

Alameda County Schools Insurance Group

Full Board Meeting

May 26, 2016

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, May 26, 2016
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

Board Members

Dr. Candi Clark	President	Castro Valley USD
Raul Parungao	Vice President	Fremont USD
Susan Kinder	Secretary	Livermore Valley Joint USD
Gary Jones	Board Member	Alameda COE
Shariq Khan	Board Member	Alameda USD
Allan Garde	Board Member	Albany USD
Beverly Heironimus	Board Member	Dublin USD
Marites Fermin	Board Member	Eden Area ROP
Dora Siu	Board Member	Emery USD
Joyce Veasley	Board Member	Mission Valley ROP
Dina Stewart	Board Member	Mountain House USD
Akur Varadarajan	Board Member	New Haven USD
Bryan Richards	Board Member	Newark USD
Song Chin-Bendib	Board Member	Piedmont USD
Luz Cázares	Board Member	Pleasanton USD
Mark Martinelli	Board Member	San Leandro USD
Annette Heldman	Board Member	San Lorenzo USD
Miki Whetfield	Board Member	Sunol Glen USD
Julie Duncan	Board Member	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
The Full Board will vote on the acceptance of the agenda.

Open Session

IV. Public Comment on Open Session Agenda Items

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

Consent Calendar

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

- SETECH Contract
- Safety Inspection Contract
- Executive Committee Minutes from November 5, 2015
- Executive Committee Minutes from March 3, 2016
- Full Board Minutes from November 5, 2015
- 2nd Quarter Financials
- 2nd Quarter Investment Report

General

V. Third Quarter Financials
Laurena Grabert from SETECH will present the 2015/16 Third Quarter Financial statements.
Recommendation: For action

VI. Third Quarter Investment Report

The Executive Director will review the 2015/16 Third Quarter Investment Report with the Board.
Recommendation: For action

VII. 2016/2017 Budget
The Executive Director will present the 2016/17 Budget.
Recommendation: For action

Dental

VIII. Dental Rates 2016/2017
The Executive Director will present the 2016/17 Dental program proposed rate changes.
Recommendation: For action

Vision

IX. Vision Rates 2016/2017
The Executive Director will present the 2016/17 Vision program proposed rate changes.
Recommendation: For action

Property & Liability

X. Property & Liability Rates 2016/2017
The Executive Director will present 2016/17 Property and Liability rates.
Recommendation: For action

XI. Auxiliary/ Foundation Organizations - DUSD
The Executive Director will present an application from Dublin Unified School District on additional groups to endorse onto their policy.
Recommendation: For action

Workers Compensation

XII. Result of Wells Fargo Audit
The Executive Director will present the results of the independent claims audit performed by Wells Fargo.
Recommendation: For action

XIII. Actuarial Study – Ultimate Loss
The Executive Director will present the February 2016 Actuarial study of the ultimate loss of the self-insured portion of the ACSIG Workers Compensation program.
Recommendation: For action

XIV. Actuarial Study - Ex-Mods
The Executive Director will present the February 2016 Actuarial Study that determines the 2016/17 program year experience modification factor.
Recommendation: For action

XV. Workers Compensation Rates 2016/2017
The Executive Director will present 2016/17 Workers Compensation rates.
Recommendation: For action

XVI. Informational Report for Fiscal Year End
Laurena Grabert from SETECH will present the 2015/2016 Informational Report for the Fiscal Year Ended June 30, 2015.
Recommendation: For information

XVII. Deficit Review
The Executive Director will review the current state of the deficit.
Recommendation: For discussion

XVIII. 3 Year Point in Time Comparison
The Executive Director will discuss the top 10% of claim frequency filing districts.
Recommendation: For discussion

Administrative

XIX. Election of Executive Committee
Due to Susan Kinder, Luz Cázares, Annette Heldman and Allan Garde's terms expiring, the Full Board will vote on the election of four representatives to the Executive Committee. The Board will elect 4 people in total to the Executive Committee.
Recommendation: For action

XX. ACSIG Salaries & Benefits
The Executive Director will present the cost of living increase proposal for the ACSIG staff.
Recommendation: For information

XXI. Meeting Calendar
The Full Board will review the draft 2016/17 calendar.
Recommendation: For action

XXII. Future Planning

XXIII. Adjournment

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

EXECUTIVE SUMMARY

TO: ACSIG Full Board

FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: SETECH Contract

In an effort to improve the financial reporting for ACSIG, we contracted with SETECH in 2009/2010. Our experience has been very positive and, hopefully, each of you feel more informed about the financial operations of the organization. Our existing contract expires on June 30, 2016.

The Executive Committee recommended approval of this contract at its March 3, 2016 meeting.

SETECH SERVICES AGREEMENT

This Agreement ("Agreement") is made and entered into by and between **Alameda County Schools Insurance Group** ("Client") and **Service Enhancement Technologies** ("SETECH"), a division of **Keenan & Associates** ("Keenan"), as of **July 1, 2016** ("Effective Date"). Client and Keenan are also referred to individually as a "party" and collectively as the "parties."

In consideration of the mutual obligations contained herein, the Parties agree as follows:

1. TERM

The term of this Agreement is from **July 1, 2016** through **June 30, 2019** ("Term") unless extended or terminated earlier as provided herein.

2. KEENAN RESPONSIBILITIES AND SCOPE OF SERVICES

A. Keenan shall provide Client with the services described in the attached Exhibits A that are checked below:

(1) Financial Management Information Report(s)	Exhibit A-1	☐
(2) Accounting and Consulting Services	Exhibit A-2	☒
(3) Management's Discussion & Analysis (MD&A)	Exhibit A-3	☐

B. Keenan shall perform its obligations hereunder as an independent contractor and, except as specifically set forth in this Agreement, shall not be an employee, officer, agent or fiduciary of Client. Keenan shall be responsible for, and pay all of, its operating and personnel expenses.

C. Keenan's services are limited to the specific obligations described herein and Keenan is authorized to act on behalf of Client only as expressly stated in this Agreement.

D. Keenan will work with the independent certified public accountant hired by Client to answer audit questions as they relate to the data utilized in preparing the financial statements.

E. Keenan agrees to comply with all applicable State and Federal Laws and any other special rules that the Client informs Keenan about in writing.

3. CLIENT'S DUTIES AND RESPONSIBILITIES

A. Client is responsible for final approval of the financial report(s) prepared and presented by Keenan (Official Report), by its Board of Directors and/or Advisory Committee in accordance with Client's Agreement and Bylaws.

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

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

D. Client agrees to hire an independent financial auditor to prepare an annual independent financial audit of the Official Report.

E. Client may provide a copy of the Official Report to the independent auditors and regulatory authorities, if the following conditions are met:

(1) Client will present only the Official Report;
(2) Client will present only a complete version of the Official Report;
(3) Client will advise any and all recipients of the Official Report that Keenan will make available a staff member to respond to any questions regarding the contents of the Official Report;
(4) Client will advise any and all recipients of the Official Report that the Official Report is not a substitute for their own due diligence, and that the recipients should not place any undue reliance on the Official Report or the data for purposes other than for which it was created. The Official Report is not a financial audit.

F. Client will provide to Keenan, through its actuary, treasurer, accountant, or County Office of Education, any and all necessary information for Keenan to prepare the financial report. Client understands and agrees that such information and data has not been audited by Keenan and Client will remain liable for its accuracy.

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

4. COMPENSATION

Keenan shall receive compensation for the services rendered under this Agreement as provided in the attached Exhibit B.

5. **INSURANCE**

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

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

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

(3) Professional Liability Insurance. Professional Liability Insurance with a One Million Dollar ($1,000,000) limit of liability for each occurrence and a Two Million Dollar ($2,000,000) aggregate limit of liability.

(4) Fidelity Insurance. Keenan shall maintain Fidelity Insurance covering the services under this Agreement with a limit of liability of One Million Dollars ($1,000,000) for any one claim.

6. **INDEMNIFICATION**

A. If either party breaches this Agreement, then the breaching party shall defend, indemnify and hold harmless the non-breaching party, its officers, agents and employees against all claims, demands, actions, liabilities or costs (including, without limitation, reasonable attorneys' fees and expenses) arising from such breach.

B. If either party (i) becomes the subject of a subpoena or is otherwise compelled to testify or (ii) becomes the subject of a claim, demand, action or liability from a person or entity that is not a party to this Agreement (collectively, a "Third-Party Demand") relating to its obligations under this Agreement and such Third-Party Demand is not a direct result of the negligence or willful misconduct of such party, then the other party shall defend, indemnify and hold harmless the party receiving the Third-Party Demand, its officers, agents and employees against all claims, demands, actions, liabilities or costs (including, without limitation, reasonable attorneys' fees and expenses) incurred in resolving such Third-Party Demand.

C. The party receiving the Third-Party Demand ("Indemnified Party") shall notify the other party ("Indemnifying Party") promptly in writing of any such Third-Party Demand and reasonably cooperate with the Indemnifying Party in connection with responding to the Third-Party Demand. The failure to notify the Indemnifying Party of the Third-Party Demand shall not relieve the Indemnifying Party of any liability it may have to the

Indemnified Party except to the extent such liability was caused by the Indemnified Party's failure to notify the Indemnifying Party of the Third-Party Demand.

7. LIMITATION OF LIABILITY

Notwithstanding anything to the contrary in this Agreement, in no event shall either party be liable for any punitive damages, fines, penalties, taxes or any indirect, incidental, or consequential damages incurred by the other party, its officers, employees, agents, contractors or consultants whether or not foreseeable and whether or not based in contract or tort claims or otherwise, arising out of or in connection with this Agreement even if advised of the possibility of such damage. Keenan's liability under this Agreement shall further be limited to, and shall not exceed, the amount of its available insurance coverage, but not exceeding the limits of coverage outlined in Section 5.

8. DISPUTE RESOLUTION

A. In the event of any dispute arising out of or relating to this Agreement, such dispute shall be resolved by submission to binding arbitration before Judicial Arbitration & Mediation Services ("JAMS") or ADR Services, at the claimant's choice, in Los Angeles County, California, before a retired judge or justice. If the parties are unable to agree on a retired judge or justice, the selected arbitration service (JAMS or ADR Services) will select the arbitrator.

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

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

9. TERMINATION

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

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

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

(3) The dissolution or insolvency of either party;

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

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

B. If Client requests that Keenan continue to provide services under this Agreement after its expiration, Keenan may agree to provide services and the Agreement shall be extended on a month-to-month basis until terminated by either party. In such case, compensation shall be paid to Keenan on a monthly basis, under the then current rates.

10. SOLICITATION OF EMPLOYEES

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

11. MARKETING

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

12. CONFIDENTIALITY

The parties have certain oral and/or written information that is confidential, (hereinafter referred to as "Confidential Information"), which they may furnish to one another in the development or furnishing of services in this Agreement. It is imperative that all such information remains confidential unless otherwise specifically agreed by the disclosing Party or to the extent permitted by law. Confidential Information shall include information provided by Keenan to Client, including but not limited to, specific claim information, policy and procedures for the handling of claims, trade secrets, reports and all information relating to the essence, operational policies and procedures of Keenan's services. Each Party is and shall remain the owner of the records it furnishes to the other.

This obligation shall survive any termination or the natural expiration of this Agreement and shall not apply to any Confidential Information which (a) is generally available to the public other than through breach of this clause (b) in the party's possession prior to receiving it (c) lawfully disclosed to the recipient by a third party not having a confidentiality obligation to

the other party; and (d) was independently developed by the recipient without use of the Confidential Information.

Client acknowledges and agrees that due to the unique nature of the Keenan Information, there can be no adequate remedy at law for any breach of its obligations hereunder, which breach may result in irreparable harm to Keenan, and therefore, upon any such breach or any threat thereof, Keenan shall be entitled to appropriate equitable relief, including injunctive relief, without the requirement of posting a bond, in addition to whatever remedies it might have at law.

13. CONFLICTS OF INTEREST

Keenan agrees that it shall comply with the laws of the State of California regarding conflicts of interests and shall disclose conflicts of interest that may exist. Keenan further agrees to comply with Client's conflicts of interest code to the extent such code has been presented to Keenan and a determination has been made by Client's filing officer that such code applies to designated employees of Keenan.

14. OWNERSHIP OF RECORDS

A. Records of services provided under this Agreement shall be the property of Client. However, Keenan shall be entitled to keep a copy of such files and documents as may be necessary to demonstrate its performance under this Agreement.

B. In the event of the expiration or termination of this Agreement, Keenan shall, upon Client request, return all files to Client except as may otherwise be agreed to, in writing, between Keenan and Client.

15. OTHER RELATIONSHIPS

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

B. Client also understands that Keenan or its affiliates may provide services for other entities and that Keenan may be separately compensated for those additional services.

16. GENERAL

A. This Agreement and its recitals and related exhibits and amendments (incorporated into this Agreement by this reference) contains the entire understanding between the parties related to the subject matter covered by this Agreement and supersedes all prior and

collateral statements, presentations, communications, reports, agreements or understandings, if any, related to such subject matters.

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

C. If any person or entity attempts to pursue any claim or remedy based upon or arising in any way out of this agreement, to the extent such claim or remedy is permitted, then such person or entity shall be bound by the terms of this Agreement.

D. No modifications or amendments to this Agreement shall be binding unless in writing and signed by authorized representatives from both parties. Any waiver or delay by a party in enforcing this Agreement shall not deprive that party of the right to take appropriate action at a later time or due to another breach. This Agreement shall be interpreted as if written jointly by the parties.

E. Any provision determined by a court of competent jurisdiction to be partially or wholly invalid or unenforceable shall be severed from this Agreement and replaced by a provision that is valid and enforceable and that comes closest to legally expressing the intention of such invalid or unenforceable provision and such severance shall not affect the validity of the remaining provisions of this Agreement.

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

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

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

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

Alameda County Schools Insurance Group			Keenan & Associates	
Signature:			Signature:	
By:			By:	David Seres
Title:			Title:	Chief Financial Officer
Address:			Address:	2355 Crenshaw Blvd., Ste. 200
				Torrance, CA 90501
Telephone:			Telephone:	310-212-0363
Fax:			Fax:	310-212-0300
Attention:			Attention:	David Seres

Exhibit A-2
Accounting and Consulting Services

1. Keenan shall provide the following accounting and consulting services:

A. Maintain an accounting system with appropriate internal controls and proper segregation of duties which will include the following:
   (1) General Ledger
   (2) Supplemental Schedules detailing Income and Expense – as needed
      (a) Post all transactions, accounts receivable and payable, to the General Ledger using appropriate cash, income and expense accounts,
      (b) Reconcile all cash accounts to the General Ledger monthly,
      (c) Prepare GASB Stmt #31 worksheet on investments and post transactions to General Ledger,
      (d) Allocate operating expenses to other programs as directed by ACSIG,
      (e) Prepare accruals, as needed, or requested by Executive Director.

B. Prepare at a minimum quarterly financial reports, which will present the financial position of each program and compare actual results versus the adopted budget.

C. Prepare and file 1099-Misc and form 1096 "Annual Summary and Transmittal of US Information Returns" as required by the Department of the Treasury.

D. Prepare and file the Special Districts Financial Transaction Report and the Special Districts Compensation Report with the California State Controller, Division of Accounting And Reporting Office annually

E. Assist in preparation of the MD&A, if requested by the Executive Director.

F. Assist ACSIG in the annual Financial Audit process by being available to answer any questions pertaining to the General Ledger and Financial Statement activity.

G. Prepare and file the Government Units Survey (Form GUS-1) from U.S. Census Bureau, if requested

Exhibit B
Compensation

1. In consideration for the services rendered under this Agreement, Client agrees to pay Keenan the fees outlined in the table below:

Program Year	Fee
2016/2017	$14,000
2017/2018	$14,420
2018/2019	$14,850

(1) Billable at: Assistant/Vice President - $200.00 per hour
Account Manager - $150.00 per hour
Senior/Technical Assistant - $100.00 per hour

2. All invoices are due and payable within 60 days of presentation.

3. In the event Alameda County Schools Insurance Group has a change in membership within the JPA, the fees may be adjusted accordingly.



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 Full Board

FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: Proposal for Safety Inspection Contract

Beginning in July 2008, ACSIG joined Northern California ReLiEF (NCR) for Property/Liability coverage. Keenan & Associates is the administrator contracted by NCR. One of the requirements of membership in NCR is the regular completion of safety inspections.

Enclosed is an amendment to the current contract that extends the terms through June 30, 2018. The Executive Committee recommended approval of this contract at its March 3, 2016 meeting.

.LOSS CONTROL SERVICES AGREEMENT

This **Loss Control Services Agreement** ("Agreement") is made and entered into by and between **Alameda County Schools Insurance Group** (ACSIG) ("Client") and **Keenan & Associates** ("Keenan"), as of **July 1, 2016 (**"Effective Date").

RECITALS

A. Client maintains a liability insurance program ("Insurer") to protect itself against claims and losses arising out of its day to day operations;

B. Keenan is a specialty insurance services provider with expertise in providing insurance and loss control related services to California school districts, municipalities, health care providers and their related entities.

C. Client desires Keenan to perform certain loss control services as a compliment to its Insurance program; and

D. Keenan desires to provide such loss control services, subject to the terms and conditions described in this Agreement.

AGREEMENT

The parties agree as follows:

1. **TERM**

   The term of this Agreement is from the **Effective Date** through **June 30, 2018** ("Termination Date").

2. **KEENAN'S RESPONSIBILITIES AND SCOPE OF SERVICES**

   A. Client elects and Keenan shall provide the loss control services ("Services") described in Exhibit A, attached hereto and incorporated herein, during the term of this Agreement.

   B. The Services are intended to (i) promote safety awareness, (ii) assist in the identification of conditions which may pose a risk of bodily injury and/or property damage, and (iii) offer recommendations and/or suggestions to help mitigate Client's risk of loss. Keenan does not represent that the Services will identify every potential risk or hazard inherent in Client's business activities or existing on Client's premises. We are confident that Keenan's loss control services will help Client to promote a safer environment, but Keenan does not represent, guaranty or promise that the Services will eliminate all risk of injury or property damage, or result in improved loss experience.

C. In providing the Services, Keenan shall act in an advisory and consultative capacity. Client shall retain the right to determine whether to act on or implement the information, recommendations, and suggestions provided by Keenan, and the manner by which any such action or implementation shall be undertaken.

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

E. Keenan shall not provide any legal, tax, or accounting service, advice, or opinion, and the Services shall not be interpreted as representing any such service, advice or opinion. Client shall consult its own attorney on all legal issues, and its own tax and accounting experts on all tax, accounting, and financial matters relating to its operations, including without limitation, the establishment and/or operation of the Plans.

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

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

H. The Services provided to Client are non-exclusive and Keenan may provide the same or similar services to other clients who may be in the same industry, business, or service as Client.

3. CLIENT'S DUTIES AND RESPONSIBILITIES

A. Client shall retain all authority and responsibility for the implementation of any suggestions or recommendation made by Keenan as part of the Services.

B. Client shall provide Keenan with timely access to such information and individuals, including its outside advisors and consultants, as may be necessary for Keenan to perform the Services. Keenan shall not be responsible for any delay in its performance that results from the failure of Client, or any person acting on behalf of Client, to make available any information or individual in a timely manner.

C. All information provided to Keenan by Client, in anticipation of or in relation to the Services to be provided by Keenan, shall be complete and accurate, and Keenan may rely upon such information.

D. Keenan's Loss Control services are not intended to substitute for ongoing inspection and maintenance of Client's facilities. It shall remain Client's responsibility to perform and/or secure standard inspection, maintenance and repair services for its facilities and equipment, including without limitation, any service typically performed by a licensed or certified service professional (e.g., HVAC contractor, electrician, plumber, elevator service personnel, etc.).

4. COMPENSATION

Keenan shall receive compensation for the services rendered under this Agreement as provided in the attached Exhibit B.

5. INSURANCE

Keenan shall procure and maintain during the term of this Agreement the following insurance coverages, and shall provide certificates of insurance to Client upon Client's request.

i. Workers' Compensation: Coverage in conformance with the laws of the State of California and applicable federal laws;

ii. General Liability: Coverage (including motor vehicle operation) with a One Million Dollar ($1,000,000) limit of liability for each occurrence and a Two Million Dollar ($2,000,000) aggregate limit of liability; and

iii. Errors and Omissions: Coverage with a One Million Dollar ($1,000,000) limit of liability for each occurrence and a Two Million Dollar ($2,000,000) aggregate limit of liability.

6. INDEMNIFICATION

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

7. LIMITATION OF LIABILITY

Notwithstanding anything to the contrary in this Agreement, in no event shall either party be liable for any punitive damages, fines, penalties, taxes or any indirect, incidental, or consequential damages incurred by the other party, its officers, employees, agents, contractors or consultants whether or not foreseeable and whether or not based in contract or tort claims or otherwise, arising out of or in connection with this Agreement even if advised of the possibility of such damage. Keenan's liability under this Agreement shall further be limited to, and shall not

exceed, the amount of its available insurance coverage, but not exceeding the limits of coverage outlined in Section 5.

8. DISPUTE RESOLUTION

A. In the event of any dispute arising out of or relating to this Agreement, such dispute shall be resolved by submission to binding arbitration before Judicial Arbitration & Mediation Services ("JAMS") or ADR Services, at the claimant's choice, in AlamedaCounty, California, before a retired judge or justice. If the parties are unable to agree on a retired judge or justice, the selected arbitration service (JAMS or ADR Services) will select the arbitrator.

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

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

9. TERMINATION

A. This Agreement may be terminated upon the occurrence of any of the following events:

i. By either party upon the dissolution or insolvency of either party;

ii. By either party following the filing of a bankruptcy petition by or against either party (if the petition is not dismissed within sixty (60) days in the case of an involuntary bankruptcy petition);

iii. If the application of any law, rule, regulation, or court or administrative decision prohibits the continuation of this Agreement or would cause a penalty to either party if the Agreement is continued, and if the Agreement cannot be amended to conform to such law, rule, regulation, or court or administrative decision in a manner that would preserve the original intent of the parties with respect to their rights and duties under this Agreement; or

iv. By the non-breaching party if a breach of this Agreement is not cured within sixty (60) days following receipt of written notice of the breach from the non-breaching party;

v. Upon sixty (60) days prior written notice to the other party of its intent not to renew this Agreement.

B. In the event of termination pursuant to Section 9A above, Keenan shall be paid for the full value of all Services rendered through the date of termination.

10. SOLICITATION OF EMPLOYEES

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

11. PROPRIETARY INTERESTS

Keenan shall retain the copyright and the sole right of ownership to the form and format of any report, tool, schedule, exhibit, assessment, analysis, or other deliverable, that is created or developed by Keenan in performing the Services and provided to Client by Keenan in any media whatsoever. Client shall, however, remain the owner of the content of any such deliverable and any Client data or information that was provided to Keenan for the performance of the Services. Any deliverable created by Keenan for Client shall be used for Client's internal purposes and shall not be used, without the written consent of Keenan, for Client's commercial gain, nor shall it be distributed to or shared by Client with any third person, except as may be necessary to accomplish the intent and purpose of this Agreement.

12. MARKETING

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

13. OTHER RELATIONSHIPS

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

B. Keenan and/or its affiliate may provide services for other entities that also provide services to and/or contract with Client's insurance program (e.g., insurers and reinsurers and/or other coverage providers) and to the extent that such services are provided, Keenan will be separately compensated for those services.

C. The Services provided to Client are non-exclusive and Keenan reserves the right to provide the same or similar services to other clients who may be in the same industry, business, or service as Client.

14. CONFIDENTIALITY

A. As a result of their relationship under this Agreement each party may gain access to confidential information concerning the other. For purposes of this Agreement, the term "Confidential Information" includes, without limitation, i) any information or data about a party's business operations, clients, employees, marketing plans, method of operation, trade secrets, and financial performance; ii) information about Clients employees, such as name, address, social security number, compensation, and medical history, and iii) any other information about a party that is not available to the general public. Neither party shall, without the written consent of the other release, disclose, or disseminate the other party's Confidential Information except as is necessary for the performance of the Services.

B. In the event that either party becomes the subject of a subpoena or court order compelling the disclosure of the other party's Confidential information, that party shall immediately notify the other so that the party whose Confidential Information is being sought can take such action as may be necessary to prevent or limit the release of its Confidential Information.

C. Neither party shall be deemed to be in breach of this Section 14 if it has notified the other before it releases the Confidential Information pursuant to a subpoena or court order, and the party whose Confidential Information was requested fails to provide, before the deadline for disclosure, a copy of court order quashing the subpoena or otherwise limiting the original demand for the Confidential Information.

15. GENERAL

A. This Agreement, its recitals and all attached exhibits constitute the entire understanding of the parties related to the subject matter of the Agreement, and supersede all prior and collateral statements, presentations, communications, reports, agreements or understandings, if any, related to such matter(s).

B. The obligations set forth in this Agreement other than Keenan's obligation to perform the Services and Client's responsibility to pay for the Services shall survive the expiration or termination of this Agreement. Nothing in this Section 15.B. shall, however, be interpreted as relieving Client of its obligation to pay for any Services rendered by Keenan prior to the termination date of this Agreement.

C. This Agreement is made for the benefit of the parties and is not intended to confer any third party benefit or right. The enforcement of any remedy for a breach of this Agreement may only be pursued by the parties to this Agreement.

D. No modification or amendment to this Agreement shall be binding unless in writing and signed by authorized representatives from both parties. Any waiver or delay by a party in enforcing this Agreement shall not deprive that party of the right to take appropriate action at a later time or due to another breach. This Agreement shall be interpreted as if written jointly by the parties.

E. Any provision determined by a court of competent jurisdiction to be partially or wholly invalid or unenforceable shall be severed from this Agreement and replaced by a valid and enforceable provision that most closely expresses the intention of the invalid or unenforceable provision. The severance of any such provision shall not affect the validity of the remaining provisions of this Agreement.

F. Neither party shall be liable or deemed to be in default for any delay or failure in performance under this Agreement resulting, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, war, accidents, fires, explosions, earthquakes, floods, power outages, failure of computer systems, machinery or supplies, vandalism, strikes, or other work interruptions, or any similar or other cause that is beyond the reasonable control of either party. Each party shall make a good faith effort to perform under this Agreement in the event of any such circumstances, and shall resume full performance of its contract duties once the cause of the delay has abated.

G. All notices hereunder shall be in writing and shall be sent to the parties at the addresses as set forth below, or to such other individual or address as a party may later designate. Notices shall be sent via personal delivery, courier service, United States mail (postage pre-paid, return receipt requested), express mail service, electronic mail, or fax. Notice shall be effective when delivered, or if refused, when delivery is attempted. Notices delivered during non-working hours shall be deemed to be effective as of the next business day.

   If the notice relates to a legal matter or dispute, a copy shall be sent to:

   Keenan and Associates
   2355 Crenshaw Blvd., Ste. 200
   Torrance, CA 90501
   Attn: Legal Department

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

Alameda County Self Insurance Group			Keenan & Associates	
Signature:			Signature:	
By:	Kimberly Dennis		By:	Tara Schilling
Title:	Executive Director		Title:	Senior Vice President
Address:	PO Box 2487		Address:	2355 Crenshaw Blvd., Ste. 200
	Dublin, CA 94568			Torrance, CA 90501
Telephone:	(925) 225-1030		Telephone:	310-212-0363
Fax:	(925) 225-0653		Fax:	310-618-0416
Attention:	Kimberly Dennis		Attention:	Kylie Locke

EXHIBIT A

Keenan's Services*

Property and Liability Inspection and Audit Program

An on-site inspection of sites owned/operated by member Districts should be conducted at least every two (2) years by a qualified third-party Loss Prevention Specialist. In addition, member Districts should conduct periodic, regular self-inspections. The self-inspection conducted by District personnel should include documentation of all findings and recommended corrective action.

The purpose of the inspection program is to identify and control hazards before people are injured or losses occur. This can help to reduce the frequency and severity of claims and to mitigate the losses resulting from known liability exposures. An inspection conducted by a knowledgeable person, with the results communicated properly to management, conveys recognition of the hazards.

Inspection Services

Keenan's property and liability inspection program meets the Northern California ReLiEF (NCR) guidelines. Documentation will be provided in an inspection report that lists hazards identified.

Value

The inspection process has moved forward to focus on High Priority loss exposures and District Wide recommendations while adhering to the NCR Guidelines regarding the number of sites inspected. Value to member Districts will be enhanced by the evolution of the process and focus on the past loss drivers and a more focused inspection process.

Report Format

Keenan's has invested in report-writing software that allows us to upload findings directly from your sites during the physical inspection. An email of immediate hazards can also be sent to District personnel during the inspection process. The system is now robust enough to photograph Medium Priority findings in addition to High Priority findings, for District review as part of the physical inspection. Keenan will continue to provide reports to you in a user-friendly format. The report is Web-based and will be accessible through the P&C Bridge. It can be downloaded into a PDF file or an Excel file, which will give the capability to sort by a number of criteria.

Areas Inspected

All school sites, District Offices, and Maintenance & Operations facilities will be visually inspected. Also included are adjacent areas to the sites for identification of any potential fire, water damage or student injury exposure to the District. A review of member Districts recent Property & Liability claim activity will be reviewed with each District prior to the inspection. NCR JPA pool trends will be reviewed to determine areas that may be impacting individual JPA pools. Areas to be inspected include the following:

Playground Equipment

Keenan will conduct an inspection of general conditions of the playground equipment with particular attention to:

1. Swing chairs

2. Swing pivot connections
3. Swing seats
4. Chains on any other apparatus such as ring sets and climbers, paying particular attention to end links and any other point of pivot or wear.
5. Movable apparatus connection points
6. Tread surfaces of ladders on slides and any other climbing apparatus.
7. Surfaces of slide bedways, slide rails teeter-totter seats, merry-go-round seats or any other surface that children regularly contact on the equipment.
8. Bolts and other fasteners for all connecting points on assembled equipment and checking to be sure bolts are not too long and extend into playing areas.
9. Wood equipment, especially for dry rot, deterioration and splinters.
10. Playground fall protection

Athletic Equipment

Athletic equipment is similar in nature to playground equipment and will be inspected accordingly. Attention will be given to connections, pivot points, tread surfaces and surfaces that regularly contact the body. Weight equipment cables will be inspected for wear or fraying and equipment joint welds will be checked for cracking.

Facilities Housing Playground & Athletic Equipment

Fields:	Check for conditions of walkways, exposed roots, gopher holes, potholes, broken glass or other debris.
Outside Courts:	Check all surface conditions with attention to potholes, large cracks, raised surfaces and worn areas.
Athletic Fields:	Check for field conditions as noted under the field section. Check the condition of bleachers (seats, walkways side and back rails), player benches, field fencing and backstops.
Swimming Pools:	Check for clearly visible life saving equipment, emergency telephone numbers, pool rules and pool depth markings. Check the conditions or deck walking surfaces, bond beams, and stairs to lifeguard chairs, stairs to dive boards, dive board surfaces, pool fencing and bleachers. Inspect wet area electrical outlets for Ground Fault Interrupters. If the pool is indoors, check the condition of exits and exit lighting.
Gyms:	Check the conditions of exits, exit ways, exit lighting, emergency lighting, bleachers and cables supporting movable basketball hoops.
Multi-Purpose Room:	Same as Gyms.

Industrial Arts

Inspect all shops with attention to:

1. Machine guarding
2. Exits
3. Housekeeping
4. Storage of flammable liquids

5. Conditions of electrical power cords
6. Conditions of hand power tools
7. Electrical equipment and connections
8. Ventilation
9. Fire extinguishers
10. Student/Guest use of personal protective equipment

Home Economics

Inspect cooking and sewing rooms with attention to:

1. Machinery electrical wiring and connections
2. Floor and wall electrical outlets
3. Natural gas connections
4. Dryer venting
5. Accumulation of lint and other combustible debris
6. Cooking exhaust
7. Fire extinguishers

Public Assembly Areas

Inspect multi-purpose rooms, cafeterias, theaters, gyms and other public assembly areas. Include inspection of:

1. Exits
2. Panic hardware
3. Exit lighting
4. Emergency lighting for installation and testing
5. Posting of maximum occupancy signs

Science Labs

Special attention is given to eye protection for students and emergency response equipment such as:

1. Eye wash stations
2. Deluge showers
3. Fire blankets and fire extinguishers

Attention is also focused on overall laboratory conditions such as size and number of students with regard to emergency egress, ventilation-both local and general, etc.

Follow-up Audit

Northern California ReLiEF guidelines require a follow-up audit. Approximately one year after the inspection has been completed and the reports delivered to the member Districts, there will be a follow-up audit of the inspection progress. A consultant will visit each District and meet with appropriate personnel to determine the progress being made with regard to the recommended high priority corrective actions noted in the inspection report.

Self-Inspection

Documentation for self-inspections can be accomplished by the use of inspection check sheets with a space for corrective action taken. The inspection will assist the Districts in developing a self-inspection check sheet that adequately identifies areas that should be inspected by District personnel. This sheet should contain a list of items to be inspected, a rating section for each item inspected (a

section for comments) and section to list corrective action taken. The self-inspections should be performed regularly and include:

- Playground & Athletic Equipment
- Facilities Housing Playground & Athletic Equipment
- Public Assembly Areas
- Industrial Arts
- Home Economics
- Science Laboratories
- Common Areas & Grounds

Limitations

Keenan's inspection services are intended to help clients identify and mitigate hazards and potential liability exposures. While we are confident that our services will help our clients create a safer environment, we do not represent or guarantee that we will be able to identify all potential hazards, or offer a fail-safe mechanism for dealing with them. Consequently, we make no promise or representation that clients will recognize improved loss experience or premium savings as a result of these services.

Keenan's inspection services are not intended to substitute for regular, ongoing inspection and maintenance of a client's premises or equipment. Nor are they intended to replace any required inspection or service that is to be routinely performed by licensed or certified service professionals (e.g., HVAC contractor, electrician, plumber, elevator service personnel, etc.).

*The goal of Keenan's loss control services is to (i) promote safety awareness, (ii) assist in the identification of conditions which may pose a risk of injury, and (iii) provide recommendations and/or suggestions to help mitigate the risks identified. While we are confident that Keenan's loss control services will help you to create a safer environment, we do not suggest that we will be able to identify all risk exposures or that following our recommendations will eliminate all risk of injury or result in improved loss experience.

EXHIBIT B

FEE SUMMARY

Keenan will conduct the above described ReLiEF Inspection and Follow Up Audit program for the following member Districts for a fee of $24,891:

- Alameda County Office of Education
- Albany Unified School District
- Dublin Joint Unified School District
- Emery Unified School District
- Piedmont Unified School District

An annual fee of $12,445.50 will be invoiced January 1st for each year of the agreement, beginning January 1, 2017.

Fee includes:

- Professional Time
- Preparation and Scheduling
- Travel Time
- Follow Up Analytical Report
- Clerical Support/Word Processing
- All Expenses Associated with Program

Payment for Services shall be due upon receipt of Keenan's invoice. Any balance not paid within thirty (30) days following the date on the invoice shall be deemed late. Interest on any late payment shall accrue, as of the date of Keenan's original invoice, at the rate of 1½ percent per month, or the maximum interest rate permitted by applicable law, whichever is lower. Keenan has the right to suspend performance of its Services if any balance remains unpaid for more than sixty (60) days from the date of the invoice.

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 Full Board

FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: Minutes

The Board is being asked to approve the enclosed minutes from the full Board meetings on November 5, 2015 as well as the Executive Committee meetings of November 5, 2015 and March 3, 2016.



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

MINUTES
Executive Committee

Date: Thurday, November 5, 2015
Time: 11:00AM
Location: Alameda County Office of Education
313 W. Winton Ave.
Hayward, CA 94544

I. **This meeting was called to order by Susan Kinder at 11:15 AM, with a quorum of members present.**

II. **Members in Attendance**

Executive Committee Members

Susan Kinder	President	Livermore Valley Joint USD
Dr Candi Clark	Vice President	Castro Valley USD
Annette Heldman	Board Member	San Lorenzo USD
Raul Parungao	Board Member	Fremont USD
Kimberly Dennis	Executive Director	Alameda County Schools Insurance
Celina Flotte	Executive Assistant	Alameda County Schools Insurance
Tara Cooper-Salaiz	Guest	Keenan & Associates
Patrice Grant	Guest	Keenan & Associates
Kyle McKibbon	Guest	Keenan & Associates
Rebecca Sekol	Guest	Keenan & Associates
John Deseck	Guest	Keenan & Associates
Laurena Grabert	Guest	SETECH

III. **Acceptance of the Agenda**
It was moved by Raul Parungao and seconded by Dr. Candi Clark to approve the agenda as presented.

IV. Public Comment on Closed Session Agenda Items

No public present to comment.

Closed Session

Closed session began at 11:18 AM.

Open Session

Open session began at 11:35 AM.

V. Public Comment on Open Session Agenda Items

No public present to comment.

VI. Report of Action Taken in Closed Session

Susan Kinder reported that the Committee gave the Executive Director, Kimberly Dennis, an excellent yearly review, which extends her contract for another year.
It was moved by Dr. Candi Clark and seconded by Raul Parungao to approve settlement authorizations and notifications listed below.
Ayes:, Clark, Kinder, Parungao, and Heldman.
Nays: None.
Abstain: None.

Settlement Authorization

- **Claim Numbers:** 410692; 2207275; 2203078; 2205970

Settlement Notification

- **Claim Numbers:** 397981; 398837; 417029; 422515; 425973; 427543; 429144; 432087; 435558; 438974; 442180; 447599; 455147; 455585; 456441; 457758; 459472; 460534; 462375; 462881; 467331; 467416; 467792; 476037; 477353; 477826; 479940; 481101; 481961; 482935; 483470; 484539; 484595; 485455; 487989; 488174; 491545; 491830; 492321; 493068; 493938; 494515; 496472; 501403; 502114; 502194; 503544; 505438; 2202715; 2203124; 2204907; 2204997; 2205457; 2205532; 2205788; 2506353; 2506609; 9900596

VII. Approval of Minutes

The Executive Committee reviewed meeting minutes from the Executive Committee Meeting May 14, 2015 and the Full Board minutes from May 21, 2015, and June 2, 2015.
It was moved by Raul Parungao and seconded by Dr. Candi Clark to approve the Executive Committee Meeting Minutes from May 14, 2015, the Full Board Minutes from May 21, 2015 and the Full Board Minutes from June 2, 2015.

Ayes: Clark, Kinder, Parungao
Nays: None.
Abstain: None.

General Business

VIII. ACSIG Staffing

The Executive Director requested change for COBRA Administrator position to .50 FTE. It was moved by Raul Parungao and seconded by Annette Heldman to approve the ACSIG Staffing change to the Full Board consent calendar.
Ayes: Kinder, Clark, Parungao, Heldman.
Nays: None.
Abstain: None.

IX. Election of Officers

Although Executive Committee members service a term of 2 years each, an officer's term is only for one year.
It was moved by Annette Heldman and Dr. Candi Clark seconded nominating Dr. Candi Clark as President, Raul Parungao as Vice President, and Susan Kinder as Secretary for the 2015/16 term.
Ayes: Kinder, Clark, Parungao and Heldman.
Nays: None.
Abstain: None.

X. Introduction of New Service Team Members

The Executive Director introduced the new Service Team to the Executive Committee.

- John Deseck
- Rebecca Sekol

Workers Compensation

XI. Audit RFP

The Executive Committee expressed their satisfaction with Christy White & Associates and is recommending request for an engagement letter from Christy White & Associates requested fee proposal for the next 3 years.

XII. Future Planning

XIII. Susan Kinder adjourned the meeting at 11:50AM.



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

MINUTES
Executive Committee

Date: Thursday, March 3, 2016
Time: 10:00AM
Location: Alameda County Office of Education
313 W. Winton Ave.
Hayward, CA 94544

I. **Dr. Candi Clark called the meeting to order at 10:05am, with a quorum of members present.**

II. **Roll call**

Executive Committee Members

Dr. Candi Clark	President	Castro Valley USD
Raul Parungao	Vice President	Fremont USD
Susan Kinder	Secretary	Livermore USD
Allan Garde	Board Member	Albany USD (Joined this meeting at 10:35am)
Annette Heldman	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
Dave Kundert	Guest	Keenan & Associates
Kyle McGibbin	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 Susan Kinder and seconded by Raul Parungao to approve the agenda as presented.
Ayes: Clark, Kinder, Parungao, Heldman
Nays: None
Abstain: None

IV. Public Comment on Closed Session Agenda Items

No public present to comment.

Closed Session
Closed session began at 10:06am.

Open Session
Open session began at 10:10am.

The claims notifications were reviewed in closed session but no action was taken.

V. Public comment on Open Session Agenda Items

No public present to comment.

VI. Approval of Minutes

It was moved by Raul Parangao and seconded by Annette Heldman to approve the November 5, 2015 Executive Committee and Full Board Meeting minutes as presented.
Ayes: Clark, Parangao, Kinder, Heldman
Nays: None
Abstain: None

Workers Compensation

VII. Introduction of New Service Team Members

The Executive Director introduced the new Risk Management Analyst, Michael Clark & Loss Control Consultant, Dave Kundert.

VIII. Results of PARS Audit

The Executive Director presented the results of the State Workers Compensation PARS Audit, with the Keenan/ ACSIG claims team receiving an outstanding score.
Recommendation: For discussion

IX. Forms Issue (DWC-1 Form Oversight)

The Executive Director has informed the Executive Committee of the new form change that has taken effect January 1, 2016.

X. Actuarial Study - Ex Mod

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

MEMBER	NEW EX-MOD 12/31/15	OLD EX-MOD 12/31/14
ACOE	0.750	0.750
ALAMEDA	1.009	0.993
ALBANY	1.206	0.901
CASTRO VALLEY	0.998	0.826
DUBLIN	0.864	0.858
EDEN ROP	0.983	1.018
EMERY	0.750	0.750
FREMONT	0.988	1.139
LIVERMORE	1.114	1.174
MISSION ROP	0.750	0.815
MT. HOUSE	1.250	1.239
NEWARK	1.250	1.250
NEW HAVEN	0.938	0.901
PIEDMONT	0.750	0.750
PLEASANTON	0.750	0.750
SAN LEANDRO	1.197	1.065
SAN LORENZO	1.250	1.133
SUNOL GLEN	0.782	0.763
TRI VALLEY ROP	1.085	1.250

It was moved by Raul Parungao and seconded by Susan Kinder to approve the Actuarial Study Ex-Mods.
Ayes: Clark, Kinder, Parungao, Heldman
Nays: None
Abstain: None

XI. Actuarial Study - Ultimate Loss

The Executive Director presented the Ultimate Loss report prepared by Jack Joyce of Bay Actuarial. It was estimated that ACSIG's liability for unpaid losses are $21,053,000 on December 31, 2015 and project that it will be $20,109,000 on June 30, 2016. The corresponding discounted values (at 1.5% interest) are $18,590,000 and $17,758,000. Last year it was estimated that the 12/31/14 liability would be $25.808 million. The new estimate of the 12/31/15 liability is $21.053 million.

XII. Preliminary 2016-2017 Workers' Compensation Rates

The Executive Director reviewed the changes proposed to the base rate. 2016-2017 base rate uses a calculation of PIPS rate + Administrative Costs + Self Insurance Fee + an Adjustment of $1,500,000 + $0.35 for the deficit. The adjustment is for the payroll adjustment to accommodate the variance between payroll numbers used for ACSIG billing (2014-2015 audited payroll) versus the amount paid to PIPS (2016-2017 actual payroll). This payroll adjustment resulted in a 7.24% increase to the Worker's Comp rate.

2016/2017
Workers' Compensation Rates

	2013/2014 Actual Payroll	2014/2015 Actual Payroll	Base Rate	Ex Mod	Rate per $100 Payroll	2016/2017 PREMIUM
ACOE	$24,636,551	$24,650,909	3.11	0.7500	2.33	$574,982
ALAMEDA	$61,967,305	$63,724,582	3.11	1.0090	3.14	$1,999,671
ALBANY	$24,982,608	$26,634,210	3.11	1.2060	3.75	$998,959
CASTRO VALLEY	$53,460,195	$57,098,359	3.11	0.9980	3.10	$1,772,207
DUBLIN	$49,742,372	$57,362,013	3.11	0.8640	2.69	$1,541,340
EDEN ROP	$3,146,268	$3,457,372	3.11	0.9830	3.06	$105,696
EMERY	$6,144,058	$5,862,048	3.11	0.7500	2.33	$136,732
FREMONT	$197,019,408	$216,697,574	3.11	0.9880	3.07	$6,658,423
LIVERMORE	$71,551,054	$74,245,093	3.11	1.1140	3.46	$2,572,251
MISSION ROP	$4,077,930	$3,864,371	3.11	0.7500	2.33	$90,136
MT. HOUSE	$207,725	$235,401	3.11	1.2500	3.89	$9,151
NEWARK	$39,066,489	$40,748,743	3.11	1.2500	3.89	$1,584,107
NEW HAVEN	$76,911,670	$80,611,552	3.11	0.9380	2.92	$2,351,584
PIEDMONT	$21,060,384	$22,993,262	3.11	0.7500	2.33	$536,318
PLEASANTON *	$90,406,310	$94,213,075	3.11	0.7500	2.33	$2,197,520
SAN LEANDRO	$54,476,887	$57,484,959	3.11	1.1970	3.72	$2,139,975
SAN LORENZO	$65,949,277	$73,608,462	3.11	1.2500	3.89	$2,861,529
SUNOL GLEN	$1,562,931	$1,807,540	3.11	0.7820	2.43	$43,960
TRI VALLEY ROP	$2,552,972	$2,659,030	3.11	1.0850	3.37	$89,725
TOTAL PREMIUMS	$848,922,394	$907,958,555				$28,264,268
Average Ex Mod				1.00000		

Payrolls based upon 2014/2015 Unaudited Actuals Reports provided by ACOE
* includes apprentice program

Rate Build UP

	PIPS K-12 Rate	2.53155 (assumes a 5% increase and 2% change to ex-mod)			
	ACSIG Ex-mod	0.919428	2.327577953	$ 22,758,486.25	0.025065556
	Claims Admin	176,000		$ 176,000.00	0.000193841
	Deficit	0.35		$ 3,422,214.14	0.00376913
(assumes 5% inc)	ACSIG Admin	$ 165,243.75		$ 165,243.75	0.000181995
	Self-Insurance Fee	$ 245,000.00		$ 245,000.00	0.000269836
	PIPS Adj	$ 1,500,000.00		$ 1,500,000.00	0.001652058
				$ 28,266,944.14	0.031132417
	est. 16/17 payroll	$ 977,775,469.00			
percentage due to growth in payroll		6.95%			
overall increase in costs		7.24%			

It was moved by Annette Heldman and seconded by Susan Kinder to approve the Preliminary 2016-2017 Worker's Compensation Rates.
Ayes: Clark, Kinder, Parungao, Heldman
Nays: None
Abstain: None

XIII. Claims Audit Proposal

The Executive Director reviewed a proposal from Wells Fargo for completion of an independent claims audit. In Spring 2016, ACSIG is requesting to contract with Wells Fargo to complete an independent claims audit of the ACSIG Worker's Compensation claim operation.

It was moved by Raul Parungao and seconded by Annette Heldman to approve the Claims Audit Proposal.
Ayes: Clark, Kinder, Parungao, Heldman, Garde
Nays: None
Abstain: None

General

XIV. Financial Audit Proposal

The Executive Director reviewed a proposal from Christy White Associates for 2016/17. ACSIG changed audit firms from Crowe Horwath (previously Perry=-Smith) to Christy White & Associates. They have successfully completed our audit for the past 2 years. The audit fee for fiscal year ending June 30, 2016 is $13,250.

It was moved by Raul Parungao and seconded by Allan Garde to approve the Financial Audit Proposal.
Ayes: Clark, Kinder, Parungao, Heldman, Garde
Nays: None
Abstain: None

XV. SETECH Contract

The Executive Director reviewed the proposed contract for SETECH, extending a 3-year service contract.

It was moved by Susan Kinder and seconded by Raul Parungao to approve the SETECH Contract.
Ayes: Clark, Kinder, Parungao, Heldman, Garde
Nays: None
Abstain: None

XVI. Information Report for the Fiscal Year End

Laurena Grabert from SETECH presented the Financial Management Information Report Ended June 30, 2015. 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 06/30/2015

		Program Years								
		2002/2013		2013/2014		2014/2015				
Members	Sub-Total From Page 4d	Pro Rata Share %	Net Assets	Pro Rata Share %	Net Assets	Pro Rata Share %	Net Assets	Pro Rata Share %		Total
Alameda COE	$ (307,696)	2.00 %	$ 43,798	2.29 %	$ 25,305	2.28 %	$ 84,456	-- %	$ --	$ (154,137)
Alameda	(1,251,580)	5.85	128,110	6.71	74,146	6.80	251,886	--	--	(797,438)
Albany	(365,951)	2.41	52,777	2.76	30,498	2.78	102,977	--	--	(179,699)
Castro Valley	(783,233)	5.31	116,285	4.72	52,156	4.77	176,691	--	--	(438,101)
Dublin	(361,819)	3.65	79,932	3.85	42,543	4.68	173,357	--	--	(65,987)
Eden ROP	(183,062)	0.37	8,103	0.28	3,094	0.36	13,335	--	--	(158,530)
Emery	(177,015)	0.67	14,672	0.80	8,840	0.54	20,003	--	--	(133,500)
Fremont	(2,027,921)	28.86	632,010	29.82	329,511	28.74	1,064,589	--	--	(1,811)
Livermore	(1,104,582)	9.10	199,282	9.31	102,876	9.50	351,900	--	--	(450,524)
Mission ROP	(115,384)	0.39	8,541	0.39	4,310	0.40	14,817	--	--	(87,716)
Mt. House	(8,361)	0.03	657	0.04	442	0.03	1,111	--	--	(6,151)
Newark	(943,094)	4.36	95,480	4.46	49,283	5.80	214,844	--	--	(583,487)
New Haven	(1,653,919)	9.28	203,224	8.18	90,389	7.06	261,517	--	--	(1,098,789)
Piedmont	(351,929)	1.91	41,827	1.90	20,995	1.95	72,232	--	--	(216,875)
Pleasanton	(1,159,828)	9.71	212,641	9.50	104,975	8.42	311,894	--	--	(530,318)
San Leandro	(615,939)	6.13	134,242	5.15	56,908	6.23	230,772	--	--	(194,017)
San Lorenzo	(1,861,176)	9.42	206,290	9.22	101,881	9.10	337,083	--	--	(1,215,922)
Sunol Glen	(30,116)	0.13	2,847	0.13	1,437	0.13	4,815	--	--	(21,017)
Tri Valley ROP	(44,118)	0.42	9,198	0.49	5,411	0.43	15,928	--	--	(13,581)
Pleasanton Apprentice	--	--	--	--	--	--	--	--	--	--
Totals	$ (13,346,723)	100.00 %	$ 2,189,916	100.00 %	$ 1,105,000	100.00 %	$ 3,704,207	-- %	$ --	$ (6,347,600)

XVII. Second Quarter Financial Report

Laurena Grabert from SETECH presented the 2015/2016 Second Quarter Financial Report.

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Position
Consolidated
As of 06/30/2015 and 12/31/2015

	Audited As of 06/30/2015	Activity 07/01/2015 - 12/31/2015	Unaudited As of 12/31/2015
Assets:			
Current Assets			
Workers Compensation	$ 5,329,735	3,814,090	$ 9,143,825
Dental	2,596,127	196,545	2,792,672
Vision	1,228,583	(192,330)	1,036,253
Property and Liability	1,135,222	(485,155)	650,067
Operations	289,482	(43,423)	246,059
Cash and Cash Equivalents	$ 10,579,149	3,289,727	$ 13,868,876
Investments Morgan Stanley - current	608,107	89,549	697,656
Accounts Receivable	5,582,053	449,313	6,031,366
Prepaid Expense	- -	- -	- -
Interfund Receivable/(payable) (1)	- -	- -	- -
Subtotal Current Assets	16,769,309	3,828,589	20,597,898
Noncurrent Assets			
Investments @ FMV - Morgan Stanley (3)	15,133,468	(75,645)	15,057,823
Capital - Equipment,net of depreciation	4,147	- -	4,147
	15,137,615	(75,645)	15,061,970
Total Assets	**$ 31,906,924**	**$ 3,752,944**	**$ 35,659,868**
Liabilities:			
Current Liabilities			
Accounts Payable	$ 2,721,576	$ 3,354,129	$ 6,075,705
Prefunding deposits (2)	3,116,431	- -	3,116,431
Advance Contributions	- -	- -	- -
Current Portion of claims and claim adjustment	3,665,741	(7,466)	3,658,276
Subtotal Current Liabilities	9,503,748	3,346,663	12,850,412
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	19,586,125	(2,756,988)	16,829,136
Unallocated Loss Adjustment Expense (ULAE)	1,559,819	83,000	1,642,819
Subtotal Claim Liabilities	21,145,944	(2,673,988)	18,471,955
Total Liabilities	$ 30,649,692	$ 672,675	$ 31,322,367
Net Position:			
Undesignated Net Postion - Net Assets/(Deficit)	1,253,085	3,080,269	4,333,354
Designated - Capital Assets	4,147	- -	4,147
Total Net Position	$ 1,257,232	$ 3,080,269	$ 4,337,501
Total Liabilities and Ending Net Position	**$ 31,906,924**	**$ 3,752,944**	**$ 35,659,868**

Footnote:

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

It was moved by Annette Heldman and seconded by Raul Parungao to approve the Second Quarter Financial Report.

Ayes: Clark, Kinder, Parungao, Heldman, Garde
Nays: None
Abstain: None

XVIII. Second Quarter Investment Report

Cary Allison from Morgan Stanley presented the 2015/16 Second Quarter Investment Report.

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

Investment Summary Dollar Weighted Return % (Net of fees)	
Date of Report	12/31/15
Inception date	07/12/10
Beginning Total Value	$9,999,850.00
Net Contributions/Withdrawals	$5,033,025.75
Investment Earnings	$893,207.66
Total Ending Value	$15,926,083.41
Current Quarter	-0.52%
Year to Date	0.87%
Since Inception (annualized % per year)	1.16%

Time Weighted Return % by Period (Net of fees)	
Last 3 Years (annualized % per year)	0.62%
Last 5 Years (annualized % per year)	1.24%
Since Inception (annualized % per year)	1.18%
Year 2015	0.87%
Year 2014	1.01%
Year 2013	-0.03%
Year 2012	2.44%
Year 2011	1.91%
Year 2010 (partial year)	0.29%
Corporate bonds as percentage of portfolio	29.12%

It was moved by Susan Kinder and seconded by Raul Parungao to approve the Second Quarter Investment Report.
Ayes: Clark, Kinder, Parungao, Heldman, Garde
Nays: None
Abstain: None

XIX. 2016/2017 Budget

The Executive Director reviewed the tentative 2016/17 Budget. The budget was developed using year-to-date 2015/2016 data and preliminary estimates for 2016/2017 rates and costs.

Alameda County Schools Insurance Group (ACSIG)
Consolidated
2016/2017 Budget

	Budget 2016/2017	Allocations	Change in Accruals		2016/2017 Budget	2015/2016 Budget
Audited - Beginning Net Position, as of 07/01/2016				$ 29,375,762		
Beginning Cash	$ 29,375,762				$ 29,375,762	$ 24,927,031
Operating Revenue:						
Premiums Paid by Members	$ 147,362,498	$ --	$ --	$ 147,362,498	$ 147,362,498	$ 136,126,495
Total Operating Revenue	147,362,498	--	--	147,362,498	147,362,498	136,126,495
Operating Expenditures:						
Classified Salaries	236,778		--	236,778	236,778	227,675
Statutory Benefits	55,498		--	55,498	55,498	81,308
Health & Welfare	39,000		--	39,000	39,000	39,000
Employer Tax Expense	3,411		--	3,411	3,411	69,977
Telephone & Internet	5,250		--	5,250	5,250	10,500
Supplies Office	5,250		--	5,250	5,250	10,500
Supplies - Other	5,250		--	5,250	5,250	10,500
Eligibility Processing	257,060		--	257,060	257,060	185,808
Brokerage Fees-Dental-ACSIG	276,000		--	276,000	276,000	284,000
Brokerage Fees-Dental-MD	300,000		--	300,000	300,000	276,000
Travel and Conferences	21,000		--	21,000	21,000	19,500
Mileage	8,925		--	8,925	8,925	7,350
Dues & Memberships	1,575		--	1,575	1,575	1,300
Postage & Meter	3,400		--	3,400	3,400	2,750
Insurance Expense-PIPS&NCR	23,944,270		--	23,944,270	23,944,270	21,125,746
PIPS payroll adjustment	1,500,000			1,500,000	1,500,000	
Utility - Operating Rent	30,359		--	30,359	30,359	527,647
Advertising	2,100		--	2,100	2,100	2,100
Contract Services	8,426		--	8,426	8,426	19,025
Contract Services -PL-Investigation	--		--	--	--	--
Contract Services-PL-Legal	10,000		--	10,000	10,000	10,000
Audit Fees	14,175		--	14,175	14,175	16,350
Other Services/Operating Expenses	5,250		--	5,250	5,250	7,125
Capital Equipment/Depreciation	2,550		--	2,550	2,550	5,250
Repairs & Maintenance	4,800		--	4,800	4,800	5,250
Legal	2,550		--	2,550	2,550	5,250
Accounting Services	15,750		--	15,750	15,750	15,750
County Courier	3,675		--	3,675	3,675	3,575
Shredding	1,575		--	1,575	1,575	2,200
Copier & Scanner	15,000		--	15,000	15,000	14,999
Claims Administration Services	190,000		--	190,000	190,000	193,429
Self-Insurance Fee	245,000		--	245,000	245,000	246,610
Claims Paid-WC	3,000,000		--	3,000,000	3,000,000	4,000,000
Claims Paid-PL	80,000		--	80,000	80,000	100,000
Physical Abilities Testing	22,500		--	22,500	22,500	22,500
Training	5,000		--	5,000	5,000	5,000
First-Aid Program	10,000		--	10,000	10,000	25,000
Food Service Training	10,000		--	10,000	10,000	10,000
Special Ed Training	10,000		--	10,000	10,000	10,000
Bank Charge & WC Penalty Reimb	15,000		--	15,000	15,000	--
Cobra Premiums	250,000	--	--	250,000	250,000	235,000
Dental Insurance Premiums	113,877,908	--	--	113,877,908	113,877,908	106,652,000
Vision Insurance Premiums	2,758,000	--	--	2,758,000	2,758,000	2,550,000
Claim Development Expense	(2,430,000)	--	--	(2,430,000)	(2,430,000)	(3,050,000)
Prior Year Adjustment	--	--	--	--	--	--
Total Operating Expenditures	144,822,285	--	--	144,822,285	144,822,285	133,985,974
Net Increase/(Decrease) from Operations	2,540,213	--	--	2,540,213	2,540,213	2,140,521
Non Operating Income/(Expense)						
Interest Income	218,250	--	--	218,251	218,250	218,250
Change in FMV	--	--	--	--	--	--
Realized Gain/(Loss)	--	--	--	--	--	--
Net, Interfund Transfer	--	--	--	--	--	--
Total Non Operating Income/(Expense)	218,250	--	--	218,251	218,250	218,250
Ending Cash	$ 32,134,225	--				
Net Increase/(Decrease) in Net Position		$ --	$ --	2,758,464	$ 2,758,463	$ 2,358,771

XX. Strategic Planning

The Executive Director reviewed options for 2016/17 strategic planning. We will begin to brainstorm on future planning and program growth.

XXI. CAJPA Fall Conference 2016

The dates for the 2016 CAJPA Fall Conference will be September 13 -16 in Lake Tahoe. All Executive Committee Members and new Board Members are invited to attend.

XXII. Safety Inspection Contract

The Executive Director reviewed the proposal from Keenan & Associates for safety inspections services that extends our term though June 30, 2018.

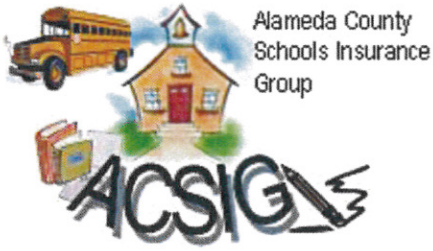
It was moved by Raul Parungao and seconded by Allan Garde to approve the Safety Inspection Contract.
Ayes: Clark, Kinder, Parungao, Heldman, Garde
Nays: None
Abstain: None

XXIII. Executive Director Quarterly Goals and Objectives

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

XXIV. Future Planning

XXV. Dr. Candi Clark adjourned the meeting at 11:33AM.



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

MINUTES
Full Board

Date: Thurday, November 5, 2015
Time: 12:00PM
Location: Alameda County Office of Education
313 W. Winton Ave.
Hayward, CA 94544

I. The meeting was called to order by Susan Kinder at 12:10pm.

II. Members in Attendance:

Susan Kinder	President	Livermore Valley Joint USD
Dr Candi Clark	Vice President	Castro Valley USD
Marites Fermin	Board Member	Eden Area ROP
Raul Parungao	Board Member	Fremont Unified School District
Dina Stewart	Board Member	Mountain House Unified School District
Theresa Kapellas	Board Member	Alameda County Office of Education
Lydia Lotti	Board Member	Dublin Unified School District
Kimberly Dennis	Executive Director	Alameda County Schools Insurance
Celina Flotte	Executive Assistant	Alameda County Schools Insurance
Tara Cooper-Salaiz	Guest	Keenan & Associates
Patrice Grant	Guest	Keenan & Associates
Rebecca Sekol	Guest	Keenan & Associates
John Deseck	Guest	Keenan & Associates
Kyle McKibbin	Guest	Keenan & Associates
Laurena Grabert	Guest	SETECH
Heather Daud	Guest	Christy White & Associates

III. Due to the fact that no quorum was present, no action was taken at this meeting. The following items were reviewed for information only:

- ACSIG Staffing

- 2014/15 Fourth Quarter Financials
- 2014/15 Audit
- 2015/16 First Quarter Financials
- 2014/15 Fourth Quarter Investment Report
- 2015/16 First Quarter Investment Report

IV. All items reviewed will be placed on the Consent Calendar for the May 26, 2016 meeting.

V. The meeting was adjourned by Susan Kinder at 1:06pm.

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 Full Board

FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: 2015/2016 Second Quarter Financials

ACSIG partners with SETECH for financial services support. Enclosed are the 2015/2016 Second Quarter financial statements for review. These financial statements reflect the 2014/2016 audited, annual balances. ACSIG is very pleased with the services of SETECH and validates the accuracy of these financial statements.

A representative from SETECH reviewed the financial statements with the Executive Committee. The Executive Committee recommended approval of this contract at its March 3, 2016 meeting.

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP

TREASURER'S REPORT

AS OF DECEMBER 31, 2015 AND FOR THE SIX MONTHS THEN ENDED

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



_____

President

SETECH (Service Enhancement Technologies)

Client Confidential Use Only

SETECH
A Keenan Solution

Innovative Solutions. Enduring Principles.

License No. 0451271

For the Executive Committee Meeting of March 3, 2016

Alameda County Schools Insurance Group (ACSIG)

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For The Six Months Ended 12/31/2015 -	
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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 06/30/2015 and 12/31/2015

	Audited As of 06/30/2015	Activity 07/01/2015 - 12/31/2015	Unaudited As of 12/31/2015
Assets:			
Current Assets			
Workers Compensation	$ 5,329,735	3,814,090	$ 9,143,825
Dental	2,596,127	196,545	2,792,672
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	15,137,615	(75,645)	15,061,970
Total Assets	**$ 31,906,924**	**$ 3,752,944**	**$ 35,659,868**
Liabilities:			
Current Liabilities			
Accounts Payable	$ 2,721,576	$ 3,354,129	$ 6,075,705
Prefunding deposits (2)	3,116,431	- -	3,116,431
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Net Position:			
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Total Net Position	$ 1,257,232	$ 3,080,269	$ 4,337,501
Total Liabilities and Ending Net Position	**$ 31,906,924**	**$ 3,752,944**	**$ 35,659,868**

Footnote:

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

Alameda County Schools Insurance Group (ACSIG)
Consolidated
Statement of Revenues, Expenditures and Changes in Net Position
For The Six Months Ended 12/31/2015

	Cash Activity 07/01/2015 12/31/2015	Allocations	Change in Accruals	Balance Year to Date	2015/2016 Budget	Variance	Percentage of Budget
Audited - Beginning Net Position, as of 07/01/2015				$ 1,257,232			
Beginning Cash	$ 26,320,724				$ 1,257,232		
Operating Revenue:							
Premiums Paid by Members	$ 71,607,555	$ (16,838)	$ 295,480	$ 71,903,035	$ 136,126,495	$ (64,223,460)	52.82 %
Total Operating Revenue	71,607,555	(16,838)	295,480	71,903,035	136,126,495	(64,223,460)	52.82
Operating Expenditures:							
Classified Salaries	50,140	67,441	(557)	117,024	227,675	(110,651)	51.40
Statutory Benefits	20,326	10,972	(3,869)	27,429	81,308	(53,879)	33.73
Health & Welfare	5,841	3,894	- -	9,735	39,000	(29,265)	24.96
Employer Tax Expense	- -	1,686	- -	1,686	69,977	(68,291)	2.41
Telephone & Internet	2,236	- -	(75)	2,161	10,500	(8,339)	20.58
Supplies Office	1,010	- -	(430)	580	10,500	(9,920)	5.52
Supplies - Other	628	- -	- -	628	10,500	(9,872)	5.98
Eligibility Processing	95,661	- -	- -	95,661	181,200	(85,539)	52.79
Brokerage Fees-Dental-ACSIG	130,767	- -	- -	130,767	284,000	(153,233)	46.04
Brokerage Fees-Dental-MD	147,728	- -	- -	147,728	276,000	(128,272)	53.52
Travel and Conferences	7,404	2,833	(790)	9,447	19,500	(10,053)	48.45
Mileage	4,268	- -	- -	4,268	7,350	(3,082)	58.07
Dues & Memberships	911	- -	- -	911	1,300	(389)	70.08
Postage & Meter	1,636	- -	- -	1,636	2,750	(1,114)	59.49
Insurance Expense-PIPS&NCR	10,181,113	- -	- -	10,181,113	21,125,746	(10,944,633)	48.19
Insurance Expense-PIPS Adj	- -	- -	1,578,491	1,578,491	500,000	1,078,491	- -
Utility - Operating-Rent	45,816	(24,054)	- -	21,762	32,255	(10,493)	67.47
Advertising	- -	- -	- -	- -	2,100	(2,100)	- -
Contract Services	- -	- -	- -	- -	19,025	(19,025)	- -
Contract Services -PL-Investigation	- -	- -	- -	- -	- -	- -	- -
Contract Services	- -	- -	- -	- -	10,000	(10,000)	- -
Audit Fees	12,999	- -	- -	12,999	16,350	(3,351)	79.50
Other Services/Operating Expenses	625	- -	- -	625	7,125	(6,500)	8.77
Capital Equipment/Depreciation	- -	- -	- -	- -	5,250	(5,250)	- -
Repairs & Maintenance	- -	- -	- -	- -	5,250	(5,250)	- -
Legal	- -	- -	- -	- -	5,250	(5,250)	- -
Accounting Services	4,760	- -	- -	4,760	15,750	(10,990)	30.22
County Courier	- -	- -	- -	- -	3,675	(3,675)	- -
Shredding	498	72	(210)	360	2,100	(1,740)	- -
Copier & Scanner	6,188	130	(728)	5,590	14,999	(9,409)	37.27
Claims Administration Services	87,798	- -	(290)	87,508	193,429	(105,921)	45.24
Self-Insurance Fee	224,764	- -	- -	224,764	246,610	(21,846)	91.14
Claims Paid-WC	1,208,193	- -	(141,092)	1,067,101	4,000,000	(2,932,899)	26.68
Claims Paid-PL	16,146	- -	- -	16,146	100,000	(83,854)	16.15
Physical Abilities Testing	2,205	- -	1,225	3,430	22,500	(19,070)	15.24
Training	- -	- -	- -	- -	5,000	(5,000)	- -
First-Aid Program	1,672	- -	1,590	3,261	25,000	(21,739)	13.04
Food Service Training	- -	- -	- -	- -	10,000	(10,000)	- -
Special Ed Training	- -	- -	- -	- -	10,000	(10,000)	- -
Bank Charge & WC Penalty Reimb	6,170	- -	- -	6,170	- -	6,170	- -
Cobra Premiums	- -	- -	- -	- -	235,000	(235,000)	- -
Dental Insurance Premiums	54,375,202	- -	2,000,000	56,375,202	106,652,000	(50,276,798)	52.86
Vision Insurance Premiums	1,604,679	- -	(213,567)	1,391,112	2,550,000	(1,158,888)	54.55
Claim Development Expense	- -	- -	(2,681,454)	(2,681,454)	(3,050,000)	368,546	87.92
ACA Fees	- -	- -	- -	- -	- -	- -	- -
Total Operating Expenditures	68,247,383	62,974	538,244	68,848,601	133,985,974	(65,137,373)	51.38 %
Net Increase/(Decrease) from Operations	3,360,172	(79,812)	(242,764)	3,054,434	2,140,521	913,913	%
Non Operating Income/(Expense)							
Interest Income	141,064	- -	(9,434)	131,294	218,250	(86,956)	60.16
Net Increase/(Decrease) in Fair Value	(114,239)	- -	- -	(114,239)	- -	(114,239)	- -
Realized Gain/(Loss) on Investments	2,649	- -	- -	2,649	- -	2,649	- -
Interfund Trans, Other Inc/Exp	(86,015)	- -	79,811	6,131	- -	6,131	- -
Total Non Operating Income/(Expense)	(56,541)	- -	70,377	25,835	218,250	(192,415)	11.84 %
Ending Cash	$ 29,624,355	(79,812)					
Net Increase/(Decrease) in Net Position		$ (79,812)	$ (172,387)	3,080,269	$ 2,358,771	$ 721,498	%
Unaudited - Ending Net Position, as of 12/31/2015				$ 4,337,501	$ 3,616,003	$ 721,498	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Workers' Compensation
As of 06/30/2015 and 12/31/2015

	Audited As of 06/30/2015	Activity 07/01/2015 - 12/31/2015	Unaudited As of 12/31/2015
Assets:			
Current Assets			
Funds with County - WC - #44906	$ 1,347,776	3,735,767	$ 5,083,543
Funds in Transit - #44906 to Morgan Stanley Investments	- -	- -	- -
Funds with County - Retention Fund #44904	17,340	35	17,375
Union Bank Claims - #0129	238,600	(199,901)	38,699
Union Bank Claims Trust Account - #0600	475,784	278,409	754,193
Local Agency Investment Funds (L.A.I.F.)	3,145,491	4,758	3,150,249
Money Market - Morgan Stanley	104,744	(4,978)	99,766
Cash and Cash Equivalents	$ 5,329,735	3,814,090	$ 9,143,825
Investments Morgan Stanley - current	608,107	89,549	697,656
Accounts Receivable	98,001	139,700	237,701
Prepaid Expense	- -	- -	- -
Interfund Receivable/(payable)	(895,283)	(2,245,028)	(3,140,311)
Subtotal Current Assets	5,140,560	1,798,311	6,938,871
Noncurrent Assets			
Investments Morgan Stanley	11,383,173	(77,758)	11,305,415
Capital - Equipment,net of depreciation	- -	- -	- -
	11,383,173	(77,758)	11,305,415
Total Assets	**$ 16,523,733**	**$ 1,720,553**	**$ 18,244,286**
Liabilities:			
Current Liabilities			
Accounts Payable	$ 2,815	$ 1,575,676	$ 1,578,491
Prefunding deposits	- -	- -	- -
Advance Contributions	- -	- -	- -
Current Portion of claims and claim adjustment	1,792,000	- -	1,792,000
Subtotal Current Liabilities	1,794,815	1,575,676	3,370,491
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	19,567,518	(2,750,879)	16,816,639
Unallocated Loss Adjustment Expense (ULAE)	1,509,000	83,000	1,592,000
Subtotal	21,076,518	(2,667,879)	18,408,639
Total Liabilities	$ 22,871,333	$ (1,092,203)	$ 21,779,130
Net Position:			
Undesignated Net Postion - Net Assets/(Deficit)	(6,347,600)	2,812,756	(3,534,844)
Designated - Capital Assets	- -	- -	- -
Total Net Position	$ (6,347,600)	$ 2,812,756	$ (3,534,844)
Total Liabilities and Ending Net Position	**$ 16,523,733**	**$ 1,720,553**	**$ 18,244,286**

Alameda County Schools Insurance Group (ACSIG)
Workers' Compensation
Statement of Revenues, Expenditures and Changes in Net Fund Assets
For The Six Months Ended 12/31/2015

	Cash Activity 07/01/2015 12/31/2015	Allocations	Change in Accruals	Balance Year to Date	2015/2016 Budget	Variance	Percentage of Budget
Audited - Beginning Net Position, as of 07/01/2015				$ (6,347,600)			
Beginning Cash and Investments	$ 17,321,015				$ (6,347,600)		
Operating Revenue:							
Premiums Paid by Members	$ 12,296,116	$ --	$ --	$ 12,296,116	$ 24,592,230	$ (12,296,114)	50.00 %
Total Operating Revenue	12,296,116	--	--	12,296,116	24,592,230	(12,296,114)	50.00
Operating Expenditures:	--						
Classified Salaries	--	28,230	--	28,230	56,819	(28,589)	49.68
Statutory Benefits	--	8,229	--	8,229	20,296	(12,067)	40.54
Health & Welfare	--	2,921	--	2,921	7,800	(4,880)	37.44
Employer Tax Expense	--	406	--	406	17,463	(17,057)	2.33
Telephone & Internet	--	324	--	324	1,500	(1,176)	21.60
Supplies Office	--	87	--	87	1,500	(1,413)	5.80
Supplies - Other	--	94	--	94	1,500	(1,406)	6.27
Eligibility Processing	--	--	--	--	--	--	--
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--	--
Brokerage Fees-Dental-MD	--	--	--	--	--	--	--
Travel and Conferences	--	1,417	--	1,417	2,250	(833)	62.98
Mileage	--	640	--	640	1,050	(410)	60.97
Dues & Memberships	--	137	--	137	150	(13)	91.33
Postage & Meter	--	27	--	27	100	(73)	27.00
Insurance Expense-PIPS	9,160,926	--	--	9,160,926	20,103,731	(10,942,805)	45.57
PIPS Contribution Adjustmert	--	--	1,578,491	1,578,491	500,000	1,078,491	315.70
Utility - Operating-Rent	--	3,264	--	3,264	4,608	(1,344)	70.83
Advertising	--	--	--	--	300	(300)	--
Contract Services - Actuarial	--	--	--	--	7,775	(7,775)	--
Contract Services -PL-Investigation	--	--	--	--	--	--	--
CAJPA Dues/Accreditation	--	--	--	--	--	--	--
Audit Fees	--	1,950	--	1,950	2,175	(225)	89.66
Other Services/Operating Expenses	--	94	--	94	2,625	(2,531)	3.58
Capital Equipment/Depreciation	--	--	--	--	750	(750)	--
Repairs & Maintenance	--	--	--	--	750	(750)	--
Legal	--	--	--	--	750	(750)	--
Accounting Services	--	--	--	--	2,250	(2,250)	--
County Courier	--	--	--	--	525	(525)	--
Shredding	--	54	--	54	750	(696)	7.20
Copier & Scanner	--	93	--	93	250	(157)	37.20
Claims Administration Services	85,002	--	--	85,002	175,429	(90,427)	48.45
Self-Insurance Fee	224,764	--	--	224,764	246,610	(21,846)	91.14
Claims Paid-WC	1,208,193	--	(141,092)	1,067,101	4,000,000	(2,932,899)	26.68
Claims Paid-PL	--	--	--	--	--	--	--
Physical Abilities Testing	2,205	--	1,225	3,430	10,000	(6,570)	34.30
Training	--	--	--	--	5,000	(5,000)	--
First-Aid Program	1,672	--	1,590	3,261	25,000	(21,739)	13.04
Food Service Training	--	--	--	--	10,000	(10,000)	--
Special Ed Training	--	--	--	--	10,000	(10,000)	--
Bank Charge & WC Penalty Reimb	--	--	--	--	--	--	--
Cobra Premiums	--	--	--	--	--	--	--
Dental Insurance Premiums	--	--	--	--	--	--	--
Vision Insurance Premiums	--	--	--	--	--	--	--
Claim Development Expense	--	--	(2,667,879)	(2,667,879)	(3,000,000)	332,121	88.93
ACA Fees	--	--	--	--	--	--	--
Total Operating Expenditures	10,682,761	47,967	(1,227,665)	9,503,063	22,219,706	(12,716,643)	42.77 %
Net Increase/(Decrease) from Operations	1,613,355	(47,967)	1,227,665	2,793,053	2,372,524	420,529	117.72 %
Non Operating Income/(Expense)							
Interest Income	105,817	--	(6,729)	99,086	150,000	(50,914)	66.06
Net Increase/(Decrease) in Fair Value	(87,203)	--	--	(87,203)	--	(87,203)	--
Realized Gain/(Loss) on Investments	2,022	--	--	2,022	--	2,022	--
Interfund Transfer, Other Income	2,191,890	--	(2,197,061)	5,798	--	5,798	--
Total Non Operating Income/(Expense)	2,212,526	$ --	$ (2,203,790)	19,703	150,000	(130,297)	13.14 %
Ending Cash	$ 21,146,896						
Net Increase/(Decrease) in Net Position				2,812,756	2,522,524	290,232	
Unaudited - Ending Net Position, as of 12/31/2015				**$ (3,534,844)**	**$ (3,825,076)**	**$ 290,232**	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Dental
As of 06/30/2015 and 12/31/2015

	Audited As of 06/30/2015	Activity 07/01/2015 - 12/31/2015	Unaudited As of 12/31/2015
Assets:			
Current Assets			
Cash with County ACSIG #44901	$ 1,238,394	(112,758)	$ 1,125,636
Union Bank - Eligibility #9938	1,215,836	387,522	1,603,358
Union Bank - Expense #2064	5,795	(81,085)	(75,290)
Union Bank - Cobra Trust #0273	136,102	2,866	138,968
Union Bank - zero balance accounts	- -	- -	- -
Cash and Cash Equivalents	$ 2,596,127	196,545	$ 2,792,672
Investments Morgan Stanley - current	- -	- -	- -
Accounts Receivable	5,437,440	186	5,437,626
Prepaid Expense	- -	- -	- -
Interfund Receivable/(payable)	1,872,988	2,178,888	4,051,876
Subtotal Current Assets	9,906,555	2,375,619	12,282,174
Noncurrent Assets			
Investments - Morgan Stanley	2,693,874	1,518	2,695,392
Capital - Equipment,net of depreciation	- -	- -	- -
	2,693,874	1,518	2,695,392
Total Assets	**$ 12,600,429**	**$ 2,377,137**	**$ 14,977,566**
Liabilities:			
Current Liabilities			
Accounts Payable	$ 2,487,589	$ 2,000,000	$ 4,487,589
Prefunding deposits	3,085,589	- -	3,085,589
Advance Contributions	- -	- -	- -
Current Portion of claims and claim adjustment	1,709,000	- -	1,709,000
Subtotal Current Liabilities	7,282,178	2,000,000	9,282,178
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	- -	- -	- -
Subtotal Claim Liabilities	- -	- -	- -
Total Liabilities	$ 7,282,178	$ 2,000,000	$ 9,282,178
Net Position:			
Undesignated Net Postion - Net Assets/(Deficit)	5,318,251	377,137	5,695,388
Designated - Capital Assets	- -	- -	- -
Total Net Position	$ 5,318,251	$ 377,137	$ 5,695,388
Total Liabilities and Ending Net Position	**$ 12,600,429**	**$ 2,377,137**	**$ 14,977,566**

Alameda County Schools Insurance Group (ACSIG)
Dental
Statement of Revenues, Expenditures and Changes in Net Fund Assets
For The Six Months Ended 12/31/2015

	Cash Activity 07/01/2015 12/31/2015	Allocations	Change in Accruals	Balance Year to Date	2015/2016 Budget	Variance	Percentage of Budget
Audited - Beginning Net Position, as of 07/01/2015				$ 5,318,251			
Beginning Cash and Investments	$ 5,290,001				$ 5,318,251		
Operating Revenue:							
Premiums Paid by Members	$ 57,266,827	$ --	$ --	$ 57,266,827	$ 107,800,000	$ (50,533,173)	53.12 %
Total Operating Revenue	57,266,827	--	--	57,266,827	107,800,000	(50,533,173)	53.12
Operating Expenditures:							
Classified Salaries	--	68,827	--	68,827	131,063	(62,236)	52.51
Statutory Benefits	--	13,715	--	13,715	46,798	(33,083)	29.31
Health & Welfare	--	4,868	--	4,868	25,350	(20,483)	19.20
Employer Tax Expense	--	993	--	993	40,283	(39,290)	2.46
Telephone & Internet	--	1,512	--	1,512	7,500	(5,988)	20.16
Supplies Office	--	407	--	407	7,500	(7,093)	5.43
Supplies - Other	--	439	--	439	7,500	(7,061)	5.85
Eligibility Processing	95,661	--	--	95,661	181,200	(85,539)	52.79
Brokerage Fees-Dental-ACSIG	130,767	--	--	130,767	284,000	(153,233)	46.04
Brokerage Fees-Dental-MD	147,728	--	--	147,728	276,000	(128,272)	53.52
Travel and Conferences	--	6,614	--	6,614	15,000	(8,386)	44.09
Mileage	--	2,988	--	2,988	5,250	(2,262)	56.91
Dues & Memberships	--	638	--	638	1,000	(362)	63.77
Postage & Meter	--	1,553	--	1,553	2,500	(947)	62.14
Insurance Expense	--	--	--	--	--	--	--
					--	--	--
Net, Operating-Rent	--	15,233	--	15,233	23,040	(7,807)	66.11
Advertising	--	--	--	--	1,500	(1,500)	--
Contract Services - Actuarial	--	--	--	--	9,375	(9,375)	--
Contract Services -PL-Investigation	--	--	--	--	--	--	--
Contracted Services	--	--	--	--	10,000	(10,000)	--
Audit Fees	--	9,100	--	9,100	12,000	(2,900)	75.83
Other Services/Operating Expenses	--	437	--	437	3,750	(3,313)	11.66
Capital Equipment/Depreciation	--	--	--	--	3,750	(3,750)	--
Repairs & Maintenance	--	--	--	--	3,750	(3,750)	--
Legal	--	--	--	--	3,750	(3,750)	--
Accounting Services	--	4,760	--	4,760	11,250	(6,490)	--
County Courier	--	--	--	--	2,625	(2,625)	--
Shredding	--	252	--	252	1,125	(873)	22.44
Copier & Scanner	--	5,311	--	5,311	14,249	(8,938)	37.27
Claims Administration Services	--	--	--	--	--	--	--
Self-Insurance Fee	--	--	--	--	--	--	--
Claims Paid-WC	--	--	--	--	--	--	--
Claims Paid-PL	--	--	--	--	--	--	--
Physical Abilities Testing	--	--	--	--	--	--	--
Training	--	--	--	--	--	--	--
First-Aid Program	--	--	--	--	--	--	--
Food Service Training	--	--	--	--	--	--	--
Special Ed Training	--	--	--	--	--	--	--
Bank Charge	6,170	--	--	6,170	--	6,170	--
Cobra Premiums	--	--	--	--	235,000	(235,000)	--
Dental Insurance Premiums	54,375,202	--	2,000,000	56,375,202	106,652,000	(50,276,798)	52.86
Vision Insurance Premiums	--	--	--	--	--	--	--
Claim Development Expense	--	--	--	--	--	--	--
ACA Fees	--	--	--	--	--	--	--
Total Operating Expenditures	54,755,528	137,646	2,000,000	56,893,174	108,018,108	(51,124,934)	52.67 %
Net Increase/(Decrease) from Operations	2,511,299	(137,646)	(2,000,000)	373,653	(218,108)	591,761	(171.32) %
Non Operating Income/(Expense)							
Interest Income	22,260	10	186	22,454	50,000	(27,546)	44.91
Net Increase/(Decrease) in Fair Value	(19,420)	--	--	(19,420)	--	(19,420)	--
Realized Gain/(Loss) on Investments	450	--	--	450	--	450	--
I Transfer, YE Close, Rebate	(2,316,526)	--	2,316,524	--	--	--	
Total Non Operating Income/(Expense)	(2,313,236)	$ 10	$ 2,316,710	3,484	50,000	(46,516)	6.97 %
Ending Cash	$ 5,488,064						
Net Increase/(Decrease) in Net Position				377,137	(168,108)	545,245	%
Unaudited - Ending Net Position, as of 12/31/2015				**$ 5,695,388**	**$ 5,150,143**	**$ 545,245**	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Vision
As of 06/30/2015 and 12/31/2015

	Audited As of 06/30/2015	Activity 07/01/2015 - 12/31/2015	Unaudited As of 12/31/2015
Assets:			
Current Assets			
Cash with County #44902	$ 1,228,583	(192,330)	$ 1,036,253
Funds in Transit - #44902 to Morgan Stanley Investments	- -	- -	- -
Cash and Cash Equivalents	1,228,583	(192,330)	1,036,253
Investments Morgan Stanley - current	- -	- -	- -
Accounts Receivable	41,467	71	41,538
Prepaid Expense	- -	- -	- -
Interfund Receivable/(payable)	154,235	45,579	199,814
Subtotal Current Assets	1,424,285	(146,680)	1,277,605
Noncurrent Assets			
Investments - Morgan Stanley	1,056,421	595	1,057,016
Capital - Equipment,net of depreciation	- -	- -	- -
	1,056,421	595	1,057,016
Total Assets	**$ 2,480,706**	**$ (146,085)**	**$ 2,334,621**
Liabilities:			
Current Liabilities			
Accounts Payable	$ 213,567	$ (213,567)	$ - -
Prefunding deposits	30,842	- -	30,842
Advance Contributions	- -	- -	- -
Current Portion of claims and claim adjustment	142,000	- -	142,000
Subtotal Current Liabilities	386,409	(213,567)	172,842
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	- -	- -	- -
Subtotal Claim Liabilities	- -	- -	- -
Total Liabilities	$ 386,409	$ (213,567)	$ 172,842
Net Position:			
Undesignated Net Postion - Net Assets/(Deficit)	2,094,297	67,482	2,161,779
Designated - Capital Assets	- -	- -	- -
Total Net Position	$ 2,094,297	$ 67,482	$ 2,161,779
Total Liabilities and Ending Net Position	**$ 2,480,706**	**$ (146,085)**	**$ 2,334,621**

Alameda County Schools Insurance Group (ACSIG)
Vision
Statement of Revenues, Expenditures and Changes in Net Fund Assets
For The Six Months Ended 12/31/2015

	Cash Activity 07/01/2015 12/31/2015	Allocations	Change in Accruals	Balance Year to Date	2015/2016 Budget	Variance	Percentage of Budget
Audited - Beginning Net Position, as of 07/01/2015				$ 2,094,297			
Beginning Cash and Investments	$ 2,285,004				$ 2,094,297		
Operating Revenue:							
Premiums Paid by Members	$ 1,474,609	$ --	$ 2,962	$ 1,477,571	$ 2,600,000	$ (1,122,429)	56.83 %
Total Operating Revenue	1,474,609	--	2,962	1,477,571	2,600,000	(1,122,429)	56.83
Operating Expenditures:							
Classified Salaries	--	11,702	--	11,702	22,767	(11,065)	51.40
Statutory Benefits	--	2,743	--	2,743	8,131	(5,388)	33.73
Health & Welfare	--	974	--	974	3,900	(2,927)	24.96
Employer Tax Expense	--	169	--	169	6,998	(6,829)	2.41
Telephone & Internet	--	216	--	216	1,000	(784)	21.60
Supplies Office	--	58	--	58	1,000	(942)	5.80
Supplies - Other	--	63	--	63	1,000	(937)	6.30
Eligibility Processing	--	--	--	--	--	--	--
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--	--
Brokerage Fees-Dental-MD	--	--	--	--	--	--	--
Travel and Conferences	--	945	--	945	1,500	(555)	63.00
Mileage	--	427	--	427	700	(273)	60.97
Dues & Memberships	--	91	--	91	100	(9)	91.00
Postage & Meter	--	44	--	44	150	(106)	29.33
Insurance Expense	--	--	--	--	--	--	--
					--	--	--
Utility - Operating-Rent	--	2,177	--	2,177	3,072	(895)	70.87
Advertising	--	--	--	--	200	(200)	--
Contract Services - Actuarial	--	--	--	--	1,250	(1,250)	--
Contract Services -PL-Investigation	--	--	--	--	--	--	--
Contract Services	--	--	--	--	--	--	--
Audit Fees	--	1,300	--	1,300	1,450	(150)	89.66
Other Services/Operating Expenses	--	62	--	62	500	(438)	12.40
Capital Equipment/Depreciation	--	--	--	--	500	(500)	--
Repairs & Maintenance	--	--	--	--	500	(500)	--
Legal	--	--	--	--	500	(500)	--
Accounting Services	--	--	--	--	1,500	(1,500)	--
County Courier	--	--	--	--	350	(350)	--
Shredding	36	--	--	36	150	(114)	24.00
Copier & Scanner	149	--	--	149	400	(251)	37.25
Claims Administration Services	--	--	--	--	--	--	--
Self-Insurance Fee	--	--	--	--	--	--	--
Claims Paid-WC	--	--	--	--	--	--	--
Claims Paid-PL	--	--	--	--	--	--	--
Physical Abilities Testing	--	--	--	--	--	--	--
Training	--	--	--	--	--	--	--
First-Aid Program	--	--	--	--	--	--	--
Food Service Training	--	--	--	--	--	--	--
Special Ed Training	--	--	--	--	--	--	--
Bank Charge & WC Penalty Reimb	--	--	--	--	--	--	--
Cobra Premiums	--	--	--	--	--	--	--
Dental Insurance Premiums	--	--	--	--	--	--	--
Vision Insurance Premiums	1,604,679	--	(213,567)	1,391,112	2,550,000	(1,158,888)	54.55
Claim Development Expense	--	--	--	--	--	--	--
ACA Fees	--	--	--	--	--	--	--
Total Operating Expenditures	1,604,864	20,970	(213,567)	1,412,267	2,607,618	(1,195,351)	54.16 %
Net Increase/(Decrease) from Operations	(130,255)	(20,970)	216,529	65,304	(7,618)	72,922	%
Non Operating Income/(Expense)							
Interest Income	12,508	--	(2,891)	9,617	17,500	(7,883)	54.95
Net Increase/(Decrease) in Fair Value	(7,616)	--	--	(7,616)	--	(7,616)	--
Realized Gain/(Loss) on Investments	177	--	--	177	--	177	--
Interfund Transfer	(66,549)	--	66,549	--	--	--	
Total Non Operating Income/(Expense)	(61,480)	$ --	$ 63,658	2,178	17,500	(15,322)	12.45 %
Ending Cash	$ 2,093,269						
Net Increase/(Decrease) in Net Position				67,482	$ 9,882	$ 57,600	%
Unaudited - Ending Net Position, as of 12/31/2015				**$ 2,161,779**	**$ 2,104,179**	**$ 57,600**	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Property and Liability
As of 06/30/2015 and 12/31/2015

	Audited As of 06/30/2015	Activity 07/01/2015 - 12/31/2015	Unaudited As of 12/31/2015
Assets:			
Current Assets			
Cash with County - #44903	$ 494,959	(212,600)	$ 282,359
Funds in Transit - #44903 to Morgan Stanley Investments	- -	- -	- -
Union Bank - Checking #0311	622,302	(276,506)	345,796
Union Bank - Claims Trust #1186	17,961	3,951	21,912
Cash and Cash Equivalents	$ 1,135,222	(485,155)	$ 650,067
Investments Morgan Stanley - current	- -	- -	- -
Accounts Receivable	5,145	309,356	314,501
Prepaid Expense	- -	- -	- -
Interfund Receivable/(payable)	(854,442)	(15,172)	(869,614)
Subtotal Current Assets	285,925	(190,971)	94,954
Noncurrent Assets			
Investments - Morgan Stanley	- -	- -	- -
Capital - Equipment,net of depreciation	- -	- -	- -
	- -	- -	- -
Total Assets	**$ 285,925**	**$ (190,971)**	**$ 94,954**
Liabilities:			
Current Liabilities			
Accounts Payable	$ 290	$ (290)	$ - -
Prefunding deposits	- -	- -	- -
Advance Contributions	- -	- -	- -
Current Portion of claims and claim adjustment	22,741	(7,466)	15,276
Subtotal Current Liabilities	23,031	(7,756)	15,276
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	18,607	(6,109)	12,497
Unallocated Loss Adjustment Expense (ULAE)	50,819	- -	50,819
Subtotal	69,426	(6,109)	63,316
Total Liabilities	$ 92,457	$ (13,865)	$ 78,592
Net Position:			
Undesignated Net Postion - Net Assets/(Deficit)	193,468	(177,106)	16,362
Designated - Capital Assets	- -	- -	- -
Total Net Position	$ 193,468	$ (177,106)	$ 16,362
Total Liabilities and Ending Net Position	**$ 285,925**	**$ (190,971)**	**$ 94,954**

Alameda County Schools Insurance Group (ACSIG)
Property and Liability
Statement of Revenues, Expenditures and Changes in Net Fund Assets
For The Six Months Ended 12/31/2015

	Cash Activity 07/01/2015 12/31/2015	Allocations	Change in Accruals	Balance Year to Date	2015/2016 Budget	Variance	Percentage of Budget
Audited - Beginning Net Position, as of 07/01/2015				$ 193,468			
Beginning Cash and Investments	$ 1,135,222				$ 193,468		
Operating Revenue:							
Premiums Paid by Members	$ 553,165	$ --	$ 309,356	$ 862,521	$ 1,134,265	$ (271,744)	76.04 %
Total Operating Revenue	553,165	--	309,356	862,521	1,134,265	(271,744)	76.04
Operating Expenditures:							
Classified Salaries	--	8,264	--	8,264	17,026	(8,762)	48.54
Statutory Benefits	--	2,743	--	2,743	6,083	(3,340)	45.09
Health & Welfare	--	973	--	973	1,950	(977)	49.92
Employer Tax Expense	--	119	--	119	5,233	(5,114)	2.27
Telephone & Internet	--	109	--	109	500	(391)	21.71
Supplies Office	--	28	--	28	500	(472)	5.66
Supplies - Other	--	32	--	32	500	(468)	6.37
Eligibility Processing	--	--	--	--	--	--	--
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--	--
Brokerage Fees-Dental-MD	--	--	--	--	--	--	--
Travel and Conferences	--	471	--	471	750	(279)	62.79
Mileage	--	213	--	213	350	(137)	60.97
Dues & Memberships	--	45	--	45	50	(5)	90.00
Postage & Meter	--	12	--	12	--	12	--
Insurance Expense-NCR	1,020,187	--	--	1,020,187	1,022,015	(1,828)	99.82
					--		--
Utility - Operating-Rent	--	1,088	--	1,088	1,535	(447)	70.89
Advertising	--	--	--	--	100	(100)	--
Contract Services - Actuarial	--	--	--	--	625	(625)	--
Contract Services -PL-Investigation	--	--	--	--	--	--	--
Contract Services - Legal	--	--	--	--	--	--	--
Audit Fees	--	649	--	649	725	(76)	89.52
Other Services/Operating Expenses	--	31	--	31	250	(219)	12.50
Capital Equipment/Depreciation	--	--	--	--	250	(250)	--
Repairs & Maintenance	--	--	--	--	250	(250)	--
Legal	--	--	--	--	250	(250)	--
Accounting Services	--	--	--	--	750	(750)	--
County Courier	--	--	--	--	175	(175)	--
Shredding	--	18	--	18	75	(57)	24.48
Copier & Scanner	--	37	--	37	100	(63)	37.05
Claims Administration Services	2,796	--	(290)	2,506	18,000	(15,494)	13.92
Self-Insurance Fee	--	--	--	--	--	--	--
Claims Paid-WC	--	--	--	--	--	--	--
Claims Paid-PL	16,146	--	--	16,146	100,000	(83,854)	16.15
Physical Abilities Testing	--	--	--	--	12,500	(12,500)	--
Training	--	--	--	--	--	--	--
First-Aid Program	--	--	--	--	--	--	--
Food Service Training	--	--	--	--	--	--	--
Special Ed Training	--	--	--	--	--	--	--
Bank Charge & WC Penalty Reimb	--	--	--	--	--	--	--
Cobra Premiums	--	--	--	--	--	--	--
Dental Insurance Premiums	--	--	--	--	--	--	--
Vision Insurance Premiums	--	--	--	--	--	--	--
Claim Development Expense	--	--	(13,575)	(13,575)	(50,000)	36,425	27.15
ACA Fees	--	--	--	--	--	--	--
Total Operating Expenditures	1,039,129	14,832	(13,865)	1,040,096	1,140,542	(100,446)	91.19 %
Net Increase/(Decrease) from Operations	(485,964)	(14,832)	323,221	(177,575)	(6,277)	(171,298)	-- %
Non Operating Income/(Expense)							
Interest Income	469	--	--	469	750	(281)	62.53
Net Increase/(Decrease) in Fair Value	--	--	--	--	--	--	--
Realized Gain/(Loss) on Investments	--	--	--	--	--	--	--
Interfund Transfer, Other Income	340	--	(340)	--	--	--	--
Total Non Operating Income/(Expense)	809	$ --	$ (340)	469	750	(281)	62.53 %
Ending Cash	$ 650,067						
Net Increase/(Decrease) in Net Position				(177,106)	(5,527)	(171,579)	-- %
Unaudited - Ending Net Position, as of 12/31/2015				$ 16,362	$ 187,941	$ (171,579)	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Operations
As of 06/30/2015 and 12/31/2015

	Audited As of 06/30/2015	Activity 07/01/2015 - 12/31/2015	Unaudited As of 12/31/2015
Assets:			
Current Assets			
Union Bank - Payroll #0176	$ 49,074	19,508	$ 68,582
Union Bank Checking Account #1521	240,408	(62,931)	177,477
Cash and Cash Equivalents	$ 289,482	(43,423)	$ 246,059
Investments Morgan Stanley - current	- -	- -	- -
Accounts Receivable	- -	- -	- -
Prepaid Expense	- -	- -	- -
Interfund Receivable/(payable)	(277,498)	35,732	(241,766)
Subtotal Current Assets	11,984	(7,691)	4,293
Noncurrent Assets			
Investments - Morgan Stanley	- -	- -	- -
Capital - Equipment,net of depreciation	4,147	- -	4,147
	4,147	- -	4,147
Total Assets	**$ 16,131**	**$ (7,691)**	**$ 8,440**
Liabilities:			
Current Liabilities			
Accounts Payable	$ 17,315	$ (7,690)	$ 9,625
Prefunding deposits	- -	- -	- -
Advance Contributions	- -	- -	- -
Current Portion of claims and claim adjustment	- -	- -	- -
Subtotal Current Liabilities	17,315	(7,690)	9,625
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	- -	- -	- -
Subtotal Claim Liabilities	- -	- -	- -
Total Liabilities	$ 17,315	$ (7,690)	$ 9,625
Net Position:			
Undesignated Net Postion - Net Assets/(Deficit)	(5,331)	- -	(5,331)
Designated - Capital Assets	4,147	- -	4,147
Total Net Position	$ (1,184)	$ - -	$ (1,184)
Total Liabilities and Ending Net Position	**$ 16,131**	**$ (7,690)**	**$ 8,441**

Alameda County Schools Insurance Group (ACSIG)
Operations
Statement of Revenues, Expenditures and Changes in Net Fund Assets
For The Six Months Ended 12/31/2015

	Cash Activity 07/01/2015 12/31/2015	Allocations	Change in Accruals	Balance Year to Date	2015/2016 Budget	Variance	Percentage of Budget
Audited - Beginning Net Position, as of 07/01/2015				$ (1,184)			
Beginning Cash and Investments	$ 289,482				$ (1,184)		
Operating Revenue:							
Offset to Rent - Sub Lease	$ 16,838	$ (16,838)	$ --	$ --	$ --	$ --	%
Total Operating Revenue	16,838	(16,838)	--	--	--	--	--
Operating Expenditures:							
Classified Salaries	50,140	(49,583)	(557)	--	--	--	
Statutory Benefits	20,326	(16,457)	(3,869)	--	--	--	
Health & Welfare	5,841	(5,841)	--	--	--	--	
Employer Tax Expense	--	--	--	--	--	--	
Telephone & Internet	2,236	(2,161)	(75)	--	--	--	
Supplies Office	1,010	(580)	(430)	--	--	--	
Supplies - Other	628	(628)	--	--	--	--	
Eligibility Processing	--	--	--	--	--	--	
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--	
Brokerage Fees-Dental-MD	--	--	--	--	--	--	
Travel and Conferences	7,404	(6,614)	(790)	--	--	--	
Mileage	4,268	(4,268)	--	--	--	--	
Dues & Memberships	911	(911)	--	--	--	--	
Postage & Meter	1,636	(1,636)	--	--	--	--	
Insurance Expense	--	--	--	--	--	--	
	--				--		
Utility - Operating-Rent	45,816	(45,816)	--	--	--	--	
Advertising	--	--	--	--	--	--	
Contract Services - Actuarial	--	--	--	--	--	--	
Contract Services -PL-Investigation	--	--	--	--	--	--	
Contract Services	--	--	--	--	--	--	
Audit Fees	12,999	(12,999)	--	--	--	--	
Other Services/Operating Expenses	625	(625)	--	--	--	--	
Capital Equipment/Depreciation	--	--	--	--	--	--	
Repairs & Maintenance	--	--	--	--	--	--	
Legal	--	--	--	--	--	--	
Accounting Services	4,760	(4,760)	--	--	--	--	
County Courier	--	--	--	--	--	--	
Shredding	462	(252)	(210)	--	--	--	
Copier & Scanner	6,039	(5,311)	(728)	--	--	--	
Claims Administration Services	--	--	--	--	--	--	
Self-Insurance Fee	--	--	--	--	--	--	
Claims Paid-WC	--	--	--	--	--	--	
Claims Paid-PL	--	--	--	--	--	--	
Physical Abilities Testing	--	--	--	--	--	--	
Training	--	--	--	--	--	--	
First-Aid Program	--	--	--	--	--	--	
Food Service Training	--	--	--	--	--	--	
Special Ed Training	--	--	--	--	--	--	
Bank Charge & WC Penalty Reimb	--	--	--	--	--	--	
Cobra Premiums	--	--	--	--	--	--	
Dental Insurance Premiums	--	--	--	--	--	--	
Insurance - Vision	--	--	--	--	--	--	
Claim Development Expense	--	--	--	--	--	--	
ACA Fees	--	--	--	--	--	--	
Total Operating Expenditures	165,101	(158,441)	(6,659)	--	--	--	-- %
Net Increase/(Decrease) from Operations	(148,263)	141,603	6,659	--	--	--	-- %
Non Operating Income/(Expense)							
Interest Income	10	(10)	--	--	--	--	--
Net Increase/(Decrease) in Fair Value	--	--	--	--	--	--	--
Realized Gain/(Loss) on Investments	--	--	--	--	--	--	--
Interfund Transfer & YE Close	105,857	--	(105,861)	--	--	--	--
Total Non Operating Income/(Expense)	104,840	$ (10)	$ (105,861)	--	--	--	-- %
Ending Cash	$ 246,059						
Net Increase/(Decrease) in Net Position				$ --	$ --	$ --	-- %
Unaudited - Ending Net Position, as of 12/31/2015				**$ (1,184)**	**$ (1,184)**	**$ --**	

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

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Workers' Compensation
As of 12/31/2015

	Self-Insured Program Years												
	1978/1979	1984/1985	1985/1986	1986/1987	1987/1988	1988/1989	1989/1990	1990/1991	1991/1992	1992/1993	1993/1994	1994/1995	Totals to Page 7A
Paid Claims	$ 912,732	$ 1,828,378	$ 2,851,314	$ 2,775,345	$ 2,867,204	$ 4,013,190	$ 2,918,790	$ 5,536,886	$ 5,149,135	$ 4,045,113	$ 3,616,962	$ 4,746,330	$ 41,261,379
Reserves	7,160	- -	75,973	66,320	18,016	35,440	28,238	110,059	70,829	107,960	130,360	187,738	838,093
Incurred Claims	919,892	1,828,378	2,927,287	2,841,665	2,885,220	4,048,630	2,947,028	5,646,945	5,219,964	4,153,073	3,747,322	4,934,068	42,099,472
Incurred But Not Reported (IBNR)	- -	- -	12,713	128,335	24,780	21,370	22,972	123,055	110,036	146,927	122,678	215,932	928,798
Non- Discounted Estimated Ultimate Incurred (1)	919,892	1,828,378	2,940,000	2,970,000	2,910,000	4,070,000	2,970,000	5,770,000	5,330,000	4,300,000	3,870,000	5,150,000	43,028,270
Anticipated Investment Income (Discount) (2)	(344)	- -	(4,257)	(11,095)	(2,867)	(4,204)	(4,046)	(19,348)	(15,193)	(22,175)	(22,520)	(36,330)	(142,379)
Discounted Estimated Ultimate (1-2)	919,548	1,828,378	2,935,743	2,958,905	2,907,133	4,065,796	2,965,954	5,750,652	5,314,807	4,277,825	3,847,480	5,113,670	42,885,891
Paid Claims	(912,732)	(1,828,378)	(2,851,314)	(2,775,345)	(2,867,204)	(4,013,190)	(2,918,790)	(5,536,886)	(5,149,135)	(4,045,113)	(3,616,962)	(4,746,330)	(41,261,379)
Remaining Estimated Unpaid Claim Liabilities	$ 6,816	$ - -	$ 84,429	$ 183,560	$ 39,929	$ 52,606	$ 47,164	$ 213,766	$ 165,672	$ 232,712	$ 230,518	$ 367,340	$ 1,624,512

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

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

Historical Discounted Estimated Ultimate Incurred:													
As of 06/30/2006	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
As of 06/30/2007	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
As of 06/30/2008	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
As of 06/30/2009	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
As of 06/30/2010	793,059	1,889,004	2,789,731	2,944,000	2,906,506	4,017,275	2,912,254	5,524,202	5,140,647	4,323,930	3,718,595	5,137,560	42,096,763
As of 06/30/2011	852,621	1,886,310	2,800,604	2,899,286	2,949,183	4,029,712	2,912,357	5,687,163	5,154,464	4,316,645	3,706,533	5,171,358	42,366,236
As of 06/30/2012	865,386	1,891,056	2,829,735	2,939,513	2,664,915	3,978,682	2,914,559	5,840,572	5,219,982	4,364,052	3,687,860	5,166,611	42,362,923
As of 06/30/2013	954,963	1,828,378	2,917,252	3,003,200	2,674,593	4,009,091	2,922,237	5,789,363	5,200,522	4,331,119	3,639,169	5,209,906	42,479,793
As of 06/30/2014	959,089	1,828,378	2,943,534	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	919,548	1,828,378	2,935,743	2,958,905	2,907,133	4,065,796	2,965,954	5,750,652	5,314,807	4,277,825	3,847,480	5,113,670	42,885,891
Increase/Decrease	(40,197)	- -	(8,906)	1,513	(9,020)	(11,811)	(27,384)	(8,773)	55,252	(26,580)	331	(16,697)	(92,272)

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Workers' Compensation
As of 12/31/2015

	Totals From Page 7	Self-Insured Program Years							Totals To Page 7B
		1995/1996	1996/1997	1997/1998	1998/1999	1999/2000	2000/2001	2001/2002	
Paid Claims	$ 41,261,379	$ 5,289,231	$ 6,962,954	$ 6,726,236	$ 8,927,863	$ 7,239,725	$ 10,609,142	$ 11,551,113	$ 98,567,643
Reserves	838,093	170,566	365,657	659,792	1,672,597	1,110,358	759,374	913,492	6,489,929
Incurred Claims	42,099,472	5,459,797	7,328,611	7,386,028	10,600,460	8,350,083	11,368,516	12,464,605	105,057,572
Incurred But Not Reported (IBNR)	928,798	180,203	291,389	383,972	659,540	459,917	521,484	665,395	4,090,698
Non- Discounted Estimated Ultimate Incurred (1)	43,028,270	5,640,000	7,620,000	7,770,000	11,260,000	8,810,000	11,890,000	13,130,000	109,148,270
Anticipated Investment Income (Discount) (2)	(142,379)	(33,323)	(66,362)	(110,639)	(254,203)	(169,590)	(138,333)	(175,256)	(1,090,085)
Discounted Estimated Ultimate (1-2)	42,885,891	5,606,677	7,553,638	7,659,361	11,005,797	8,640,410	11,751,667	12,954,744	108,058,185
Paid Claims	(41,261,379)	(5,289,231)	(6,962,954)	(6,726,236)	(8,927,863)	(7,239,725)	(10,609,142)	(11,551,113)	(98,567,643)
Remaining Estimated Unpaid Claim Liabilities	$ 1,624,512	$ 317,446	$ 590,684	$ 933,125	$ 2,077,934	$ 1,400,685	$ 1,142,525	$ 1,403,631	$ 9,490,542
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	42,885,891	5,606,677	7,553,638	7,659,361	11,005,797	8,640,410	11,751,667	12,954,744	108,058,185
Increase/Decrease	(92,272)	(145,954)	(31,174)	(149,274)	12,300	(166,247)	(67,104)	(128,939)	(768,664)

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

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

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Workers' Compensation
As of 12/31/2015

	Totals From Page 7A	Self-Insured Program Years 2002/2003	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	As of 12/31/2015 Totals	As of 06/30/2015 Totals	Activity 07/01/2015 - 12/31/2015
Paid Claims	$ 98,567,643	$ 9,800,963	$ 5,791,178	$ 5,373,977	$ 8,357,675	$ 7,911,078	$ 8,233,830	$ 8,281,431	$ 152,317,775	$ 151,276,470	$ 1,041,305
Reserves	6,489,929	207,436	558,435	276,568	1,105,290	878,162	721,522	558,619	10,795,961	11,505,010	(709,049)
Incurred Claims	105,057,572	10,008,399	6,349,613	5,650,545	9,462,965	8,789,240	8,955,352	8,840,050	163,113,736	162,781,480	332,256
Incurred But Not Reported (IBNR)	4,090,698	621,601	660,387	699,455	1,187,035	630,760	884,648	1,499,950	10,274,534	12,892,368	(2,617,834)
Non- Discounted Estimated Ultimate Incurred (1)	109,148,270	10,630,000	7,010,000	6,350,000	10,650,000	9,420,000	9,840,000	10,340,000	173,388,270	175,673,848	(2,285,578)
Anticipated Investment Income (Discount) (2)	(1,090,085)	(100,313)	(152,353)	(128,835)	(304,879)	(203,704)	(212,014)	(269,673)	(2,461,856)	(3,037,860)	576,004
Discounted Estimated Ultimate (1-2)	108,058,185	10,529,687	6,857,647	6,221,165	10,345,121	9,216,296	9,627,986	10,070,327	170,926,414	172,635,988	(1,709,574)
Paid Claims	(98,567,643)	(9,800,963)	(5,791,178)	(5,373,977)	(8,357,675)	(7,911,078)	(8,233,830)	(8,281,431)	(152,317,775)	(151,276,470)	(1,041,305)
Remaining Estimated Unpaid Claim Liabilities	$ 9,490,542	$ 728,724	$ 1,066,469	$ 847,188	$ 1,987,446	$ 1,305,218	$ 1,394,156	$ 1,788,896	$ 18,608,639	$ 21,359,518	$ (2,750,879)
Estimated Current Portion /Short-Term Liability (1)									(1,792,000)		
Estimated Non-Current portion of Claim Liabilities									$ 16,816,639		

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

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

Historical Discounted Estimated Ultimate Incurred:									
As of 06/30/2006	N/A	6,787,000	4,378,000	2,665,000	1,943,000	--	--	--	N/A
As of 06/30/2007	N/A	7,677,000	5,299,000	3,502,000	3,727,000	3,498,000	--	--	N/A
As of 06/30/2008	N/A	8,867,000	5,704,000	4,776,000	6,673,000	6,867,000	6,117,000	--	N/A
As of 06/30/2009	N/A	9,952,286	6,342,724	5,888,070	8,380,255	9,209,624	10,474,925	8,012,622	N/A
As of 06/30/2010	106,283,540	9,857,770	7,326,142	6,233,943	8,159,431	9,705,395	11,525,318	10,768,305	169,859,844
As of 06/30/2011	108,216,280	9,806,352	7,347,756	6,873,035	9,276,212	9,956,828	10,929,748	10,770,204	173,176,415
As of 06/30/2012	108,372,779	11,103,705	7,180,516	6,779,730	9,113,232	10,061,847	10,833,352	11,378,258	174,823,419
As of 06/30/2013	110,188,855	10,710,077	7,136,860	6,043,782	8,435,497	9,522,890	10,141,142	10,501,500	172,680,603
As of 06/30/2014	108,531,701	10,454,102	6,798,117	6,067,506	10,203,448	9,772,238	10,362,281	10,585,137	172,774,530
As of 06/30/2015	108,826,849	10,457,705	6,920,842	6,214,866	10,347,509	9,539,023	9,859,233	10,469,961	172,635,988
As of 06/30/2016	108,058,185	10,529,687	6,857,647	6,221,165	10,345,121	9,216,296	9,627,986	10,070,327	170,926,414
Increase/Decrease	(768,664)	71,982	(63,195)	6,299	(2,388)	(322,727)	(231,247)	(399,634)	(1,709,574)

Claim Development Expense	
Claim Liabilities and ULAE Decrease	$ (2,750,879)
	83,000
	$ (2,667,879)

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Property Liability
As of 12/31/2015

	Self-Insured Program Years								As of 12/31/2015	Activity	
	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016		As of 06/30/2015	07/01/2015 - 09/30/2015
Paid Claims	$ 117,507	$ 48,738	$ 33,141	$ 96,543	$ 125,045	$ 20,000	$ --	$ 6,681	$ 447,655	$ 429,045	$ 18,610
Reserves	--	--	--	--	--	--	--	--	--	11,929	(11,929)
Incurred Claims	117,507	48,738	33,141	96,543	125,045	20,000	--	6,681	447,655	440,974	6,681
Incurred But Not Reported (IBNR)	--	0	--	(0)	1,517	863	2,843	23,319	28,542	35,223	(6,681)
Non- Discounted Estimated Ultimate Incurred (1)	117,507 (4)	48,738 (4)	33,141 (4	96,543 (4)	126,562 (3)	20,863	2,843	30,000	476,197	476,197	--
Anticipated Investment Income (Discount) (2)	--	--	--	--	(7)	(24)	(80)	(657)	(768)	(5,803)	5,035
Discounted Estimated Ultimate (1-2)	117,507	48,738	33,141	96,543	126,555	20,839	2,763	29,343	475,429	470,394	5,035
Paid Claims	(117,507)	(48,738)	(33,141)	(96,543)	(125,045)	(20,000)	--	(6,681)	(447,655)	(429,045)	(18,610)
Remaining Estimated Unpaid Claim Liabilities	$ --	$ --	$ --	$ --	$ 1,510	$ 839	$ 2,763	$ 22,662	$ 27,774	$ 41,349	$ (13,575)
									Estimated Current Portion /Short-Term Liability (1), paid claims factor of .65		(15,276)
									Estimated Non-Current portion of Claim Liabilities		$ 12,498

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

Claim Development Expense	
Claim Liabilities and ULAE Increase	$ (13,575) -- $ (13,575)

Historical Estimated Ultimate Incurred:									
As of 06/30/2011	117,441	63,001	80,193	--	--	--	--	--	260,635
As of 06/30/2012	117,441	63,001	80,193	77,802	--	--	--	--	338,437
As of 06/30/2013	117,507	49,777	62,638	115,793	108,539	--	--	--	454,254
As of 06/30/2014	117,507	49,777	37,638	100,792	148,539	111,900	--	--	566,153
As of 06/30/2015	117,507	48,738	33,141	96,543	126,562	20,863	32,843	--	566,153
As of 06/30/2016	117,507	48,738	33,141	96,543	126,562	20,863	2,843	30,000	446,197
Increase/Decrease	--	--	--	--	--	--	(30,000)	30,000	--

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

www.treasurer.ca.gov/pmia-laif/laif.asp
December 01, 2015

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

October 2015 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
10/15/2015	10/14/2015	QRD	1482233	SYSTEM	2,534.43

Account Summary

Total Deposit:	2,534.43	Beginning Balance:	3,147,714.82
Total Withdrawal:	0.00	Ending Balance:	3,150,249.25

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

www.treasurer.ca.gov/pmia-laif/laif.asp
December 01, 2015

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

November 2015 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	3,150,249.25
Total Withdrawal:	0.00	Ending Balance:	3,150,249.25

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

www.treasurer.ca.gov/pmia-laif/laif.asp
January 04, 2016

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP

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

PMIA Average Monthly Yields

Account Number:
35-01-001

Tran Type Definitions

December 2015 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	3,150,249.25
Total Withdrawal:	0.00	Ending Balance:	3,150,249.25

JOHN CHIANG
TREASURER
STATE OF CALIFORNIA

PMIA Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
02/04/16	0.46	0.45	165
02/05/16	0.46	0.45	166
02/06/16	0.46	0.45	166
02/07/16	0.46	0.45	166
02/08/16	0.46	0.45	164
02/09/16	0.46	0.45	163
02/10/16	0.46	0.45	162
02/11/16	0.46	0.45	161
02/12/16	0.47	0.45	162
02/13/16	0.47	0.45	162
02/14/16	0.47	0.45	162
02/15/16	0.47	0.45	162
02/16/16	0.47	0.45	158
02/17/16	0.47	0.45	161

*Daily yield does not reflect capital gains or losses

LAIF Performance Report

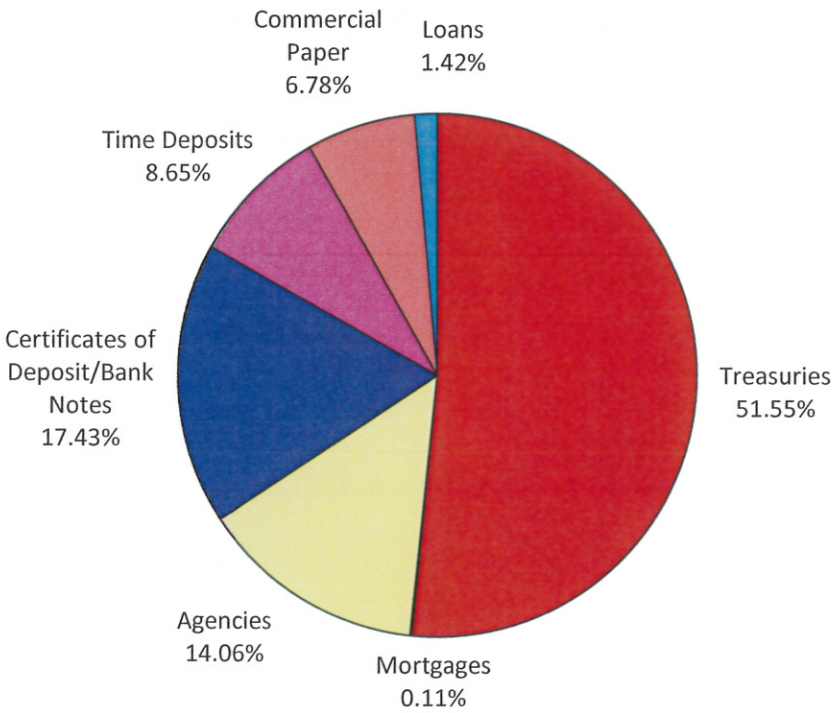
Quarter Ending 12/31/15

Apportionment Rate:	0.37%
Earnings Ratio:	0.00001006140492611
Fair Value Factor:	0.999186963
Daily:	0.43%
Quarter to Date:	0.38%
Average Life:	179

PMIA Average Monthly Effective Yields

JAN 2016	**0.446%**
DEC 2015	0.400%
NOV 2015	0.374%

Pooled Money Investment Account
Portfolio Composition
1/31/16
$65.3 billion



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 Full Board

FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: 2015/2016 Second Quarter Investment Report

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

Enclosed is ACSIG's second quarterly investment report. Cary Allison from Morgan Stanley Wealth Management reviewed this report at the meeting and addressed this item and outline the current investment strategy. The Executive Committee recommended approval of this contract at its March 3, 2016 meeting.

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

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

Morgan Stanley

January 8, 2016

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

Dear Board:

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

Investment Summary Dollar Weighted Return % (Net of fees)

Date of Report	12/31/15
Inception date	07/12/10
Beginning Total Value	$9,999,850.00
Net Contributions/Withdrawals	$5,033,025.75
Investment Earnings	$893,207.66
Total Ending Value	$15,926,083.41
Current Quarter	-0.52%
Year to Date	0.87%
Since Inception (annualized % per year)	1.16%

Time Weighted Return % by Period (Net of fees)

Last 3 Years (annualized % per year)	0.62%
Last 5 Years (annualized % per year)	1.24%
Since Inception (annualized % per year)	1.18%
Year 2015	0.87%
Year 2014	1.01%
Year 2013	-0.03%
Year 2012	2.44%
Year 2011	1.91%
Year 2010 (partial year)	0.29%
Corporate bonds as percentage of portfolio	29.12%

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

Sincerely,

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

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Morgan Stanley

Fixed Income Report

Prepared on January 08, 2016

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

Account No. 171-041349

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

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

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

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ACCOUNT(S) INCLUDED IN THIS REPORT

Account No. 171-041349

Reporting Currency: USD

ACCOUNT(S) DETAIL

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

INVESTMENT SUMMARY DOLLAR WEIGHTED RETURNS - ADVISORY ASSETS ONLY

Morgan Stanley

Account No. 171-041349

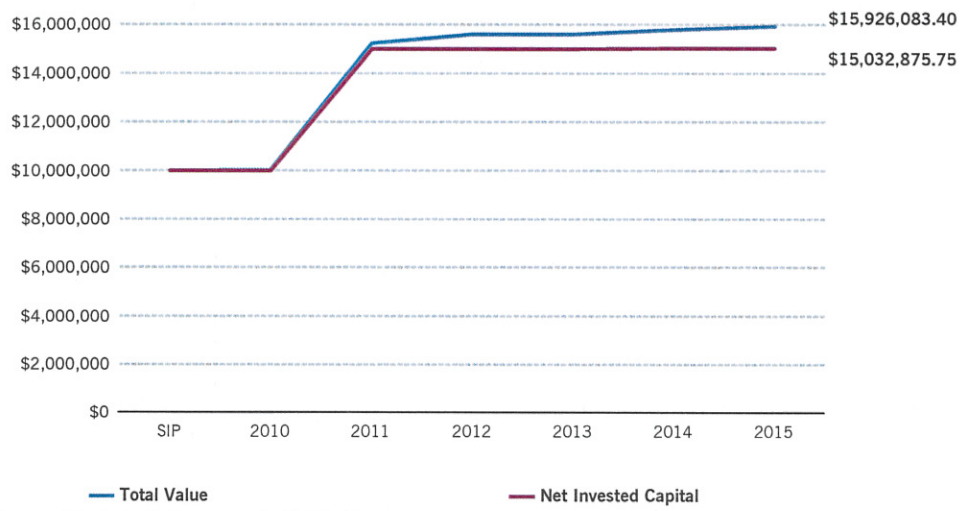
As of December 31, 2015 | Reporting Currency: USD

CHANGE IN VALUE AND RETURN % (NET OF FEES)

	Quarter to Date 09/30/15-12/31/15	Year to Date 12/31/14-12/31/15	Performance Inception 07/12/10-12/31/15
Beginning Total Value	**$16,009,547.07**	**$15,789,357.87**	**$9,999,850.00**
Net Contributions/Withdrawals	0.00	0.00	5,033,025.75
Investment Earnings	-83,463.67	136,725.54	893,207.66
Ending Total Value	**$15,926,083.41**	**$15,926,083.41**	**$15,926,083.41**
DOLLAR WEIGHTED RATE OF RETURN			
Return % (Net of Fees)	-0.52%	0.87%	1.16%

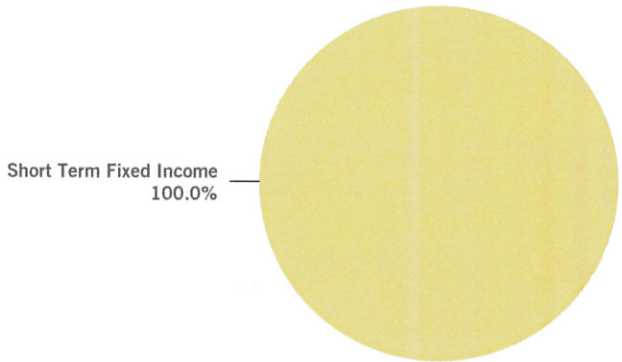
Does not include Performance Ineligible Assets.

TOTAL VALUE VS. NET INVESTED CAPITAL



Does not include Performance Ineligible Assets.

ASSET ALLOCATION



INCOME SUMMARY

	Year To Date 01/01/16-01/07/16	Projected Remaining Year (Until 12/31) 01/08/16-12/31/16	Projected Next 12 Months 02/01/16-01/31/17
INCOME BY ASSET CLASS			
Cash	$0.00	$0.00	-
Fixed Income & Preferreds	0.00	275,804.00	275,804.00
Total Income	**$0.00**	**$275,804.00**	**$275,804.00**
INCOME BY TAX CATEGORY			
Taxable	0.00	275,804.00	275,804.00
Non Taxable	0.00	-	-
Tax Deferred	0.00	-	-
Total Income	**$0.00**	**$275,804.00**	**$275,804.00**

Income Summary does not include income from external assets.

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

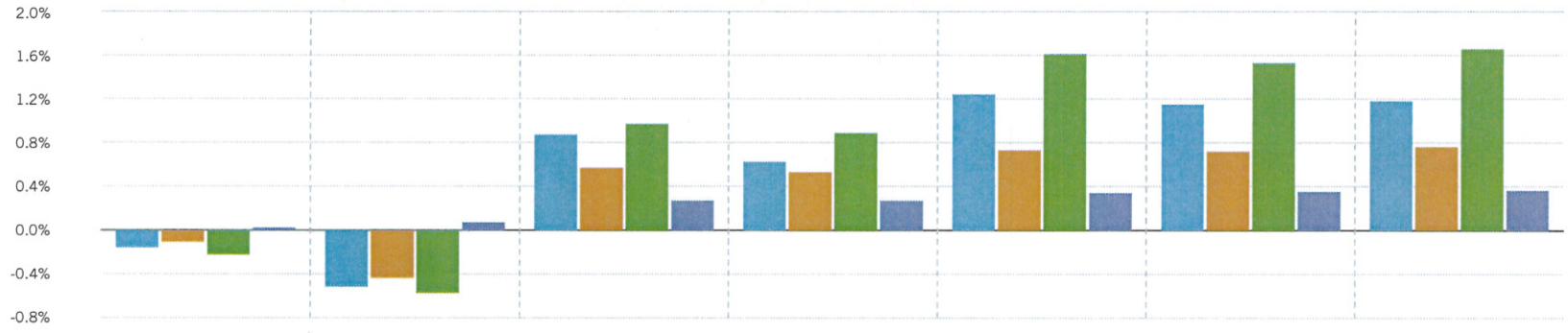
TIME WEIGHTED PERFORMANCE SUMMARY - ADVISORY ASSETS ONLY

Morgan Stanley

Account No. 171-041349

As of December 31, 2015 | Reporting Currency: USD

RETURN % (NET OF FEES) VS. BENCHMARKS



	Month to Date 11/30/15 - 12/31/15	Quarter to Date 09/30/15 - 12/31/15	Year to Date 12/31/14 - 12/31/15	Last 3 Years 12/31/12 - 12/31/15	Last 5 Years 12/31/10 - 12/31/15	Performance Inception Month End 07/31/10 - 12/31/15	Performance Inception 07/12/10 - 12/31/15
Beginning Total Value	**$15,952,060.62**	**$16,009,547.07**	**$15,789,357.87**	**$15,600,964.10**	**$10,028,996.97**	**$10,025,516.38**	**$9,999,850.00**
Net Contributions/Withdrawals	0.00	0.00	0.00	32,875.75	5,032,875.75	5,032,875.75	5,033,025.75
Investment Earnings	-25,977.22	-83,463.67	136,725.54	292,243.56	864,210.69	867,691.28	893,207.66
Ending Total Value	**$15,926,083.41**	**$15,926,083.41**	**$15,926,083.41**	**$15,926,083.41**	**$15,926,083.41**	**$15,926,083.41**	**$15,926,083.41**
Return % (Net of Fees)	**-0.16**	**-0.52**	**0.87**	**0.62**	**1.24**	**1.15**	**1.18**
BC Gov 1-3 Yr	*-0.10*	*-0.43*	*0.57*	*0.53*	*0.73*	*0.72*	*0.76*
BC Gov/Cr 1-5 yr	*-0.22*	*-0.57*	*0.97*	*0.89*	*1.61*	*1.53*	*1.66*
Citi CD 6 Month	*0.02*	*0.07*	*0.27*	*0.27*	*0.34*	*0.35*	*0.36*

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

Morgan Stanley

Account No. 171-041349

As of December 31, 2015 | Reporting Currency: USD

RETURN % (NET OF FEES) VS. BENCHMARKS

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

Period	Beginning Total Value	Net Contributions/ Withdrawals	Investment Earnings	Ending Total Value	Period Returns%			
					Portfolio (Net of Fees)	BC Gov 1-3 Yr	BC Gov/Cr 1-5 yr	Citi CD 6 Month
2015	**$15,789,357.87**	**$0.00**	**$136,725.54**	**$15,926,083.41**	**0.87%**	**0.57%**	**0.97%**	**0.27%**
4QTR	*16,009,547.07*	*0.00*	*-83,463.67*	*15,926,083.41*	*-0.52*	*-0.43*	*-0.57*	*0.07*
December	15,952,060.62	0.00	-25,977.22	15,926,083.41	-0.16	-0.10	-0.22	0.02
November	15,988,471.83	0.00	-36,411.21	15,952,060.62	-0.23	-0.24	-0.23	0.02
October	16,009,547.07	0.00	-21,075.24	15,988,471.83	-0.13	-0.09	-0.12	0.02
3QTR	*15,915,884.25*	*0.00*	*93,662.82*	*16,009,547.07*	*0.59*	*0.32*	*0.60*	*0.07*
September	15,932,203.51	0.00	77,343.56	16,009,547.07	0.49	0.30	0.47	0.02
August	15,933,478.21	0.00	-1,274.70	15,932,203.51	-0.01	-0.04	-0.05	0.02
July	15,915,884.25	0.00	17,593.97	15,933,478.21	0.11	0.06	0.18	0.02
2QTR	*15,924,833.29*	*0.00*	*-8,949.04*	*15,915,884.25*	*-0.06*	*0.15*	*-0.02*	*0.07*
June	15,934,895.12	0.00	-19,010.88	15,915,884.25	-0.12	0.02	-0.18	0.02
May	15,925,173.22	0.00	9,721.90	15,934,895.12	0.06	0.07	0.09	0.02
April	15,924,833.29	0.00	339.93	15,925,173.22	0.00	0.05	0.07	0.02
1QTR	*15,789,357.87*	*0.00*	*135,475.42*	*15,924,833.29*	*0.86*	*0.54*	*0.96*	*0.07*
March	15,864,378.70	0.00	60,454.59	15,924,833.29	0.38	0.24	0.39	0.02
February	15,912,423.28	0.00	-48,044.58	15,864,378.70	-0.30	-0.22	-0.38	0.02
January	15,789,357.87	0.00	123,065.42	15,912,423.28	0.78	0.52	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%**	**0.27%**
2013	**$15,600,964.10**	**$0.00**	**-$3,157.16**	**$15,597,806.94**	**-0.03%**	**0.37%**	**0.28%**	**0.27%**
2012	**$15,229,289.11**	**$0.00**	**$371,674.99**	**$15,600,964.10**	**2.44%**	**0.51%**	**2.24%**	**0.49%**
2011	**$10,028,996.97**	**$5,000,000.00**	**$200,292.14**	**$15,229,289.11**	**1.91%**	**1.56%**	**3.14%**	**0.39%**
2010 Performance Inception: 07/12/10	**$9,999,850.00**	**$150.00**	**$28,996.97**	**$10,028,996.97**	**0.29%**	**0.53%**	**1.03%**	**0.25%**

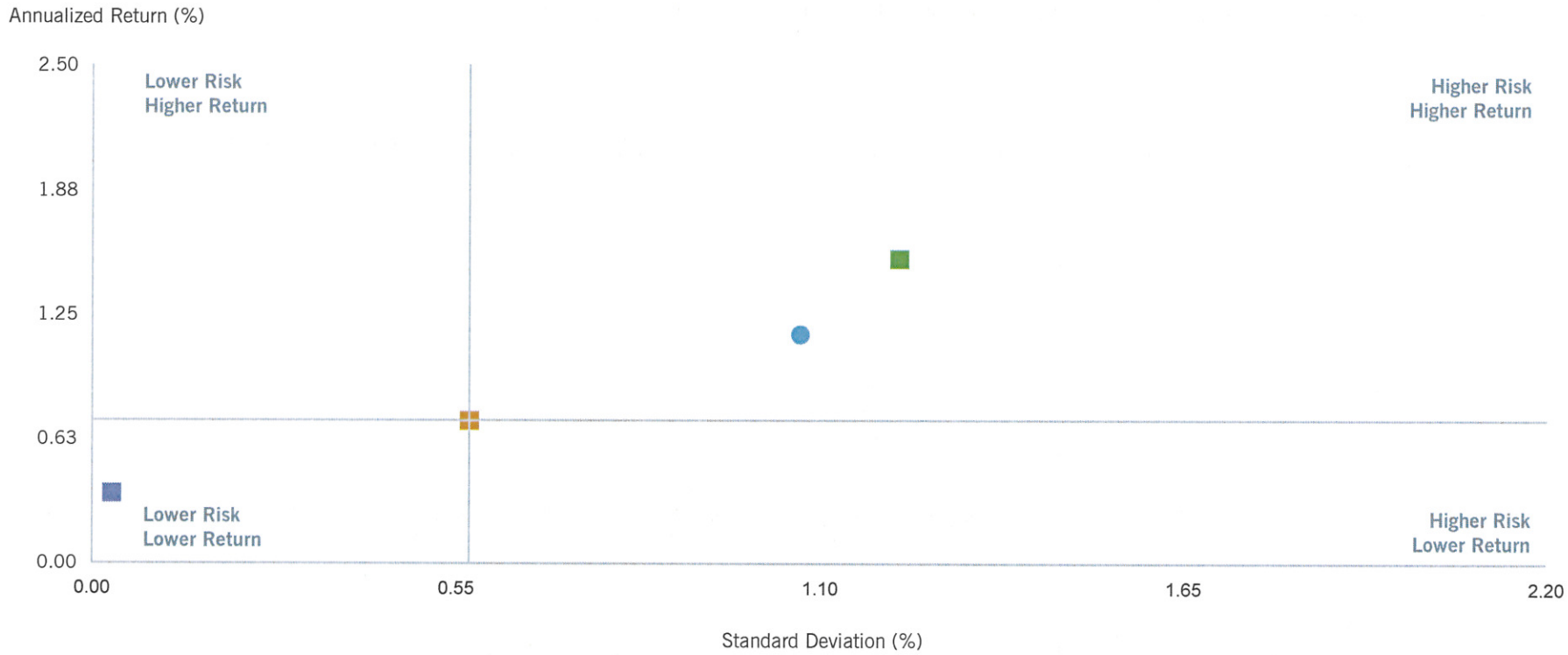
Inception dates for advisory account(s) reflect the most recent advisory program or discretion change.
The investment returns shown on this page are time-weighted measurements which exclude the effect of the timing and amount of your contributions and withdrawals.

RISK VS. RETURN - ADVISORY ASSETS ONLY

Account No. 171-041349

As of December 31, 2015 | Reporting Currency: USD

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



	Return % (Net of Fees) 07/31/10-12/31/15	Standard Deviation 07/31/10-12/31/15 (%)
Portfolio	1.15%	1.07 %
BC Gov 1-3 Yr	*0.72*	*0.57*
BC Gov/Cr 1-5 yr	*1.53*	*1.22*
Citi CD 6 Month	*0.35*	*0.03*

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

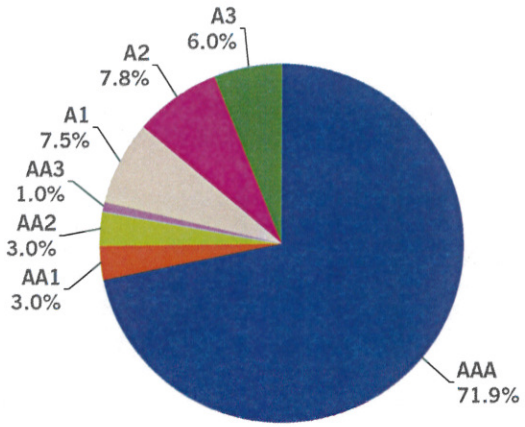
FIXED INCOME & PREFERREDS QUALITY, MATURITY AND ASSET ALLOCATION

Morgan Stanley

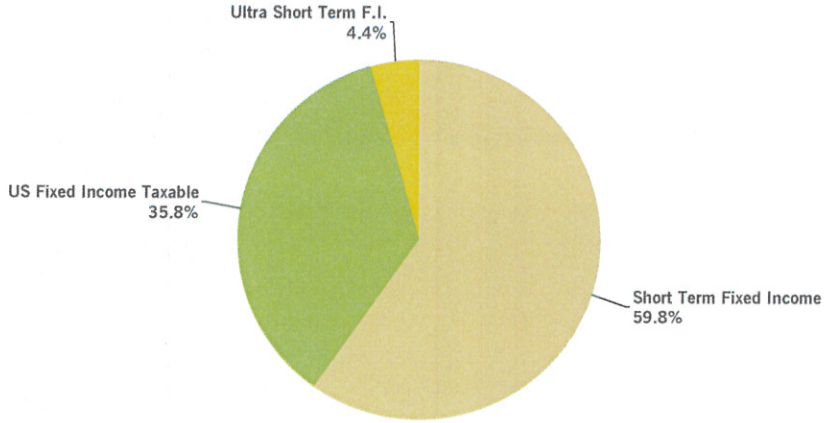
Account No. 171-041349

As of December 31, 2015 | Reporting Currency: USD

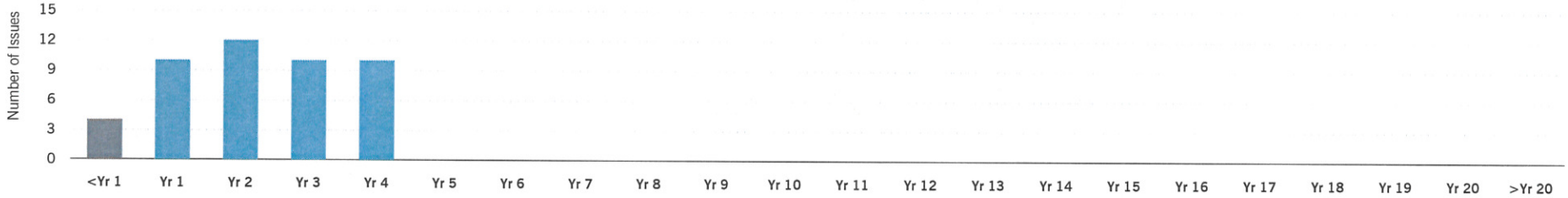
FIXED INCOME AND PREFERREDS QUALITY ANALYSIS



FIXED INCOME AND PREFERREDS ASSET ALLOCATION



MATURITY SCHEDULE



	Number of Issues	Total Value 12/31/15	% of Fixed Income & Preferreds
Less than 1 yr	4	$698,684.47	4.4%
1-5 yrs	42	15,127,633.24	95.6
6-10 yrs	0	0.00	0.0
11-15 yrs	0	0.00	0.0
16-20 yrs	0	0.00	0.0
More than 20 yrs	0	0.00	0.0
Others	0	0.00	0.0
Total Fixed Income & Preferreds	**46**	**$15,826,317.71**	**100.0%**

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

CORPORATE FIXED INCOME

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Total Value	Unrealized Gain/Loss	Current Yield / Yield on Cost	% of Fixed Income
AMERICAN EXPRESS CREDIT	$157,421.10	$155,000.00	$100.02	$155,027.90	-$2,023.84	2.24%	0.99%
	$157,051.74			$156,345.40		2.21%	
Cusip: 0258M0DP1, Moody's Rating: A2, S & P Rating: A-, Maturity Date: 8/15/2019, Coupon: 2.250, Accrued Interest: $1317.500							
ANHEUSER-BUSCH INBEV WOR	156,970.32	156,000.00	99.67	155,480.52	-967.73	1.37	0.99
	156,448.25			156,469.60		1.36	
Cusip: 03523TBN7, Moody's Rating: A2, S & P Rating: A-, Maturity Date: 7/15/2017, Coupon: 1.375, Accrued Interest: $989.082							
APPLE INC	158,291.98	161,000.00	98.33	158,311.30	19.32	1.57	1.01
	158,291.98			159,295.64		1.57	
Cusip: 037833AX8, Moody's Rating: AA1, S & P Rating: AA+, Maturity Date: 2/7/2020, Coupon: 1.550, Accrued Interest: $984.335							
BANK OF NEW YORK MELLON	158,589.34	158,000.00	100.47	158,734.70	196.40	2.09	1.01
	158,538.30			160,264.67		2.09	
Cusip: 06406HCP2, Moody's Rating: A1, S & P Rating: A, Maturity Date: 1/15/2019, Coupon: 2.100, Call Date: 12/15/2018, Call Price: 100.000, Accrued Interest: $1529.966							
BANK OF NOVA SCOTIA	155,230.95	155,000.00	99.94	154,908.55	-165.83	1.10	0.98
	155,074.38			154,993.80		1.10	
Cusip: 064159DA1, Moody's Rating: AA2, S & P Rating: A+, Maturity Date: 12/13/2016, Coupon: 1.100, Accrued Interest: $85.250							
BB&T CORPORATION	153,494.52	151,000.00	100.77	152,164.21	514.33	2.13	0.97
	151,649.88			153,057.00		2.14	
Cusip: 05531FAK9, Moody's Rating: A2, S & P Rating: A-, Maturity Date: 3/22/2017, Coupon: 2.150, Call Date: 2/22/2017, Call Price: 100.000, Accrued Interest: $892.788							
BERKSHIRE HATHAWAY INC	158,767.82	157,000.00	100.61	157,959.27	-660.77	2.08	1.01
	158,620.04			159,213.96		2.07	
Cusip: 084670BL1, Moody's Rating: AA2, S & P Rating: AA, Maturity Date: 8/14/2019, Coupon: 2.100, Accrued Interest: $1254.691							
BNP PARIBAS	156,121.68	156,000.00	100.39	156,608.40	527.76	2.44	1.00
	156,080.64			157,712.53		2.45	
Cusip: 05574LXH6, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 3/17/2019, Coupon: 2.450, Accrued Interest: $1104.132							
BOEING CAPITAL CORPORATION	79,472.44	76,000.00	103.13	78,380.32	-859.00	2.81	0.50
	79,239.32			79,212.94		2.78	
Cusip: 097014AM6, Moody's Rating: A2, S & P Rating: A, Maturity Date: 8/15/2018, Coupon: 2.900, Call Date: 7/15/2018, Call Price: 100.000, Accrued Interest: $832.622							
CISCO SYSTEMS INC	159,178.08	159,000.00	100.95	160,508.91	1,348.62	2.42	1.02
	159,160.29			160,682.04		2.44	
Cusip: 17275RAX0, Moody's Rating: A1, S & P Rating: AA-, Maturity Date: 6/15/2020, Coupon: 2.450, Accrued Interest: $173.132							
COMCAST CORP	156,366.66	139,000.00	111.73	155,308.87	797.73	4.60	1.00
	154,511.14			157,695.04		4.62	
Cusip: 20030NBA8, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 3/1/2020, Coupon: 5.150, Accrued Interest: $2386.166							
DUKE ENERGY CAROLINAS	155,699.68	152,000.00	100.55	152,837.52	-491.88	1.74	0.97
	153,329.40			152,955.74		1.73	

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
Cusip: 26442CAL8, Moody's Rating: AA2, S & P Rating: A, Maturity Date: 12/15/2016, Coupon: 1.750, Accrued Interest: $118.221							
GENERAL ELECTRIC CAPITAL CORP	155,608.50	150,000.00	101.23	151,840.50	163.33	2.27	0.96
	151,677.17			152,453.83		2.27	
Cusip: 36962G5W0, Moody's Rating: A1, S & P Rating: AA+, Maturity Date: 4/27/2017, Coupon: 2.300, Accrued Interest: $613.332							
GILEAD SCIENCES INC	159,497.84	158,000.00	100.44	158,687.30	-777.65	1.84	1.01
	159,464.95			159,556.08		1.83	
Cusip: 375558BE2, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 9/4/2018, Coupon: 1.850, Accrued Interest: $868.780							
HOME DEPOT INC	158,093.80	155,000.00	100.70	156,086.55	-1,512.61	1.98	0.99
	157,599.16			156,224.33		1.96	
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: $137.776							
INTEL CORP	79,932.20	79,000.00	101.14	79,903.76	21.43	2.42	0.51
	79,882.33			80,720.97		2.42	
Cusip: 458140AQ3, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 7/29/2020, Coupon: 2.450, Accrued Interest: $817.211							
JOHN DEERE CAPITAL CORP	80,480.46	79,000.00	100.43	79,342.07	-1,059.03	2.24	0.50
	80,401.10			79,707.45		2.21	
Cusip: 24422ERR2, Moody's Rating: A2, S & P Rating: A, Maturity Date: 4/17/2019, Coupon: 2.250, Accrued Interest: $365.375							
JP MORGAN CHASE & CO	156,715.85	155,000.00	100.21	155,319.30	-585.04	1.21	0.98
	155,904.34			155,665.95		1.21	
Cusip: 46625HJF8, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 1/25/2018, Coupon: 1.220, Accrued Interest: $346.654							
MERCK & CO INC	156,048.70	158,000.00	99.77	157,628.70	1,580.00	1.30	1.00
	156,048.70			157,874.04		1.31	
Cusip: 58933YAG0, Moody's Rating: A1, S & P Rating: AA, Maturity Date: 5/18/2018, Coupon: 1.300, Accrued Interest: $245.338							
MICROSOFT CORP	157,010.91	159,000.00	99.63	158,414.88	1,403.97	0.87	1.00
	157,010.91			158,592.65		0.88	
Cusip: 594918AP9, Moody's Rating: AAA, S & P Rating: AAA, Maturity Date: 11/15/2017, Coupon: 0.875, Accrued Interest: $177.770							
OCCIDENTAL PETROLEUM CORP	158,906.92	158,000.00	100.20	158,316.00	-544.30	1.74	1.01
	158,860.30			159,360.56		1.73	
Cusip: 674599CB9, Moody's Rating: A2, S & P Rating: A, Maturity Date: 2/15/2017, Coupon: 1.750, Accrued Interest: $1044.555							
ORACLE CORP	156,650.34	154,000.00	101.54	156,377.76	503.02	2.33	1.00
	155,874.74			158,064.27		2.34	
Cusip: 68389XAQ8, Moody's Rating: A1, S & P Rating: AA-, Maturity Date: 1/15/2019, Coupon: 2.375, Accrued Interest: $1686.513							
PNC FUNDING CORP	158,731.86	142,000.00	109.97	156,158.82	-1,455.24	4.66	1.01
	157,614.06			159,049.60		4.62	
Cusip: 693476BJ1, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 2/8/2020, Coupon: 5.125, Accrued Interest: $2890.783							

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	100.64	149,955.09	-809.92	1.88	0.95
	150,765.01			150,426.92		1.87	
Cusip: 742718EG0, Moody's Rating: AA3, S & P Rating: AA-, Maturity Date: 11/1/2019, Coupon: 1.900, Accrued Interest: $471.832							
SHELL INTERNATIONAL FIN	156,190.40	155,000.00	100.02	155,029.45	-776.82	1.89	0.99
	155,806.27			156,182.91		1.88	
Cusip: 822582AW2, Moody's Rating: AA1, S & P Rating: AA-, Maturity Date: 8/10/2018, Coupon: 1.900, Accrued Interest: $1153.457							
THE WALT DISNEY COMPANY	160,136.85	159,000.00	99.94	158,907.78	-1,207.67	2.15	1.01
	160,115.45			159,895.35		2.13	
Cusip: 25468PDE3, Moody's Rating: A2, S & P Rating: A, Maturity Date: 9/17/2020, Coupon: 2.150, Accrued Interest: $987.566							
TORONTO-DOMINION BANK	155,435.55	155,000.00	99.17	153,705.75	-1,503.20	1.41	0.97
	155,208.95			154,067.42		1.40	
Cusip: 89114QAG3, Moody's Rating: AA1, S & P Rating: AA-, Maturity Date: 4/30/2018, Coupon: 1.400, Accrued Interest: $361.666							
UNITED TECHNOLOGIES CORP	155,385.04	151,000.00	100.57	151,853.15	-717.68	1.78	0.96
	152,570.83			152,079.65		1.77	
Cusip: 913017BU2, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 6/1/2017, Coupon: 1.800, Accrued Interest: $226.498							
UNITEDHEALTH GROUP INC	159,338.40	156,000.00	101.05	157,634.88	-1,525.28	2.67	1.01
	159,160.16			159,483.48		2.64	
Cusip: 91324PCM2, Moody's Rating: A3, S & P Rating: A+, Maturity Date: 7/15/2020, Coupon: 2.700, Accrued Interest: $1848.600							
US BANCORP	156,780.00	150,000.00	100.96	151,446.00	-280.09	2.17	0.96
	151,726.09			151,867.67		2.17	
Cusip: 91159HHB9, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 11/15/2016, Coupon: 2.200, Call Date: 10/14/2016, Call Price: 100.000, Accrued Interest: $421.666							
WELLS FARGO CO	155,242.10	130,000.00	107.28	139,469.20	-736.14	5.24	0.88
	140,205.34			139,875.45		5.21	
Cusip: 949746NX5, Moody's Rating: A2, S & P Rating: A, Maturity Date: 12/11/2017, Coupon: 5.625, Accrued Interest: $406.250							
Corporate Fixed Income Total	$4,632,967.18	$4,527,000.00		$4,582,307.41	-$11,583.81		29.12%
	$4,593,891.22			$4,609,046.92			

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 MTG CORP	$1,181,261.75	$1,175,000.00	$99.73	$1,171,768.75	-$5,512.68	1.00%	7.42%
	$1,177,281.43			$1,174,771.52		1.00%	
Cusip: 3137EADL0, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 9/29/2017, Coupon: 1.000, Accrued Interest: $3002.771							
FED HOME LN MTG CORP	400,484.00	400,000.00	98.89	395,552.00	-4,907.25	1.26	2.51
	400,459.25			397,635.33		1.25	

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

GOVERNMENT SECURITIES (CONTINUED)

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Total Value	Unrealized Gain/Loss	Current Yield / Yield on Cost	% of Fixed Income
Cusip: 3137EADK2, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 8/1/2019, Coupon: 1.250, Accrued Interest: $2083.332							
FED NATL MTG ASSN	1,034,248.90	1,041,000.00	98.76	1,028,039.55	-6,209.35	1.51	6.50
	1,034,248.90			1,028,429.93		1.50	
Cusip: 3135G0D75, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 6/22/2020, Coupon: 1.500, Accrued Interest: $390.375							
FED NATL MTG ASSN	899,005.51	890,000.00	101.34	901,943.80	5,494.12	1.85	5.74
	896,449.68			908,062.55		1.86	
Cusip: 3135G0ZA4, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 2/19/2019, Coupon: 1.875, Accrued Interest: $6118.750							
FED NATL MTG ASSN	1,030,282.84	1,036,000.00	99.34	1,029,203.84	-1,078.99	0.88	6.53
	1,030,282.83			1,032,804.66		0.88	
Cusip: 3135G0TG8, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 2/8/2018, Coupon: 0.875, Accrued Interest: $3600.815							
FED NATL MTG ASSN	638,124.80	640,000.00	99.59	637,388.80	-736.00	1.12	4.05
	638,124.80			640,608.79		1.12	
Cusip: 3135G0E33, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 7/20/2018, Coupon: 1.125, Accrued Interest: $3219.994							
FED NATL MTG ASSN	703,434.90	705,000.00	100.73	710,132.40	6,697.50	1.61	4.49
	703,434.90			711,214.38		1.63	
Cusip: 3135G0YT4, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 11/27/2018, Coupon: 1.625, Accrued Interest: $1081.978							
FED NATL MTG ASSN	711,771.75	699,000.00	101.40	708,786.00	1,061.75	1.84	4.50
	707,724.25			712,535.84		1.84	
Cusip: 3135G0YM9, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 9/18/2018, Coupon: 1.875, Accrued Interest: $3749.841							
FED NATL MTG ASSN	907,656.35	901,000.00	100.17	902,486.65	-2,156.15	1.12	5.71
	904,642.80			904,288.65		1.12	
Cusip: 3135G0JA2, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 4/27/2017, Coupon: 1.125, Accrued Interest: $1802.000							
UNITED STATES TREASURY NOTE	239,485.08	238,000.00	100.20	238,464.10	207.50	0.99	1.51
	238,256.60			238,867.27		0.99	
Cusip: 912828RM4, Moody's Rating: AAA, Maturity Date: 10/31/2016, Coupon: 1.000, Accrued Interest: $403.167							
UNITED STATES TREASURY NOTE	782,478.94	744,000.00	102.53	762,830.64	-220.86	2.68	4.83
	763,051.50			764,563.59		2.68	
Cusip: 912828NG1, Moody's Rating: AAA, Maturity Date: 5/31/2017, Coupon: 2.750, Accrued Interest: $1732.947							
UNITED STATES TREASURY NOTE	308,728.15	311,000.00	100.39	312,225.34	3,497.19	1.36	1.97
	308,728.15			312,225.34		1.38	
Cusip: 912828VK3, Moody's Rating: AAA, Maturity Date: 6/30/2018, Coupon: 1.375							
UNITED STATES TREASURY NOTE	320,581.95	325,000.00	98.40	319,793.50	-788.45	1.39	2.03
	320,581.95			321,274.99		1.39	
Cusip: 912828L32, Moody's Rating: AAA, Maturity Date: 8/31/2020, Coupon: 1.375, Accrued Interest: $1481.486							

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	791,625.64	804,000.00	98.46	791,626.44	0.80	1.26	5.03
	791,625.64			795,804.84		1.26	
Cusip: 912828H52, Moody's Rating: AAA, Maturity Date: 1/31/2020, Coupon: 1.250, Accrued Interest: $4178.396							
UNITED STATES TREASURY NOTE	1,321,650.52	1,221,000.00	103.43	1,262,929.14	-4,229.47	2.65	8.05
	1,267,158.61			1,274,183.13		2.64	
Cusip: 912828PY0, Moody's Rating: AAA, Maturity Date: 2/28/2018, Coupon: 2.750, Accrued Interest: $11253.994							
Government Securities Total	$11,270,821.08	$11,130,000.00		$11,173,170.95	-$8,880.34		70.88%
	$11,182,051.29			$11,217,270.80			

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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Asset Classification: We classify assets based on general characteristics such as: income generation, underlying capital structure, or exposure to certain market sectors. As many assets contain characteristics of more than one asset class, allocations may be under or over inclusive. Asset allocations may differ from product allocations.
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.

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

Performance: Performance results are annualized for time periods greater than one year and include all cash and cash equivalents, realized and unrealized capital gains and losses, and dividends, interest and income. The investment results depicted herein represent historical performance. As a result of recent market activity, current performance may vary from the figures shown. Please contact your Financial Advisor for up to date performance information. Past performance is not a guarantee of future results.
Market values used for performance calculation do not include performance ineligible assets and thus may differ from asset allocation market values. Common examples of performance ineligible assets include life insurance, some annuities and assets held externally. Unless otherwise indicated, performance is a composite calculation on the entire portfolio and may include brokerage and investment advisory accounts, as well as assets for different accounts included in this report. The accounts included in the composite may have (or have had) different investment objectives and strategies, been subject to different restrictions, and incurred different types of fees, markups, commissions and other charges. Accordingly, performance results may blend the performance of assets and strategies that may not have been available in all of the accounts at all times during the reporting period. In addition, accounts in the composite may have changed from brokerage to advisory or vice versa. Accounts may also have moved from one advisory program to another (including from a discretionary program to a non-discretionary program).
Performance information may cover the full history of the account(s) or just the performance of an account(s) since the inception of the current program(s). Performance results on individual accounts will vary and may differ from the composite returns. Your Financial Advisor can provide you with individual account portfolio composition and performance information. For investment advisory accounts, please see the Morgan Stanley Smith Barney Form ADV Part 2 or applicable disclosure brochure. For brokerage accounts, please speak to your Financial Advisor for more information on commissions and other account fees and expenses. Performance inception date does not necessarily correspond to the account opening date. Where multiple accounts are included in performance

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

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

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

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

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

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

GENERAL DEFINITIONS

Total Value: Total Value represents the Market Value of the portfolio or of a given Asset Class inclusive of interest and dividend accruals. Total Value for Asset Allocation before January 2014 does not include accruals.

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

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

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

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

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

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

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

Adjusted Cost: 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.

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

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

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

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

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

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

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

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.

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

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

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

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

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

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

BENCHMARK DEFINITIONS

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

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

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.



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EXECUTIVE SUMMARY

TO: ACSIG Full Board

FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: 2015/2016 Third Quarter Financials

ACSIG partners with SETECH for financial services support. Enclosed are the 2015/2016 Third Quarter financial statements for review. These financial statements reflect the 2014/2015 audited, annual balances. ACSIG is very pleased with the services of SETECH and validates the accuracy of these financial statements.

A representative from SETECH will review the financial statements with the Executive Committee. The Executive Committee recommended approval at its May 19, 2016 meeting.

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP

TREASURER'S REPORT

AS OF MARCH 31, 2016 AND FOR THE NINE MONTHS THEN ENDED

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



President

SETECH (Service Enhancement Technologies)

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For the Executive Committee Meeting of May 19, 2016
For the Full Board Meeting of May 26, 2016

Alameda County Schools Insurance Group (ACSIG)

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Distribution and Use of Report

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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:

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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 06/30/2015 and 03/31/2016

	Audited As of 06/30/2015	Activity 07/01/2015 - 03/31/2016	Unaudited As of 03/31/2016
Assets:			
Current Assets			
Workers Compensation	$ 5,329,735	8,672,630	$ 14,002,365
Dental	2,596,127	(77,062)	2,519,065
Vision	1,228,583	(373,972)	854,611
Property and Liability	1,135,222	83,986	1,219,208
Operations	289,482	(82,902)	206,580
Cash and Cash Equivalents	$ 10,579,149	8,222,680	$ 18,801,829
Investments Morgan Stanley - current	608,107	161,338	769,445
Accounts Receivable	5,582,053	120,649	5,702,702
Prepaid Expense	- -	- -	- -
Interfund Receivable/(payable) (1)	- -	- -	- -
Subtotal Current Assets	16,769,309	8,504,667	25,273,976
Noncurrent Assets			
Investments @ FMV - Morgan Stanley (3)	15,133,468	47,768	15,181,236
Capital - Equipment,net of depreciation	4,147	- -	4,147
	15,137,615	47,768	15,185,383
Total Assets	**$ 31,906,924**	**$ 8,552,435**	**$ 40,459,359**
Liabilities:			
Current Liabilities			
Accounts Payable	$ 2,721,576	$ 1,176,932	$ 3,898,508
Prefunding deposits (2)	3,116,431	- -	3,116,431
Advance Contributions	- -	6,148,056	6,148,056
Current Portion of claims and claim adjustment	3,665,741	(7,466)	3,658,276
Subtotal Current Liabilities	9,503,748	7,317,522	16,821,271
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	19,586,125	(3,406,394)	16,179,730
Unallocated Loss Adjustment Expense (ULAE)	1,559,819	83,000	1,642,819
Subtotal Claim Liabilities	21,145,944	(3,323,394)	17,822,549
Total Liabilities	$ 30,649,692	$ 3,994,128	$ 34,643,820
Net Position:			
Undesignated Net Postion - Net Assets/(Deficit)	1,253,085	4,558,307	5,811,392
Designated - Capital Assets	4,147	- -	4,147
Total Net Position	$ 1,257,232	$ 4,558,307	$ 5,815,539
Total Liabilities and Ending Net Position	**$ 31,906,924**	**$ 8,552,435**	**$ 40,459,359**

Footnote:

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

Alameda County Schools Insurance Group (ACSIG)
Consolidated
Statement of Revenues, Expenditures and Changes in Net Position
For The Nine Months Ended 03/31/2016

	Cash Activity 07/01/2015 03/31/2016	Allocations	Change in Accruals	Balance Year to Date	2015/2016 Budget	Variance	Percentage of Budget
Audited - Beginning Net Position, as of 07/01/2015				$ 1,257,232			
Beginning Cash	$ 26,320,724				$ 1,257,232		
Operating Revenue:							
Premiums Paid by Members	$ 117,378,222	$ (25,257)	$ (6,171,638)	$ 111,206,584	$ 136,126,495	$ (24,919,911)	81.69 %
Total Operating Revenue	117,378,222	(25,257)	(6,171,638)	111,206,584	136,126,495	(24,919,911)	81.69
Operating Expenditures:							
Classified Salaries	76,067	100,988	(557)	176,498	227,675	(51,177)	77.52
Statutory Benefits	31,525	18,437	(3,869)	46,093	81,308	(35,215)	56.69
Health & Welfare	9,916	5,869	- -	15,785	39,000	(23,215)	40.47
Employer Tax Expense	- -	2,549	- -	2,549	69,977	(67,428)	3.64
Telephone & Internet	4,291	- -	(75)	4,216	10,500	(6,284)	40.15
Supplies Office	1,528	- -	(430)	1,098	10,500	(9,402)	10.46
Supplies - Other	793	- -	- -	793	10,500	(9,707)	7.55
Eligibility Processing	144,455	- -	- -	144,455	181,200	(36,745)	79.72
Brokerage Fees-Dental-ACSIG	175,192	- -	- -	175,192	284,000	(108,808)	61.69
Brokerage Fees-Dental-MD	241,763	- -	- -	241,763	276,000	(34,237)	87.60
Travel and Conferences	12,275	4,923	(790)	16,408	19,500	(3,092)	84.14
Mileage	5,923	- -	- -	5,923	7,350	(1,427)	80.59
Dues & Memberships	835	- -	- -	835	1,300	(465)	64.23
Postage & Meter	4,554	- -	- -	4,554	2,750	1,804	165.60
Insurance Expense-PIPS&NCR	14,773,827	- -	- -	14,773,827	21,125,746	(6,351,919)	69.93
Insurance Expense-PIPS Adj	1,578,491	- -	- -	1,578,491	500,000	1,078,491	- -
Utility - Operating-Rent	65,850	(36,081)	- -	29,769	32,255	(2,486)	92.29
Advertising	- -	- -	- -	- -	2,100	(2,100)	- -
Contract Services	8,025	- -	- -	8,025	19,025	(11,000)	42.18
Contract Services -PL-Investigation	- -	- -	- -	- -	- -	- -	- -
Contract Services	- -	- -	- -	- -	10,000	(10,000)	- -
Audit Fees	13,000	- -	- -	13,000	16,350	(3,350)	79.51
Other Services/Operating Expenses	756	- -	- -	756	7,125	(6,369)	10.61
Capital Equipment/Depreciation	- -	- -	- -	- -	5,250	(5,250)	- -
Repairs & Maintenance	- -	- -	- -	- -	5,250	(5,250)	- -
Legal	- -	- -	- -	- -	5,250	(5,250)	- -
Accounting Services	7,140	- -	- -	7,140	15,750	(8,610)	45.33
County Courier	- -	- -	- -	- -	3,675	(3,675)	- -
Shredding	596	97	(210)	483	2,100	(1,617)	- -
Copier & Scanner	8,811	193	(728)	8,276	14,999	(6,723)	55.18
Claims Administration Services	175,577	- -	(290)	175,287	193,429	(18,142)	90.62
Self-Insurance Fee	224,764	- -	- -	224,764	246,610	(21,846)	91.14
Claims Paid-WC	1,843,381	- -	(141,092)	1,702,289	4,000,000	(2,297,711)	42.56
Claims Paid-PL	7,746	- -	- -	7,746	100,000	(92,254)	7.75
Physical Abilities Testing	4,410	- -	1,225	5,635	22,500	(16,865)	25.04
Training	- -	- -	- -	- -	5,000	(5,000)	- -
First-Aid Program	2,227	- -	1,590	3,816	25,000	(21,184)	15.26
Food Service Training	- -	- -	- -	- -	10,000	(10,000)	- -
Special Ed Training	- -	- -	- -	- -	10,000	(10,000)	- -
Bank Charge & WC Penalty Reimb	8,889	- -	- -	8,889	- -	8,889	- -
Cobra Premiums	- -	- -	- -	- -	235,000	(235,000)	- -
Dental Insurance Premiums	87,181,102	- -	1,400,000	88,581,102	106,652,000	(18,070,898)	83.06
Vision Insurance Premiums	2,481,351	- -	(213,567)	2,267,784	2,550,000	(282,216)	88.93
Claim Development Expense	- -	- -	(3,330,860)	(3,330,860)	(3,050,000)	(280,860)	109.21
ACA Fees	- -	- -	- -	- -	- -	- -	- -
Total Operating Expenditures	109,095,059	96,974	(2,289,653)	106,902,380	133,985,974	(27,083,594)	79.79 %
Net Increase/(Decrease) from Operations	8,283,163	(122,231)	(3,881,985)	4,304,204	2,140,521	2,163,683	%
Non Operating Income/(Expense)							
Interest Income	213,160	(4,298)	(12,717)	196,145	218,250	(22,105)	89.87
Net Increase/(Decrease) in Fair Value	48,700	- -	- -	48,700	- -	48,700	- -
Realized Gain/(Loss) on Investments	13,901	- -	- -	13,901	- -	13,901	- -
Interfund Trans, Other Inc/Exp	(127,138)	265	122,230	(4,643)	- -	(4,643)	- -
Total Non Operating Income/(Expense)	148,623	(4,033)	109,513	254,103	218,250	35,853	116.43 %
Ending Cash	$ 34,752,510	(126,264)					
Net Increase/(Decrease) in Net Position		$ (126,264)	$ (3,772,472)	4,558,307	$ 2,358,771	$ 2,199,536	%
Unaudited - Ending Net Position, as of 03/31/2016				**$ 5,815,539**	**$ 3,616,003**	**$ 2,199,536**	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Workers' Compensation
As of 06/30/2015 and 03/31/2016

	Audited As of 06/30/2015	Activity 07/01/2015 - 03/31/2016	Unaudited As of 03/31/2016
Assets:			
Current Assets			
Funds with County - WC - #44906	$ 1,347,776	6,388,996	$ 7,736,772
Funds in Transit - #44906 to Morgan Stanley Investments	- -	- -	- -
Funds with County - Retention Fund #44904	17,340	57	17,397
Union Bank Claims - #0129	238,600	1,872,236	2,110,836
Union Bank Claims Trust Account - #0600	475,784	365,887	841,671
Local Agency Investment Funds (L.A.I.F.)	3,145,491	2,224	3,147,715
Money Market - Morgan Stanley	104,744	43,230	147,974
Cash and Cash Equivalents	$ 5,329,735	8,672,630	$ 14,002,365
Investments Morgan Stanley - current	608,107	161,338	769,445
Accounts Receivable	98,001	124,962	222,963
Prepaid Expense	- -	- -	- -
Interfund Receivable/(payable)	(895,283)	(1,669,055)	(2,564,338)
Subtotal Current Assets	5,140,560	7,289,875	12,430,435
Noncurrent Assets			
Investments Morgan Stanley	11,383,173	(11,952)	11,371,221
Capital - Equipment,net of depreciation	- -	- -	- -
	11,383,173	(11,952)	11,371,221
Total Assets	**$ 16,523,733**	**$ 7,277,923**	**$ 23,801,656**
Liabilities:			
Current Liabilities			
Accounts Payable	$ 2,815	$ (2,815)	$ - -
Prefunding deposits	- -	- -	- -
Advance Contributions	- -	6,148,056	6,148,056
Current Portion of claims and claim adjustment	1,792,000	- -	1,792,000
Subtotal Current Liabilities	1,794,815	6,145,241	7,940,056
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	19,567,518	(3,400,285)	16,167,233
Unallocated Loss Adjustment Expense (ULAE)	1,509,000	83,000	1,592,000
Subtotal	21,076,518	(3,317,285)	17,759,233
Total Liabilities	$ 22,871,333	$ 2,827,956	$ 25,699,289
Net Position:			
Undesignated Net Postion - Net Assets/(Deficit)	(6,347,600)	4,449,967	(1,897,633)
Designated - Capital Assets	- -	- -	- -
Total Net Position	$ (6,347,600)	$ 4,449,967	$ (1,897,633)
Total Liabilities and Ending Net Position	**$ 16,523,733**	**$ 7,277,923**	**$ 23,801,656**

Alameda County Schools Insurance Group (ACSIG)
Workers' Compensation
Statement of Revenues, Expenditures and Changes in Net Fund Assets
For The Nine Months Ended 03/31/2016

	Cash Activity 07/01/2015 03/31/2016	Allocations	Change in Accruals	Balance Year to Date	2015/2016 Budget	Variance	Percentage of Budget
Audited - Beginning Net Position, as of 07/01/2015				$ (6,347,600)			
Beginning Cash and Investments	$ 17,321,015				$ (6,347,600)		
Operating Revenue:							
Premiums Paid by Members	$ 24,592,229	$ --	$ (6,148,056)	$ 18,444,173	$ 24,592,230	$ (6,148,057)	75.00 %
Total Operating Revenue	24,592,229	--	(6,148,056)	18,444,173	24,592,230	(6,148,057)	75.00
Operating Expenditures:	--						
Classified Salaries	--	42,441	--	42,441	56,819	(14,378)	74.70
Statutory Benefits	--	13,828	--	13,828	20,296	(6,468)	68.13
Health & Welfare	--	4,736	--	4,736	7,800	(3,064)	60.71
Employer Tax Expense	--	612	--	612	17,463	(16,851)	3.51
Telephone & Internet	--	632	--	632	1,500	(868)	42.13
Supplies Office	--	165	--	165	1,500	(1,335)	11.00
Supplies - Other	--	119	--	119	1,500	(1,381)	7.93
Eligibility Processing	--	--	--	--	--	--	--
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--	--
Brokerage Fees-Dental-MD	--	--	--	--	--	--	--
Travel and Conferences	--	2,461	--	2,461	2,250	211	109.38
Mileage	--	888	--	888	1,050	(162)	84.61
Dues & Memberships	--	125	--	125	150	(25)	83.33
Postage & Meter	--	76	--	76	100	(24)	76.00
Insurance Expense-PIPS	13,741,390	--	--	13,741,390	20,103,731	(6,362,341)	68.35
PIPS Contribution Adjustmert	1,578,491	--	--	1,578,491	500,000	1,078,491	315.70
Utility - Operating-Rent	--	4,466	--	4,466	4,608	(142)	96.92
Advertising	--	--	--	--	300	(300)	--
Contract Services - Actuarial	8,025	--	--	8,025	7,775	250	103.22
Contract Services -PL-Investigation	--	--	--	--	--	--	--
CAJPA Dues/Accreditation	--	--	--	--	--	--	--
Audit Fees	--	1,950	--	1,950	2,175	(225)	89.66
Other Services/Operating Expenses	--	113	--	113	2,625	(2,512)	4.30
Capital Equipment/Depreciation	--	--	--	--	750	(750)	--
Repairs & Maintenance	--	--	--	--	750	(750)	--
Legal	--	--	--	--	750	(750)	--
Accounting Services	--	--	--	--	2,250	(2,250)	--
County Courier	--	--	--	--	525	(525)	--
Shredding	--	72	--	72	750	(678)	9.60
Copier & Scanner	--	138	--	138	250	(112)	55.20
Claims Administration Services	170,002	--	--	170,002	175,429	(5,427)	96.91
Self-Insurance Fee	224,764	--	--	224,764	246,610	(21,846)	91.14
Claims Paid-WC	1,843,381	--	(141,092)	1,702,289	4,000,000	(2,297,711)	42.56
Claims Paid-PL	--	--	--	--	--	--	--
Physical Abilities Testing	4,410	--	1,225	5,635	10,000	(4,365)	56.35
Training	--	--	--	--	5,000	(5,000)	--
First-Aid Program	2,227	--	1,590	3,816	25,000	(21,184)	15.26
Food Service Training	--	--	--	--	10,000	(10,000)	--
Special Ed Training	--	--	--	--	10,000	(10,000)	--
Bank Charge & WC Penalty Reimb	--	--	--	--	--	--	--
Cobra Premiums	--	--	--	--	--	--	--
Dental Insurance Premiums	--	--	--	--	--	--	--
Vision Insurance Premiums	--	--	--	--	--	--	--
Claim Development Expense	--	--	(3,317,285)	(3,317,285)	(3,000,000)	(317,285)	110.58
ACA Fees	--	--	--	--	--	--	--
Total Operating Expenditures	17,572,689	72,822	(3,455,562)	14,189,949	22,219,706	(8,029,757)	63.86 %
Net Increase/(Decrease) from Operations	7,019,540	(72,822)	(2,692,494)	4,254,224	2,372,524	1,881,700	179.31 %
Non Operating Income/(Expense)							
Interest Income	163,629	(14,740)	(6,729)	142,160	150,000	(7,840)	94.77
Net Increase/(Decrease) in Fair Value	37,174	--	--	37,174	--	37,174	--
Realized Gain/(Loss) on Investments	10,611	--	--	10,611	--	10,611	--
Interfund Transfer, Other Income	1,591,062	--	(1,596,233)	5,798	--	5,798	--
Total Non Operating Income/(Expense)	1,802,476	$ (14,740)	$ (1,602,962)	195,743	150,000	45,743	130.50 %
Ending Cash	$ 26,143,031						
Net Increase/(Decrease) in Net Position				4,449,967	2,522,524	1,927,443	
Unaudited - Ending Net Position, as of 03/31/2016				**$ (1,897,633)**	**$ (3,825,076)**	**$ 1,927,443**	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Dental
As of 06/30/2015 and 03/31/2016

	Audited As of 06/30/2015	Activity 07/01/2015 - 03/31/2016	Unaudited As of 03/31/2016
Assets:			
Current Assets			
Cash with County ACSIG #44901	$ 1,238,394	(905,822)	$ 332,572
Union Bank - Eligibility #9938	1,215,836	755,553	1,971,389
Union Bank - Expense #2064	5,795	73,207	79,002
Union Bank - Cobra Trust #0273	136,102	- -	136,102
Union Bank - zero balance accounts	- -	- -	- -
Cash and Cash Equivalents	$ 2,596,127	(77,062)	$ 2,519,065
Investments Morgan Stanley - current	- -	- -	- -
Accounts Receivable	5,437,440	(3,097)	5,434,343
Prepaid Expense	- -	- -	- -
Interfund Receivable/(payable)	1,872,988	1,529,250	3,402,238
Subtotal Current Assets	9,906,555	1,449,091	11,355,646
Noncurrent Assets			
Investments - Morgan Stanley	2,693,874	42,897	2,736,771
Capital - Equipment,net of depreciation	- -	- -	- -
	2,693,874	42,897	2,736,771
Total Assets	**$ 12,600,429**	**$ 1,491,988**	**$ 14,092,417**
Liabilities:			
Current Liabilities			
Accounts Payable	$ 2,487,589	$ 1,400,000	$ 3,887,589
Prefunding deposits	3,085,589	- -	3,085,589
Advance Contributions	- -	- -	- -
Current Portion of claims and claim adjustment	1,709,000	- -	1,709,000
Subtotal Current Liabilities	7,282,178	1,400,000	8,682,178
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	- -	- -	- -
Subtotal Claim Liabilities	- -	- -	- -
Total Liabilities	$ 7,282,178	$ 1,400,000	$ 8,682,178
Net Position:			
Undesignated Net Postion - Net Assets/(Deficit)	5,318,251	91,988	5,410,239
Designated - Capital Assets	- -	- -	- -
Total Net Position	$ 5,318,251	$ 91,988	$ 5,410,239
Total Liabilities and Ending Net Position	**$ 12,600,429**	**$ 1,491,988**	**$ 14,092,417**

Alameda County Schools Insurance Group (ACSIG)
Dental
Statement of Revenues, Expenditures and Changes in Net Fund Assets
For The Nine Months Ended 03/31/2016

	Cash Activity 07/01/2015 03/31/2016	Allocations	Change in Accruals	Balance Year to Date	2015/2016 Budget	Variance	Percentage of Budget
Audited - Beginning Net Position, as of 07/01/2015				$ 5,318,251			
Beginning Cash and Investments	$ 5,290,001				$ 5,318,251		
Operating Revenue:							
Premiums Paid by Members	$ 89,410,562	$ --	$ --	$ 89,410,562	$ 107,800,000	$ (18,389,438)	82.94 %
Total Operating Revenue	89,410,562	--	--	89,410,562	107,800,000	(18,389,438)	82.94
Operating Expenditures:							
Classified Salaries	--	104,011	--	104,011	131,063	(27,052)	79.36
Statutory Benefits	--	23,046	--	23,046	46,798	(23,752)	49.25
Health & Welfare	--	7,893	--	7,893	25,350	(17,457)	31.13
Employer Tax Expense	--	1,503	--	1,503	40,283	(38,780)	3.73
Telephone & Internet	--	2,951	--	2,951	7,500	(4,549)	39.35
Supplies Office	--	768	--	768	7,500	(6,732)	10.24
Supplies - Other	--	555	--	555	7,500	(6,945)	7.40
Eligibility Processing	144,455	--	--	144,455	181,200	(36,745)	79.72
Brokerage Fees-Dental-ACSIG	175,192	--	--	175,192	284,000	(108,808)	61.69
Brokerage Fees-Dental-MD	241,763	--	--	241,763	276,000	(34,237)	87.60
Travel and Conferences	--	11,485	--	11,485	15,000	(3,515)	76.57
Mileage	--	4,146	--	4,146	5,250	(1,104)	78.97
Dues & Memberships	--	585	--	585	1,000	(416)	58.45
Postage & Meter	--	4,327	--	4,327	2,500	1,827	173.06
Insurance Expense	--	--	--	--	--	--	--
					--	--	--
Net, Operating-Rent	--	20,838	--	20,838	23,040	(2,202)	90.44
Advertising	--	--	--	--	1,500	(1,500)	--
Contract Services - Actuarial	--	--	--	--	9,375	(9,375)	--
Contract Services -PL-Investigation	--	--	--	--	--	--	--
Contracted Services	--	--	--	--	10,000	(10,000)	--
Audit Fees	--	9,100	--	9,100	12,000	(2,900)	75.83
Other Services/Operating Expenses	--	529	--	529	3,750	(3,221)	14.11
Capital Equipment/Depreciation	--	--	--	--	3,750	(3,750)	--
Repairs & Maintenance	--	--	--	--	3,750	(3,750)	--
Legal	--	--	--	--	3,750	(3,750)	--
Accounting Services	--	7,140	--	7,140	11,250	(4,110)	--
County Courier	--	--	--	--	2,625	(2,625)	--
Shredding	--	338	--	338	1,125	(787)	30.05
Copier & Scanner	--	7,862	--	7,862	14,249	(6,387)	55.17
Claims Administration Services	--	--	--	--	--	--	--
Self-Insurance Fee	--	--	--	--	--	--	--
Claims Paid-WC	--	--	--	--	--	--	--
Claims Paid-PL	--	--	--	--	--	--	--
Physical Abilities Testing	--	--	--	--	--	--	--
Training	--	--	--	--	--	--	--
First-Aid Program	--	--	--	--	--	--	--
Food Service Training	--	--	--	--	--	--	--
Special Ed Training	--	--	--	--	--	--	--
Bank Charge	8,889	--	--	8,889	--	8,889	--
Cobra Premiums	--	--	--	--	235,000	(235,000)	--
Dental Insurance Premiums	87,181,102	--	1,400,000	88,581,102	106,652,000	(18,070,898)	83.06
Vision Insurance Premiums	--	--	--	--	--	--	--
Claim Development Expense	--	--	--	--	--	--	--
ACA Fees	--	--	--	--	--	--	--
Total Operating Expenditures	87,751,401	207,076	1,400,000	89,358,477	108,018,108	(18,659,631)	82.73 %
Net Increase/(Decrease) from Operations	1,659,161	(207,076)	(1,400,000)	52,085	(218,108)	270,193	(23.88) %
Non Operating Income/(Expense)							
Interest Income	32,346	14	(3,097)	29,261	50,000	(20,739)	58.52
Net Increase/(Decrease) in Fair Value	8,279	--	--	8,279	--	8,279	--
Realized Gain/(Loss) on Investments	2,363	--	--	2,363	--	2,363	--
I Transfer, YE Close, Rebate	(1,736,314)	--	1,736,312	--	--	--	
Total Non Operating Income/(Expense)	(1,693,326)	$ 14	$ 1,733,215	39,903	50,000	(10,097)	79.81 %
Ending Cash	$ 5,255,836						
Net Increase/(Decrease) in Net Position				91,988	(168,108)	260,096	%
Unaudited - Ending Net Position, as of 03/31/2016				**$ 5,410,239**	**$ 5,150,143**	**$ 260,096**	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Vision
As of 06/30/2015 and 03/31/2016

	Audited As of 06/30/2015	Activity 07/01/2015 - 03/31/2016	Unaudited As of 03/31/2016
Assets:			
Current Assets			
Cash with County #44902	$ 1,228,583	(373,972)	$ 854,611
Funds in Transit - #44902 to Morgan Stanley Investments	- -	- -	- -
Cash and Cash Equivalents	1,228,583	(373,972)	854,611
Investments Morgan Stanley - current	- -	- -	- -
Accounts Receivable	41,467	(1,216)	40,251
Prepaid Expense	- -	- -	- -
Interfund Receivable/(payable)	154,235	86,392	240,627
Subtotal Current Assets	1,424,285	(288,796)	1,135,489
Noncurrent Assets			
Investments - Morgan Stanley	1,056,421	16,823	1,073,244
Capital - Equipment,net of depreciation	- -	- -	- -
	1,056,421	16,823	1,073,244
Total Assets	**$ 2,480,706**	**$ (271,973)**	**$ 2,208,733**
Liabilities:			
Current Liabilities			
Accounts Payable	$ 213,567	$ (213,567)	$ - -
Prefunding deposits	30,842	- -	30,842
Advance Contributions	- -	- -	- -
Current Portion of claims and claim adjustment	142,000	- -	142,000
Subtotal Current Liabilities	386,409	(213,567)	172,842
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	- -	- -	- -
Subtotal Claim Liabilities	- -	- -	- -
Total Liabilities	$ 386,409	$ (213,567)	$ 172,842
Net Position:			
Undesignated Net Postion - Net Assets/(Deficit)	2,094,297	(58,406)	2,035,891
Designated - Capital Assets	- -	- -	- -
Total Net Position	$ 2,094,297	$ (58,406)	$ 2,035,891
Total Liabilities and Ending Net Position	**$ 2,480,706**	**$ (271,973)**	**$ 2,208,733**

Alameda County Schools Insurance Group (ACSIG)
Vision
Statement of Revenues, Expenditures and Changes in Net Fund Assets
For The Nine Months Ended 03/31/2016

	Cash Activity 07/01/2015 03/31/2016	Allocations	Change in Accruals	Balance Year to Date	2015/2016 Budget	Variance	Percentage of Budget
Audited - Beginning Net Position, as of 07/01/2015				$ 2,094,297			
Beginning Cash and Investments	$ 2,285,004				$ 2,094,297		
Operating Revenue:							
Premiums Paid by Members	$ 2,221,595	$ --	$ 1,675	$ 2,223,270	$ 2,600,000	$ (376,730)	85.51 %
Total Operating Revenue	2,221,595	--	1,675	2,223,270	2,600,000	(376,730)	85.51
Operating Expenditures:							
Classified Salaries	--	17,650	--	17,650	22,767	(5,117)	77.52
Statutory Benefits	--	4,609	--	4,609	8,131	(3,522)	56.69
Health & Welfare	--	1,579	--	1,579	3,900	(2,321)	40.48
Employer Tax Expense	--	255	--	255	6,998	(6,743)	3.64
Telephone & Internet	--	422	--	422	1,000	(578)	42.20
Supplies Office	--	110	--	110	1,000	(890)	11.00
Supplies - Other	--	79	--	79	1,000	(921)	7.90
Eligibility Processing	--	--	--	--	--	--	--
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--	--
Brokerage Fees-Dental-MD	--	--	--	--	--	--	--
Travel and Conferences	--	1,641	--	1,641	1,500	141	109.40
Mileage	--	592	--	592	700	(108)	84.61
Dues & Memberships	--	84	--	84	100	(16)	84.00
Postage & Meter	--	122	--	122	150	(28)	81.33
Insurance Expense	--	--	--	--	--	--	--
					--	--	--
Utility - Operating-Rent	--	2,977	--	2,977	3,072	(95)	96.91
Advertising	--	--	--	--	200	(200)	--
Contract Services - Actuarial	--	--	--	--	1,250	(1,250)	--
Contract Services -PL-Investigation	--	--	--	--	--	--	--
Contract Services	--	--	--	--	--	--	--
Audit Fees	--	1,300	--	1,300	1,450	(150)	89.66
Other Services/Operating Expenses	--	76	--	76	500	(424)	15.20
Capital Equipment/Depreciation	--	--	--	--	500	(500)	--
Repairs & Maintenance	--	--	--	--	500	(500)	--
Legal	--	--	--	--	500	(500)	--
Accounting Services	--	--	--	--	1,500	(1,500)	--
County Courier	--	--	--	--	350	(350)	--
Shredding	48	--	--	48	150	(102)	32.00
Copier & Scanner	221	--	--	221	400	(179)	55.25
Claims Administration Services	--	--	--	--	--	--	--
Self-Insurance Fee	--	--	--	--	--	--	--
Claims Paid-WC	--	--	--	--	--	--	--
Claims Paid-PL	--	--	--	--	--	--	--
Physical Abilities Testing	--	--	--	--	--	--	--
Training	--	--	--	--	--	--	--
First-Aid Program	--	--	--	--	--	--	--
Food Service Training	--	--	--	--	--	--	--
Special Ed Training	--	--	--	--	--	--	--
Bank Charge & WC Penalty Reimb	--	--	--	--	--	--	--
Cobra Premiums	--	--	--	--	--	--	--
Dental Insurance Premiums	--	--	--	--	--	--	--
Vision Insurance Premiums	2,481,351	--	(213,567)	2,267,784	2,550,000	(282,216)	88.93
Claim Development Expense	--	--	--	--	--	--	--
ACA Fees	--	--	--	--	--	--	--
Total Operating Expenditures	2,481,620	31,496	(213,567)	2,299,549	2,607,618	(308,069)	88.19 %
Net Increase/(Decrease) from Operations	(260,025)	(31,496)	215,242	(76,279)	(7,618)	(68,661)	%
Non Operating Income/(Expense)							
Interest Income	16,590	--	(2,891)	13,699	17,500	(3,801)	78.28
Net Increase/(Decrease) in Fair Value	3,247	--	--	3,247	--	3,247	--
Realized Gain/(Loss) on Investments	927	--	--	927	--	927	--
Interfund Transfer	(117,888)	--	117,888	--	--	--	
Total Non Operating Income/(Expense)	(97,124)	$ --	$ 114,997	17,873	17,500	373	102.13 %
Ending Cash	$ 1,927,855						
Net Increase/(Decrease) in Net Position				(58,406)	$ 9,882	$ (68,288)	%
Unaudited - Ending Net Position, as of 03/31/2016				**$ 2,035,891**	**$ 2,104,179**	**$ (68,288)**	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Property and Liability
As of 06/30/2015 and 03/31/2016

	Audited As of 06/30/2015	Activity 07/01/2015 - 03/31/2016	Unaudited As of 03/31/2016
Assets:			
Current Assets			
Cash with County - #44903	$ 494,959	(152,388)	$ 342,571
Funds in Transit - #44903 to Morgan Stanley Investments	- -	- -	- -
Union Bank - Checking #0311	622,302	232,423	854,725
Union Bank - Claims Trust #1186	17,961	3,951	21,912
Cash and Cash Equivalents	$ 1,135,222	83,986	$ 1,219,208
Investments Morgan Stanley - current	- -	- -	- -
Accounts Receivable	5,145	- -	5,145
Prepaid Expense	- -	- -	- -
Interfund Receivable/(payable)	(854,442)	(23,094)	(877,536)
Subtotal Current Assets	285,925	60,892	346,817
Noncurrent Assets			
Investments - Morgan Stanley	- -	- -	- -
Capital - Equipment,net of depreciation	- -	- -	- -
	- -	- -	- -
Total Assets	**$ 285,925**	**$ 60,892**	**$ 346,817**
Liabilities:			
Current Liabilities			
Accounts Payable	$ 290	$ (290)	$ - -
Prefunding deposits	- -	- -	- -
Advance Contributions	- -	- -	- -
Current Portion of claims and claim adjustment	22,741	(7,466)	15,276
Subtotal Current Liabilities	23,031	(7,756)	15,276
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	18,607	(6,109)	12,497
Unallocated Loss Adjustment Expense (ULAE)	50,819	- -	50,819
Subtotal	69,426	(6,109)	63,316
Total Liabilities	$ 92,457	$ (13,865)	$ 78,592
Net Position:			
Undesignated Net Postion - Net Assets/(Deficit)	193,468	74,757	268,225
Designated - Capital Assets	- -	- -	- -
Total Net Position	$ 193,468	$ 74,757	$ 268,225
Total Liabilities and Ending Net Position	**$ 285,925**	**$ 60,892**	**$ 346,817**

Alameda County Schools Insurance Group (ACSIG)
Property and Liability
Statement of Revenues, Expenditures and Changes in Net Fund Assets
For The Nine Months Ended 03/31/2016

	Cash Activity 07/01/2015 03/31/2016	Allocations	Change in Accruals	Balance Year to Date	2015/2016 Budget	Variance	Percentage of Budget
Audited - Beginning Net Position, as of 07/01/2015				$ 193,468			
Beginning Cash and Investments	$ 1,135,222				$ 193,468		
Operating Revenue:							
Premiums Paid by Members	$ 1,128,579	$ --	$ --	$ 1,128,579	$ 1,134,265	$ (5,686)	99.50 %
Total Operating Revenue	1,128,579	--	--	1,128,579	1,134,265	(5,686)	99.50
Operating Expenditures:							
Classified Salaries	--	12,396	--	12,396	17,026	(4,630)	72.80
Statutory Benefits	--	4,609	--	4,609	6,083	(1,474)	75.77
Health & Welfare	--	1,579	--	1,579	1,950	(371)	80.95
Employer Tax Expense	--	179	--	179	5,233	(5,054)	3.41
Telephone & Internet	--	211	--	211	500	(289)	42.11
Supplies Office	--	55	--	55	500	(445)	10.91
Supplies - Other	--	40	--	40	500	(460)	7.99
Eligibility Processing	--	--	--	--	--	--	--
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--	--
Brokerage Fees-Dental-MD	--	--	--	--	--	--	--
Travel and Conferences	--	821	--	821	750	71	109.42
Mileage	--	296	--	296	350	(54)	84.61
Dues & Memberships	--	42	--	42	50	(9)	83.00
Postage & Meter	--	30	--	30	--	30	--
Insurance Expense-NCR	1,032,437	--	--	1,032,437	1,022,015	10,422	101.02
					--		--
Utility - Operating-Rent	--	1,488	--	1,488	1,535	(47)	96.92
Advertising	--	--	--	--	100	(100)	--
Contract Services - Actuarial	--	--	--	--	625	(625)	--
Contract Services -PL-Investigation	--	--	--	--	--	--	--
Contract Services - Legal	--	--	--	--	--	--	--
Audit Fees	--	650	--	650	725	(75)	89.66
Other Services/Operating Expenses	--	38	--	38	250	(212)	15.10
Capital Equipment/Depreciation	--	--	--	--	250	(250)	--
Repairs & Maintenance	--	--	--	--	250	(250)	--
Legal	--	--	--	--	250	(250)	--
Accounting Services	--	--	--	--	750	(750)	--
County Courier	--	--	--	--	175	(175)	--
Shredding	--	25	--	25	75	(50)	33.21
Copier & Scanner	--	55	--	55	100	(45)	54.78
Claims Administration Services	5,575	--	(290)	5,285	18,000	(12,715)	29.36
Self-Insurance Fee	--	--	--	--	--	--	--
Claims Paid-WC	--	--	--	--	--	--	--
Claims Paid-PL	7,746	--	--	7,746	100,000	(92,254)	7.75
Physical Abilities Testing	--	--	--	--	12,500	(12,500)	--
Training	--	--	--	--	--	--	--
First-Aid Program	--	--	--	--	--	--	--
Food Service Training	--	--	--	--	--	--	--
Special Ed Training	--	--	--	--	--	--	--
Bank Charge & WC Penalty Reimb	--	--	--	--	--	--	--
Cobra Premiums	--	--	--	--	--	--	--
Dental Insurance Premiums	--	--	--	--	--	--	--
Vision Insurance Premiums	--	--	--	--	--	--	--
Claim Development Expense	--	--	(13,575)	(13,575)	(50,000)	36,425	27.15
ACA Fees	--	--	--	--	--	--	--
Total Operating Expenditures	1,045,758	22,510	(13,865)	1,054,403	1,140,542	(86,139)	92.45 %
Net Increase/(Decrease) from Operations	82,821	(22,510)	13,865	74,176	(6,277)	80,453	-- %
Non Operating Income/(Expense)							
Interest Income	581	--	--	581	750	(169)	77.47
Net Increase/(Decrease) in Fair Value	--	--	--	--	--	--	--
Realized Gain/(Loss) on Investments	--	--	--	--	--	--	--
Interfund Transfer, Other Income	584	--	(584)	--	--	--	--
Total Non Operating Income/(Expense)	1,165	$ --	$ (584)	581	750	(169)	77.47 %
Ending Cash	$ 1,219,208						
Net Increase/(Decrease) in Net Position				74,757	(5,527)	80,284	-- %
Unaudited - Ending Net Position, as of 03/31/2016				$ 268,225	$ 187,941	$ 80,284	

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Assets
Operations
As of 06/30/2015 and 03/31/2016

	Audited As of 06/30/2015	Activity 07/01/2015 - 03/31/2016	Unaudited As of 03/31/2016
Assets:			
Current Assets			
Union Bank - Payroll #0176	$ 49,074	8,566	$ 57,640
Union Bank Checking Account #1521	240,408	(91,468)	148,940
Cash and Cash Equivalents	$ 289,482	(82,902)	$ 206,580
Investments Morgan Stanley - current	- -	- -	- -
Accounts Receivable	- -	- -	- -
Prepaid Expense	- -	- -	- -
Interfund Receivable/(payable)	(277,498)	76,506	(200,992)
Subtotal Current Assets	11,984	(6,396)	5,588
Noncurrent Assets			
Investments - Morgan Stanley	- -	- -	- -
Capital - Equipment,net of depreciation	4,147	- -	4,147
	4,147	- -	4,147
Total Assets	**$ 16,131**	**$ (6,396)**	**$ 9,735**
Liabilities:			
Current Liabilities			
Accounts Payable	$ 17,315	$ (6,396)	$ 10,919
Prefunding deposits	- -	- -	- -
Advance Contributions	- -	- -	- -
Current Portion of claims and claim adjustment	- -	- -	- -
Subtotal Current Liabilities	17,315	(6,396)	10,919
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	- -	- -	- -
Subtotal Claim Liabilities	- -	- -	- -
Total Liabilities	$ 17,315	$ (6,396)	$ 10,919
Net Position:			
Undesignated Net Postion - Net Assets/(Deficit)	(5,331)	- -	(5,331)
Designated - Capital Assets	4,147	- -	4,147
Total Net Position	$ (1,184)	$ - -	$ (1,184)
Total Liabilities and Ending Net Position	**$ 16,131**	**$ (6,396)**	**$ 9,735**

Alameda County Schools Insurance Group (ACSIG)
Operations
Statement of Revenues, Expenditures and Changes in Net Fund Assets
For The Nine Months Ended 03/31/2016

	Cash Activity 07/01/2015 03/31/2016	Allocations	Change in Accruals	Balance Year to Date	2015/2016 Budget	Variance	Percentage of Budget
Audited - Beginning Net Position, as of 07/01/2015				$ (1,184)			
Beginning Cash and Investments	$ 289,482				$ (1,184)		
Operating Revenue:							
Offset to Rent - Sub Lease	$ 25,257	$ (25,257)	$ --	$ --	$ --	$ --	%
Total Operating Revenue	25,257	(25,257)	--	--	--	--	--
Operating Expenditures:							
Classified Salaries	76,067	(75,510)	(557)	--	--	--	
Statutory Benefits	31,525	(27,656)	(3,869)	--	--	--	
Health & Welfare	9,916	(9,916)	--	--	--	--	
Employer Tax Expense	--	--	--	--	--	--	
Telephone & Internet	4,291	(4,216)	(75)	--	--	--	
Supplies Office	1,528	(1,098)	(430)	--	--	--	
Supplies - Other	793	(793)	--	--	--	--	
Eligibility Processing	--	--	--	--	--	--	
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--	
Brokerage Fees-Dental-MD	--	--	--	--	--	--	
Travel and Conferences	12,275	(11,485)	(790)	--	--	--	
Mileage	5,923	(5,923)	--	--	--	--	
Dues & Memberships	835	(835)	--	--	--	--	
Postage & Meter	4,554	(4,554)	--	--	--	--	
Insurance Expense	--	--	--	--	--	--	
	--				--		
Utility - Operating-Rent	65,850	(65,850)	--	--	--	--	
Advertising	--	--	--	--	--	--	
Contract Services - Actuarial	--	--	--	--	--	--	
Contract Services -PL-Investigation	--	--	--	--	--	--	
Contract Services	--	--	--	--	--	--	
Audit Fees	13,000	(13,000)	--	--	--	--	
Other Services/Operating Expenses	756	(756)	--	--	--	--	
Capital Equipment/Depreciation	--	--	--	--	--	--	
Repairs & Maintenance	--	--	--	--	--	--	
Legal	--	--	--	--	--	--	
Accounting Services	7,140	(7,140)	--	--	--	--	
County Courier	--	--	--	--	--	--	
Shredding	548	(338)	(210)	--	--	--	
Copier & Scanner	8,590	(7,862)	(728)	--	--	--	
Claims Administration Services	--	--	--	--	--	--	
Self-Insurance Fee	--	--	--	--	--	--	
Claims Paid-WC	--	--	--	--	--	--	
Claims Paid-PL	--	--	--	--	--	--	
Physical Abilities Testing	--	--	--	--	--	--	
Training	--	--	--	--	--	--	
First-Aid Program	--	--	--	--	--	--	
Food Service Training	--	--	--	--	--	--	
Special Ed Training	--	--	--	--	--	--	
Bank Charge & WC Penalty Reimb	--	--	--	--	--	--	
Cobra Premiums	--	--	--	--	--	--	
Dental Insurance Premiums	--	--	--	--	--	--	
Insurance - Vision	--	--	--	--	--	--	
Claim Development Expense	--	--	--	--	--	--	
ACA Fees	--	--	--	--	--	--	
Total Operating Expenditures	243,591	(236,930)	(6,659)	--	--	--	-- %
Net Increase/(Decrease) from Operations	(218,334)	211,673	6,659	--	--	--	-- %
Non Operating Income/(Expense)							
Interest Income	14	(14)	--	--	--	--	--
Net Increase/(Decrease) in Fair Value	--	--	--	--	--	--	--
Realized Gain/(Loss) on Investments	--	--	--	--	--	--	--
Interfund Transfer & YE Close	135,418	265	(135,153)	--	--	--	--
Total Non Operating Income/(Expense)	135,432	$ 251	$ (135,153)	--	--	--	-- %
Ending Cash	$ 206,580						
Net Increase/(Decrease) in Net Position				$ --	$ --	$ --	-- %
Unaudited - Ending Net Position, as of 03/31/2016				$ (1,184)	$ (1,184)	$ --	

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

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Workers' Compensation
As of 03/31/2016

	Self-Insured Program Years												Totals to Page 7A
	1978/1979	1984/1985	1985/1986	1986/1987	1987/1988	1988/1989	1989/1990	1990/1991	1991/1992	1992/1993	1993/1994	1994/1995	
Paid Claims	$ 913,149	$ 1,828,378	$ 2,851,827	$ 2,779,016	$ 2,867,797	$ 4,013,648	$ 2,921,844	$ 5,537,617	$ 5,149,431	$ 4,048,149	$ 3,691,098	$ 4,748,924	$ 41,350,878
Reserves	35,793	- -	75,460	62,649	17,423	34,982	31,684	109,328	70,533	104,924	56,224	263,126	862,126
Incurred Claims	948,942	1,828,378	2,927,287	2,841,665	2,885,220	4,048,630	2,953,528	5,646,945	5,219,964	4,153,073	3,747,322	5,012,050	42,213,004
Incurred But Not Reported (IBNR)	(29,050)	- -	12,713	128,335	24,780	21,370	16,472	123,055	110,036	146,927	122,678	137,950	815,266
Non- Discounted Estimated Ultimate Incurred (1)	919,892	1,828,378	2,940,000	2,970,000	2,910,000	4,070,000	2,970,000	5,770,000	5,330,000	4,300,000	3,870,000	5,150,000	43,028,270
Anticipated Investment Income (Discount) (2)	(324)	- -	(4,232)	(10,886)	(2,828)	(4,170)	(3,804)	(19,288)	(15,168)	(21,911)	(15,922)	(36,097)	(134,630)
Discounted Estimated Ultimate (1-2)	919,568	1,828,378	2,935,768	2,959,114	2,907,172	4,065,830	2,966,196	5,750,712	5,314,832	4,278,089	3,854,078	5,113,903	42,893,640
Paid Claims	(913,149)	(1,828,378)	(2,851,827)	(2,779,016)	(2,867,797)	(4,013,648)	(2,921,844)	(5,537,617)	(5,149,431)	(4,048,149)	(3,691,098)	(4,748,924)	(41,350,878)
Remaining Estimated Unpaid Claim Liabilities	$ 6,419	$ - -	$ 83,941	$ 180,098	$ 39,375	$ 52,182	$ 44,352	$ 213,095	$ 165,401	$ 229,940	$ 162,980	$ 364,979	$ 1,542,762
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	919,568	1,828,378	2,935,768	2,959,114	2,907,172	4,065,830	2,966,196	5,750,712	5,314,832	4,278,089	3,854,078	5,113,903	42,893,640
Increase/Decrease	(40,177)	- -	(8,881)	1,722	(8,981)	(11,777)	(27,142)	(8,713)	55,277	(26,316)	6,929	(16,464)	(84,523)

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

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

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Workers' Compensation
As of 03/31/2016

	Totals From Page 7	Self-Insured Program Years							Totals To Page 7B
		1995/1996	1996/1997	1997/1998	1998/1999	1999/2000	2000/2001	2001/2002	
Paid Claims	$ 41,350,878	$ 5,292,983	$ 6,969,396	$ 6,734,800	$ 8,945,456	$ 7,246,057	$ 10,616,863	$ 11,772,455	$ 98,928,888
Reserves	862,126	166,814	361,392	651,278	1,657,321	1,104,026	753,485	921,894	6,478,336
Incurred Claims	42,213,004	5,459,797	7,330,788	7,386,078	10,602,777	8,350,083	11,370,348	12,694,349	105,407,224
Incurred But Not Reported (IBNR)	815,266	180,203	289,212	383,922	657,223	459,917	519,652	435,651	3,741,046
Non- Discounted Estimated Ultimate Incurred (1)	43,028,270	5,640,000	7,620,000	7,770,000	11,260,000	8,810,000	11,890,000	13,130,000	109,148,270
Anticipated Investment Income (Discount) (2)	(134,630)	(32,967)	(65,711)	(109,731)	(252,285)	(168,906)	(137,499)	(150,687)	(1,052,416)
Discounted Estimated Ultimate (1-2)	42,893,640	5,607,033	7,554,289	7,660,269	11,007,715	8,641,094	11,752,501	12,979,313	108,095,854
Paid Claims	(41,350,878)	(5,292,983)	(6,969,396)	(6,734,800)	(8,945,456)	(7,246,057)	(10,616,863)	(11,772,455)	(98,928,888)
Remaining Estimated Unpaid Claim Liabilities	$ 1,542,762	$ 314,050	$ 584,893	$ 925,469	$ 2,062,259	$ 1,395,037	$ 1,135,638	$ 1,206,858	$ 9,166,966
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	42,893,640	5,607,033	7,554,289	7,660,269	11,007,715	8,641,094	11,752,501	12,979,313	108,095,854
Increase/Decrease	(84,523)	(145,598)	(30,523)	(148,366)	14,218	(165,563)	(66,270)	(104,370)	(730,995)

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

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Workers' Compensation
As of 03/31/2016

	Totals From Page 7A	Self-Insured Program Years 2002/2003	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	As of 03/31/2016 Totals	As of 06/30/2015 Totals	Activity 07/01/2015 - 03/31/2016
Paid Claims	$ 98,928,888	$ 9,813,996	$ 5,806,462	$ 5,386,647	$ 8,507,960	$ 7,944,651	$ 8,272,254	$ 8,393,414	$ 153,054,272	$ 151,276,470	$ 1,777,802
Reserves	6,478,336	191,942	544,539	265,762	904,222	950,793	660,352	544,193	10,540,139	11,505,010	(964,871)
Incurred Claims	105,407,224	10,005,938	6,351,001	5,652,409	9,412,182	8,895,444	8,932,606	8,937,607	163,594,411	162,781,480	812,931
Incurred But Not Reported (IBNR)	3,741,046	624,062	658,999	697,591	1,237,818	524,556	907,394	1,402,393	9,793,859	12,892,368	(3,098,509)
Non- Discounted Estimated Ultimate Incurred (1)	109,148,270	10,630,000	7,010,000	6,350,000	10,650,000	9,420,000	9,840,000	10,340,000	173,388,270	175,673,848	(2,285,578)
Anticipated Investment Income (Discount) (2)	(1,052,416)	(98,736)	(150,442)	(127,163)	(284,891)	(199,172)	(206,942)	(255,003)	(2,374,765)	(3,037,860)	663,095
Discounted Estimated Ultimate (1-2)	108,095,854	10,531,264	6,859,558	6,222,837	10,365,109	9,220,828	9,633,058	10,084,997	171,013,505	172,635,988	(1,622,483)
Paid Claims	(98,928,888)	(9,813,996)	(5,806,462)	(5,386,647)	(8,507,960)	(7,944,651)	(8,272,254)	(8,393,414)	(153,054,272)	(151,276,470)	(1,777,802)
Remaining Estimated Unpaid Claim Liabilities	$ 9,166,966	$ 717,268	$ 1,053,096	$ 836,190	$ 1,857,149	$ 1,276,177	$ 1,360,804	$ 1,691,583	$ 17,959,233	$ 21,359,518	$ (3,400,285)
Estimated Current Portion /Short-Term Liability (1)									(1,792,000)		
Estimated Non-Current portion of Claim Liabilities									$ 16,167,233		

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

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

Historical Discounted Estimated Ultimate Incurred:									
As of 06/30/2006	N/A	6,787,000	4,378,000	2,665,000	1,943,000	--	--	--	N/A
As of 06/30/2007	N/A	7,677,000	5,299,000	3,502,000	3,727,000	3,498,000	--	--	N/A
As of 06/30/2008	N/A	8,867,000	5,704,000	4,776,000	6,673,000	6,867,000	6,117,000	--	N/A
As of 06/30/2009	N/A	9,952,286	6,342,724	5,888,070	8,380,255	9,209,624	10,474,925	8,012,622	N/A
As of 06/30/2010	106,283,540	9,857,770	7,326,142	6,233,943	8,159,431	9,705,395	11,525,318	10,768,305	169,859,844
As of 06/30/2011	108,216,280	9,806,352	7,347,756	6,873,035	9,276,212	9,956,828	10,929,748	10,770,204	173,176,415
As of 06/30/2012	108,372,779	11,103,705	7,180,516	6,779,730	9,113,232	10,061,847	10,833,352	11,378,258	174,823,419
As of 06/30/2013	110,188,855	10,710,077	7,136,860	6,043,782	8,435,497	9,522,890	10,141,142	10,501,500	172,680,603
As of 06/30/2014	108,531,701	10,454,102	6,798,117	6,067,506	10,203,448	9,772,238	10,362,281	10,585,137	172,774,530
As of 06/30/2015	108,826,849	10,457,705	6,920,842	6,214,866	10,347,509	9,539,023	9,859,233	10,469,961	172,635,988
As of 06/30/2016	108,095,854	10,531,264	6,859,558	6,222,837	10,365,109	9,220,828	9,633,058	10,084,997	171,013,505
Increase/Decrease	(730,995)	73,559	(61,284)	7,971	17,600	(318,195)	(226,175)	(384,964)	(1,622,483)

Claim Development Expense	
Claim Liabilities and ULAE Decrease	$ (3,400,285)
	83,000
	$ (3,317,285)

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Property Liability
As of 03/31/2016

	Self-Insured Program Years									Activity	
	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016	As of 03/31/2016	As of 06/30/2015	07/01/2015 - 09/30/2015
Paid Claims	$ 117,507	$ 48,738	$ 33,141	$ 96,543	$ 125,045	$ 20,000	$ --	$ 6,681	$ 447,655	$ 429,045	$ 18,610
Reserves	--	--	--	--	--	--	--	--	--	11,929	(11,929)
Incurred Claims	117,507	48,738	33,141	96,543	125,045	20,000	--	6,681	447,655	440,974	6,681
Incurred But Not Reported (IBNR)	--	0	--	(0)	1,517	863	2,843	23,319	28,542	35,223	(6,681)
Non- Discounted Estimated Ultimate Incurred (1)	117,507 (4)	48,738 (4)	33,141 (4	96,543 (4)	126,562 (3)	20,863	2,843	30,000	476,197	476,197	--
Anticipated Investment Income (Discount) (2)	--	--	--	--	(7)	(24)	(80)	(657)	(768)	(5,803)	5,035
Discounted Estimated Ultimate (1-2)	117,507	48,738	33,141	96,543	126,555	20,839	2,763	29,343	475,429	470,394	5,035
Paid Claims	(117,507)	(48,738)	(33,141)	(96,543)	(125,045)	(20,000)	--	(6,681)	(447,655)	(429,045)	(18,610)
Remaining Estimated Unpaid Claim Liabilities	$ --	$ --	$ --	$ --	$ 1,510	$ 839	$ 2,763	$ 22,662	$ 27,774	$ 41,349	$ (13,575)
									Estimated Current Portion /Short-Term Liability (1), paid claims factor of .65		(15,276)
									Estimated Non-Current portion of Claim Liabilities		$ 12,498

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

Claim Development Expense	
Claim Liabilities and ULAE Increase	$ (13,575)
	--
	$ (13,575)

Historical Estimated Ultimate Incurred:									
As of 06/30/2011	117,441	63,001	80,193	--	--	--	--	--	260,635
As of 06/30/2012	117,441	63,001	80,193	77,802	--	--	--	--	338,437
As of 06/30/2013	117,507	49,777	62,638	115,793	108,539	--	--	--	454,254
As of 06/30/2014	117,507	49,777	37,638	100,792	148,539	111,900	--	--	566,153
As of 06/30/2015	117,507	48,738	33,141	96,543	126,562	20,863	32,843	--	566,153
As of 06/30/2016	117,507	48,738	33,141	96,543	126,562	20,863	2,843	30,000	446,197
Increase/Decrease	--	--	--	--	--	--	(30,000)	30,000	--

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

www.treasurer.ca.gov/pmia-laif/laif.asp
February 01, 2016

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

January 2016 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
1/15/2016	1/14/2016	QRD	1491033	SYSTEM	2,915.67

Account Summary

Total Deposit:	2,915.67	Beginning Balance:	3,150,249.25
Total Withdrawal:	0.00	Ending Balance:	3,153,164.92

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

www.treasurer.ca.gov/pmia-laif/laif.asp
March 01, 2016

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

February 2016 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	3,153,164.92
Total Withdrawal:	0.00	Ending Balance:	3,153,164.92

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

www.treasurer.ca.gov/pmia-laif/laif.asp
April 04, 2016

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

March 2016 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	3,153,164.92
Total Withdrawal:	0.00	Ending Balance:	3,153,164.92

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	782,478.94 759,677.82	744,000.00	102.40	761,870.88 768,690.88	2,193.06	2.68 2.69	4.80
Cusip: 912828NG1, Moody's Rating: AAA, Maturity Date: 5/31/2017, Coupon: 2.750, Accrued Interest: $6819.995							
UNITED STATES TREASURY NOTE	1,321,650.52 1,261,832.53	1,221,000.00	103.82	1,267,642.20 1,270,470.73	5,809.67	2.64 2.65	7.94
Cusip: 912828PY0, Moody's Rating: AAA, Maturity Date: 2/28/2018, Coupon: 2.750, Accrued Interest: $2828.532							
UNITED STATES TREASURY NOTE	320,581.95 320,581.95	325,000.00	100.95	328,071.25 328,447.69	7,489.30	1.36 1.39	2.05
Cusip: 912828L32, Moody's Rating: AAA, Maturity Date: 8/31/2020, Coupon: 1.375, Accrued Interest: $376.441							
Government Securities Total	$11,298,799.75 $11,200,199.08	$11,156,000.00		$11,313,385.11 $11,343,423.51	$113,186.03		70.89%

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

JOHN CHIANG
TREASURER
STATE OF CALIFORNIA

PMIA Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
04/28/16	0.54	0.52	164
04/29/16	0.54	0.53	164
04/30/16	0.54	0.53	164
05/01/16	0.54	0.53	164
05/02/16	0.54	0.53	162
05/03/16	0.54	0.53	161
05/04/16	0.54	0.53	162
05/05/16	0.54	0.53	160
05/06/16	0.54	0.53	161
05/07/16	0.54	0.53	161
05/08/16	0.54	0.53	161
05/09/16	0.54	0.53	165
05/10/16	0.54	0.53	165
05/11/16	0.55	0.53	165

*Daily yield does not reflect capital gains or losses

LAIF Performance Report

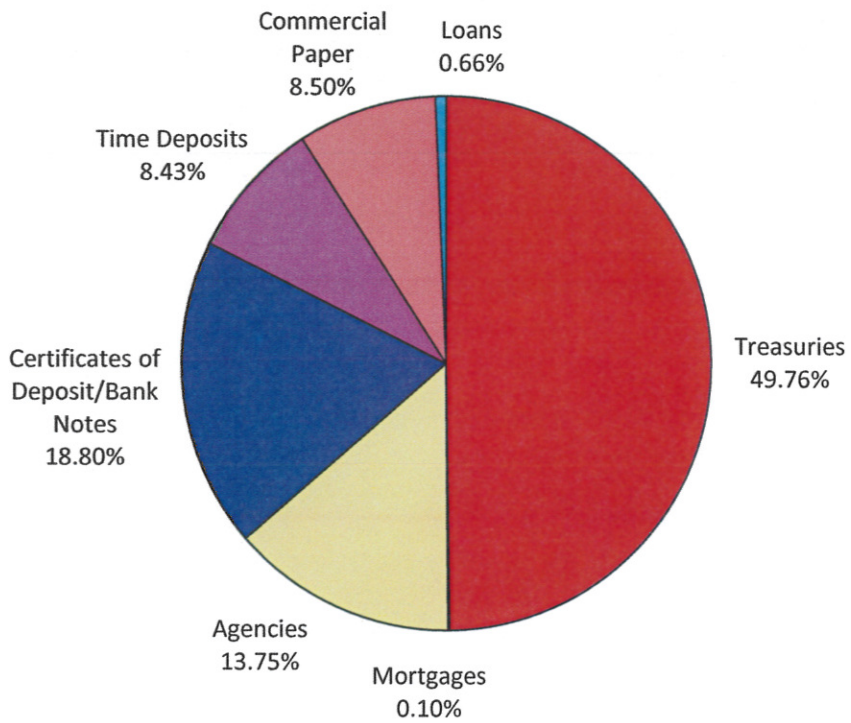
Quarter Ending 03/31/16

Apportionment Rate:	0.46%
Earnings Ratio:	0.00001268659292168
Fair Value Factor:	1.00022106
Daily:	0.51%
Quarter to Date:	0.47%
Average Life:	146

PMIA Average Monthly Effective Yields

APR 2016	0.525%
MAR 2016	0.506%
FEB 2016	0.467%

Pooled Money Investment Account
Portfolio Composition
4/30/16
$67.5 billion



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 Full Board

FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: 2015/2016 Third Quarter Investment Report

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

Enclosed is ACSIG's third quarterly investment report. The Executive Director will review this with the Board. Cary Alison from Morgan Stanley Wealth Management was in attendance at the Executive Committee meeting to address this item and outline the current investment strategy. The Executive Committee recommended approval of this report at its May 19, 2016 meeting.

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

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

Morgan Stanley

April 4, 2016

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

Dear Board:

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

Investment Summary Dollar Weighted Return % (Net of fees)

Date of Report	03/31/16
Inception date	07/12/10
Beginning Total Value	$9,999,850.00
Net Contributions/Withdrawals	$5,033,025.75
Investment Earnings	$1,117,286.68
Total Ending Value	$16,150,162.43
Current Quarter	1.41%
Year to Date	1.41%
Since Inception (annualized % per year)	1.37%

Time Weighted Return % by Period (Net of fees)

Last 3 Years (annualized % per year)	0.62%
Last 5 Years (annualized % per year)	1.24%
Since Inception (annualized % per year)	1.18%
Year 2016 (YTD)	1.41%
Year 2015	0.87%
Year 2014	1.01%
Year 2013	-0.03%
Year 2012	2.44%
Year 2011	1.91%
Year 2010 (partial year)	0.29%
Corporate bonds as percentage of portfolio	29.11%

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

Sincerely,

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

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Morgan Stanley

Fixed Income Report

Prepared on April 04, 2016

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

Account No. 171-041349

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

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

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

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Time Weighted Performance Summary - Advisory Assets Only	5
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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

Account No. 171-041349

Reporting Currency: USD

ACCOUNT(S) DETAIL

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

All content within this Document applies to the accounts listed above or a subset thereof, unless otherwise indicated.

INVESTMENT SUMMARY DOLLAR WEIGHTED RETURNS - ADVISORY ASSETS ONLY

Morgan Stanley

Account No. 171-041349

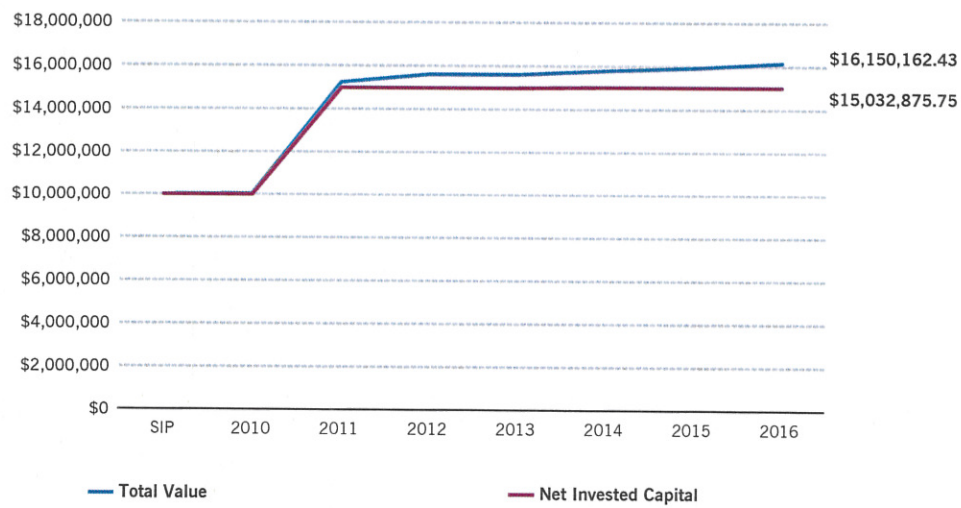
As of March 31, 2016 | Reporting Currency: USD

CHANGE IN VALUE AND RETURN % (NET OF FEES)

	Quarter to Date 12/31/15-03/31/16	Year to Date 12/31/15-03/31/16	Performance Inception 07/12/10-03/31/16
Beginning Total Value	**$15,926,083.41**	**$15,926,083.41**	**$9,999,850.00**
Net Contributions/Withdrawals	0.00	0.00	5,033,025.75
Investment Earnings	224,079.02	224,079.02	1,117,286.68
Ending Total Value	**$16,150,162.43**	**$16,150,162.43**	**$16,150,162.43**
DOLLAR WEIGHTED RATE OF RETURN			
Return % (Net of Fees)	1.41%	1.41%	1.37%

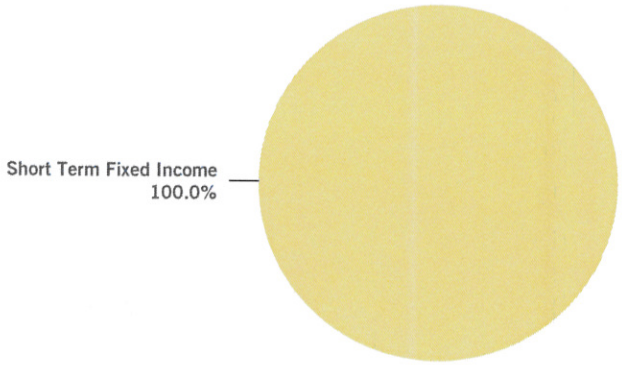
Does not include Performance Ineligible Assets.

TOTAL VALUE VS. NET INVESTED CAPITAL



Does not include Performance Ineligible Assets.

ASSET ALLOCATION



INCOME SUMMARY

	Year To Date 01/01/16-04/01/16	Projected Remaining Year (Until 12/31) 04/02/16-12/31/16	Projected Next 12 Months 05/01/16-04/30/17
INCOME BY ASSET CLASS			
Cash	$6.62	$0.00	-
Fixed Income & Preferreds	78,721.01	182,681.00	267,112.00
Total Income	**$78,727.63**	**$182,681.00**	**$267,112.00**
INCOME BY TAX CATEGORY			
Taxable	78,727.63	182,681.00	267,112.00
Non Taxable	-	-	-
Tax Deferred	0.00	-	-
Total Income	**$78,727.63**	**$182,681.00**	**$267,112.00**

Income Summary does not include income from external assets.

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

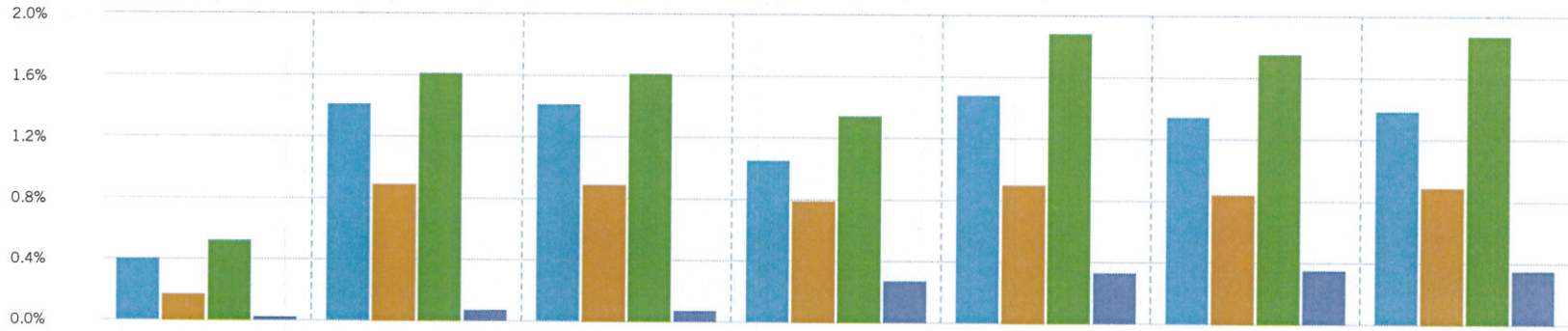
TIME WEIGHTED PERFORMANCE SUMMARY - ADVISORY ASSETS ONLY

Morgan Stanley

Account No. 171-041349

As of March 31, 2016 | Reporting Currency: USD

RETURN % (NET OF FEES) VS. BENCHMARKS



	Month to Date 02/29/16 - 03/31/16	Quarter to Date 12/31/15 - 03/31/16	Year to Date 12/31/15 - 03/31/16	Last 3 Years 03/31/13 - 03/31/16	Last 5 Years 03/31/11 - 03/31/16	Performance Inception Month End 07/31/10 - 03/31/16	Performance Inception 07/12/10 - 03/31/16
Beginning Total Value	**$16,085,409.16**	**$15,926,083.41**	**$15,926,083.41**	**$15,618,935.48**	**$10,049,163.76**	**$10,025,516.38**	**$9,999,850.00**
Net Contributions/Withdrawals	0.00	0.00	0.00	32,875.75	5,032,875.75	5,032,875.75	5,033,025.75
Investment Earnings	64,753.26	224,079.02	224,079.02	498,351.20	1,068,122.92	1,091,770.30	1,117,286.68
Ending Total Value	**$16,150,162.43**	**$16,150,162.43**	**$16,150,162.43**	**$16,150,162.43**	**$16,150,162.43**	**$16,150,162.43**	**$16,150,162.43**
Return % (Net of Fees)	**0.40**	**1.41**	**1.41**	**1.05**	**1.48**	**1.34**	**1.38**
BC Gov 1-3 Yr	*0.17*	*0.89*	*0.89*	*0.79*	*0.90*	*0.84*	*0.89*
BC Gov/Cr 1-5 yr	*0.52*	*1.61*	*1.61*	*1.34*	*1.88*	*1.75*	*1.87*
Citi CD 6 Month	*0.02*	*0.07*	*0.07*	*0.27*	*0.33*	*0.35*	*0.35*

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

Morgan Stanley

Account No. 171-041349

As of March 31, 2016 | Reporting Currency: USD

RETURN % (NET OF FEES) VS. BENCHMARKS

From 07/12/10 - 03/31/16

Period	Beginning Total Value	Net Contributions/ Withdrawals	Investment Earnings	Ending Total Value	Period Returns%			
					Portfolio (Net of Fees)	BC Gov 1-3 Yr	BC Gov/Cr 1-5 yr	Citi CD 6 Month
2016 (YTD)	**$15,926,083.41**	**$0.00**	**$224,079.02**	**$16,150,162.43**	**1.41%**	**0.89%**	**1.61%**	**0.07%**
1QTR	*15,926,083.41*	*0.00*	*224,079.02*	*16,150,162.43*	*1.41*	*0.89*	*1.61*	*0.07*
March	16,085,409.16	0.00	64,753.26	16,150,162.43	0.40	0.17	0.52	0.02
February	16,063,789.98	0.00	21,619.18	16,085,409.16	0.13	0.11	0.19	0.02
January	15,926,083.41	0.00	137,706.57	16,063,789.98	0.86	0.61	0.89	0.02
2015	**$15,789,357.87**	**$0.00**	**$136,725.54**	**$15,926,083.41**	**0.87%**	**0.57%**	**0.97%**	**0.27%**
2014	**$15,597,806.94**	**$32,875.75**	**$158,675.18**	**$15,789,357.87**	**1.01%**	**0.64%**	**1.42%**	**0.27%**
2013	**$15,600,964.10**	**$0.00**	**-$3,157.16**	**$15,597,806.94**	**-0.03%**	**0.37%**	**0.28%**	**0.27%**
2012	**$15,229,289.11**	**$0.00**	**$371,674.99**	**$15,600,964.10**	**2.44%**	**0.51%**	**2.24%**	**0.49%**
2011	**$10,028,996.97**	**$5,000,000.00**	**$200,292.14**	**$15,229,289.11**	**1.91%**	**1.56%**	**3.14%**	**0.39%**
2010 Performance Inception: 07/12/10	**$9,999,850.00**	**$150.00**	**$28,996.97**	**$10,028,996.97**	**0.29%**	**0.53%**	**1.03%**	**0.25%**

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

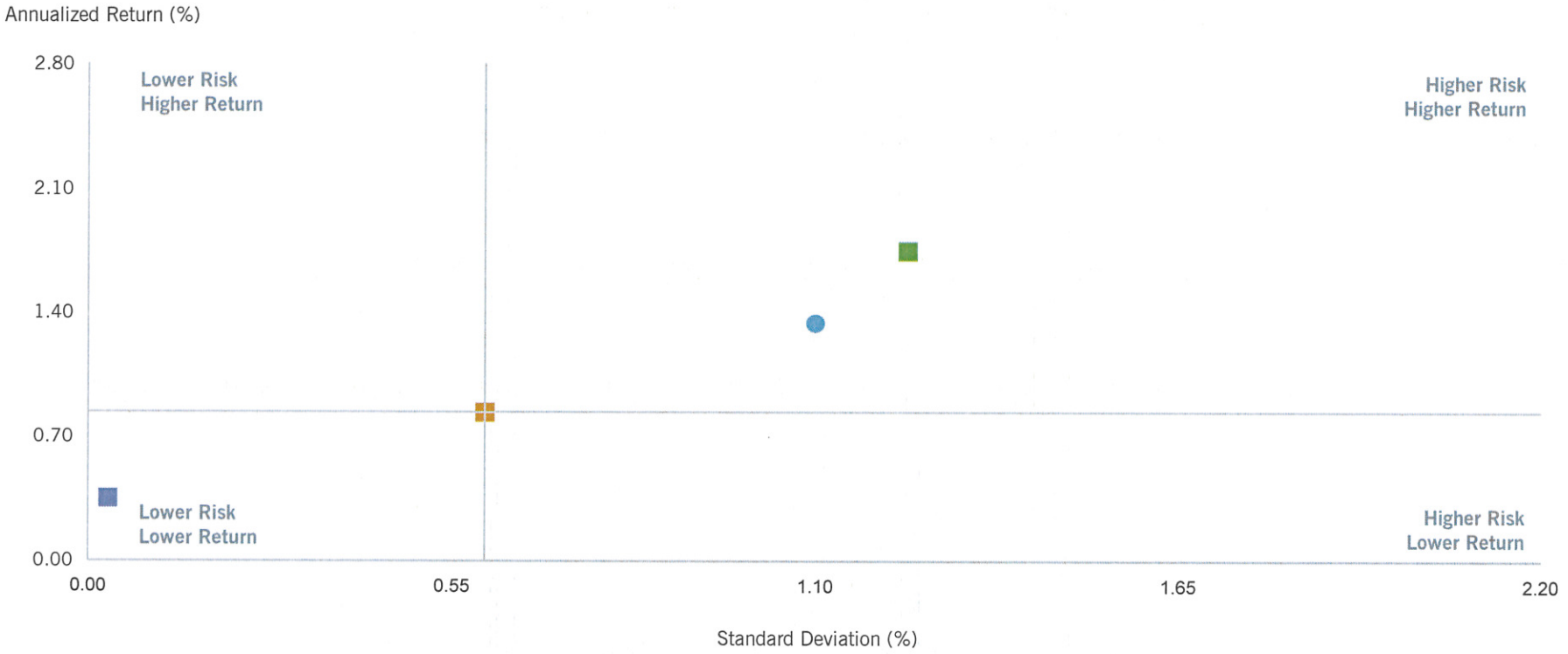
RISK VS. RETURN - ADVISORY ASSETS ONLY

Morgan Stanley

Account No. 171-041349

As of March 31, 2016 | Reporting Currency: USD

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



	Return % (Net of Fees) 07/31/10-03/31/16	Standard Deviation 07/31/10-03/31/16 (%)
Portfolio	1.34%	1.10%
BC Gov 1-3 Yr	*0.84*	*0.60*
BC Gov/Cr 1-5 yr	*1.75*	*1.24*
Citi CD 6 Month	*0.35*	*0.03*

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

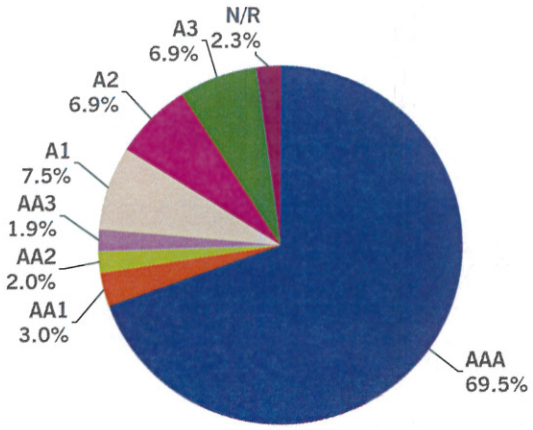
FIXED INCOME & PREFERREDS QUALITY, MATURITY AND ASSET ALLOCATION

Morgan Stanley

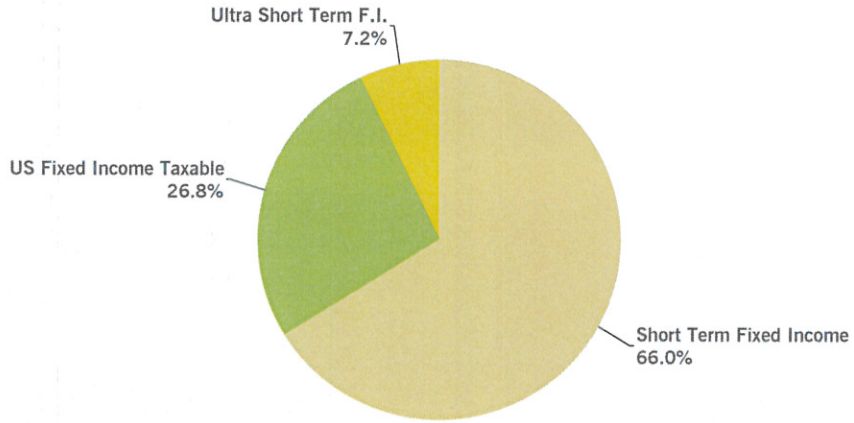
Account No. 171-041349

As of March 31, 2016 | Reporting Currency: USD

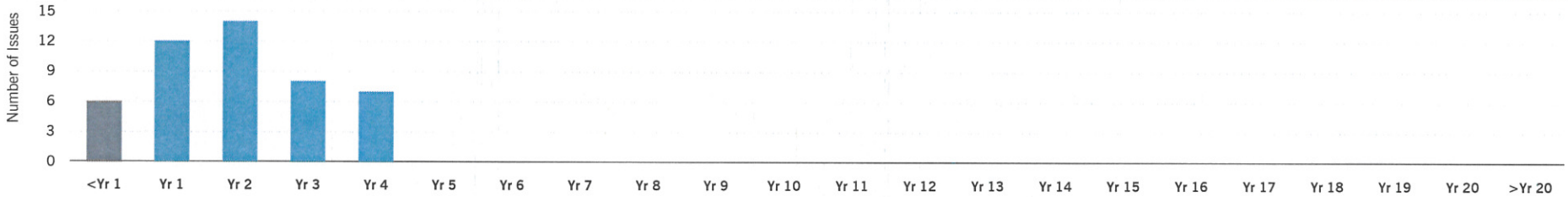
FIXED INCOME AND PREFERREDS QUALITY ANALYSIS



FIXED INCOME AND PREFERREDS ASSET ALLOCATION



MATURITY SCHEDULE



	Number of Issues	Total Value 03/31/16	% of Fixed Income & Preferreds
Less than 1 yr	6	$1,148,355.53	7.2%
1-5 yrs	41	14,853,832.67	92.8
6-10 yrs	0	0.00	0.0
11-15 yrs	0	0.00	0.0
16-20 yrs	0	0.00	0.0
More than 20 yrs	0	0.00	0.0
Others	0	0.00	0.0
Total Fixed Income & Preferreds	**47**	**$16,002,188.20**	**100.0%**

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

CORPORATE FIXED INCOME

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Total Value	Unrealized Gain/Loss	Current Yield / Yield on Cost	% of Fixed Income
AMERICAN EXPRESS CREDIT	$161,577.18	$162,000.00	$99.39	$161,013.42	-$563.76	1.23%	1.01%
	$161,577.18			$161,356.06		1.23%	
Cusip: 0258M0DW6, Moody's Rating: A2, S & P Rating: A-, Maturity Date: 7/31/2018, Coupon: 1.228, Call Date: 6/30/2018, Call Price: 100.000, Accrued Interest: $342.640							
ANHEUSER-BUSCH INBEV WOR	156,970.32	156,000.00	100.55	156,853.32	478.22	1.36	0.98
	156,375.10			157,306.15		1.36	
Cusip: 03523TBN7, Moody's Rating: A2, S & P Rating: A-, Maturity Date: 7/15/2017, Coupon: 1.375, Accrued Interest: $452.832							
APPLE INC	159,923.20	160,000.00	99.82	159,713.60	-209.60	0.87	1.00
	159,923.20			159,937.51		0.87	
Cusip: 037833AG5, Moody's Rating: AA1, S & P Rating: AA+, Maturity Date: 5/3/2018, Coupon: 0.869, Accrued Interest: $223.906							
BANK OF NEW YORK MELLON	158,589.34	158,000.00	101.32	160,085.60	1,590.95	2.07	1.01
	158,494.65			160,786.07		2.09	
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: $700.466							
BANK OF NOVA SCOTIA	155,230.95	155,000.00	100.13	155,193.75	139.10	1.09	0.97
	155,054.65			155,705.25		1.09	
Cusip: 064159DA1, Moody's Rating: AA3, S & P Rating: A+, Maturity Date: 12/13/2016, Coupon: 1.100, Accrued Interest: $511.500							
BB&T CORPORATION	153,494.52	151,000.00	100.99	152,491.88	974.77	2.12	0.95
	151,517.11			152,573.04		2.13	
Cusip: 05531FAK9, Moody's Rating: A2, S & P Rating: A-, Maturity Date: 3/22/2017, Coupon: 2.150, Call Date: 2/22/2017, Call Price: 100.000, Accrued Interest: $81.162							
BERKSHIRE HATHAWAY INC	158,767.82	157,000.00	101.92	160,017.54	1,507.31	2.06	1.00
	158,510.23			160,447.98		2.08	
Cusip: 084670BL1, Moody's Rating: AA2, S & P Rating: AA, Maturity Date: 8/14/2019, Coupon: 2.100, Accrued Interest: $430.441							
BOEING CAPITAL CORPORATION	79,472.44	76,000.00	104.09	79,107.64	176.38	2.78	0.50
	78,931.26			79,389.26		2.79	
Cusip: 097014AM6, Moody's Rating: A2, S & P Rating: A, Maturity Date: 8/15/2018, Coupon: 2.900, Call Date: 7/15/2018, Call Price: 100.000, Accrued Interest: $281.622							
CISCO SYSTEMS INC	159,178.08	159,000.00	103.85	165,121.50	5,969.87	2.35	1.04
	159,151.63			166,268.51		2.44	
Cusip: 17275RAX0, Moody's Rating: A1, S & P Rating: AA-, Maturity Date: 6/15/2020, Coupon: 2.450, Accrued Interest: $1147.007							
COMCAST CORP	156,366.66	139,000.00	112.52	156,404.19	2,791.44	4.57	0.98
	153,612.75			157,000.73		4.65	
Cusip: 20030NBA8, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 3/1/2020, Coupon: 5.150, Accrued Interest: $596.541							
DUKE ENERGY CAROLINAS	155,699.68	152,000.00	100.74	153,118.72	140.23	1.73	0.96
	152,978.49			153,901.94		1.73	
Cusip: 26442CAL8, Moody's Rating: AA2, S & P Rating: A, Maturity Date: 12/15/2016, Coupon: 1.750, Accrued Interest: $783.221							
GENERAL ELECTRIC CAPITAL CORP	155,608.50	150,000.00	101.54	152,310.00	950.85	2.26	0.96
	151,359.15			153,785.83		2.27	

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

CORPORATE FIXED INCOME (CONTINUED)

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Total Value	Unrealized Gain/Loss	Current Yield / Yield on Cost	% of Fixed Income
Cusip: 36962G5W0, Moody's Rating: A1, S & P Rating: AA+, Maturity Date: 4/27/2017, Coupon: 2.300, Accrued Interest: $1475.832							
GILEAD SCIENCES INC	159,497.84	158,000.00	101.76	160,785.54	1,456.80	1.81	1.01
	159,328.74			161,004.77		1.83	
Cusip: 375558BE2, Moody's Rating: A3, S & P Rating: A, Maturity Date: 9/4/2018, Coupon: 1.850, Accrued Interest: $219.225							
HOME DEPOT INC	158,093.80	155,000.00	102.62	159,067.20	1,653.89	1.94	1.00
	157,413.31			159,979.98		1.96	
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: $912.776							
INTEL CORP	79,932.20	79,000.00	103.49	81,757.10	1,921.33	2.36	0.51
	79,835.77			82,090.44		2.42	
Cusip: 458140AQ3, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 7/29/2020, Coupon: 2.450, Accrued Interest: $333.336							
JOHN DEERE CAPITAL CORP	80,480.46	79,000.00	102.09	80,649.52	353.08	2.20	0.51
	80,296.44			81,459.27		2.21	
Cusip: 24422ERR2, Moody's Rating: A2, S & P Rating: A, Maturity Date: 4/17/2019, Coupon: 2.250, Accrued Interest: $809.750							
JP MORGAN CHASE & CO	156,715.85	155,000.00	100.31	155,478.95	-318.45	1.51	0.97
	155,797.40			155,917.02		1.51	
Cusip: 46625HJF8, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 1/25/2018, Coupon: 1.519, Accrued Interest: $438.073							
MERCK & CO INC	156,048.70	158,000.00	100.82	159,287.70	3,239.00	1.28	1.00
	156,048.70			160,046.54		1.31	
Cusip: 58933YAG0, Moody's Rating: A1, S & P Rating: AA, Maturity Date: 5/18/2018, Coupon: 1.300, Accrued Interest: $758.838							
MICROSOFT CORP	157,010.91	159,000.00	100.06	159,089.04	2,078.13	0.87	1.00
	157,010.91			159,614.62		0.88	
Cusip: 594918AP9, Moody's Rating: AAA, S & P Rating: AAA, Maturity Date: 11/15/2017, Coupon: 0.875, Accrued Interest: $525.582							
OCCIDENTAL PETROLEUM CORP	158,906.92	158,000.00	100.20	158,317.58	-349.65	1.74	0.99
	158,667.23			158,670.89		1.74	
Cusip: 674599CB9, Moody's Rating: A3, S & P Rating: A, Maturity Date: 2/15/2017, Coupon: 1.750, Accrued Interest: $353.305							
ORACLE CORP	156,650.34	154,000.00	103.66	159,642.56	3,919.82	2.29	1.00
	155,722.74			160,414.70		2.35	
Cusip: 68389XAQ8, Moody's Rating: A1, S & P Rating: AA-, Maturity Date: 1/15/2019, Coupon: 2.375, Accrued Interest: $772.138							
PEPSICO INC	160,230.40	160,000.00	100.23	160,369.60	165.72	0.96	1.00
	160,203.88			160,706.59		0.96	
Cusip: 713448DA3, Moody's Rating: A1, S & P Rating: A, Maturity Date: 10/13/2017, Coupon: 0.972, Accrued Interest: $336.994							
PNC FUNDING CORP	158,731.86	142,000.00	111.41	158,205.04	1,512.51	4.60	1.00
	156,692.53			159,276.45		4.64	
Cusip: 693476BJ1, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 2/8/2020, Coupon: 5.125, Accrued Interest: $1071.408							

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

CORPORATE FIXED INCOME (CONTINUED)

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Total Value	Unrealized Gain/Loss	Current Yield / Yield on Cost	% of Fixed Income
PROCTER & GAMBLE CO/THE	151,176.89	149,000.00	102.87	153,279.28	2,627.34	1.84	0.97
	150,651.94			154,458.86		1.87	
Cusip: 742718EG0, Moody's Rating: AA3, S & P Rating: AA-, Maturity Date: 11/1/2019, Coupon: 1.900, Accrued Interest: $1179.582							
SHELL INTERNATIONAL FIN	156,190.40	155,000.00	101.06	156,647.65	918.00	1.88	0.98
	155,729.65			157,064.86		1.89	
Cusip: 822582AW2, Moody's Rating: AA1, S & P Rating: A+, Maturity Date: 8/10/2018, Coupon: 1.900, Accrued Interest: $417.207							
THE WALT DISNEY COMPANY	160,136.85	159,000.00	102.69	163,283.46	3,225.34	2.09	1.02
	160,058.12			163,416.40		2.13	
Cusip: 25468PDE3, Moody's Rating: A2, S & P Rating: A, Maturity Date: 9/17/2020, Coupon: 2.150, Accrued Interest: $132.941							
TORONTO-DOMINION BANK	155,435.55	155,000.00	99.92	154,880.65	-305.96	1.40	0.97
	155,186.61			155,784.82		1.40	
Cusip: 89114QAG3, Moody's Rating: AA1, S & P Rating: AA-, Maturity Date: 4/30/2018, Coupon: 1.400, Accrued Interest: $904.166							
UNITED TECHNOLOGIES CORP	155,385.04	151,000.00	100.97	152,463.19	171.08	1.78	0.96
	152,292.11			153,369.19		1.78	
Cusip: 913017BU2, Moody's Rating: A3, S & P Rating: A-, Maturity Date: 6/1/2017, Coupon: 1.800, Accrued Interest: $905.998							
UNITEDHEALTH GROUP INC	159,338.40	156,000.00	103.88	162,051.24	3,059.28	2.59	1.02
	158,991.96			162,940.44		2.64	
Cusip: 91324PCM2, Moody's Rating: A3, S & P Rating: A+, Maturity Date: 7/15/2020, Coupon: 2.700, Accrued Interest: $889.198							
US BANCORP	156,780.00	150,000.00	100.85	151,269.00	41.89	2.18	0.95
	151,227.11			152,515.67		2.18	
Cusip: 91159HHB9, Moody's Rating: A1, S & P Rating: A+, Maturity Date: 11/15/2016, Coupon: 2.200, Call Date: 10/14/2016, Call Price: 100.000, Accrued Interest: $1246.666							
WELLS FARGO CO	155,242.10	130,000.00	107.19	139,340.50	446.47	5.24	0.89
	138,894.03			141,574.88		5.26	
Cusip: 949746NX5, Moody's Rating: A2, S & P Rating: A, Maturity Date: 12/11/2017, Coupon: 5.625, Accrued Interest: $2234.375							
Corporate Fixed Income Total	$4,642,863.20	$4,537,000.00		$4,637,295.96	$39,761.38		29.11%
	$4,597,534.58			$4,658,764.69			

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 DISC NT	$374,887.50	$375,000.00	$100.00	$374,988.75	$101.25	-	2.34%
	$374,887.50			$374,988.75		-	
Cusip: 313384VG1, Maturity Date: 4/7/2016							
FED HOME LN MTG CORP	1,181,261.75	1,175,000.00	100.36	1,179,277.00	2,323.69	0.99%	7.37
	1,176,953.31			1,179,342.27		0.99%	

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

GOVERNMENT SECURITIES (CONTINUED)

Security Description	Original Cost / Adjusted Cost	Face Value	Current Price	Market Value / Total Value	Unrealized Gain/Loss	Current Yield / Yield on Cost	% of Fixed Income
Cusip: 3137EADL0, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 9/29/2017, Coupon: 1.000, Accrued Interest: $65.271							
FED HOME LN MTG CORP	400,484.00	400,000.00	100.81	403,248.00	2,820.53	1.23%	2.53
	400,427.47			404,081.33		1.24%	
Cusip: 3137EADK2, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 8/1/2019, Coupon: 1.250, Accrued Interest: $833.332							
FED NATL MTG ASSN	353,214.12	354,000.00	101.98	361,019.82	7,805.70	1.59	2.27
	353,214.12			363,001.24		1.63	
Cusip: 3135G0YT4, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 11/27/2018, Coupon: 1.625, Accrued Interest: $1981.416							
FED NATL MTG ASSN	899,005.51	890,000.00	102.71	914,101.20	18,159.93	1.82	5.73
	895,941.27			916,048.08		1.86	
Cusip: 3135G0ZA4, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 2/19/2019, Coupon: 1.875, Accrued Interest: $1946.875							
FED NATL MTG ASSN	711,771.75	699,000.00	102.44	716,027.64	9,101.49	1.83	4.48
	706,926.15			716,500.92		1.85	
Cusip: 3135G0YM9, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 9/18/2018, Coupon: 1.875, Accrued Interest: $473.279							
FED NATL MTG ASSN	1,030,282.84	1,036,000.00	100.23	1,038,382.80	8,099.96	0.87	6.50
	1,030,282.84			1,039,717.37		0.88	
Cusip: 3135G0TG8, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 2/8/2018, Coupon: 0.875, Accrued Interest: $1334.565							
FED NATL MTG ASSN	638,124.80	640,000.00	100.71	644,524.80	6,400.00	1.11	4.04
	638,124.80			645,944.79		1.12	
Cusip: 3135G0E33, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 7/20/2018, Coupon: 1.125, Accrued Interest: $1419.994							
FED NATL MTG ASSN	1,034,248.90	1,041,000.00	101.10	1,052,492.64	18,243.74	1.48	6.60
	1,034,248.90			1,056,786.77		1.51	
Cusip: 3135G0D75, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 6/22/2020, Coupon: 1.500, Accrued Interest: $4294.125							
FED NATL MTG ASSN	907,656.35	901,000.00	100.47	905,225.69	1,276.09	1.11	5.68
	903,949.60			909,561.75		1.11	
Cusip: 3135G0JA2, Moody's Rating: AAA, S & P Rating: AA+, Maturity Date: 4/27/2017, Coupon: 1.125, Accrued Interest: $4336.062							
UNITED STATES TREASURY NOTE	308,728.15	311,000.00	101.33	315,130.08	6,401.93	1.35	1.98
	308,728.15			316,199.14		1.38	
Cusip: 912828VK3, Moody's Rating: AAA, Maturity Date: 6/30/2018, Coupon: 1.375, Accrued Interest: $1069.062							
UNITED STATES TREASURY NOTE	393,843.60	400,000.00	100.69	402,752.00	8,908.40	1.24	2.52
	393,843.60			403,576.17		1.27	
Cusip: 912828H52, Moody's Rating: AAA, Maturity Date: 1/31/2020, Coupon: 1.250, Accrued Interest: $824.172							
UNITED STATES TREASURY NOTE	640,579.07	644,000.00	100.72	648,630.36	8,051.29	1.36	4.06
	640,579.07			650,065.64		1.38	
Cusip: 912828N89, Moody's Rating: AAA, Maturity Date: 1/31/2021, Coupon: 1.375, Accrued Interest: $1435.283							

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

DISCLOSURES

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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.

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. Asset allocations may differ from product allocations.
The Other asset class contains securities that are not included in the various asset class classifications. This can include, but is not limited to, non-traditional investments such as some Equity Unit Trusts, Index Options and Structured Investments issued outside of Morgan Stanley. Additionally, investments for which we are unable to procure market data to properly classify them will appear in the Other category.

Performance: Performance results are annualized for time periods greater than one year and include all cash and cash equivalents, realized and unrealized capital gains and losses, and dividends, interest and income. The investment results depicted herein represent historical performance. As a result of recent market activity, current performance may vary from the figures shown. Please contact your Financial Advisor for up to date performance information. Past performance is not a guarantee of future results.
Market values used for performance calculation do not include performance ineligible assets and thus may differ from asset allocation market values. Common examples of performance ineligible assets include life insurance, some annuities and assets held externally. Unless otherwise indicated, performance is a composite calculation on the entire portfolio and may include brokerage and investment advisory accounts, as well as assets for different accounts included in this report. The accounts included in the composite may have (or have had) different investment objectives and strategies, been subject to different restrictions, and incurred different types of fees, markups, commissions and other charges. Accordingly, performance results may blend the performance of assets and strategies that may not have been available in all of the accounts at all times during the reporting period. In addition, accounts in the composite may have changed from brokerage to advisory or vice versa. Accounts may also have moved from one advisory program to another (including from a discretionary program to a non-discretionary program).
Performance information may cover the full history of the account(s) or just the performance of an account(s) since the inception of the current program(s). Performance results on individual accounts

will vary and may differ from the composite returns. Your Financial Advisor can provide you with individual account portfolio composition and performance information. For investment advisory accounts, please see the Morgan Stanley Smith Barney Form ADV Part 2 or applicable disclosure brochure. For brokerage accounts, please speak to your Financial Advisor for more information on commissions and other account fees and expenses. Performance inception date does not necessarily correspond to the account opening date. Where multiple accounts are included in performance calculations, the inception date is the oldest performance inception. Performance data may not be available for all periods as some accounts included in performance may have more recent performance inception dates. Consequently, the actual performance for a group of accounts may differ from reported performance. Please ask your Financial Advisor for the performance inception date for each account.

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

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

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

Projected 12 Month Income: Projected 12 Month Income includes cash income such as interest, cash dividends and partnerships. It is based on current yields and does not include income from external accounts. These are projections and the actual income may be lower or higher than the projections.

Bank Deposit Program: 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

Total Value: Total Value represents the Market Value of the portfolio or of a given Asset Class inclusive of interest and dividend accruals. Total Value for Asset Allocation before January 2014 does not include accruals.

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

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

Net of Fees: Performance results depicted as "net" of fees shall mean that any wrap fee, investment management fees, trade commissions, and/or other account fees have been deducted. Any other

fees or expenses associated with the account, such as third party custodian fees, may not have been deducted. Please see the Morgan Stanley Smith Barney LLC Form ADV Part 2 Brochure for advisory accounts and/or any applicable brokerage account trade confirmation statements for a full disclosure of the applicable charges, fees and expenses. Your Financial Advisor will provide those documents to you upon request.

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

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

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

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

Adjusted Cost: 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.

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

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

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

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

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

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

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

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.

Morgan Stanley Research Ratings: Morgan Stanley uses a relative rating system using terms such as Overweight, Equal-weight, Not-Rated, or Underweight (see definition below). Morgan Stanley does not assign ratings of Buy, Hold or Sell to the stocks we cover. Overweight, Equal-weight, Not-Rated and Underweight are not the equivalent of buy, hold and sell. Investors should carefully read

the definitions of all ratings used in Morgan Stanley Research. In addition, since Morgan Stanley Research contains more complete information concerning the analyst's view, investors should carefully read Morgan Stanley Research, in its entirety, and not infer the contents from the ratings alone. In any case, ratings (or research) should not be used or relied upon as investment advice. An investor's decision to buy or sell a stock should depend on individual circumstances (such as the investor's existing holdings) and other considerations.
Overweight (OVWEIGHT): The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.
Equal-weight (EQWEIGHT): The stock's total return is expected to be in line with the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.
Underweight (UNWEIGHT): The stock's total return is expected to be below the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.
Not-Rated (NR): Currently, the analyst does not have adequate conviction about the stock's total return relative to the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.
Not Available (NAV): Indicates that the ratings for this company are not available because of a Morgan Stanley policy.
Discontinued Coverage (DC)

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

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

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

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

BENCHMARK DEFINITIONS

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

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

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.

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EXECUTIVE SUMMARY

TO: ACSIG Full Board

FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: 2016/2017 Budget

The ACSIG budget is enclosed for your review. This budget was developed using year-to-date 2015/2016 data and estimates for 2016/2017 rates and costs. Salaries have been distributed to each program based upon a time-study.

The assumptions are listed on the final pages of the budget. Some assumptions are being made because actual information is unavailable at this time. Because there continues to be a need for trainings, I have continued to allocate funds to support release time for regional trainings for Special Education and Food Service staffing.

The budget will be reviewed by the Executive Director. The Executive Committee recommended approval of the budget at its May 19, 2016 meeting.

Alameda County Schools Insurance Group (ACSIG)
Consolidated
2016/2017 Budget

	Budget 2016/2017	Allocations	Change in Accruals		2016/2017 Budget	2015/2016 Budget
Audited - Beginning Net Position, as of 07/01/2016				$ 29,375,762		
Beginning Cash	$ 29,375,762				$ 29,375,762	$ 24,927,031
Operating Revenue:						
Premiums Paid by Members	$ 147,408,159	$ --	$ --	$ 147,391,011	$ 147,408,159	$ 136,126,495
Total Operating Revenue	147,408,159	--	--	147,391,011	147,408,159	136,126,495
Operating Expenditures:						
Classified Salaries	236,778		--	236,778	236,778	227,675
Statutory Benefits	55,498		--	55,498	55,498	81,308
Health & Welfare	39,000		--	39,000	39,000	39,000
Employer Tax Expense	3,411		--	3,411	3,411	69,977
Telephone & Internet	5,250		--	5,250	5,250	10,500
Supplies Office	5,250		--	5,250	5,250	10,500
Supplies - Other	5,250		--	5,250	5,250	10,500
Eligibility Processing	257,060		--	257,060	257,060	185,808
Brokerage Fees-Dental-ACSIG	276,000		--	276,000	276,000	284,000
Brokerage Fees-Dental-MD	300,000		--	300,000	300,000	276,000
Travel and Conferences	21,000		--	21,000	21,000	19,500
Mileage	8,925		--	8,925	8,925	7,350
Dues & Memberships	1,575		--	1,575	1,575	1,300
Postage & Meter	3,400		--	3,400	3,400	2,750
Insurance Expense-PIPS&NCR	23,989,931		--	23,989,931	23,989,931	21,125,746
PIPS payroll adjustment	1,500,000			1,500,000	1,500,000	500,000
Utility - Operating-Rent	30,359		--	30,359	30,359	27,647
Advertising	2,100		--	2,100	2,100	2,100
Contract Services	8,426		--	8,426	8,426	19,025
Contract Services -PL-Investigation	--		--	--	--	--
Contract Services-PL-Legal	10,000		--	10,000	10,000	10,000
Audit Fees	14,175		--	14,175	14,175	16,350
Other Services/Operating Expenses	5,250		--	5,250	5,250	7,125
Capital Equipment/Depreciation	2,550		--	2,550	2,550	5,250
Repairs & Maintenance	4,800		--	4,800	4,800	5,250
Legal	2,550		--	2,550	2,550	5,250
Accounting Services	15,750		--	15,750	15,750	15,750
County Courier	3,675		--	3,675	3,675	3,575
Shredding	1,575		--	1,575	1,575	2,200
Copier & Scanner	15,000		--	15,000	15,000	14,999
Claims Administration Services	190,000		--	190,000	190,000	193,429
Self-Insurance Fee	245,000		--	245,000	245,000	246,610
Claims Paid-WC	3,000,000		--	3,000,000	3,000,000	4,000,000
Claims Paid-PL	80,000		--	80,000	80,000	100,000
Physical Abilities Testing	22,446		--	22,446	22,446	22,500
Training	5,000		--	5,000	5,000	5,000
First-Aid Program	10,000		--	10,000	10,000	25,000
Food Service Training	10,000		--	10,000	10,000	10,000
Special Ed Training	10,000		--	10,000	10,000	10,000
Bank Charge & WC Penalty Reimb	15,000		--	15,000	15,000	--
Cobra Premiums	250,000	--	--	250,000	250,000	235,000
Dental Insurance Premiums	113,877,908	--	--	113,877,908	113,877,908	106,652,000
Vision Insurance Premiums	2,758,000	--	--	2,758,000	2,758,000	2,550,000
Claim Development Expense	(2,430,000)	--	--	(2,430,000)	(2,430,000)	(3,050,000)
Prior Year Adjustment	--	--	--	--	--	--
Total Operating Expenditures	144,867,892	--	--	144,867,892	144,867,892	133,985,974
Net Increase/(Decrease) from Operations	2,540,267	--	--	2,523,119	2,540,267	2,140,521
Non Operating Income/(Expense)						
Interest Income	218,250	--	--	218,251	218,250	218,250
Change in FMV	--	--	--	--	--	--
Realized Gain/(Loss)	--	--	--	--	--	--
Net, Interfund Transfer	--	--	--	--	--	--
Total Non Operating Income/(Expense)	218,250	--	--	218,251	218,250	218,250
Ending Cash	$ 32,134,279	--				
Net Increase/(Decrease) in Net Position		$ --	$ --	2,741,370	$ 2,758,517	$ 2,358,771

Alameda County Schools Insurance Group (ACSIG)
Workers' Compensation
2016/2017 Budget

	Budget 2016/2017 0	Allocations	Change in Accruals	Balance Year to Date	2016/2017 Budget	2015/2016 Budget
Audited - Beginning Net Position, as of 07/01/2016				$ 21,144,362		
Beginning Cash and Investments	$ 21,144,362				$ 21,144,362	$ 17,321,015
Operating Revenue:						
Premiums Paid by Members	$ 28,264,268	$ --	$	$ 28,264,268	$ 28,264,268	$ 24,592,230
PIPS Contribution Adjustmert	--	--		--		
Total Operating Revenue	28,264,268	--	--	28,264,268	28,264,268	24,592,230
Operating Expenditures:	--					
Classified Salaries	59,432	--	--	59,432	59,432	56,819
Statutory Benefits	13,930	--	--	13,930	13,930	20,296
Health & Welfare	7,800	--	--	7,800	7,800	7,800
Employer Tax Expense	856	--	--	856	856	17,463
Telephone & Internet	750	--	--	750	750	1,500
Supplies Office	750	--	--	750	750	1,500
Supplies - Other	750	--	--	750	750	1,500
Utility - Rent	5,060	--	--	5,060	5,060	4,608
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--
Brokerage Fees-Dental-MD	--	--	--	--	--	--
Travel and Conferences	3,000	--	--	3,000	3,000	2,250
Mileage	1,275	--	--	1,275	1,275	1,050
Dues & Memberships	225	--	--	225	225	150
Postage & Meter	100	--	--	100	100	100
Insurance Expense-PIPS	22,758,486	--	--	22,758,486	22,758,486	20,103,731
PIPS Contribution Adjustmert	1,500,000	--	--	1,500,000	1,500,000	500,000
Advertising	300	--	--	300	300	300
Contract Services - Actuarial	8,426	--	--	8,426	8,426	7,775
Contract Services -PL-Investigation	--	--	--	--	--	
Contract Services-PL-Legal	--	--	--	--	--	
Audit Fees	2,025	--	--	2,025	2,025	2,175
Other Services/Operating Expenses	750	--	--	750	750	2,625
Capital Equipment/Depreciation	750	--	--	750	750	750
Repairs & Maintenance	300	--	--	300	300	750
Legal	750	--	--	750	750	750
Accounting Services	2,250	--	--	2,250	2,250	2,250
County Courier	525	--		525	525	525
Shredding	675	--		675	675	750
Copier & Scanner	250	--		250	250	250
Claims Administration Services	170,000			170,000	170,000	175,429
Self-Insurance Fee	245,000	--		245,000	245,000	246,610
Claims Paid-WC	3,000,000	--		3,000,000	3,000,000	4,000,000
Claims Paid-PL	--	--		--	--	--
Physical Abilities Testing	10,000	--		10,000	10,000	10,000
Training	5,000	--		5,000	5,000	5,000
First-Aid Program	10,000	--		10,000	10,000	25,000
Food Service Training	10,000	--		10,000	10,000	10,000
Special Ed Training	10,000	--		10,000	10,000	10,000
Bank Charge & WC Penalty Reimb		--		--	--	--
Cobra Premiums	--	--		--	--	--
Dental Insurance Premiums	--	--		--	--	--
Vision Insurance Premiums	--	--		--	--	--
Claim Development Expense	(2,400,000)	--		(2,400,000)	(2,400,000)	(3,000,000)
Prior Year Adjustment	--	--	--	--	--	--
Total Operating Expenditures	25,429,415	--	--	25,429,415	25,429,415	22,219,706
Net Increase/(Decrease) from Operations	2,834,853	--	--	2,834,853	2,834,853	2,372,524
Non Operating Income/(Expense)						
Interest Income	150,000	--		150,000	150,000	150,000
Change in FMV		--	--		--	--
Realized Gain/(Loss)		--	--		--	--
Interfund Transfer		--		--	--	--
Total Non Operating Income/(Expense)	150,000	$ --	$ --	150,000	150,000	150,000
Ending Cash	$ 24,129,215					
Net Increase/(Decrease) in Net Position				2,984,853	2,984,853	2,522,524
				$ 24,129,215	$ 24,129,215	$ 19,843,539

Alameda County Schools Insurance Group (ACSIG)
Dental
2016/2017 Budget

	Budget 2016/2017	Allocations	Change in Accruals	Balance Year to Date	2016/2017 Budget	2015/2016 Budget
Audited - Beginning Net Position, as of 07/01/2016				$ 5,488,064		
Beginning Cash and Investments	$ 5,488,064				$ 5,488,064	$ 5,318,251
Operating Revenue:						
Premiums Paid by Members	$ 115,000,000	$ --	$ --	$ 115,000,000	$ 115,000,000	$ 107,800,000
Total Operating Revenue	115,000,000	--	--	115,000,000	115,000,000	107,800,000
Operating Expenditures:						
Classified Salaries	135,791			135,791	135,791	131,063
Statutory Benefits	31,828			31,828	31,828	46,798
Health & Welfare	25,350			25,350	25,350	25,350
Employer Tax Expense	1,956			1,956	1,956	40,283
Telephone & Internet	3,750			3,750	3,750	7,500
Supplies Office	3,750			3,750	3,750	7,500
Supplies - Other	3,750			3,750	3,750	7,500
Eligibility Processing	252,000			252,000	252,000	181,200
Brokerage Fees-Dental-ACSIG	276,000			276,000	276,000	284,000
Brokerage Fees-Dental-MD	300,000			300,000	300,000	276,000
Travel and Conferences	15,000			15,000	15,000	15,000
Mileage	6,375			6,375	6,375	5,250
Dues & Memberships	1,125			1,125	1,125	1,000
Postage & Meter	3,150			3,150	3,150	2,500
Insurance Expense	--			--	--	--
Net, Operating-Rent	25,299			25,299	25,299	23,040
Advertising	1,500			1,500	1,500	1,500
Contract Services - Actuarial	--			--	--	9,375
Contract Services -PL-Investigation	--			--	--	--
Contract Services	10,000			10,000	10,000	10,000
Audit Fees	10,125			10,125	10,125	12,000
Other Services/Operating Expenses	3,750			3,750	3,750	3,750
Capital Equipment/Depreciation	1,500			1,500	1,500	3,750
Repairs & Maintenance	3,750			3,750	3,750	3,750
Legal	1,500			1,500	1,500	3,750
Accounting Services	11,250			11,250	11,250	11,250
County Courier	2,625			2,625	2,625	2,625
Shredding	750			750	750	1,125
Copier & Scanner	14,250			14,250	14,250	14,249
Claims Administration Services	--			--	--	--
Self-Insurance Fee	--			--	--	--
Claims Paid-WC	--			--	--	--
Claims Paid-PL	--			--	--	--
Physical Abilities Testing	--			--	--	--
Training	--			--	--	--
First-Aid Program	--	--	--	--	--	--
Food Service Training	--	--	--	--	--	--
Special Ed Training	--	--	--	--	--	--
Bank Charge	15,000	--	--	15,000	15,000	
Cobra Premiums	250,000	--	--	250,000	250,000	235,000
Dental Insurance Premiums	113,877,908	--	--	113,877,908	113,877,908	106,652,000
Vision Insurance Premiums	--	--	--	--	--	--
Claim Development Expense	--	--	--	--		--
Prior Year Adjustment	--	--	--	--	--	--
Total Operating Expenditures	115,289,033	--	--	115,289,033	115,289,033	108,018,108
Net Increase/(Decrease) from Operations	(289,033)	--	--	(289,033)	(289,033)	(218,108)
Non Operating Income/(Expense)						
Interest Income	50,000	--		50,000	50,000	50,000
Change in FMV	--	--		--	--	--
Realized Gain/(Loss)	--	--		--	--	--
Interfund Transfer & YE Close Oper	--	--		--		--
Total Non Operating Income/(Expense)	50,000	$ --	$ --	50,000	50,000	50,000
Ending Cash	$ 5,249,031					
Net Increase/(Decrease) in Net Position				(239,033)	(239,033)	(168,108)
				$ 5,249,031	$ 5,249,031	$ 5,150,143

Alameda County Schools Insurance Group (ACSIG)
Vision
2016/2017 Budget

	Budget 2016/2017	Allocations	Change in Accruals	Balance Year to Date	2016/2017 Budget	2015/2016 Budget
Audited - Beginning Net Position, as of 07/01/2016				$ 2,093,269		
Beginning Cash and Investments	$ 2,093,269				$ 2,093,269	$ 2,094,297
Operating Revenue:						
Premiums Paid by Members	$ 2,800,000	$ --	$	$ 2,800,000	$ 2,800,000	$ 2,600,000
Total Operating Revenue	2,800,000	--	--	2,800,000	2,800,000	2,600,000
Operating Expenditures:						
Classified Salaries	23,678	--	--	23,678	23,678	22,767
Statutory Benefits	5,550	--	--	5,550	5,550	8,131
Health & Welfare	3,900	--	--	3,900	3,900	3,900
Employer Tax Expense	341	--	--	341	341	6,998
Telephone & Internet	500	--	--	500	500	1,000
Supplies Office	500	--	--	500	500	1,000
Supplies - Other	500	--	--	500	500	1,000
Eligibility Processing	--	--	--	--	--	0
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	0
Brokerage Fees-Dental-MD	--	--	--	--	--	0
Travel and Conferences	2,000	--	--	2,000	2,000	1,500
Mileage	850	--	--	850	850	700
Dues & Memberships	150	--	--	150	150	100
Postage & Meter	150	--	--	150	150	150
Insurance Expense	--	--	--	--	--	
Utility - Operating-Rent	3,373	--	--	3,373	3,373	3,072
Advertising	200	--	--	200	200	200
Contract Services - Actuarial	--	--	--	--	--	1,250
Contract Services -PL-Investigation	--	--	--	--	--	0
Contract Services-PL-Legal	--	--	--	--	--	0
Audit Fees	1,350	--	--	1,350	1,350	1,450
Other Services/Operating Expenses	500	--	--	500	500	500
Capital Equipment/Depreciation	200	--	--	200	200	500
Repairs & Maintenance	500	--	--	500	500	500
Legal	200	--	--	200	200	500
Accounting Services	1,500	--	--	1,500	1,500	1,500
County Courier	350	--	--	350	350	350
Shredding	100	--	--	100	100	150
Copier & Scanner	400	--	--	400	400	400
Claims Administration Services	--	--	--	--	--	0
Self-Insurance Fee	--	--	--	--	--	0
Claims Paid-WC	--	--	--	--	--	0
Claims Paid-PL	--	--	--	--	--	0
Physical Abilities Testing	--	--	--	--	--	0
Training	--	--	--	--	--	0
First-Aid Program	--	--	--	--	--	0
Food Service Training	--	--	--	--	--	0
Special Ed Training	--	--	--	--	--	0
Bank Charge & WC Penalty Reimb	--	--	--	--	--	0
Cobra Premiums	--	--	--	--	--	0
Dental Insurance Premiums	--	--	--	--	--	0
Vision Insurance Premiums	2,758,000	--		2,758,000	2,758,000	2,550,000
Claim Development Expense	--	--	--	--	--	0
Prior Year Adjustment	--	--	--	--	--	0
Total Operating Expenditures	2,804,792	--	--	2,804,792	2,804,792	2,607,618
Net Increase/(Decrease) from Operations	(4,792)	--	--	(4,792)	(4,792)	-7,618
Non Operating Income/(Expense)						
Interest Income	17,500	--		17,500	17,500	17,500
Change in FMV		--	--	--	--	0
Realized Gain/(Loss)		--	--	--	--	0
Interfund Transfer	--	--	--	--	--	0
Total Non Operating Income/(Expense)	17,500	$ --	$ --	17,500	17,500	17,500
Ending Cash	$ 2,105,977					
Net Increase/(Decrease) in Net Position				12,708	$ 12,708	$ 9,882
			0	$ 2,105,977	$ 2,105,977	$ 2,104,179

Alameda County Schools Insurance Group (ACSIG)
Property and Liability
2016/2017 Budget

	Budget 2016/2017	Allocations	Change in Accruals	Balance Year to Date	2016/2017 Budget	2015/2016 Budget
Audited - Beginning Net Position, as of 07/01/2016				$ 650,067		
Beginning Cash and Investments	$ 650,067				$ 650,067	$ 193,468
Operating Revenue:						
Premiums Paid by Members	$ 1,343,891	$ --	$	$ 1,326,743	$ 1,343,891	$ 1,134,265
Total Operating Revenue	1,343,891	--	--	1,326,743	1,343,891	1,134,265
Operating Expenditures:						
Classified Salaries	17,877	--	--	17,877	17,877	17,026
Statutory Benefits	4,190	--	--	4,190	4,190	6,083
Health & Welfare	1,950	--	--	1,950	1,950	1,950
Employer Tax Expense	258	--	--	258	258	5,233
Telephone & Internet	250	--	--	250	250	500
Supplies Office	250	--	--	250	250	500
Supplies - Other	250	--	--	250	250	500
Eligibility Processing	--	--	--	--	--	--
Brokerage Fees-Dental-ACSIG	--	--	--	--	--	--
Brokerage Fees-Dental-MD	--	--	--	--	--	--
Travel and Conferences	1,000	--	--	1,000	1,000	750
Mileage	425	--	--	425	425	350
Dues & Memberships	75	--	--	75	75	50
Postage & Meter	--	--	--	--	--	--
Insurance Expense-NCR	1,231,445	--		1,151,830	1,231,445	1,022,015
Utility - Operating-Rent	1,687	--	--	1,687	1,687	1,535
Advertising	100	--	--	100	100	100
Contract Services - Actuarial	--	--	--	--	--	625
Contract Services -PL-Investigation	--	--	--	--	--	
Contract Services-PL-Legal	--	--	--	--	--	--
Audit Fees	675	--	--	675	675	725
Other Services/Operating Expenses	250	--	--	250	250	250
Capital Equipment/Depreciation	100	--	--	100	100	250
Repairs & Maintenance	250	--	--	250	250	250
Legal	100	--	--	100	100	250
Accounting Services	750	--	--	750	750	750
County Courier	175	--	--	175	175	75
Shredding	50	--	--	50	50	175
Copier & Scanner	100	--		100	100	100
Claims Administration Services	20,000	--		20,000	20,000	18,000
Self-Insurance Fee	--	--		--	--	--
Claims Paid-WC	--	--		--	--	--
Claims Paid-PL	80,000	--		80,000	80,000	100,000
Safety Inspection	12,446	--	--	12,446	12,446	12,500
Training	--	--	--	--	--	--
First-Aid Program	--	--	--	--	--	--
Food Service Training	--	--	--	--	--	--
Special Ed Training	--	--	--	--	--	--
Bank Charge & WC Penalty Reimb	--	--	--	--	--	--
Cobra Premiums	--	--	--	--	--	--
Dental Insurance Premiums	--	--	--	--	--	--
Vision Insurance Premiums	--	--	--	--	--	--
Claim Development Expense	(30,000)	--		(30,000)	(30,000)	(50,000)
Prior Year Adjustment	--	--	--	--	--	--
Total Operating Expenditures	1,344,652	--	--	1,265,037	1,344,652	1,140,542
Net Increase/(Decrease) from Operations	(761)	--	--	61,706	(761)	(6,277)
Non Operating Income/(Expense)						
Interest Income	750	--	--	750	750	750
Change in FMV	--	--	--	--	--	--
Realized Gain/(Loss)	--	--	--	--	--	--
Interfund Transfer	--	--	--	--	--	--
Total Non Operating Income/(Expense)	750	$ --	$ --	750	750	750
Ending Cash	$ 650,056					
Net Increase/(Decrease) in Net Position				62,456	(11)	(5,527)
			0	$ 712,523	$ 650,056	$ 187,941

Alameda County Schools Insurance Group (ACSIG)
Operations
2016/2017 Budget

	Cash Activity 2016/2017 1/0/00	Allocations	Change in Accruals	Balance Year to Date	2016/2017 Budget	2015/2016 Budget
Audited - Beginning Net Position, as of 07/01/2016				$ --		
Beginning Cash and Investments	$				$ --	$ --
Operating Revenue:						
Offset to Rent - Sub Lease	$	$	$ --	$ --	$	$
Total Operating Revenue	--	--	--	--	--	--
Operating Expenditures:						
Classified Salaries						--
Statutory Benefits						--
Health & Welfare						--
Employer Tax Expense						--
Telephone & Internet						--
Supplies Office						
Supplies - Other						
Eligibility Processing						--
Brokerage Fees-Dental-ACSIG						--
Brokerage Fees-Dental-MD						--
Travel and Conferences						--
Mileage						--
Dues & Memberships						--
Postage & Meter						--
Insurance Expense						--
Utility - Operating-Rent						--
Advertising						--
Contract Services - Actuarial						--
Contract Services -PL-Investigation						--
Contract Services-PL-Legal						--
Audit Fees						--
Other Services/Operating Expenses						--
Capital Equipment/Depreciation						
Repairs & Maintenance						
Legal						
Accounting Services						
County Courier						
Shredding						--
Copier & Scanner						--
Claims Administration Services						--
Self-Insurance Fee	--	--	--	--	--	--
Claims Paid-WC	--	--	--	--	--	--
Claims Paid-PL	--	--	--	--	--	--
Physical Abilities Testing	--	--	--	--	--	--
Training	--	--	--	--	--	--
First-Aid Program	--	--	--	--	--	--
Food Service Training	--	--	--	--	--	--
Special Ed Training	--	--	--	--	--	--
Bank Charge & WC Penalty Reimb	--	--	--	--	--	--
Cobra Premiums	--	--	--	--	--	--
Dental Insurance Premiums	--	--	--	--	--	--
Insurance - Vision	--	--	--	--	--	--
Claim Development Expense	--	--	--	--	--	--
Prior Year Adjustment	--	--	--	--	--	--
Total Operating Expenditures	--	--	--	--	--	--
Net Increase/(Decrease) from Operations	--	--	--	--	--	--
Non Operating Income/(Expense)						
Interest Income					--	
Change in FMV					--	
Realized Gain/(Loss)					--	
Interfund Transfer & YE Close						
Total Non Operating Income/(Expense)	--	$ --	$ --	--		--
Ending Cash	$ --					
Net Increase/(Decrease) in Net Position				$ --	$ --	$ --
				0 $ --	$ --	$ --

				Statutory	Employer Tax Expense
Kimberly (moves to Longevity II)	salary & benefits	$ 178,769.43	$ 19,500.00	$ 41,901.38	$ 2,575.58
	50% dental	$ 89,384.72	$ 9,750.00	$ 20,950.69	$ 1,287.79
	30% wc	$ 53,630.83	$ 5,850.00	$ 12,570.41	$ 772.68
	10% vision	$ 17,876.94	$ 1,950.00	$ 4,190.14	$ 257.56
	10% p/l	$ 17,876.94	$ 1,950.00	$ 4,190.14	$ 257.56
Celina	salary & benefits	$ 58,008.30	$ 19,500.00	$ 13,596.44	$ 835.74
	80 % dental	$ 46,406.64	$ 15,600.00	$ 10,877.15	$ 668.59
	10% wc	$ 5,800.83	$ 1,950.00	$ 1,359.64	$ 83.57
	10% vision	$ 5,800.83	$ 1,950.00	$ 1,359.64	$ 83.57
Amy	100% COBRA Dental	$ 25,350.97	$ 9,750.00	$ 5,941.96	$ 365.24

***assumes 3.5% salary increase

Telephone & Internet	$ 5,000.00
Supplies Office	$ 5,000.00
Supplies - Other	$ 5,000.00
Eligibility Processing	
Brokerage Fees-Dental-ACSIG	
Brokerage Fees-Dental-MD	
Travel and Conferences	$ 20,000.00
Mileage	$ 8,500.00
Dues & Memberships	$ 1,500.00
Postage & Meter	$ 3,500.00
Insurance Expense-PIPS&NCR	
PIPS payroll adjustment	
Utility - Operating-Rent	$ 33,732.00
Advertising	$ 2,000.00
Contract Services	
Contract Services -PL-Investigation	
Contract Services-PL-Legal	
Audit Fees	$ 13,500.00
Other Services/Operating Expenses	$ 5,000.00

(this is 95% dental)

Capital Equipment/Depreciation	$ 2,000.00	
Repairs & Maintenance	$ 5,000.00	
Legal	$ 2,000.00	
Accounting Services	$ 15,000.00	
County Courier	$ 3,500.00	
Shredding	$ 1,000.00	
Copier & Scanner	$ 15,000.00	(this is 95% dental)

$ 146,232.00

WC	DENTAL	VISION	PL
$ 82,017.97	$ 226,583.75	$ 33,468.69	$ 24,274.64

	15%	75%	10%	5%
$	750.00	$ 3,750.00	$ 500.00	$ 250.00
$	750.00	$ 3,750.00	$ 500.00	$ 250.00
$	750.00	$ 3,750.00	$ 500.00	$ 250.00
$	-	$ -	$ -	$ -
$	-	$ -	$ -	$ -
$	-	$ -	$ -	$ -
$	3,000.00	$ 15,000.00	$ 2,000.00	$ 1,000.00
$	1,275.00	$ 6,375.00	$ 850.00	$ 425.00
$	225.00	$ 1,125.00	$ 150.00	$ 75.00
$	100.00	$ 3,150.00	$ 150.00	
$	-	$ -	$ -	$ -
$	-	$ -	$ -	$ -
$	5,059.80	$ 25,299.00	$ 3,373.20	$ 1,686.60
$	300.00	$ 1,500.00	$ 200.00	$ 100.00
$	-	$ -	$ -	$ -
$	-	$ -	$ -	$ -
$	-	$ -	$ -	$ -
$	2,025.00	$ 10,125.00	$ 1,350.00	$ 675.00
$	750.00	$ 3,750.00	$ 500.00	$ 250.00

$ 300.00	$ 1,500.00	$ 200.00	$ 100.00
$ 750.00	$ 3,750.00	$ 500.00	$ 250.00
$ 300.00	$ 1,500.00	$ 200.00	$ 100.00
$ 2,250.00	$ 11,250.00	$ 1,500.00	$ 750.00
$ 525.00	$ 2,625.00	$ 350.00	$ 175.00
$ 150.00	$ 750.00	$ 100.00	$ 50.00
$ 250.00	$ 14,250.00	$ 400.00	$ 100.00

Alameda County Schools Insurance Group
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www.acsig.com

EXECUTIVE SUMMARY

TO: ACSIG Full Board

FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: 2016/2017 Dental Rates

Enclosed are the proposed 2016/2017 Dental rate changes for ACSIG members. The program has been performing exceptionally well and efficiently. The past two years have seen flat rates and rebates in this program. The program operated at a very slight decrease in 2015/16. ACSIG has recognized a downward trend by keeping rates flat from year to year. This approach is continuing in 2016/2017, however, no rebate is recommended in 2016/17.

These rates will be reviewed by the Executive Director at the meeting and will be asking for approval of the 2016/2017 dental rates. The Executive Committee recommended approval of these rates at its May 19, 2016 meeting.

Dental Renewal

Fixed Rate Pool Renewals

RENEWAL	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Underwriting Results	2.08%	0.08%	-1.80%	-1.70%	-0.9%
Actual Applied to Members	2.08%	0.00%	0.00%	0.00%	0.00%

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

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Dental Renewal - Recommendation

	Trend	Renewal
ACSIG 2015-2016 Trend	3.0%	-2.3%
Segal Trend	3.5%	-1.6%
ACSIG 2016-2017 Dental Renewal Trend	4.0%	-0.9%
ACSIG 2014-2016 Trend	4.0%	-0.9%
Delta Trend	5.0%	0.6%

2016-2017 Underwriting Assumptions/Recommendation

- Paid Claims: 24-months of claims data (April 2014 – March 2016)
- ACSIG specific trend of 4.0% was used
- Risk margin of 0.0%
- Alliant Recommends No Change in Rates

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www.acsig.com

EXECUTIVE SUMMARY

FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: 2016/2017 Vision Rates

Enclosed are the proposed 2016/2017 Vision rate changes for ACSIG members. The underwriting model shows a slight decrease in claim development within the past several years.

In 2014/15 ACSIG reduced vision rates by 5.2%. The experience within 2015/16 continues to be positive with a flat renewal in 15/16. The fund is trending well and we are recommending a rate pass for 2016/2017.

This rate recommendation and the underwriting information will be reviewed by the Executive Director at the meeting. The Executive Committee recommended approval of these rates at its May 19, 2016 meeting.

Vision Renewal

Fixed Rate Pool Renewals

RENEWAL	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
Underwriting Results	-10.8%	-10.3%	-8.2%	-1.8%	0.2%
Actual Applied to Members	0.0%	0.0%	-5.2%	0.0%	0.00%

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

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Vision Renewal - Recommendation

	Trend	Renewal
VSP Vision Trend	1.0%	-0.5%
ACSIG 2015-2016 Trend	1.5%	0.2%
ACSIG 2016-2017 Vision Renewal Trend	1.5%	0.2%
ACSIG 2014-2016 Trend	1.5%	0.2%
Segal Trend	2.7%	2.0%

2016-2017 Underwriting Assumptions/Recommendation

- Paid Claims: 24-months of claims data (April 2014 – March 2016)
- ACSIG specific trend of 1.5% was used
- Risk margin of 0.0%
- **Alliant Recommends No Change in Rates**

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

AGENDA
Full Board

Date: Thursday, May 26, 2016
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**

Board Members

Dr. Candi Clark	President	Castro Valley USD
Raul Parungao	Vice President	Fremont USD
Susan Kinder	Secretary	Livermore Valley Joint USD
Gary Jones	Board Member	Alameda COE
Shariq Khan	Board Member	Alameda USD
Allan Garde	Board Member	Albany USD
Beverly Heironimus	Board Member	Dublin USD
Marites Fermin	Board Member	Eden Area ROP
Dora Siu	Board Member	Emery USD
Joyce Veasley	Board Member	Mission Valley ROP
Dina Stewart	Board Member	Mountain House USD
Akur Varadarajan	Board Member	New Haven USD
Bryan Richards	Board Member	Newark USD
Song Chin-Bendib	Board Member	Piedmont USD
Luz Cázares	Board Member	Pleasanton USD
Mark Martinelli	Board Member	San Leandro USD
Annette Heldman	Board Member	San Lorenzo USD
Miki Whetfield	Board Member	Sunol Glen USD
Julie Duncan	Board Member	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

The Full Board will vote on the acceptance of the agenda.

Open Session

IV. Public Comment on Open Session Agenda Items

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

Consent Calendar

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

- SETECH Contract
- Safety Inspection Contract
- Executive Committee Minutes from November 5, 2015
- Executive Committee Minutes from March 3, 2016
- Full Board Minutes from November 5, 2015
- 2nd Quarter Financials
- 2nd Quarter Investment Report

General

V. Third Quarter Financials

Laurena Grabert from SETECH will present the 2015/16 Third Quarter Financial statements.

Recommendation: For action

VI. Third Quarter Investment Report

The Executive Director will review the 2015/16 Third Quarter Investment Report with the Board.
Recommendation: For action

VII. 2016/2017 Budget
The Executive Director will present the 2016/17 Budget.
Recommendation: For action

Dental

VIII. Dental Rates 2016/2017
The Executive Director will present the 2016/17 Dental program proposed rate changes.
Recommendation: For action

Vision

IX. Vision Rates 2016/2017
The Executive Director will present the 2016/17 Vision program proposed rate changes.
Recommendation: For action

Property & Liability

X. Property & Liability Rates 2016/2017
The Executive Director will present 2016/17 Property and Liability rates.
Recommendation: For action

XI. Auxiliary/ Foundation Organizations - DUSD
The Executive Director will present an application from Dublin Unified School District on additional groups to endorse onto their policy.
Recommendation: For action

Workers Compensation

XII. Result of Wells Fargo Audit
The Executive Director will present the results of the independent claims audit performed by Wells Fargo.
Recommendation: For action

XIII. Actuarial Study – Ultimate Loss
The Executive Director will present the February 2016 Actuarial study of the ultimate loss of the self-insured portion of the ACSIG Workers Compensation program.
Recommendation: For action

XIV. Actuarial Study – Ex-Mods

The Executive Director will present the February 2016 Actuarial Study that determines the 2016/17 program year experience modification factor.

Recommendation: For action

XV. Workers Compensation Rates 2016/2017

The Executive Director will present 2016/17 Workers Compensation rates.

Recommendation: For action

XVI. Informational Report for Fiscal Year End

Laurena Grabert from SETECH will present the 2015/2016 Informational Report for the Fiscal Year Ended June 30, 2015.

Recommendation: For information

XVII. Deficit Review

The Executive Director will review the current state of the deficit.

Recommendation: For discussion

XVIII. 3 Year Point in Time Comparison

The Executive Director will discuss the top 10% of claim frequency filing districts.

Recommendation: For discussion

Administrative

XIX. Election of Executive Committee

Due to Susan Kinder, Luz Cázares, Annette Heldman and Allan Garde's terms expiring, the Full Board will vote on the election of four representatives to the Executive Committee. The Board will elect 4 people in total to the Executive Committee.

Recommendation: For action

XX. ACSIG Salaries & Benefits

The Executive Director will present the cost of living increase proposal for the ACSIG staff.

Recommendation: For information

XXI. Meeting Calendar

The Full Board will review the draft 2016/17 calendar.

Recommendation: For action

XXII. Future Planning

XXIII. Adjournment

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

EXECUTIVE SUMMARY

TO: ACSIG Full Board

FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: Property/Liability Program 2016/2017 Rates

The Alameda County Schools Insurance Group participates in the Northern California ReLiEF Property/Liability JPA. The ReLiEF Board met on Friday, May 6, 2016 to approve rates. NCR Property rates and Liability rates showed very little change in 2016/17. Due to adverse claims experience, the ACSIG has seen an increase in both its Property and Liability experience modification factors programs.

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

The Executive Director will review and recommend action for the rate schedule at the meeting. The Executive Committee recommended approval of these rates at its May 19, 2016 meeting.

2016/2017 Property & Liability Program Rates

ACSIG	Property	Liability	Total
ACOE	$29,284	$33,778	$63,062
Albany	$72,033	$194,523	$266,556
Dublin	$215,406	$475,282	$690,688
Emery	$56,289	$36,062	$92,351
Piedmont	$70,620	$143,467	$214,086
ACSIG TOTAL	$443,632	$883,112	$1,326,743

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

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www.acsig.com

EXECUTIVE SUMMARY

TO: ACSIG Full Board

FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: Auxiliary Club Endorsement

The Alameda County Schools Insurance Group has 5 member districts in its Property/Liability program. Dublin Unified is one such member. Dublin added Amador Elementary and Kolb Elementary Schools and therefore, need to endorse their respective parent clubs onto their current policy.

According to NorCal ReLiEF policy, the full Board of ACSIG must approve any endorsement onto the policy. Therefore, please find the enclosed application. The Executive Director will review this application and ask for Board approval.



Northern California Regional Liability Excess Fund JPA

AUXILIARY ORGANIZATION POLICY

It shall be the policy of the Northern California Regional Liability Excess Fund (the Authority) to provide liability coverage to its covered party's Auxiliary Organizations (Organization). This coverage has limits of $1,000,000 per occurrence and becomes part of the covered party's coverage program. Organizations that may be covered are only those that:

- Are formed and operate in conformance with Education Code {51520-51521} and/or Education Code {72670-72682} and Code of Regulations ("Title 5") {59255-59272}.

Organizations approved by the Covered Party and local JPA (if applicable) governing Board(s) must be submitted to the Authority's Manager for approval and endorsement to the Memorandum of Coverage. The procedures for approval are:

1. The Organization must submit a completed Auxiliary Organization Liability Application and Certification, its Bylaws, Articles of Incorporation or other governing instruments, and a list of Officers to the Covered Party. The Covered Party and local JPA (if applicable) will review and must approve the application and submit to the Authority.

2. The Authority's Manager will review the Application and Certification, Bylaws, Articles of Incorporation or other governing instruments and a list of Officers. If approved, endorse the Organization to the Memorandum of Coverage. Questionable applications will be referred back to the Covered Party and local JPA (if applicable).

3. The Authority's Manager will advise the Covered Party and local JPA (if applicable) when the Organization has been endorsed on the Memorandum of Coverage and the date coverage becomes effective.

4. Organizations that have been approved for coverage by the Authority's Manager will be eligible to renew the coverage by providing the Manager, prior to July 1 of the fiscal year a copy of the Organization's minutes establishing the election of officers for that fiscal year.

5. Coverage exclusions and limitations may apply per the Memorandum of Coverage. Please refer to the Authority's Manager on questions regarding coverage limitations.

Northern California ReLIEF

Northern California Regional Liability Excess Fund JPA

AUXILIARY ORGANIZATION LIABILITY APPLICATION

For District Sponsored Activities Conducted On and/or Off District Premises

Name of Organization: AMADOR Elementary Parent/Faculty Club

Address of Organization : _____

Contact Person: _____ Phone Number: _____

School Name: _____

Site Name: _____

Provide Number & Frequency of the following General Activities:

Committee Meetings: _____

*Fundraisers: _____

*Special Events: _____

*Fund Raising or Special Events: Give details of events, number of days, if open to general public, estimated amount of money to be raised, approximate number of participants per event of adults and students, is the event supervised, adult to student ratio, and are any athletics involved in any way (Participation, Demonstration, Instruction).

_____

_____

_____

_____

Does the Organization have written Bylaws? _____ If yes, please attach.

Are minutes taken at the meetings? _____

Does the District Control the Organizations Funds? _____

Has Crime Coverage been secured? _____

Has the Organization approved the Application for coverage by NCR? _____

Has the Covered Party and local JPA (if applicable) approved the Application of the organization to be covered by NCR? _____

_____ _____

Signature of District Representative Date

_____ _____

Signature of Organization Representative Date

Note: Coverage is not effective until bound each year by Keenan & Associates as Administrator for ReLiEF.

Northern California ReLIEF

Northern California Regional Liability Excess Fund JPA

AUXILIARY ORGANIZATIONS CERTIFICATION

Northern California Regional Liability Excess Fund (the Authority) has adopted a policy requiring certain conditions be met for an Auxiliary Organization (Organization) to be eligible for liability coverage through the Authority. This coverage has limits of $1,000,000 per occurrence and becomes part of the covered party's coverage program. Organizations that may be covered are only those that:

- Are formed and operate in conformance with Education Code {51520-51521} and/or Education Code Sections {72670-72682} and Code of Regulations ("Title 5") {59255-59272}.

Please check one of the following boxes:

☐ We certify the Organization's compliance with the above requirements.

☐ We do not certify the Organization's compliance with the above requirements.

Amador Elementary Parent/Faculty Club

Organization Name

Representative | **Title** | **Date**

Approved by:

District Representative Name | **District Name**

District Representative Title | **District Approval Date**

If applicable:

JPA Representative Name | **JPA Name**

JPA Representative Title | **JPA Approval Date**

Note: Coverage is not effective until bound by Keenan & Associates as Administrator for the Authority.

Northern California ReLIEF

Northern California Regional Liability Excess Fund JPA

AUXILIARY ORGANIZATION LIABILITY APPLICATION

For District Sponsored Activities Conducted On and/or Off District Premises

Name of Organization: Amador Elementary School Site Council

Address of Organization : _____

Contact Person: _____ Phone Number: _____

School Name: _____

Site Name: _____

Provide Number & Frequency of the following General Activities:

Committee Meetings: _____

*Fundraisers: _____

*Special Events: _____

*Fund Raising or Special Events: Give details of events, number of days, if open to general public, estimated amount of money to be raised, approximate number of participants per event of adults and students, is the event supervised, adult to student ratio, and are any athletics involved in any way (Participation, Demonstration, Instruction).

_____

_____

_____

_____

Does the Organization have written Bylaws? _____ If yes, please attach.

Are minutes taken at the meetings? _____

Does the District Control the Organizations Funds? _____

Has Crime Coverage been secured? _____

Has the Organization approved the Application for coverage by NCR? _____

Has the Covered Party and local JPA (if applicable) approved the Application of the organization to be covered by NCR? _____

_____ _____

Signature of District Representative Date

_____ _____

Signature of Organization Representative Date

Note: Coverage is not effective until bound each year by Keenan & Associates as Administrator for ReLiEF.

Northern California ReLIEF

Northern California Regional Liability Excess Fund JPA

AUXILIARY ORGANIZATIONS CERTIFICATION

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Please check one of the following boxes:

☐ We certify the Organization's compliance with the above requirements.

☐ We do not certify the Organization's compliance with the above requirements.

Amador Elementary School Site Council

Organization Name

Representative	**Title**	**Date**

Approved by:

District Representative Name	**District Name**
District Representative Title	**District Approval Date**

If applicable:

JPA Representative Name	**JPA Name**
JPA Representative Title	**JPA Approval Date**

Note: Coverage is not effective until bound by Keenan & Associates as Administrator for the Authority.

Northern California ReLiEF

Northern California Regional Liability Excess Fund JPA

AUXILIARY ORGANIZATION LIABILITY APPLICATION

For District Sponsored Activities Conducted On and/or Off District Premises

Name of Organization: Kolb Elementary Parent/Faculty Club

Address of Organization : _____

Contact Person: _____ Phone Number: _____

School Name: _____

Site Name: _____

Provide Number & Frequency of the following General Activities:

Committee Meetings: _____

*Fundraisers: _____

*Special Events: _____

*Fund Raising or Special Events: Give details of events, number of days, if open to general public, estimated amount of money to be raised, approximate number of participants per event of adults and students, is the event supervised, adult to student ratio, and are any athletics involved in any way (Participation, Demonstration, Instruction).

_____

_____

_____

_____

Does the Organization have written Bylaws? _____ If yes, please attach.

Are minutes taken at the meetings? _____

Does the District Control the Organizations Funds? _____

Has Crime Coverage been secured? _____

Has the Organization approved the Application for coverage by NCR? _____

Has the Covered Party and local JPA (if applicable) approved the Application of the organization to be covered by NCR? _____

_____ _____

Signature of District Representative Date

_____ _____

Signature of Organization Representative Date

Note: Coverage is not effective until bound each year by Keenan & Associates as Administrator for ReLiEF.

Northern California ReLIEF

Northern California Regional Liability Excess Fund JPA

AUXILIARY ORGANIZATIONS CERTIFICATION

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- Are formed and operate in conformance with Education Code {51520-51521} and/or Education Code Sections {72670-72682} and Code of Regulations ("Title 5") {59255-59272}.

Please check one of the following boxes:

☐ We certify the Organization's compliance with the above requirements.

☐ We do not certify the Organization's compliance with the above requirements.

Kobb Elementary Parent/Faculty Club

Organization Name

Representative | **Title** | **Date**

Approved by:

District Representative Name | **District Name**

District Representative Title | **District Approval Date**

If applicable:

JPA Representative Name | **JPA Name**

JPA Representative Title | **JPA Approval Date**

Note: Coverage is not effective until bound by Keenan & Associates as Administrator for the Authority.

Northern California ReLIEF

Northern California Regional Liability Excess Fund JPA

AUXILIARY ORGANIZATION LIABILITY APPLICATION

For District Sponsored Activities Conducted On and/or Off District Premises

Name of Organization: Kolb Elementary School Site Council

Address of Organization : _____

Contact Person: _____ Phone Number: _____

School Name: _____

Site Name: _____

Provide Number & Frequency of the following General Activities:

Committee Meetings: _____

*Fundraisers: _____

*Special Events: _____

*Fund Raising or Special Events: Give details of events, number of days, if open to general public, estimated amount of money to be raised, approximate number of participants per event of adults and students, is the event supervised, adult to student ratio, and are any athletics involved in any way (Participation, Demonstration, Instruction).

_____

_____

_____

_____

Does the Organization have written Bylaws? _____ If yes, please attach.

Are minutes taken at the meetings? _____

Does the District Control the Organizations Funds? _____

Has Crime Coverage been secured? _____

Has the Organization approved the Application for coverage by NCR? _____

Has the Covered Party and local JPA (if applicable) approved the Application of the organization to be covered by NCR? _____

_____ _____

Signature of District Representative Date

_____ _____

Signature of Organization Representative Date

Note: Coverage is not effective until bound each year by Keenan & Associates as Administrator for ReLiEF.

Northern California ReLIEF

Northern California Regional Liability Excess Fund JPA

AUXILIARY ORGANIZATIONS CERTIFICATION

Northern California Regional Liability Excess Fund (the Authority) has adopted a policy requiring certain conditions be met for an Auxiliary Organization (Organization) to be eligible for liability coverage through the Authority. This coverage has limits of $1,000,000 per occurrence and becomes part of the covered party's coverage program. Organizations that may be covered are only those that:

- Are formed and operate in conformance with Education Code {51520-51521} and/or Education Code Sections {72670-72682} and Code of Regulations ("Title 5") {59255-59272}.

Please check one of the following boxes:

☐ We certify the Organization's compliance with the above requirements.

☐ We do not certify the Organization's compliance with the above requirements.

Kolb Elementary School Site Council

Organization Name

Representative | **Title** | **Date**

Approved by:

District Representative Name | **District Name**

District Representative Title | **District Approval Date**

If applicable:

JPA Representative Name | **JPA Name**

JPA Representative Title | **JPA Approval Date**

Note: Coverage is not effective until bound by Keenan & Associates as Administrator for the Authority.

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 Full Board

FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: Wells Fargo Workers' Compensation Claims Audit

In Spring 2016, ACSIG contracted with Wells Fargo to complete an independent claims audit of the ACSIG Workers' Compensation claim operation. The same team that was utilized in the 2009, 2012 and 2014 Claims audits was used to provide consistency in review.

The overall score given to the Keenan & Associate Pleasanton claims team was 4.0 out of 5. This score is an improvement from the score of 3.5 received in 2014. Much work is being done with Keenan and ACSIG management to address the deficiencies identified. Additionally, we have asked Keenan & Associates to provide clarification on some of the findings and have enclosed that document for their review.

The Executive Director will review this report in detail at the Board meeting and representatives from Keenan & Associates will be available for questions. The Executive Committee recommended approval at its May 19, 2016 meeting.

WELLS FARGO INSURANCE

Alameda County Schools Insurance Authority

2016 Claims Audit

Self-Insured, Administration by Keenan and Associates

Prepared By:

Jennet Horder – Vice-President Workers' Compensation
JoAnn Gamoras – Assistant Vice-President Workers' Compensation
Diana Blake, Senior Workers' Compensation Claims Consultant

DRAFT

Version Date: May 4, 2016

This Draft audit report has been authored and prepared by Wells Fargo Insurance Services. No alterations shall be made to this report without the express consent of an authorized representative of Wells Fargo Insurance Service.

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Version Date: May 4, 2016
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AUDITORS BIOS AND PARAMETERS OF AUDIT

Auditors:

JoAnn Gamoras – Wells Fargo Insurance Services, Assistant Vice-President

Jo Ann joined WFIS in 2004. She has over 24 years of experience in all aspects of Worker's Compensation including management, development and training. She has experience with employers in a wide variety of industries such as California Public entities; law enforcement; universities; construction; nursing homes; winery; transportation; retail; agriculture; and healthcare. As a manager she was responsible for all levels of claims management for her assigned unit to insure best practices claims handling and OBAE compliance.

Jennet Horder --- Wells Fargo Insurance Services, Vice President Claims

Jennet has been with Wells Fargo Insurance Services since 2001 and currently acts as the Team Leader for the Workers' Compensation Unit of the Petaluma, CA branch of WFIS. Her experience includes over 10 years of claims handling experience with a wide variety of industries such as school districts, retail, hospitality, agriculture, winery, healthcare, etc., and a total of 20 years managing and overseeing claims in general. Her primary goal in working with self-insured employers is to provide oversight of claims management of third party administrators.

Diana Blake --- Wells Fargo Insurance Services, Senior Claims Consultant

Diana has been with Wells Fargo Insurance Services since 2004 and currently oversees the claims of large and complex accounts for the Bay Area Claims Unit. Her experience includes over 15 years of claims handling with a wide variety of industries both self-insured and fully insured and a total of 12 years as a consultant. She provides ongoing consulting services by assisting employers with case mitigation and conducts claims reviews for coordinating strategies for case closures and settlements.

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Audit Parameters:

This audit included a comprehensive review of 75 claims classified as follows:

TYPE OF CLAIM	CLOSED	OPEN	RE-OPEN	GRAND TOTAL
INDEMNITY	17	35	13	65
MEDICAL ONLY	5	3	2	10
GRAND TOTAL	22	38	14	75

Audit #	Claim Status	Type of Claim
1	CLOSED	MEDICAL ONLY
2	OPEN	MEDICAL ONLY
3	OPEN	MEDICAL ONLY
4	CLOSED	MEDICAL ONLY
5	RE-OPEN	MEDICAL ONLY
6	RE-OPEN	INDEMNITY
7	OPEN	INDEMNITY
8	RE-OPEN	INDEMNITY
9	OPEN	INDEMNITY
10	OPEN	INDEMNITY
11	OPEN	INDEMNITY
12	OPEN	INDEMNITY
13	OPEN	INDEMNITY
14	OPEN	INDEMNITY
15	OPEN	INDEMNITY
16	CLOSED	INDEMNITY
17	CLOSED	INDEMNITY
18	OPEN	INDEMNITY
19	OPEN	MEDICAL ONLY
20	OPEN	INDEMNITY
21	OPEN	INDEMNITY
22	OPEN	INDEMNITY
23	OPEN	INDEMNITY
24	OPEN	INDEMNITY
25	OPEN	INDEMNITY
26	RE-OPEN	INDEMNITY
27	RE-OPEN	INDEMNITY
28	RE-OPEN	INDEMNITY
29	RE-OPEN	INDEMNITY

Version Date: May 4, 2016
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30	OPEN	INDEMNITY
31	OPEN	INDEMNITY
32	OPEN	INDEMNITY
33	OPEN	INDEMNITY
34	OPEN	INDEMNITY
35	OPEN	INDEMNITY
36	OPEN	INDEMNITY
37	OPEN	INDEMNITY
38	OPEN	INDEMNITY
39	RE-OPEN	INDEMNITY
40	RE-OPEN	INDEMNITY
41	RE-OPEN	INDEMNITY
43	RE-OPEN	INDEMNITY
44	CLOSED	INDEMNITY
45	OPEN	INDEMNITY
46	RE-OPEN	INDEMNITY
47	OPEN	INDEMNITY
48	RE-OPEN	INDEMNITY
49	OPEN	INDEMNITY
50	RE-OPEN	INDEMNITY
51	OPEN	INDEMNITY
52	CLOSED	INDEMNITY
53	CLOSED	INDEMNITY
54	CLOSED	INDEMNITY
55	OPEN	INDEMNITY
56	OPEN	INDEMNITY
57	OPEN	INDEMNITY
58	CLOSED	INDEMNITY
59	CLOSED	INDEMNITY
60	CLOSED	INDEMNITY
61	CLOSED	MEDICAL ONLY
62	CLOSED	INDEMNITY
63	CLOSED	INDEMNITY
64	CLOSED	MEDICAL ONLY
65	CLOSED	INDEMNITY
66	CLOSED	INDEMNITY
67	CLOSED	MEDICAL ONLY
68	CLOSED	INDEMNITY
69	CLOSED	INDEMNITY

Version Date: May 4, 2016
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70	CLOSED	INDEMNITY
71	CLOSED	INDEMNITY
72	RE-OPEN	INDEMNITY
73	OPEN	INDEMNITY
74	OPEN	INDEMNITY
75	OPEN	INDEMNITY
76	OPEN	INDEMNITY

For the purposes of this report, only the file audit # will be indicated. Please note that file audit #42 was replaced (no longer shown on this list) with file audit # 76. At the time of the physical audit the wrong file number was pulled. However, in reviewing the file it was determined to be the same claimant to #42 and connected as such it was accepted as an alternative case. File audit # 42 was briefly reviewed to determine any overlapping information.

- *The following information and opinions formed by the auditors were based on a review of the claims management system, iVOS, and document imaging system, Collybus, used by Keenan and Associates for the Alameda County Schools Insurance Authority, the hard copy files, and the additional information provided by the administrator and wrap up discussion.*

Audit Goals:

1. Review overall claims management of files with incorporated emphasis on the work completed since April 2014 to avoid an overlapping of findings from the previous audit conducted in 2014. The audit considers claims management using the following categories:

A. Claim Identification
B. Disability
C. Return to Work
D. Medical including Utilization Review
E. Investigation
F. Subrogation
G. Litigation
H. Notices Compliance
I. Case Disposition
J. Cost Containment
K. Reserves

The audit was further detailed to include a general review of the following:

- *Staffing Adequacy based on current caseloads*
- *Utilization of Claims System including Organization and Tools*

Version Date: May 4, 2016
This Draft audit report has been authored and prepared by Wells Fargo Insurance Services. No alterations shall be made to this report without the express consent of an authorized representative of Wells Fargo Insurance Service.

I. Findings on Overall Performance

The following scale was used (descriptions provided are abbreviated).
1 = poor management: little or no work being done (or inappropriately handled)
2 = fair management: work being done but no actual management
3 = average management: good but not consistent
4 = good management: consistent management; good outcomes
5 = excellent management; always consistent

Based on the above audit criteria, Alameda County Schools Insurance Authority (ACSIG) administered by Keenan and Associates was scored by these auditors as follows:

General Overall Claims Management: 4

CLAIMS MANAGEMENT ASSESSMENT

Individual claims case management ratings are as follows:

Individual Claims Ratings	Indemnity	Medical Only	Grand Total	Percentage by Total	Percentage by Indemnity	Percentage by Medical
1-1.5	2		2	3%	100%	0%
2-2.5	3		3	4%	100%	0%
3-3.5	9		5	7%	100%	0%
4-4.5	25	3	28	37%	89%	11%
5	27	6	33	44%	82%	18%
Grand Total	**66**	**9**	**75**	**100%**		

Individual Overall Case Ratings is 4 based on a total ratings score of 324.5 out of a possible 370 equaling 87.7%.

Summary of Ratings by Category:

Category	Rating
Claim Identification	4.5
Disability Payment Management	4.5
Return to Work Management	4
Medical Management	4.5
Investigation Management	4
Litigation Management	4
Subrogation Management	4.5
Notices Management	4
Disposition Management	4
File Management	4
Cost Containment	5
Reserves Management	4.5
Total	51.5
Total Possible Points	60
Score	86% or 4

Version Date: May 4, 2016
This Draft audit report has been authored and prepared by Wells Fargo Insurance Services. No alterations shall be made to this report without the express consent of an authorized representative of Wells Fargo Insurance Service.

Given the Summary of Ratings by Category performance of 4, we believe that Keenan and Associates is effective in their claims management. It should be noted that things like roundtables with supervisors, conversations with districts, and the Schools Insurance Group may have been made without notation in the file. In wrap up we were informed that there was another system that documents could be found. Unfortunately, Keenan was unable to get us access to that system. However, as auditors we must advise when documents could not be located and scores were reduced if the documents were not found. If they exist in this system then *we recommend that the vital documentation like 5021s, DWC-1s, and doctor's reports be placed in an obvious manner in iVOS. We believe this could help and assist individuals who are either new to the case and/or who are providing oversight with efficiencies in reviewing the file and insuring detailed knowledge of the case history.*

Although Keenan and Associates appears to be effective on their claims management as illustrated by their summary of ratings by category and individual claims ratings, we did find some opportunities to improve regarding claims documentation, supervisory oversight, and communications.

We found the staffing stability did contribute to the consistency of work on the files. We found significantly less issues on diaries and a reduced number of gaps in review of claims.

Claim ratings were reduced for a variety of reasons and are outlined in section II -Findings on Claims Management section of this report.

The overall score for Keenan and Associates (ACSIG) is a 4 based on the Individual Claims Ratings percentage of 87.7% and the Category Ratings of 86%.

The detailed description of this score is:

4 = good: managed consistently with good outcomes; very little technical issues; timely case movement; good vendor usage; good litigation management; reserves appropriate.

Rating Key:

97-100	5
91-96	4.5
85-90	4
80-84	3.5
73-79	3
65-72	2.5
58-64	2
50-57	1.5
<49	1

Version Date: May 4, 2016
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II. Findings on Claims Management

Claim Identification rating is a 4.5.
Previous Audit: 4.5.

This category contemplates whether or not the administrator has properly identified the type of claim for proper assignment; conversion of claims are timely to insure proper claims handling and reserving; coding in the system for dates of injury and body parts are accurate; and a thorough three point contact is completed in order to insure the previous factors were discerned within the first 24-72 hours of the claims receipt with 24 hours being the best claims practice based on the experience of the auditors. Fifty-two claims were applicable for review in this category and of the 52 claims 43 were managed at an excellent level.

Keenan used the type of injury indicator as either Indemnity and/or Medical Only. It was still unclear whether or not previous audit discussions concerning the conversion back to exposure based claims types was being completed as we found a couple of files where there was that opportunity but it did not take place. It is an accepted practice to use the claim type identifier as a means to identify who is working on the claim. However, we continue to recommend that claim type be distinguished by case exposure in accordance with OSIP guidelines although scoring was not impacted by the lack of conversion.

Note: The Office of Self Insurance Plans defines indemnity claims under section 15201(x):

Indemnity Claim - A work-injury case which has or may result in any of the following benefits:
(1) Temporary Disability or salary in lieu thereof
(2) Permanent Disability
(3) Life Pension
(4) Death Benefits
(5) Vocational Rehabilitation
(6) Supplemental Job Displacement Benefit Voucher

Audit #	CLAIM IDENTIFICATION COMMENTS
4	Case was open at time of target list completion. Case closed before audit. Very nice documentation on file and use of IVOS system tabs/ windows. Everything filled out.
13	This is a second companion file set up as the Same CT period as the initial companion. Not sure why claim was established. Unable to confirm DOL. No DWC-1 or application found in file.
18	Claim is noted as Indemnity, but there was no known exposure to time off. In fact EE insisted she could not take time off due to financial needs. Was RRTWMD and accommodated. Only known possible disability was 1 day TTD for attendance at PQME. Exposure is not indemnity exposure.
19	Marked as indemnity but no exposure to TTD or PD indicated. Can this be recoded back to medical only?
20	Initially placed on indemnity file. But case has no current indemnity exposure. Unknown injury as EE comorbidities and unknown nonindustrial conditions could be at play. IF studies are negative and ultimately if case is deemed not work related, maybe consider recoding as medical only.
22	EE contact not noted.

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36	Original DWC1 states 4/7/2014 (not signed by employer). Employee sought representation and DWC1 submitted along with APP both state 4/17/2014 date of injury. System continues to read 4/7/14. Medical legal notes 4/17/2014. 4/7/14 injury not addressed. Likely the same because of body parts but cannot make that assumption. Needed to clarify that no injury occurred on 4/7/14 or alternately that the claimed 4/17/2014 injury is in error. Noting that the employee per the examiner claimed injury to back one month after original injury? Does this open up to new injury for 4/17/2014. Language is a barrier.
39	DWC-1 gives a DOI 8/4/15. DOI changed to 11/13/14. The DWC-1 should have been addressed by either requesting EE amend the claim form or denying the original and completed another.
43	File re-opened on 4/10/15-as Employee experiencing issues with knee and wants treatment. No contact with ER to confirm employment and work status
76	This file was provided to us vs the requested 6/23/2013 claim # 482321. Claim was created after review of notation by supervisor of medical reports by treater dated 10/7 and 10/14 from the 491259 claim. Reports had been received in the office 10/19/15. New claim not opened until 12/15/2015. Noting that MD on other claim indicated on 10/7 that employee was stressed due to student becoming more combative and she is having increased amounts of stress and complained of increasing pain in her right Para cervical muscle and her right shoulder. He gave her work restrictions. IF this was to be recognized as a whole new injury then the claim was not opened timely. Additionally, the date of injury of 11/3/2015 does not have a corresponding DWC-1. An 11/11/15 report from treater indicates the employee was attacked and has "exacerbated" her condition and again disability is indicated as the EE had returned to work since 10/14. Again, if this was to have acted as the actual prima fascia evidence of a new injury this report was received on 11/18/2015 and the file although opened within 30 days missed the ability to make payment on TTD timely. (Acknowledging EE would be under new SC IDL). Examiner requested assistance from DA on 11/17 and the response was to request a supplemental from treater. A proposed letter was not indicated until 12/16/2015. The day before it was determined a new injury had occurred.

DOI = Date of Injury; CT = Cumulative Trauma; EE = Employee; ER = Employer; MD = Doctor

Disability Payment Management rating is a 4.5.
Previous Audit: 3.5.

This category contemplates all indemnity payments plus mileage reimbursements and we reviewed for timeliness of payments and/or advances, accuracy of compensation rates, identification of payment stop times, penalty and overpayment avoidance, and coordination of Ed Code benefits. Nineteen files were deemed as applicable for review in this category. Of the19 claims, 13 claims were deemed to be excellently managed. We have no specific recommendations but to continue to regularly review the penalties and overpayments report for cause and prevention. There were several files where wages statements were not found. Many of them were a result of efforts by the examiner to obtain from the school district but without success. We understand that Keenan has already a planned training for the school districts on the importance of wage statements and this would be our recommendation as well.

Audit #	DISABILITY PAYMENT MANAGEMENT COMMENTS
7	Appears payment from 10/16/15-10/18/2015 paid late on 11/9/2015. Notation on file difficult to

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	determine if examiner should have known or not. Employee is on SC so no penalties. Work status tab does not show these dates as being TTD or RRTWMD. Wage statement calculation appears correct in spreadsheet but rate on letters are different along with actual payments. Please re-review.
22	No wage statement on file to verify AWW and confirm TD rate. TD rate determined based on the AWW indicated on the 5020 form. TD overpayment of $5325.86
26	Good work trying to get wage statement after reopen and recalculating benefits.
35	Noting dispute on TTD for period of about 6 months. Tried to locate efforts by examiner to obtain clarification from doctor on the TTD. Could not locate other than a 6/12/2014 inquiry on extent of injury but not necessarily questioning time off...inquired as to how it goes from minor to significant.
36	TTD delayed and denied for middle of 2014 based on lack of clarification on reason for time off. Noting 5021 had EE off work for 2 days with improved return to work indications on follow PR2s despite low back being added. When review of more current TTD is determined additional review for this disputed period of time will need to be made. No reduction in score. Just noting.
76	Again, assuming this was and should have been a new injury payment for disability even as a voucher would be late. ER had to request. Confusion on whether or not this was a new injury caused the delay.

DOI = Date of Injury; CT = Cumulative Trauma; EE = Employee; ER = Employer; MD = Doctor

Return to Work Management rating is 4.
Previous Audit: 4.5

This category contemplates the coordination of return to work with medical providers, employee, and employer. We review for use of job descriptions/job analysis/functional capacity evaluations in the efforts to get the employee back to modified or full duties. In addition, there is consideration on the timeliness of providing permanent work restrictions to the employer to insure the employer is afforded the opportunity to conduct the interactive process. Seventeen claims were deemed applicable for review in this category and of the 17, 11 were managed at the excellent level. Documentation for return to work efforts was difficult to find in the files. There appeared to be decent communication between Keenan and the Districts, however, return to work seemed controlled by the District with little intervention by Keenan. *We recommend increased communication on return to work efforts to insure that everyone is aware of the work status and/or potential for return to work.*

Audit #	RETURN TO WORK MANAGEMENT COMMENTS
7	JD and/or JA would have been appropriate to keep pushing toward full duty. Requested from employee on 9/2015 but did not see receipt. Does employer have?
14	3/19/13-Still working. Recommend that Examiner make another follow up
21	Employer provided JD/ JA during issues with PTP aggressively pushing RTW. Not requested by examiner. Luckily this resolved.
31	Salary Continuation as of 3/1/16-Need to keep in contact with District.
43	Should call ER to confirm employment and work status
65	Only 1 contact made via email to district on 4/21/15 to confirm work status.
76	Restrictions on this file were initially noted by employer to examiner. Examiner was asked

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	specifically by employer on 11/17/15 whether or not there were permanent work restrictions. The report on the previous injury was received in April 2015, not sure why employer would need to be asking in November for this. Two claims appear to overlap and it was difficult to find what communication was had with the employer to prevent the employee from working with combative children even from report that was deemed to be related to this new injury starting on 10/7/2015.

DOI = Date of Injury; CT = Cumulative Trauma; EE = Employee; ER = Employer; MD = Doctor; RTW = Return to Work

Medical Management rating is 4.5.
Previous Audit: 4.5

This category contemplates the management of the medical aspect of the claims from consistency of Medical Provider notifications to medical legal use. In addition, we conduct a review of randomly chosen requests for treatment and how they run through the mandatory state utilization review process. Forty-nine claims were applicable for review in this category. Of the 49 claims, 37 were deemed to be managed at the excellent level.

We again saw very consistent provision of the 9785.5 doctor direction to both initial physicians and subsequent physicians. We only saw a couple of questionable issues with utilization review with one being absolutely determined as late. *We recommend regular reviews of utilization review timing reports to identify late completions and to determine means of preventing in the future.* We did not note any excessive or unnecessary use of utilization review nor did we see unnecessary pursuits of the Panel Qualified Medical Examination process.

Audit #	MEDICAL MANAGEMENT COMMENTS
3	Excellent work by One Call on managing dental care. Very strong work.
5	PR-2 dated 3/9/16 and 3/24/16 from Dr. Azar states Ortho consult needed. RFA sent. No mention in the Plan of Action and no RFA found in the file.
7	Good use of NCM and efforts to push case along. Confusion over new treater who also was old treater for existing FM case. PTP refused to split the case but not sure if there was an effort to get him to address an aggravation of the previous condition and then push the benchmark from the old injury i.e. diagnostic studies like MRI (which EE was struggling to complete/ or refusing to complete.) Also would have liked to see UR usage on medications along with coordination with other case as EE mentioned using 2 narcotic drugs clearly identifying getting on the other case.
10	EE last seen by PTP on 2/19/16-pain worsen and is recommending consult with Pain Management Specialist. RFA sent on 2/19/16 and in file. However, I do not see any action in the file notes by examiner
14	No real medical management as the employee is treating with her private MD. Examiner did not review the prior medical records on 8/20/14-bullet points for back complaints
15	Confusion on UR determination received apparently on 3/14. Could not locate original RFA as one in file with date stamp received 3/18/2016 is indicated as a duplicate RFA. UR determined they were late and as a result were required to administratively approve 1 diagnostic study and 1 treatment plan. New Examiner attempted to dispute but items were approved. Uncertain if they would not have been approved in the first place.
18	Difficulty getting EE to treater...could be an issue for judge for delay in care. Issue was not in examiner who appeared to do a lot to provide some assistance but the lack of specialists in area in MPN. May need to continue to review specialist coverage in area to avoid difficulties with care.

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20	Good work on ongoing efforts to push medical. One small gap of 2 months where MD did request in a report for diagnostic studies but no RFA. Examiner did push after 2nd report but might have pushed after first receipt of noted request. Not late and no technical issue for lack of an RFA was fault of treater, but for case mitigation timeliness could have been improved. In addition, I could not see any effort for questioning MD on ongoing work relatedness given pre-existing conditions noted on reports. EE refusing to go to own physician and get work up down.
21	Good and appropriate use of Nurse Case Managers. Although not an issue of the examiner's work, there was quite a bit of issues with the MPN list which delayed treatment to the injured worker. Both examiner and nurse worked diligently to resolve but still took weeks. Exposed case to unnecessary litigation.
31	In reviewing the medical reports-Employee is reporting anxiety and slight depression due to wound care-Need to watch closely for psyche overlay. Nurse case manager needed on this file vs. TCM. Also recommend NCM do a home assessment.
35	Good effort to question treater on continuing care on this case being related to older injury.
38	Good communication by examiner with EE regarding medical treatment
76	Employee was already treating on an older claim with new treater. Given the confusion on whether or not a new injury was sustained no MPN notices indicated or 9785. No medical controls either. Despite the work restrictions care has remained the same. Would have liked to push for issue of permanent work restrictions and baseline.

DOI = Date of Injury; UR = Utilization Review; EE = Employee; ER = Employer; MD = Doctor; RTW = Return to Work

Investigation Management rating is a 4.
Previous Audit: 4

This category concentrates on AOE/COE identification (Arising Out Of / In the Course Of – qualification for benefits under workers' compensation) and thoroughness of investigation throughout the claim including the use of vendors, the examiner's evaluations of investigation reports, timing and frequency of index/edex searches, supervisory reviews, timeliness of delays and denials as well as efforts to communicate with injured workers when applicable regarding the delay/denial. Thirty-one claims were reviewed in this category and of the 31, 20 were considered handled at an excellent level.

Claims were generally delayed and denied properly. The examiners seem to have a good sense of identifying AOE/COE issues. We found good effort with communication with employees when cases were delayed and denied. There were no actual issues found as trends. We did find some missed opportunities including obtaining medical records sooner vs. later, conducting full detailed investigations for subsequent injuries, etc. It was difficult to locate supervisor oversight between the delay and denial period of the files. *We recommend that supervisor oversight be more enhanced and frequent for delayed cases to insure proper acceptance of a claim as well as proper denial.*

Audit #	INVESTIGATION MANAGEMENT COMMENTS
2	No supervisor notes documented
11	Issue with not sending out PQME panel information with delay notice initially, but corrected.
15	ISOs run timely and appropriately. Noting that the examiner seemed to note multiple times that the treater was under the wrong impression that the employee only had one prior injury to the body

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	parts involved. Could not see an effort by the examiner to straighten the physician out on this misconception. Needed past medical records which do not have to wait till MMI to obtain. Especially once EE was litigated. Also noting POA indicates to proceed possibly with a deposition. Records obtainable through ISO data might be helpful to provide a good deposition. Lastly, EE doing work for new employer noted examiner questioned if new injury but did not see letter go out to doctor to inquire about this despite issuing a letter to the treater on 5/22/2015 denying ergo eval.
18	Nicely done investigation including communication frequency with injured worker who needed help with medical care during delay process as well as discussion and description of thresholds of compensability. I would caution, however, in advising an injured worker that all psyche injuries are investigated. Hoping that was just paraphrasing conversation.
20	File needs medical history. Examiner has tried several times to get from EE, but with no return. Could not see where examiner reached out to EE to question him on pre-existing conditions and request for medical release. Manager appropriately indicated need to address pre-existing conditions on this case. EE clearly not going to help out with that.
21	Noting that field investigation referral was completed, however, detailed directions were not provided at least on the referral form.
22	No supervisor review noted timely.
26	Work being done on other files, however, concurrent to work on those files was ongoing investigation including a deposition. The POA was developed by the examiner but not followed. Could not see any reason why even with other cases this could not take place.
34	Nice review of waiver of 3600a10 Post Term defense on file. Good recognition of defense and working with district given compounding concerns.
37	EE amended application to from CT 7/18/12-7/18/13-This claim denied as it is a different PIPS year but not able to locate denial notice
53	Good work by examiner in explaining the delay process with the employee.
62	Conditional denial issued on 1/27/15 pending results of PQME. Employee failed to follow through with PQME. No further denial notice issued
76	New injury. Presumed issue with student becoming combative. Can only guess examiner and employer spoke to confirm this was in fact the case and there are no other issues with the injured worker. There is no notice of representation on this file so contact efforts were made with employee but not successfully. Would have liked to have seen full investigation on case. Should a delay have been sent on TTD for the old injury first and clarification obtained first?

DOI = Date of Injury; CT = Cumulative Trauma; EE = Employee; ER = Employer; MD = Doctor; RTW = Return to Work

Litigation Management rating is 4.
Previous Audit: 3.5

This category contemplates how the examiners and defense attorney's manage the file to resolution with the expectation that the examiners maintain the lead role in the process.

For the purposes of this audit litigated cases are described as those claims where the claimant and/or Keenan retain an attorney for the entirety of the claim. This category also contemplates those cases where limited referrals to defense attorneys are made with the intent to accomplish a single legal objective such as "walk-throughs" – the practice of having a vendor/ attorney take a settlement to a judge by appointment to assist with

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any necessary explanations, etc. Twenty claims were applicable for review in this category and of the 20, 15 were deemed to be managed at an excellent level.

We found improved partnering with defense attorneys and more clear directions provided. We also note that manager, Patrice, has a clear focus on the litigated claims. We did not find any unnecessary referrals or deferral of work to the attorneys. There were some timeliness issues caught by Patrice and eventually corrected; however, the scores did reflect some of the missed opportunities for follow up with the attorneys and pushing case mitigation. No specific recommendation in this area, however, continued vigilance in following up with attorneys to insure case movement should be made and the oversight by the claims manager, Patrice, should continue.

Audit #	LITIGATION MANAGEMENT COMMENTS
7	Case just referred to legal at Manager recommendation to obtain deposition. Referral is good.
10	MGR referred file to defense counsel on 1/6/16 to obtain 3rd party C&R and Petition for Credit.
26	Defense attorney assigned but not timely per POA. Examiner wanted rush work to be done as PQME "crept" up. DA requested information and noted in correspondence with manager that she did not get. She appeared a little lost on the file, but quickly caught up.
29	No real drive or direction to defense counsel noted. Not able to locate the depo summary of Dr. Pang 1/25/16
34	Good communication with attorney on working out defenses for this case.
36	Manager was also pushing litigation management which was good.
51	Based on severity of claim defense attorney is warranted. Depo needed ASAP to address multiple prior claims to same body parts. . EE retained counsel on 10/14/15
58	Good work up by new examiner O. DaSilva in his settlement discussion with defense counsel in seeking clarification on outstanding issues with TD/EDD
76	Urgency on getting response from DA needed to address TTD issue. Took 1 month to get a response on the matter. Follow Up efforts by examiner to push response from DA not documented.

DOI = Date of Injury; D/A = Defense Attorney; EE = Employee; ER = Employer; AA = Applicant Attorney; POA = Plan of Action

Subrogation Management rating is a 4.5.
Previous Audit: 5

This category contemplates whether or not the examiners are initially ruling in or out the potential for subrogation on all cases. Where applicable we review for the timeliness of identifying third parties, noticing third parties, and follow up with pursuit of recovery via lien or filing a petition of intervention. We believe that subrogation should be aggressively pursued as recovery serves the interest of ACSIG from a financial standpoint. As such, we do deduct for failure to rule in or out the possibility and whether or not this ruling in or out process has an outlined thought process to show examiners grasp of the matter. Sixteen claims were reviewed in this category (although many other claims were reviewed to determine if proper rule in/out was detailed somewhere in the file) and of the 16, 14 were deemed to be managed at an excellent level.

There was generally consistent effort to rule in or out subrogation potential. The process of "ruling out" should be noted on every claim and should include why exactly subrogation is not viable. The accuracy of detail is needed at the initial onset of the claim given the statutory limits to pursue. We recommend ongoing effort to

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detail the rule in/out process to insure ACSIG's right to subrogation has been thoroughly vetted. We found just a few cases where a full detail on the reasoning was not provided.

Audit #	SUBROGATION COMMENTS
10	District and ACSIG was not aware that the EE was involved in a class action suit against Sketchers. Case referred to Mark Susson to file a lien. $100K recovered and now going to assert credit for $110,870.74. Very nicely done!
23	Referral made 3 months after settlement. Not aggressively pursuing subro.
27	Notes reflect subrogation was ruled out. However, there are no details as to why it was ruled out. Door hit EE causing fall.
35	No rule in or out completed. Report from employer received dated 2/12/2014 and signed by a supervisor indicated 4 aides had reported the chair as malfunctioning and that the supervisor herself had had an issue. Possible the chair is old but none of this is ruled out on the file.
75	EE signed release form on 8/24/15 which included language to waive her rights to WC. However, Release language states claims, event, injuries, etc... this occurred on or about the 2nd of February. This DOI is 2/20/15. Amount is $2207.00

Notices Management rating is a 4.
Previous Audit: 4

Reviews of the notices were made to determine compliance with Rules and Regulations established by the State of California. We found Keenan and Associates to be good in regards to both timeliness and appropriateness of notice issuance. Forty-seven claims were applicable for this review and of the 47, 25 were managed at an excellent level.

There was no trend resulting in the reduction in rating only those things found missing which individually impacted the scoring including missing DWC-1s or no effort to obtain, missing wage statements with missed opportunities to obtain, inconsistent permanent disability delay periods with no reason indicated. *We did find some inconsistencies in our ability to find the required return to work notices for injuries post 1/1/2013 and recommend that those be appropriately sent out as well as documented in the file.*

Audit #	NOTICES MANAGEMENT COMMENTS
7	Could not locate return to work notices although appropriate TTD and PD notices were sent out.
11	DWC1 and 5021 not in file. 5021 not expected as EE treated with PTP. But could not locate efforts to obtain DWC1.
12	Still need to obtain DWC1. Need to have for settlement to go through at WCAB,
15	PD Delay notices sent at 6 months vs. 90 days between 3/9/2015 and 9/2015. Then every 90 days.
20	5020 missing from file. Noting examiner attempted to obtain multiple times with no response. No reduction in audit scoring due to efforts to obtain.
21	Could not locate DWC1 or wage statement in file. 1 RTW notice sent.
22	Wage statement requested. Never received and no follow ups noted.
24	EE MMI on 9/2/15. PD delay issued 11/24/15, 2/22/16. On 4/8/16-PD Advice letter issued
30	Unable to locate DWC-1 on file. File not noted it was requested twice.

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35	Wage statement requested one time. not in file.
36	TTD Notice to employee in 6/2014 confusing. As there was no TTD payment issued not sure why a first and final was sent out at the same time as a delay and denial. uncertain if actually mailed.
39	DWC-1 in file completed by EE only. Adjuster didn't obtain completed form from ER.
49	Wage statement requested once on 11/6/15. No DWC-1 found; no notes reflecting efforts made to obtain DWC-1.
50	Notes don't reflect efforts made to obtain DWC-1. Unable to locate DWC-1 or 5021 in file.
51	Wage statement requested.
59	Unable to locate 5021 in file.
64	No 5021 in file only the Emergency report
70	Delay with getting out PD notice
76	No DWC1 on file. Wage loss requested but not in file.

DOI = Date of Injury; PD = permanent disability; EE = Employee; ER = Employer; MD = Doctor; RTW = Return to Work

Disposition Management rating is a 4.
Previous Audit: 4

In this category the auditors contemplated the speed of closures for medical only claims. For indemnity claims the review included whether or not all settlement types were considered. We reviewed for the use of independent raters and for efforts to settle and/or close the cases timely. For future medical cases we review for adherence to the Office of Self Insurance Plans (OSIP) requirements on closing. Thirty-four claims were applicable for review in this category and of the 34, 24 were deemed managed at an excellent level. In our last audit the medical only claims skewed the findings so we separated the scores for illustration of the impact. This review had half the number of medical only files reviewed and we did not find a significant difference in findings between the two types of claims and so the score reflects the overall findings in this category. We did find some slow closures, and believe this can improve with better adherence to plans of action and more frequent supervisor reviews. On the service standards for diary management it indicates that active files remain on diary up to 60 days including permanent disability awards. In reviewing settlement best practices for turn-around of receipt of a permanent and stationary report, 30 days is the standard we use. The standards written for evaluation, negotiation, and settlement for Keenan follow this standard. Although the former standard of a 60 day diary may have been followed, the 30 day evaluation standard was not necessarily executed.

Audit #	DISPOSITION MANAGEMENT COMMENTS
10	Need to confirm with defense counsel on Petition for Credit.
14	PQME report received 9/26/14-Not MMI but it took over a year and half to approach AA with settlement discussion of $15K
15	MMI report received 2/19/2016. Examiner reviewed reserves 3/29/2016. No indicated effort to review for settlement. It is likely AA would object although the MD report is fairly thorough and even contemplates Almarez/Guzman.
21	Offer to settle reviewed for types and reasoning given future medical eligibility described by Panel Medical Legal. However, report was received in the office on 11/21/2015 and not acted on until April. Required prompting by Manager on 3/1/2016 to make movement on case.
24	MMI report received on 9/10/15-no action to evaluate settlement
41	Noting from master file: Contribution request should have been done within a reasonable time

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	period after verification of settlement. Also noting that lien claimant on file and known at time of settlement. DA made an effort to resolve via a letter in 11/2015. No follow up. Case was to be closed but prevented due to lien issues. Additional efforts to resolve lien could have been made. No reduction made on this case, but noting delay on master file.
43	No real action taken to reclose file
45	D/C 2/29/16. PD Denial issued on 3/3/16. Do not know why the examiner sent a contact letter to EE on 4/6/16(?)
53	File should have closed by 12/31/15 based on Supervisor note of 11/30/15
67	Not able to locate STIP in file or on system
75	File should have closed back in April of 2015 after denial but they wanted this liability release. File now ready to close but should have back in April of 2015

C&R = Compromise and Release; CMS = Medicare; EE = Employee; ER = Employer; MD = Doctor; MSA = Medicare Set Aside; AA = Applicant Attorney; PD = permanent disability; STIP = Stipulate with Request for Award settlement; MMI = maximum medical improvement; DA = Defense attorney; D/C = discharged

Cost Containment rating is a 5.
Previous Audit: 4.5

This category contemplates a random review of bills for timely payments (60 days from date of receipt of billing for public entities) and documentation of the reasons for reduction of the bill i.e. corresponding explanation of benefits letter. We do not review for accuracy of scheduled fee billing and/or reductions by contract terms. And only a minimal random sampling is reviewed within each file. Forty-nine claims were applicable to this review and of the 49, 45 were deemed to be managed at an excellent level.

Audit #	COST CONTAINMENT COMMENTS
15	Duplicate bills noted although I could not locate what they were duplicating? DOS 2/9. No reduction in score as I could not confirm duplication.
20	Could only locate 2 bills on Collybus when many more bills paid.
26	Bill review charge indicated for services dates 1/12/2015. Not sure what that is for.

Reserves Management rating is a 4.5.
Previous Audit: 4.5

This category concentrates on: initial reserve appropriateness; timeliness of reserve changes; number of reserve changes; and current reserves accuracy. Sixty-eight claims were applicable for review in this category. Of the 68, 56 were deemed to be managed at an excellent level. We found no unnecessary stair-stepping.

For reserve accuracy we reviewed whether or not the examiners contemplated all the appropriate probabilities. We note that OSIP requires that no reductions to reserves contemplation be made for consideration of apportionment or subrogation, etc. Keenan was compliant with these requirements. We also note that reserves under OSIP requirements dictated by Rule 15300(4) and states:

(4) In estimating future medical costs where the injured worker's injury has reached maximum medical improvement or permanent and stationary status, the estimate shall be based on average annual costs over the

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past three years since the injury reached maximum medical improvement or permanent and stationary status, or a lesser period if three years have not passed since the injury reached maximum medical improvement or permanent and stationary status, projected over the life expectancy of the injured worker. Estimates shall include any additional costs such as medical procedures or surgeries that can reasonably be expected over the life of the claim.

We found that Keenan was compliant with this requirement as well. The service standard for adjustments in reserves due to a significant event is 14 days. These auditors note a 30 day standard so reserves that were late in changing for the audit also did not meet service standards for the department.

We reviewed a total of $5,382,238.19 in reserves and recommend overall changes resulting in an overall decrease of ($91,689.13) or (2%) noting that there were several files we suspect will have significant increases (greater than $25k) but no recommendations were made due to relevant information which would determine the need for an increase was still pending. We do anticipate there would be an overall increase of reserves on the files reviewed once this information is received.

Audit #	RESERVES COMMENTS
3	Reserves appear low given need for possible additional procedures and in light of previous failures. Breakdown of approved procedures is still pending, but cost for dental is very high. Recommend an increase. Noted review likely needed in March 2016.
4	Case was open at time of choosing for audit. Case was closed 3/14/2016. Reserves were already reduced.
5	Only $982.00 outstanding in medical reserves. Reserves need to be increased.
9	Current outstanding is $117K. LE=25. AVE cost over 3 years $4074.61 for a total of $101,865.25. Reserves can be reduced.
11	Claim denied and expected to close. Reserves are appropriate at this time although likely high if closure goes through. No recommendations on this case.
15	Outstanding TTD of $8449 can probably be removed given employee has continued to work outside of district since 1/2015. But, employee continues to express concern over ability to work in the future...Medical Legal could change MMI opinion if not settled. As such reserves are likely appropriate until such time as settlement is accomplished.
19	Employee was discharged from care just recently. Possible case closure. However, reserves are fine for now until employee time period to object to treater findings has passed and case is closed.
20	PTP notes EE likely has condition which is typically surgical in nature-bilaterally in this case. Noting that reserves may or may not be too high as diagnostic studies still pending. Not making any recommendation on reserves as a result.
21	Not sure if judge may exert his right to add 4% permanent disability -- based on doctor's notation of ongoing problems albeit minor problems. NO PD left on file. FM light and it appears there is anticipated hope to C&R FM, but reserves likely low. Need to add some PD for settlement until settled.
22	Total outstanding $29,266.51. Indemnity and medical reserves no longer needed.
23	Outstanding $20,591.96. Claim settled by C&R. Award appears to have been paid.
24	Reserves just updated on 4/8/16
26	Case may have minimal exposure, but unlikely to settle for $4k or less given other claims and whole

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	body issues. PQME report in and about 70 pages. Did not see that examiner evaluated and provided exposure consideration on this case.
30	Reducing reserves to 12 weeks TD and $25,000 outstanding in medical. Prior notes from manager recommended reserve review for reduction, which was not completed.
31	Recommending the following: 24 weeks of TD=$11,085.84 MD: QME $3000 Nurse, PTP, RX, $15,000
34	Case appears to have no exposure and with subsequent filing of 11/2/2015 injury unlikely to have much value on its own merit based on current filing. No recommended changes.
36	Case should be heading to settlement posture. Case may be too low in reserves overall but noting 2 other companion files open and exposure needs to be reviewed for both. No recommendations on this case.
37	NO Reserves on file
41	Case likely closed too soon as exposure was indicated given master file settlement. No real impact just noting early closure causing quick reopen.
49	Although surgery is indicated, PTP states EE would be a poor candidate due to weight. No request made for surgery. Adjuster should evaluate whether TD and surgery reserves are warranted.
51	Notes indicated reserved for full exposure. No information to support reserves as there has been no medical treatment or diagnosis made.
55	Reserves outstanding $33,563.72. Per Manager notes based on LE and average cost of last 3 years FMC is $13,666.37. Reserves can be reduced.
75	$1246.23 left outstanding in medical reserves. File should have closed back in April of 2015 after denial but they wanted this liability release. Not sure that the $1246 in the system was required.

DOI = Date of Injury; CT = Cumulative Trauma; EE = Employee; ER = Employer; MD = Doctor; MMI = Maximum Medical Improvement; PD = permanent disability; D/C = discharge; TKR = total knee replacement

There were several cases pending information which would alter the findings on reserves. However, since the information was not yet available no reductions in scores were made on those cases. We do anticipate that there would be an overall increase in claims once the information on these cases are received, so we note the overall activity with this caveat.

The following cases require reserve activity:

Audit #	RECOMMEND RESERVE INCREASE OR DECREASE
3	$ 20,000.00
5	$ 6,350.00
9	$ (10,742.80)
21	$ 5,000.00
22	$ (28,302.00)
23	$ (13,500.00)
26	$ 5,000.00

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30	$	(86,830.17)
31	$	29,085.84
55	$	(17,750.00)

File Management and Oversight rating is a 4.
Previous Audit: 3

This category contemplated the general file management including diary systems, frequency of reviews and communication with the districts, claimant, and doctors, detail of plan of actions, documentation, the level of urgency displayed in actions taken, supervisory oversight, and whether or not the examiners used all resources available to them. We also reviewed for excess reporting and reimbursement timeliness. Seventy-four files were applicable for review in this category and of the 74, 30 were considered to be managed at an excellent level.

Under the best file management practice experienced by these auditors, supervisor or manager reviews were completed at 90 day intervals and no greater than 120 days. Although we do not believe that a rigid timeline be kept for supervisor oversight, the standard of 90 days did produce the highest ratings and scores from these auditors. We strongly believe that the additional set of eyes produces a fresh view to the claim and provides a good checks and balances for insuring the case is being properly managed. Although we found excellent reviews by the supervisor and/or manager (and note that their recommendations were very sound), we did find gaps in timelines that we feel should be improved to support a higher level of oversight. We appreciated the oversight of the litigated claims and the intervention vs. simple review by the claims manager. On a few of cases, the claims manager noted a delay in legal movement of the case and jumped in to remedy the situation.

Late excess reporting was still found on a couple of cases, but vastly improved from previous audits. There was generally a good sense of urgency to move cases forward, but delays were still discovered – some are noted below. Use of resources such as investigators, nurses, and attorneys were not excessive and appeared appropriate.

We recommend a review of the supervisor oversight protocols and expectations to improve the frequency of opportunity to review and affect the claims mitigation process.

Audit #	FILE MANAGEMENT COMMENTS
2	No supervisor oversight.
3	Excellent follow up work by Heather Doyle to push ongoing care.
4	Excellent claims documentation.
5	PR-2 dated 3/9/16 and 3/24/16 from Dr. Azar states Ortho consult needed. RFA sent. No mention in the Plan of Action and no RFA found in the file. No supervisor review
7	Supervisor oversight not quite at 90 days, still completed 2x from 8/24/2015 to 4/7/2016. Documentation on where numbers came from for rates etc. was not consistent with other information on file.
10	MANAGER review on 6/27/14, 3/31/15, 12/21/15, 1/7/16, 3/18/16 & 4/7/16

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	Need to address medical treatment so we can get EE MMI. Also, approval from Liberty regarding the subro settlement recovery.
12	Supervisor review done only on 12/2015.
13	Supervisor requested POA from adjuster on 6/26/14. POA not completed by adjuster until 10/14/14. Better documentation regarding why claims was established warranted.
14	When Notice of Rep received by A/A, he listed AMEs that he would be agreeable to utilize. Examiner was waiting for A/A to take action, even sent a letter to A/A back in 2014 Petition to Dismiss. Only I supervisor review noted for 3/20/16
15	New examiner. Unknown when reassigned. Did a good job in creating a POA. However, noting that it appeared more as a review of most current information. Could not tell that full review of history of file was made. It did not note if apportionment to 2009 injury or any of the other notations made by previous examiner were ruled out. No Manager or Supervisor review between February 2014 and March 2016.
18	Very good documentation on file. Did find that the letter to the PQME was late to doctor sent on 12/30 for a 1/8 appointment. However, cover letter was sent to employee timely for their objection.
20	POA's were well written but follow through on addressing lack of return for medical release and push to address non-industrial factors need to be more defined.
21	Gaps in manager review 7/10/2015 to 3/1/2016. No supervisor notes till 7/10/2015. Although noted reserves page review made by manager.
22	1st manager not 12/28/15 1 year after report of claim and set-up.
23	Late supervisor review. Initial manager review not noted until 7/6/15.
24	MANAGER review on 3/8/16. 5 month gap from date MMI report received. Examiner just updated file with POA on 4/8/16
26	Gaps in review of file by examiner (reviewed master and companion file -- same issues for audit review period). Notably gap from 4/21/2015 to 9/18/2015 just before PQME. Noted there was a POA on 5/2015, but it was repetitive to the 4/21/2015 and no work indicated was completed. Initial POA for this companion file indicated POA that was not completed and still pending on file - in particular deposition of claimant. PQME cover letter late to QME. Manager had to intervene to get case moving. Examiner gap in file care from 8/18/2014 to 4/2015 even with Manager review on 1/28/2015. Manager review on other files was almost 4 months although sometimes more frequent. Attorney seemed a bit confused and needed more information for the file as well.
27	No supervisor or manager diary in system.
28	Only one supervisor review on 9/8/15.
29	Supervisor review on 8/28/15 and 4/7/16. What were the findings of Dr. Pang's depo?
31	Only one sup/Manager review on 4/7/16-which recommended a field nurse No future diary set up. Examiner needs to review all medicals and keep in communication with District and EE.
36	Need to get documentation straightened on date of injury. Manager reviews at greater than 90 days.
37	Manager reviewed this file only once on 6/24/14 and no diary set for future review. All of the examiner include the findings of the 2011 claim and that this denied claim will be included with the settlement of the 2011 claim
38	Gaps with Supervisor review 4/30/15 & 4/8/16

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40	Supervisor review 2/10/14 & 3/30/16-no review in 2015 Excess report 4/14/14, 1/5/15 & 12/8/15- Late with excess.
43	Supervisor/Manager review on 4/10/15 and 1/18/16. Gaps with file review-Examiner should call ER to confirm employment and work status. Since no response from PTP. Sending closing notice to EE.
44	Supervisor initial review on 1/11/16 with direction. However did not address timely and file could have been denied within the 90 day timeframe.
45	Supervisor reviewed file on 3/25/16. Not sure why a contact letter was sent to the EE on 4/6/16
46	Not able to tell at the time of set up if examiner ever went to Supervisor to discuss claim as there is no notes. Supervisor review on 12/22/15-claim should be reserved for 47%of the master.
47	3/30/16 & 4/8/16-Supervisor No supervisor review in 2014 and 2015
50	No supervisor oversight. First supervisor note made 4/5/16.
51	No direction from supervisor.
53	Only two sup/Manager review 11/30/215-Supervisor recommended denial based on post term defense and no medical evidence. 12/29/15-Examiner agreed to deny case with a target date of 1/4/16 1/14/16-Manager approved denial
54	Supervisor review 11/30/15, 1/114/16 and 2/26/16
56	No Supervisor/Manager review in 2015 Reviewed filed on 5/20/14, 11/24/14 and 2/2/16.
58	No Supervisor/Manager review in 2015. Supervisor review 8/18/14 & 4/7/16
60	11/6/15-Examiner sent letter to EE confirming that she does not want to pursue WC claim. followed up with denial notice
63	Low supervisor oversight. Only one note from manager on 6/2/15.
65	Supervisor review on 2/19/14, 7/8/14 and 4/21/15
68	Reinsurance report required under PIPS program.
69	No closing note in file and no comments on Petition for reconsider that was received by A/A on 10/1/15
70	No Supervisor review in 2014 Supervisor/Manager review on 12/2/15, 2/12/16 and 2/24/16
71	Supervisor initial review was 6 months after set- up.
73	8/1/14-Acceptance letter issued but no notes to support why. 10/29/14 note-Master file denied PMQE 11/20/14 1/27/15 note-Claim accepted per QME Only one Supervisor note 4/8/16
74	Very little supervisor oversight. File is well documented no reference made under POA.
75	Sup/Manager review on 3/4/15 & 7/10/15 File Review on 11/3/15 and 2/9/16-state follow up on release. Action recently taken on 4/7/16 to get a copy of the release from Liability adjuster.
76	EE was deemed TTD by treater post MMI. Case where EE deemed MMI was in settlement posture. Some confusion on date of injury as Examiner has asked if it needs to be changed. No DWC1 or

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	application related to discern actual date. No benefits difference if 11/3 or 11/6 or 11/9....no difference if 10/7 either but system needs to be updated. Additionally, lack of documentation on due diligence for ruling in or out a new injury triggered new TTD statutes as well as Ed Code benefits.

DOI = Date of Injury; CT = Cumulative Trauma; EE = Employee; ER = Employer; MD = Doctor; POA = plan of action; C&R = compromise and release

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Staffing Adequacy:
The industry goal for caseloads continues to be 140. However, these auditors find the reality to be more in the range 150-165 claims per examiner. [1] We are aware of some carriers whose examiner caseloads are at 100 claims and at least one self-administered program with caseloads achieving the 140 goal, but these are definite exceptions. The current caseloads for Alameda County Schools Insurance Authority manager, supervisor, examiners, and support staff are:

Name	Title	Case Load Indemnity	Case Load Medical Only	Schedule
Patrice Grant	Claims Manager	0	0	FT
Rebecca Enisco	Claims Supervisor (Assistance from San Jose Office)	0	0	Temporary
Carrie Dantzig	Sr. Claims Examiner	129	0	FT
Cinde Hagelberg	Sr. Claims Examiner	129	0	FT
Kirsten Fisher	Sr. Claims Examiner	128	1	FT
Nina Drake	Sr. Claims Examiner	157	0	FT
Omolara DaSilva	Sr. Claims Examiner	154	1	FT
Heather Doyle	Medical Only/ Claims Assistant	0	29	FT
Jhandel Cabrera	Medical Only/ Claims Assistant	0	34	FT

Since the last audit Kubie Kozlowski has dropped from the list of dedicated examiners and Nina Drake has been added. Patrice is shown to have 1 claim and Rebecca is shown to have no claims specifically assigned to them.

The breakdown of oversight is as follows:
Patrice Grant: 386 Indemnity Files and 64 Medical Only
Rebecca Enisco: 311 Indemnity Files and 1 Medical Only

We are uncertain what the intent is for timing on the temporary nature of Rebecca's assistance, however, we note the supervisory frequency review gaps throughout this report.

The ratio of examiner to assistant is 2:5 or 1:2.5. There is a trend in the industry that is going back to a 1:3 ratio. The best we have seen is .67:1. We found that ratio to be able to produce excellent claims management practices and claims results. The ratio appears for ACSIG is within industry standards.

Utilization of Claims System including Organization and Tools:
iVOS is a very user friendly system that allows the examiners to execute the processing portion of the claims administration in an organized and timely manner. We still did notice that the screens were not fully utilized and we feel could be helpful to the overall claims management including the subrogation screen for example. Keenan uses the Collybus imaging system which does seem to allow for easy identification of documents and filtering capabilities.

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Comparison of 2014 and 2016 Audits

We found continued improvement in overall claims management with 81% of the claims reviewed receiving scores of 4-5 in 2016 vs. 66% in 2014.

2014

Individual Claims Ratings	Indemnity	Medical Only	Grand Total	Percentage by Total	Percentage by Indemnity	Percentage by Medical
1 – 1.5	3	1	4	4%	75%	25%
2 – 2.5	6	1	7	7%	86%	14%
3 – 3.5	22	1	23	23%	96%	4%
4 – 4.5	30	15	45	44%	67%	33%
5	15	7	22	22%	68%	32%
Grand Total	76	25	101	100%		

2016

Individual Claims Ratings	Indemnity	Medical Only	Grand Total	Percentage by Total	Percentage by Indemnity	Percentage by Medical
1-1.5	2		2	3%	100%	0%
2-2.5	3		3	4%	100%	0%
3-3.5	9		5	7%	100%	0%
4-4.5	25	3	28	37%	89%	11%
5	27	6	33	44%	82%	18%
Grand Total	66	9	75	100%		

Category	Rating 2014	Rating 2016
Claim Identification	4.5	4.5
Disability Payment Management	3.5	4.5
Return to Work Management	4.5	4
Medical Management	4.5	4.5
Investigation Management	4	4
Litigation Management	3.5	4
Subrogation Management	5	4.5
Notices Management	4	4
Disposition Management	4	4
File Management	3	4
Cost Containment	4.5	5
Reserves Management	4.5	4.5
Total	49.5	51.5
Total Possible Points	60	60
Score	82.5 or 3.5	86% or 4

Green = score improvement vs. last audit.
Red = score reduction since vs. last audit.

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RECOMMENDATIONS:

The current file concerns found were not unusual. We recommend the following areas for improvement to Keenan and Associates in order to increase in overall rating:

1. We recommend that the vital documentation like 5021s, DWC-1s, and doctor's reports be placed in an obvious manner in iVOS. We believe this could help and assist individuals who are either new to the case and/or who are providing oversight with efficiencies in reviewing the file and insuring detailed knowledge of the case history.
2. We recommend increased communication on return to work efforts to insure that everyone is aware of the work status and/or potential for return to work.
3. We recommend regular reviews of utilization review timing reports to identify late completions and to determine means of preventing in the future.
4. We recommend that supervisor oversight be more enhanced and frequent for delayed cases to insure proper acceptance of a claim as well as proper denial.
5. We did find some inconsistencies in our ability to find the required return to work notices for injuries post 1/1/2013 and recommend that those be appropriately sent out as well as documented in the file.
6. We recommend a review of the supervisor oversight protocols and expectations to improve the frequency of opportunity to review and affect the claims mitigation process.

In many categories no specific recommendations were made as no obvious trends were found. This was excellent, only there were enough missed opportunities to prevent higher scoring. We do believe that ongoing improved efforts on oversight as well as running several well timed adhoc reports could assist in improving the overall score.

FINAL COMMENTS:

This audit was conducted as a general review of compliance with the reforms and claims management and was not audited with the same detail used for the auditing of OBAE compliance or State audits. The parameters of the audit have been previously stated. The findings of the audits are based on the information available at the time of the audit and on the experience of the auditors.

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May 12, 2016

Kimberly Dennis
Executive Director, ACSIG
5776 Stoneridge Mall Road
Pleasanton, CA 94588

RE: Wells Fargo Insurance ACSIG 2016 Claims Audit

Dear Kimberly,

I would like to take the opportunity to address the draft audit report you provided for review issued by Wells Fargo Insurance Services on May 4, 2016. The audit results demonstrated improvement since last audit and the overall score was 86% or a score of 4 out of 5 which represents that we are providing consistent management and achieving good outcomes. The prior audit conducted in March of 2014, we ranked at 3.5 out of 5, which were considered above average management, good but not consistent. During the wrap up meeting on April 28, 2016, the auditors indicated that a score of 4 was an excellent result. They were impressed with Keenan achieving this high of a score and said that very few administrators achieve above a 3 overall.

Category	Ranking 2016	Ranking 2014
Claim Identification	4.5	4.5
Return to Work Management	4.5	4
Medical Management	4.5	4.5
Investigation Management	4	4
Subrogation Management	4.5	5
Notices Management	4	4
Disposition Management	4	4
Cost Containment	5	4.5
Reserves Management	4.5	4.5
Disability Payment Management	4	3.5
Litigation Management	4	3.5
File Management	4	3

The following is a discussion of findings and any warranted corrective action plans:

CLAIMS IDENTIFICATION

The auditors noted that we may not be distinguishing claims according to the OSIP guidelines consistently. We were correctly identify the claim as medical only by use of the NCCI coding, however if the claim was handled by a claims examiner we would use the Claim Type of Indemnity. We now are coding both the Claim Type and NCCI code as Medical only. With the exception of this finding we are doing an excellent job of timely reserving , coding , and making three point contacts on claims.

DISABILITY PAYMENT MANAGEMENT

At last audit there were 10 overpayments found. At this audit there was only one noted overpayment found due, which was caused by the injured employee returning back to work on modified duty and us not being advised. We have received reimbursement from the District and there is no outstanding overpayment. There are noted issues with obtaining wage statements and/or claim documents from the Districts and the claims office is working with the Risk Analyst to address this issue.

RETURN TO WORK

This is an area where we can improve outcome and reduce indemnity cost. Training will be conducted with the Claims Examiners to make sure that they are effectively communicating and working with the Districts regarding accommodating temporary modified duty as well as working with the medical providers to effect return to work. ACSIG held a Lunch and Learn on May 3, 2016 for the Districts concerning return to work and the claims examiners were in attendance and they are aware of their roles and responsibilities in this regard.

MEDICAL MANAGEMENT

There are no issues noted in this area which deals with medical treatment and the utilization review process. This was also found at our state audit which we scored 100%.

INVESTIGATION MANAGEMENT

The only issue noted is enhancement of supervisory oversight to ensure that there is consistent and timely oversight by a supervisor. We currently have a plan in place which will be discussed under File Management.

LITIGATION MANAGMENT

There is improvement noted in this area from the last audit in that the claims examiner are partnering with the defense attorney and there is clear directives to the attorney. We will continue to improve outcomes in this area by performing roundtables with defense attorney firms and as warranted staffing with defense attorneys on individual claims.

SUBROGATION MANAGEMENT

The issue here is clearly documenting the rule in/out process in Subrogation. There were no missed opportunities. We have had training regarding the expectations and we will have a refresher training to go over expectations in this area of identify and ruling out subrogation and the documentation required.

NOTICES MANGEMENT

It is noted that most of the deficiencies had to do with missing DWC-1's, Wage Statements and 5021's not found in file. We note we are having some difficulties in obtaining information from the District and consistent follow up by the claims staff to obtain. Typically, we make two attempts to obtain this information from the Districts. We need to ensure that we consistently following up with the Districts and at claim reviews reinforce the importance of providing Wage Statements, the DWC-1 and 5021's and Employer's Reports. The auditor's indicated they could not locate the DFR in either the electronic and or paper file. We have not noted a trend in obtaining the Doctor's First Report (DFR) from front line providers. I will review the individual files were it was noted the 5021 was not received and will have our Claims Analyst address with the front line providers to ensure that they are providing the DFR. It may be that the auditor did not have access to the area where it may be housed which is within CEP in ivos. Return to Work Notices was not found to be consistently sent. This is a training opportunity to ensure that we are sending out the Return to Work at MMI. However, this was not an issue identified at our last DWC PAR Audit.

DISPOSITION MANAGEMENT

The auditors did find some delays in claim resolution. We will continue to improve in this area as we continue to improve on supervisory oversight of the files as well as CE's maintaining diaries.

COST CONTAINMENT

No issues noted in this area. The findings noted appear to be auditors not understanding where bills may be housed or why it might show as duplicate payment when it is actually not.

RESERVE MANAGEMENT

There was only a 2% reduction was recommended. This is an excellent finding and demonstrates that we have sound reserving practices. We will evaluate all the files were reserves were deemed either over or under reserved and make the appropriate adjustments.

FILE MANAGEMENT AND OVERSIGHT

A concentrated effort is currently being made by the staff to address diaries and bring files current so we avoid delays so claims resolve in a timely fashion. Supervisory oversight issues were also identified by the auditors in various areas that would improve claim outcomes. It was recognized in November that additional assistance was required in this area and a plan was implemented by providing assistance of an additional supervisor to ensure that we are meeting all standards and accountabilities. We are noting improvement in this area which has been demonstrated by recent technical audits.

Late excess reporting was noted on a couple of claims. We track this on a monthly basis and the goal for reporting is 90%. We typically meet or exceed the reporting requirements and we are averaging 94% for the year and as of April we were at 100% reporting.

OTHER ACTION ITEMS

A meeting is scheduled for May 16, 2016 with the team to review the audit findings in detail and to discuss our overall plan of action for improvement The team will be provided with a copy of the audit report and they will be working to address any claim deficiencies and our plan is to have this completed by June 16, 2016. The plan of action includes training which will occur in the next 45-90 days

We appreciate the auditors' findings which is valuable to our continuing success and the opportunity to provide a response with our plan of action. If you have any questions or comments, please feel free to contact me.

Sincerely,

Patrice D. Grant

Patrice D. Grant
Claims Manger
Workers' Compensation

Cc: Tara Schilling
Carmella Harrison
Tracy Gold

Alameda County Schools Insurance Group
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EXECUTIVE SUMMARY

TO: ACSIG Full Board

FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: 2015/2016 Actuarial Report for Workers' Compensation Ultimate Loss

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

The assumptions used in this report are:

- 1.5% Discount
- Funding at Expected

These assumptions are unchanged from the previous study.

In an effort to get the most accurate information reflected upon on financial statements and for discussions on the Workers' Compensation deficit, Bay Actuarial has provided a new actuarial study using actual claims data through December 31, 2015.

The Executive Director will review this report with the Board. The Executive Committee reviewed this report at its March 3, 2016 meeting and is recommending approval.

Alameda County Schools Self Insurance Group

An Actuarial Review of the Workers' Compensation Program

BAY ACTUARIAL CONSULTANTS
Moraga, California
January 25, 2016

Bay Actuarial Consultants

January 25, 2016

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

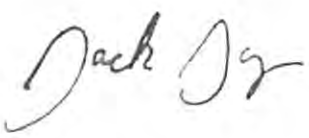
Dear Ms. Dennis:

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

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

Respectfully,

BAY ACTUARIAL CONSULTANTS



Jack Joyce, FCAS, MAAA
Principal

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Alameda County Schools Insurance Group

An Actuarial Review of the Workers' Compensation Program

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Alameda County Schools Insurance Group

An Actuarial Review of the Workers' Compensation Program

Introduction

Alameda County Schools Insurance Group

An Actuarial Review of the Workers' Compensation Program

Introduction

Background & Purpose

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

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

1) **Unpaid Losses.** We estimated the unpaid self-insured losses as of December 31, 2015 and projected the June 30, 2016 liability.
2) **2016-17 Rates.** We projected the losses expected to be incurred during 2016-17, expressed as a rate of loss per $100 of payroll.
3) **Discounting.** We discounted the estimated liabilities and the projected 2016-17 loss rate. Discounting takes into account the fact that workers' compensation losses are incurred whenever an accident happens but are paid out over thirty or forty years.
4) **Variability of Estimated Losses.** An analysis of items (1) and (2) above, in terms of "probability levels."

Conditions & Limitations

This report has been prepared for ACSIG's internal use. Copies of this report may be provided to ACSIG's auditors. Any other use of this report is not authorized without the prior written permission of Bay Actuarial. In particular, those interested in providing insurance to ACSIG must perform their own actuarial analysis and may not rely upon our work.

In this report, we relied upon loss and payroll data provided by ACSIG and Keenan & Associates ("K&A").

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

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

Organization of the Report

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

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

Alameda County Schools Insurance Group

An Actuarial Review of the Workers' Compensation Program

Management Summary

Alameda County Schools Insurance Group

An Actuarial Review of the Workers' Compensation Program

Management Summary

Unpaid Losses @ 12/31/15 & 6/30/16

We estimate that ACSIG's liability for unpaid losses was **$21,053,000** on December 31, 2015 and project that it will be **$20,109,000** on June 30, 2016. The corresponding discounted values (at 1.5% interest) are **$18,590,000** and **$17,758,000**. In estimating the liability we limited the individual losses to the self-insured retention ("SIR") that was in place at the time of the loss. Table I shows these values and some higher "probability levels."

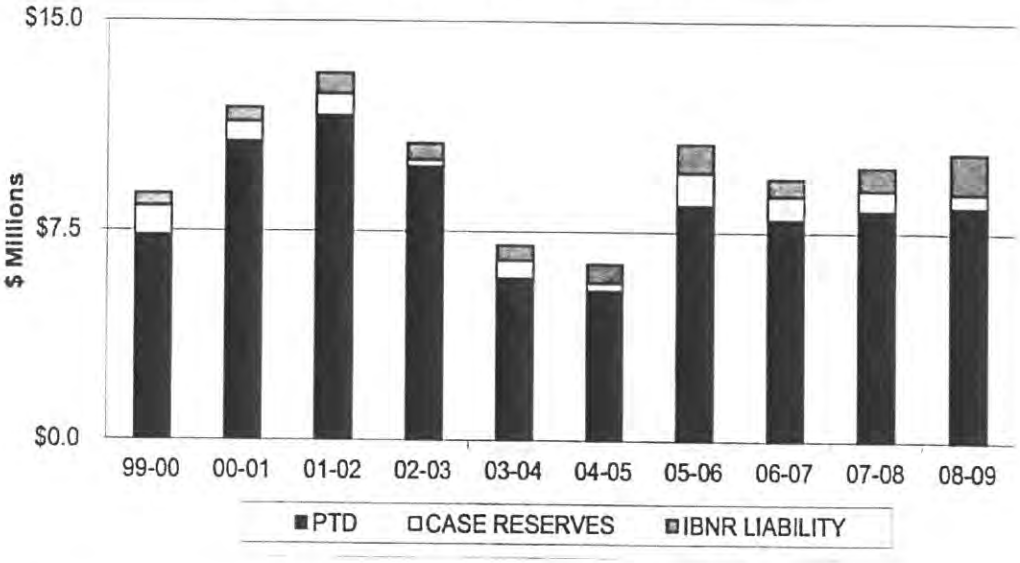
Table I: Estimated/Projected Liability at 12/31/15 & 6/30/16 (Dollars in Thousands – excluding ULAE)

Probability Level	Undiscounted		Discounted (1.5% Interest)	
	12/31/15	6/30/16	12/31/15	6/30/16
Central Estimate	**$21,053**	**$20,109**	**$18,590**	**$17,758**
60%	21,546	20,580	19,025	18,174
70%	22,745	21,725	20,084	19,185
80%	24,256	23,169	21,418	20,460
90%	26,552	25,361	23,445	22,396

This estimate covers the liability for losses and allocated loss adjustment expenses ("ALAE"). There was also a liability for future claims handling costs ("unallocated loss adjustment expense," or "ULAE"). We estimate the undiscounted ULAE liability at $1,803,000 on December 31 and project $1,721,000 on June 30. The discounted ULAE liabilities (discounted at a 1.5% interest rate) are $1,592,000 and $1,520,000 on those dates.

Chart 1 breaks down the losses from the self-insured 1999-00 through 2008-09 program years into their components: losses paid, case loss reserves, and the incurred-but-not-reported ("IBNR") liability. There is roughly **98¢** of IBNR liability for every dollar in case reserves for known claims.

Chart 1: Limited Loss Breakout as of 6/30/16



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

Short-Term Liability

The short-term liability is the portion of the 6/30/16 liability that will be discharged during 2016-17. We estimate the short-term liability at $1.680 million. The remaining $18.429 million is long-term. Our prior report was based on 12/31/14 claims data. Claims expenditures on the self-insured claims during calendar year 2015 were $2.512 million. Projected self-insured expenditures for the first six months of 2016 are $944,000. $411,000 of self-insurance "IBNR" emerged during calendar year 2015.

Reconciling the 12/31/14 & 12/31/15 Liability Estimates

Last year we estimated the 12/31/14 liability at $25.808 million. Our new estimate of the 12/31/15 liability is $21.053 million. Our estimates of the ultimate costs for all of the self-insured years fell by $2.243 million. Claims expenditures were $2.512 million during 2015. Starting with last year's $25.808 million and subtracting the change in the estimates and the claims expenditures yields $21.053 million, matching the direct calculation on page 28.

Projected 2016-17 Loss Funding Rates

Table II shows ACSIG's projected rates of loss for 2016-17 at various self-insured retentions: $250,000, $500,000, $1,000,000, and unlimited. These rates are discounted at 1.5% interest. The Table shows, in addition to the "actuarial central estimates," additional rows showing rates at higher probability levels. These higher probabilities mean that the corresponding rates are more likely to eventually turn out to have been adequate. For example, we estimate that there is a 70% probability that the actual 2016-17 unlimited loss rate will be less than **$2.25**. Last year our corresponding projection for 2015-16 was **$2.24**, so it has barely changed since last year. Last year the projected unlimited undiscounted central value rate for 2015-16 was $2.22. This year the corresponding rate projected for 2016-17 is $2.20.

Table II: Projected 2016-17 Discounted Loss Rates (1.5% Interest Rate)

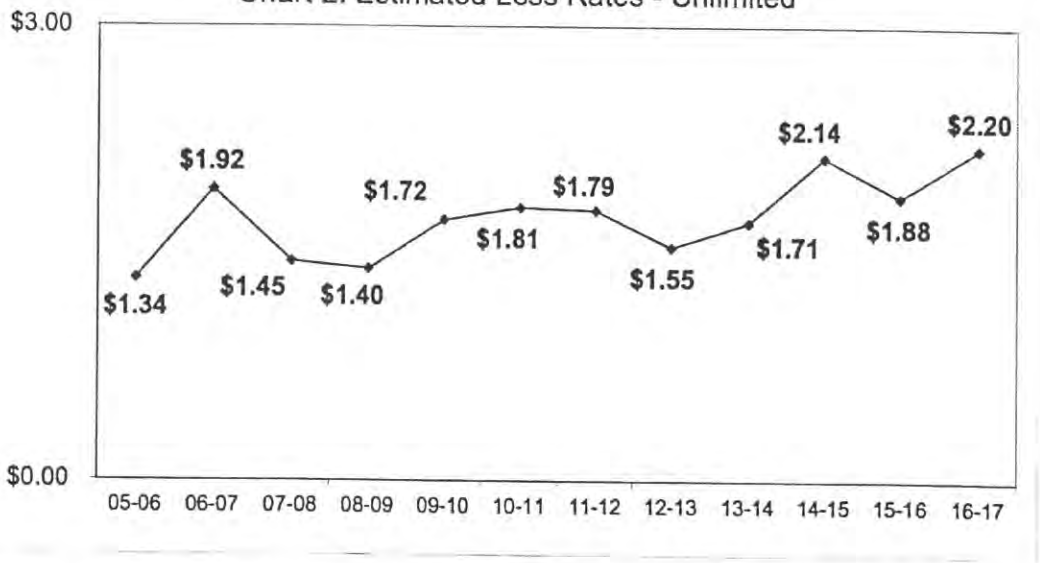
Probability Level	$250K SIR	$500K SIR	$1,000K SIR	Unlimited SIR
Central Estimate	**$1.67**	**$1.77**	**$1.90**	**$1.98**
70%	1.86	1.98	2.14	**$2.25**
80%	2.00	2.14	2.32	2.47
90%	2.21	2.38	2.60	2.80

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

ACSIG's Past Rates of Loss

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

Chart 2: Estimated Loss Rates - Unlimited



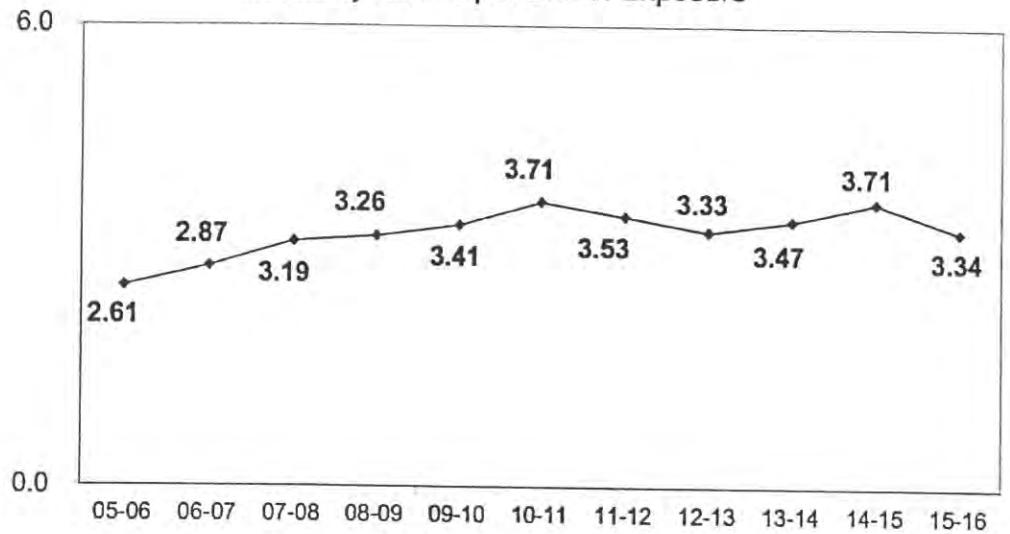
The *undiscounted* Chart 2 rate of **$2.20** for 2016-17 corresponds to the *discounted* unlimited rate of **$1.98** in Table II. The projected 2015-16 rate of $1.88 is still a very rough estimate, since only 1/2 of the 2015-16 program year had elapsed through 12/31/15, the evaluation date of our data. However the first six months of 2015-16 have been promising.

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

Indemnity Claim Frequency

Indemnity claim frequency is the number of indemnity claims per exposure unit.

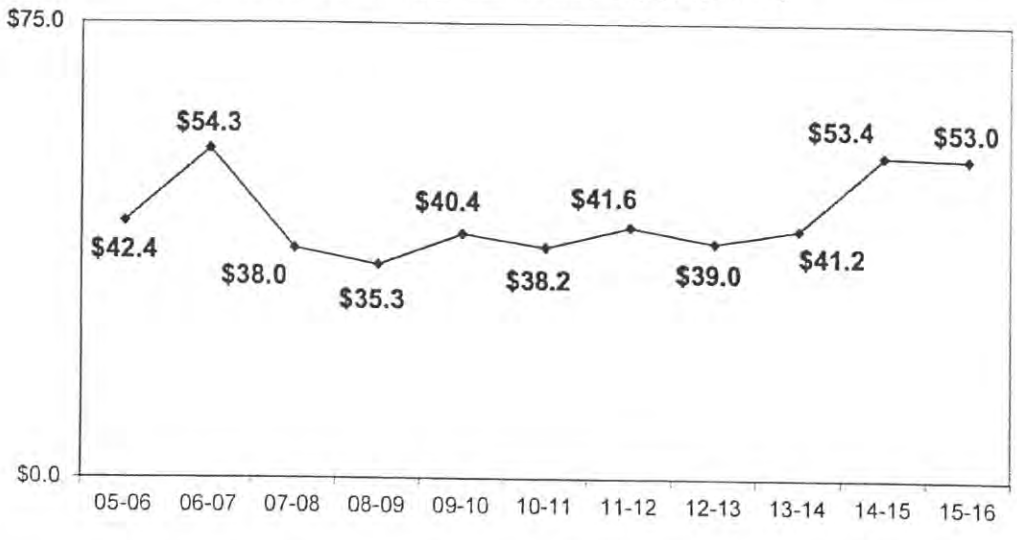
Chart 3: Indemnity Claim Frequency
Indemnity Claims per Unit of Exposure



Average Indemnity Claim Amount ("Severity")

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

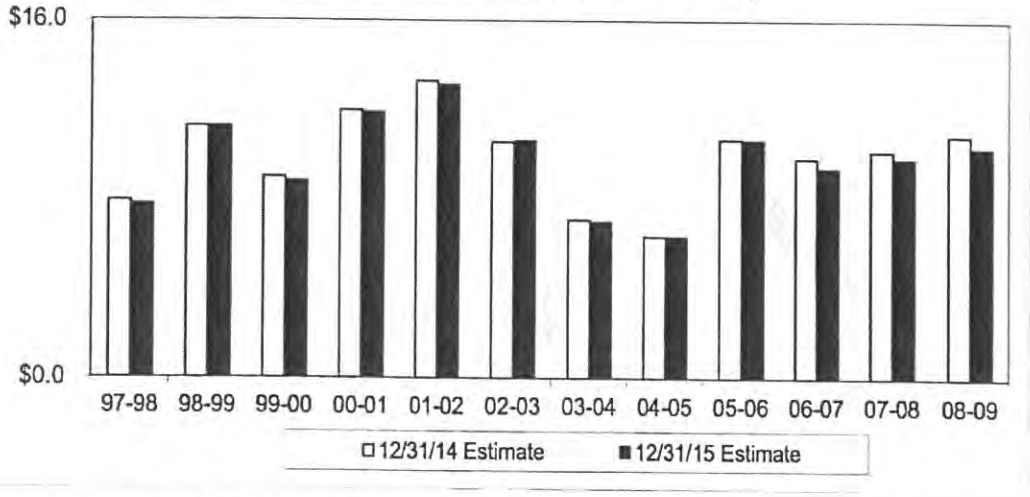
Chart 4: Indemnity Claim Severity ($1,000's)



Comparison with Prior Estimates

Chart 5 compares the current estimates of the ultimate limited losses for the self-insured years with those from the 2015 report. The estimates fell by $2,243,000 in total.

Chart 5: Comparison with Prior Estimates
Ultimate Limited Losses ($ Millions)



Lifetime Medical Claim Exposure

One of the benefits that injured workers receive is lifetime medical coverage for their injuries. When the claims examiners do not foresee any future expense on a claim, and there have been no expenditures on that claim over the past twelve months they "close" the claim. However, some of these claims do re-open and incur additional costs. There are currently 335 "future medical" claim files with potential future medical payments, $0 in reserves, and total paid less than the SIR. At 12/31/14 there were 319 of these types of cases. To put these numbers in context, the total inventory of self-insured indemnity claims with active reserves was 167 on December 31, 2015.

When we estimate the IBNR liability our "normal" actuarial methods include a provision for potential lifetime medical claims, except in program years that have no active claims. The 1980-81 and 1983-84 program years have no active claims but each has a potential future medical claim so there is still a very slight exposure remaining in those two old self-insured years.

Interest Rates

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

Table III: Interest Rate Adjustment Factors						
Interest Rate	**0.0%**	**1.0%**	**1.41%**	**1.5%**	**1.68%**	**2.0%**
UNL Rate	**1.110**	**1.033**	**1.007**	**1.000**	**0.989**	**0.970**
1M Rate	**1.110**	**1.034**	**1.007**	**1.000**	**0.989**	**0.970**
500K Rate	**1.091**	**1.028**	**1.004**	**1.000**	**0.990**	**0.974**
250K Rate	**1.105**	**1.032**	**1.006**	**1.000**	**0.989**	**0.971**
6/30/16 Liability	**1.133**	**1.041**	**1.008**	**1.000**	**0.986**	**0.963**

We included columns for interest rates of 1.41% and 1.68% in addition to columns for the "round number" values. These were the "risk-free buy-and-hold" interest rates appropriate for discounting the rates and liabilities, respectively, as of 1/22/16. If one were to assemble a hypothetical portfolio of US Treasury bills, notes, and bonds selected to mature just as the expected claims payments on the 2016-17 losses come due, that portfolio would yield an overall interest rate of 1.41%. If one were to assemble a similar hypothetical portfolio with securities selected to mature just as the expected payments on the 6/30/16 liability come due, that portfolio would yield 1.68%. The "risk-free buy-and-hold" rates are useful benchmarks that anyone can calculate for themselves, given the timing of the projected claims payments.

Alameda County Schools Insurance Group

An Actuarial Review of the Workers' Compensation Program

Technical Approach

An Actuarial Review of the Workers' Compensation Program

Technical Approach

This section describes the actuarial calculations. This report is based on claims data evaluated as of December 31, 2015.

Exhibits

Summary Exhibits

These exhibits summarize the analysis and conclusions. Summary Exhibit 1 shows the projected liability for unpaid losses as of June 30, 2016. Summary Exhibit 2 shows projected loss funding rates for 2016-17. Summary Exhibit 3 shows the estimated unpaid losses by program year from the self-insurance program on both discounted and non-discounted bases, as of June 30, 2016.

ULAE Exhibits

These exhibits show the ULAE liability as of June 30, 2016.

Fiscal Year End Exhibits

These exhibits show the unpaid losses as of December 31, 2015 and June 30, 2016.

Limited Loss Exhibits

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

Gross Loss Exhibits

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

We used five different actuarial methods:

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

Gross Loss Exhibit 1 summarizes the results of these methods.

Future Loss Exhibit

This exhibit shows the projection of the loss rate for 2016-17.

Discounting Exhibits

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

Claims Data

These exhibits show the gross development triangles for reported losses, paid losses, and number of claims reported. The latest data (lowest diagonal) is evaluated as of December 31, 2015.

Alameda County Schools Insurance Group
Workers' Compensation Program

Actuarial Analysis of the
Workers' Compensation Program

Summary Exhibits

Alameda County Schools Insurance Group
Workers' Compensation Program

Projected Unpaid Losses as of June 30, 2016

Self-Insured Losses Limited to Stated SIR

(1) Projected Unpaid Losses: $20,108,871

(2) Discounted Value of Unpaid Losses: $17,757,627
(Assuming 1.5% Interest Rate)

Probability Levels

Probability Level (3)	Probability Factor (4)	Discounted * Liability (5)
10%	0.77	$13,712,325
20%	0.83	14,782,847
30%	0.88	15,655,081
40%	0.93	16,470,091
50%	0.97	17,291,951
Central Estimate	**1.00**	**17,757,627**
60%	1.02	18,173,552
70%	1.08	19,184,677
80%	1.15	20,459,536
90%	1.26	22,395,673

* Multiply by 1.132 to obtain undiscounted values.

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Projected Unlimited Rate for 2016-17

(1) Discounted Loss Rate:
(as of July 1, 2016, 1.5% interest rate)

Loss Rate
$1.98

Probability Levels

Probability Level (2)	Probability Factor (3)	Discounted * Rate (4)
0.30	0.82	$1.63
0.40	0.89	1.76
0.50	0.97	1.92
Central Estimate	**1.00**	**$1.98**
0.60	1.04	2.06
0.70	1.14	2.26
0.80	1.25	2.48
0.90	1.41	2.80

* Multiply by 1.110 to obtain undiscounted rates.

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

Alameda County Schools Insurance Group
Workers' Compensation Program

June 30, 2016 Summary
Self-Insured Losses Limited to Stated SIR

Program Year	Undiscounted Value: Claims Liabilities as of 6/30/16 (1)	Discounted (1.5% Interest) Claims Liabilities as of 6/30/16 (2)	Estimated Ultimate Losses (3)
1985-86	$87,492	$83,260	$2,940,000
1986-87	162,367	153,149	2,970,000
1987-88	41,160	38,403	2,910,000
1988-89	54,144	50,148	4,070,000
1989-90	48,613	44,757	2,970,000
1990-91	219,418	201,252	5,770,000
1991-92	168,823	154,568	5,330,000
1992-93	239,959	219,007	4,300,000
1993-94	237,204	216,075	3,870,000
1994-95	377,790	343,669	5,150,000
1995-96	334,170	302,550	5,640,000
1996-97	633,402	569,588	7,620,000
1997-98	1,003,369	897,242	7,770,000
1998-99	2,223,702	1,982,193	11,260,000
1999-00	1,483,133	1,322,255	8,810,000
2000-01	1,202,678	1,072,940	11,890,000
2001-02	1,517,104	1,348,381	13,130,000
2002-03	816,022	717,438	10,630,000
2003-04	1,174,578	1,027,854	7,010,000
2004-05	954,940	828,683	6,350,000
2005-06	2,189,493	1,898,872	10,650,000
2006-07	1,468,392	1,270,466	9,420,000
2007-08	1,549,335	1,344,543	9,840,000
2008-09	1,921,581	1,670,334	10,340,000
Total	$20,108,871	$17,757,627	$170,640,000

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Actuarial Analysis of the
Workers' Compensation Program

Unallocated Loss Adjustment Expenses

Alameda County Schools Insurance Group
Workers' Compensation Program

Estimated ULAE Ratio

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

	Case Reserves	IBNR Liability	Total
(2) Ratio of Unpaid ULAE to Unpaid Loss:	5.5%	11.0%	
(3) Unpaid Loss as of 6/30/16 ($1,000's):	$31,154	$72	$31,226
(4) Unpaid ULAE as of 6/30/16 ($1,000's):	$1,713	$8	$1,721
(5) Ratio for Different Evaluation Dates:			5.5%

Notes:

(1) Estimated by BAC.
(2) Case Reserves: 50% x (1); IBNR Liability: 100% x (1).
(3) Gross Liability as of 06/30/16.
(Self-Insured years only.)
99.5% of IBNR was treated as Case Reserves.
(4) (2) x (3).
(5) [Sum of (4)] / [Sum of (3)].

Alameda County Schools Insurance Group
Workers' Compensation Program

Projected Unpaid Losses as of June 30, 2016

Unlimited Losses

Program Year	Estimated Ultimate Losses (1)	Projected Losses Paid as of 6/30/16 (2)	Projected Case Reserves 6/30/16 (3)	Projected Reported Losses as of 6/30/16 (4)	Projected IBNR as of 6/30/16 (5)	Projected Unpaid Losses as of 6/30/16 (6)
1985-86	$2,960,000	$2,860,187	$69,798	$2,929,986	$30,014	$99,813
1986-87	2,980,000	2,807,633	119,852	2,927,485	52,515	172,367
1987-88	2,910,000	2,868,840	18,170	2,887,010	22,990	41,160
1988-89	4,070,000	4,015,856	34,597	4,050,452	19,548	54,144
1989-90	2,970,000	2,921,387	27,716	2,949,103	20,897	48,613
1990-91	5,770,000	5,550,582	105,969	5,656,551	113,449	219,418
1991-92	5,330,000	5,161,177	64,456	5,225,632	104,368	168,823
1992-93	4,300,000	4,060,041	100,504	4,160,545	139,455	239,959
1993-94	3,870,000	3,632,796	120,357	3,753,153	116,847	237,204
1994-95	5,150,000	4,772,210	169,218	4,941,428	208,572	377,790
1995-96	5,640,000	5,305,830	160,464	5,466,294	173,706	334,170
1996-97	7,620,000	6,986,598	350,794	7,337,392	282,608	633,402
1997-98	7,770,000	6,766,631	628,730	7,395,361	374,639	1,003,369
1998-99	11,390,000	9,042,343	1,589,066	10,631,408	758,592	2,347,657
1999-00	9,080,000	7,346,938	1,150,621	8,497,559	582,441	1,733,062
2000-01	12,260,000	10,708,908	685,981	11,394,889	865,111	1,551,092
2001-02	15,630,000	11,728,075	2,735,643	14,463,718	1,166,282	3,901,925
2002-03	11,040,000	9,820,470	226,026	10,046,496	993,504	1,219,530
2003-04	7,010,000	5,835,422	577,268	6,412,690	597,310	1,174,578
2004-05	6,350,000	5,395,060	298,367	5,693,427	656,573	954,940
2005-06	10,650,000	8,460,507	1,152,203	9,612,710	1,037,290	2,189,493
2006-07	15,250,000	9,125,830	4,029,709	13,155,539	2,094,461	6,124,170
2007-08	12,130,000	8,788,971	1,473,990	10,262,960	1,867,040	3,341,029
2008-09	11,740,000	8,681,424	853,010	9,534,434	2,205,566	3,058,576
Total	$183,870,000	$152,643,715	$16,742,507	$169,386,222	$14,483,778	$31,226,285

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Projected Paid and Reported Losses between 1/1/16 and 6/30/16
Unlimited Losses

Program Year	Losses Paid as of 12/31/15 (1)	Projected Losses Paid 1/1/16 - 6/30/16 (2)	Projected Losses Paid as of 6/30/16 (3)	Losses Reported as of 12/31/15 (4)	Projected Losses Reported 1/1/16 - 6/30/16 (5)	Projected Losses Reported as of 6/30/16 (6)
1985-86	$2,851,315	$8,872	$2,860,187	$2,927,288	$2,698	$2,929,986
1986-87	2,788,337	19,296	2,807,633	2,923,555	3,930	2,927,485
1987-88	2,867,204	1,636	2,868,840	2,885,220	1,790	2,887,010
1988-89	4,013,190	2,665	4,015,856	4,048,631	1,822	4,050,452
1989-90	2,918,790	2,598	2,921,387	2,947,028	2,076	2,949,103
1990-91	5,536,886	13,695	5,550,582	5,646,945	9,606	5,656,551
1991-92	5,149,135	12,042	5,161,177	5,219,964	5,668	5,225,632
1992-93	4,045,113	14,928	4,060,041	4,153,073	7,472	4,160,545
1993-94	3,616,962	15,834	3,632,796	3,747,322	5,831	3,753,153
1994-95	4,746,330	25,880	4,772,210	4,934,068	7,360	4,941,428
1995-96	5,289,232	16,598	5,305,830	5,459,797	6,496	5,466,294
1996-97	6,962,955	23,643	6,986,598	7,328,611	8,780	7,337,392
1997-98	6,726,236	40,395	6,766,631	7,386,028	9,333	7,395,361
1998-99	8,927,863	114,480	9,042,343	10,600,460	30,948	10,631,408
1999-00	7,239,725	107,213	7,346,938	8,466,701	30,858	8,497,559
2000-01	10,609,141	99,767	10,708,908	11,368,515	26,374	11,394,889
2001-02	11,551,114	176,961	11,728,075	14,443,997	19,721	14,463,718
2002-03	9,801,752	18,718	9,820,470	10,009,188	37,308	10,046,496
2003-04	5,791,179	44,244	5,835,422	6,349,613	63,077	6,412,690
2004-05	5,373,977	21,084	5,395,060	5,650,545	42,882	5,693,427
2005-06	8,357,675	102,832	8,460,507	9,462,965	149,745	9,612,710
2006-07	8,876,782	249,048	9,125,830	13,014,291	141,248	13,155,539
2007-08	8,593,450	195,520	8,788,971	9,999,114	263,847	10,262,960
2008-09	8,513,055	168,369	8,681,424	9,346,992	187,442	9,534,434
Total	$151,147,396	$1,496,319	$152,643,715	$168,319,911	$1,066,311	$169,386,222

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Estimated Unpaid Losses as of December 31, 2015

Unlimited Losses

Program Year	Estimated Ultimate Losses (1)	Losses Paid as of 12/31/15 (2)	Case Reserves 12/31/15 (3)	Reported Losses as of 12/31/15 (4)	Estimated IBNR as of 12/31/15 (5)	Estimated Unpaid Losses as of 12/31/15 (6)
1985-86	$2,960,000	$2,851,315	$75,973	$2,927,288	$32,712	$108,685
1986-87	2,980,000	2,788,337	135,219	2,923,555	56,445	191,663
1987-88	2,910,000	2,867,204	18,016	2,885,220	24,780	42,796
1988-89	4,070,000	4,013,190	35,440	4,048,631	21,369	56,810
1989-90	2,970,000	2,918,790	28,238	2,947,028	22,972	51,210
1990-91	5,770,000	5,536,886	110,059	5,646,945	123,055	233,114
1991-92	5,330,000	5,149,135	70,829	5,219,964	110,036	180,865
1992-93	4,300,000	4,045,113	107,960	4,153,073	146,927	254,887
1993-94	3,870,000	3,616,962	130,360	3,747,322	122,678	253,038
1994-95	5,150,000	4,746,330	187,738	4,934,068	215,932	403,670
1995-96	5,640,000	5,289,232	170,566	5,459,797	180,203	350,768
1996-97	7,620,000	6,962,955	365,657	7,328,611	291,389	657,045
1997-98	7,770,000	6,726,236	659,792	7,386,028	383,972	1,043,764
1998-99	11,390,000	8,927,863	1,672,597	10,600,460	789,540	2,462,137
1999-00	9,080,000	7,239,725	1,226,976	8,466,701	613,299	1,840,275
2000-01	12,260,000	10,609,141	759,374	11,368,515	891,485	1,650,859
2001-02	15,630,000	11,551,114	2,892,883	14,443,997	1,186,003	4,078,886
2002-03	11,040,000	9,801,752	207,436	10,009,188	1,030,812	1,238,248
2003-04	7,010,000	5,791,179	558,435	6,349,613	660,387	1,218,821
2004-05	6,350,000	5,373,977	276,568	5,650,545	699,455	976,023
2005-06	10,650,000	8,357,675	1,105,290	9,462,965	1,187,035	2,292,325
2006-07	15,250,000	8,876,782	4,137,509	13,014,291	2,235,709	6,373,218
2007-08	12,130,000	8,593,450	1,405,663	9,999,114	2,130,886	3,536,550
2008-09	11,740,000	8,513,055	833,937	9,346,992	2,393,008	3,226,945
Total	$183,870,000	$151,147,396	$17,172,515	$168,319,911	$15,550,089	$32,722,604

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Actuarial Analysis of the
Workers' Compensation Program

Fiscal Year End Exhibits

Alameda County Schools Insurance Group
Workers' Compensation Program

Projected Unpaid Losses as of June 30, 2016

Self-Insured Losses Limited to Stated SIR

Program Year	Estimated Ultimate Losses (1)	Projected Limited Losses Paid as of 6/30/16 (2)	Projected Limited Case Reserves 6/30/16 (3)	Projected Limited Reported Losses as of 6/30/16 (4)	Projected Limited IBNR as of 6/30/16 (5)	Projected Limited Unpaid Losses as of 6/30/16 (6)
1985-86	$2,940,000	$2,852,508	$76,275	$2,928,784	$11,216	$87,492
1986-87	2,970,000	2,807,633	126,425	2,934,058	35,942	162,367
1987-88	2,910,000	2,868,840	19,207	2,888,047	21,953	41,160
1988-89	4,070,000	4,015,856	34,597	4,050,452	19,548	54,144
1989-90	2,970,000	2,921,387	27,716	2,949,103	20,897	48,613
1990-91	5,770,000	5,550,582	105,969	5,656,551	113,449	219,418
1991-92	5,330,000	5,161,177	64,456	5,225,632	104,368	168,823
1992-93	4,300,000	4,060,041	100,504	4,160,545	139,455	239,959
1993-94	3,870,000	3,632,796	120,357	3,753,153	116,847	237,204
1994-95	5,150,000	4,772,210	169,218	4,941,428	208,572	377,790
1995-96	5,640,000	5,305,830	154,035	5,459,865	180,135	334,170
1996-97	7,620,000	6,986,598	350,821	7,337,419	282,581	633,402
1997-98	7,770,000	6,766,631	628,761	7,395,392	374,608	1,003,369
1998-99	11,260,000	9,036,298	1,590,105	10,626,403	633,597	2,223,702
1999-00	8,810,000	7,326,867	1,027,541	8,354,408	455,592	1,483,133
2000-01	11,890,000	10,687,322	696,073	11,383,395	506,605	1,202,678
2001-02	13,130,000	11,612,896	769,626	12,382,521	747,479	1,517,104
2002-03	10,630,000	9,813,978	216,340	10,030,318	599,682	816,022
2003-04	7,010,000	5,835,422	618,808	6,454,230	555,770	1,174,578
2004-05	6,350,000	5,395,060	276,459	5,671,520	678,480	954,940
2005-06	10,650,000	8,460,507	1,156,459	9,616,966	1,033,034	2,189,493
2006-07	9,420,000	7,951,608	853,480	8,805,087	614,913	1,468,392
2007-08	9,840,000	8,290,665	710,529	9,001,193	838,807	1,549,335
2008-09	10,340,000	8,418,419	480,481	8,898,900	1,441,100	1,921,581
Total	$170,640,000	$150,531,129	$10,374,242	$160,905,371	$9,734,629	$20,108,871

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Projected Paid and Reported Losses between 1/1/16 and 6/30/16
Self-Insured Losses Limited to Stated SIR

Program Year	Losses Paid as of 12/31/15 (1)	Projected Losses Paid 1/1/16 - 6/30/16 (2)	Projected Losses Paid as of 6/30/16 (3)	Losses Reported as of 12/31/15 (4)	Projected Losses Reported 1/1/16 - 6/30/16 (5)	Projected Losses Reported as of 6/30/16 (6)
1985-86	$2,851,315	$1,193	$2,852,508	$2,927,288	$1,496	$2,928,784
1986-87	2,788,337	19,296	2,807,633	2,923,555	10,502	2,934,058
1987-88	2,867,204	1,636	2,868,840	2,885,220	2,827	2,888,047
1988-89	4,013,190	2,665	4,015,856	4,048,631	1,822	4,050,452
1989-90	2,918,790	2,598	2,921,387	2,947,028	2,076	2,949,103
1990-91	5,536,886	13,695	5,550,582	5,646,945	9,606	5,656,551
1991-92	5,149,135	12,042	5,161,177	5,219,964	5,668	5,225,632
1992-93	4,045,113	14,928	4,060,041	4,153,073	7,472	4,160,545
1993-94	3,616,962	15,834	3,632,796	3,747,322	5,831	3,753,153
1994-95	4,746,330	25,880	4,772,210	4,934,068	7,360	4,941,428
1995-96	5,289,232	16,598	5,305,830	5,459,797	68	5,459,865
1996-97	6,962,955	23,643	6,986,598	7,328,611	8,808	7,337,419
1997-98	6,726,236	40,395	6,766,631	7,386,028	9,364	7,395,392
1998-99	8,927,863	108,435	9,036,298	10,600,460	25,943	10,626,403
1999-00	7,239,725	87,142	7,326,867	8,350,083	4,325	8,354,408
2000-01	10,609,141	78,181	10,687,322	11,368,515	14,879	11,383,395
2001-02	11,543,115	69,780	11,612,896	12,370,801	11,720	12,382,521
2002-03	9,800,963	13,015	9,813,978	10,008,399	21,919	10,030,318
2003-04	5,791,179	44,244	5,835,422	6,349,613	104,617	6,454,230
2004-05	5,373,977	21,084	5,395,060	5,650,545	20,975	5,671,520
2005-06	8,357,675	102,832	8,460,507	9,462,965	154,001	9,616,966
2006-07	7,916,413	35,195	7,951,608	8,789,241	15,847	8,805,087
2007-08	8,233,830	56,834	8,290,665	8,955,352	45,841	9,001,193
2008-09	8,281,430	136,988	8,418,419	8,840,049	58,850	8,898,900
Total	$149,586,996	$944,133	$150,531,129	$160,353,555	$551,816	$160,905,371

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Estimated Unpaid Losses as of December 31, 2015

Self-Insured Losses Limited to Stated SIR

Program Year	Estimated Ultimate Losses (1)	Limited Losses Paid as of 12/31/15 (2)	Limited Case Reserves 12/31/15 (3)	Limited Reported Losses as of 12/31/15 (4)	Limited IBNR as of 12/31/15 (5)	Limited Unpaid Losses as of 12/31/15 (6)
1985-86	$2,940,000	$2,851,315	$75,973	$2,927,288	$12,712	$88,685
1986-87	2,970,000	2,788,337	135,219	2,923,555	46,445	181,663
1987-88	2,910,000	2,867,204	18,016	2,885,220	24,780	42,796
1988-89	4,070,000	4,013,190	35,440	4,048,631	21,369	56,810
1989-90	2,970,000	2,918,790	28,238	2,947,028	22,972	51,210
1990-91	5,770,000	5,536,886	110,059	5,646,945	123,055	233,114
1991-92	5,330,000	5,149,135	70,829	5,219,964	110,036	180,865
1992-93	4,300,000	4,045,113	107,960	4,153,073	146,927	254,887
1993-94	3,870,000	3,616,962	130,360	3,747,322	122,678	253,038
1994-95	5,150,000	4,746,330	187,738	4,934,068	215,932	403,670
1995-96	5,640,000	5,289,232	170,566	5,459,797	180,203	350,768
1996-97	7,620,000	6,962,955	365,657	7,328,611	291,389	657,045
1997-98	7,770,000	6,726,236	659,792	7,386,028	383,972	1,043,764
1998-99	11,260,000	8,927,863	1,672,597	10,600,460	659,540	2,332,137
1999-00	8,810,000	7,239,725	1,110,358	8,350,083	459,917	1,570,275
2000-01	11,890,000	10,609,141	759,374	11,368,515	521,485	1,280,859
2001-02	13,130,000	11,543,115	827,686	12,370,801	759,199	1,586,885
2002-03	10,630,000	9,800,963	207,436	10,008,399	621,601	829,037
2003-04	7,010,000	5,791,179	558,435	6,349,613	660,387	1,218,821
2004-05	6,350,000	5,373,977	276,568	5,650,545	699,455	976,023
2005-06	10,650,000	8,357,675	1,105,290	9,462,965	1,187,035	2,292,325
2006-07	9,420,000	7,916,413	872,828	8,789,241	630,759	1,503,587
2007-08	9,840,000	8,233,830	721,522	8,955,352	884,648	1,606,170
2008-09	10,340,000	8,281,430	558,619	8,840,049	1,499,951	2,058,570
Total	$170,640,000	$149,586,996	$10,766,559	$160,353,555	$10,286,445	$21,053,004

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Actuarial Analysis of the
Workers' Compensation Program

Limited Losses

Alameda County Schools Insurance Group
Workers' Compensation Program

Selected Ultimate Losses

Self-Insured Losses Limited to Stated SIR

Program Year	Limited Reported Loss Development (1)	Lim Paid Loss Development (2)	Limited IBNR to Case Ratio (3)	B-F Method Using Limited Reported (4)	B-F Method Using Limited Paid (5)	Selected Ultimate Limited Losses (6)
1985-86	$2,946,552	$2,938,490	$2,948,788	$2,947,103	$2,936,236	$2,940,000
1986-87	2,958,833	2,897,421	2,986,161	2,958,692	2,899,603	2,970,000
1987-88	2,930,476	2,989,047	2,896,210	2,928,870	2,986,514	2,910,000
1988-89	4,125,424	4,202,202	4,073,652	4,125,961	4,196,340	4,070,000
1989-90	3,015,526	3,072,575	2,970,494	3,015,338	3,067,290	2,970,000
1990-91	5,803,121	5,869,713	5,746,328	5,802,735	5,865,776	5,770,000
1991-92	5,381,411	5,509,398	5,280,027	5,379,864	5,495,585	5,330,000
1992-93	4,296,553	4,368,585	4,241,708	4,294,973	4,363,313	4,300,000
1993-94	3,890,891	3,951,260	3,848,090	3,890,512	3,945,912	3,870,000
1994-95	5,137,494	5,256,210	5,063,607	5,140,068	5,245,880	5,150,000
1995-96	5,685,075	5,923,769	5,559,919	5,683,985	5,888,936	5,640,000
1996-97	7,651,298	7,871,352	7,539,229	7,646,188	7,832,510	7,620,000
1997-98	7,728,682	7,687,674	7,748,254	7,724,852	7,688,803	7,770,000
1998-99	11,136,307	10,355,220	11,496,972	11,141,705	10,483,944	11,260,000
1999-00	8,780,681	8,567,373	8,864,179	8,782,879	8,608,774	8,810,000
2000-01	11,992,165	12,881,156	11,685,933	11,984,685	12,694,640	11,890,000
2001-02	13,072,270	14,309,274	12,688,632	13,187,290	14,461,305	13,130,000
2002-03	10,621,559	12,244,601	10,092,825	10,630,805	11,947,192	10,630,000
2003-04	6,933,735	7,378,486	6,709,245	6,938,453	7,298,329	7,010,000
2004-05	6,206,735	6,932,516	5,833,910	6,218,578	6,794,060	6,350,000
2005-06	10,761,726	11,096,823	10,520,728	10,376,900	10,223,312	10,650,000
2006-07	9,442,263	9,761,753	9,292,863	9,298,784	9,312,119	9,420,000
2007-08	9,961,907	10,607,129	9,549,165	9,786,965	10,078,200	9,840,000
2008-09	10,167,956	11,226,716	9,393,640	10,080,370	10,762,071	10,340,000
Total	$170,628,640	$177,898,743	$167,030,561	$169,966,557	$175,076,644	$170,640,000

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Reported Loss Development
Self-Insured Losses Limited to Stated SIR

Program Year	Cumulative Reported Losses as of 12/31/15 (1)	Reported Development Factor as of 12/31/15 (2)	Projected Ultimate Losses (3)
1985-86	$2,927,288	1.007	$2,946,552
1986-87	2,923,555	1.012	2,958,833
1987-88	2,885,220	1.016	2,930,476
1988-89	4,048,631	1.019	4,125,424
1989-90	2,947,028	1.023	3,015,526
1990-91	5,646,945	1.028	5,803,121
1991-92	5,219,964	1.031	5,381,411
1992-93	4,153,073	1.035	4,296,553
1993-94	3,747,322	1.038	3,890,891
1994-95	4,934,068	1.041	5,137,494
1995-96	5,459,797	1.041	5,685,075
1996-97	7,328,611	1.044	7,651,298
1997-98	7,386,028	1.046	7,728,682
1998-99	10,600,460	1.051	11,136,307
1999-00	8,350,083	1.052	8,780,681
2000-01	11,368,515	1.055	11,992,165
2001-02	12,370,801	1.057	13,072,270
2002-03	10,008,399	1.061	10,621,559
2003-04	6,349,613	1.092	6,933,735
2004-05	5,650,545	1.098	6,206,735
2005-06	9,462,965	1.137	10,761,726
2006-07	8,789,241	1.074	9,442,263
2007-08	8,955,352	1.112	9,961,907
2008-09	8,840,049	1.150	10,167,956
Total	$160,353,555		$170,628,640

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Paid Loss Development
Self-Insured Losses Limited to Stated SIR

Program Year	Cumulative Paid Losses as of 12/31/15 (1)	Paid Development Factor as of 12/31/15 (2)	Projected Ultimate Losses (3)
1985-86	$2,851,315	1.031	$2,938,490
1986-87	2,788,337	1.039	2,897,421
1987-88	2,867,204	1.042	2,989,047
1988-89	4,013,190	1.047	4,202,202
1989-90	2,918,790	1.053	3,072,575
1990-91	5,536,886	1.060	5,869,713
1991-92	5,149,135	1.070	5,509,398
1992-93	4,045,113	1.080	4,368,585
1993-94	3,616,962	1.092	3,951,260
1994-95	4,746,330	1.107	5,256,210
1995-96	5,289,232	1.120	5,923,769
1996-97	6,962,955	1.130	7,871,352
1997-98	6,726,236	1.143	7,687,674
1998-99	8,927,863	1.160	10,355,220
1999-00	7,239,725	1.183	8,567,373
2000-01	10,609,141	1.214	12,881,156
2001-02	11,543,115	1.240	14,309,274
2002-03	9,800,963	1.249	12,244,601
2003-04	5,791,179	1.274	7,378,486
2004-05	5,373,977	1.290	6,932,516
2005-06	8,357,675	1.328	11,096,823
2006-07	7,916,413	1.233	9,761,753
2007-08	8,233,830	1.288	10,607,129
2008-09	8,281,430	1.356	11,226,716
Total	$149,586,996		$177,898,743

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

Alameda County Schools Insurance Group
Workers' Compensation Program

IBNR to Case Reserves Ratio Method

Self-Insured Losses Limited to Stated SIR

Program Year	Cumulative Reported Loss Development Factors (1)	Cumulative Paid Loss Development Factors (2)	IBNR to Case Reserves Ratio (3)	Limited Case Reserves (4)	Estimated IBNR as of 12/31/15 (5)	Estimated Ultimate Losses (6)
1985-86	1.007	1.031	0.283	$75,973	$21,500	$2,948,788
1986-87	1.012	1.039	0.463	135,219	62,606	2,986,161
1987-88	1.016	1.042	0.610	18,016	10,990	2,896,210
1988-89	1.019	1.047	0.706	35,440	25,021	4,073,652
1989-90	1.023	1.053	0.831	28,238	23,466	2,970,494
1990-91	1.028	1.060	0.903	110,059	99,383	5,746,328
1991-92	1.031	1.070	0.848	70,829	60,063	5,280,027
1992-93	1.035	1.080	0.821	107,960	88,635	4,241,708
1993-94	1.038	1.092	0.773	130,360	100,768	3,848,090
1994-95	1.041	1.107	0.690	187,738	129,539	5,063,607
1995-96	1.041	1.120	0.587	170,566	100,122	5,559,919
1996-97	1.044	1.130	0.576	365,657	210,618	7,539,229
1997-98	1.046	1.143	0.549	659,792	362,226	7,748,254
1998-99	1.051	1.160	0.536	1,672,597	896,512	11,496,972
1999-00	1.052	1.183	0.463	1,110,358	514,096	8,864,179
2000-01	1.055	1.214	0.418	759,374	317,418	11,685,933
2001-02	1.057	1.240	0.384	827,686	317,831	12,688,632
2002-03	1.061	1.249	0.407	207,436	84,426	10,092,825
2003-04	1.092	1.274	0.644	558,435	359,632	6,709,245
2004-05	1.098	1.290	0.663	276,568	183,365	5,833,910
2005-06	1.137	1.328	0.957	1,105,290	1,057,763	10,520,728
2006-07	1.074	1.233	0.577	872,828	503,622	9,292,863
2007-08	1.112	1.288	0.823	721,522	593,813	9,549,165
2008-09	1.150	1.356	0.991	558,619	553,591	9,393,640
Total				$10,766,559	$6,677,006	$167,030,561

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Bornhuetter-Ferguson Using Reported Losses

Self-Insured Losses Limited to Stated SIR

Program Year	*A Priori* Ultimate Limited Losses (1)	Cumulative Reported Loss Development Factors (2)	Percentage of Losses Not Yet Reported (3)	Expected Unreported Losses (4)	Losses Reported as of 12/31/15 (5)	Estimated Ultimate Losses (6)
1985-86	$2,830,716	1.007	0.7%	$19,815	$2,927,288	$2,947,103
1986-87	2,928,058	1.012	1.2%	35,137	2,923,555	2,958,692
1987-88	2,910,000	1.016	1.5%	43,650	2,885,220	2,928,870
1988-89	4,070,000	1.019	1.9%	77,330	4,048,631	4,125,961
1989-90	2,970,000	1.023	2.3%	68,310	2,947,028	3,015,338
1990-91	5,770,000	1.028	2.7%	155,790	5,646,945	5,802,735
1991-92	5,330,000	1.031	3.0%	159,900	5,219,964	5,379,864
1992-93	4,300,000	1.035	3.3%	141,900	4,153,073	4,294,973
1993-94	3,870,000	1.038	3.7%	143,190	3,747,322	3,890,512
1994-95	5,150,000	1.041	4.0%	206,000	4,934,068	5,140,068
1995-96	5,604,708	1.041	4.0%	224,188	5,459,797	5,683,985
1996-97	7,561,350	1.044	4.2%	317,577	7,328,611	7,646,188
1997-98	7,700,536	1.046	4.4%	338,824	7,386,028	7,724,852
1998-99	11,275,946	1.051	4.8%	541,245	10,600,460	11,141,705
1999-00	8,832,575	1.052	4.9%	432,796	8,350,083	8,782,879
2000-01	11,849,425	1.055	5.2%	616,170	11,368,515	11,984,685
2001-02	15,120,158	1.057	5.4%	816,489	12,370,801	13,187,290
2002-03	10,731,144	1.061	5.8%	622,406	10,008,399	10,630,805
2003-04	7,010,000	1.092	8.4%	588,840	6,349,613	6,938,453
2004-05	6,311,478	1.098	9.0%	568,033	5,650,545	6,218,578
2005-06	7,553,185	1.137	12.1%	913,935	9,462,965	10,376,900
2006-07	7,384,687	1.074	6.9%	509,543	8,789,241	9,298,784
2007-08	8,233,795	1.112	10.1%	831,613	8,955,352	9,786,965
2008-09	9,468,097	1.150	13.1%	1,240,321	8,840,049	10,080,370
Total	$164,765,858			$9,613,002	$160,353,555	$169,966,557

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Bornhuetter-Ferguson Using Paid Losses

Self-Insured Losses Limited to Stated SIR

Program Year	*A Priori* Ultimate Limited Losses (1)	Cumulative Paid Loss Development Factors (2)	Percentage of Losses Not Yet Paid (3)	Expected Unpaid Losses (4)	Limited Losses Paid as of 12/31/15 (5)	Estimated Ultimate Limited Losses (6)
1985-86	$2,830,716	1.031	3.0%	$84,921	$2,851,315	$2,936,236
1986-87	2,928,058	1.039	3.8%	111,266	2,788,337	2,899,603
1987-88	2,910,000	1.042	4.1%	119,310	2,867,204	2,986,514
1988-89	4,070,000	1.047	4.5%	183,150	4,013,190	4,196,340
1989-90	2,970,000	1.053	5.0%	148,500	2,918,790	3,067,290
1990-91	5,770,000	1.060	5.7%	328,890	5,536,886	5,865,776
1991-92	5,330,000	1.070	6.5%	346,450	5,149,135	5,495,585
1992-93	4,300,000	1.080	7.4%	318,200	4,045,113	4,363,313
1993-94	3,870,000	1.092	8.5%	328,950	3,616,962	3,945,912
1994-95	5,150,000	1.107	9.7%	499,550	4,746,330	5,245,880
1995-96	5,604,708	1.120	10.7%	599,704	5,289,232	5,888,936
1996-97	7,561,350	1.130	11.5%	869,555	6,962,955	7,832,510
1997-98	7,700,536	1.143	12.5%	962,567	6,726,236	7,688,803
1998-99	11,275,946	1.160	13.8%	1,556,081	8,927,863	10,483,944
1999-00	8,832,575	1.183	15.5%	1,369,049	7,239,725	8,608,774
2000-01	11,849,425	1.214	17.6%	2,085,499	10,609,141	12,694,640
2001-02	15,120,158	1.240	19.3%	2,918,190	11,543,115	14,461,305
2002-03	10,731,144	1.249	20.0%	2,146,229	9,800,963	11,947,192
2003-04	7,010,000	1.274	21.5%	1,507,150	5,791,179	7,298,329
2004-05	6,311,478	1.290	22.5%	1,420,083	5,373,977	6,794,060
2005-06	7,553,185	1.328	24.7%	1,865,637	8,357,675	10,223,312
2006-07	7,384,687	1.233	18.9%	1,395,706	7,916,413	9,312,119
2007-08	8,233,795	1.288	22.4%	1,844,370	8,233,830	10,078,200
2008-09	9,468,097	1.356	26.2%	2,480,641	8,281,430	10,762,071
Total	$164,765,858			$25,489,648	$149,586,996	$175,076,644

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Actuarial Analysis of the
Workers' Compensation Program

Gross Loss Exhibits

Alameda County Schools Insurance Group
Workers' Compensation Program

Selected Ultimate Losses
Unlimited Losses

Program Year	Reported Projection (1)	Paid Projection (2)	IBNR to Case Reserves Ratio (3)	B-F Method Using Reported (4)	Frequency Times Severity (5)	Selected Ultimate Losses (6)
1985-86	$2,960,967	$2,953,177	$2,964,667			$2,960,000
1986-87	2,962,702	2,899,648	2,994,545			2,980,000
1987-88	2,930,476	2,989,047	2,896,210			2,910,000
1988-89	4,125,424	4,202,202	4,073,652			4,070,000
1989-90	3,015,526	3,072,575	2,970,494			2,970,000
1990-91	5,803,121	5,869,713	5,746,328			5,770,000
1991-92	5,381,411	5,509,398	5,280,027			5,330,000
1992-93	4,296,553	4,368,585	4,241,708			4,300,000
1993-94	3,890,891	3,951,260	3,848,090			3,870,000
1994-95	5,137,494	5,256,210	5,063,607			5,150,000
1995-96	5,703,154	5,923,769	5,572,711			5,640,000
1996-97	7,677,195	7,871,352	7,565,922			7,620,000
1997-98	7,756,182	7,687,674	7,793,119			7,770,000
1998-99	11,179,312	10,355,220	11,607,364			11,390,000
1999-00	8,983,838	8,577,120	9,184,482			9,080,000
2000-01	12,109,361	12,894,481	11,768,705			12,260,000
2001-02	15,419,809	14,331,347	15,844,153			15,630,000
2002-03	10,741,947	12,252,731	10,116,432			11,040,000
2003-04	6,933,735	7,378,486	6,709,245			7,010,000
2004-05	6,250,447	6,932,516	5,856,588			6,350,000
2005-06	10,852,280	11,096,823	10,653,363	$10,434,465	$8,372,802	10,650,000
2006-07	15,247,060	12,120,966	18,012,402	14,258,814	9,763,447	15,250,000
2007-08	12,404,184	12,287,218	12,553,205	11,857,760	11,553,541	12,130,000
2008-09	12,131,584	12,807,519	11,156,636	11,923,391	13,078,016	11,740,000
2009-10	14,668,707	13,207,691	17,761,914	13,805,356	13,405,290	13,770,000
2010-11	14,443,975	13,122,308	17,000,912	14,164,842	16,116,594	13,910,000
2011-12	14,270,213	14,010,320	14,691,010	13,977,640	15,146,205	14,090,000
2012-13	12,054,991	11,433,514	12,741,630	12,825,289	14,990,746	12,260,000
2013-14	12,859,948	11,270,577	14,419,528	13,955,739	16,935,871	13,750,000
2014-15	19,115,832	15,498,404	21,590,338	17,622,447	19,603,334	19,440,000
2015-16	16,535,895	12,450,283	17,814,391	17,702,002	19,104,800	17,700,000
Total	$287,844,214	$274,582,134	$300,493,379			$288,790,000
05/06-15/16	$154,584,669	$139,305,623	$168,395,330	$152,527,746	$158,070,646	$154,690,000

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Reported Loss Development
Unlimited Losses

Program Year	Cumulative Reported Losses as of 12/31/15 (1)	Reported Development Factor as of 12/31/15 (2)	Projected Ultimate Losses (3)
1985-86	$2,927,288	1.012	$2,960,967
1986-87	2,923,555	1.013	2,962,702
1987-88	2,885,220	1.016	2,930,476
1988-89	4,048,631	1.019	4,125,424
1989-90	2,947,028	1.023	3,015,526
1990-91	5,646,945	1.028	5,803,121
1991-92	5,219,964	1.031	5,381,411
1992-93	4,153,073	1.035	4,296,553
1993-94	3,747,322	1.038	3,890,891
1994-95	4,934,068	1.041	5,137,494
1995-96	5,459,797	1.045	5,703,154
1996-97	7,328,611	1.048	7,677,195
1997-98	7,386,028	1.050	7,756,182
1998-99	10,600,460	1.055	11,179,312
1999-00	8,466,701	1.061	8,983,838
2000-01	11,368,515	1.065	12,109,361
2001-02	14,443,997	1.068	15,419,809
2002-03	10,009,188	1.073	10,741,947
2003-04	6,349,613	1.092	6,933,735
2004-05	5,650,545	1.106	6,250,447
2005-06	9,462,965	1.147	10,852,280
2006-07	13,014,291	1.172	15,247,060
2007-08	9,999,114	1.241	12,404,184
2008-09	9,346,992	1.298	12,131,584
2009-10	10,539,983	1.392	14,668,707
2010-11	9,851,434	1.466	14,443,975
2011-12	9,348,028	1.527	14,270,213
2012-13	7,455,241	1.617	12,054,991
2013-14	6,919,763	1.858	12,859,948
2014-15	8,201,682	2.331	19,115,832
2015-16	2,080,271	7.949	16,535,895
Total	$222,716,314		$287,844,214

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Paid Loss Projection
Unlimited Losses

Program Year	Cumulative Paid Losses as of 12/31/15 (1)	Paid Development Factor as of 12/31/15 (2)	Projected Ultimate Losses (3)
1985-86	$2,851,315	1.036	$2,953,177
1986-87	2,788,337	1.040	2,899,648
1987-88	2,867,204	1.042	2,989,047
1988-89	4,013,190	1.047	4,202,202
1989-90	2,918,790	1.053	3,072,575
1990-91	5,536,886	1.060	5,869,713
1991-92	5,149,135	1.070	5,509,398
1992-93	4,045,113	1.080	4,368,585
1993-94	3,616,962	1.092	3,951,260
1994-95	4,746,330	1.107	5,256,210
1995-96	5,289,232	1.120	5,923,769
1996-97	6,962,955	1.130	7,871,352
1997-98	6,726,236	1.143	7,687,674
1998-99	8,927,863	1.160	10,355,220
1999-00	7,239,725	1.185	8,577,120
2000-01	10,609,141	1.215	12,894,481
2001-02	11,551,114	1.241	14,331,347
2002-03	9,801,752	1.250	12,252,731
2003-04	5,791,179	1.274	7,378,486
2004-05	5,373,977	1.290	6,932,516
2005-06	8,357,675	1.328	11,096,823
2006-07	8,876,782	1.365	12,120,966
2007-08	8,593,450	1.430	12,287,218
2008-09	8,513,055	1.504	12,807,519
2009-10	8,376,433	1.577	13,207,691
2010-11	7,686,238	1.707	13,122,308
2011-12	7,565,846	1.852	14,010,320
2012-13	5,254,413	2.176	11,433,514
2013-14	4,123,430	2.733	11,270,577
2014-15	3,625,928	4.274	15,498,404
2015-16	412,814	30.160	12,450,283
Total	$188,192,499		$274,582,134

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

Alameda County Schools Insurance Group
Workers' Compensation Program

IBNR to Case Reserves Ratio Method
Unlimited Losses

Program Year	Reported Development Factor as of 12/31/15 (1)	Paid Development Factor as of 12/31/15 (2)	IBNR to Case Reserves Ratio (3)	Case Reserves as of 12/31/15 (4)	Estimated IBNR as of 12/31/15 (5)	Estimated Ultimate Losses (6)
1985-86	1.012	1.036	0.492	$75,973	$37,379	$2,964,667
1986-87	1.013	1.040	0.525	135,219	70,990	2,994,545
1987-88	1.016	1.042	0.610	18,016	10,990	2,896,210
1988-89	1.019	1.047	0.706	35,440	25,021	4,073,652
1989-90	1.023	1.053	0.831	28,238	23,466	2,970,494
1990-91	1.028	1.060	0.903	110,059	99,383	5,746,328
1991-92	1.031	1.070	0.848	70,829	60,063	5,280,027
1992-93	1.035	1.080	0.821	107,960	88,635	4,241,708
1993-94	1.038	1.092	0.773	130,360	100,768	3,848,090
1994-95	1.041	1.107	0.690	187,738	129,539	5,063,607
1995-96	1.045	1.120	0.662	170,566	112,914	5,572,711
1996-97	1.048	1.130	0.649	365,657	237,311	7,565,922
1997-98	1.050	1.143	0.617	659,792	407,091	7,793,119
1998-99	1.055	1.160	0.602	1,672,597	1,006,904	11,607,364
1999-00	1.061	1.185	0.585	1,226,976	717,781	9,184,482
2000-01	1.065	1.215	0.527	759,374	400,190	11,768,705
2001-02	1.068	1.241	0.484	2,892,883	1,400,156	15,844,153
2002-03	1.073	1.250	0.517	207,436	107,244	10,116,432
2003-04	1.092	1.274	0.644	558,435	359,632	6,709,245
2004-05	1.106	1.290	0.745	276,568	206,043	5,856,588
2005-06	1.147	1.328	1.077	1,105,290	1,190,398	10,653,363
2006-07	1.172	1.365	1.208	4,137,509	4,998,111	18,012,402
2007-08	1.241	1.430	1.817	1,405,663	2,554,091	12,553,205
2008-09	1.298	1.504	2.170	833,937	1,809,644	11,156,636
2009-10	1.392	1.577	3.338	2,163,550	7,221,931	17,761,914
2010-11	1.466	1.707	3.302	2,165,196	7,149,478	17,000,912
2011-12	1.527	1.852	2.998	1,782,182	5,342,982	14,691,010
2012-13	1.617	2.176	2.402	2,200,828	5,286,389	12,741,630
2013-14	1.858	2.733	2.682	2,796,333	7,499,765	14,419,528
2014-15	2.331	4.274	2.926	4,575,754	13,388,656	21,590,338
2015-16	7.949	30.160	9.436	1,667,457	15,734,120	17,814,391
Total				$34,523,815	$77,777,065	$300,493,379

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Bornhuetter-Ferguson Using Reported Losses
Unlimited Losses

Program Year	*A Priori* Ultimate Losses (1)	Cumulative Reported Loss Development Factors (2)	Percentage of Losses Not Yet Reported (3)	Expected Unreported Losses (4)	Losses Reported as of 12/31/15 (5)	Estimated Ultimate Losses (6)
2005-06	$7,589,847	1.147	12.8%	$971,500	$9,462,965	$10,434,465
2006-07	8,524,129	1.172	14.6%	1,244,523	13,014,291	14,258,814
2007-08	9,580,647	1.241	19.4%	1,858,646	9,999,114	11,857,760
2008-09	11,201,736	1.298	23.0%	2,576,399	9,346,992	11,923,391
2009-10	11,620,544	1.392	28.1%	3,265,373	10,539,983	13,805,356
2010-11	13,564,175	1.466	31.8%	4,313,408	9,851,434	14,164,842
2011-12	13,419,164	1.527	34.5%	4,629,612	9,348,028	13,977,640
2012-13	14,057,716	1.617	38.2%	5,370,048	7,455,241	12,825,289
2013-14	15,229,386	1.858	46.2%	7,035,976	6,919,763	13,955,739
2014-15	16,498,713	2.331	57.1%	9,420,765	8,201,682	17,622,447
2015-16	17,873,834	7.949	87.4%	15,621,731	2,080,271	17,702,002
Total	$139,159,891			$56,307,981	$96,219,765	$152,527,746

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

Alameda County Schools Insurance Group
Workers' Compensation Program

A Priori Losses for Bornhuetter-Ferguson
Unlimited Losses

Program Year	*A Priori* Loss Rate (1)	Factor to Remove Trend (2)	Exposure Index (3)	*A Priori* Ultimate Losses (4)
2005-06	$17,873,834	0.442	0.961	$7,589,847
2006-07	$17,873,834	0.486	0.980	8,524,129
2007-08	$17,873,834	0.536	1.000	9,580,647
2008-09	$17,873,834	0.614	1.020	11,201,736
2009-10	$17,873,834	0.650	1.000	11,620,544
2010-11	$17,873,834	0.774	0.980	13,564,175
2011-12	$17,873,834	0.781	0.961	13,419,164
2012-13	$17,873,834	0.835	0.942	14,057,716
2013-14	$17,873,834	0.886	0.961	15,229,386
2014-15	$17,873,834	0.942	0.980	16,498,713
2015-16	$17,873,834	1.000	1.000	17,873,834
Total				$139,159,891

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

Alameda County Schools Insurance Group
Workers' Compensation Program

A Priori Loss Rate for Bornhuetter-Ferguson Method
Unlimited Losses

Program Year	*A Priori* Ultimate Losses (1)	Estimated Pure Premium Trend (2)	Exposure Index (3)	Constant Dollar, Constant Exposure Losses (4)
2005-06	$10,965,612	2.264	0.961	$25,823,647
2006-07	13,803,477	2.056	0.980	28,943,842
2007-08	12,349,847	1.866	1.000	23,040,104
2008-09	12,444,642	1.628	1.020	19,857,052
2009-10	13,983,737	1.538	1.000	21,508,717
2010-11	13,833,341	1.292	0.980	18,228,519
2011-12	14,152,776	1.280	0.961	18,850,978
2012-13	11,790,049	1.198	0.942	14,990,584
2013-14	12,216,674	1.128	0.961	14,337,991
2014-15	17,839,352	1.062	0.980	19,326,211
2015-16	15,683,691	1.000	1.000	15,683,691
Total	$149,063,198		10.787	$20,053,758
09/10-14/15	$83,815,929		5.825	$17,873,834
		(5) Selected A Priori 2015-16 Loss Level:		$17,873,834

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

Alameda County Schools Insurance Group
Workers' Compensation Program

A Priori Ultimate losses
Unlimited Losses

Program Year	Reported Loss Projection (1)	Paid Loss Projection (2)	*A Priori* Selection (3)
1985-86	$2,960,967	$2,953,177	$2,957,118
1986-87	2,962,702	2,899,648	2,931,582
1987-88	2,930,476	2,989,047	2,959,380
1988-89	4,125,424	4,202,202	4,163,290
1989-90	3,015,526	3,072,575	3,043,646
1990-91	5,803,121	5,869,713	5,835,899
1991-92	5,381,411	5,509,398	5,444,215
1992-93	4,296,553	4,368,585	4,331,795
1993-94	3,890,891	3,951,260	3,920,309
1994-95	5,137,494	5,256,210	5,195,023
1995-96	5,703,154	5,923,769	5,809,619
1996-97	7,677,195	7,871,352	7,770,579
1997-98	7,756,182	7,687,674	7,723,378
1998-99	11,179,312	10,355,220	10,786,853
1999-00	8,983,838	8,577,120	8,791,675
2000-01	12,109,361	12,894,481	12,476,059
2001-02	15,419,809	14,331,347	14,916,398
2002-03	10,741,947	12,252,731	11,439,839
2003-04	6,933,735	7,378,486	7,138,996
2004-05	6,250,447	6,932,516	6,565,315
2005-06	10,852,280	11,096,823	10,965,612
2006-07	15,247,060	12,120,966	13,803,477
2007-08	12,404,184	12,287,218	12,349,847
2008-09	12,131,584	12,807,519	12,444,642
2009-10	14,668,707	13,207,691	13,983,737
2010-11	14,443,975	13,122,308	13,833,341
2011-12	14,270,213	14,010,320	14,152,776
2012-13	12,054,991	11,433,514	11,790,049
2013-14	12,859,948	11,270,577	12,216,674
2014-15	19,115,832	15,498,404	17,839,352
2015-16	16,535,895	12,450,283	15,683,691
Total	$287,844,214	$274,582,134	$283,264,166

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Frequency Times Severity Method
Unlimited Losses

Program Year	Selected Indemnity Claim Severity (1)	Factor to Remove Trend (2)	Selected Ultimate Indemnity Claims (3)	Estimated Ultimate Losses (4)
2005-06	$57,200	0.583	251	$8,372,802
2006-07	57,200	0.607	281	9,763,447
2007-08	57,200	0.633	319	11,553,541
2008-09	57,200	0.687	333	13,078,016
2009-10	57,200	0.687	341	13,405,290
2010-11	57,200	0.774	364	16,116,594
2011-12	57,200	0.781	339	15,146,205
2012-13	57,200	0.835	314	14,990,746
2013-14	57,200	0.886	334	16,935,871
2014-15	57,200	0.942	364	19,603,334
2015-16	57,200	1.000	334	19,104,800
Total				$158,070,646

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

Alameda County Schools Insurance Group
Workers' Compensation Program

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

Program Year	*A Priori* Ultimate Losses (1)	Estimated Severity Trend (2)	Selected Indemnity Claim Count (3)	Trended Indemnity Claim Severity (4)
2005-06	$10,965,612	1.715	251	$74,913
2006-07	13,803,477	1.646	281	80,869
2007-08	12,349,847	1.579	319	61,142
2008-09	12,444,642	1.456	333	54,430
2009-10	13,983,737	1.455	341	59,668
2010-11	13,833,341	1.292	364	49,096
2011-12	14,152,776	1.280	339	53,448
2012-13	11,790,049	1.198	314	44,987
2013-14	12,216,674	1.128	334	41,261
2014-15	17,839,352	1.062	364	52,053
2015-16	15,683,691	1.000	334	46,957
Total	$149,063,198		3,574	$56,257
05/06-14/15	$133,379,507		3,240	$57,187
			(5) Selected Severity:	$57,200

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Selected # of Indemnity Claims

Program Year	Reported Indemnity Claim Count Projection (1)	Bornhuetter-Ferguson Method (2)	Selected Indemnity Claim Count (3)
1985-86	325		325
1986-87	314		314
1987-88	320		320
1988-89	397		397
1989-90	350		350
1990-91	396		396
1991-92	424		424
1992-93	397		397
1993-94	408		408
1994-95	405		405
1995-96	416		416
1996-97	382		382
1997-98	304		304
1998-99	324		324
1999-00	321		321
2000-01	319		319
2001-02	318		318
2002-03	326		326
2003-04	255		255
2004-05	213		213
2005-06	251		251
2006-07	281		281
2007-08	319		319
2008-09	333		333
2009-10	341		341
2010-11	364		364
2011-12	339		339
2012-13	314		314
2013-14	334		334
2014-15	364		364
2015-16	294	334	334
Total	10,448		10,488

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Projection of Ultimate # of Indemnity Claims
Projection of Reported Claims

Program Year	Total Indemnity Claims Reported 12/31/15 (1)	Development Factors as of 12/31/15 (2)	Projected Ultimate Indemnity Claims (3)
1991-92	424	1.000	424
1992-93	397	1.000	397
1993-94	408	1.000	408
1994-95	405	1.000	405
1995-96	416	1.000	416
1996-97	382	1.000	382
1997-98	304	1.000	304
1998-99	324	1.000	324
1999-00	321	1.000	321
2000-01	319	1.000	319
2001-02	318	1.000	318
2002-03	326	1.001	326
2003-04	255	1.001	255
2004-05	213	1.001	213
2005-06	250	1.002	251
2006-07	280	1.004	281
2007-08	317	1.006	319
2008-09	329	1.012	333
2009-10	336	1.015	341
2010-11	356	1.024	364
2011-12	328	1.034	339
2012-13	301	1.043	314
2013-14	314	1.064	334
2014-15	326	1.118	364
2015-16	93	3.161	294
Total	8,042		8,346

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Projection of Ultimate # of Indemnity Claims
Bornhuetter-Ferguson Method

Program Year	A Priori Claim Count (1)	Claim Development Factor (2)	Estimated Percentage of Claims Unreported (3)	Estimated Unreported Claims (4)	Reported Claims as of 12/31/15 (5)	Projected Ultimate Claims (6)
2015-16	353	3.161	68.4%	241	93	334

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Calculation of Expected # of Indemnity Claims
A Priori Claim Count

Program Year	Projected Ultimate Indemnity Claims (1)	Exposure Index (2)	Indicated Indemnity Claim Frequency (3)
2005-06	251	0.961	261
2006-07	281	0.980	287
2007-08	319	1.000	319
2008-09	333	1.020	326
2009-10	341	1.000	341
2010-11	364	0.980	371
2011-12	339	0.961	353
2012-13	314	0.942	333
2013-14	334	0.961	347
2014-15	364	0.980	371
2015-16	294	1.000	294
Total	3,534	10.787	328
09/10-14/15	2,056	5.825	353
		(4) Selected Claim Frequency:	353
		(5) 2015-16 Exposure Index:	1.000
		(6) 2015-16 A Priori Claim Count:	353

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Actuarial Analysis of the
Workers' Compensation Program

Future Loss Exhibits

Alameda County Schools Insurance Group
Workers' Compensation Program

Projected 2016-17 Loss Rate

Unlimited Losses

Program Year	Estimated Ultimate Losses (1)	Pure Premium Trend (2)	Exposure Indexed to 2016-17 (3)	Trended Loss @ 2016-17 Exposure Level (4)
2003-04	$7,010,000	1.914	0.906	$14,810,166
2004-05	6,350,000	2.279	0.924	15,665,964
2005-06	10,650,000	2.404	0.942	27,170,771
2006-07	15,250,000	2.183	0.961	34,642,177
2007-08	12,130,000	1.981	0.980	24,516,095
2008-09	11,740,000	1.729	1.000	20,294,022
2009-10	13,770,000	1.634	0.980	22,945,253
2010-11	13,910,000	1.372	0.961	19,857,249
2011-12	14,090,000	1.360	0.942	20,331,569
2012-13	12,260,000	1.273	0.924	16,887,333
2013-14	13,750,000	1.198	0.942	17,482,585
2014-15	19,440,000	1.128	0.961	22,815,583
2015-16	17,700,000	1.062	0.980	19,175,245
Total	$168,050,000		12.405	$21,276,463
03/04-14/15	$150,350,000		11.425	$21,451,564
		(5) Selected 2016-17 Level Losses:		$21,451,564

Program Year	Maximum Claim (6)	LDF (7)	Sev trend (8)	Trended Developed (9)
2006-07	$3,093,801	1.172	1.646	$5,967,015
2007-08	556,158	1.241	1.579	1,089,624
2008-09	443,314	1.298	1.456	838,023
2009-10	555,381	1.392	1.455	1,124,649
2010-11	730,201	1.466	1.292	1,383,101

(10) Factor for Unlimited Retention: 1.003

(11) Unlimited 2016-17 Level Losses: **$21,514,142**

(12) Unlimited 2016-17 Level Rate: **$2.20**

Notes:
(1) Page 37, Column (6).
(2) Estimated by BAC.
(3) Estimated by BAC.
(4) (1) x (2) / (3).
(5) Selected on the basis of (4).
(6) Provided by Keenan & Associates.
(7) Page 38, Column (2).
(8) Page 46, Column (2).
(9) (6) x (7) x (8).
(10) Estimated by BAC.
(11) (5) x (10).
(12) (6) / 2016-17 payroll.

Alameda County Schools Insurance Group
Workers' Compensation Program

Actuarial Analysis of the
Workers' Compensation Program

Discounting Exhibits

Alameda County Schools Insurance Group
Workers' Compensation Program

Discounted Value of Unpaid Losses as of June 30, 2016
Assuming a 1.5% Interest Rate

Self-Insured Losses Limited to Stated SIR

Program Year	Projected Unpaid Losses (1)	Discount Factor (2)	Discounted Unpaid Losses (3)
1985-86	$87,492	0.952	$83,260
1986-87	162,367	0.943	153,149
1987-88	41,160	0.933	38,403
1988-89	54,144	0.926	50,148
1989-90	48,613	0.921	44,757
1990-91	219,418	0.917	201,252
1991-92	168,823	0.916	154,568
1992-93	239,959	0.913	219,007
1993-94	237,204	0.911	216,075
1994-95	377,790	0.910	343,669
1995-96	334,170	0.905	302,550
1996-97	633,402	0.899	569,588
1997-98	1,003,369	0.894	897,242
1998-99	2,223,702	0.891	1,982,193
1999-00	1,483,133	0.892	1,322,255
2000-01	1,202,678	0.892	1,072,940
2001-02	1,517,104	0.889	1,348,381
2002-03	816,022	0.879	717,438
2003-04	1,174,578	0.875	1,027,854
2004-05	954,940	0.868	828,683
2005-06	2,189,493	0.867	1,898,872
2006-07	1,468,392	0.865	1,270,466
2007-08	1,549,335	0.868	1,344,543
2008-09	1,921,581	0.869	1,670,334
Total	$20,108,871		$17,757,627
	(4) Indicated Discount Factor:		0.883

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Discounted Value of 2015-16 Losses as of July 1, 2016
Assuming a 1.5% Interest rate

Unlimited Losses

Program Year	Projected Loss Payments (1)	Discount Factor (2)	Discounted Value of Payments (3)
2016-17	$2,364,988	0.993	$2,347,448
2017-18	3,870,581	0.978	3,785,097
2018-19	2,167,662	0.963	2,088,461
2019-20	2,780,380	0.949	2,639,205
2020-21	1,718,254	0.935	1,606,905
2021-22	1,142,538	0.921	1,052,706
2022-23	739,373	0.908	671,172
2023-24	833,969	0.894	745,855
2024-25	390,886	0.881	344,421
2025-26	242,555	0.868	210,563
2026-27	41,775	0.855	35,730
2027-28	479,304	0.843	403,879
2028-29	148,757	0.830	123,495
2029-30	237,733	0.818	194,445
2030-31	261,760	0.806	210,933
2031-32	455,790	0.794	361,860
2032-33	458,367	0.782	358,528
2033-34	318,864	0.771	245,725
2034-35	229,885	0.759	174,538
2035-36	184,638	0.748	138,112
2036-37	171,014	0.737	126,031
2037-38	262,351	0.726	190,486
years & later	1,950,142	0.656	1,278,968
Total	$21,451,564		$19,334,563
	(4) Indicated Discount Factor:		0.901

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Discounted Value of 2015-16 Losses as of July 1, 2016
Assuming a 1.5% Interest rate

$1,000,000 SIR

Program Year	Projected Loss Payments (1)	Discount Factor (2)	Discounted Value of Payments (3)
2016-17	$2,266,964	0.993	$2,250,151
2017-18	3,710,153	0.978	3,628,213
2018-19	2,077,817	0.963	2,001,899
2019-20	2,665,139	0.949	2,529,815
2020-21	1,647,035	0.935	1,540,302
2021-22	1,095,182	0.921	1,009,074
2022-23	708,727	0.908	643,354
2023-24	799,402	0.894	714,941
2024-25	374,685	0.881	330,145
2025-26	232,502	0.868	201,836
2026-27	40,044	0.855	34,249
2027-28	459,438	0.843	387,139
2028-29	147,586	0.830	122,523
2029-30	232,485	0.818	190,153
2030-31	255,042	0.806	205,520
2031-32	439,833	0.794	349,192
2032-33	441,331	0.782	345,204
2033-34	304,031	0.771	234,294
2034-35	219,150	0.759	166,387
2035-36	175,991	0.748	131,645
2036-37	162,985	0.737	120,114
2037-38	249,998	0.726	181,517
years & later	1,856,920	0.656	1,217,679
Total	$20,562,440		$18,535,346
	(4) Indicated Discount Factor:		0.901

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Discounted Value of 2015-16 Losses as of July 1, 2016
Assuming a 1.5% Interest rate

$500,000 SIR

Program Year	Projected Loss Payments (1)	Discount Factor (2)	Discounted Value of Payments (3)
2016-17	$2,098,124	0.993	$2,082,563
2017-18	3,433,826	0.978	3,357,989
2018-19	1,923,064	0.963	1,852,800
2019-20	2,479,519	0.949	2,353,620
2020-21	1,612,521	0.935	1,508,024
2021-22	1,090,742	0.921	1,004,983
2022-23	724,225	0.908	657,422
2023-24	791,686	0.894	708,040
2024-25	400,406	0.881	352,809
2025-26	268,439	0.868	233,033
2026-27	97,893	0.855	83,726
2027-28	451,002	0.843	380,031
2028-29	120,464	0.830	100,007
2029-30	191,717	0.818	156,808
2030-31	210,274	0.806	169,445
2031-32	363,954	0.794	288,950
2032-33	363,594	0.782	284,398
2033-34	251,327	0.771	193,679
2034-35	180,499	0.759	137,042
2035-36	144,553	0.748	108,128
2036-37	133,555	0.737	98,425
2037-38	204,268	0.726	148,313
years & later	1,495,328	0.648	969,715
Total	$19,030,980		$17,229,950
	(4) Indicated Discount Factor:		0.905

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Discounted Value of 2015-16 Losses as of July 1, 2016
Assuming a 1.5% Interest rate

$250,000 SIR

Program Year	Projected Loss Payments (1)	Discount Factor (2)	Discounted Value of Payments (3)
2016-17	$1,836,012	0.993	$1,822,395
2017-18	3,251,122	0.978	3,179,319
2018-19	1,797,347	0.963	1,731,677
2019-20	2,212,658	0.949	2,100,309
2020-21	1,461,785	0.935	1,367,056
2021-22	987,261	0.921	909,638
2022-23	663,697	0.908	602,478
2023-24	685,776	0.894	613,320
2024-25	371,266	0.881	327,133
2025-26	263,262	0.868	228,540
2026-27	136,466	0.855	116,716
2027-28	366,021	0.843	308,423
2028-29	72,024	0.830	59,793
2029-30	118,819	0.818	97,184
2030-31	130,765	0.806	105,374
2031-32	229,957	0.794	182,567
2032-33	228,156	0.782	178,460
2033-34	159,945	0.771	123,258
2034-35	114,032	0.759	86,578
2035-36	90,823	0.748	67,937
2036-37	83,520	0.737	61,551
2037-38	53,512	0.726	38,853
years & later	977,504	0.643	628,369
Total	$16,291,729		$14,936,928
	(4) Indicated Discount Factor:		0.917

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

Alameda County Schools Insurance Group
Workers' Compensation Program

Program Information

Program Year	SIR (1)	Payroll ($00's) (2)	Total Exposure Indexed to 2015-16 (3)	Potential Future Medical Reopenings Under SIR (4)	
1985-86	$250,000	$0	0.647		4
1986-87	500,000	0	0.660		4
1987-88	NO XS	0	0.673		0
1988-89	NO XS	0	0.686		2
1989-90	NO XS	0	0.700		1
1990-91	NO XS	0	0.714		4
1991-92	NO XS	0	0.728		4
1992-93	NO XS	0	0.743		3
1993-94	NO XS	0	0.758		3
1994-95	NO XS	0	0.773		6
1995-96	2,000,000	0	0.788		6
1996-97	2,000,000	0	0.804		9
1997-98	2,000,000	0	0.820		8
1998-99	2,000,000	5,217,298	0.837		17
1999-00	1,000,000	5,809,776	0.853		12
2000-01	1,000,000	6,457,665	0.871		20
2001-02	1,000,000	6,791,261	0.888		21
2002-03	1,000,000	6,878,794	0.906		25
2003-04	NO XS	6,804,882	0.924		23
2004-05	3,000,000	7,298,747	0.942		21
2005-06	3,000,000	7,967,892	0.961		28
2006-07	250,000	7,924,497	0.980		33
2007-08	250,000	8,373,523	1.000		49
2008-09	250,000	8,379,779	1.020		32
2009-10	PIPS	7,983,289	1.000		
2010-11	PIPS	7,698,192	0.980		
2011-12	PIPS	7,873,713	0.961		
2012-13	PIPS	7,928,199	0.942		
2013-14	PIPS	8,039,488	0.961		
2014-15	PIPS	9,079,586	0.980		
2015-16	PIPS	9,422,206	1.000		
2016-17	?	9,777,755	1.020		

Notes:
(1) Provided by Keenan & Associates.
(2) Provided by Keenan & Associates.
(3) Estimated by BAC.
(4) Provided by Keenan & Associates. 1985-86 includes older years.

Alameda County Schools Insurance Group
Workers' Compensation Program

Actuarial Analysis of the
Workers' Compensation Program

Claims Data Exhibits

Alameda County Schools Insurance Group
Workers' Compensation Program

Cumulative Reported Losses - Unlimited ($000's)

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

	6 - 18	18 - 30	30 - 42	42 - 54	54 - 66	66 - 78	78 - 90	90 - 102	102 - 114	114 - 126	126 - 138	138 - 150	150 - 162	162 - 174	174 - Ult.
ALL YR VOL	3.222	1.269	1.144	1.048	1.054	1.056	1.089	1.055	1.074	1.024	1.049	0.982	1.022	1.003	
3 YR VOL	3.566	1.237	1.104	1.047	1.050	1.019	1.096	1.132	1.000	1.008	0.999	1.013	0.997	1.004	
EX HI LO	3.410	1.254	1.149	1.059	1.041	1.054	1.072	1.046	1.059	1.022	1.037	1.013	1.018	1.005	
REFERENCE	2.872	1.314	1.163	1.116	1.062	1.029	1.011	1.009	1.007	1.004	1.008	1.007	1.002	1.002	1.068
SELECT	3.410	1.254	1.149	1.059	1.041	1.054	1.072	1.046	1.059	1.022	1.037	1.013	1.018	1.005	1.068
CUMULATIVE	7.949	2.331	1.858	1.617	1.527	1.466	1.392	1.298	1.241	1.172	1.147	1.106	1.092	1.073	1.068

Alameda County Schools Insurance Group
Workers' Compensation Program

Cumulative Paid Losses - Unlimited ($000's)

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

	6 - 18	18 - 30	30 - 42	42 - 54	54 - 66	66 - 78	78 - 90	90 - 102	102 - 114	114 - 126	126 - 138	138 - 150	150 - 162	162 - 174	174 - Ult.
ALL YR VOL	6.384	1.561	1.257	1.171	1.083	1.084	1.052	1.057	1.058	1.036	1.041	1.016	1.022	1.009	
3 YR VOL	4.871	1.446	1.242	1.155	1.066	1.064	1.039	1.071	1.083	1.029	1.026	1.014	1.024	1.006	
EX HI LO	7.056	1.564	1.256	1.175	1.085	1.083	1.048	1.052	1.047	1.028	1.029	1.012	1.019	1.008	
REFERENCE	3.815	1.674	1.339	1.226	1.118	1.069	1.055	1.040	1.020	1.009	1.016	1.019	1.011	1.015	1.241
SELECT	7.056	1.564	1.256	1.175	1.085	1.083	1.048	1.052	1.047	1.028	1.029	1.012	1.019	1.008	1.241
CUMULATIVE	30.160	4.274	2.733	2.176	1.852	1.707	1.577	1.504	1.430	1.365	1.328	1.290	1.274	1.250	1.241

Alameda County Schools Insurance Group
Workers' Compensation Program

Cumulative # of Indemnity Losses Reported

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

	6 - 18	18 - 30	30 - 42	42 - 54	54 - 66	66 - 78	78 - 90	90 - 102	102 - 114	114 - 126	126 - 138	138 - 150	150 - 162	162 - 174	174 - Ult.
ALL YR VOL	2.795	1.064	1.027	1.014	1.016	1.014	1.009	1.007	1.002	1.003	1.002	1.001	1.000	1.001	
3 YR VOL	2.845	1.048	1.012	1.004	0.998	1.003	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	
EX HI LO	2.829	1.051	1.020	1.008	1.010	1.008	1.003	1.006	1.002	1.002	1.001	1.001	1.000	1.001	
SELECT	2.829	1.051	1.020	1.008	1.010	1.008	1.003	1.006	1.002	1.002	1.001	1.001	1.000	1.001	1.000
CUMULATIVE	3.161	1.118	1.064	1.043	1.034	1.024	1.015	1.012	1.006	1.004	1.002	1.001	1.001	1.001	1.000

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EXECUTIVE SUMMARY

TO: ACSIG Full Board

FROM: Kimberly Dennis

DATE: May 26, 2016

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

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

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

The Executive Committee will review this report at this meeting. The Executive Committee recommended approval at its March 3, 2016 meeting.

MEMBER	NEW EX-MOD 12/31/15	OLD EX-MOD 12/31/14
ACOE	0.750	0.750
ALAMEDA	1.009	0.993
ALBANY	1.206	0.901
CASTRO VALLEY	0.998	0.826
DUBLIN	0.864	0.858
EDEN ROP	0.983	1.018
EMERY	0.750	0.750
FREMONT	0.988	1.139
LIVERMORE	1.114	1.174
MISSION ROP	0.750	0.815
MT. HOUSE	1.250	1.239
NEWARK	1.250	1.250
NEW HAVEN	0.938	0.901
PIEDMONT	0.750	0.750
PLEASANTON	0.750	0.750
SAN LEANDRO	1.197	1.065
SAN LORENZO	1.250	1.133
SUNOL GLEN	0.782	0.763
TRI VALLEY ROP	1.085	1.250

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EXECUTIVE SUMMARY

TO: ACSIG Full Board

FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: 2016-17 Workers' Compensation Rates

Enclosed please find the workers' compensation rates for 2016-17. These rates have been adjusted to incorporate the actuary's estimate for experience modification factors.

Historically, ACSIG experience modification factors were not "re-benched" to 1.00. The result was program underfunding. In 2007, the Board began addressing this underfunding by incrementally increasing the ex-mods toward the actuarially determined amount. Beginning in 2013-14, the pure ex-mod as calculated by the actuary was applied to rates. This model continues into 2016-17.

The Workers' Compensation program continues to operate in a deficit but that deficit has been dramatically reduced throughout the past 8 years. The Board has contributed an additional $0.35/$100 payroll within their rate to fund this deficit. Through this additional funding and aggressive claims management, the deficit is estimated to be fully funded by 2017-18. The current, estimated unfunded liability is $ 1.8 million.

The Full Board will this report at this meeting. The Executive Committee reviewed and recommended approval at its March 3, 2016 meeting. No changes have been made since these rates were distributed earlier this spring.

2016/2017
Workers' Compensation Rates

	2013/2014 Actual Payroll	2014/2015 Actual Payroll	Base Rate	Ex Mod	Rate per $100 Payroll	2016/2017 PREMIUM
ACOE	$24,636,551	$24,650,909	3.11	0.7500	2.33	$574,982
ALAMEDA	$61,967,305	$63,724,582	3.11	1.0090	3.14	$1,999,671
ALBANY	$24,982,608	$26,634,210	3.11	1.2060	3.75	$998,959
CASTRO VALLEY	$53,460,195	$57,098,359	3.11	0.9980	3.10	$1,772,207
DUBLIN	$49,742,372	$57,362,013	3.11	0.8640	2.69	$1,541,340
EDEN ROP	$3,146,268	$3,457,372	3.11	0.9830	3.06	$105,696
EMERY	$6,144,058	$5,862,048	3.11	0.7500	2.33	$136,732
FREMONT	$197,019,408	$216,697,574	3.11	0.9880	3.07	$6,658,423
LIVERMORE	$71,551,054	$74,245,093	3.11	1.1140	3.46	$2,572,251
MISSION ROP	$4,077,930	$3,864,371	3.11	0.7500	2.33	$90,136
MT. HOUSE	$207,725	$235,401	3.11	1.2500	3.89	$9,151
NEWARK	$39,066,489	$40,748,743	3.11	1.2500	3.89	$1,584,107
NEW HAVEN	$76,911,670	$80,611,552	3.11	0.9380	2.92	$2,351,584
PIEDMONT	$21,060,384	$22,993,262	3.11	0.7500	2.33	$536,318
PLEASANTON *	$90,406,310	$94,213,075	3.11	0.7500	2.33	$2,197,520
SAN LEANDRO	$54,476,887	$57,484,959	3.11	1.1970	3.72	$2,139,975
SAN LORENZO	$65,949,277	$73,608,462	3.11	1.2500	3.89	$2,861,529
SUNOL GLEN	$1,562,931	$1,807,540	3.11	0.7820	2.43	$43,960
TRI VALLEY ROP	$2,552,972	$2,659,030	3.11	1.0850	3.37	$89,725
TOTAL PREMIUMS	$848,922,394	$907,958,555				$28,264,268
Average Ex Mod				1.00000		

Payrolls based upon 2014/2015 Unaudited Actuals Reports provided by ACOE
* includes apprentice program

Rate Build UP

	PIPS K-12 Rate		2.53155	(assumes a 5% increase and 2% change to ex-mod)		
	ACSIG Ex-mod		0.919428	2.327577953	$ 22,758,486.25	0.025065556
	Claims Admin		176,000		$ 176,000.00	0.000193841
	Deficit		0.35		$ 3,422,214.14	0.00376913
(assumes 5% inc)	ACSIG Admin	$	165,243.75		$ 165,243.75	0.000181995
	Self-Insurance Fee	$	245,000.00		$ 245,000.00	0.000269836
	PIPS Adj	$	1,500,000.00		$ 1,500,000.00	0.001652058
					$ 28,266,944.14	0.031132417
	est. 16/17 payroll	$	977,775,469.00			

percentage due to growth in payroll	6.95%
overall increase in costs	7.24%

Alameda County Schools Insurance Group
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EXECUTIVE SUMMARY

TO: ACSIG Full Board

FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: Workers' Compensation Program Deficit by Member as of 06/30/2015

The ACSIG Board has spent considerable time identifying and quantifying the deficit within the Workers' Compensation program. Years of underfunding, no reinsurance and adverse claim development have led to this deficit. As we continue to seek creative solutions and allocate resources to funding the deficit, it is important remind all members of the unfunded liability and each member's portion of that liability.

This information will be reviewed by the Executive Director and Laurena Grabert from SETECH at the meeting.

ALAMEDA COUNTY SCHOOLS INSURANCE GROUP

A FINANCIAL MANAGEMENT INFORMATION REPORT FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND JUNE 30, 2015

Executive Committee Meeting on March 3, 2016



Prepared by:

SETECH
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Alameda County Schools Insurance Group
Workers Compensation
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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.

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FINANCIAL STATEMENTS

Alameda County Schools Insurance Group
Workers' Compensation
Statement of Net Position
As of 06/30/2014 and 06/30/2015

	Audited Balance 06/30/2014	Activity 06/30/2014 Through 06/30/2015	Audited Balance 06/30/2015
ASSETS:			
Current Assets			
Cash and Cash Equivalents	$ 5,777,645	$ (447,910)	$ 5,329,735
Investments - maturing within one year	761,402	(153,295)	608,107
Accounts Receivable	285,993	(187,992)	98,001
Prepaid Expense	--	--	--
Interfund Receivable, net	1,777,763	(2,673,046)	(895,283)
Total Current Assets	8,602,803	(3,462,243)	5,140,560
Non Current Assets			
Capital Assets, net of depreciation	--	--	--
Investments - maturing over one year	8,412,431	2,970,742	11,383,173
Total Non Current Assets	8,412,431	2,970,742	11,383,173
Total Assets	17,015,234	(491,501)	16,523,733
LIABILITIES:			
Current Liabilities			
Accounts Payable and Due to Members			
Accounts Payable	--	2,815	2,815
Deferred revenue	--	--	--
Subtotal	--	2,815	2,815
Current Portion of Discounted Claim Liabilities	2,420,000	(628,000)	1,792,000
Subtotal Current Liabilities	2,420,000	(625,185)	1,794,815
Noncurrent Liabilities			
Discounted Claim Liabilities	22,751,516	(3,183,998)	19,567,518
Unallocated Loss Adjustment Expense (ULAE)	1,224,000	285,000	1,509,000
Subtotal Noncurrent Liabilities	23,975,516	(2,898,998)	21,076,518
Total Liabilities	26,395,516	(3,524,183)	22,871,333
NET POSITION			
Undesignated	(9,380,282)	3,032,682	(6,347,600)
Designated - Capital Assets	--	--	--
Total Net Position	(9,380,282)	3,032,682	(6,347,600)
Total Liabilities and Net Position	$ 17,015,234	$ (491,501)	$ 16,523,733

Alameda County Schools Insurance Group
Workers' Compensation

Statement of Revenues, Expenditures And Changes In Net Position

Adopted Budget Versus Actual

For The Fiscal Years Ended 06/30/2014 and 06/30/2015

	2013/2014				2014/2015			
	Adopted Budget	Audited Actuals	Variance $	Variance %	Adopted Budget	Audited Actuals	Variance $	Variance %
REVENUES:								
Operating Revenues								
Member Contributions	$ 19,607,187	$ 19,607,187	$ --	100.00%	$ 20,019,868	$ 20,019,868	$ --	100.00%
Other-Transfer from Dental Program	--	--	--	--	--	2,450,000	2,450,000	--
Total Operating Revenues	19,607,187	19,607,187	--	100.00%	20,019,868	22,469,868	2,450,000	112.24%
EXPENDITURES:								
Operating Expenses								
Administrative:	582,689	453,830	128,859	77.89%	526,000	427,285	98,715	81.23%
Insurance Premiums	17,181,833	17,116,070	65,763	99.62%	18,500,000	18,396,598	103,402	99.44%
Insurance Premiums-Prior Year Audit	--	148,569	(148,569)		--	957,488	(957,488)	
Supplies	2,500	--	2,500	0.00%	--	--	--	#DIV/0!
Depreciation	--	--	--	--	--	--	--	--
Subtotal	17,767,022	17,718,469	48,553	99.73%	19,026,000	19,781,371	(755,371)	103.97%
Claims Paid	5,000,000	2,979,088	2,020,912	59.58%	3,100,000	3,447,448	(347,448)	111.21%
Change in Claim Liabilities	(3,000,000)	(3,217,340)	217,340	107.24%	(2,800,000)	(3,811,998)	1,011,998	136.14%
Change in ULAE	--	(158,045)	158,045	--	--	285,000	(285,000)	--
Total Other Insurance	2,000,000	(396,297)	2,238,252	-19.81%	300,000	(79,550)	664,550	-26.52%
Total Operating Expenses	19,767,022	17,322,172	2,286,805	87.63%	19,326,000	19,701,821	(90,821)	101.94%
Operating Income/(Loss) from Operations	(159,835)	2,285,015	(2,286,805)	-1429.61%	693,868	2,768,047	2,540,821	398.93%
Non Operating Revenues/(Expense)								
Investment Income	300,000	259,158	(40,842)	86.39%	200,000	194,130	(5,870)	97.07%
Net Increase/(Decrease) in the fair value of investments	--	(238,326)	(238,326)		--	51,598	51,598	
Realized Gain/(Loss)	--	42,013	42,013		--	18,907	18,907	
Total Non Operating Revenues	300,000	62,845	(237,155)	20.95%	200,000	264,635	64,635	132.32%
Change in Net Position	140,165	2,347,860			893,868	3,032,682		
Beginning Net Position	(11,728,142)	(11,728,142)			(9,380,282)	(9,380,282)		
Ending Net Position	$ (11,587,977)	$ (9,380,282)			$ (8,486,414)	$ (6,347,600)		

Alameda County Schools Insurance Group
Workers' Compensation

Calculation of Net Position - By Program Year

As of 06/30/2015

	Program Years								Totals Forward to Page 3a
	Prior to 07/01/1992	1992/1993	1993/1994	1994/1995	1995/1996	1996/1997	1997/1998	1998/1999	
Cash Balance, Including Current Period Investment Income Allocation	$ (17,116,297)	$ 841,600	$ 1,572,393	$ 596,268	$ 577,294	$ (1,806,260)	$ (1,436,911)	$ (3,566,050)	$ (20,337,963)
Accounts Receivable	--	--	--	--	--	--	--	--	--
Accounts Payable	--	--	--	--	--	--	--	--	--
Discounted Claim Liabilities	(851,826)	(265,254)	(231,047)	(386,531)	(528,032)	(654,793)	(1,096,347)	(2,096,735)	(6,110,565)
Unallocated Loss Adjustment Expense (ULAE)	(60,180)	(18,740)	(16,323)	(27,308)	(37,304)	(46,260)	(77,454)	(148,129)	(431,698)
Net Position	$ (18,028,303)	$ 557,606	$ 1,325,023	$ 182,429	$ 11,958	$ (2,507,313)	$ (2,610,712)	$ (5,810,914)	$ (26,880,226)
As of 06/30/2014									
Net Position	$ (17,634,631)	$ 526,489	$ 1,424,434	$ 158,730	$ 21,178	$ (2,472,263)	$ (2,484,112)	$ (5,867,828)	$ (26,328,003)
Increase/(Decrease) Net Position	$ (393,672)	$ 31,117	$ (99,411)	$ 23,699	$ (9,220)	$ (35,050)	$ (126,600)	$ 56,914	$ (552,223)

Alameda County Schools Insurance Group
Workers' Compensation

Calculation of Net Position - By Program Year

As of 06/30/2015

	Totals From Page 3	Program Years						Totals Forward to Page 3b
		1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005	
Cash Balance, Including Current Period Investment Income Allocation	$ (20,337,963)	$ (459,742)	$ (4,500,253)	$ (866,254)	$ (866,913)	$ 7,166,750	$ 7,174,506	$ (12,689,869)
Accounts Receivable	--	--	--	--	--	--	--	--
Accounts Payable	--	--	--	--	--	--	--	--
Discounted Claim Liabilities	(6,110,565)	(1,580,446)	(1,223,581)	(1,572,275)	(729,369)	(1,152,386)	(880,912)	(13,249,534)
Unallocated Loss Adjustment Expense (ULAE)	(431,698)	(111,655)	(86,443)	(111,078)	(51,528)	(81,413)	(62,234)	(936,049)
Net Position	$ (26,880,226)	$ (2,151,843)	$ (5,810,277)	$ (2,549,607)	$ (1,647,810)	$ 5,932,951	$ 6,231,360	$ (26,875,452)
As of 06/30/2014								
Net Position	$ (26,328,003)	$ (2,051,815)	$ (5,677,158)	$ (2,572,874)	$ (1,637,542)	$ 5,962,610	$ 6,259,181	$ (26,045,601)
Increase/(Decrease) Net Position	$ (552,223)	$ (100,028)	$ (133,119)	$ 23,267	$ (10,268)	$ (29,659)	$ (27,821)	$ (829,851)

Alameda County Schools Insurance Group
Workers' Compensation

Calculation of Net Position - By Program Year

As of 06/30/2015

	Totals From Page 3a	Program Years							Totals Forward to Page 3c
		2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012	
Cash Balance, Including Current Period Investment Income Allocation	$ (12,689,869)	$ 3,899,420	$ (187,028)	$ 5,176,851	$ 5,585,366	$ 687,844	$ 2,594,259	$ 4,454,952	$ 9,521,795
Accounts Receivable	--	--	--	--	--	--	--	--	--
Accounts Payable	--	--	--	--	--	--	--	--	--
Discounted Claim Liabilities	(13,249,534)	(2,183,416)	(1,819,003)	(1,817,678)	(2,289,887)	--	--	--	(21,359,518)
Unallocated Loss Adjustment Expense (ULAE)	(936,049)	(154,253)	(128,508)	(128,415)	(161,775)	--	--	--	(1,509,000)
Net Position	$ (26,875,452)	$ 1,561,751	$ (2,134,539)	$ 3,230,758	$ 3,133,704	$ 687,844	$ 2,594,259	$ 4,454,952	$ (13,346,723)
As of 06/30/2014									
Net Position	$ (26,045,601)	$ 1,628,056	$ (2,357,224)	$ 2,636,873	$ 2,945,880	$ 676,756	$ 2,552,473	$ 4,383,104	$ (13,579,683)
Increase/(Decrease) Net Position	$ (829,851)	$ (66,305)	$ 222,685	$ 593,885	$ 187,824	$ 11,088	$ 41,786	$ 71,848	$ 232,960

Alameda County Schools Insurance Group
Workers' Compensation

Calculation of Net Position - By Program Year

As of 06/30/2015

	Totals From Page 3b	Program Years							Totals
		2012/2013	2013/2014	2014/2015					
Cash Balance, Including Current Period Investment Income Allocation	$ 9,521,795	$ 2,189,916	$ 1,105,000	$ 3,609,021	$ --	$ --	$ --	$ --	$ 16,425,732
Accounts Receivable	--	--	--	98,001	--	--	--	--	98,001
Accounts Payable	--	--	--	(2,815)	--	--	--	--	(2,815)
Discounted Claim Liabilities	(21,359,518)	--	--	--	--	--	--	--	(21,359,518)
Unallocated Loss Adjustment Expense (ULAE)	(1,509,000)	--	--	--	--	--	--	--	(1,509,000)
Net Position	$ (13,346,723)	$ 2,189,916	$ 1,105,000	$ 3,704,207	$ --	$ --	$ --	$ --	$ (6,347,600)
As of 06/30/2014									
Net Position	$ (13,579,683)	$ 2,154,720	$ 2,044,681	$ --	$ --	$ --	$ --	$ --	$ (9,380,282)
Increase/(Decrease) Net Position	$ 232,960	$ 35,196	$ (939,681)	$ 3,704,207	$ --	$ --	$ --	$ --	$ 3,032,682

Alameda County Schools Insurance Group
Workers' Compensation
Allocation Net Position - Assets/(Deficit) by Member
As of 06/30/2015

Members	Program Years										Sub-Total To Page 4a
	Prior to 07/01/1992		1992/1993		1993/1994		1994/1995		1995/1996		
	Pro Rata Share %	Net (Deficit)	Pro Rata Share %	Net Assets	Pro Rata Share %	Net Assets	Pro Rata Share %	Net Assets	Pro Rata Share %	Net Assets	
Alameda COE	2.44 %	$ (439,891)	2.44 %	$ 13,606	2.44 %	$ 32,331	2.44 %	$ 4,451	2.44 %	$ 292	(389,211)
Alameda	7.86	(1,417,025)	7.86	43,828	7.86	104,147	7.86	14,339	7.86	940	(1,253,771)
Albany	2.47	(445,299)	2.47	13,773	2.47	32,728	2.47	4,506	2.47	295	(393,997)
Castro Valley	5.80	(1,045,642)	5.80	32,341	5.80	76,851	5.80	10,581	5.80	694	(925,175)
Dublin	3.29	(593,131)	3.29	18,345	3.29	43,593	3.29	6,002	3.29	393	(524,798)
Eden ROP	0.74	(133,409)	0.74	4,126	0.74	9,805	0.74	1,350	0.74	88	(118,040)
Emery	0.95	(171,269)	0.95	5,297	0.95	12,588	0.95	1,733	0.95	114	(151,537)
Fremont	22.63	(4,079,805)	22.63	126,186	22.63	299,853	22.63	41,284	22.63	2,706	(3,609,776)
Livermore	7.84	(1,413,419)	7.84	43,716	7.84	103,882	7.84	14,302	7.84	938	(1,250,581)
Mission ROP	0.67	(120,790)	0.67	3,736	0.67	8,878	0.67	1,222	0.67	80	(106,874)
Mt. House	0.05	(9,014)	0.05	279	0.05	663	0.05	91	0.05	6	(7,975)
Newark	5.72	(1,031,219)	5.72	31,895	5.72	75,791	5.72	10,435	5.72	684	(912,414)
New Haven	11.10	(2,001,142)	11.10	61,894	11.10	147,078	11.10	20,250	11.10	1,327	(1,770,593)
Piedmont	2.29	(412,848)	2.29	12,769	2.29	30,343	2.29	4,178	2.29	274	(365,284)
Pleasanton	9.22	(1,662,210)	9.22	51,411	9.22	122,167	9.22	16,820	9.22	1,103	(1,470,709)
San Leandro	5.39	(971,726)	5.39	30,055	5.39	71,419	5.39	9,833	5.39	645	(859,774)
San Lorenzo	10.96	(1,975,902)	10.96	61,114	10.96	145,223	10.96	19,994	10.96	1,311	(1,748,260)
Sunol Glen	0.19	(34,254)	0.19	1,059	0.19	2,518	0.19	347	0.19	23	(30,307)
Tri Valley ROP	0.39	(70,308)	0.39	2,176	0.39	5,165	0.39	711	0.39	45	(62,211)
Pleasanton Apprentic	--	--	--	--	--	--	--	--	--	--	--
Totals	100.00 %	$ (18,028,303)	100.00 %	$ 557,606	100.00 %	$ 1,325,023	100.00 %	$ 182,429	100.00 %	$ 11,958	$ (15,951,287)

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

Alameda County Schools Insurance Group
Workers' Compensation
Allocation Net Position - Assets/(Deficit) by Member
As of 06/30/2015

Members	Sub-Total From Page 4	Program Years 1996/1997 Pro Rata Share %	1996/1997 Net (Deficit)	1997/1998 Pro Rata Share %	1997/1998 Net (Deficit)	1998/1999 Pro Rata Share %	1998/1999 Net (Deficit)	1999/2000 Pro Rata Share %	1999/2000 Net (Deficit)	Sub-Total To Page 4b
Alameda COE	$ (389,211)	2.44 %	$ (61,178)	2.57 %	$ (67,095)	2.48 %	$ (144,111)	2.42 %	$ (52,075)	(713,670)
Alameda	(1,253,771)	7.86	(197,075)	7.10	(185,361)	7.42	(431,170)	7.69	(165,477)	(2,232,854)
Albany	(393,997)	2.47	(61,931)	2.55	(66,573)	2.51	(145,854)	2.47	(53,151)	(721,506)
Castro Valley	(925,175)	5.80	(145,424)	6.78	(177,006)	6.18	(359,114)	5.61	(120,718)	(1,727,437)
Dublin	(524,798)	3.29	(82,491)	3.60	(93,986)	3.34	(194,085)	3.15	(67,783)	(963,143)
Eden ROP	(118,040)	0.74	(18,554)	0.83	(21,669)	0.75	(43,582)	0.69	(14,848)	(216,693)
Emery	(151,537)	0.95	(23,819)	0.95	(24,802)	0.93	(54,042)	0.90	(19,367)	(273,567)
Fremont	(3,609,776)	22.63	(567,405)	22.92	(598,375)	22.59	(1,312,685)	22.20	(477,709)	(6,565,950)
Livermore	(1,250,581)	7.84	(196,573)	7.96	(207,813)	8.09	(470,103)	8.29	(178,388)	(2,303,458)
Mission ROP	(106,874)	0.67	(16,799)	0.61	(15,925)	0.64	(37,190)	0.68	(14,633)	(191,421)
Mt. House	(7,975)	0.05	(1,254)	0.05	(1,305)	0.05	(2,905)	0.04	(861)	(14,300)
Newark	(912,414)	5.72	(143,418)	6.79	(177,267)	6.20	(360,277)	5.56	(119,642)	(1,713,018)
New Haven	(1,770,593)	11.10	(278,312)	12.14	(316,940)	11.54	(670,579)	10.96	(235,842)	(3,272,266)
Piedmont	(365,284)	2.29	(57,417)	2.38	(62,135)	2.33	(135,394)	2.28	(49,062)	(669,292)
Pleasanton	(1,470,709)	9.22	(231,174)	8.17	(213,295)	8.93	(518,915)	9.60	(206,577)	(2,640,670)
San Leandro	(859,774)	5.39	(135,144)	5.66	(147,766)	5.44	(316,114)	5.22	(112,326)	(1,571,124)
San Lorenzo	(1,748,260)	10.96	(274,802)	8.48	(221,388)	10.00	(581,091)	11.57	(248,968)	(3,074,509)
Sunol Glen	(30,307)	0.19	(4,764)	0.18	(4,699)	0.20	(11,622)	0.21	(4,519)	(55,911)
Tri Valley ROP	(62,211)	0.39	(9,779)	0.28	(7,312)	0.38	(22,081)	0.46	(9,897)	(111,280)
Pleasanton Apprentice	--	--	--	--	--	--	--	--	--	--
Totals	$ (15,951,287)	100.00 %	$ (2,507,313)	100.00 %	$ (2,610,712)	100.00 %	$ (5,810,914)	100.00 %	$ (2,151,843)	$ (29,032,069)

Alameda County Schools Insurance Group
Workers' Compensation
Allocation Net Position - Assets/(Deficit) by Member
As of 06/30/2015

Members	Sub-Total From Page 4a	Program Years 2000/2001 Pro Rata Share %	2000/2001 Net (Deficit)	2001/2002 Pro Rata Share %	2001/2002 Net (Deficit)	2002/2003 Pro Rata Share %	2002/2003 Net (Deficit)	2003/2004 Pro Rata Share %	2003/2004 Net Assets	Sub-Total To Page 4c
Alameda COE	$ (713,670)	2.36 %	$ (137,123)	2.06 %	$ (52,522)	2.20 %	$ (36,252)	2.39 %	$ 141,798	(797,769)
Alameda	(2,232,854)	8.49	(493,293)	8.10	(206,518)	7.61	(125,398)	7.60	450,904	(2,607,159)
Albany	(721,506)	2.42	(140,609)	2.42	(61,700)	2.59	(42,678)	2.16	128,152	(838,341)
Castro Valley	(1,727,437)	5.31	(308,526)	5.61	(143,033)	6.20	(102,164)	6.19	367,250	(1,913,910)
Dublin	(963,143)	3.21	(186,510)	3.33	(84,902)	3.34	(55,037)	3.42	202,907	(1,086,685)
Eden ROP	(216,693)	0.73	(42,415)	0.58	(14,788)	0.42	(6,921)	0.42	24,918	(255,899)
Emery	(273,567)	0.99	(57,522)	0.76	(19,377)	0.80	(13,182)	0.65	38,564	(325,084)
Fremont	(6,565,950)	22.78	(1,323,581)	23.35	(595,333)	23.32	(384,269)	24.91	1,477,898	(7,391,235)
Livermore	(2,303,458)	7.40	(429,960)	7.64	(194,790)	8.25	(135,944)	8.13	482,349	(2,581,803)
Mission ROP	(191,421)	0.70	(40,672)	0.64	(16,317)	0.57	(9,393)	0.52	30,851	(226,952)
Mt. House	(14,300)	0.05	(2,905)	0.05	(1,275)	0.05	(824)	0.05	2,966	(16,338)
Newark	(1,713,018)	5.16	(299,810)	5.23	(133,344)	5.16	(85,027)	5.01	297,241	(1,933,958)
New Haven	(3,272,266)	10.53	(611,822)	10.74	(273,828)	10.49	(172,855)	10.37	615,247	(3,715,524)
Piedmont	(669,292)	2.25	(130,731)	2.24	(57,111)	2.19	(36,087)	2.19	129,932	(763,289)
Pleasanton	(2,640,670)	9.60	(557,787)	10.37	(264,394)	10.78	(177,634)	10.11	599,821	(3,040,664)
San Leandro	(1,571,124)	5.36	(311,431)	5.72	(145,838)	5.83	(96,067)	6.16	365,470	(1,758,990)
San Lorenzo	(3,074,509)	12.08	(701,881)	10.54	(268,729)	9.54	(157,201)	9.08	538,712	(3,663,608)
Sunol Glen	(55,911)	0.19	(11,040)	0.19	(4,844)	0.18	(2,966)	0.18	10,679	(64,082)
Tri Valley ROP	(111,280)	0.39	(22,659)	0.43	(10,964)	0.48	(7,911)	0.46	27,292	(125,522)
Pleasanton Apprentice	--	--	--	--	--	--	--	--	--	--
Totals	$ (29,032,069)	100.00 %	$ (5,810,277)	100.00 %	$ (2,549,607)	100.00 %	$ (1,647,810)	100.00 %	$ 5,932,951	$ (33,106,812)

Alameda County Schools Insurance Group
Workers' Compensation
Allocation Net Position - Assets/(Deficit) by Member
As of 06/30/2015

Members	Sub-Total From Page 4b	Program Years 2004/2005 Pro Rata Share %	2004/2005 Net Assets	2005/2006 Pro Rata Share %	2005/2006 Net Assets	2006/2007 Pro Rata Share %	2006/2007 Net (Deficit)	2007/2008 Pro Rata Share %	2007/2008 Net Assets	Sub-Total To Page 4d
Alameda COE	$ (797,769)	2.51 %	$ 156,407	2.74 %	$ 42,792	2.26 %	$ (48,241)	2.62 %	$ 84,646	(562,165)
Alameda	(2,607,159)	7.02	437,441	7.74	120,880	7.48	(159,664)	7.16	231,322	(1,977,180)
Albany	(838,341)	2.21	137,713	2.18	34,046	2.57	(54,858)	2.66	85,938	(635,502)
Castro Valley	(1,913,910)	6.18	385,098	4.59	71,684	5.47	(116,759)	5.70	184,153	(1,389,734)
Dublin	(1,086,685)	3.46	215,605	2.79	43,573	3.45	(73,642)	3.78	122,123	(779,026)
Eden ROP	(255,899)	0.36	22,433	0.38	5,935	0.37	(7,898)	0.38	12,277	(223,152)
Emery	(325,084)	0.66	41,127	0.77	12,025	0.86	(18,357)	0.84	27,138	(263,151)
Fremont	(7,391,235)	25.85	1,610,807	27.25	425,577	26.97	(575,685)	27.11	875,858	(5,054,678)
Livermore	(2,581,803)	7.81	486,669	6.89	107,605	7.04	(150,272)	7.27	234,876	(1,902,925)
Mission ROP	(226,952)	0.55	34,272	0.63	9,839	0.70	(14,942)	0.65	21,000	(176,783)
Mt. House	(16,338)	0.05	3,116	0.05	781	0.04	(854)	0.04	1,292	(12,003)
Newark	(1,933,958)	4.78	297,859	4.97	77,619	5.22	(111,423)	4.93	159,276	(1,510,627)
New Haven	(3,715,524)	11.24	700,405	11.58	180,851	10.66	(227,542)	10.32	333,414	(2,728,396)
Piedmont	(763,289)	2.15	133,974	2.13	33,265	1.95	(41,624)	2.04	65,907	(571,767)
Pleasanton	(3,040,664)	9.78	609,427	8.97	140,089	8.74	(186,559)	9.03	291,737	(2,185,970)
San Leandro	(1,758,990)	5.54	345,217	5.87	91,675	5.86	(125,084)	5.56	179,630	(1,267,552)
San Lorenzo	(3,663,608)	9.27	577,647	9.78	152,739	9.65	(205,983)	9.30	300,460	(2,838,745)
Sunol Glen	(64,082)	0.20	12,463	0.17	2,655	0.18	(3,842)	0.17	5,492	(47,314)
Tri Valley ROP	(125,522)	0.38	23,680	0.52	8,121	0.53	(11,310)	0.44	14,219	(90,812)
Pleasanton Apprentice	--	--	--	--	--	--	--	--	--	--
Totals	$ (33,106,812)	100.00 %	$ 6,231,360	100.00 %	$ 1,561,751	100.00 %	$ (2,134,539)	100.00 %	$ 3,230,758	$ (24,217,482)

Alameda County Schools Insurance Group
Workers' Compensation
Allocation Net Position - Assets/(Deficit) by Member
As of 06/30/2015

Members	Sub-Total From Page 4c	Program Years 2008/2009 Pro Rata Share %	2008/2009 Net Assets	2009/2010 Pro Rata Share %	2009/2010 Net Assets	2010/2011 Pro Rata Share %	2010/2011 Net Assets	2011/2012 Pro Rata Share %	2011/2012 Net Assets	Sub-Total To Page 4e
Alameda COE	$ (562,165)	2.46 %	$ 77,089	2.58 %	$ 17,746	2.53 %	$ 65,635	2.11 %	$ 93,999	$ (307,696)
Alameda	(1,977,180)	7.18	225,000	6.59	45,329	6.37	165,254	6.51	290,017	(1,251,580)
Albany	(635,502)	2.65	83,043	2.71	18,641	2.71	70,304	2.19	97,563	(365,951)
Castro Valley	(1,389,734)	5.64	176,741	5.88	40,445	6.06	157,212	5.21	232,103	(783,233)
Dublin	(779,026)	3.76	117,827	3.97	27,307	4.46	115,704	3.51	156,369	(361,819)
Eden ROP	(223,152)	0.38	11,908	0.37	2,545	0.37	9,599	0.36	16,038	(183,062)
Emery	(263,151)	0.82	25,696	0.88	6,053	0.86	22,311	0.72	32,076	(177,015)
Fremont	(5,054,678)	27.20	852,367	26.87	184,824	26.96	699,412	28.96	1,290,154	(2,027,921)
Livermore	(1,902,925)	7.20	225,627	6.64	45,673	6.99	181,339	7.76	345,704	(1,104,582)
Mission ROP	(176,783)	0.64	20,056	0.72	4,952	0.63	16,344	0.45	20,047	(115,384)
Mt. House	(12,003)	0.04	1,253	0.04	275	0.03	778	0.03	1,336	(8,361)
Newark	(1,510,627)	4.95	155,118	4.99	34,323	5.49	142,425	5.29	235,667	(943,094)
New Haven	(2,728,396)	10.26	321,518	10.31	70,917	9.41	244,120	9.83	437,922	(1,653,919)
Piedmont	(571,767)	2.04	63,928	1.96	13,482	2.09	54,220	1.98	88,208	(351,929)
Pleasanton	(2,185,970)	9.15	286,734	9.36	64,382	9.38	243,341	9.69	431,685	(1,159,828)
San Leandro	(1,267,552)	5.58	174,861	5.99	41,202	5.73	148,651	6.44	286,899	(615,939)
San Lorenzo	(2,838,745)	9.41	294,882	9.49	65,276	9.34	242,304	8.42	375,107	(1,861,176)
Sunol Glen	(47,314)	0.18	5,641	0.17	1,169	0.16	4,151	0.14	6,237	(30,116)
Tri Valley ROP	(90,812)	0.46	14,415	0.48	3,303	0.43	11,155	0.40	17,821	(44,118)
Pleasanton Apprentice	--	--	--	--	--	--	--	--	--	--
Totals	$ (24,217,482)	100.00 %	$ 3,133,704	100.00 %	$ 687,844	100.00 %	$ 2,594,259	100.00 %	$ 4,454,952	$ (13,346,723)

Alameda County Schools Insurance Group
Workers' Compensation
Allocation Net Position - Assets/(Deficit) by Member
As of 06/30/2015

Members	Sub-Total From Page 4d	Program Years 2002/2013 Pro Rata Share %	2002/2013 Net Assets	2013/2014 Pro Rata Share %	2013/2014 Net Assets	2014/2015 Pro Rata Share %	2014/2015 Net Assets	Pro Rata Share %	Total
Alameda COE	$ (307,696)	2.00 %	$ 43,798	2.29 %	$ 25,305	2.28 %	$ 84,456	-- %	$ -- $ (154,137)
Alameda	(1,251,580)	5.85	128,110	6.71	74,146	6.80	251,886	--	-- (797,438)
Albany	(365,951)	2.41	52,777	2.76	30,498	2.78	102,977	--	-- (179,699)
Castro Valley	(783,233)	5.31	116,285	4.72	52,156	4.77	176,691	--	-- (438,101)
Dublin	(361,819)	3.65	79,932	3.85	42,543	4.68	173,357	--	-- (65,987)
Eden ROP	(183,062)	0.37	8,103	0.28	3,094	0.36	13,335	--	-- (158,530)
Emery	(177,015)	0.67	14,672	0.80	8,840	0.54	20,003	--	-- (133,500)
Fremont	(2,027,921)	28.86	632,010	29.82	329,511	28.74	1,064,589	--	-- (1,811)
Livermore	(1,104,582)	9.10	199,282	9.31	102,876	9.50	351,900	--	-- (450,524)
Mission ROP	(115,384)	0.39	8,541	0.39	4,310	0.40	14,817	--	-- (87,716)
Mt. House	(8,361)	0.03	657	0.04	442	0.03	1,111	--	-- (6,151)
Newark	(943,094)	4.36	95,480	4.46	49,283	5.80	214,844	--	-- (583,487)
New Haven	(1,653,919)	9.28	203,224	8.18	90,389	7.06	261,517	--	-- (1,098,789)
Piedmont	(351,929)	1.91	41,827	1.90	20,995	1.95	72,232	--	-- (216,875)
Pleasanton	(1,159,828)	9.71	212,641	9.50	104,975	8.42	311,894	--	-- (530,318)
San Leandro	(615,939)	6.13	134,242	5.15	56,908	6.23	230,772	--	-- (194,017)
San Lorenzo	(1,861,176)	9.42	206,290	9.22	101,881	9.10	337,083	--	-- (1,215,922)
Sunol Glen	(30,116)	0.13	2,847	0.13	1,437	0.13	4,815	--	-- (21,017)
Tri Valley ROP	(44,118)	0.42	9,198	0.49	5,411	0.43	15,928	--	-- (13,581)
Pleasanton Apprentice	--	--	--	--	--	--	--	--	-- --
Totals	$ (13,346,723)	100.00 %	$ 2,189,916	100.00 %	$ 1,105,000	100.00 %	$ 3,704,207	-- %	$ -- $ (6,347,600)

OTHER FINANCIAL INFORMATION

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Workers' Compensation
As of 06/30/2015

	Self-Insured Program Years												Totals to Page 5A
	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	$ 911,999	$ 1,828,378	$ 2,850,908	$ 2,772,999	$ 2,865,811	$ 4,012,960	$ 2,917,755	$ 5,535,054	$ 5,148,552	$ 4,039,151	$ 3,616,102	$ 4,743,836	$ 41,243,505
Reserves	7,867	- -	76,379	65,042	19,409	46,553	29,273	111,891	11,452	93,287	131,054	173,540	765,747
Incurred Claims	919,866	1,828,378	2,927,287	2,838,041	2,885,220	4,059,513	2,947,028	5,646,945	5,160,004	4,132,438	3,747,156	4,917,376	42,009,252
Incurred But Not Reported (IBNR)	42,604	- -	22,713	131,959	34,780	23,487	52,972	133,055	109,996	197,562	122,844	252,624	1,124,596
Non- Discounted Estimated Ultimate Incurred (1)	962,470	1,828,378	2,950,000	2,970,000	2,920,000	4,083,000	3,000,000	5,780,000	5,270,000	4,330,000	3,870,000	5,170,000	43,133,848
Anticipated Investment Income (Discount) (2)	(2,725)	- -	(5,351)	(12,608)	(3,847)	(5,393)	(6,662)	(20,575)	(10,445)	(25,595)	(22,851)	(39,633)	(155,685)
Discounted Estimated Ultimate (1-2)	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
Paid Claims	(911,999)	(1,828,378)	(2,850,908)	(2,772,999)	(2,865,811)	(4,012,960)	(2,917,755)	(5,535,054)	(5,148,552)	(4,039,151)	(3,616,102)	(4,743,836)	(41,243,505)
Remaining Estimated Unpaid Claim Liabilities	$ 47,746	$ - -	$ 93,741	$ 184,393	$ 50,342	$ 64,647	$ 75,583	$ 224,371	$ 111,003	$ 265,254	$ 231,047	$ 386,531	$ 1,734,658
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
Increase/Decrease	656	- -	1,095	8,425	9,771	66,741	184	(33,882)	103,207	(16,687)	118,803	(15,195)	243,118

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

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

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Workers' Compensation
As of 06/30/2015

	Totals From Page 5	Self-Insured Program Years							Totals To Page 5B
		1995/1996	1996/1997	1997/1998	1998/1999	1999/2000	2000/2001	2001/2002	
Paid Claims	$ 41,243,505	$ 5,224,599	$ 6,930,019	$ 6,712,288	$ 8,896,762	$ 7,226,211	$ 10,595,190	$ 11,511,408	$ 98,339,982
Reserves	765,747	317,255	386,963	668,338	1,703,698	1,105,678	774,680	900,466	6,622,825
Incurred Claims	42,009,252	5,541,854	7,316,982	7,380,626	10,600,460	8,331,889	11,369,870	12,411,874	104,962,807
Incurred But Not Reported (IBNR)	1,124,596	268,146	343,018	559,374	649,540	668,111	600,130	878,126	5,091,041
Non- Discounted Estimated Ultimate Incurred (1)	43,133,848	5,810,000	7,660,000	7,940,000	11,250,000	9,000,000	11,970,000	13,290,000	110,053,848
Anticipated Investment Income (Discount) (2)	(155,685)	(57,369)	(75,188)	(131,365)	(256,503)	(193,343)	(151,229)	(206,317)	(1,226,999)
Discounted Estimated Ultimate (1-2)	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
Paid Claims	(41,243,505)	(5,224,599)	(6,930,019)	(6,712,288)	(8,896,762)	(7,226,211)	(10,595,190)	(11,511,408)	(98,339,982)
Remaining Estimated Unpaid Claim Liabilities	$ 1,734,658	$ 528,032	$ 654,793	$ 1,096,347	$ 2,096,735	$ 1,580,446	$ 1,223,581	$ 1,572,275	$ 10,486,867
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
Increase/Decrease	243,118	14,471	7,213	93,982	(138,800)	72,713	46,960	(44,509)	295,148

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

Alameda County Schools Insurance Group (ACSIG)
Schedule of Claim Liabilities for Workers' Compensation
As of 06/30/2015

	Totals From Page 5A	Self-Insured Program Years 2002/2003	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	As of 06/30/2015 Totals	Activity: As of 06/30/2014 Totals	Activity: 07/01/2014 - 06/30/2015
Paid Claims	$ 98,339,982	$ 9,728,336	$ 5,768,456	$ 5,333,954	$ 8,164,093	$ 7,720,020	$ 8,041,555	$ 8,180,074	$ 151,276,470	$ 147,603,014	$ 3,673,456
Reserves	6,622,825	248,941	570,415	375,694	1,303,980	1,065,160	768,035	549,960	11,505,010	14,423,410	(2,918,400)
Incurred Claims	104,962,807	9,977,277	6,338,871	5,709,648	9,468,073	8,785,180	8,809,590	8,730,034	162,781,480	162,026,424	755,056
Incurred But Not Reported (IBNR)	5,091,041	582,723	751,129	640,352	1,231,927	1,064,820	1,370,410	2,159,966	12,892,368	14,315,424	(1,423,056)
Non- Discounted Estimated Ultimate Incurred (1)	110,053,848	10,560,000	7,090,000	6,350,000	10,700,000	9,850,000	10,180,000	10,890,000	175,673,848	176,341,848	(668,000)
Anticipated Investment Income (Discount) (2)	(1,226,999)	(102,295)	(169,158)	(135,134)	(352,491)	(310,977)	(320,767)	(420,039)	(3,037,860)	(3,567,318)	529,458
Discounted Estimated Ultimate (1-2)	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	172,774,530	(138,542)
Paid Claims	(98,339,982)	(9,728,336)	(5,768,456)	(5,333,954)	(8,164,093)	(7,720,020)	(8,041,555)	(8,180,074)	(151,276,470)	(147,603,014)	(3,673,456)
Remaining Estimated Unpaid Claim Liabilities	$ 10,486,867	$ 729,369	$ 1,152,386	$ 880,912	$ 2,183,416	$ 1,819,003	$ 1,817,678	$ 2,289,887	$ 21,359,518	$ 25,171,516	$ (3,811,998)
								Estimated Current Portion /Short-Term Liability (1)	(1,792,000)		
								Estimated Non-Current portion of Claim Liabilities	$ 19,567,518		
Historical Discounted Estimated Ultimate Incurred:											
As of 06/30/2006	N/A	6,787,000	4,378,000	2,665,000	1,943,000	- -	- -	- -	N/A		
As of 06/30/2007	N/A	7,677,000	5,299,000	3,502,000	3,727,000	3,498,000	- -	- -	N/A		
As of 06/30/2008	N/A	8,867,000	5,704,000	4,776,000	6,673,000	6,867,000	6,117,000	- -	N/A		
As of 06/30/2009	N/A	9,952,286	6,342,724	5,888,070	8,380,255	9,209,624	10,474,925	8,012,622	N/A		
As of 06/30/2010	106,283,540	9,857,770	7,326,142	6,233,943	8,159,431	9,705,395	11,525,318	10,768,305	169,859,844		
As of 06/30/2011	108,216,280	9,806,352	7,347,756	6,873,035	9,276,212	9,956,828	10,929,748	10,770,204	173,176,415		
As of 06/30/2012	108,372,779	11,103,705	7,180,516	6,779,730	9,113,232	10,061,847	10,833,352	11,378,258	174,823,419		
As of 06/30/2013	110,188,855	10,710,077	7,136,860	6,043,782	8,435,497	9,522,890	10,141,142	10,501,500	172,680,603		
As of 06/30/2014	108,531,701	10,454,102	6,798,117	6,067,506	10,203,448	9,772,238	10,362,281	10,585,137	172,774,530		
As of 06/30/2015	108,826,849	10,457,705	6,920,842	6,214,866	10,347,509	9,539,023	9,859,233	10,469,961	172,635,988		
Increase/Decrease	295,148	3,603	122,725	147,360	144,061	(233,215)	(503,048)	(115,176)	(138,542)		

Claim Development Expense	
Claim Liabilities and ULAE Decrease	$ (3,811,998) 285,000 $ (3,526,998)

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

Alameda County Schools Insurance Group
Workers' Compensation
Investment Income Allocation By Program Year
For The Fiscal Year Ended 06/30/2015

	Program Years										Totals Forward to Page 6a
	Prior to 7/1/1992	1992/1993	1993/1994	1994/1995	1995/1996	1996/1997	1997/1998	1998/1999	1999/2000	2000/2001	
Beginning Cash Balance	$ 17,085,506										$ 17,085,506
Operating Revenues:											
Contributions	N/A	4,551,288	4,798,760	5,124,660	5,472,693	5,030,753	5,176,921	5,643,688	6,629,228	6,629,228	49,057,219
Other	N/A	22,275	24,239	31,298	40,413	260,258	285,341	237,002	308,147	308,147	1,517,120
Subtotal	--	4,573,563	4,822,999	5,155,958	5,513,106	5,291,011	5,462,262	5,880,690	6,937,375	6,937,375	50,574,339
Operating Expenses:											
Salaries and Benefits	N/A	(226,598)	(246,291)	(227,420)	(234,243)	(233,373)	(255,153)	(246,251)	(279,403)	(279,403)	(2,228,135)
Supplies	N/A	(3,793)	(9,686)	(9,359)	(9,733)	(9,088)	(9,674)	(6,574)	(6,929)	(6,929)	(71,765)
Depreciation &* Cap Outlay	N/A	(5,343)	(5,599)	(6,388)	(7,288)	(3,239)	(3,773)	(9,608)	(13,975)	(13,975)	(69,188)
Services and Other	N/A	(287,597)	(435,419)	(401,397)	(413,439)	(356,711)	(369,039)	(305,576)	(427,305)	(427,305)	(3,423,788)
Insurance	N/A	--	--	--	--	--	--	--	--	--	--
Subtotal	--	(523,331)	(696,995)	(644,564)	(664,703)	(602,411)	(637,639)	(568,009)	(727,612)	(727,612)	(5,792,876)
Net Contributions Available for Pool Operations	--	4,050,232	4,126,004	4,511,394	4,848,403	4,688,600	4,824,623	5,312,681	6,209,763	6,209,763	44,781,463
Investment Income/(Expense) Allocated From Prior Periods	(5,325,583)	782,810	1,006,582	778,984	900,015	405,660	417,115	240	503,002	(131,898)	(663,073)
Subtotal	11,759,923	4,833,042	5,132,586	5,290,378	5,748,418	5,094,260	5,241,738	5,312,921	6,712,765	6,077,865	61,203,896
Accounts Receivable	--	--	--	--	--	--	--	--	--	--	--
Accounts Payable	--	--	--	--	--	--	--	--	--	--	--
Trust Timing Difference	243,946	34,160	30,583	40,120	44,186	58,609	56,768	75,243	61,114	89,607	734,336
Cumulative Claims Paid	(28,844,416)	(4,039,151)	(3,616,102)	(4,743,836)	(5,224,599)	(6,930,019)	(6,712,288)	(8,896,762)	(7,226,211)	(10,595,190)	(86,828,574)
Cash Balance Prior to Current Year Investment Income Allocation	$ (16,840,547)	$ 828,051	$ 1,547,067	$ 586,662	$ 568,005	$ (1,777,150)	$ (1,413,782)	$ (3,508,598)	$ (452,332)	$ (4,427,718)	$ (24,890,342)
Percentage Based on Cash Balance	-104.20%	5.12%	9.57%	3.63%	3.51%	-11.00%	-8.74%	-21.71%	-2.80%	-27.41%	-154.03%
Investment Income Earned, net change in FMV on Investments	$ (275,750)	$ 13,549	$ 25,326	$ 9,606	$ 9,289	$ (29,110)	$ (23,129)	$ (57,452)	$ (7,410)	$ (72,535)	$ (407,616)
Cash Balance, Including Current Year Investment Income Allocation	$ (17,116,297)	$ 841,600	$ 1,572,393	$ 596,268	$ 577,294	$ (1,806,260)	$ (1,436,911)	$ (3,566,050)	$ (459,742)	$ (4,500,253)	$ (25,297,958)
Cumulative Investment Income/ (Expense) Allocated	$ (5,601,333)	$ 796,359	$ 1,031,908	$ 788,590	$ 909,304	$ 376,550	$ 393,986	$ (57,212)	$ 495,592	$ (204,433)	$ (1,070,689)

Alameda County Schools Insurance Group
Workers' Compensation
Investment Income Allocation By Program Year
For The Fiscal Year Ended 06/30/2015

	Totals Forward Page 6	Program Years								Totals Forward to Page 6b
		2001/2002	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	
Beginning Cash Balance	$ 17,085,506									$ 17,085,506
Operating Revenues:										
Contributions	49,057,219	10,572,276	8,953,336	12,649,046	12,281,869	11,716,171	10,781,648	16,270,929	16,223,575	148,506,069
Other	1,517,120	- -	452,491	478,978	493,347	469,436	351,917	115,583	201,412	4,080,284
Subtotal	50,574,339	10,572,276	9,405,827	13,128,024	12,775,216	12,185,607	11,133,565	16,386,512	16,424,987	152,586,353
Operating Expenses:										
Salaries and Benefits	(2,228,135)	(287,785)	(409,512)	(331,821)	(341,776)	(482,981)	(478,846)	- -	- -	(4,560,856)
Supplies	(71,765)	(7,137)	(10,135)	(14,068)	(14,490)	(9,360)	(44,028)	(1,282)	(4,729)	(176,994)
Depreciation &* Cap Outlay	(69,188)	(14,394)	(13,423)	(12,292)	(12,661)	(7,089)	(6,003)	(7,882)	(7,916)	(150,848)
Services and Other	(3,423,788)	(440,124)	(774,043)	(912,896)	(940,283)	(482,716)	(625,064)	(776,530)	(1,084,843)	(9,460,287)
Insurance	- -	- -	- -	(623,937)	(642,655)	(491,417)	(2,970,761)	(3,310,804)	(2,187,413)	(10,226,987)
Subtotal	(3,492,976)	(749,440)	(1,207,113)	(1,895,014)	(1,951,865)	(1,473,563)	(4,124,702)	(4,096,498)	(3,284,901)	(24,575,972)
Net Contributions Available for Pool Operations	41,288,487	9,822,836	8,198,714	11,233,010	10,823,351	10,712,044	7,008,863	12,290,014	13,140,086	128,010,381
Investment Income/(Expense) Allocated From Prior Periods	(663,073)	738,908	594,406	1,537,950	1,524,406	1,219,599	461,881	776,969	466,196	6,657,242
Subtotal	57,710,920	10,561,744	8,793,120	12,770,960	12,347,757	11,931,643	7,470,744	13,066,983	13,606,282	151,753,129
Accounts Receivable	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Accounts Payable	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Trust Timing Difference	734,336	97,356	82,276	48,786	45,111	69,046	65,291	68,010	69,181	1,279,393
Cumulative Claims Paid	(86,828,574)	(11,511,408)	(9,728,336)	(5,768,456)	(5,333,954)	(8,164,093)	(7,720,020)	(8,041,555)	(8,180,074)	(151,276,470)
Cash Balance Prior to Current Year Investment Income Allocation	$ (24,890,342)	$ (852,308)	$ (852,940)	$ 7,051,290	$ 7,058,914	$ 3,836,596	$ (183,985)	$ 5,093,438	$ 5,495,389	$ 1,756,052
Percentage Based on Cash Balance	-154.03%	-5.27%	-5.28%	43.63%	43.68%	23.74%	-1.15%	31.52%	34.00%	10.84%
Investment Income Earned, net change in FMV on Investments	$ (407,616)	$ (13,946)	$ (13,973)	$ 115,460	$ 115,592	$ 62,824	$ (3,043)	$ 83,413	$ 89,977	$ 28,688
Cash Balance, Including Current Year Investment Income Allocation	$ (25,297,958)	$ (866,254)	$ (866,913)	$ 7,166,750	$ 7,174,506	$ 3,899,420	$ (187,028)	$ 5,176,851	$ 5,585,366	$ 1,784,740
Cumulative Investment Income/ (Expense) Allocated	$ (1,070,689)	$ 724,962	$ 580,433	$ 1,653,410	$ 1,639,998	$ 1,282,423	$ 458,838	$ 860,382	$ 556,173	$ 6,685,930

Alameda County Schools Insurance Group
Workers' Compensation
Investment Income Allocation By Program Year
For The Fiscal Year Ended 06/30/2015

	Totals Forward Page 6a	Program Years									Total
		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015				
Beginning Cash Balance	$ 17,085,506										$ 17,085,506
Operating Revenues:											
Contributions	148,506,069	17,732,079	18,355,131	19,814,161	19,135,522	19,607,187	20,019,868	--	--	--	263,170,017
Other	4,080,284	13,094	--	--	--	--	2,450,000	--	--	--	6,543,378
Subtotal	152,586,353	17,745,173	18,355,131	19,814,161	19,135,522	19,607,187	22,469,868	--	--	--	269,713,395
Operating Expenses:											
Salaries and Benefits	(4,560,856)	--	--	--	--	--	--	--	--	--	(4,560,856)
Supplies	(176,994)	(6,037)	(1,246)	(1,682)	(1,933)	--	--	--	--	--	(187,892)
Depreciation &* Cap Outlay	(150,848)	(10,925)	--	--	--	--	--	--	--	--	(161,773)
Services and Other	(9,460,287)	(772,920)	(602,382)	(537,827)	(486,726)	(453,830)	(427,285)	--	--	--	(12,741,257)
Insurance	(10,226,987)	(16,302,424)	(15,273,424)	(14,963,471)	(16,512,219)	(18,073,558)	######	--	--	--	(109,748,681)
Subtotal	(19,838,122)	(17,092,306)	(15,877,052)	(15,502,980)	(17,000,878)	(18,527,388)	######	--	--	--	(127,400,459)
Net Contributions Available for Pool Operations	108,172,259	652,867	2,478,079	4,311,181	2,134,644	1,079,799	3,645,985	--	--	--	142,312,936
Investment Income/(Expense) Allocated From Prior Periods	6,657,242	23,889	74,394	71,923	20,076	7,394	--	--	--	--	6,854,918
Subtotal	131,915,007	676,756	2,552,473	4,383,104	2,154,720	1,087,193	3,645,985	--	--	--	166,253,360
Accounts Receivable	--	--	--	--	--	--	(98,001)	--	--	--	(98,001)
Accounts Payable	--	--	--	--	--	--	2,815	--	--	--	2,815
Trust Timing Difference	1,279,393	--	--	--	--	--	--	--	--	--	1,279,393
Cumulative Claims Paid	(151,276,470)	--	--	--	--	--	--	--	--	--	(151,276,470)
Cash Balance Prior to Current Year Investment Income Allocation	$ 1,756,052	$ 676,756	$ 2,552,473	$ 4,383,104	$ 2,154,720	$ 1,087,193	$ 3,550,799	$ --	$ --	$ --	$ 16,161,097
Percentage Based on Cash Balance	10.84%	4.19%	15.79%	27.15%	13.30%	6.73%	22.00%	0.00%	0.00%	0.00%	100.00%
Investment Income Earned, net change in FMV on Investments	$ 28,688	$ 11,088	$ 41,786	$ 71,848	$ 35,196	$ 17,807	$ 58,222	$ --	$ --	$ --	$ 264,635
Cash Balance, Including Current Year Investment Income Allocation	$ 1,784,740	$ 687,844	$ 2,594,259	$ 4,454,952	$ 2,189,916	$ 1,105,000	$ 3,609,021	$ --	$ --	$ --	$ 16,425,732
Net Assets/(Deficit):										AP and AR	95,186
										Claim Liabilities Current	(1,792,000)
										Claim Liabilities Net of Current	(19,567,518)
										ULAE	(1,509,000)
										Net Assets/(Deficit)	$ (6,347,600)
Cumulative Investment Income/ (Expense) Allocated	$ 6,685,930	$ 34,977	$ 116,180	$ 143,771	$ 55,272	$ 25,201	$ 58,222	$ --	$ --	$ --	$ 7,119,553

Alameda County Schools Insurance Group
Workers' Compensation
Member Contributions and Calculation of Pro Rata Share Percentage
For The Program Year Ended 06/30/2009

Members	2006/2007 Actual Payroll	Base Rate	Ex Mod	Deposit Rate Per $100/ Payroll	Net Member Contribution	Pro Rata Share %
Alameda COE	$ 20,243,511	$ 2.49	0.79	1.97	$ 398,797	2.46 %
Alameda USD	59,110,248	2.49	0.79	1.97	1,164,472	7.18
Albany USD	22,718,520	2.49	0.76	1.89	429,380	2.65
Castro Valley USD	46,391,262	2.49	0.79	1.97	913,908	5.64
Dublin USD	32,580,618	2.49	0.75	1.87	609,258	3.76
Eden ROP	3,340,177	2.49	0.73	1.82	60,791	0.38
Emery USD	5,673,677	2.49	0.94	2.34	132,764	0.82
Fremont USD	184,487,869	2.49	0.96	2.39	4,409,260	27.20
Livermore USD	67,106,319	2.49	0.70	1.74	1,167,650	7.20
Mission ROP	4,150,131	2.49	1.00	2.49	103,338	0.64
Mt. House SD	241,729	2.49	1.00	2.49	6,019	0.04
Newark USD	41,788,402	2.49	0.77	1.92	802,337	4.95
New Haven USD	79,597,710	2.49	0.84	2.09	1,663,592	10.26
Piedmont USD	18,993,390	2.49	0.70	1.74	330,485	2.04
Pleasanton USD	88,850,786	2.49	0.67	1.67	1,483,808	9.15
San Leandro USD	48,396,385	2.49	0.75	1.87	905,012	5.58
San Lorenzo USD	63,795,592	2.49	0.96	2.39	1,524,715	9.41
Sunol Glen SD	1,441,420	2.49	0.82	2.04	29,405	0.18
Tri Valley ROP	3,541,963	2.49	0.86	2.14	75,798	0.46
Pleasanton Apprentice (1)	--	--	--	--	--	--
Totals	$ 792,449,709				$ 16,210,790	100.00 %

(1) Included in Pleasanton totals.

Alameda County Schools Insurance Group
Workers' Compensation
Member Contributions and Calculation of Pro Rata Share Percentage
For The Program Year Ended 06/30/2010

Members	2007/2008 Actual Payroll	Base Rate	Ex Mod	Ex Mod Adjustment	Revised Ex Mod	Deposit Rate Per $100/ Payroll	Net Member Contribution	Pro Rata Share %
Alameda COE	$ 22,322,093	$ 2.49	0.79	4.30230%	0.82	$ 2.05	$ 457,603	2.58 %
Alameda USD	56,695,795	2.49	0.79	4.85900%	0.83	2.06	1,167,933	6.59
Albany USD	24,178,439	2.49	0.76	5.00000%	0.80	1.99	481,151	2.71
Castro Valley USD	50,373,059	2.49	0.79	5.00000%	0.83	2.07	1,042,722	5.88
Dublin USD	35,946,899	2.49	0.75	5.00000%	0.79	1.96	704,559	3.97
Eden ROP	3,461,373	2.49	0.73	5.00000%	0.77	1.91	66,112	0.37
Emery USD	6,323,649	2.49	0.94	5.00000%	0.99	2.46	155,562	0.88
Fremont USD	195,280,051	2.49	0.96	1.99940%	0.98	2.44	4,764,833	26.87
Livermore USD	68,827,462	2.49	0.70	-1.71020%	0.69	1.71	1,176,950	6.64
Mission ROP	4,909,820	2.49	1.00	5.00000%	1.05	2.61	128,146	0.72
Mt. House SD	247,324	2.49	1.00	5.00000%	1.05	2.60	6,430	0.04
Newark USD	44,042,318	2.49	0.77	5.00000%	0.81	2.01	885,251	4.99
New Haven USD	83,087,213	2.49	0.84	5.00000%	0.88	2.20	1,827,919	10.31
Piedmont USD	19,881,476	2.49	0.70	0.06130%	0.70	1.75	347,926	1.96
Pleasanton USD	95,423,258	2.49	0.67	4.03180%	0.70	1.74	1,660,365	9.36
San Leandro USD	54,167,889	2.49	0.75	5.00000%	0.79	1.96	1,061,691	5.99
San Lorenzo USD	67,067,449	2.49	0.96	5.00000%	1.01	2.51	1,683,393	9.49
Sunol Glen SD	1,449,140	2.49	0.82	5.00000%	0.86	2.14	31,012	0.17
Tri Valley ROP	3,667,600	2.49	0.86	5.00000%	0.90	2.25	82,521	0.48
Pleasanton Apprentice (1)	--	--	--	--	--	--	--	--
Totals	$ 837,352,307						$ 17,732,078	100.00 %

(1) Included in Pleasanton totals.

Alameda County Schools Insurance Group
Workers' Compensation
Member Contributions and Calculation of Pro Rata Share Percentage
For The Program Year Ended 06/30/2011

Members	2008/2009 Actual Payroll	Base Rate	Ex Mod	Ex Mod Adjustment	Revised Ex Mod	Deposit Rate Per $100/ Payroll	Net Member Contribution	Pro Rata Share %
Alameda COE	$ 23,820,987	$ 2.49	0.8240	-5.00000%	0.7828	$ 1.95	$ 464,312	2.53 %
Alameda USD	59,680,061	2.49	0.8284	-5.00000%	0.7870	1.96	1,169,479	6.37
Albany USD	24,313,732	2.49	0.7980	3.00750%	0.8220	2.05	497,649	2.71
Castro Valley USD	51,312,550	2.49	0.8295	5.00000%	0.8710	2.17	1,112,830	6.06
Dublin USD	36,199,672	2.49	0.8652	5.00000%	0.9085	2.26	818,860	4.46
Eden ROP	3,383,239	2.49	0.7665	5.00000%	0.8048	2.00	67,801	0.37
Emery USD	6,462,766	2.49	0.9870	-0.40530%	0.9830	2.45	158,187	0.86
Fremont USD	193,299,097	2.49	0.9791	5.00000%	1.0281	2.56	4,948,181	26.96
Livermore USD	71,358,005	2.49	0.6880	5.00000%	0.7224	1.80	1,283,571	6.99
Mission ROP	4,687,110	2.49	1.0500	-5.00000%	0.9975	2.48	116,417	0.63
Mt. House SD	232,995	2.49	1.0500	5.00000%	1.1025	2.75	6,396	0.03
Newark USD	43,679,839	2.49	0.8820	5.00000%	0.9261	2.31	1,007,252	5.49
New Haven USD	81,673,146	2.49	0.8085	5.00000%	0.8489	2.11	1,726,426	9.41
Piedmont USD	20,878,080	2.49	0.7043	5.00000%	0.7395	1.84	384,447	2.09
Pleasanton USD	94,467,687	2.49	0.6972	5.00000%	0.7321	1.82	1,721,985	9.38
San Leandro USD	51,078,362	2.49	0.7875	5.00000%	0.8269	2.06	1,051,662	5.73
San Lorenzo USD	66,590,154	2.49	1.0080	2.57940%	1.0340	2.57	1,714,471	9.34
Sunol Glen SD	1,461,276	2.49	0.7665	5.00000%	0.8048	2.00	29,284	0.16
Tri Valley ROP	3,399,139	2.49	0.9030	-0.66450%	0.8970	2.23	75,921	0.43
Pleasanton Apprentice (1)	--	--	--	--	-	--	--	--
Totals	$ 837,977,897						$ 18,355,131	100.00 %

(1) Included in Pleasanton totals.

Alameda County Schools Insurance Group
Workers' Compensation
Member Contributions and Calculation of Pro Rata Share Percentage
For The Program Year Ended 06/30/2012

Members	2009/2010 Actual Payroll	Base Rate	Ex Mod	Deposit Rate Per $100/ Payroll	Net Member Contribution	Pro Rata Share %
Alameda COE	$ 21,756,605	2.568	0.7500	$ 1.93	$ 419,032	2.11 %
Alameda USD	61,603,084	2.568	0.8150	2.09	1,289,303	6.51
Albany USD	22,502,237	2.568	0.7500	1.93	433,393	2.19
Castro Valley USD	49,024,313	2.568	0.8200	2.11	1,032,334	5.21
Dublin USD	36,107,076	2.568	0.7500	1.93	695,422	3.51
Eden ROP	3,135,658	2.568	0.8980	2.31	72,310	0.36
Emery USD	6,270,469	2.568	0.8860	2.28	142,669	0.72
Fremont USD	181,106,947	2.568	1.2336	3.17	5,737,259	28.96
Livermore USD	69,147,590	2.568	0.8664	2.22	1,538,475	7.76
Mission ROP	4,381,342	2.568	0.7984	2.05	89,830	0.45
Mt. House SD	229,881	2.568	0.8824	2.27	5,209	0.03
Newark USD	40,672,405	2.568	1.0030	2.58	1,047,601	5.29
New Haven USD	79,414,660	2.568	0.9550	2.45	1,947,597	9.83
Piedmont USD	20,340,499	2.568	0.7500	1.93	391,758	1.98
Pleasanton USD	85,135,799	2.568	0.8784	2.26	1,920,435	9.69
San Leandro USD	50,088,452	2.568	0.9924	2.55	1,276,496	6.44
San Lorenzo USD	62,558,540	2.568	1.0390	2.67	1,669,157	8.42
Sunol Glen SD	1,475,192	2.568	0.7500	1.93	28,412	0.14
Tri Valley ROP	3,378,174	2.568	0.8930	2.29	77,469	0.40
Pleasanton Apprentice (1)	--	--	--	--	--	--
Totals	$ 798,328,923				$ 19,814,161	100.00 %

(1) Included in Pleasanton totals.

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

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

(1) Included in Pleasanton totals.

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

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

(1) Included in Pleasanton totals.

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

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

(1) Included in Pleasanton totals.

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EXECUTIVE SUMMARY

TO: ACSIG Full Board

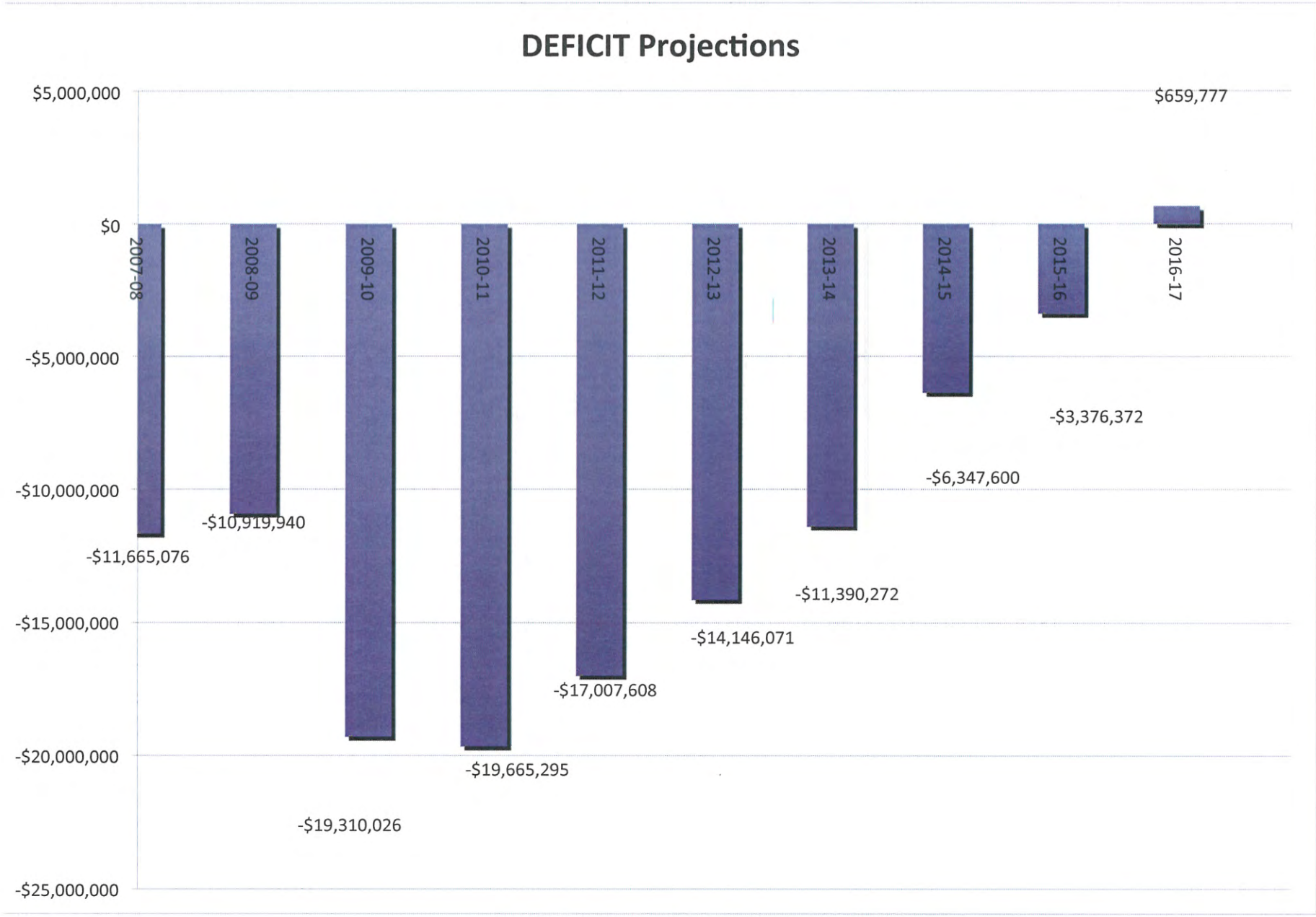
FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: Workers' Compensation Program Deficit

Based upon the 2011 audit report, the Workers' Compensation program had an operating deficit of $19.6 million. 2011-2012 was the first year of several in which $0.35/$100 of payroll was designated to address the deficit. SETECH estimates that the improvement to date to the deficit is over $9 million. An actuarial study has been completed using actual data through December 31, 2015. The deficit as of June 30, 2016 is estimated to be $ 3.3 million

This information will be reviewed by the Executive Director at the meeting. Discussion and possible action will be recommended.


DEFICIT Projections
$5,000,000
$0
-$5,000,000
-$10,000,000
-$15,000,000
-$20,000,000
-$25,000,000
2007-08
2008-09
2009-10
2010-11
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
-$11,665,076
-$10,919,940
-$19,310,026
-$19,665,295
-$17,007,608
-$14,146,071
-$11,390,272
-$6,347,600
-$3,376,372
$659,777

WORKERS COMPENSATION FUND

	DEFICIT	Revenue	TRANSFER	Expenditures	change in financial position		Ending Deficit	Open Tail Claims	Outstanding Liability
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	$ 3,032,682	2014-15	$ (6,347,600)	208	$ 21,359,518
2015-16 budget	$ (6,347,600)	$ 24,592,230		$ 20,419,706	$ 4,172,524	2015-16	$ (2,175,076)	177	$ 18,359,518
2016-17 budget	$ (2,175,076)	$ 28,264,268		$ 25,429,415	$ 2,834,853	2016-17	$ 659,777		
2017-18 budget									

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EXECUTIVE SUMMARY

TO: ACSIG Full Board

FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: 3-year Workers' Compensation Point-in-time

The claims history for the past several years have shown improvement when comparing ACSIG claims to other members of the PIPS program. As a result, ACSIG's experience modification factor (ex-mod) within PIPS is 0.7974. This allows ACSIG to pay less for Workers' Compensation Premiums than the average PIPS member.

While the past two (2) years have shown some increase in severity, the first 9 months of 2015/16 shows improvement in both frequency and severity. With effective and consistent return to work practices, injured workers can be returned to the work place thus reducing total temporary disability payments. Additionally, the service team is working diligently with members to implement positive risk management techniques.

The report will be reviewed with the Board of Directors. Please feel free to direct any specific questions to the service team. We will be happy to work with you directly.

Keenan & Associates

Point in Time Comparison Report

Superpool name : Protected Insurance Program For Schools JPA (PIPS)
Pool member : Alameda County Schools Insurance Group - PIPS
Account name :

Incident from dt : 07/01/2013
Incident to dt : 04/30/2014
Valuation dt : Apr 2014, Apr 2015, Apr 2016

Alameda County Schools Insurance Group - PIPS

Frequency and Severity

	7/1/2013 - 4/30/2014		7/1/2014 - 4/30/2015		7/1/2015 - 4/30/2016		Totals	
District Count(18)	Frequency	Severity	Frequency	Severity	Frequency	Severity	Frequency	Severity
Alameda County Office of Education	6	$2,970	5	$256,635	7	$145,274	18	$404,879
Alameda Unified School District	35	$178,593	51	$576,705	43	$379,755	129	$1,135,053
Albany Unified School District	16	$129,857	15	$39,178	15	$100,596	46	$269,631
Castro Valley Unified School District	35	$244,072	50	$621,937	23	$90,835	108	$956,844
Dublin Unified School District	21	$68,212	28	$132,057	22	$114,085	71	$314,353
Eden Area ROP	3	$1,560	1	$1,548	3	$12,710	7	$15,819
Emery Unified School District	9	$55,889	1	$264	3	$77,393	13	$133,546
Fremont Unified School District	118	$1,043,520	94	$1,244,973	114	$1,088,853	326	$3,377,345
Livermore Valley Joint Unified School District	49	$662,320	43	$622,638	50	$662,410	142	$1,947,369
Mission Valley ROP	2	$3,000	0	$0	1	$1,000	3	$4,000
New Haven Unified School District	47	$300,974	55	$350,826	57	$399,538	159	$1,051,338
Newark Unified School District	37	$116,357	25	$270,481	22	$244,574	84	$631,412
Piedmont Unified School District	10	$27,412	12	$125,667	12	$105,195	34	$258,275
Pleasanton Unified School District	61	$329,635	59	$670,515	39	$666,422	159	$1,666,571
San Leandro Unified School District	35	$143,966	34	$330,384	37	$255,806	106	$730,156
San Lorenzo Unified School District	58	$293,875	58	$564,970	59	$255,956	175	$1,114,801
Sunol Glen School District	0	$0	0	$0	1	$122	1	$122
Tri Valley Regional Occupational Program	3	$456	2	$3,096	1	$553	6	$4,105
Totals	**545**	**$3,602,667**	**533**	**$5,811,874**	**509**	**$4,601,076**	**1,587**	**$14,015,617**

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EXECUTIVE SUMMARY

TO: ACSIG Full Board

FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: 2016/2017 Executive Committee Vacancy

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. This year we have four (4) seats available on the Executive Committee

Susan Kinder	Member
Annette Heldman	Member
Allan Garde	Member
Luz Cazares	Member

We currently have 4 seats up due to the rotation. These seats seats will serve through June 2018. The Susan Kinder, Annette Heldman and Allan Garde have agreed to sit for another two years.

The Board will be asked to make appointments to the Executive Committee.

Alameda County Schools Insurance Group

Executive Committee Officers and Terms

MEMBER	OFFICE	TERM EXPIRES
Susan Kinder	Secretary	2016
Luz Cázares	Member	2016
Annette Heldman	Member	2016
Allan Garde	Member	2016
Dr. Candi Clark	President	2017
Raul Parungao	Vice President	2017
Akur Varadarajan	Member	2017

**Officers serve a one year term.

**Committee members are elected for 2 years.

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EXECUTIVE SUMMARY

TO: ACSIG Full Board

FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: Employee Compensation

Enclosed please find the existing salary schedule for the Alameda County Schools Insurance Group (ACSIG). ACSIG currently has an Executive Director, one (1) full time Administrative Assistant Position and a .5 FTE Benefit Technician.

ACSIG staff salary requests are annually reviewed in conjunction with the salary increases negotiated throughout Alameda County. The average of the Districts that have settled for 2015/2016 was 3.715.

With the financial picture for many within California and Alameda County continuing to improve this year, the staff is requesting consideration of a 3.5% salary schedule increase. The total cost of this would be $9,055.

This item will be discussed at the meeting and action taken as necessary.

16 of the 19 members have settled negotiations for the 2015-16 Fiscal Year.
The average increase of these 16 members was 3.71%
The ACSIG Staff respectfully request a 3.5% salary increase for 2015-16.

Annual Cost of 3.5% Salary Increase

	Salary	Benefits	Total
Kimberly	$ 5,356.00	$ 661.47	$ 6,017.47
Celina	$ 1,859.00	$ 229.59	$ 2,088.59
Amy	$ 845.03	$ 104.36	$ 949.39
TOTAL	$ 8,060.03	$ 995.41	$ 9,055.44

ACSIG Salary Schedule
2015/2016
with 3.5% increase

	1	2	3	4	5
Claims Assistant	$41,117	$43,173	$45,332	$47,598	$49,978
Claims Examiner	$64,468	$67,691	$71,076	$74,630	$78,363
Executive Assistant					
to Executive Director	$50,733	$52,833	$54,981	$57,180	$59,426
Clerical/Office Assistant	$16.00				
Claims Asst. Hourly	$19.77	$20.76	$21.79	$22.88	$24.03
Claims Exam. Hourly	$30.99	$32.54	$34.17	$35.88	$37.67
Admin Asst. Hourly	$24.39	$25.40	$26.43	$27.49	$28.57

Alameda County Schools Insurance Group

Executive Director Pay Schedule

2015/2016
with 3.5 % adjustment

	Step 1	Step 2	Step 3	Step 4	Longevity I	Longevity II	Longevity III
Annual	$140,262	$144,760	$149,258	$153,756	$158,389	$163,163	$168,081
Monthly	$11,688.51	$12,063.29	$12,438.17	$12,813.04	$13,199.12	$13,596.90	$14,006.66

Effective July 1, 2014
Move to Longevity I after 3 years on Step 4
Move to Longevity II after 3 years on Longevity II
Move to Longevity III after 3 years on Longevity II

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EXECUTIVE SUMMARY

TO: ACSIG Full Board

FROM: Kimberly Dennis

DATE: May 26, 2016

SUBJECT: 2016/2017 Draft Calendar

Enclosed is a draft calendar for the 2016/2017 fiscal year. We try to coordinate our full Board meetings with the monthly CBO meeting, however, that calendar has not been finalized. We have coordinated with the County Office of Education to avoid duplicating meeting dates and any foreseen conflicts.

Please check these dates at your earliest convenience and notify Celina Flotte of any conflicts.



2016/2017 Calendar

November 10, 2016	Executive Committee	9am-noon
November 17, 2016	Joint Full Board w/HR	12pm with lunch
December 15, 2016	Executive Committee	9am-noon
February 16, 2017	Executive Committee	9am-noon
May 11, 2017	Executive Committee	9am-noon
May 25, 2017	Joint Full Board	12pm with lunch