation and .05% Property Liability in the prior year. The undiscounted liabilities were \$21,273,855 and \$21,476,929 at June 30, 2018 and 2017, respectively.

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2018 AND 2017

NOTE 7 – EMPLOYEE RETIREMENT SYSTEM

Qualified employees are covered under an agent multi-employer defined benefit pension plan maintained by an agency of the State of California. The Group's employees are members of the California Public Employees' Retirement Systems (CalPERS). The Group's defined benefit pension plan (the "Plan") provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to Plan members and beneficiaries. The Plan is part of the Public Agency portion of the California Public Employees Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investments and administrative agent for participating public employers within the State of California. A menu of benefit provisions as well as other requirements is established by State statutes within the Public Employees' Retirement Law. The Plan selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through Board approval. CalPERS issues a separate comprehensive annual financial report.

The Group's plan had less than 100 active members as of the June 30, 2017 actuarial valuation. As a result, the Group's members are required to participate in a larger risk pool Miscellaneous 2.5% at 55 Risk Pool. Unfunded liabilities are amortized as level percent of pay over a closed 20-year period. Gains and losses that occur in the operation of the plan are amortized over a rolling period, which results in an amortization of 10% of unamortized gains and losses each year. If the plan accrued liability exceeds the actuarial value of plan assets, then the amortization payment of the total unfunded liability may not be lower than the payment calculated over a 30-year amortization period.

Plan Description

All qualified employees are eligible to participate in the Miscellaneous (all other) Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions, and membership information may be obtained from the CalPERS Executive Office at 400 P Street; Sacramento, California 95814.

Benefits Provided

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

Contributions

The Group is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2018 was 13.888% of annual payroll. Contributions to the plan from the Group were \$53,799 for the year ended June 30, 2018.

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2018 AND 2017

NOTE 7 – EMPLOYEE RETIREMENT SYSTEM (continued)

California Public Employees’ Retirement System (CalPERS) (continued)

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

At June 30, 2018, the Group reported a liability of \$732,827 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2016, and rolling forward the total pension liability to June 30, 2016. The Group’s proportion of the net pension liability was based on a projection of the Group’s long-term share of contributions to the pension plan relative to the projected contributions of all participating school Groups, actuarially determined. At June 30, 2017, the Group’s proportion was 0.019 percent, which was a decrease of 0.01376 percent from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the Group recognized pension expense of \$191,173. At June 30, 2018, the Group reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual earnings on plan investments	\$ -	\$ -
Differences between expected and actual experience	472,608	516
Changes in assumptions	-	21,308
Changes in proportion and differences between Group contributions and proportionate share of contributions	19,969	43,788
Group contributions subsequent to the measurement date	53,800	-
	<u>\$ 546,377</u>	<u>\$ 65,612</u>

The \$53,800 reported as deferred outflows of resources related to pensions resulting from Group contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2019	\$ 216,076	\$ 13,795
2020	216,076	13,795
2021	60,425	38,022
2022	-	-
	<u>\$ 492,577</u>	<u>\$ 65,612</u>

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2018 AND 2017

NOTE 7 – EMPLOYEE RETIREMENT SYSTEM (continued)

California Public Employees’ Retirement System (CalPERS) (continued)

Actuarial assumptions

The total pension liability was determined by applying update procedures to an actuarial valuation as of June 30, 2016, and rolling forward the total pension liability to June 30, 2017 using the following actuarial assumptions, applied to all periods included in the measurement:

Consumer Price Inflation	2.75%
Investment Yield*	7.50%
Wage Inflation	Varies by Entry Age and Service

* Net of investment expenses, but gross of administrative expenses.

CalPERS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are derived using CalPERS’ membership data for all funds. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.

The actuarial assumptions used in the June 30, 2016, valuation were based on the results of an actuarial experience study for the period from 1997 to 2011.

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

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2018 AND 2017

NOTE 7 – EMPLOYEE RETIREMENT SYSTEM (continued)

California Public Employees’ Retirement System (CalPERS) (continued)

Actuarial assumptions (continued)

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

<u>Asset Class</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1-10*</u>	<u>Real Return Years 11+**</u>
Global Equity	47%	5.25%	5.71%
Global Fixed Income	19%	0.99%	2.43%
Inflation Sensitive	6%	0.45%	3.36%
Private Equity	12%	6.83%	6.95%
Real Estate	11%	4.50%	5.13%
Infrastructure and Forestland	3%	4.50%	5.09%
Liquidity	2%	-0.55%	-1.05%
	<u>100%</u>		

* An expected inflation of 2.5% used for this period

** An expected inflation of 3.0% used for this period

Discount rate

The discount rate used to measure the total pension liability was 7.65 percent. A projection of the expected benefit payments and contributions was performed to determine if assets would run out. The test revealed the assets would not run out. Therefore the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Schools Pool. The results of the crossover testing for the Schools Pool are presented in a detailed report that can be obtained at CalPERS’ website.

Sensitivity of the Group’s proportionate share of the net pension liability to changes in the discount rate

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

	<u>1% Decrease (6.15%)</u>	<u>Current Discount Rate (7.15%)</u>	<u>1% Increase (8.15%)</u>
Group's proportionate share of the net pension liability	\$ 1,142,370	\$ 732,827	\$ 393,636

Pension plan fiduciary net position

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

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2018 AND 2017

NOTE 8 – OPERATING LEASES

The Group has entered into an operating lease for office space and pays rent monthly. Total rent paid for the years ended June 30, 2018 and 2017 was \$83,240 and \$81,140 respectively. The future minimum rental commitments on the non-cancelable operating lease ending in October 2019 as follows:

Year Ended June 30,	Minimum Rental Commitment
2019	\$ 85,340
2020	28,680
Total	\$ 114,020

NOTE 9 – JOINT POWERS AGREEMENTS

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

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

Condensed financial information for NCRLF and PIPS for the fiscal year ended June 30, 2017 (most recent information available) are as follows:

	NCRLF	PIPS
Total Assets	\$ 75,820,380	\$ 129,260,118
Total Liabilities	59,774,301	111,815,654
Total Net Position	<u>\$ 16,046,079</u>	<u>\$ 17,444,464</u>
Revenues	\$ 53,157,908	\$ 301,089,853
Expenses	(52,877,526)	(296,996,362)
Change in Net Position	<u>\$ 280,382</u>	<u>\$ 4,093,491</u>

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2018 AND 2017

NOTE 10 – NET POSITION

Net Position is composed of the following elements as of June 30, 2018 and 2017

	2018	2017
NET POSITION		
Unrestricted	\$ 21,769,243	\$ 15,601,901
Net investment in capital assets	2,371	2,963
Total Net Position	\$ 21,771,614	\$ 15,604,864

NOTE 11 – CONTINGENCIES

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

REQUIRED SUPPLEMENTARY INFORMATION

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
RECONCILIATION OF CLAIMS LIABILITIES BY TYPE OF CONTRACT
WORKERS' COMPENSATION PROGRAM
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	2018	2017
Unpaid claims and claim adjustment expenses, beginning of fiscal year	\$ 17,128,957	\$ 19,340,255
Incurred claims and claim adjustment expenses:		
Change in provision for covered events of prior years	622,927	(930,791)
Total incurred claims and claim adjustment expenses	622,927	(930,791)
Payments:		
Claims and claim adjustment expenses attributable to covered events of prior years	1,001,753	1,280,507
Total payments:	1,001,753	1,280,507
Total unpaid claims and claim adjustment expenses, end of year	\$ 16,750,131	\$ 17,128,957
 Unpaid claims and claim adjustment expenses, end of year		
Claim reserves	\$ 6,164,170	\$ 6,877,723
Claims incurred but not reported (IBNR)	9,245,961	8,923,234
Unallocated loss adjustment expenses (ULAE)	1,340,000	1,328,000
Total unpaid claims and claim adjustment expenses, end of year	\$ 16,750,131	\$ 17,128,957

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
RECONCILIATION OF CLAIMS LIABILITIES BY TYPE OF CONTRACT
PROPERTY/LIABILITY PROGRAM
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	2018	2017
Unpaid claims and claim adjustment expenses, beginning of fiscal year	<u>\$ 115,956</u>	<u>\$ 72,012</u>
Incurred claims and claim adjustment expenses:		
Provision for covered events of the current year	63,000	51,137
Change in provision for covered events of prior years	<u>12,141</u>	<u>20,302</u>
Total incurred claims and claim adjustment expenses	<u>75,141</u>	<u>71,439</u>
Payments:		
Claims and claim adjustment expenses attributable to covered events of the current year	3,220	-
Claims and claim adjustment expenses attributable to covered events of prior years	<u>50,429</u>	<u>27,495</u>
Total payments:	<u>53,649</u>	<u>27,495</u>
Total unpaid claims and claim adjustment expenses, end of year	<u>\$ 137,448</u>	<u>\$ 115,956</u>
 Unpaid claims and claim adjustment expenses, end of year		
Claim reserves	\$ 95,642	\$ 66,348
Claims incurred but not reported (IBNR)	3,968	11,770
Unallocated loss adjustment expenses (ULAE)	<u>37,838</u>	<u>37,838</u>
Total unpaid claims and claim adjustment expenses, end of year	<u>\$ 137,448</u>	<u>\$ 115,956</u>

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
RECONCILIATION OF CLAIMS LIABILITIES BY TYPE OF CONTRACT
VISION PROGRAM
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	2018	2017
Unpaid claims and claim adjustment expenses, beginning of fiscal year	<u>\$ 300,000</u>	<u>\$ 142,000</u>
Incurred claims and claim adjustment expenses:		
Provision for covered events of the current year	3,680,488	3,185,838
Total incurred claims and claim adjustment expenses	<u>3,680,488</u>	<u>3,185,838</u>
Payments:		
Claims and claim adjustment expenses attributable to covered events of the current year	\$ 3,380,488	\$ 2,885,838
Claims and claim adjustment expenses attributable to covered events of prior years	300,000	142,000
Total payments:	<u>3,680,488</u>	<u>3,027,838</u>
Total unpaid claims and claim adjustment expenses, end of year	<u>\$ 300,000</u>	<u>\$ 300,000</u>
 Unpaid claims and claim adjustment expenses, end of year		
Claims incurred but not reported (IBNR)	\$ 300,000	\$ 300,000
Total unpaid claims and claim adjustment expenses, end of year	<u>\$ 300,000</u>	<u>\$ 300,000</u>

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
RECONCILIATION OF CLAIMS LIABILITIES BY TYPE OF CONTRACT
DENTAL PROGRAM
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	2018	2017
Unpaid claims and claim adjustment expenses, beginning of fiscal year	<u>\$ 1,899,000</u>	<u>\$ 1,709,000</u>
Incurred claims and claim adjustment expenses:		
Provision for covered events of the current year	122,766,731	113,837,560
Total incurred claims and claim adjustment expenses	<u>122,766,731</u>	<u>113,837,560</u>
Payments:		
Claims and claim adjustment expenses attributable to covered events of the current year	120,867,731	111,938,560
Claims and claim adjustment expenses attributable to covered events of prior years	1,899,000	1,709,000
Total payments:	<u>122,766,731</u>	<u>113,647,560</u>
Total unpaid claims and claim adjustment expenses, end of year	<u>1,899,000</u>	<u>1,899,000</u>
 Unpaid claims and claim adjustment expenses, end of year		
Claims reserves	\$ -	\$ -
Claims incurred but not reported (IBNR)	1,899,000	1,899,000
Total unpaid claims and claim adjustment expenses, end of year	<u>\$ 1,899,000</u>	<u>\$ 1,899,000</u>

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
SCHEDULE OF THE GROUP'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY -
CALPERS
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Group's proportion of the net pension liability	0.019%	0.017%	0.022%	0.019%
Group's proportionate share of the net pension liability	\$ 732,827	\$ 586,196	\$ 525,511	\$ 385,314
Group's covered-employee payroll	\$ 286,178	\$ 237,143	\$ 210,454	\$ 211,975
Group's proportionate share of the net pension liability as a percentage of its covered-employee payroll	256.1%	247.2%	249.7%	181.8%
Plan fiduciary net position as a percentage of the total pension liability.	75.4%	74.1%	78.4%	83.4%

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
SCHEDULE OF GROUP CONTRIBUTIONS - CALPERS
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Contractually required contribution	\$ 53,800	\$ 51,863	\$ 40,592	\$ 49,298
Contributions in relation to the contractually required contribution	(53,800)	(51,863)	(40,592)	(49,298)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Group's covered-employee payroll	\$ 286,178	\$ 237,143	\$ 210,454	\$ 211,975
Contributions as a percentage of covered-employee payroll	18.80%	21.87%	19.29%	23.26%

**ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017**

NOTE 1 – PURPOSE OF SCHEDULES

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

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

Schedule of Group Contributions

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

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
CLAIMS DEVELOPMENT INFORMATION
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

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

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

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

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
CLAIMS DEVELOPMENT INFORMATION
WORKERS' COMPENSATION PROGRAM
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

	For Policy Years Ended June 30,										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
1 Required contribution and investment revenue											
Earned	\$ 17,374,000	\$ 17,002,915	\$ 17,891,871	\$ 18,552,720	\$ 20,034,030	\$ 19,217,218	\$ 19,670,032	\$ 20,284,500	\$ 24,754,573	\$ 28,207,535	\$ 26,869,027
Ceded	(3,310,000)	(2,187,413)	(16,302,424)	(16,026,575)	(15,786,084)	(16,512,219)	(18,073,558)	(19,975,089)	(20,534,560)	(20,131,630)	(19,857,950)
Net earned	\$ 14,064,000	\$ 14,815,502	\$ 1,589,447	\$ 2,526,145	\$ 4,247,946	\$ 2,704,999	\$ 1,596,474	\$ 309,411	\$ 4,220,013	\$ 8,075,905	\$ 7,011,077
2 Unallocated expenses	\$ 786,000	\$ 3,120,092	\$ 1,052,191	\$ 170,715	\$ 319,437	\$ 488,659	\$ 453,830	\$ 427,285	\$ 588,457	\$ 574,917	\$ 663,711
3 Estimated losses and expenses, end of fiscal year:											
Incurred	\$ 6,117,000	\$ 8,012,622	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ceded	-	-	-	-	-	-	-	-	-	-	-
Net incurred	\$ 6,117,000	\$ 8,012,622	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4 Net paid (cumulative) as of:											
End of fiscal year	\$ 1,473,000	\$ 2,015,223	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
One year later	\$ 4,228,134	\$ 4,135,775	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Two years later	\$ 5,634,001	\$ 5,638,846	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Three years later	\$ 6,605,109	\$ 6,715,196	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Four years later	\$ 6,992,411	\$ 7,600,911	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Five years later	\$ 7,454,482	\$ 7,880,731	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Six years later	\$ 7,819,727	\$ 8,515,703	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Seven years later	\$ 8,322,517	\$ 8,661,620	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Eight years later	\$ 8,370,296	\$ 8,861,911	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nine years later	\$ 8,423,537		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ten years later			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5 Reestimated ceded losses and expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6 Reestimated net incurred losses and expenses:											
End of fiscal year	\$ 6,117,000	\$ 8,012,622	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
One year later	\$ 10,474,925	\$ 10,768,305	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Two years later	\$ 11,525,318	\$ 10,770,204	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Three years later	\$ 10,929,748	\$ 11,378,258	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Four years later	\$ 10,833,352	\$ 10,501,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Five years later	\$ 10,141,142	\$ 10,585,137	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Six years later	\$ 10,362,281	\$ 10,469,961	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Seven years later	\$ 9,859,233	\$ 10,101,017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Eight years later	\$ 9,639,692	\$ 9,943,375	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nine years later	\$ 9,520,490	\$ 9,593,861	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ten years later	\$ 9,475,767		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7 Increase in estimated net incurred losses and expenses from end of fiscal year	\$ 3,358,767	\$ 1,581,239	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
CLAIMS DEVELOPMENT INFORMATION
PROPERTY/LIABILITY PROGRAM
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

		For Policy Years Ended June 30,											
		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
1 Required contribution and investment revenue													
Earned	\$	390,000	\$ 544,363	\$ 552,093	\$ 559,195	\$ 630,698	\$ 675,900	\$ 774,613	\$ 935,595	\$ 1,130,013	\$ 1,329,483	\$ 1,296,072	
Ceded		(7,000)	(541,854)	(559,419)	(545,530)	(560,273)	(611,537)	(663,484)	(831,111)	(1,032,437)	(1,202,982)	(1,170,873)	
Net earned	\$	383,000	\$ 2,509	\$ (7,326)	\$ 13,665	\$ 70,425	\$ 64,363	\$ 111,129	\$ 104,484	\$ 97,576	\$ 126,501	\$ 125,199	
2 Unallocated expenses	\$	4,000	\$ 18,183	\$ 32,828	\$ 8,069	\$ 9,016	\$ 21,810	\$ 18,376	\$ 20,128	\$ 56,023	\$ 45,597	\$ 63,426	
3 Estimated losses and expenses, end of fiscal year:													
Incurred	\$	147,000	\$ 307,207	\$ 54,796	\$ 82,548	\$ 75,212	\$ 108,036	\$ 110,941	\$ 32,843	\$ 25,000	\$ 54,069	\$ 63,000	
Ceded		-	-	-	-	-	-	-	-	-	-	-	
Net incurred	\$	147,000	\$ 307,207	\$ 54,796	\$ 82,548	\$ 75,212	\$ 108,036	\$ 110,941	\$ 32,843	\$ 25,000	\$ 54,069	\$ 63,000	
4 Net paid (cumulative) as of:													
End of fiscal year	\$	27,000	\$ 84,499	\$ 10,931	\$ 18,839	\$ 1,683	\$ 22,371	\$ -	\$ -	\$ 6,681	\$ -	\$ 3,221	
One year later	\$	273,370	\$ 111,503	\$ 42,740	\$ 20,496	\$ 16,543	\$ 89,764	\$ 20,000	\$ 6,771	\$ 26,438	\$ 20,000		
Two years later	\$	83,044	\$ 131,676	\$ 28,438	\$ 33,140	\$ 76,543	\$ 113,117	\$ 20,000	\$ 18,078	\$ 52,777			
Three years later	\$	83,044	\$ 107,846	\$ 48,738	\$ 33,141	\$ 96,543	\$ 125,045	\$ 20,000	\$ 18,078				
Four years later	\$	60,441	\$ 117,507	\$ 48,738	\$ 33,141	\$ 96,543	\$ 125,045	\$ 20,000					
Five years later	\$	60,441	\$ 117,507	\$ 48,738	\$ 33,141	\$ 96,543	\$ 125,045						
Six years later	\$	60,411	\$ 117,507	\$ 48,738	\$ 33,141	\$ 96,543							
Seven years later	\$	60,411	\$ 117,507	\$ 48,738	\$ 33,141								
Eight years later	\$	60,411	\$ 117,507	\$ 48,738									
Nine years later	\$	60,411	\$ 117,507										
Ten years later	\$	60,411											
5 Reestimated ceded losses and expenses	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
6 Reestimated net incurred losses and expenses:													
End of fiscal year	\$	147,000	\$ 307,207	\$ 54,796	\$ 82,548	\$ 75,212	\$ 101,000	\$ 111,900	\$ 32,843	\$ 25,000	\$ 54,069	\$ 63,000	
One year later	\$	401,609	\$ 121,183	\$ 79,867	\$ 78,773	\$ 112,560	\$ 148,539	\$ 20,863	\$ 7,843	\$ 51,345	\$ 40,968		
Two years later	\$	83,044	\$ 144,849	\$ 62,351	\$ 60,496	\$ 100,792	\$ 126,562	\$ 20,863	\$ 18,078	\$ 72,777			
Three years later	\$	83,044	\$ 117,275	\$ 48,738	\$ 37,639	\$ 96,543	\$ 126,562	\$ 20,863	\$ 18,078				
Four years later	\$	60,441	\$ 117,507	\$ 49,777	\$ 33,141	\$ 96,543	\$ 126,562	\$ 20,863					
Five years later	\$	60,441	\$ 117,507	\$ 48,738	\$ 33,141	\$ 96,543	\$ 126,562						
Six years later	\$	60,441	\$ 117,507	\$ 48,738	\$ 33,141	\$ 96,543	\$ 126,562						
Seven years later	\$	60,441	\$ 117,507	\$ 48,738	\$ 33,141	\$ 96,543							
Eight years later	\$	60,441	\$ 117,507	\$ 48,738	\$ 33,141								
Nine years later	\$	60,441	\$ 117,507	\$ 48,738									
Ten years later	\$	60,441											
7 Increase in estimated net incurred losses and expenses from end of fiscal year	\$	(86,559)	\$ (189,700)	\$ (6,058)	\$ (49,407)	\$ 21,331	\$ 25,562	\$ (91,037)	\$ (14,765)	\$ 47,777	\$ (13,101)	\$ -	

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
CLAIMS DEVELOPMENT INFORMATION
VISION PROGRAM
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

		For Policy Years Ended June 30,										
		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
1 Required contribution and investment revenue												
Earned	\$	-	\$ 1,455,085	\$ 1,639,207	\$ 1,936,629	\$ 1,958,654	\$ 2,291,645	\$ 2,496,329	\$ 2,774,589	\$ 3,356,374	\$ 3,803,259	\$ 4,367,442
Ceded		-	-	-	-	-	-	-	-	-	-	-
Net earned	\$	-	\$ 1,455,085	\$ 1,639,207	\$ 1,936,629	\$ 1,958,654	\$ 2,291,645	\$ 2,496,329	\$ 2,774,589	\$ 3,356,374	\$ 3,803,259	\$ 4,367,442
2 Unallocated expenses	\$	-	\$ -	\$ 14,493	\$ 96,930	\$ 140,236	\$ 153,671	\$ -	\$ -	\$ 61,866	\$ 49,023	\$ 50,678
3 Estimated losses and expenses, end of fiscal year:												
Incurred	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	\$ 2,473,429	\$ 3,248,723	\$ 3,835,689	\$ 4,066,933
Ceded		-	-	-	-	-	-	-	-	-	-	-
Net incurred	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	\$ 2,473,429	\$ 3,248,723	\$ 3,835,689	\$ 4,066,933
4 Net paid (cumulative) as of:												
End of fiscal year	\$	-	\$ 1,307,704	\$ 1,416,642	\$ 1,578,209	\$ 1,634,127	\$ 1,704,628	\$ 1,947,215	\$ 2,031,883	\$ 2,798,029	\$ 3,185,838	\$ 3,380,488
One year later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,634,127	\$ 1,704,628	\$ 2,067,215	\$ 2,173,883	2,940,029	3,485,838	
Two years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,634,127	\$ 1,704,628	\$ 2,067,215	\$ 2,173,883	2,940,029		
Three years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,634,127	\$ 1,704,628	\$ 2,067,215	2,173,883			
Four years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,634,127	\$ 1,704,628	2,067,215				
Five years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,634,127	1,704,628					
Six years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,634,127						
Seven years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209							
Eight years later	\$	-	\$ 1,357,704	\$ 1,466,642								
Nine years later	\$	-	\$ 1,357,704									
Ten years later	\$	-										
5 Reestimated ceded losses and expenses	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6 Reestimated net incurred losses and expenses:												
End of fiscal year	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	\$ 2,473,429	\$ 3,248,723	\$ 3,835,689	\$ 4,066,933
One year later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	\$ 2,473,429	\$ 3,248,723	\$ 3,835,689	
Two years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	\$ 2,473,429	\$ 3,248,723		
Three years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	2,473,429			
Four years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178				
Five years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342					
Six years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,684,127						
Seven years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209							
Eight years later	\$	-	\$ 1,357,704	\$ 1,466,642								
Nine years later	\$	-	\$ 1,357,704									
Ten years later	\$	-										
7 Increase in estimated net incurred losses and expenses from end of fiscal year	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
CLAIMS DEVELOPMENT INFORMATION
DENTAL PROGRAM
FOR THE YEARS ENDED JUNE 30, 2018 AND 2017

		For Policy Years Ended June 30,											
		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
1 Required contribution and investment revenue													
Earned	\$	-	\$ 1,455,085	\$ 1,639,207	\$ 1,936,629	\$ 1,958,654	\$ 2,291,645	\$ 2,496,329	\$ 2,774,589	\$ 3,356,374	\$ 3,803,259	\$ 4,367,442	
Ceded		-	-	-	-	-	-	-	-	-	-	-	
Net earned	\$	-	\$ 1,455,085	\$ 1,639,207	\$ 1,936,629	\$ 1,958,654	\$ 2,291,645	\$ 2,496,329	\$ 2,774,589	\$ 3,356,374	\$ 3,803,259	\$ 4,367,442	
2 Unallocated expenses	\$	-	\$ -	\$ 14,493	\$ 96,930	\$ 140,236	\$ 153,671	\$ -	\$ -	\$ 61,866	\$ 49,023	\$ 50,678	
3 Estimated losses and expenses, end of fiscal year:													
Incurred	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	\$ 2,473,429	\$ 3,248,723	\$ 3,835,689	\$ 4,066,933	
Ceded		-	-	-	-	-	-	-	-	-	-	-	
Net incurred	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	\$ 2,473,429	\$ 3,248,723	\$ 3,835,689	\$ 4,066,933	
4 Net paid (cumulative) as of:													
End of fiscal year	\$	-	\$ 1,307,704	\$ 1,416,642	\$ 1,578,209	\$ 1,634,127	\$ 1,704,628	\$ 1,947,215	\$ 2,031,883	\$ 2,798,029	\$ 3,185,838	\$ 3,380,488	
One year later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,634,127	\$ 1,704,628	\$ 2,067,215	\$ 2,173,883	2,940,029	3,485,838		
Two years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,634,127	\$ 1,704,628	\$ 2,067,215	\$ 2,173,883	2,940,029			
Three years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,634,127	\$ 1,704,628	\$ 2,067,215	\$ 2,173,883				
Four years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,634,127	\$ 1,704,628	\$ 2,067,215					
Five years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,634,127	\$ 1,704,628						
Six years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,634,127							
Seven years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209								
Eight years later	\$	-	\$ 1,357,704	\$ 1,466,642									
Nine years later	\$	-	\$ 1,357,704										
Ten years later	\$	-											
5 Reestimated ceded losses and expenses	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
6 Reestimated net incurred losses and expenses:													
End of fiscal year	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	\$ 2,473,429	\$ 3,248,723	\$ 3,835,689	\$ 4,066,933	
One year later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	\$ 2,473,429	\$ 3,248,723	\$ 3,835,689		
Two years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	\$ 2,473,429	\$ 3,248,723			
Three years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178	\$ 2,473,429				
Four years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342	\$ 2,238,178					
Five years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,684,127	\$ 1,959,342						
Six years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209	\$ 1,684,127							
Seven years later	\$	-	\$ 1,357,704	\$ 1,466,642	\$ 1,628,209								
Eight years later	\$	-	\$ 1,357,704	\$ 1,466,642									
Nine years later	\$	-	\$ 1,357,704										
Ten years later	\$	-											
7 Increase in estimated net incurred losses and expenses from end of fiscal year	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

SUPPLEMENTARY INFORMATION

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2018

	Administrative Fund	Workers' Compensation	Property and Liability	Vision	Dental	2018 Total
ASSETS						
Current Assets						
Cash and Cash Equivalents	\$ 101,261	\$ 18,534,707	\$ 1,317,946	\$ 1,323,726	\$ 3,284,669	\$ 24,562,309
Investments, Current	-	2,639,124	-	-	-	2,639,124
Accounts Receivable	-	117,644	6,384	424,964	7,475,208	8,024,200
Prepaid Expenses	7,685	-	-	-	-	7,685
Interfund Receivable/(Payable)	(90,137)	(187,299)	(946,826)	248,440	975,822	-
Total Current Assets	18,809	21,104,176	377,504	1,997,130	11,735,699	35,233,318
Noncurrent Assets						
Investments	-	6,752,521	-	1,068,536	5,530,921	13,351,978
Capital Assets, Net of Depreciation	2,371	-	-	-	-	2,371
Total Assets	\$ 21,180	\$ 27,856,697	\$ 377,504	\$ 3,065,666	\$ 17,266,620	\$ 48,587,667
DEFERRED OUTFLOW OF RESOURCES						
Deferred outflow of resources - pension	\$ -	\$ 146,899	\$ 47,241	\$ 52,417	\$ 299,820	\$ 546,377
LIABILITIES						
Current Liabilities:						
Accounts Payable and Accrued Expenses	\$ 24,140	\$ -	\$ 1,644	\$ 308,403	\$ 3,112,648	\$ 3,446,835
Prefunding Deposits	-	-	-	132,923	3,897,654	4,030,577
Current Portion of Unpaid Claims and Claim Adj. Expenses	-	2,648,036	54,786	300,000	1,899,000	4,901,822
Total Current Liabilities	24,140	2,648,036	56,430	741,326	8,909,302	12,379,234
Noncurrent Liabilities						
Unpaid Claims and Claim Adjustment Expenses Less Current Portion	-	12,762,095	44,824	-	-	12,806,919
Unallocated Loss Adjustment Expense (ULAE)	-	1,340,000	37,838	-	-	1,377,838
Net Pension Liability	-	212,258	69,984	72,292	378,293	732,827
Total Noncurrent Liabilities	-	14,314,353	152,646	72,292	378,293	14,917,584
Total Liabilities	24,140	16,962,389	209,076	813,618	9,287,595	27,296,818
DEFERRED INFLOW OF RESOURCES						
Deferred inflow of resources - pension	\$ -	\$ 22,939	\$ 7,977	\$ 6,987	\$ 27,709	\$ 65,612
NET POSITION						
Unrestricted	(5,331)	11,018,268	207,692	2,297,478	8,251,136	21,769,243
Net Investment in Capital Assets	2,371	-	-	-	-	2,371
Total Net Position	(2,960)	11,018,268	207,692	2,297,478	8,251,136	21,771,614
Total Liabilities and Net Position	\$ 21,180	\$ 27,980,657	\$ 416,768	\$ 3,111,096	\$ 17,538,731	\$ 49,068,432

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
COMBINING STATEMENT OF NET POSITION, continued
JUNE 30, 2017

	Administrative Fund	Workers' Compensation	Property and Liability	Vision	Dental	2017 Total
ASSETS						
Current Assets						
Cash and Cash Equivalents	\$ 238,251	\$ 13,726,737	\$ 1,234,912	\$ 1,251,024	\$ 2,073,984	\$ 18,524,908
Investments, Current	-	2,032,238	-	-	-	2,032,238
Accounts Receivable	9,409	188,678	15,001	156,508	7,458,388	7,827,984
Prepaid Expenses	9,948	-	-	-	-	9,948
Interfund Receivable/(Payable)	(241,484)	(68,669)	(877,223)	299,118	888,258	-
Total Current Assets	16,124	15,878,984	372,690	1,706,650	10,420,630	28,395,078
Noncurrent Assets						
Investments	-	7,386,420	-	1,073,813	5,558,235	14,018,468
Capital Assets, Net of Depreciation	2,963	-	-	-	-	2,963
Total Assets	\$ 19,087	\$ 23,265,404	\$ 372,690	\$ 2,780,463	\$ 15,978,865	\$ 42,416,509
DEFERRED OUTFLOW OF RESOURCES						
Deferred outflow of resources - pension	\$ -	\$ 65,300	\$ 21,767	\$ 21,767	\$ 108,834	\$ 217,668
LIABILITIES						
Current Liabilities:						
Accounts Payable and Accrued Expenses	\$ 21,455	\$ 5,073	\$ 4,953	\$ 281,884	\$ 2,740,033	\$ 3,053,398
Prefunding Deposits	-	-	-	124,070	3,693,230	3,817,300
Current Portion of Unpaid Claims and Claim Adj. Expenses	-	1,591,000	42,965	300,000	1,899,000	3,832,965
Total Current Liabilities	21,455	1,596,073	47,918	705,954	8,332,263	10,703,663
Noncurrent Liabilities						
Unpaid Claims and Claim Adjustment Expenses Less Current Portion	-	14,209,957	35,153	-	-	14,245,110
Unallocated Loss Adjustment Expense (ULAE)	-	1,328,000	37,838	-	-	1,365,838
Net Pension Liability	-	175,858	58,620	58,620	293,098	586,196
Total Noncurrent Liabilities	-	15,713,815	131,611	58,620	293,098	16,197,144
Total Liabilities	21,455	17,309,888	179,529	764,574	8,625,361	26,900,807
DEFERRED INFLOW OF RESOURCES						
Deferred inflow of resources - pension	\$ -	\$ 38,552	\$ 12,851	\$ 12,851	\$ 64,253	\$ 128,507
NET POSITION						
Unrestricted	(4,739)	5,982,264	202,077	2,024,805	7,398,085	15,602,492
Net Investment in Capital Assets	2,371	-	-	-	-	2,371
Total Net Position	(2,368)	5,982,264	202,077	2,024,805	7,398,085	15,604,863
Total Liabilities and Net Position	\$ 19,087	\$ 23,292,152	\$ 381,606	\$ 2,789,379	\$ 16,023,446	\$ 42,505,670

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2018

	Administrative Fund	Workers' Compensation	Property and Liability	Vision	Dental	2017 Total
OPERATING REVENUE						
Member contributions	\$ -	\$ 28,264,266	\$ 1,326,743	\$ 3,800,407	\$ 124,773,696	\$ 158,165,112
Other	-	247	-	-	-	247
Total Operating Revenues	-	28,264,513	1,326,743	3,800,407	124,773,696	158,165,359
OPERATING EXPENSES						
Provision for claims and claims adjustment expense	-	(930,791)	71,439	3,835,689	122,756,480	125,732,817
Insurance premiums	-	21,595,151	1,202,982	-	-	22,798,133
Services and other operating expenses	-	486,582	18,336	11,255	946,258	1,462,431
Salaries and benefits	-	86,791	27,079	32,633	164,659	311,162
Supplies	-	544	183	360	2,534	3,621
Depreciation	592	-	-	-	-	592
Total Operating Expense	592	21,238,277	1,320,019	3,879,937	123,869,931	150,308,756
Net Operating Income/(Loss)	(592)	7,026,236	6,724	(79,530)	903,765	7,856,603
NON-OPERATING REVENUE:						
Investment income/ (loss)	-	(57,978)	2,740	2,785	71,469	19,016
Total Non-Operating Revenues	-	(57,978)	2,740	2,785	71,469	19,016
CHANGE IN NET POSITION	(592)	6,968,258	9,464	(76,745)	975,234	7,875,619
Beginning Net Position	(1,776)	(985,994)	192,613	2,101,550	6,422,851	7,729,244
Ending Net Position	\$ (2,368)	\$ 5,982,264	\$ 202,077	\$ 2,024,805	\$ 7,398,085	\$ 15,604,863

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION, continued
FOR THE YEAR ENDED JUNE 30, 2018

	Administrative Fund	Workers' Compensation	Property and Liability	Vision	Dental	2018 Total
OPERATING REVENUE						
Member contributions	\$ -	\$ 26,712,774	\$ 1,289,628	\$ 4,356,498	\$ 132,187,282	\$ 164,546,182
Other	-	-	-	-	-	-
Total Operating Revenues	-	26,712,774	1,289,628	4,356,498	132,187,282	164,546,182
OPERATING EXPENSES						
Provision for claims and claims adjustment expense	-	-	1,170,873	3,835,689	130,009,771	135,016,333
Insurance premiums	-	21,608,889	-	-	181,565	21,790,454
Services and other operating expenses	-	178,946	105,459	241,882	1,020,809	1,547,096
Salaries and benefits	-	44,413	13,866	16,682	103,951	178,912
Supplies	-	774	259	516	3,612	5,161
Depreciation	592	-	-	-	-	592
Total Operating Expense	592	21,833,022	1,290,457	4,094,769	131,319,708	158,538,548
Net Operating Income/(Loss)	(592)	4,879,752	(829)	261,729	867,574	6,007,634
NON-OPERATING REVENUE:						
Investment income/ (loss)	-	156,252	6,444	10,944	(14,524)	159,116
Total Non-Operating Revenues	-	156,252	6,444	10,944	(14,524)	159,116
CHANGE IN NET POSITION	(592)	5,036,004	5,615	272,673	853,050	6,166,750
Beginning Net Position	(2,368)	5,982,264	202,077	2,024,805	7,398,086	15,604,864
Ending Net Position	\$ (2,960)	\$ 11,018,268	\$ 207,692	\$ 2,297,478	\$ 8,251,136	\$ 21,771,614

OTHER INDEPENDENT AUDITORS' REPORTS

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

Christy White, CPA

Michael D. Ash, CPA

John Whitehouse, CPA

Heather Daud Rubio

Independent Auditors' Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Alameda County Schools Insurance Group, as of and for the years ended June 30, 2018 and 2017, and the related notes to the financial statements, which collectively comprise the Alameda County Schools Insurance Group's basic financial statements, and have issued our report thereon dated October 24, 2018.

Internal Control over Financial Reporting

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

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

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State Board of Accountancy*

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

Compliance and Other Matters

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

Purpose of this Report

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



San Diego, California
October 24, 2018aa



Alameda County Schools Insurance Group

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EXECUTIVE SUMMARY

TO: ACSIG Board of Directors

FROM: Kimberly Dennis

DATE: November 8, 2018

SUBJECT: 2018/2019 First Quarter Financials

ACSIG partners with SETECH for financial services support. Enclosed are the 2018/2019. First Quarter financial statements for review. These financial statements reflect the 2017/2018 annual balances previously reviewed on this agenda. 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 Board. The Board will be asked to recommend approval this report.



ALAMEDA COUNTY SCHOOLS INSURANCE GROUP

TREASURER'S REPORT

**AS OF SEPTEMBER 30, 2018 AND
FOR THE THREE 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)

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For the Executive Committee Meeting of November 1, 2018
For the Board Meeting of November 8, 2018

Alameda County Schools Insurance Group (ACSIG)

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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 06/30/2018 and 09/30/2018

	Audited As of 06/30/2018	Activity 07/01/2018 - 09/30/2018	As of 09/30/2018
Assets:			
Current Assets			
Workers Compensation	\$ 18,534,707	(7,268,048)	\$ 11,266,659
Dental	3,284,669	(353,001)	2,931,668
Vision	1,323,726	42,022	1,365,748
Property and Liability	1,317,946	(975,769)	342,177
Operations	101,261	79,411	180,672
Cash and Cash Equivalents	<u>\$ 24,562,309</u>	<u>(8,475,385)</u>	<u>\$ 16,086,924</u>
Investments Morgan Stanley - current	2,639,124	1,540,879	4,180,003
Accounts Receivable	8,024,200	4,634,092	12,658,292
Prepaid Expense	7,685	2,654,838	2,662,523
Interfund Receivable/(payable) (1)	--	--	--
Subtotal Current Assets	<u>35,233,319</u>	<u>354,424</u>	<u>35,587,743</u>
Noncurrent Assets			
Investments @ FMV - Morgan Stanley (3)	13,351,978	(1,478,118)	11,873,860
Capital - Equipment, net of depreciation	2,371	(592)	1,779
	<u>13,354,349</u>	<u>(1,478,710)</u>	<u>11,875,639</u>
Total Assets	<u>\$ 48,587,668</u>	<u>\$ (1,124,286)</u>	<u>\$ 47,463,381</u>
Deferred Outflow of Resources:			
Deferred outflow of resources - pension	<u>546,377</u>	<u>--</u>	<u>546,377</u>
Liabilities:			
Current Liabilities			
Accounts Payable	\$ 3,446,836	\$ (3,108,231)	\$ 338,605
Prefunding deposits (2)	4,030,577	--	4,030,577
Advance Contributions	--	--	--
Other Claim Liabilities - Castlepoint Reinsurance Insolvency	908,036	--	908,036
Current Portion of claims and claim adjustment	3,993,786	27,034	4,020,820
Subtotal Current Liabilities	<u>12,379,235</u>	<u>(3,081,197)</u>	<u>9,298,038</u>
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	12,806,919	(134,710)	12,672,209
Unallocated Loss Adjustment Expense (ULAE)	1,377,838	--	1,377,838
Subtotal Noncurrent Claim Liabilities	<u>14,184,757</u>	<u>(134,710)</u>	<u>14,050,047</u>
Net Pension Liability (NPL)	732,827	11,361	744,188
Total Liabilities	<u>\$ 27,296,819</u>	<u>\$ (3,204,546)</u>	<u>\$ 24,092,274</u>
Deferred Inflow of Resources:			
Deferred inflow of resources - pension	<u>65,612</u>	<u>--</u>	<u>65,612</u>
Net Position:			
Undesignated Net Position - Net Assets/(Deficit)	21,769,243	2,080,850	23,850,093
Designated - Capital Assets	2,371	(592)	1,779
Total Net Position	<u>\$ 21,771,614</u>	<u>\$ 2,080,258</u>	<u>\$ 23,851,872</u>
Total Liabilities, Deferred Pension, and Ending Net Position	<u>\$ 48,587,668</u>	<u>\$ (1,124,288)</u>	<u>\$ 47,463,381</u>

Footnote:

- (1) Interfund transfers net to zero on consolidated financial statements. This is a internal function used to transfer or allocate expense and income from one program to another without transfer of cash.
- (2) Estimated six weeks of dental claims funded by each member to maintain positive cash flow.
- (3) Morgan Stanley Smith Barney Investment shown at Fair Market Value, accrued interest shown as accounts receivable.

Alameda County Schools Insurance Group (ACSIG)

Consolidated

Statement of Revenues, Expenditures and Changes in Net Position

As of 09/30/2018 and For The Three Months Then Ended

	2017/2018		2018/2019			
	Budget	Audited Actuals	Budget	Activity 07/01/2018-09/30/2018	Variance	Percentage of Budget
Operating Revenue:						
Premiums Paid by Members	\$ 156,427,872	\$ 165,692,065	\$ 158,439,211	\$ 38,629,492	\$ 119,809,719	24.38 %
Return of Premiums	--	(1,145,883)	--	--	--	--
Other Income	--	--	--	--	--	--
Total Operating Revenue	156,427,872	164,546,182	158,439,211	38,629,492	119,809,719	24.38
Operating Expenditures:						
Classified Salaries	251,051	286,178	251,917	49,749	202,168	19.75
Statutory Benefits	56,552	31,954	88,316	5,621	82,695	6.36
Health & Welfare	39,000	47,510	51,190	7,880	43,310	15.39
Employer Tax Expense	3,477	4,443	4,769	954	3,815	20.00
Net Pension Expense	39,345	(191,171)	51,788	22,722	29,066	43.87
Telephone & Internet	7,350	6,102	7,350	1,259	6,091	17.13
Supplies Office	4,200	1,885	4,200	289	3,911	6.87
Supplies - Other	2,625	3,276	4,200	402	3,798	9.56
Eligibility Processing	240,000	213,141	246,077	34,048	212,029	13.84
Brokerage Fees-Dental-ACSIG	288,000	293,050	294,000	23,418	270,582	7.97
Brokerage Fees-Dental-MD	350,000	410,333	425,000	125,018	299,982	29.42
Travel and Conferences	23,100	10,458	23,100	929	22,171	4.02
Mileage	8,925	6,756	8,925	1,419	7,506	15.90
Dues & Memberships	1,575	1,635	7,350	885	6,465	12.04
Postage & Meter	8,350	3,875	10,000	3,872	6,128	38.72
Insurance Expense-PIPS&NCR	25,192,893	21,028,823	24,950,383	5,260,781	19,689,602	21.08
Insurance Expense-PY Adj	2,000,000	749,186	2,000,000	--	2,000,000	--
Utility - Operating-Rent	39,388	36,395	36,461	9,195	27,266	25.22
Advertising	600	--	600	--	600	--
Contract Services	26,275	8,272	31,275	--	31,275	--
Contract Services -Claim Audit	20,000	15,570	--	--	--	--
Contract Services	6,375	--	6,375	--	6,375	--
Audit Fees	15,540	13,500	16,275	--	16,275	--
Other Services/Operating Expenses	10,500	5,614	10,500	1,154	9,346	10.99
Capital Equipment/Depreciation	2,625	592	3,900	592	3,308	15.18
Repairs & Maintenance	3,675	--	3,675	--	3,675	--
Legal	2,100	--	2,100	--	2,100	--
Accounting Services	15,750	14,420	15,750	14,850	900	94.29
County Courier	4,200	3,568	4,200	--	4,200	--
Shredding	1,574	851	2,100	154	1,946	7.31
Copier & Scanner	15,000	10,277	15,000	1,597	13,403	10.65
Claims Administration Services	154,000	166,909	174,000	38,500	135,500	22.13
Self-Insurance Fee	290,000	297,811	325,000	--	325,000	--
Claims Paid-WC	2,500,000	1,001,753	1,750,000	259,400	1,490,600	14.82
Claims Paid-PL	50,000	53,650	100,000	10,749	89,251	10.75
Physical Abilities Testing	25,000	14,004	35,000	735	34,265	2.10
Training	20,000	--	40,000	--	40,000	--
First-Aid Program	10,000	23,953	30,000	2,799	27,201	9.33
Food Service Training	30,000	--	--	--	--	--
Risk Mgmt Prev Program	--	--	30,000	--	30,000	--
Incentives	--	28,559	--	1,068	(1,068)	--
Safety Inspections	12,445	12,445	12,446	--	12,446	--
Bank Charge & WC Penalty Reimb	17,200	21,071	41,000	1,347	39,653	3.29
Cobra Premiums	242,000	246,832	250,000	40,948	209,052	16.38
Dental Insurance Premiums	123,000,000	129,945,472	123,120,000	29,515,061	93,604,939	23.97
Vision Insurance Premiums	3,340,000	4,066,932	3,950,000	1,287,644	2,662,356	32.60
Claim Development Expense	(2,510,000)	(357,335)	(2,000,000)	(107,676)	(1,892,324)	5.38
ACA Fees	--	--	--	--	--	--
Total Operating Expenditures	155,860,690	158,538,549	156,434,222	36,617,362	119,816,860	23.41 %
Net Increase/(Decrease) from Operations	567,182	6,007,633	2,004,989	2,012,130	(7,141)	100.36 %
Non Operating Income/(Expense)						
Interest Income	231,500	499,740	376,500	93,277	283,224	24.77
Net Increase/(Decrease) in Fair Value	--	(341,266)	--	(25,793)	25,793	--
Realized Gain/(Loss) on Investments	--	644	--	644	(644)	--
Cumulative effect of GASB 68	--	--	--	--	--	--
Interfund Trans, Other Inc/Exp	--	--	--	--	--	--
Total Non Operating Income/(Expense)	231,500	159,118	376,500	68,128	308,373	18.10 %
Net Increase/(Decrease) in Net Position	798,682	6,166,751	2,381,489	2,080,258	301,232	87.35 %
Beginning Balance Prior Year End	\$ 15,604,864	\$ 15,604,864	21,771,614	\$ 21,771,614	\$ 592	100.00 %
Ending Balance, as of 09/30/2018	\$ 16,403,546	\$ 21,771,614	\$ 24,153,103	\$ 23,851,872	\$ 301,824	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Workers' Compensation
As of 06/30/2018 and 09/30/2018

	Audited As of 06/30/2018	Activity 07/01/2018 - 09/30/2018	As of 09/30/2018
Assets:			
Current Assets			
Funds with County - WC - #44906	\$ 12,333,997	(6,802,207)	\$ 5,531,790
Funds in Transit - #44906 to Morgan Stanley Investments	--	--	--
Funds with County - Retention Fund #44904	17,741	--	17,741
Union Bank Claims - #0129	2,570,463	(441,993)	2,128,470
Union Bank Claims Trust Account - #0600	360,659	(50,130)	310,529
Local Agency Investment Funds (L.A.I.F.)	3,214,911	15,255	3,230,166
Money Market - Morgan Stanley	36,936	11,027	47,963
Cash and Cash Equivalents	<u>\$ 18,534,707</u>	<u>(7,268,048)</u>	<u>\$ 11,266,659</u>
Investments Morgan Stanley - current	2,639,124	1,540,879	4,180,003
Accounts Receivable	117,644	6,981,328	7,098,972
Prepaid Expense	--	1,639,977	1,639,977
Interfund Receivable/(payable)	<u>(187,299)</u>	<u>405,658</u>	<u>218,359</u>
Subtotal Current Assets	<u>21,104,177</u>	<u>3,299,794</u>	<u>24,403,971</u>
Noncurrent Assets			
Investments Morgan Stanley	6,752,521	(1,508,703)	5,243,818
Capital - Equipment, net of depreciation	<u>--</u>	<u>--</u>	<u>--</u>
	<u>6,752,521</u>	<u>(1,508,703)</u>	<u>5,243,818</u>
Total Assets	<u>\$ 27,856,698</u>	<u>\$ 1,791,091</u>	<u>\$ 29,647,789</u>
Deferred Outflow of Resources:			
Deferred outflow of resources - pension	<u>146,899</u>	<u>--</u>	<u>146,899</u>
Liabilities:			
Current Liabilities			
Accounts Payable	\$ --	\$ --	\$ --
Prefunding deposits	--	--	--
Advance Contributions	--	--	--
Other Claim Liabilities - Castlepoint Reinsurance Insolvency	908,036	--	908,036
Current Portion of claims and claim adjustment	1,740,000	--	1,740,000
Subtotal Current Liabilities	<u>2,648,036</u>	<u>--</u>	<u>2,648,036</u>
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	12,762,095	(156,830)	12,605,265
Unallocated Loss Adjustment Expense (ULAE)	1,340,000	--	1,340,000
Subtotal Noncurrent Claim Liabilities	<u>14,102,095</u>	<u>(156,830)</u>	<u>13,945,265</u>
Net Pension Liability (NPL)	212,258	3,408	215,666
Total Liabilities	<u>\$ 16,962,389</u>	<u>\$ (153,422)</u>	<u>\$ 16,808,967</u>
Deferred Inflow of Resources:			
Deferred inflow of resources - pension	<u>22,939</u>	<u>--</u>	<u>22,939</u>
Net Position:			
Undesignated Net Position - Net Assets/(Deficit)	11,018,268	1,944,513	12,962,781
Designated - Capital Assets	<u>--</u>	<u>--</u>	<u>--</u>
Total Net Position	<u>\$ 11,018,268</u>	<u>\$ 1,944,513</u>	<u>\$ 12,962,781</u>
Total Liabilities, Deferred Pension, and Ending Net Position	<u>\$ 27,856,697</u>	<u>\$ 1,791,091</u>	<u>\$ 29,647,789</u>

Alameda County Schools Insurance Group (ACSIG)
Workers' Compensation
Statement of Revenues, Expenditures and Changes in Net Fund Assets
As of 09/30/2018 and For The Three Months Then Ended

	2017/2018		2018/2019			
	Budget	Audited Actuals	Budget	Activity 07/01/2018-09/30/2018	Variance	Percentage of Budget
Operating Revenue:						
Premiums Paid by Members	\$ 26,712,774	\$ 26,712,774	\$ 27,959,469	\$ 6,989,867	\$ 20,969,602	25.00 %
Return of Premiums	--	--	--	--	--	--
Other Income	--	--	--	--	--	--
Total Operating Revenue	26,712,774	26,712,774	27,959,469	6,989,867	20,969,602	25.00
Operating Expenditures:						
Classified Salaries	61,053	65,608	63,149	10,887	52,262	17.24
Statutory Benefits	14,246	8,266	24,985	1,536	23,449	6.15
Health & Welfare	7,800	14,253	15,800	2,364	13,436	14.96
Employer Tax Expense	876	959	1,121	220	901	19.64
Net Pension Expense	8,547	(44,672)	15,104	6,816	8,288	45.13
Telephone & Internet	1,050	915	1,050	189	861	18.00
Supplies Office	600	283	600	43	557	7.17
Supplies - Other	375	491	600	60	540	10.00
Eligibility Processing	--	--	6,077	--	6,077	--
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--
Brokerage Fees-Dental-MD	--	--	--	--	--	--
Travel and Conferences	3,300	1,569	3,300	139	3,161	4.21
Mileage	1,275	1,013	1,275	213	1,062	16.70
Dues & Memberships	225	245	1,050	133	917	12.67
Postage & Meter	100	194	300	194	106	64.67
Insurance Expense-PIPS	24,040,241	19,857,950	23,583,087	4,919,932	18,663,155	20.86
Insurance Expense-PY Adj	2,000,000	749,186	2,000,000	--	2,000,000	--
Utility - Operating-Rent	5,627	5,459	--	1,379	(1,379)	--
Advertising	300	--	300	--	300	--
Contract Services - Actuarial	10,000	8,272	10,000	--	10,000	--
Contract Services -Claim Audit	20,000	15,570	--	--	--	--
CAJPA Dues/Accreditation	--	--	--	--	--	--
Audit Fees	2,220	2,025	2,325	--	2,325	--
Other Services/Operating Expense:	1,500	842	1,500	173	1,327	11.53
Capital Equipment/Depreciation	375	--	300	--	300	--
Repairs & Maintenance	525	--	525	--	525	--
Legal	300	--	300	--	300	--
Accounting Services	2,250	2,163	2,250	2,228	22	99.02
County Courier	600	535	600	--	600	--
Shredding	225	128	300	23	277	7.67
Copier & Scanner	250	514	250	80	170	32.00
Claims Admin/Consult Services	154,000	154,000	154,000	38,500	115,500	25.00
Self-Insurance Fee	290,000	297,811	325,000	--	325,000	--
Claims Paid-WC	2,500,000	1,001,753	1,750,000	259,400	1,490,600	14.82
Claims Paid-PL	--	--	--	--	--	--
Physical Abilities Testing	25,000	14,004	35,000	735	34,265	2.10
Training	20,000	--	40,000	--	40,000	--
First-Aid Program	10,000	23,953	30,000	2,799	27,201	9.33
Food Service/Sp Ed Training	30,000	--	--	--	--	--
Risk Mgmt Prevention Prog	--	--	30,000	--	30,000	--
Incentives	--	28,559	--	1,068	(1,068)	--
Safety Inspections	--	--	--	--	--	--
Bank Charge & WC Penalty Reimb	--	--	1,000	--	1,000	--
Cobra Premiums	--	--	--	--	--	--
Dental Insurance Premiums	--	--	--	--	--	--
Vision Insurance Premiums	--	--	--	--	--	--
Claim Development Expense	(2,500,000)	(378,826)	(2,000,000)	(156,830)	(1,843,170)	7.84
ACA Fees	--	--	--	--	--	--
Total Operating Expenditures	26,712,860	21,833,022	26,101,148	5,092,281	21,008,867	19.51 %
Net Increase/(Decrease) from Operations	(86)	4,879,752	1,858,321	1,897,586	(39,265)	102.11 %
Non Operating Income/(Expense)						
Interest Income	150,000	356,625	250,000	61,924	188,076	24.77
Net Increase/(Decrease) in Fair Value	--	(200,752)	--	(15,376)	15,376	--
Realized Gain/(Loss) on Investments	--	379	--	379	(379)	--
Cumulative effect of GASB 68	--	--	--	--	--	--
Interfund Transfer, Other Income	--	--	--	--	--	--
Total Non Operating Income/(Expense)	150,000	156,252	250,000	46,927	203,073	18.77 %
Net Increase/(Decrease) in Net Position	149,914	5,036,004	2,108,321	1,944,513	163,808	92.23 %
Beginning Balance Prior Year End	5,982,264	5,982,264	11,018,268	11,018,268	--	100.00 %
Ending Balance, as of 09/30/2018	\$ 6,132,178	\$ 11,018,268	\$ 13,126,589	\$ 12,962,781	\$ 163,808	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Dental
As of 06/30/2018 and 09/30/2018

	Audited As of 06/30/2018	Activity 07/01/2018 - 09/30/2018	As of 09/30/2018
Assets:			
Current Assets			
Cash with County ACSIG #44901	\$ 259,635	435,177	\$ 694,812
Union Bank - Eligibility #9938	2,682,556	(623,757)	2,058,799
Union Bank - Expense #2064	328,229	(188,210)	140,019
Union Bank - Cobra Trust #0273	14,249	23,789	38,038
Union Bank - zero balance accounts	--	--	--
Cash and Cash Equivalents	<u>\$ 3,284,669</u>	<u>(353,001)</u>	<u>\$ 2,931,668</u>
Investments Morgan Stanley - current	--	--	--
Accounts Receivable	7,475,208	(2,700,081)	4,775,127
Prepaid Expense	--	--	--
Interfund Receivable/(payable)	<u>975,822</u>	<u>87,694</u>	<u>1,063,516</u>
Subtotal Current Assets	<u>11,735,699</u>	<u>(2,965,388)</u>	<u>8,770,311</u>
Noncurrent Assets			
Investments - Morgan Stanley	5,530,921	25,689	5,556,610
Capital - Equipment, net of depreciation	--	--	--
	<u>5,530,921</u>	<u>25,689</u>	<u>5,556,610</u>
Total Assets	<u>\$ 17,266,620</u>	<u>\$ (2,939,699)</u>	<u>\$ 14,326,921</u>
Deferred Outflow of Resources:			
Deferred outflow of resources - pension	<u>299,820</u>	<u>--</u>	<u>299,820</u>
Liabilities:			
Current Liabilities			
Accounts Payable	\$ 3,112,648	\$ (3,112,648)	\$ --
Prefunding deposits	3,897,654	--	3,897,654
Advance Contributions	--	--	--
Other Claim Liabilities	--	--	--
Current Portion of claims and claim adjustment	1,899,000	--	1,899,000
Subtotal Current Liabilities	<u>8,909,302</u>	<u>(3,112,648)</u>	<u>5,796,654</u>
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	--	--	--
Subtotal Noncurrent Claim Liabilities	--	--	--
Net Pension Liability (NPL)	<u>378,293</u>	<u>5,680</u>	<u>383,973</u>
Total Liabilities	<u>\$ 9,287,595</u>	<u>\$ (3,106,968)</u>	<u>\$ 6,180,627</u>
Deferred Inflow of Resources:			
Deferred inflow of resources - pension	<u>27,709</u>	<u>--</u>	<u>27,709</u>
Net Position:			
Undesignated Net Position - Net Assets/(Deficit)	8,251,136	167,269	8,418,405
Designated - Capital Assets	--	--	--
Total Net Position	<u>\$ 8,251,136</u>	<u>\$ 167,269</u>	<u>\$ 8,418,405</u>
Total Liabilities, Deferred Pension, and Ending Net Position	<u>\$ 17,266,620</u>	<u>\$ (2,939,699)</u>	<u>\$ 14,326,921</u>

Alameda County Schools Insurance Group (ACSIG)

Dental

Statement of Revenues, Expenditures and Changes in Net Fund Assets

As of 09/30/2018 and For The Three Months Then Ended

	2017/2018		2018/2019			
	Budget	Audited Actuals	Budget	Activity 07/01/2018- 09/30/2018	Variance	Percentage of Budget
Operating Revenue:						
Premiums Paid by Members	\$ 125,000,000	\$ 133,333,165	\$ 125,000,000	\$ 29,965,746	\$ 95,034,254	23.97 %
Return of Premiums	--	(1,145,883)	--	--	--	--
Other Income	--	--	--	--	--	--
Total Operating Revenue	125,000,000	132,187,282	125,000,000	29,965,746	95,034,254	23.97
Operating Expenditures:						
Classified Salaries	146,919	174,771	144,597	31,255	113,342	21.61
Statutory Benefits	32,355	18,051	47,272	3,061	44,211	6.48
Health & Welfare	25,350	23,755	25,350	3,940	21,410	15.54
Employer Tax Expense	1,989	2,809	2,849	581	2,268	20.40
Net Pension Expense	24,767	(115,435)	27,316	11,360	15,956	41.59
Telephone & Internet	5,250	4,272	5,250	881	4,369	16.78
Supplies Office	3,000	1,319	3,000	202	2,798	6.73
Supplies - Other	1,875	2,293	3,000	281	2,719	9.37
Eligibility Processing	240,000	213,141	240,000	34,048	205,952	14.19
Brokerage Fees-Dental-ACSIG	288,000	293,050	294,000	23,418	270,582	7.97
Brokerage Fees-Dental-MD	350,000	410,333	425,000	125,018	299,982	29.42
Travel and Conferences	16,500	7,320	16,500	650	15,850	3.94
Mileage	6,375	4,729	6,375	994	5,381	15.59
Dues & Memberships	1,125	1,145	5,250	620	4,630	11.81
Postage & Meter	8,100	3,487	9,250	3,484	5,766	37.66
Insurance Expense	--	--	--	--	--	--
Insurance Expense - PY Adj	--	--	--	--	--	--
Net, Operating-Rent	28,134	25,476	30,384	6,437	23,947	21.19
Advertising	--	--	--	--	--	--
Contract Services - Actuarial	15,000	--	15,000	--	15,000	--
Contract Services -Claim Audit	--	--	--	--	--	--
Contracted Services	6,375	--	6,375	--	6,375	--
Audit Fees	11,100	9,450	11,625	--	11,625	--
Other Services/Operating Expense:	7,500	3,930	7,500	808	6,692	10.77
Capital Equipment/Depreciation	1,875	--	3,000	--	3,000	--
Repairs & Maintenance	2,625	--	2,625	--	2,625	--
Legal	1,500	--	1,500	--	1,500	--
Accounting Services	11,250	10,094	11,250	10,395	855	92.40
County Courier	3,000	2,497	3,000	--	3,000	--
Shredding	1,124	596	1,500	108	1,392	7.20
Copier & Scanner	14,250	9,249	14,250	1,437	12,813	10.09
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	--	--	--	--	--	--
Incentives	--	--	--	--	--	--
Safety Inspections	--	--	--	--	--	--
Bank Charge	17,200	21,071	40,000	1,347	38,653	3.37
Cobra Premiums	242,000	246,832	250,000	40,948	209,052	16.38
Dental Insurance Premiums	123,000,000	129,945,472	123,120,000	29,515,061	93,604,939	23.97
Vision Insurance Premiums	--	--	--	--	--	--
Claim Development Expense	--	--	--	--	--	--
ACA Fees	--	--	--	--	--	--
Total Operating Expenditures	124,514,538	131,319,708	124,773,018	29,816,334	94,956,684	23.90 %
Net Increase/(Decrease) from Operations	485,462	867,574	226,982	149,412	77,570	65.83 %
Non Operating Income/(Expense)						
Interest Income	60,000	103,017	100,000	26,309	73,691	26.31
Net Increase/(Decrease) in Fair Value	--	(117,763)	--	(8,674)	8,674	--
Realized Gain/(Loss) on Investments	--	222	--	222	(222)	--
Cumulative effect of GASB 68	--	--	--	--	--	--
I Transfer, YE Close, Rebate	--	--	--	--	--	--
Total Non Operating Income/(Expense)	60,000	(14,524)	100,000	17,857	82,143	17.86 %
Net Increase/(Decrease) in Net Position	545,462	853,050	326,982	167,269	159,713	51.16 %
Beginning Balance Prior Year End	7,398,086	7,398,086	8,251,136	8,251,136	--	100.00 %
Ending Balance, as of 09/30/2018	\$ 7,943,548	\$ 8,251,136	\$ 8,578,118	\$ 8,418,405	\$ 159,713	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Vision
As of 06/30/2018 and 09/30/2018

	Audited As of 06/30/2018	Activity 07/01/2018 - 09/30/2018	As of 09/30/2018
Assets:			
Current Assets			
Cash with County #44902	\$ 1,323,726	42,022	\$ 1,365,748
Funds in Transit - #44902 to Morgan Stanley Investments	--	--	--
Cash and Cash Equivalents	<u>1,323,726</u>	<u>42,022</u>	<u>1,365,748</u>
Investments Morgan Stanley - current	--	--	--
Accounts Receivable	424,964	(17,091)	407,873
Prepaid Expense	--	--	--
Interfund Receivable/(payable)	<u>248,440</u>	<u>9,828</u>	<u>258,268</u>
Subtotal Current Assets	<u>1,997,130</u>	<u>34,759</u>	<u>2,031,889</u>
Noncurrent Assets			
Investments - Morgan Stanley	1,068,536	4,896	1,073,432
Capital - Equipment, net of depreciation	<u>--</u>	<u>--</u>	<u>--</u>
	<u>1,068,536</u>	<u>4,896</u>	<u>1,073,432</u>
Total Assets	<u>\$ 3,065,666</u>	<u>\$ 39,655</u>	<u>\$ 3,105,321</u>
Deferred Outflow of Resources:			
Deferred outflow of resources - pension	<u>52,417</u>	<u>--</u>	<u>52,417</u>
Liabilities:			
Current Liabilities			
Accounts Payable	\$ 308,403	\$ 30,202	\$ 338,605
Prefunding deposits	132,923	--	132,923
Advance Contributions	--	--	--
Other Claim Liabilities	--	--	--
Current Portion of claims and claim adjustment	300,000	--	300,000
Subtotal Current Liabilities	<u>741,326</u>	<u>30,202</u>	<u>771,528</u>
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	--	--	--
Subtotal Noncurrent Claim Liabilities	<u>--</u>	<u>--</u>	<u>--</u>
Net Pension Liability (NPL)	72,292	1,136	73,428
Total Liabilities	<u>\$ 813,618</u>	<u>\$ 31,338</u>	<u>\$ 844,956</u>
Deferred Inflow of Resources:			
Deferred inflow of resources - pension	<u>6,987</u>	<u>--</u>	<u>6,987</u>
Net Position:			
Undesignated Net Position - Net Assets/(Deficit)	2,297,478	8,317	2,305,795
Designated - Capital Assets	<u>--</u>	<u>--</u>	<u>--</u>
Total Net Position	<u>\$ 2,297,478</u>	<u>\$ 8,317</u>	<u>\$ 2,305,795</u>
Total Liabilities, Deferred Pension, and Ending Net Position	<u>\$ 3,065,666</u>	<u>\$ 39,655</u>	<u>\$ 3,105,321</u>

Alameda County Schools Insurance Group (ACSIG)

Vision

Statement of Revenues, Expenditures and Changes in Net Fund Assets

As of 09/30/2018 and For The Three Months Then Ended

	2017/2018		2018/2019			
	Budget	Audited Actuals	Budget	Activity 07/01/2018- 09/30/2018	Variance	Percentage of Budget
Operating Revenue:						
Premiums Paid by Members	\$ 3,400,000	\$ 4,356,498	\$ 4,000,000	\$ 1,303,943	\$ 2,696,057	32.60 %
Retrun of Premiums	--	--	--	--	--	--
Other Income	--	--	--	--	--	--
Total Operating Revenue	3,400,000	4,356,498	4,000,000	1,303,943	2,696,057	32.60
Operating Expenditures:						
Classified Salaries	25,105	25,991	25,192	4,324	20,868	17.16
Statutory Benefits	5,655	3,010	8,132	512	7,620	6.30
Health & Welfare	3,900	4,751	4,890	788	4,102	16.11
Employer Tax Expense	348	392	477	83	394	17.43
Net Pension Expense	3,515	(17,461)	4,531	2,272	2,259	50.14
Telephone & Internet	700	610	700	126	574	18.00
Supplies Office	400	188	400	29	371	7.25
Supplies - Other	250	328	400	40	360	10.00
Eligibility Processing	--	--	--	--	--	--
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--
Brokerage Fees-Dental-MD	--	--	--	--	--	--
Travel and Conferences	2,200	1,046	2,200	93	2,107	4.23
Mileage	850	676	850	142	708	16.71
Dues & Memberships	150	164	700	89	611	12.71
Postage & Meter	150	194	450	194	256	43.11
Insurance Expense	--	--	--	--	--	--
Insurance Expense - PY Adj	--	--	--	--	--	--
Utility - Operating-Rent	3,751	3,639	4,051	920	3,131	22.71
Advertising	200	--	200	--	200	--
Contract Services - Actuarial	850	--	850	--	850	--
Contract Services -Claim Audit	--	--	--	--	--	--
Contract Services	--	--	--	--	--	--
Audit Fees	1,480	1,350	1,550	--	1,550	--
Other Services/Operating Expense	1,000	561	1,000	115	885	11.50
Capital Equipment/Depreciation	250	--	400	--	400	--
Repairs & Maintenance	350	--	350	--	350	--
Legal	200	--	200	--	200	--
Accounting Services	1,500	1,442	1,500	1,485	15	99.00
County Courier	400	357	400	--	400	--
Shredding	150	85	200	15	185	7.50
Copier & Scanner	400	514	400	80	320	20.00
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	--	--	--	--	--	--
Incentives	--	--	--	--	--	--
Safety Inspections	--	--	--	--	--	--
Bank Charge & WC Penalty Reimb	--	--	--	--	--	--
Cobra Premiums	--	--	--	--	--	--
Dental Insurance Premiums	--	--	--	--	--	--
Vision Insurance Premiums	3,340,000	4,066,932	3,950,000	1,287,644	2,662,356	32.60
Claim Development Expense	--	--	--	--	--	--
ACA Fees	--	--	--	--	--	--
Total Operating Expenditures	3,393,754	4,094,769	4,010,023	1,298,951	2,711,072	32.39 %
Net Increase/(Decrease) from Operations	6,246	261,729	(10,023)	4,992	(15,015)	(49.80) %
Non Operating Income/(Expense)						
Interest Income	20,000	33,652	25,000	5,025	19,975	20.10
Net Increase/(Decrease) in Fair Value	--	(22,751)	--	(1,743)	1,743	--
Realized Gain/(Loss) on Investments	--	43	--	43	(43)	--
Cumulative effect of GASB 68	--	--	--	--	--	--
Interfund Transfer	--	--	--	--	--	--
Total Non Operating Income/(Expense)	20,000	10,944	25,000	3,325	21,675	13.30 %
Net Increase/(Decrease) in Net Position	26,246	272,673	14,977	8,317	6,660	55.53 %
Beginning Balance Prior Year End	2,024,805	2,024,805	2,297,478	2,297,478	--	100.00 %
Ending Balance, as of 09/30/2018	\$ 2,051,051	\$ 2,297,478	\$ 2,312,455	\$ 2,305,795	\$ 6,660	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Property and Liability
As of 06/30/2018 and 09/30/2018

	Audited As of 06/30/2018	Activity 07/01/2018 - 09/30/2018	As of 09/30/2018
Assets:			
Current Assets			
Cash with County - #44903	\$ 943,148	(940,000)	\$ 3,148
Funds in Transit - #44903 to Morgan Stanley Investments	--	--	--
Union Bank - Checking #0311	354,122	(28,704)	325,418
Union Bank - Claims Trust #1186	20,676	(7,065)	13,611
Cash and Cash Equivalents	<u>\$ 1,317,946</u>	<u>(975,769)</u>	<u>\$ 342,177</u>
Investments Morgan Stanley - current	--	--	--
Accounts Receivable	6,384	369,936	376,320
Prepaid Expense	--	1,022,546	1,022,546
Interfund Receivable/(payable)	<u>(946,826)</u>	<u>(407,314)</u>	<u>(1,354,140)</u>
Subtotal Current Assets	<u>377,504</u>	<u>9,399</u>	<u>386,903</u>
Noncurrent Assets			
Investments - Morgan Stanley	--	--	--
Capital - Equipment, net of depreciation	<u>--</u>	<u>--</u>	<u>--</u>
	<u>--</u>	<u>--</u>	<u>--</u>
Total Assets	<u>\$ 377,504</u>	<u>\$ 9,399</u>	<u>\$ 386,903</u>
Deferred Outflow of Resources:			
Deferred outflow of resources - pension	<u>47,241</u>	<u>--</u>	<u>47,241</u>
Liabilities:			
Current Liabilities			
Accounts Payable	\$ 1,644	\$ (1,644)	\$ --
Prefunding deposits	--	--	--
Advance Contributions	--	--	--
Other Claim Liabilities	--	--	--
Current Portion of claims and claim adjustment	54,786	27,034	81,820
Subtotal Current Liabilities	<u>56,430</u>	<u>25,390</u>	<u>81,820</u>
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	44,824	22,120	66,944
Unallocated Loss Adjustment Expense (ULAE)	37,838	--	37,838
Subtotal Noncurrent Claim Liabilities	<u>82,662</u>	<u>22,120</u>	<u>104,782</u>
Net Pension Liability (NPL)	<u>69,984</u>	<u>1,137</u>	<u>71,121</u>
Total Liabilities	<u>\$ 209,076</u>	<u>\$ 47,510</u>	<u>\$ 257,724</u>
Deferred Inflow of Resources:			
Deferred inflow of resources - pension	<u>7,977</u>	<u>--</u>	<u>7,977</u>
Net Position:			
Undesignated Net Position - Net Assets/(Deficit)	207,692	(39,249)	168,443
Designated - Capital Assets	<u>--</u>	<u>--</u>	<u>--</u>
Total Net Position	<u>\$ 207,692</u>	<u>\$ (39,249)</u>	<u>\$ 168,443</u>
Total Liabilities, Deferred Pension, and Ending Net Position	<u>\$ 377,504</u>	<u>\$ 8,261</u>	<u>\$ 386,903</u>

Alameda County Schools Insurance Group (ACSIG)
Property and Liability
Statement of Revenues, Expenditures and Changes in Net Fund Assets
As of 09/30/2018 and For The Three Months Then Ended

	2017/2018		2018/2019			
	Budget	Audited Actuals	Budget	Activity 07/01/2018-09/30/2018	Variance	Percentage of Budget
Operating Revenue:						
Premiums Paid by Members	\$ 1,315,098	\$ 1,289,628	\$ 1,479,742	\$ 369,936	\$ 1,109,806	25.00 %
Return of Premiums	--	--	--	--	--	--
Other Income	--	--	--	--	--	--
Total Operating Revenue	1,315,098	1,289,628	1,479,742	369,936	1,109,806	25.00
Operating Expenditures:						
Classified Salaries	17,974	19,808	18,979	3,283	15,696	17.30
Statutory Benefits	4,296	2,627	7,927	512	7,415	6.45
Health & Welfare	1,950	4,751	5,150	788	4,362	15.30
Employer Tax Expense	264	283	322	69	253	21.56
Net Pension Expense	2,516	(13,603)	4,837	2,274	2,563	47.01
Telephone & Internet	350	305	350	63	287	18.03
Supplies Office	200	95	200	15	185	7.35
Supplies - Other	125	164	200	21	179	10.27
Eligibility Processing	--	--	--	--	--	--
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--
Brokerage Fees-Dental-MD	--	--	--	--	--	--
Travel and Conferences	1,100	523	1,100	47	1,053	4.27
Mileage	425	338	425	70	355	16.57
Dues & Memberships	75	81	350	43	307	12.29
Postage & Meter	--	--	--	--	--	--
Insurance Expense-NCR	1,152,652	1,170,873	1,367,296	340,849	1,026,447	24.93
Insurance Expense-PY Adj	--	--	--	--	--	--
Utility - Operating-Rent	1,876	1,821	2,026	459	1,567	22.66
Advertising	100	--	100	--	100	--
Contract Services - Actuarial	425	--	5,425	--	5,425	--
Contract Services -Claim Audit	--	--	--	--	--	--
Contract Services - Legal	--	--	--	--	--	--
Audit Fees	740	675	775	--	775	--
Other Services/Operating Expenses	500	281	500	58	442	11.65
Capital Equipment/Depreciation	125	--	200	--	200	--
Repairs & Maintenance	175	--	175	--	175	--
Legal	100	--	100	--	100	--
Accounting Services	750	721	750	742	8	98.93
County Courier	200	178	200	--	200	--
Shredding	75	42	100	8	92	7.58
Copier & Scanner	100	--	100	--	100	--
Claims Administration Services	--	12,909	20,000	--	20,000	--
Self-Insurance Fee	--	--	--	--	--	--
Claims Paid-WC	--	--	--	--	--	--
Claims Paid-PL	50,000	53,650	100,000	10,749	89,251	10.75
Physical Abilities Testing	--	--	--	--	--	--
Training	--	--	--	--	--	--
First-Aid Program	--	--	--	--	--	--
Food Service Training	--	--	--	--	--	--
Special Ed Training	--	--	--	--	--	--
Incentives	--	--	--	--	--	--
Safety Inspections	12,445	12,445	12,446	--	12,446	--
Bank Charge & WC Penalty Reimb	--	--	--	--	--	--
Cobra Premiums	--	--	--	--	--	--
Dental Insurance Premiums	--	--	--	--	--	--
Vision Insurance Premiums	--	--	--	--	--	--
Claim Development Expense	(10,000)	21,491	--	49,154	(49,154)	--
ACA Fees	--	--	--	--	--	--
Total Operating Expenditures	1,239,538	1,290,457	1,550,033	409,203	1,140,830	26.40 %
Net Increase/(Decrease) from Operations	75,560	(829)	(70,291)	(39,267)	(31,024)	55.86 %
Non Operating Income/(Expense)						
Interest Income	1,500	6,444	1,500	18	1,482	1.20
Net Increase/(Decrease) in Fair Value	--	--	--	--	--	--
Realized Gain/(Loss) on Investments	--	--	--	--	--	--
Cumulative effect of GASB 68	--	--	--	--	--	--
Interfund Transfer, Other Income	--	--	--	--	--	--
Total Non Operating Income/(Expense)	1,500	6,444	1,500	18	1,482	1.20 %
Net Increase/(Decrease) in Net Position	77,060	5,615	(68,791)	(39,249)	(29,542)	57.06 %
Beginning Balance Prior Year End	202,077	202,077	207,692	207,692	--	100.00 %
Ending Balance, as of 09/30/2018	\$ 279,137	\$ 207,692	\$ 138,901	\$ 168,443	\$ (29,542)	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Operations
As of 06/30/2018 and 09/30/2018

	Audited As of 06/30/2018	Activity 07/01/2018 - 09/30/2018	As of 09/30/2018
Assets:			
Current Assets			
Union Bank - Payroll #0176	\$ 48,636	11,659	\$ 60,295
Union Bank Checking Account #1521	52,625	67,752	120,377
Cash and Cash Equivalents	<u>\$ 101,261</u>	<u>79,411</u>	<u>\$ 180,672</u>
Investments Morgan Stanley - current	--	--	--
Accounts Receivable	--	--	--
Prepaid Expense	7,685	(7,685)	--
Interfund Receivable/(payable)	<u>(90,137)</u>	<u>(95,866)</u>	<u>(186,003)</u>
Subtotal Current Assets	<u>18,809</u>	<u>(24,140)</u>	<u>(5,331)</u>
Noncurrent Assets			
Investments - Morgan Stanley	--	--	--
Capital - Equipment, net of depreciation	<u>2,371</u>	<u>(592)</u>	<u>1,779</u>
	<u>2,371</u>	<u>(592)</u>	<u>1,779</u>
Total Assets	<u>\$ 21,180</u>	<u>\$ (24,732)</u>	<u>\$ (3,552)</u>
Deferred Outflow of Resources:			
Deferred outflow of resources - pension	<u>--</u>	<u>--</u>	<u>--</u>
Liabilities:			
Current Liabilities			
Accounts Payable	\$ 24,140	\$ (24,140)	\$ --
Prefunding deposits	--	--	--
Advance Contributions	--	--	--
Other Claim Liabilities	--	--	--
Current Portion of claims and claim adjustment	--	--	--
Subtotal Current Liabilities	<u>24,140</u>	<u>(24,140)</u>	<u>--</u>
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	--	--	--
Subtotal Noncurrent Claim Liabilities	--	--	--
Net Pension Liability (NPL)	--	--	--
Total Liabilities	<u>\$ 24,140</u>	<u>\$ (24,140)</u>	<u>\$ --</u>
Deferred Inflow of Resources:			
Deferred inflow of resources - pension	<u>--</u>	<u>--</u>	<u>--</u>
Net Position:			
Undesignated Net Position - Net Assets/(Deficit)	(5,331)	--	(5,331)
Designated - Capital Assets	<u>2,371</u>	<u>(592)</u>	<u>1,779</u>
Total Net Position	<u>\$ (2,960)</u>	<u>\$ (592)</u>	<u>\$ (3,552)</u>
Total Liabilities, Deferred Pension, and Ending Net Position	<u>\$ 21,180</u>	<u>\$ (24,732)</u>	<u>\$ (3,552)</u>

Alameda County Schools Insurance Group (ACSIG)

Operations

Statement of Revenues, Expenditures and Changes in Net Fund Assets

As of 09/30/2018 and For The Three Months Then Ended

	2017/2018		2018/2019			
	Budget	Audited Actuals	Budget	Activity 07/01/2018-09/30/2018	Variance	Percentage of Budget
Operating Revenue:						
Contributions	\$ --	\$ --	\$ --	\$ --	\$ --	-- %
Offset to Rent - Sub Lease	--	--	--	--	--	--
Total Operating Revenue	--	--	--	--	--	--
Operating Expenditures:						
Classified Salaries	--	--	--	--	--	--
Statutory Benefits	--	--	--	--	--	--
Health & Welfare	--	--	--	--	--	--
Employer Tax Expense	--	--	--	--	--	--
Net Pension 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 -Claim Audit	--	--	--	--	--	--
Contract Services	--	--	--	--	--	--
Audit Fees	--	--	--	--	--	--
Other Services/Operating Expense:	--	--	--	--	--	--
Capital Equipment/Depreciation	--	592	--	592	(592)	--
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	--	--	--	--	--	--
Incentives	--	--	--	--	--	--
Safety Inspections	--	--	--	--	--	--
Bank Charge & WC Penalty Reimb	--	--	--	--	--	--
Cobra Premiums	--	--	--	--	--	--
Dental Insurance Premiums	--	--	--	--	--	--
Insurance - Vision	--	--	--	--	--	--
Claim Development Expense	--	--	--	--	--	--
ACA Fees	--	--	--	--	--	--
Total Operating Expenditures	--	592	--	592	(592)	-- %
Net Increase/(Decrease) from Operations	--	(592)	--	(592)	592	-- %
Non Operating Income/(Expense)						--
Interest Income	--	--	--	--	--	--
Net Increase/(Decrease) in Fair Value	--	--	--	--	--	--
Realized Gain/(Loss) on Investments	--	--	--	--	--	--
Cumulative effect of GASB 68	--	--	--	--	--	--
Interfund Transfer & YE Close	--	--	--	--	--	--
Total Non Operating Income/(Expense)	--	--	--	--	--	-- %
Net Increase/(Decrease) in Net Position	--	(592)	--	(592)	592	-- %
Beginning Balance Prior Year End	(2,368)	(2,368)	(2,960)	(2,960)	--	100.00 %
Ending Balance, as of 09/30/2018	\$ (2,368)	\$ (2,368)	\$ (2,960)	\$ (3,552)	\$ 592	

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Workers' Compensation
As of 09/30/2018

	Self-Insured Program Years												Totals to Page 7A
	1978/1979	1984/1985	1985/1986	1986/1987	1987/1988	1988/1989	1989/1990	1990/1991	1991/1992	1992/1993	1993/1994	1994/1995	
Paid Claims	\$ 916,273	\$ 1,828,533	\$ 2,852,978	\$ 2,810,413	\$ 2,871,397	\$ 4,015,553	\$ 2,948,391	\$ 5,557,258	\$ 5,166,703	\$ 4,083,437	\$ 3,715,177	\$ 4,772,738	\$ 41,538,851
Reserves	--	--	25,228	63,386	36,469	12,603	--	89,257	58,984	193,294	138,641	199,455	817,317
Incurred Claims	916,273	1,828,533	2,878,206	2,873,799	2,907,866	4,028,156	2,948,391	5,646,515	5,225,687	4,276,731	3,853,818	4,972,193	42,356,168
Incurred But Not Reported (IBNR)	32,669	(155)	(8)	126,201	42,134	71,844	51,609	113,485	104,313	183,269	96,182	177,807	999,350
Non- Discounted Estimated Ultimate Incurred (1)	948,942	1,828,378	2,878,198	3,000,000	2,950,000	4,100,000	3,000,000	5,760,000	5,330,000	4,460,000	3,950,000	5,150,000	43,355,518
Anticipated Investment Income (Discount) (2)	(1,927)	155	(1,488)	(11,186)	(4,952)	(5,742)	(3,819)	(16,219)	(14,697)	(36,903)	(23,717)	(39,613)	(160,108)
Discounted Estimated Ultimate (1-2)	947,015	1,828,533	2,876,710	2,988,814	2,945,048	4,094,258	2,996,181	5,743,781	5,315,303	4,423,097	3,926,283	5,110,387	43,195,410
Paid Claims	(916,273)	(1,828,533)	(2,852,978)	(2,810,413)	(2,871,397)	(4,015,553)	(2,948,391)	(5,557,258)	(5,166,703)	(4,083,437)	(3,715,177)	(4,772,738)	(41,538,851)
Remaining Estimated Unpaid Claim Liabilities	\$ 30,742	\$ --	\$ 23,732	\$ 178,401	\$ 73,651	\$ 78,705	\$ 47,790	\$ 186,523	\$ 148,600	\$ 339,660	\$ 211,106	\$ 337,649	\$ 1,656,559

(1) Per Bay Actuarial Consultants actuarial study dated February 2018.

(2) Discounted at 2%, 06/30/2012, 1.5%, 06/30/2014, and 1.5%, 06/30/2015, 2016, 2017 & 09/30/2017. Effective 2018 1.75%.

Historical Discounted Estimated Ultimate Incurred:													
As of 06/30/2006	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
As of 06/30/2007	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
As of 06/30/2008	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
As of 06/30/2009	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
As of 06/30/2010	793,059	1,889,004	2,789,731	2,944,000	2,906,506	4,017,275	2,912,254	5,524,202	5,140,647	4,323,930	3,718,595	5,137,560	42,096,763
As of 06/30/2011	852,621	1,886,310	2,800,604	2,899,286	2,949,183	4,029,712	2,912,357	5,687,163	5,154,464	4,316,645	3,706,533	5,171,358	42,366,236
As of 06/30/2012	865,386	1,891,056	2,829,735	2,939,513	2,664,915	3,978,682	2,914,559	5,840,572	5,219,982	4,364,052	3,687,860	5,166,611	42,362,923
As of 06/30/2013	954,963	1,828,378	2,917,252	3,003,200	2,674,593	4,009,091	2,922,237	5,789,363	5,200,522	4,331,119	3,639,169	5,209,906	42,479,793
As of 06/30/2014	959,089	1,828,378	2,943,554	2,948,967	2,906,382	4,010,866	2,993,154	5,793,307	5,156,348	4,321,092	3,728,346	5,145,562	42,735,045
As of 06/30/2015	959,745	1,828,378	2,944,649	2,957,392	2,916,153	4,077,607	2,993,338	5,759,425	5,259,555	4,304,405	3,847,149	5,130,367	42,978,163
As of 06/30/2016	919,585	1,828,378	2,935,792	2,958,911	2,907,220	4,065,869	2,966,210	5,750,806	5,315,636	4,278,349	3,855,186	5,114,027	42,895,969
As of 06/30/2017	947,318	1,828,378	2,876,895	2,952,342	2,907,650	4,084,897	2,985,063	5,734,186	5,316,245	4,408,281	3,947,076	5,151,520	43,139,851
As of 06/30/2018	947,015	1,828,533	2,876,710	2,988,814	2,945,048	4,094,258	2,996,181	5,743,781	5,315,303	4,423,097	3,926,283	5,110,387	43,195,410
Increase/Decrease	(303)	155	(185)	36,472	37,398	9,361	11,118	9,595	(942)	14,816	(20,793)	(41,133)	55,559

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Workers' Compensation
As of 09/30/2018

	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	\$ 41,538,851	\$ 5,330,180	\$ 7,124,914	\$ 6,817,639	\$ 9,170,230	\$ 7,348,631	\$ 10,741,918	\$ 11,883,424	\$ 99,955,787
Reserves	817,317	198,273	263,804	379,242	1,245,334	432,378	517,204	521,056	4,374,608
Incurred Claims	<u>42,356,168</u>	<u>5,528,453</u>	<u>7,388,718</u>	<u>7,196,881</u>	<u>10,415,564</u>	<u>7,781,009</u>	<u>11,259,122</u>	<u>12,404,480</u>	<u>104,330,395</u>
Incurred But Not Reported (IBNR)	<u>999,350</u>	<u>281,547</u>	<u>441,282</u>	<u>633,119</u>	<u>444,436</u>	<u>738,991</u>	<u>740,878</u>	<u>745,520</u>	<u>5,025,123</u>
Non- Discounted Estimated Ultimate Incurred (1)	43,355,518	5,810,000	7,830,000	7,830,000	10,860,000	8,520,000	12,000,000	13,150,000	109,355,518
Anticipated Investment Income (Discount) (2)	(160,108)	(52,780)	(81,790)	(123,508)	(216,291)	(153,449)	(166,067)	(169,721)	(1,123,714)
Discounted Estimated Ultimate (1-2)	<u>43,195,410</u>	<u>5,757,220</u>	<u>7,748,210</u>	<u>7,706,492</u>	<u>10,643,709</u>	<u>8,366,551</u>	<u>11,833,933</u>	<u>12,980,279</u>	<u>108,231,804</u>
Paid Claims	<u>(41,538,851)</u>	<u>(5,330,180)</u>	<u>(7,124,914)</u>	<u>(6,817,639)</u>	<u>(9,170,230)</u>	<u>(7,348,631)</u>	<u>(10,741,918)</u>	<u>(11,883,424)</u>	<u>(99,955,787)</u>
Remaining Estimated Unpaid Claim Liabilities	<u>\$ 1,656,559</u>	<u>\$ 427,040</u>	<u>\$ 623,296</u>	<u>\$ 888,853</u>	<u>\$ 1,473,479</u>	<u>\$ 1,017,920</u>	<u>\$ 1,092,015</u>	<u>\$ 1,096,855</u>	<u>\$ 8,276,017</u>

(1) Per Bay Actuarial Consultants actuarial study dated February 2018.

(2) Discounted at 2%, 06/30/2012, 1.5%, 06/30/2014, and 1.5%, 06/30/2015, 2016, 2017 & 09/30/2017. Effective 2018 1.75%.

Historical Discounted Estimated Ultimate Incurred:									
As of 06/30/2006	N/A	N/A	N/A	N/A	N/A	6,333,000	8,381,000	7,897,000	N/A
As of 06/30/2007	N/A	N/A	N/A	N/A	N/A	6,651,000	9,924,000	9,258,000	N/A
As of 06/30/2008	N/A	N/A	N/A	N/A	N/A	7,464,000	11,199,000	10,319,000	N/A
As of 06/30/2009	N/A	N/A	N/A	N/A	N/A	7,691,266	12,739,081	11,713,580	N/A
As of 06/30/2010	42,096,763	5,727,741	7,172,192	6,843,071	10,750,070	7,983,737	13,184,486	12,525,480	106,283,540
As of 06/30/2011	42,366,236	5,721,425	7,145,019	7,440,306	11,250,829	8,670,787	13,295,238	12,326,440	108,216,280
As of 06/30/2012	42,362,923	5,641,456	7,470,783	7,427,596	11,162,085	8,724,801	11,904,345	13,678,790	108,372,779
As of 06/30/2013	42,479,793	5,833,514	7,743,609	7,798,325	11,018,070	9,598,230	12,098,931	13,618,383	110,188,855
As of 06/30/2014	42,735,045	5,738,160	7,577,599	7,714,653	11,132,297	8,733,944	11,771,811	13,128,192	108,531,701
As of 06/30/2015	42,978,163	5,752,631	7,584,812	7,808,635	10,993,497	8,806,657	11,818,771	13,083,683	108,826,849
As of 06/30/2016	42,895,969	5,607,306	7,562,358	7,660,593	11,011,641	8,642,537	11,753,128	12,959,861	108,093,393
As of 06/30/2017	43,139,851	5,583,200	7,705,812	7,670,526	10,717,018	8,299,131	11,947,119	13,121,523	108,184,180
As of 06/30/2018	43,195,410	5,757,220	7,748,210	7,706,492	10,643,709	8,366,551	11,833,933	12,980,279	108,231,804
Increase/Decrease	55,559	174,020	42,398	35,966	(73,309)	67,420	(113,186)	(141,244)	47,624

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Workers' Compensation
As of 09/30/2018

		Self-Insured Program Years								As of 09/30/2018 Totals	Activity	
		2002/2003	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	As of 06/30/2018 Totals		07/01/2018 - 09/30/2018	
Totals From Page 7A												
Paid Claims	\$ 99,955,787	\$ 9,972,346	\$ 6,009,030	\$ 5,500,678	\$ 8,621,934	\$ 8,379,487	\$ 8,461,407	\$ 8,866,968	\$ 155,767,637	\$ 155,587,284	\$ 180,353	
Reserves	4,374,608	415,595	276,156	242,770	680,886	567,497	621,721	199,186	7,378,419	7,442,273	(63,854)	
Incurred Claims	104,330,395	10,387,941	6,285,186	5,743,448	9,302,820	8,946,984	9,083,128	9,066,154	163,146,056	163,029,557	116,499	
Incurred But Not Reported (IBNR)	5,025,123	432,059	514,814	376,552	1,087,180	463,016	576,872	653,846	9,129,462	9,245,961	(116,499)	
Non- Discounted Estimated Ultimate Incurred (1)	109,355,518	10,820,000	6,800,000	6,120,000	10,390,000	9,410,000	9,660,000	9,720,000	172,275,518	172,275,518	--	
Anticipated Investment Income												
(Discount) (2)	(1,123,714)	(116,976)	(109,945)	(90,421)	(259,906)	(157,668)	(178,590)	(125,396)	(2,162,616)	(2,186,139)	23,523	
Discounted Estimated Ultimate (1-2)	108,231,804	10,703,024	6,690,055	6,029,579	10,130,094	9,252,332	9,481,410	9,594,604	170,112,902	170,089,379	23,523	
Paid Claims	(99,955,787)	(9,972,346)	(6,009,030)	(5,500,678)	(8,621,934)	(8,379,487)	(8,461,407)	(8,866,968)	(155,767,637)	(155,587,284)	(180,353)	
Remaining Estimated Unpaid Claim Liabilities	\$ 8,276,017	\$ 730,678	\$ 681,025	\$ 528,901	\$ 1,508,160	\$ 872,845	\$ 1,020,003	\$ 727,636	\$ 14,345,265	\$ 14,502,095	\$ (156,830)	
(1) Per Bay Actuarial Consultants actuarial study dated February 2018.									Estimated Current Portion /Short-Term Liability (1)	(1,740,000)		
(2) Discounted at 2%, 06/30/2012, 1.5%, 06/30/2014, and 1.5%, 06/30/2015, 2016, 2017 & 09/30/2017. Effective 2018 1.75%.									Estimated Non-Current portion of Claim Liabilities	\$ 12,605,265		
Historical Discounted Estimated Ultimate Incurred:										Claim Development Expense		
As of 06/30/2006	N/A	6,787,000	4,378,000	2,665,000	1,943,000	--	--	--	N/A	Claim Liabilities	\$ (156,830)	
As of 06/30/2007	N/A	7,677,000	5,299,000	3,502,000	3,727,000	3,498,000	--	--	N/A	ULAE	--	
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	Castlepoint		
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	Reinsurance		
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	Insolvency	-	
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		\$ (156,830)	
As of 06/30/2012	108,372,779	11,103,705	7,180,516	6,779,730	9,113,232	10,061,847	10,833,352	11,378,258	174,823,419			
As of 06/30/2013	110,188,855	10,710,077	7,136,860	6,043,782	8,435,497	9,522,890	10,141,142	10,501,500	172,680,603			
As of 06/30/2014	108,531,701	10,454,102	6,798,117	6,067,506	10,203,448	9,772,238	10,362,281	10,585,137	172,774,530			
As of 06/30/2015	108,826,849	10,457,705	6,920,842	6,214,866	10,347,509	9,539,023	9,859,233	10,469,961	172,635,988			
As of 06/30/2016	108,093,393	10,531,877	6,860,336	6,223,567	10,366,713	9,216,061	9,639,692	10,101,017	171,032,656			
As of 06/30/2017	108,184,180	10,716,918	6,817,755	5,896,649	10,214,975	9,198,996	9,520,490	9,943,375	170,493,338			
As of 06/30/2018	108,231,804	10,703,024	6,690,055	6,029,579	10,130,094	9,252,332	9,481,410	9,594,604	170,112,902			
Increase/Decrease	47,624	(13,894)	(127,700)	132,930	(84,881)	53,336	(39,080)	(348,771)	(380,436)			

Claim Development Expense		
Claim Liabilities	\$	(156,830)
ULAE		- -
Castlepoint		
Reinsurance		
Insolvency		-
	\$	(156,830)

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Property Liability
As of 09/30/2018

	Self-Insured Program Years										As of 09/30/2018	Activity	
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019		As of 06/30/2018	07/01/2018 - 09/30/2018
Paid Claims	\$ 39,048	\$ 33,141	\$ 96,543	\$ 125,045	\$ 20,000	\$ 18,078	\$ 52,777	\$ 20,000	\$ 5,873	\$ - -	\$ 410,505	\$ 452,853	\$ (42,348)
Reserves	(0)	0	0	(0)	- -	(0)	20,000	20,000	57,348	20,000	117,348	96,779	20,569
Incurred Claims	39,048	33,141	96,543	125,045	20,000	18,078	72,777	40,000	63,221	20,000	527,853	549,632	(21,779)
Incurred But Not Reported (IBNR)	- -	- -	- -	- -	- -	- -	(0)	968	1,779	30,000	32,747	3,968	28,779
Non- Discounted Estimated Ultimate Incurred (1)	39,048	33,141	96,543	125,045	20,000	18,078	72,777	(3) 40,968	(3) 65,000	(3) 50,000	560,600	553,600	7,000
Anticipated Investment Income (Discount) (2)	- -	(0)	- -	- -	- -	- -	(167)	(252)	(495)	(418)	(1,332)	(1,137)	(195)
Discounted Estimated Ultimate (1-2)	39,048	33,141	96,543	125,045	20,000	18,078	72,610	40,716	64,505	49,582	559,268	552,463	6,805
Paid Claims	(39,048)	(33,141)	(96,543)	(125,045)	(20,000)	(18,078)	(52,777)	(20,000)	(5,873)	- -	(410,505)	(452,853)	42,348
Remaining Estimated Unpaid Claim Liabilities	\$ - -	\$ - -	\$ - -	\$ - -	\$ - -	\$ - -	\$ 19,833	\$ 20,716	\$ 58,632	\$ 49,582	\$ 148,763	\$ 99,610	\$ 49,153
Estimated Current Portion /Short-Term Liability (1), paid claims factor of .65											(81,820)		
Estimated Non-Current portion of Claim Liabilities											\$ 66,943		

(1) Per Bay Actuarial Consultants actuarial study dated February 2017. 2017/2018 Estimated based upon budget.

(2) Discounted at 1.0%.

(3) Not adjusted for negative IBNR, based upon Actuarial report, maybe adjusted at year end if incurred has not been reduced.

Historical Estimated Ultimate Incurred:												
As of 06/30/2011	63,001	80,193	- -	- -	- -	- -	- -	- -	- -	- -	143,194	
As of 06/30/2012	63,001	80,193	77,802	- -	- -	- -	- -	- -	- -	- -	220,996	
As of 06/30/2013	49,777	62,638	115,793	108,539	- -	- -	- -	- -	- -	- -	336,747	
As of 06/30/2014	49,777	37,638	100,792	148,539	111,900	- -	- -	- -	- -	- -	566,153	
As of 06/30/2015	48,738	33,141	96,543	126,562	20,863	32,843	- -	- -	- -	- -	566,153	
As of 06/30/2016	39,048	33,141	96,543	126,562	20,863	7,843	25,000	- -	- -	- -	349,000	
As of 06/30/2017	39,048	33,141	96,543	125,045	20,000	18,078	51,345	54,069	- -	- -	437,269	
As of 06/30/2018	39,048	33,141	96,543	125,045	20,000	18,078	72,777	40,968	63,000	- -	508,600	
As of 06/30/2018	39,048	33,141	96,543	125,045	20,000	18,078	72,777	40,968	65,000	50,000	560,600	
Increase/Decrease	- -	- -	- -	- -	- -	- -	- -	- -	2,000	50,000	52,000	

Claim Development Expense		
Claim Liabilities	\$	49,153
and ULAE		- -
Increase	\$	49,153

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

www.treasurer.ca.gov/pmia-laif/laif.asp

October 01, 2018

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP

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

PMIA Average Monthly Yields

Account Number:
35-01-001

Tran Type Definitions

September 2018 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	3,230,165.62
Total Withdrawal:	0.00	Ending Balance:	3,230,165.62



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 of Directors

FROM: Kimberly Dennis

DATE: November 8, 2018

SUBJECT: 2018/2019 First 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. Although investment strategies are limited, I am pleased to say the portfolio has yielded over \$1 million in revenue.

Enclosed is ACSIG's first quarterly investment report. A representative from Morgan Stanley Wealth Management will be in attendance to address this item and outline the current investment strategy. The Board will be asked to approve this report.

Morgan Stanley

October 8, 2018

ACSIG – Alameda County Schools Insurance Group

Dear Board:

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

Time Weighted Performance Summary (Net of fees) – September 30, 2018

Total Ending Value \$16,173,386.50

Rolling Periods

Quarter to Date	0.26%
Year to Date	-0.03%
Last 12 Months	-0.43%
Last 3 Years	0.34%
Last 5 Years	0.70%
Since Inception (annualized %)	0.97%

Calendar Years

2018 YTD	-0.03%
2017	0.59%
2016	0.99%
2015	0.87%
2014	1.01%
2013	-0.03%
2012	2.44%
2011	1.91%
2010 (partial year)	0.29%

Fiscal Years

2018-19	0.26%
2017-18	-0.42%
2016-17	-0.35%
2015-16	2.13%
2014-15	1.09%
2013-14	1.32%
2012-13	0.48%
2011-12	1.75%

Morgan Stanley uses Interactive Data Concepts (IDC) for its bond pricing services. More details on the portfolio summary are attached and can also be found in the monthly statements.

Please contact me with any questions.

Sincerely,



Cary M. Allison, CIMA®

Senior Institutional Consultant, U.S. Government Entity Specialist

www.morganstanley.com

cary.allison@morganstanley.com

Attachment

Fixed Income Report

Prepared on October 05, 2018 for:

ACSIG - Alameda County Schools Ins Group

Account No. 171-XXX349

ALAMEDA COUNTY SCHOOLS INS GROUP

ATTENTION: KIMBERLY DENNIS

P O BOX 2487

DUBLIN CA 94568-0710

Cary Allison

Financial Advisor

Senior Vice President

Tel: +1 916 797-7742

Cary.Allison@morganstanley.com

Your Branch:

1478 STONE POINT DR SUITE 500

ROSEVILLE, CA 95661

TABLE OF CONTENTS

Account(s) Included In This Report	3
Investment Summary	4
Time Weighted Performance Summary	5
Time Weighted Performance By Period - Advisory Assets Only	6
Risk Vs. Return	8
Positions: Fixed Income Detail	9
Disclosures	15

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

ACCOUNT(S) INCLUDED IN THIS REPORT

Alameda County Schools Ins Group 171-XXX349 - Western Asset - Gov... Reporting Currency: USD

MORGAN STANLEY WEALTH MANAGEMENT

Account Name	Account Type/ Manager Name	Advisory/ Brokerage	Account Number	Date Opened	Date Closed
Alameda County Schools Ins Group	Western Asset - Gov Sec Mgmt 3 year CES	Advisory	171-XXX349	04/27/10	-

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

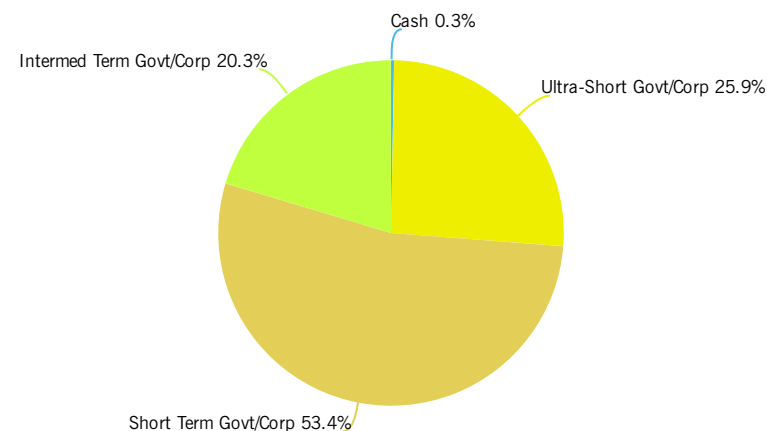
Alameda County Schools Ins Group 171-XXX349 - Western Asset - Gov...

As of September 30, 2018 | Reporting Currency: USD

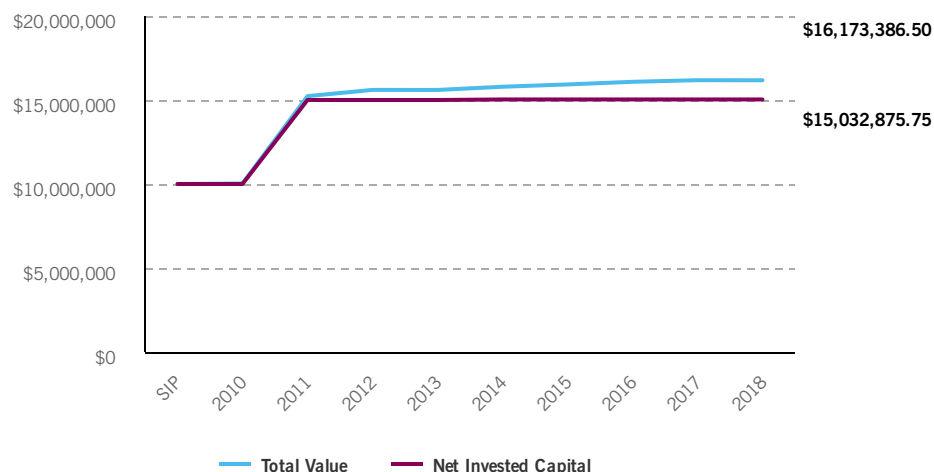
TIME-WEIGHTED RETURN % (NET OF FEES)

	Quarter to Date (\$) 06/30/18-09/30/18	Custom Period (\$) 06/30/18-09/30/18	Performance Inception (\$) 07/12/10-09/30/18
Beginning Total Value	16,131,338.11	16,131,338.11	9,999,850.00
Net Contributions/Withdrawals	0.00	0.00	5,033,025.75
Investment Earnings	42,048.40	42,048.40	1,140,510.75
Ending Total Value	16,173,386.50	16,173,386.50	16,173,386.50
TIME WEIGHTED RATE OF RETURN (Annualized for periods over 12 months)			
Return % (Net of Fees)	0.26	0.26	0.97
BC Gov 1-3 Yr	0.20	0.20	0.70
BC Gov/Cr 1-5 yr	0.26	0.26	1.44
Citi T-Bill 6 Month	0.52	0.52	0.39

ASSET ALLOCATION

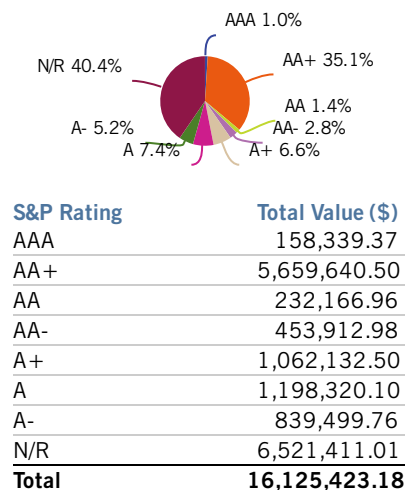


TOTAL VALUE VS. NET INVESTED CAPITAL



Does not include Performance Ineligible Assets.

FIXED INCOME QUALITY AND MATURITY



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

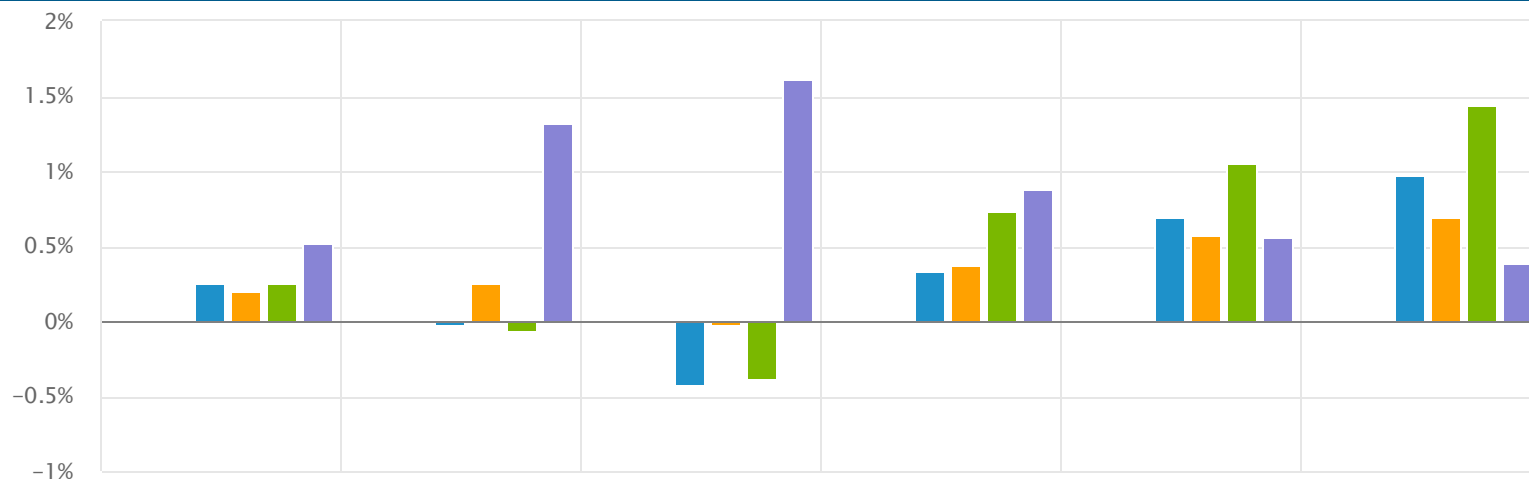
The investment returns shown on this page are time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals.

TIME WEIGHTED PERFORMANCE SUMMARY

Alameda County Schools Ins Group 171-XXX349 - Western Asset - Gov...

As of September 30, 2018 | Reporting Currency: USD

RETURN % (NET OF FEES) VS. BENCHMARKS



	Quarter to Date 06/30/18 - 09/30/18	Year to Date 12/31/17 - 09/30/18	Last 12 Months 09/30/17 - 09/30/18	Last 3 Years 09/30/15 - 09/30/18	Last 5 Years 09/30/13 - 09/30/18	Performance Inception 07/12/10 - 09/30/18
Beginning Total Value (\$)	16,131,338.11	16,178,410.09	16,243,278.19	16,009,547.07	15,588,728.38	9,999,850.00
Net Contributions/Withdrawals (\$)	0.00	0.00	0.00	0.00	32,875.75	5,033,025.75
Investment Earnings (\$)	42,048.40	-5,023.59	-69,891.69	163,839.43	551,782.37	1,140,510.75
Ending Total Value (\$)	16,173,386.50	16,173,386.50	16,173,386.50	16,173,386.50	16,173,386.50	16,173,386.50
Return % (Net of Fees)	0.26	-0.03	-0.43	0.34	0.70	0.97
BC Gov 1-3 Yr (%)	0.20	0.26	-0.01	0.38	0.57	0.70
BC Gov/Cr 1-5 yr (%)	0.26	-0.07	-0.38	0.73	1.06	1.44
Citi T-Bill 6 Month (%)	0.52	1.32	1.62	0.88	0.56	0.39

The investment returns shown on this page are time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals.

TIME WEIGHTED PERFORMANCE BY PERIOD - ADVISORY ASSETS ONLY

Alameda County Schools Ins Group 171-XXX349 - Western Asset - Gov...

As of September 30, 2018 | Reporting Currency: USD

RETURN % (NET OF FEES) VS. BENCHMARKS

From 07/12/2010 - 09/30/2018

Period	Beginning Total Value (\$)	Net Contributions/ Withdrawals (\$)	Investment Earnings (\$)	Ending Total Value (\$)	Period Returns%			
					Portfolio (Net Of Fees)	BC Gov 1-3 Yr	BC Gov/Cr 1-5 yr	Citi T-Bill 6 Month
2018 (YTD)	16,178,410.09	0.00	-5,023.59	16,173,386.50	-0.03	0.26	-0.07	1.32
2017	16,082,980.87	0.00	95,429.22	16,178,410.09	0.59	0.45	1.27	0.88
4QTR	16,243,278.19	0.00	-64,868.10	16,178,410.09	-0.40	-0.27	-0.30	0.30
3QTR	16,198,635.43	0.00	44,642.77	16,243,278.19	0.28	0.24	0.43	0.25
2QTR	16,137,758.08	0.00	60,877.35	16,198,635.43	0.38	0.20	0.56	0.19
1QTR	16,082,980.87	0.00	54,777.20	16,137,758.08	0.34	0.28	0.57	0.14
2016	15,926,083.41	0.00	156,897.47	16,082,980.87	0.99	0.87	1.56	0.40
4QTR	16,240,430.74	0.00	-157,449.87	16,082,980.87	-0.97	-0.45	-1.05	0.11
3QTR	16,255,106.57	0.00	-14,675.83	16,240,430.74	-0.09	-0.10	0.04	0.10
2QTR	16,150,162.43	0.00	104,944.15	16,255,106.57	0.65	0.52	0.98	0.11
1QTR	15,926,083.41	0.00	224,079.02	16,150,162.43	1.41	0.89	1.61	0.08
2015	15,789,357.87	0.00	136,725.54	15,926,083.41	0.87	0.57	0.97	0.10
4QTR	16,009,547.07	0.00	-83,463.67	15,926,083.41	-0.52	-0.43	-0.57	0.04
3QTR	15,915,884.25	0.00	93,662.82	16,009,547.07	0.59	0.32	0.60	0.03
2QTR	15,924,833.29	0.00	-8,949.04	15,915,884.25	-0.06	0.15	-0.02	0.02
1QTR	15,789,357.87	0.00	135,475.42	15,924,833.29	0.86	0.54	0.96	0.02
2014	15,597,806.94	32,875.75	158,675.18	15,789,357.87	1.01	0.64	1.42	0.06
4QTR	15,731,323.54	0.00	58,034.33	15,789,357.87	0.37	0.19	0.41	0.01
3QTR	15,711,381.44	32,875.75	-12,933.65	15,731,323.54	-0.08	0.03	-0.05	0.01
2QTR	15,638,820.00	0.00	72,561.44	15,711,381.44	0.46	0.27	0.65	0.02
1QTR	15,597,806.94	0.00	41,013.06	15,638,820.00	0.26	0.14	0.40	0.02
2013	15,600,964.10	0.00	-3,157.16	15,597,806.94	-0.03	0.37	0.28	0.10
4QTR	15,588,728.38	0.00	9,078.56	15,597,806.94	0.06	0.07	0.14	0.02
3QTR	15,506,118.74	0.00	82,609.64	15,588,728.38	0.53	0.29	0.63	0.02
2QTR	15,618,935.48	0.00	-112,816.74	15,506,118.74	-0.72	-0.11	-0.75	0.03

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

The investment returns shown on this page are time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals.

TIME WEIGHTED PERFORMANCE BY PERIOD - ADVISORY ASSETS ONLY

Alameda County Schools Ins Group 171-XXX349 - Western Asset - Gov...

As of September 30, 2018 | Reporting Currency: USD

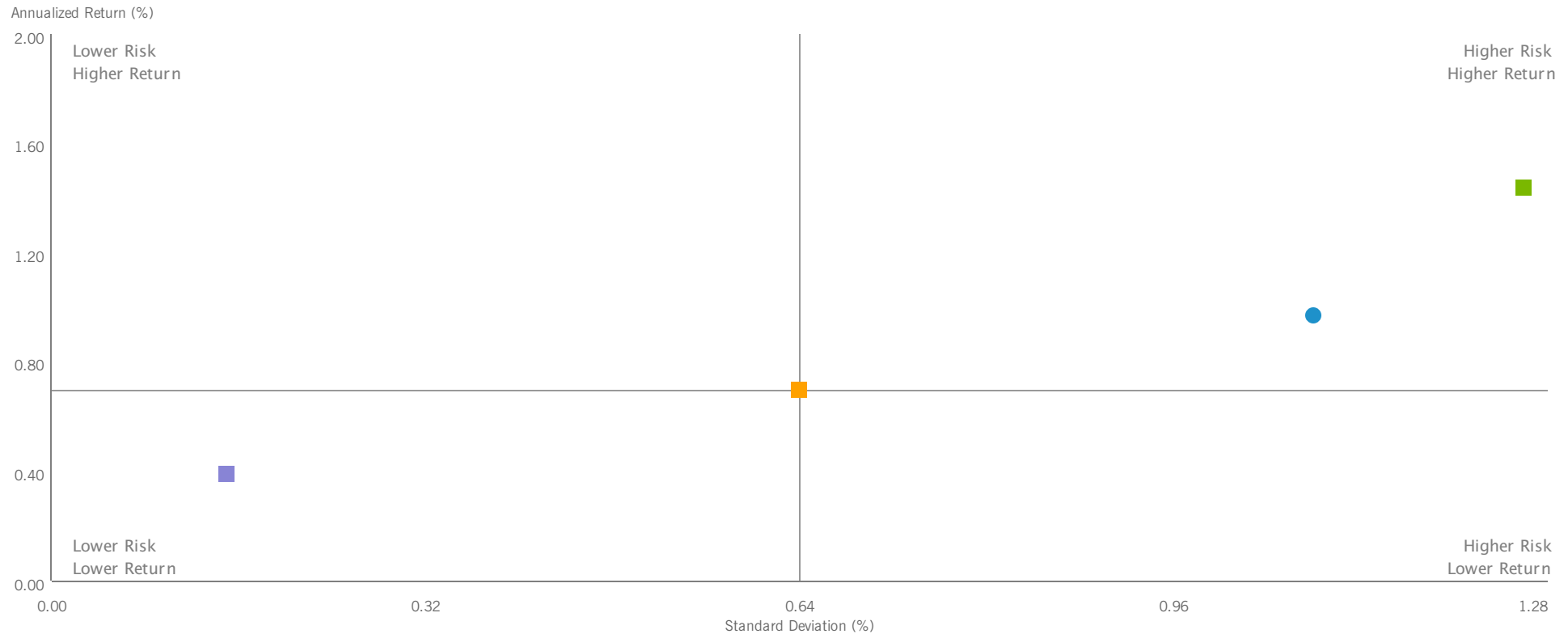
RETURN % (NET OF FEES) VS. BENCHMARKS (Continued)

Period	Beginning Total Value (\$)	Net Contributions/ Withdrawals (\$)	Investment Earnings (\$)	Ending Total Value (\$)	Period Returns%			
					Portfolio (Net Of Fees)	BC Gov 1-3 Yr	BC Gov/Cr 1-5 yr	Citi T-Bill 6 Month
1QTR	15,600,964.10	0.00	17,971.38	15,618,935.48	0.11	0.12	0.27	0.03
2012	15,229,289.11	0.00	371,674.99	15,600,964.10	2.44	0.51	2.24	0.11
4QTR	15,574,837.84	0.00	26,126.26	15,600,964.10	0.17	0.07	0.20	0.04
3QTR	15,431,234.53	0.00	143,603.31	15,574,837.84	0.93	0.26	0.89	0.03
2QTR	15,363,956.06	0.00	67,278.47	15,431,234.53	0.43	0.20	0.59	0.02
1QTR	15,229,289.11	0.00	134,666.95	15,363,956.06	0.88	-0.02	0.54	0.02
2011	10,028,996.97	5,000,000.00	200,292.14	15,229,289.11	1.91	1.56	3.14	0.14
4QTR	10,184,368.27	5,000,000.00	44,920.84	15,229,289.11	0.36	0.21	0.43	0.02
3QTR	10,177,172.05	0.00	7,196.22	10,184,368.27	0.07	0.47	0.91	0.03
2QTR	10,049,163.76	0.00	128,008.29	10,177,172.05	1.27	0.81	1.49	0.04
1QTR	10,028,996.97	0.00	20,166.79	10,049,163.76	0.20	0.06	0.27	0.05
2010 Performance Inception: 07/12/2010	9,999,850.00	150.00	28,996.97	10,028,996.97	0.29	0.53	1.03	0.11
4QTR	10,078,017.02	0.00	-49,020.05	10,028,996.97	-0.49	-0.13	-0.60	0.05
3QTR Performance Inception: 07/12/2010	9,999,850.00	150.00	78,017.02	10,078,017.02	0.78	0.66	1.64	0.05

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

The investment returns shown on this page are time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals.

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



	Return % (Net of Fees) 07/12/10-09/30/18	Standard Deviation (%) 07/12/10-09/30/18
● Portfolio	0.97	1.08
■ BC Gov 1-3 Yr	0.70	0.64
■ BC Gov/Cr 1-5 yr	1.44	1.26
■ Citi T-Bill 6 Month	0.39	0.15

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.

POSITIONS: FIXED INCOME DETAIL

Alameda County Schools Ins Group 171-XXX349 - Western Asset - Gov...

As of September 30, 2018 | Reporting Currency: USD

CORPORATE FIXED INCOME

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Total Value	Unrealized Gain/Loss	Current Yield / Yield on Cost	% of Fixed Income
3M CO	\$81,099.63	\$81,000.00	\$95.53	\$77,382.54	-\$3,677.77	1.70%	0.48%
	\$81,060.31			\$77,422.76		1.62%	
<i>Cusip: 88579YAU5, Moody's Rating: A1, S & P Rating: AA-, Maturity Date: 9/19/2021, Coupon: 1.625, Call Date: 8/19/2021, Call Price: 100.000, Accrued Interest: \$40.218</i>							
AMERICAN EXPRESS CREDIT CORP	162,308.79	159,000.00	97.43	154,918.47	-6,638.60	2.77	0.96
	161,557.07			155,240.45		2.64	
<i>Cusip: 0258MOEGO, Moody's Rating: A2, S & P Rating: A-, Maturity Date: 3/3/2022, Coupon: 2.700, Call Date: 2/1/2022, Call Price: 100.000, Accrued Interest: \$321.975</i>							
APPLE INC	161,204.46	157,000.00	98.28	154,305.88	-5,982.66	2.74	0.97
	160,288.54			155,919.06		2.62	
<i>Cusip: 037833BF6, Moody's Rating: AA1, S & P Rating: AA+, Maturity Date: 5/13/2022, Coupon: 2.700, Accrued Interest: \$1613.175</i>							
BANK OF AMERICA CORP	161,382.40	160,000.00	98.79	158,067.20	-2,939.51	2.65	0.99
	161,006.71			159,945.53		2.60	
<i>Cusip: 06051GFT1, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 10/19/2020, Coupon: 2.625, Accrued Interest: \$1878.333</i>							
BANK OF NEW YORK MELLON CORP/THE	158,589.34	158,000.00	99.88	157,813.56	-239.91	2.10	0.98
	158,053.47			158,504.81		2.09	
<i>Cusip: 06406HCP2, Moody's Rating: A1, S & P Rating: A, Maturity Date: 1/15/2019, Coupon: 2.100, Call Date: 12/15/2018, Call Price: 100.000, Accrued Interest: \$691.248</i>							
BB&T CORP	80,095.73	79,000.00	99.25	78,403.55	-1,143.83	2.46	0.49
	79,547.38			78,806.78		2.41	
<i>Cusip: 05531FAS2, Moody's Rating: A2, S & P Rating: A-, Maturity Date: 1/15/2020, Coupon: 2.450, Call Date: 12/15/2019, Call Price: 100.000, Accrued Interest: \$403.229</i>							
BERKSHIRE HATHAWAY INC	158,767.82	157,000.00	99.49	156,199.30	-1,201.89	2.11	0.97
	157,401.19			156,620.58		2.08	
<i>Cusip: 084670BL1, Moody's Rating: AA2, S & P Rating: AA, Maturity Date: 8/14/2019, Coupon: 2.100, Accrued Interest: \$421.283</i>							
BURLINGTON NORTHERN SANTA FE LLC	79,962.19	77,000.00	98.94	76,185.34	-3,116.58	3.08	0.47
	79,301.92			76,283.19		2.94	
<i>Cusip: 12189LAH4, Moody's Rating: A3, S & P Rating: A+, Maturity Date: 3/15/2022, Coupon: 3.050, Call Date: 12/15/2021, Call Price: 100.000, Accrued Interest: \$97.854</i>							
CATERPILLAR FINANCIAL SERVICESCORP	79,058.21	77,000.00	99.58	76,679.68	-812.79	2.10	0.48
	77,492.47			77,178.25		2.04	
<i>Cusip: 14912L6B2, Moody's Rating: A3, S & P Rating: A, Maturity Date: 6/9/2019, Coupon: 2.100, Accrued Interest: \$498.574</i>							
CHEVRON CORP	72,897.83	71,000.00	98.80	70,149.42	-1,783.41	2.44	0.44
	71,932.83			70,783.94		2.35	
<i>Cusip: 166764AY6, Moody's Rating: AA2, S & P Rating: AA-, Maturity Date: 11/17/2020, Coupon: 2.419, Call Date: 10/17/2020, Call Price: 100.000, Accrued Interest: \$634.517</i>							
CHUBB INA HOLDINGS INC	123,061.95	121,000.00	98.18	118,799.01	-3,266.05	2.34	0.74
	122,065.06			119,935.40		2.26	
<i>Cusip: 00440EAT4, Moody's Rating: A3, S & P Rating: A, Maturity Date: 11/3/2020, Coupon: 2.300, Call Date: 10/3/2020, Call Price: 100.000, Accrued Interest: \$1136.391</i>							

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

POSITIONS: FIXED INCOME DETAIL

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CORPORATE FIXED INCOME (Continued)

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Total Value	Unrealized Gain/Loss	Current Yield / Yield on Cost	% of Fixed Income
CISCO SYSTEMS INC	79,200.66	77,000.00	102.00	78,542.31	-156.92	4.36	0.49
	78,699.23			79,256.16		4.32	
<i>Cusip: 17275RAH5, Moody's Rating: A1, S & P Rating: AA-, Maturity Date: 1/15/2020, Coupon: 4.450, Accrued Interest: \$713.854</i>							
COCA-COLA CO/THE	81,082.40	80,000.00	97.80	78,236.00	-2,285.18	1.91	0.49
	80,521.18			78,873.50		1.84	
<i>Cusip: 191216BT6, Moody's Rating: AA3, S & P Rating: A+, Maturity Date: 10/27/2020, Coupon: 1.875, Accrued Interest: \$637.500</i>							
COMCAST CORP	156,366.66	139,000.00	102.81	142,910.07	-1,552.47	5.00	0.89
	144,462.54			143,486.73		4.57	
<i>Cusip: 20030NBA8, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 3/1/2020, Coupon: 5.150, Accrued Interest: \$576.657</i>							
COSTCO WHOLESALE CORP	81,574.40	80,000.00	98.65	78,920.00	-1,655.21	1.72	0.49
	80,575.21			79,316.67		1.66	
<i>Cusip: 22160KAF2, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 12/15/2019, Coupon: 1.700, Accrued Interest: \$396.666</i>							
EXXON MOBIL CORP	162,744.45	159,000.00	98.01	155,840.67	-5,131.40	2.26	0.97
	160,972.07			156,125.27		2.16	
<i>Cusip: 30231GAV4, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 3/1/2021, Coupon: 2.222, Call Date: 2/1/2021, Call Price: 100.000, Accrued Interest: \$284.600</i>							
GENERAL ELECTRIC CO	159,406.14	141,000.00	103.03	145,275.12	-4,845.76	4.48	0.91
	150,120.88			146,778.63		4.08	
<i>Cusip: 36962G4Y7, Moody's Rating: A2, S & P Rating: A, Maturity Date: 1/7/2021, Coupon: 4.625, Accrued Interest: \$1503.510</i>							
HOME DEPOT INC/THE	80,576.84	79,000.00	99.64	78,711.65	-566.42	2.00	0.49
	79,278.07			79,172.48		1.95	
<i>Cusip: 437076BE1, Moody's Rating: A2, S & P Rating: A, Maturity Date: 6/15/2019, Coupon: 2.000, Call Date: 5/15/2019, Call Price: 100.000, Accrued Interest: \$460.833</i>							
HONEYWELL INTERNATIONAL INC	80,569.08	81,000.00	98.56	79,831.17	-737.91	1.42	0.50
	80,569.08			80,303.67		1.41	
<i>Cusip: 438516BJ4, Moody's Rating: A2, S & P Rating: A, Maturity Date: 10/30/2019, Coupon: 1.400, Accrued Interest: \$472.500</i>							
INTEL CORP	79,932.20	79,000.00	99.23	78,394.07	-969.79	2.46	0.49
	79,363.86			78,722.03		2.41	
<i>Cusip: 458140AQ3, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 7/29/2020, Coupon: 2.450, Accrued Interest: \$327.959</i>							
JOHN DEERE CAPITAL CORP	80,480.46	79,000.00	99.75	78,799.34	-439.97	2.25	0.49
	79,239.31			79,604.15		2.20	
<i>Cusip: 24422ERR2, Moody's Rating: A2, S & P Rating: A, Maturity Date: 4/17/2019, Coupon: 2.250, Accrued Interest: \$804.812</i>							
JOHNSON & JOHNSON	81,111.78	81,000.00	97.98	79,362.99	-1,716.63	1.99	0.50
	81,079.62			79,977.24		1.95	
<i>Cusip: 478160CH5, Moody's Rating: AAA, S & P Rating: AAA, Maturity Date: 11/10/2020, Coupon: 1.950, Accrued Interest: \$614.250</i>							

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POSITIONS: FIXED INCOME DETAIL

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CORPORATE FIXED INCOME (Continued)

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Total Value	Unrealized Gain/Loss	Current Yield / Yield on Cost	% of Fixed Income
JPMORGAN CHASE & CO	160,541.52	148,000.00	103.15	152,662.00	-4,175.08	4.48	0.96
	156,837.08			155,323.94		4.26	
<i>Cusip: 46625HHZ6, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 5/10/2021, Coupon: 4.625, Accrued Interest: \$2661.944</i>							
KIMBERLY-CLARK CORP	80,443.20	80,000.00	99.56	79,648.00	-425.89	1.40	0.50
	80,073.89			79,788.00		1.39	
<i>Cusip: 494368BT9, Moody's Rating: A2, S & P Rating: A, Maturity Date: 2/15/2019, Coupon: 1.400, Accrued Interest: \$140.000</i>							
MASTERCARD INC	159,790.89	161,000.00	96.65	155,609.72	-4,181.17	2.06	0.97
	159,790.89			156,763.55		2.01	
<i>Cusip: 57636QAF1, Moody's Rating: A2, S & P Rating: A, Maturity Date: 11/21/2021, Coupon: 2.000, Call Date: 10/21/2021, Call Price: 100.000, Accrued Interest: \$1153.832</i>							
MICROSOFT CORP	80,922.40	80,000.00	97.64	78,108.80	-2,612.29	2.43	0.49
	80,721.09			78,362.13		2.35	
<i>Cusip: 594918BA1, Moody's Rating: AAA, S & P Rating: AAA, Maturity Date: 2/12/2022, Coupon: 2.375, Call Date: 1/12/2022, Call Price: 100.000, Accrued Interest: \$253.333</i>							
OCCIDENTAL PETROLEUM CORP	80,446.14	74,000.00	101.75	75,297.96	-1,991.14	4.02	0.47
	77,289.10			75,795.20		3.76	
<i>Cusip: 674599BY0, Moody's Rating: A3, S & P Rating: A, Maturity Date: 2/1/2021, Coupon: 4.100, Call Date: 11/1/2020, Call Price: 100.000, Accrued Interest: \$497.239</i>							
ORACLE CORP	80,280.59	79,000.00	97.33	76,890.70	-3,126.96	2.56	0.48
	80,017.66			77,631.33		2.45	
<i>Cusip: 68389XBB0, Moody's Rating: A1, S & P Rating: AA-, Maturity Date: 5/15/2022, Coupon: 2.500, Call Date: 3/15/2022, Call Price: 100.000, Accrued Interest: \$740.625</i>							
PACCAR FINANCIAL CORP	80,148.69	81,000.00	98.55	79,824.69	-324.00	1.21	0.50
	80,148.69			79,954.29		1.21	
<i>Cusip: 69371RN36, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 8/12/2019, Coupon: 1.200, Accrued Interest: \$129.599</i>							
PEPSICO INC	161,270.40	160,000.00	99.94	159,910.40	-375.35	2.25	1.00
	160,285.75			160,740.40		2.23	
<i>Cusip: 713448CK2, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 1/7/2019, Coupon: 2.250, Call Date: 12/7/2018, Call Price: 100.000, Accrued Interest: \$830.000</i>							
PNC FINANCIAL SERVICES GROUP INC/THE	158,731.86	142,000.00	102.57	145,645.14	-1,685.49	4.99	0.91
	147,330.63			146,696.33		4.58	
<i>Cusip: 693476BJ1, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 2/8/2020, Coupon: 5.125, Accrued Interest: \$1051.193</i>							
PROCTER & GAMBLE CO/THE	151,176.89	149,000.00	99.09	147,647.08	-1,865.09	1.91	0.92
	149,512.17			148,818.80		1.87	
<i>Cusip: 742718EGO, Moody's Rating: AA3, S & P Rating: AA-, Maturity Date: 11/1/2019, Coupon: 1.900, Accrued Interest: \$1171.718</i>							
STATE STREET CORP	72,450.70	70,000.00	99.23	69,460.30	-1,666.26	2.56	0.43
	71,126.56			69,668.55		2.45	
<i>Cusip: 857477AS2, Moody's Rating: A1, S & P Rating: A, Maturity Date: 8/18/2020, Coupon: 2.550, Accrued Interest: \$208.250</i>							

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POSITIONS: FIXED INCOME DETAIL

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CORPORATE FIXED INCOME (Continued)

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Total Value	Unrealized Gain/Loss	Current Yield / Yield on Cost	% of Fixed Income
TARGET CORP	79,705.05	73,000.00	101.70	74,238.08	-1,710.18	3.81	0.46
	75,948.26			74,827.40		3.55	
<i>Cusip: 87612EAV8, Moody's Rating: A2, S & P Rating: A, Maturity Date: 7/15/2020, Coupon: 3.875, Accrued Interest: \$589.322</i>							
UNITED PARCEL SERVICE INC	80,722.90	74,000.00	101.23	74,907.98	-515.63	5.06	0.48
	75,423.61			76,793.70		4.70	
<i>Cusip: 911312AK2, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 4/1/2019, Coupon: 5.125, Accrued Interest: \$1885.715</i>							
UNITEDHEALTH GROUP INC	120,699.04	118,000.00	99.37	117,257.78	-1,984.07	2.71	0.73
	119,241.85			117,921.53		2.63	
<i>Cusip: 91324PCM2, Moody's Rating: A3, S & P Rating: A+, Maturity Date: 7/15/2020, Coupon: 2.700, Accrued Interest: \$663.749</i>							
US BANCORP	80,945.77	79,000.00	99.75	78,803.29	-590.82	2.20	0.49
	79,394.11			79,551.60		2.14	
<i>Cusip: 91159HHH6, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 4/25/2019, Coupon: 2.200, Call Date: 3/25/2019, Call Price: 100.000, Accrued Interest: \$748.305</i>							
VISA INC	160,184.55	159,000.00	98.27	156,249.30	-3,488.66	2.23	0.98
	159,737.96			157,279.27		2.18	
<i>Cusip: 92826CAB8, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 12/14/2020, Coupon: 2.200, Call Date: 11/14/2020, Call Price: 100.000, Accrued Interest: \$1029.965</i>							
WALMART INC	80,517.18	74,000.00	101.26	74,935.36	-2,116.40	3.57	0.47
	77,051.76			75,546.37		3.32	
<i>Cusip: 931142CU5, Moody's Rating: AA2, S & P Rating: AA, Maturity Date: 7/8/2020, Coupon: 3.625, Accrued Interest: \$611.014</i>							
WALT DISNEY CO/THE	78,557.70	78,000.00	98.25	76,635.78	-1,598.85	2.18	0.48
	78,234.63			76,696.34		2.13	
<i>Cusip: 25468PDE3, Moody's Rating: A2, S & P Rating: A+, Maturity Date: 9/17/2020, Coupon: 2.150, Accrued Interest: \$60.558</i>							
Corporate Fixed Income Total	\$4,389,008.89	\$4,251,000.00		\$4,227,459.70	-\$85,293.99		26.40%
	\$4,312,753.69			\$4,256,416.00			

GOVERNMENT SECURITIES

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Total Value	Unrealized Gain/Loss	Current Yield / Yield on Cost	% of Fixed Income
FED HOME LN BK	\$650,447.75	\$655,000.00	\$95.36	\$624,575.25	-\$25,872.50	1.17%	3.88%
	\$650,447.75			\$626,130.87		1.12%	
<i>Cusip: 3130A8QS5, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 7/14/2021, Coupon: 1.125, Accrued Interest: \$1555.618</i>							
FED HOME LN MTG CORP	955,279.00	950,000.00	98.91	939,616.50	-11,764.25	1.26	5.84
	951,380.75			941,562.68		1.24	
<i>Cusip: 3137EADK2, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 8/1/2019, Coupon: 1.250, Accrued Interest: \$1946.180</i>							

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POSITIONS: FIXED INCOME DETAIL

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GOVERNMENT SECURITIES (Continued)

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Total Value	Unrealized Gain/Loss	Current Yield / Yield on Cost	% of Fixed Income
FED HOME LN MTG CORP	505,965.00	500,000.00	97.82	489,110.00	-13,458.51	1.40	3.05
	502,568.51			491,955.49		1.35	
<i>Cusip: 3137EADR7, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 5/1/2020, Coupon: 1.375, Accrued Interest: \$2845.485</i>							
FED HOME LN MTG CORP	485,131.79	481,000.00	98.62	474,371.82	-8,025.05	1.26	2.96
	482,396.87			477,344.67		1.23	
<i>Cusip: 3137EADM8, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 10/2/2019, Coupon: 1.250, Accrued Interest: \$2972.845</i>							
FED HOME LN MTG CORP MED TERM NOTE	687,579.85	673,000.00	98.27	661,377.29	-22,450.39	2.41	4.12
	683,827.68			664,796.04		2.32	
<i>Cusip: 3137EADB2, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 1/13/2022, Coupon: 2.375, Accrued Interest: \$3418.746</i>							
FED NATL MTG ASSN	557,590.42	557,000.00	98.58	549,073.89	-8,183.54	1.64	3.42
	557,257.43			550,808.71		1.62	
<i>Cusip: 3135GOA78, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 1/21/2020, Coupon: 1.625, Accrued Interest: \$1734.821</i>							
FED NATL MTG ASSN	363,955.48	355,000.00	97.87	347,445.60	-11,976.87	1.91	2.17
	359,422.47			349,146.64		1.82	
<i>Cusip: 3135GOH55, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 12/28/2020, Coupon: 1.875, Accrued Interest: \$1701.039</i>							
FED NATL MTG ASSN	353,214.12	354,000.00	99.91	353,667.24	453.12	1.62	2.21
	353,214.12			355,632.68		1.62	
<i>Cusip: 3135GOYT4, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 11/27/2018, Coupon: 1.625, Accrued Interest: \$1965.436</i>							
FED NATL MTG ASSN	899,005.51	890,000.00	99.81	888,317.90	-2,499.66	1.87	5.52
	890,817.56			890,218.42		1.85	
<i>Cusip: 3135GOZA4, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 2/19/2019, Coupon: 1.875, Accrued Interest: \$1900.515</i>							
UNITED STATES TREASURY BILL	574,075.40	575,000.00	99.98	574,902.25	826.85	-	3.57
	574,075.40			574,902.25		-	
<i>Cusip: 912796QB8, Maturity Date: 10/4/2018</i>							
UNITED STATES TREASURY NOTE	405,395.68	405,000.00	99.31	402,201.45	-2,914.65	1.25	2.51
	405,116.10			404,306.24		1.24	
<i>Cusip: 912828ST8, Moody's Rating: AAA, Maturity Date: 4/30/2019, Coupon: 1.250, Accrued Interest: \$2104.789</i>							
UNITED STATES TREASURY NOTE	640,803.39	641,000.00	97.32	623,821.20	-14,847.79	1.41	3.87
	638,668.99			624,591.80		1.37	
<i>Cusip: 912828L32, Moody's Rating: AAA, Maturity Date: 8/31/2020, Coupon: 1.375, Accrued Interest: \$770.597</i>							
UNITED STATES TREASURY NOTE	970,043.87	968,000.00	98.66	955,067.52	-13,800.80	1.64	5.95
	968,868.32			959,000.02		1.62	
<i>Cusip: 912828G95, Moody's Rating: AAA, Maturity Date: 12/31/2019, Coupon: 1.625, Accrued Interest: \$3932.500</i>							

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POSITIONS: FIXED INCOME DETAIL

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GOVERNMENT SECURITIES (Continued)

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Total Value	Unrealized Gain/Loss	Current Yield / Yield on Cost	% of Fixed Income
UNITED STATES TREASURY NOTE	968,772.49	974,000.00	96.22	937,134.10	-31,638.39	1.94	5.83
	968,772.49			940,161.30		1.88	
Cusip: 9128282P4, Moody's Rating: AAA, Maturity Date: 7/31/2022, Coupon: 1.875, Accrued Interest: \$3027.202							
UNITED STATES TREASURY NOTE	727,207.86	723,000.00	98.00	708,511.08	-17,574.61	2.04	4.40
	726,085.69			709,709.42		1.99	
Cusip: 912828B90, Moody's Rating: AAA, Maturity Date: 2/28/2021, Coupon: 2.000, Accrued Interest: \$1198.336							
UNITED STATES TREASURY NOTE	393,843.60	400,000.00	98.06	392,252.00	-1,591.60	1.27	2.44
	393,843.60			393,080.80		1.27	
Cusip: 912828H52, Moody's Rating: AAA, Maturity Date: 1/31/2020, Coupon: 1.250, Accrued Interest: \$828.804							
UNITED STATES TREASURY NOTE	486,515.63	485,000.00	97.39	472,326.95	-13,854.28	2.05	2.95
	486,181.23			476,359.83		1.99	
Cusip: 912828F96, Moody's Rating: AAA, Maturity Date: 10/31/2021, Coupon: 2.000, Accrued Interest: \$4032.877							
UNITED STATES TREASURY NOTE	524,384.70	525,000.00	96.06	504,309.75	-20,074.95	1.82	3.15
	524,384.70			508,129.55		1.75	
Cusip: 912828WZ9, Moody's Rating: AAA, Maturity Date: 4/30/2022, Coupon: 1.750, Accrued Interest: \$3819.800							
UNITED STATES TREASURY NOTE	961,541.57	961,000.00	96.67	928,979.48	-30,756.01	1.42	5.78
	959,735.49			931,169.80		1.37	
Cusip: 912828N89, Moody's Rating: AAA, Maturity Date: 1/31/2021, Coupon: 1.375, Accrued Interest: \$2190.321							
Government Securities Total	\$12,110,753.11	\$12,072,000.00		\$11,827,061.27	-\$250,003.88		73.60%
	\$12,077,065.15			\$11,869,007.18			

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 or external custodians. Furthermore, the information included in this document may not include all asset classes/securities/liabilities held by you at the firm or external custodians. 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. Clients should seek advice based on their particular circumstances from an independent tax and legal advisor. Morgan Stanley Smith Barney LLC is a registered Broker/Dealer, Member SIPC, and not a bank. Where appropriate, Morgan Stanley Smith Barney LLC has entered into arrangements with banks and other third parties to assist in offering certain banking related products and services.

Investment, insurance and annuity products offered through Morgan Stanley Smith Barney LLC are: NOT FDIC INSURED | MAY LOSE VALUE | NOT BANK GUARANTEED | NOT A BANK DEPOSIT | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

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

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

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

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

Money Market Fund: You could lose money in Money Market Funds. Although MMFs classified as government funds (i.e., MMFs that invest 99.5% of total assets in cash and/or securities backed by the U.S government) and retail funds (i.e., MMFs open to natural person investors only) seek to preserve value at \$1.00 per share, they cannot guarantee they will do so. The price of other MMFs will fluctuate and when you sell shares they may be worth more or less than originally paid. MMFs may impose a fee upon sale or temporarily suspend sales if liquidity falls below required minimums. During suspensions, shares would not be available for purchases, withdrawals, check writing or ATM debits. A MMF investment is not insured or guaranteed by the Federal Deposit Insurance Corporation or other government agency.

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, 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 and annuities as well as Manually Added and External accounts, assets and liabilities.

Unless otherwise indicated, performance is a composite calculation of the entire portfolio and may include brokerage and investment advisory accounts as well as assets for different accounts included in this report. The accounts included in the composite may have (or have had) different investment objectives and strategies, been subject to different restrictions, and incurred different types of fees, markups, commissions and other charges. Accordingly, performance results may blend the performance of assets and strategies that may not have been available in all of the accounts at all times during the reporting period. In addition, accounts in the composite may have changed from brokerage to advisory or vice versa. Accounts may also have moved from one advisory program to another (including from a discretionary program to a non-discretionary program).

For Morgan Stanley Smith Barney LLC accounts, performance information may cover the full history of the account(s) or just the performance of an account(s) since the inception of the current program(s). Performance results on individual accounts will vary and may differ from the composite returns. Your Financial Advisor can provide you with individual account portfolio composition and performance information. For investment advisory accounts, please see the Morgan Stanley Smith Barney LLC Form ADV Part 2 or applicable disclosure brochure and any applicable brokerage commission and/or fee schedule for a full disclosure of fees and expenses. Your Financial Advisor will provide those documents to you upon request. For brokerage accounts, please speak to your Financial Advisor for more information on commissions and other account fees and expenses.

Performance inception date does not necessarily correspond to the account opening date. Where multiple accounts are included in performance calculations, the inception date is the oldest performance inception. Performance data may not be available for all periods as some accounts included in performance may have more recent performance inception dates. Consequently, the actual performance for a group of accounts may differ from reported performance. Please ask your Financial Advisor for the performance inception date for each account.

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

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

Projected 12 Month: Projected 12 Month Income is based upon cash income from interest, cash dividends, and partnership distributions. It is a hypothetical projection calculated using current yields. The projected income referenced is based upon certain market projections effective as at today's date only and can change at any time. Such projected income is hypothetical, do not reflect actual investment results, and is not a guarantee of future results. The projected income is referenced for illustrative purposes only. Morgan Stanley does not represent or guarantee that the projected income referenced will or can be attained. The actual income may be lower or higher than the projections based upon a variety of factors and assumptions. The projected income shown may under or over compensate for the impact of actual market conditions and other factors. We make no representation or warranty as to the reasonableness of the assumptions made, or that all assumptions used to construct this projected income information have been stated or fully considered. To the extent that the assumptions made do not reflect actual conditions, the illustrative value of the hypothetical projected income will decrease. The projected income referenced may include income from Morgan Stanley & Co. and External Accounts, where data is available. Such information was obtained from third party sources which Morgan Stanley believes to be reliable. However, we make no representation or guarantee that the information is accurate or complete. You should not rely upon this information to make any investment decision. Please refer to the official account statements and performance reports you received from your custodian and/or financial institution for information about projected income in your External Accounts. The projected income referenced does not include income from assets in Manually Added External Accounts.

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

GENERAL DEFINITIONS

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

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

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

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

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

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

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

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

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

Global Investment Manager Analysis (GIMA): Global Investment Manager Analysis (GIMA) reviews certain investment products in various advisory programs. For these programs, a GIMA status will apply:

Focus List (FL): Investment products on the Focus List have been subject to an in-depth review and possess GIMA's highest level of confidence.

Approved List (AL): Investment products on the Approved List have typically been subject to a less rigorous review process and have been approved for recommendation to investors.

Not Approved List (NL): Investment products that were previously on the Focus List or Approved List but are no longer on either of those lists. GIMA no longer covers these products. For more information, please ask your Financial Advisor for the applicable Morgan Stanley ADV brochure.

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

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

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

Morgan Stanley Research Ratings: Morgan Stanley uses a relative rating system using terms such as Overweight, Equal-weight, Not-Rated, or Underweight (see definition below). Morgan Stanley does not assign ratings of Buy, Hold or Sell to the stocks we cover. Overweight, Equal-weight, Not-Rated and Underweight are not the equivalent of buy, hold and sell. Investors should carefully read the definitions of all ratings used in Morgan Stanley Research. In addition, since Morgan Stanley Research contains more complete information concerning the analyst's view, investors should carefully read Morgan Stanley Research, in its entirety, and not infer the contents from the ratings alone. In any case, ratings (or research) should not be used or relied upon as investment advice. An investor's decision to buy or sell a stock should depend on individual circumstances (such as the investor's existing holdings) and other considerations.

Overweight (OVWEIGHT): The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Equal-weight (EQWEIGHT): The stock's total return is expected to be in line with the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Underweight (UNWEIGHT): The stock's total return is expected to be below the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Not-Rated (NR): Currently, the analyst does not have adequate conviction about the stock's total return relative to the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Not Available (NAV): Indicates that the ratings for this company are not available because of a Morgan Stanley policy.

Discontinued Coverage (DC)

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

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

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

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

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

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

Total Value: "Total Value" represents the Market Value of the portfolio or Asset Class referenced and includes the accrual of interest and dividends. Total Value in the Asset Allocation view prior to January 2014 does not reflect the accrual of interest and dividends. Total Value for Morgan Stanley & Co. and External accounts also does not include accrued interest and dividends.

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 T-Bill 6 Month: Citigroup T-Bill 6 Month



Alameda County Schools Insurance Group

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EXECUTIVE SUMMARY

TO: ACSIG Board of Directors

FROM: Kimberly Dennis

DATE: November 8, 2018

SUBJECT: 2018/2019 Service Plan

One of the excited and unique opportunities available to ACSIG and its member agencies is the existence of a Keenan Service Team. The current Service Team consists of the Account Manager, Tara Cooper-Salaiz, Loss Control Analyst, Dave Kundert, Claims Manager, Patrice Grant and Risk Management Analyst, Michael Clark and myself.

This team is assigned to ACSIG almost exclusively and works on many tasks throughout the year. For the 2018/2019 fiscal year, the Service Team developed a Service Plan to better document responsibilities and timelines.

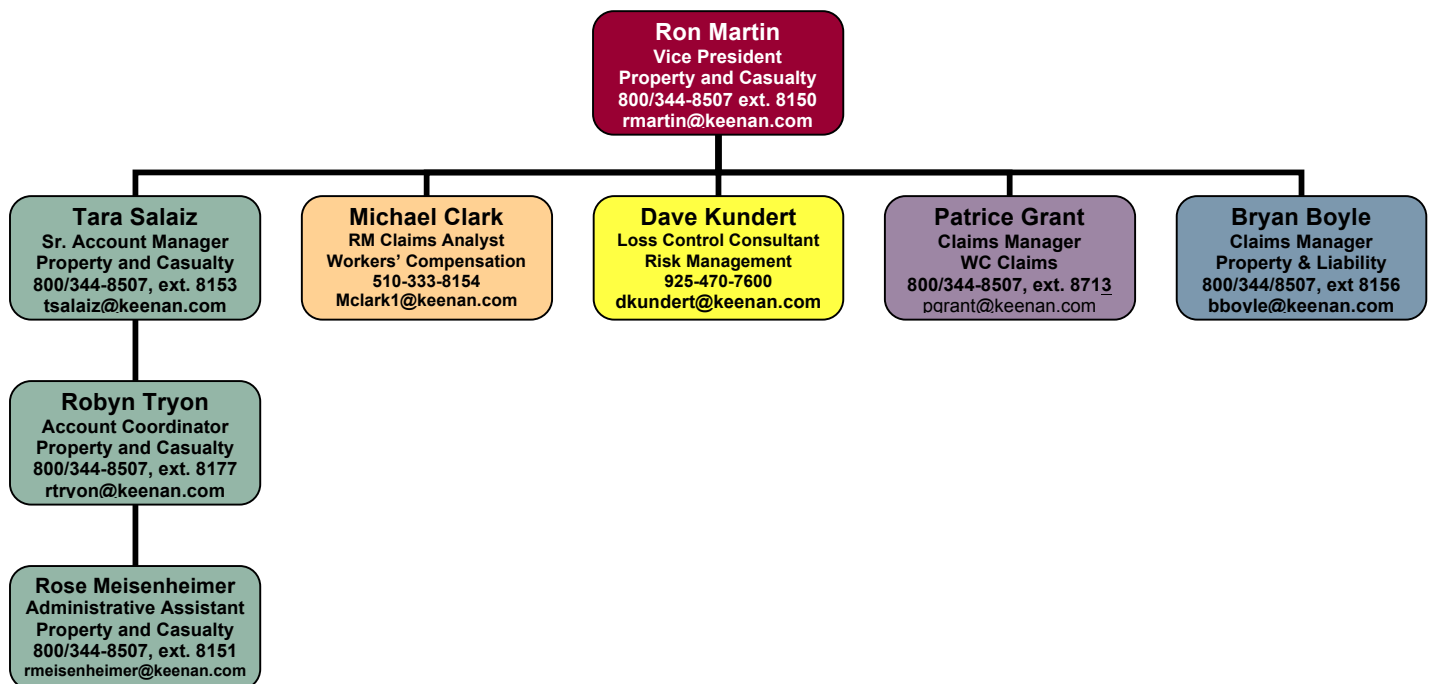
A representative from Keenan & Associates will review the Service Plan with the Board for their information.

**2018/2019
Service Plan
Alameda County Schools Insurance Group (ACSIG)**

OVERVIEW

The purpose of this Alameda County Schools Insurance Group specific plan is to provide focus and accountability for meeting the needs identified by the JPA and Keenan. The plan lists the specific Keenan services that have been and will be provided to the JPA, who is responsible for providing the service, and to the extent possible, when the services will be provided. The plan will serve as the guide for Keenan and the JPA to best address the JPA's service needs. Keenan will schedule monthly meetings with the JPA Executive Director to review the progress of the plan, and, if necessary, modify the plan to better meet our mutual goal of providing a safe and healthful environment. The plan is a fluid document meant to serve as a guideline to deliver agreed upon services. The plan is organized to reflect the coverage's and services provided by Keenan. Our integrated approach to providing services will ensure good communication and the delivery of quality services to meet your needs. The agreed upon services will be provided under the guidance of the Account Executive, Ron Martin, and the entire service team, who include; Tara Salaiz Sr. Account Manager, Robyn Tryon Account Coordinator, Rose Meisenheimer Administrative Assistant, Michael Clark Risk Management Claims Analyst, Dave Kundert Loss Control Consultant, Patrice Grant, Claims Manager, and Bryan Boyle, Property & Liability Claims Manager.

Keenan & Associates-Organization Chart:



ACTION PLAN

○ **Lunch & Learns/Symposiums:**

Keenan Contact: Service Team

- First Quarter Topic: 10/10/18 – Telemedicine

○ **Targeted Outreach:**

Keenan Contact: Service Team

- The service team will review the top 5 injuries by occupation and cause over a 3-year period and look at what resources are available based on the data. The objective is to meet with districts to go over the data and resources available and to come up with a plan to help reduce frequency and severity. Below are the districts we will be focusing on this year:
 - New Haven
 - Dublin
 - Pleasanton
 - San Lorenzo
 - Livermore
 - Fremont
 - Alameda
 - Albany
 - Piedmont

○ **Return to Work**

Keenan Contact: Michael Clark

- Focus districts: Alameda Unified, Fremont Unified & Pleasanton Unified
 - Meet with directors, identify and create productive tasks within their departments prior to injuries occurring. Goal is to implement RTW from the first day. With reduction of TTD Days and TTD paid by 25% from prior year.

○ **Post offer, Pre-Employment Physicals & Job Analysis**

Keenan Contact: Michael Clark

- Albany USD – District actively utilizing the program for Custodian and Food Service positions.
- Castro Valley – District actively utilizing the program.
- New Haven – District interested in the program and need to further discuss internally before moving forward.
- Identify additional districts to participate in the program.

○ **HR Monthly Meetings**

Keenan Contact: Michael Clark

- Keenan will present at HR monthly meetings at a minimum twice per year.

○ **P&C Bridge/KSS**

Keenan Contact: Tara Salaiz

- Mandated Reporter – AB1432
- Integrated Pest Management – SB 1405
 - Assist districts with uploading employee data
 - Assist districts with course assignments and new hire training plans
- Provide training to new district contacts and to current contacts as needed.

○ **Reports to Kimberly:**

Keenan Contact: Service Team

- Monthly Point in time comparison report. – Michael Clark
- Quarterly Loss Trend Report – Michael Clark
- Monthly PC Bridge/Keenan SafeSchools Usage Report – Tara Salaiz

○ **Frontline Provider Relations:**

Keenan Contact: Michael Clark

- Monitor treatment protocols and communication of affiliated facilities
 - Kaiser On The Job
 - US Healthworks
 - Valley Care/Stanford
 - CCCMA – St. Rose Occupational Medicine
 - Washington Health Systems
 - Doctors Express
 - Concentra Urgent Care

○ **Company Nurse – Nurse Triage Program**

Keenan Contact: Michael Clark

- Monitor implementation of newest district participants:
 - Piedmont – Effective 11/15/18
- Continue to monitor progress of established Company Nurse District participants:
 - San Leandro USD
 - Newark USD
 - San Lorenzo USD
 - Castro Valley USD
 - New Haven USD
 - Pleasanton USD
 - Fremont USD
 - Albany USD
 - Emery USD
 - Dublin USD
 - Mountain House
 - Livermore JUSD
 - Alameda COE

- **100% Closing Ratio:**

Keenan Contact: Patrice Grant

- **Reduction of Tail Claims:**

Keenan Contact: Patrice Grant

- 10% reduction in tail claims

- **Diary Review:**

Keenan Contact: Patrice Grant

- Maintain diary review of no greater than 60 days on unresolved claims and 90 to 180 days on future medical claims, with supervisor approval. Maintain current diary, in accordance with the above, no greater than 14 days and no more than 10% of caseload off diary.

○ **Quarterly Claim Reviews:**

Keenan Contact: Patrice Grant/Examiners (Lead) Michael to Attend

- Claim Reviews will be completed either annually, semi-annually, quarterly or monthly depending on the total open claim count for each district as follows:

Quarterly: Districts with open claims totaling 50+ to include:

Alameda
Fremont
New Haven
Pleasanton
San Leandro
San Lorenzo

Semi-Annually: Districts with open claims totaling 11 – 49 to include:

Albany
Castro Valley
Dublin
Livermore – Moved per district request
Newark

Annually: Districts with open claims totaling 10 or less to include:

ACOE
Eden Area ROP
Emery
Mission Valley ROP
Mountain House
Piedmont
Sunol Glen
Tri Valley ROP

- Exceptions to the above schedule:
 - Any districts with change in HR staff, especially our key day to day players. When a change in staff occurs, we will schedule a claim review to take place within 60 to 90 days from the change to bring the new players up to speed and will offer quarterly reviews until the new staff is comfortable to go otherwise.
 - If anyone requests an earlier review or if problems or difficulties are occurring where a claim review may resolve any issues, etc.
- If any of the districts are not cooperative with scheduling their claim review, will discuss with Kimberly at regular monthly team meetings to develop plan for compliance.

Property & Liability

ACTION PLAN

○ NCR ReLiEF Inspections:

Keenan Contact: Dave Kundert

- Provide NCR relief inspections & audits annually
- Schedule of inspections/audits by district:
 - Alameda COE – Inspection
 - Alameda USD - Inspection
 - Albany – Inspection
 - Castro Valley – Inspection
 - Dublin – Inspection
 - Eden Area ROP – Inspection
 - Emery – Inspection
 - Fremont - Audit
 - Livermore – Audit
 - Mission Valley ROP – Inspection
 - Mountain House – Inspection
 - New Haven – Audit
 - Newark – Audit
 - Piedmont – Inspection
 - Pleasanton – Inspection
 - San Leandro – Inspection
 - San Lorenzo – Audit
 - Sunol Glen – Inspection
 - Tri-Valley ROP – Inspection



Alameda County Schools Insurance Group

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EXECUTIVE SUMMARY

TO: ACSIG Board of Directors

FROM: Kimberly Dennis

DATE: November 8, 2018

SUBJECT: Telemedicine

ACSIG and Keenan are always looking for ways to best meet the needs of injured workers. An exciting new opportunity is Telemedicine. This program has been added for all injured workers. It was added to the PIPS program to help address geographical challenges and those who are most comfortable having appointments telephonically.

A lunch and learn was held on October 10, 2018 to educate our member agencies about this program and how best to assist employees in accessing the program. Michael Clark will be in attendance to review this program and the feedback from the lunch and learn with the Board.

This item is for information only.

Telehealth for Keenan's Injured Workers Program Coming September 1, 2018!



PRIME, the Managed Care division of Keenan & Associates, is excited to offer Telehealth to our clients. The Telehealth program is available whether or not you participate in a Medical Provider Network (MPN). PRIME is working with Concentra

to offer this exciting new healthcare opportunity to assist injured workers with busy schedules and expedite care to those who live or work in rural areas.

What is Telehealth?

Telehealth is the use of electronic communication to facilitate real-time virtual interaction between the injured worker and the physician. Telehealth uses email, smart phones and other wireless tools to provide medical assistance otherwise achieved through face-to-face appointments. Virtual physician visits from anywhere there is a Wi-Fi or cellular connection provides the ability for immediate care and early intervention for medical issues.

Does Convenience = Higher Costs?

Telehealth visit costs average **30% less** than brick and mortar doctor's office visits by decreased utilization of unnecessary face-to-face time. Telehealth offers a significant savings from Emergency Room Visits which average \$4,800 per episode throughout California.

Clinical Quality Remains Intact Along with Evidence Based Guidelines:

Telehealth provides:

- Board Certified Physicians
- Active Medical License within the United States

- Physician credentialing every 24 months
- Peer Reviewed clinical pathways that map out the most appropriate evaluation and interventions

Benefits of Telehealth

Telehealth offers clients an opportunity to **reduce overall claim duration** by providing the injured worker with the appropriate care even when the patient is located in a remote area. With Telehealth, there is **no delay** in seeking treatment from a medical professional due to location or regular business hours of operation. Historically, the sooner an injured worker seeks or receives care, the better the outcome. Telehealth compliments Keenan's superior claims handling and managed care efforts. Telehealth can eliminate the need for travel by the employee and allows the employee to remain at work before and after the office visit, increasing productivity. The Official Disability Guidelines (ODG) recognizes Telehealth use for treating pain (back or otherwise), diabetes and mental health disorders. **The availability of video consultations with a board-certified physician in workers' compensation offers injured employees, employers and payors numerous benefits, including:**

- Rapid access when treatment is needed with 24/7/365 availability
- Cost savings by reducing unnecessary emergency room and clinic visits
- Greater employee satisfaction

Why Does Telehealth Matter?

Telehealth is primarily used to improve management of chronic health problems; the types of conditions that can jeopardize recovery and return-to-work following an injury or that could lead to injury, particularly in an older workforce. Both chronic conditions and age can have a significant impact on outcomes and costs. Illness rates in the general population are increasing and that trend is reflected in workers' compensation programs.

How Does Telehealth Work?

One option for integrating telemedicine into workers' compensation programs is to make it available during the nurse triage process. **Telehealth can be particularly useful for employees with minor injuries or those who are ambivalent about self-care vs. seeking treatment.** For example, a telemedicine video consult is especially useful to determine if a wound requires stitches or to assess the level of care needed for a minor burn. The nurse can walk the employee through a series of questions to determine if a video consultation is appropriate. If the employee agrees, the telemedicine consult can take place via computer, cell phone, or tablet. Consider Telehealth as an option when an employee, such as a driver, is at a remote location and a clinic is not immediately available or when an injury occurs on an overnight shift and the only other option is to visit the emergency room for evaluation. Looking beyond the initial injury, telemedicine also has the potential to provide follow-up care, including post-operative visits or even second surgical opinions.

What Telehealth Treats

Most workers' compensation injuries are soft tissue injuries that do not require specialty follow-up. Telehealth is especially effective in providing appropriate intervention for these types of injuries.

Injury types currently acceptable for Telehealth include:

- First degree burns
- Minor neck and back strains/sprains
- Bruises/contusions
- Abrasions/scrapes
- Work-related rashes
- Tendonitis/repetitive use injuries

Summary

PRIME's Managed Care team will monitor the progress of your Telehealth program and be actively engaged in the medical care delivery process. Telehealth, defined



as video consultation with a **board-certified physician**, can be of value in your workers' compensation program. Offering Telehealth as an option at the time of injury allows for quick and convenient access to a physician around-the-clock, every day of the year. It is particularly appealing to the members of younger generations, who are wired to technology. These "virtual house calls" can go a long way toward reducing or eliminating unnecessary absences from the workplace, lowering medical costs, improving productivity, and increasing employee satisfaction.



For more information, please contact Ron Nassif, RN, BSN, CCM, COHN-s, Vice President, rnassif@keenand.com, 310.212.0363, ext. 3933.



Alameda County Schools Insurance Group

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EXECUTIVE SUMMARY

TO: ACSIG Board of Directors

FROM: Kimberly Dennis

DATE: November 8, 2018

SUBJECT: 5-year Point-in-Time Comparison

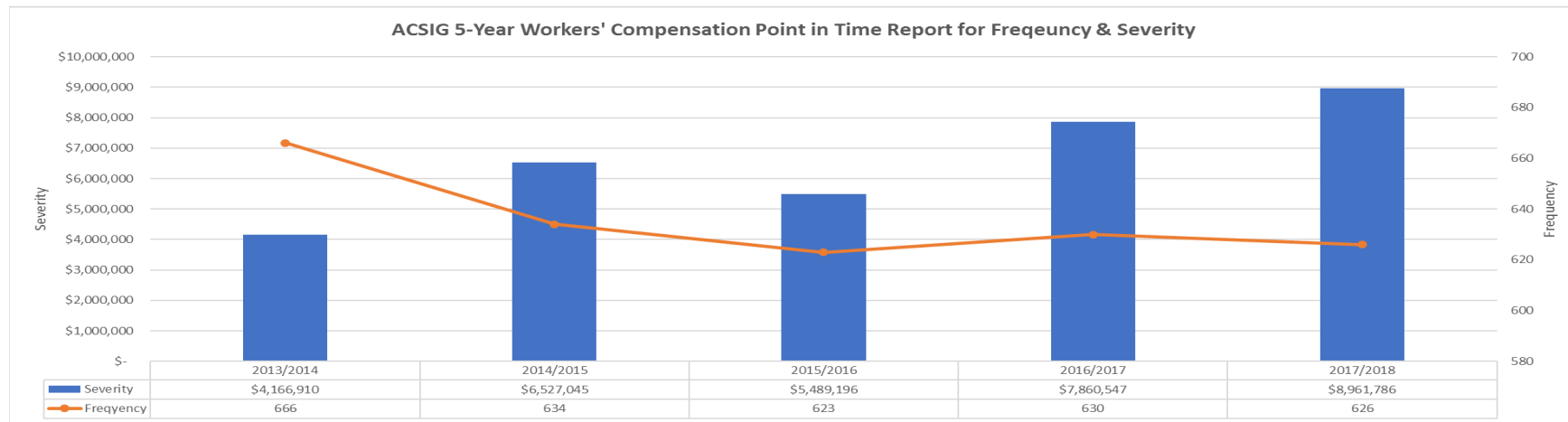
As resources are dedicated to improve frequency and severity of injuries within ACSIG, it is important to review claims data to evaluate the effectiveness of programs. Through analysis, we can identify trends within Districts. Additionally, we can identify if there are any abnormalities between program years within Districts so resources can be targeted when necessary.

Enclosed is the latest 5-year comparative using fiscal year data. Michael Clark our Risk Management Analyst, will be in attendance at the November 8, 2018 meeting to review this information with the Committee. This information is for review and no action is required.



ACSIG 5-Year Workers' Compensation Point in Time Report for Frequency & Severity

	2013/2014 FY		2014/2015 FY		FY 2015/2016		FY 2016/2017		FY 2017/2018	
	As of 6/30/14		As of 6/30/15		As of 6/30/16		As of 6/30/17		As of 6/30/18	
	Frequency	Severity	Frequency	Severity	Frequency	Severity	Frequency	Severity	Frequency	Severity
Alameda County Office of Education	6	\$ 3,108	5	\$ 245,761	7	\$ 132,586	0	\$ -	6	\$ 91,007
Alameda Unified School District	48	\$ 285,686	58	\$ 708,697	53	\$ 499,039	56	\$ 449,298	42	\$ 871,776
Albany Unified School District	20	\$ 216,008	17	\$ 69,264	17	\$ 183,033	14	\$ 352,831	21	\$ 574,032
Castro Valley Unified School District	41	\$ 255,827	55	\$ 586,919	33	\$ 176,976	43	\$ 522,336	34	\$ 370,162
Dublin Unified School District	27	\$ 96,190	32	\$ 128,121	27	\$ 117,678	59	\$ 434,166	45	\$ 305,866
Eden Area ROP	3	\$ 3,060	3	\$ 2,078	4	\$ 13,313	5	\$ 88,666	3	\$ 2,654
Emery Unified School District	9	\$ 37,386	2	\$ 312	5	\$ 92,827	8	\$ 87,389	5	\$ 71,210
Fremont Unified School District	142	\$ 988,023	112	\$ 1,339,750	129	\$ 1,179,715	119	\$ 2,172,400	144	\$ 2,289,693
Livermore Valley Joint Unified School District	58	\$ 612,009	56	\$ 663,930	60	\$ 760,828	59	\$ 653,590	44	\$ 590,296
Mission Valley ROP	2	\$ 1,826	0	\$ -	1	\$ 531	8	\$ 222,088	4	\$ 36,672
New Haven Unified School District	56	\$ 358,623	64	\$ 416,916	70	\$ 431,612	53	\$ 623,189	56	\$ 436,259
Newark Unified School District	44	\$ 199,530	32	\$ 228,605	29	\$ 290,531	26	\$ 310,595	27	\$ 682,119
Piedmont Unified School District	11	\$ 35,731	12	\$ 101,511	14	\$ 168,071	13	\$ 323,791	15	\$ 47,741
Pleasanton Unified School District	79	\$ 498,530	72	\$ 828,819	50	\$ 817,013	66	\$ 873,097	69	\$ 825,793
San Leandro Unified School District	43	\$ 213,643	46	\$ 503,938	47	\$ 344,360	34	\$ 219,660	47	\$ 1,003,100
San Lorenzo Unified School District	72	\$ 359,176	66	\$ 699,106	71	\$ 274,373	64	\$ 489,323	62	\$ 758,638
Sunol Glen School District	0	\$ -	0	\$ -	2	\$ 1,934	0	\$ -	1	\$ 33
Tri Valley Regional Occupational Program	5	\$ 2,552	2	\$ 3,316	4	\$ 4,775	3	\$ 38,130	1	\$ 4,734
Grand Total	666	\$ 4,166,910	634	\$ 6,527,045	623	\$ 5,489,196	630	\$ 7,860,547	626	\$ 8,961,786





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EXECUTIVE SUMMARY

TO: ACSIG Board of Directors

FROM: Kimberly Dennis

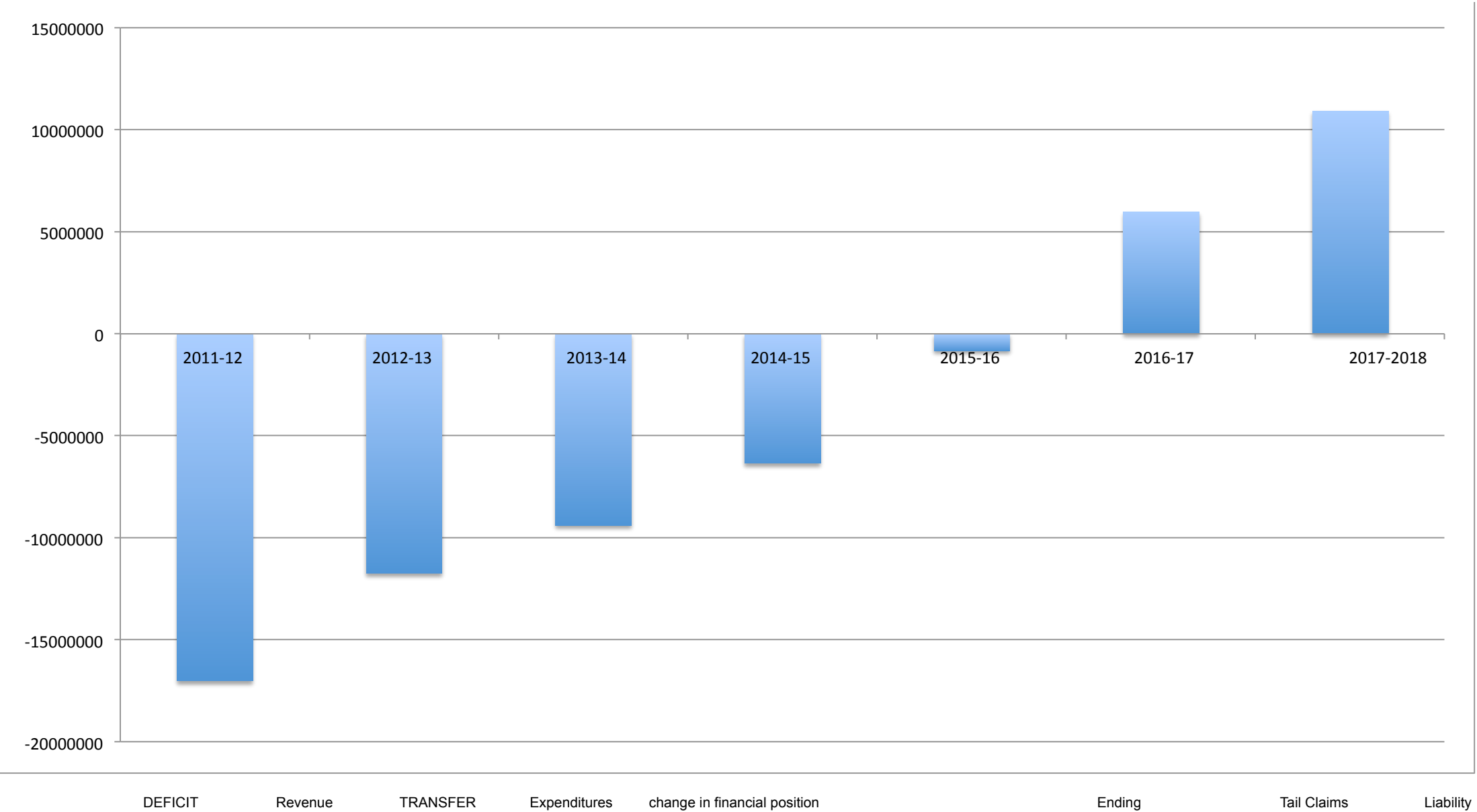
DATE: November 8, 2018

SUBJECT: Workers' Compensation Program Deficit Review

In 2006, the Board became aware of the fact that the ACSIG Workers' Compensation program was underfunded and in deficit. Through a series of decisions, the ACSIG Board addressed the deficit and brought the program out of deficit while improving service delivery to all injured workers.

As we celebrate the surplus net position, it is important to remember the history of the program. In order to avoid repeating any of the decisions that caused the program to become underfunded, we must also review our existing processes and procedures.

The Executive Director will outline the Workers' Compensation program with the Board.



								Deficit						
2011-12 actual	\$	(19,665,295)	\$	20,034,030	\$	17,376,343	\$	2,657,687	2011-12	\$	(17,007,608)	395	\$	35,011,547
2012-13 actual	\$	(17,007,608)	\$	19,217,218	\$	13,937,752	\$	5,279,466	2012-13	\$	(11,728,142)	296	\$	28,388,856
2013-14 actual	\$	(11,728,142)	\$	19,670,032	\$	17,322,172	\$	2,347,860	2013-14	\$	(9,380,282)	237	\$	25,171,516
2014-15 actual	\$	(9,380,282)	\$	20,284,500	\$	2,450,000	\$	19,701,818	2014-15	\$	(6,347,600)	208	\$	21,359,518
2015-16 actual	\$	(6,347,600)	\$	24,592,230	\$	19,067,187	\$	5,525,043	2015-16	\$	(822,557)	177	\$	18,359,518
2016-17 actual	\$	(822,557)	\$	28,264,513	\$	21,309,992	\$	6,954,521	2016-17	\$	5,968,527	139	\$	14,830,518
2017-18 actual	\$	5,968,527	\$	26,712,774	\$	21,786,067	\$	4,926,707	2017-18	\$	10,908,971	112	\$	11,910,259