



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

MINUTES
Executive Committee

Date: Thursday, November 1, 2018
Time: 9:30AM
Location: Alameda County Office of Education
 313 W. Winton Ave.
 Hayward, CA 94544

I. This meeting was called to order at 9:57 AM

Executive Committee Members

Annette Heldman	President	New Haven USD
Susan Kinder	Vice Present	Livermore Valley Joint USD
Tricia Feucht	Alternate	Castro Valley 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
Ron Martin	Guest	Keenan & Associates
Michael Clark	Guest	Keenan & Associates
Laurena Grabert	Guest	SETECH
Cary Allison	Guest	Morgan Stanley

II. Acceptance of the Agenda

It was moved by Raul Parungao and seconded by Susan Kinder to approve the agenda as presented.

III. Public Comment on Closed Session Agenda Items

No public present to comment.

IV. Closed Session

Closed session began at 9:59 AM.

Open Session

Open session began at 10:36 AM.

V. Public Comment on Open Session Agenda Items

No public present to comment.

VI. Report of Action Taken in Closed Session

The executive committee took action to request up to \$360K settlement authority for claim 2203078.

A. Settlement Authorization

• Claim Numbers:

2203078 Olson

B. Settlement Notification

• Claim Numbers:

403449	Zanganeh	494951	Elkin	523336	Kapoor	533073	Englehart	547304	Yamagata
439313	Glenn-Juuko	500671	Caraballo	525586	Robillard	534221	Villasenor	2201175	Barrozo
452584	Baumann	503999	Castillo	526194	Martinez	534546	Kumamoto	2202066	Molina
464241	Zanganeh	511385	Jiran	528237	Jimenez	535480	Andrews	2202378	Zanganeh
471953	Lopez	514357	Groody	528288	Sparks	536585	Birla		
487000	Ryan	517765	Sims	528731	Ball, Kelly	536731	Mumper		
487084	Whiteside	518545	Grajeda	528855	Burns	541856	Middleton		
489366	Garcia	518545	Grajeda	529709	Chhaya	542479	Mccracken		
489397	Zanganeh	519006	Williams	530346	Sweeney	543866	Lubber		
489900	Alcott	519685	Doeschot	532661	Castillo	546093	Schuck		

C. CastlePoint/ Reinsurance Update

Ron Martins of Keenan discussed the status summary memo, loss run and calculation of ACSIG potential exposure.

D. Executive Director Evaluation

The Executive Committee reviewed the Executive Director’s Annual Job Performance Review.

VII. Open Session

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 agenda and non-agenda 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

Report of Action Taken in Closed Session

VIII. Approval of Minutes

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

It was moved by Raul Parungao and seconded by Susan Kinder to approve the Executive Committee Meeting minutes from May 10, 2018, Full Board minutes from May 17, 2018 and the Strategic Planning minutes from June 28, 2018.

Ayes: Heldman, Parungao, Kinder, Feucht.

Nays: None.

Abstain: None.

General Business

IX. Recruitment to Executive Committee

The Executive Committee has suggested recruiting Piedmont USD to the Executive Committee.

X. 2017/18 Fourth Quarter Financials

Laurena Grabert from SETECH presented the 2017/18 4th Quarter Financials.

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

	2016/2017		2017/2018			Percentage of Budget
	Budget	Audited Actuals	Budget	Audited Actuals	Variance	
Operating Revenue:						
Premiums Paid by Members	\$ 147,391,081	\$ 158,165,112	\$ 156,427,872	\$ 165,692,065	\$ (9,264,193)	105.92 %
Return of Premiums	--	--	--	(1,145,883)	--	--
Other Income	--	247	--	--	--	--
Total Operating Revenue	147,391,081	158,165,359	156,427,872	164,546,182	(9,264,193)	105.19
Operating Expenditures:						
Classified Salaries	216,778	237,143	251,051	286,178	(35,127)	113.99
Statutory Benefits	55,498	70,823	56,552	31,954	24,598	56.50
Health & Welfare	39,000	47,037	39,000	47,510	(8,510)	121.82
Employer Tax Expense	3,411	3,915	3,477	4,443	(966)	127.79
Net Pension Expense	--	(47,757)	39,345	(19,171)	230,516	(485.88)
Telephone & Internet	5,230	6,380	7,350	6,102	1,248	83.03
Supplies Office	5,230	1,675	4,200	1,885	2,315	44.87
Supplies - Other	5,230	1,946	2,625	3,276	(651)	124.80
Eligibility Processing	252,000	208,279	240,000	213,141	26,859	88.81
Brokerage Fees-Dental-ACSIG	276,000	271,257	288,000	293,050	(5,050)	101.75
Brokerage Fees-Dental-MD	300,000	402,435	350,000	410,333	(60,333)	117.24
Travel and Conferences	21,000	22,739	23,300	10,458	12,642	45.27
Mileage	8,925	5,370	8,925	6,756	2,169	75.70
Dues & Memberships	1,575	6,635	1,575	1,635	(60)	103.81
Postage & Meter	3,400	7,265	8,330	3,875	4,475	46.41
Insurance Expense-PIPS&NCR	23,989,931	20,585,426	25,192,893	21,028,823	4,164,070	83.47
Insurance Expense-PV Adj	1,800,000	2,212,707	2,000,000	749,186	1,250,814	37.46
Utility - Operating Rent	35,420	33,655	39,388	36,395	2,993	92.40
Advertising	2,100	--	600	--	600	--
Contract Services	8,426	17,630	26,275	8,272	18,003	31.48
Contract Services -Claim Audit	--	--	20,000	15,570	4,430	77.85
Contract Services	10,000	--	6,375	--	6,375	--
Audit Fees	14,175	13,230	15,540	13,500	2,040	86.87
Other Services/Operating Expenses	5,230	2,499	10,500	5,614	4,886	53.47
Capital Equipment/Depreciation	2,530	592	2,625	592	2,033	22.55
Repairs & Maintenance	4,800	--	3,675	--	3,675	--
Legal	2,530	--	2,100	--	2,100	--
Accounting Services	15,730	14,000	15,750	14,420	1,330	91.56
County Courier	3,675	--	4,200	3,568	632	84.94
Shedding	1,575	782	1,574	851	723	54.05
Copy & Scanner	15,000	10,928	15,000	10,277	4,723	68.51
Claims Administration Services	190,000	179,067	154,000	166,909	(12,909)	108.38
Self Insurance Fee	245,000	261,221	290,000	297,811	(7,811)	102.69
Claims Paid-WC	3,000,000	1,280,507	2,900,000	1,001,753	1,498,247	40.07
Claims Paid-PL	80,000	27,495	50,000	53,650	(3,650)	107.30
Physical Abilities Testing	10,000	10,045	25,000	14,004	10,996	56.02
Training	5,000	--	20,000	--	20,000	--
First-Aid Program	10,000	23,945	10,000	23,953	(13,953)	239.53
Food Service Training	10,000	--	5,000	--	5,000	--
Special Ed Training	10,000	--	15,000	--	15,000	--
Incentives	--	--	--	28,539	(28,539)	--
Safety Inspections	12,445	--	12,445	12,445	--	--
Bank Charge & WC Penalty Reimb	15,000	26,826	17,200	21,071	(3,871)	122.51
Costa Premiums	250,000	188,075	242,000	246,832	(4,832)	102.00
Dental Insurance Premiums	113,877,908	122,317,587	123,000,000	129,945,472	(6,945,472)	105.65
Vision Insurance Premiums	2,758,000	3,677,690	3,340,000	4,066,932	(726,932)	121.76
Claims Development Expense	(2,430,000)	(1,819,353)	(2,510,000)	(357,335)	(2,152,665)	14.24
ACA Fees	--	--	--	--	--	--
Total Operating Expenditures	144,867,892	150,309,757	155,850,690	138,538,548	(2,687,858)	101.72 %
Net Increase/(Decrease) from Operations	2,523,189	7,855,602	577,182	6,007,634	(6,576,335)	104.86 %
Non Operating Income/(Expense)						
Interest Income	218,230	338,231	251,900	499,738	(268,238)	215.87
Net Increase/(Decrease) in Fair Value	--	(337,414)	--	(341,266)	341,266	--
Realized Gain/(Loss) on Investments	--	19,201	--	644	(644)	--
Cumulative effect of GASB 68	--	--	--	--	--	--
Interfund Trans, Other Inc /Exp	--	--	--	--	--	--
Total Non Operating Income/(Expense)	218,230	20,018	251,900	159,116	72,384	68.73 %
Net Increase/(Decrease) in Net Position	\$ 2,741,419	\$ 7,875,620	\$ 829,082	\$ 6,166,750	\$ (6,503,951)	762.57 %
Beginning Balance Prior Year End	\$ 7,729,244	\$ 7,729,244	15,604,864	\$ 15,604,864	\$ 592	100.00 %
Audited Ending Balance, as of 06/30/2018	\$ 10,470,663	\$ 15,604,864	\$ 16,433,946	\$ 21,771,614	\$ (6,503,359)	

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It was moved by Susan Kinder and seconded by Raul Parungao to recommend approval of the 4th Quarter Financials to the Board.

Ayes: Heldman, Parungao, Kinder, Feucht.

Nays: None.

Abstain: None.

XI. 2017/18 Audit

The Executive Director reviewed the 2017/18 Audit with the Executive Committee. This was the sixth year with Christy White Associates and the audit went very smoothly with no findings.

It was moved by Susan Kinder and seconded by Raul Parungao to recommend approval of the Audit to the Board.

Ayes: Heldman, Parungao, Kinder, Feucht.

Nays: None.

Abstain: None.

XII. 2018/19 First Quarter Financials

Laurena Grabert from SETECH presented the 2018/19 1st Quarter Financials.

It was moved by Raul Parungao and seconded by Tricia Feucht to recommend approval of the 1st Quarter Financials to the Board.

Ayes: Heldman, Parungao, Kinder, Feucht.

Nays: None.

Abstain: None.

**Alameda County Schools Insurance Group (ACSIG)
Consolidated**

**Statement of Revenues, Expenditures and Changes in Net Position
As of 09/30/2018 and For The Three Months Then Ended**

	2017/2018		2018/2019			Percentage of Budget
	Budget	Audited Actuals	Budget	Activity 07/01/2018- 09/30/2018	Variance	
Operating Revenue:						
Premiums Paid by Members	\$ 156,427,872	\$ 165,692,065	\$ 158,439,211	\$ 38,629,492	\$ 119,809,719	24.38 %
Return of Premiums	--	(1,145,888)	--	--	--	--
Other Income	--	--	--	--	--	--
Total Operating Revenue	156,427,872	164,546,182	158,439,211	38,629,492	119,809,719	24.38
Operating Expenditures:						
Classified Salaries	251,051	286,178	251,917	49,749	202,168	19.75
Statutory Benefits	56,552	31,954	88,316	5,621	82,695	6.36
Health & Welfare	39,000	47,510	51,190	7,880	43,310	15.39
Employer Tax Expense	3,477	4,443	4,769	954	3,815	20.00
Net Pension Expense	39,345	(191,171)	51,788	22,722	29,066	43.87
Telephone & Internet	7,350	6,102	7,350	1,259	6,091	17.13
Supplies Office	4,200	1,885	4,200	289	3,911	6.87
Supplies - Other	2,625	3,276	4,200	402	3,798	9.56
Eligibility Processing	240,000	213,141	246,077	34,048	212,029	13.84
Brokerage Fees-Dental-ACSIG	288,000	293,050	294,000	23,418	270,582	7.97
Brokerage Fees-Dental-MD	350,000	410,333	425,000	125,018	299,982	29.42
Travel and Conferences	25,100	10,458	23,300	929	22,371	4.02
Mileage	8,925	6,756	8,925	1,419	7,506	15.90
Dues & Memberships	1,575	1,635	7,350	885	6,465	12.04
Postage & Meter	8,350	3,875	10,000	3,872	6,128	38.72
Insurance Expense-PPS&NCR	25,192,893	21,028,823	24,950,383	5,260,781	19,689,602	21.08
Insurance Expense-PV Adj	2,000,000	749,186	2,000,000	--	2,000,000	--
Utility - Operating Rent	39,388	36,395	36,461	9,195	27,266	25.22
Advertising	600	--	600	--	600	--
Contract Services	26,275	8,272	31,275	--	31,275	--
Contract Services - Claims Audit	20,000	15,570	--	--	--	--
Contract Services	6,375	--	6,375	--	6,375	--
Audit Fees	15,540	13,500	16,275	--	16,275	--
Other Services/Operating Expenses	10,500	5,614	10,500	1,154	9,346	10.99
Capital Equipment/Depreciation	2,625	592	3,900	592	3,308	15.18
Repairs & Maintenance	3,675	--	3,675	--	3,675	--
Legal	2,100	--	2,100	--	2,100	--
Accounting Services	15,750	14,420	15,750	14,850	900	94.29
County Courier	4,200	3,568	4,200	--	4,200	--
Shredding	1,574	851	2,100	154	1,946	7.31
Copy & Scanner	15,000	10,277	15,000	1,597	13,403	10.65
Claims Administration Services	154,000	166,909	174,000	38,500	135,500	22.13
Self Insurance Fee	290,000	297,811	325,000	--	325,000	--
Claims Paid-WC	2,500,000	1,001,733	1,750,000	259,400	1,490,600	14.82
Claims Paid-PL	30,000	53,650	100,000	10,749	89,251	10.75
Physical Abilities Testing	25,000	14,004	35,000	735	34,265	2.10
Training	20,000	--	40,000	--	40,000	--
First Aid Program	10,000	25,933	30,000	2,799	27,201	9.33
Food Service Training	30,000	--	--	--	--	--
Risk Mgmt Prev Program	--	--	30,000	--	30,000	--
Incentives	--	28,539	--	1,068	(1,068)	--
Safety Inspections	12,445	12,445	12,446	--	12,446	--
Bank Charge & WC Penalty Reimb	17,200	21,071	41,000	1,347	39,653	3.29
Other Premiums	242,000	246,832	250,000	40,948	209,052	16.38
Dental Insurance Premiums	123,000,000	129,945,472	123,120,000	29,515,061	93,604,939	23.97
Vision Insurance Premiums	3,340,000	4,066,932	3,950,000	1,287,644	2,662,356	32.60
Claim Development Expense	(2,510,000)	(357,335)	(2,000,000)	(107,676)	(1,892,324)	5.38
ACA Fees	--	--	--	--	--	--
Total Operating Expenditures	155,860,090	158,538,549	156,434,222	36,617,362	119,816,860	23.41 %
Net Increase/(Decrease) from Operations	567,182	6,007,633	2,004,989	2,012,130	(7,041)	100.36 %
Non Operating Income/(Expense)						
Interest Income	231,500	499,740	376,500	93,277	283,224	24.77
Net Increase/(Decrease) in Fair Value	--	(341,266)	--	(25,793)	25,793	--
Realized Gain/(Loss) on Investments	--	644	--	644	(644)	--
Cumulative effect of GASB 68	--	--	--	--	--	--
Interfund Trans, Other Inc/Exp	--	--	--	--	--	--
Total Non Operating Income/(Expense)	231,500	199,118	376,500	68,128	308,373	18.10 %
Net Increase/(Decrease) in Net Position	\$ 798,682	\$ 6,166,751	2,381,489	\$ 2,080,258	\$ 301,232	87.35 %
Beginning Balance Prior Year End	\$ 15,004,864	\$ 15,004,864	21,771,614	\$ 21,771,614	\$ 592	100.00 %
Ending Balance, as of 09/30/2018	\$ 16,403,546	\$ 21,771,614	\$ 24,153,103	\$ 23,851,872	\$ 301,821	

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XIII. 2017/18 Fourth Quarter Investment Report

Cary Allison presented the 2017/18 4th Quarter investment report.

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

Total Ending Value	\$16,131,338.11		
<i>Rolling Periods</i>			
Quarter to Date	0.18%		
Year to Date	-0.29%		
Last 12 Months	-0.42%		
Last 3 Years	0.45%		
Last 5 Years	0.75%		
Since Inception (annualized %)	0.97%		
<i>Calendar Years</i>		<i>Fiscal Years</i>	
2018 YTD	-0.29%	2017-18	-0.42%
2017	0.59%	2016-17	-0.35%
2016	0.99%	2015-16	2.13%
2015	0.87%	2014-15	1.09%
2014	1.01%	2013-14	1.32%
2013	-0.03%	2012-13	0.48%
2012	2.44%	2011-12	1.75%
2011	1.91%		
2010 (partial year)	0.29%		

It was moved by Susan Kinder and seconded by Tricia Feucht to recommend approval of the 4th Quarter Investment Report to the Board.

Ayes: Heldman, Parungao, Kinder, Feucht.

Nays: None.

Abstain: None.

XIV. 2018/19 First Quarter Investment Report

Cary Allison presented the 2018/19 1st Quarter investment report.

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

Total Ending Value	\$16,173,386.50		
<i>Rolling Periods</i>			
Quarter to Date	0.26%		
Year to Date	-0.03%		
Last 12 Months	-0.43%		
Last 3 Years	0.34%		
Last 5 Years	0.70%		
Since Inception (annualized %)	0.97%		
<i>Calendar Years</i>		<i>Fiscal Years</i>	
2018 YTD	-0.03%	2018-19	0.26%
2017	0.59%	2017-18	-0.42%
2016	0.99%	2016-17	-0.35%
2015	0.87%	2015-16	2.13%
2014	1.01%	2014-15	1.09%
2013	-0.03%	2013-14	1.32%
2012	2.44%	2012-13	0.48%
2011	1.91%	2011-12	1.75%
2010 (partial year)	0.29%		

It was moved by Raul Parungao and seconded by Susan Kinder to recommend approval of the 1st Quarter Investment Report to the Board.

Ayes: Heldman, Parungao, Kinder, Feucht.

Nays: None.

Abstain: None.

XV. Annual Report

The Executive Director presented the 2017/18 Annual Report. The report will be presented to the Full Board at the meeting on November 8, 2018.

XVI. FBC Partnership

The Executive Director discussed the potential partnership with FBC for the dental coalition.

Workers Compensation

XVII. 2018/19 Service Plan

Tara Cooper-Salaiz reviewed the 2018/19 Service Plan and San Leandro meeting model for training opportunities with the Executive Committee. The service team consists of Tara Cooper-Salaiz as Account Manager, Michael Clark as Claims Analyst, Dave Kundert as Loss Control Consultant, Patrice Grant as Claims Manager, and Ron Martin as Account Executive. The Service Plan is a tool to show what the team wants to complete within the upcoming year.

XVIII. Telemedicine

Michael Clark from Keenan discussed this program offering as part of the PIPS program. This telephonic triage is for minor injuries only and can prescribe medications if needed.

XIX. Workers Compensation Claims History

The Executive Director reviewed the Workers Compensation Claims History with the Executive Committee. As resources are dedicated to improve frequency and severity of injuries within ACSIG, it is important to review claims data to evaluate the effectiveness of programs. Through analysis, we can identify trends within the districts.

XX. Future Planning

XXI. Adjournment