



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

MINUTES Executive Committee

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

I. Susan Kinder called the meeting to order at 9:05am, with a quorum of members present.

II. Roll call

Executive Committee Members

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

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

Tara Cooper-Salaiz	Guest	Keenan & Associates
Patrice Grant	Guest	Keenan & Associates
Laurena Grabert	Guest	SETECH

III. Acceptance of the Agenda

It was moved by Akur Varadarajan and seconded by Candi Clark to approve the agenda as presented.

Ayes: Clark, Kinder, Parungao, and Varadarajan

Nays: None

Abstain: None

IV. Public Comment on Closed Session Agenda Items

No public present to comment.

Closed Session

Closed session began at 9:06am.

Open Session

Open session began at 9:10am.

V. Public Comment on Open Session Agenda Items

No public present to comment.

VI. Report of Action Taken in Closed Session

It was moved by Akur Varadarajan and seconded by Candi Clark to approve settlement notifications listed below.

Ayes: Clark, Kinder, Parungao, and Varadarajan

Nays: None

Abstain: None

Settlement Authorization

Claim Numbers: N/A

Settlement Notification

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

VII. Approval of Minutes

It was moved by Raul Parungao and seconded by Akur Varadarajan to approve the March 12, 2015 Executive Committee Meeting minutes as presented.

Ayes: Clark, Kinder, Parungao, and Varadarajan

Nays: None

Abstain: None

Workers Compensation

VIII. Actuarial Study

The Executive Director presented the updated Ex-mods spreadsheet from the March 12, 2015 meeting. The spreadsheet now includes 5 years of data as per the Executive Committee's request at that meeting.

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

IX. 2015/2016 Workers Compensation Rates

The Executive Director presented the Workers' Compensation Rates for the 2015/2016 program year at the March 12, 2015 Executive Committee meeting. The Executive Committee had requested a review of the past 5 years of Ex Mods factor be brought to today's meeting. There was also an adjustment to the payroll because it was calculated with the rates based upon the prior years audited payroll and PIPS is paid based upon current year estimated payroll and adjusted to current year actuals. In order to accommodate the variance in payroll between the two calculations, \$1,000,000 was added. This brought the base rate to \$2.90.

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

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

Average Ex Mod 1.00000

Payrolls based upon 2013/2014 Unaudited Actuals Reports provided by ACOE

* includes apprentice program

Rate Build UP

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

est. 15/16 payroll \$ 870,272,794.00

It was moved by Akur Varadarajan and seconded by Candi Clark to approve the 2015/2016 Workers' Comp. Rates as presented.

Ayes: Clark, Kinder, Parungao, and Varadarajan

Nays: None

Abstain: None

X. Keenan TPA Agreement

Tara Salaiz from Keenan & Associates presented the TPA agreement to the committee. Prior to July 2009 ACSIG was self-insured, self-administered. Due to claims still being open prior to that date, we have contracted with Keenan & Associates to administer those claims to maintain consistency within the claims process. The Executive Director requests that the committee agrees to continue the contract with Keenan & Associates to maintain the consistency of the program. The contract proposes no increase until the 15/16 year due to Prime increases and the contract will be brought back to the Committee at that time.

It was moved by Raul Parungao and seconded by Akur Varadarajan to approve the Keenan TPA agreement as presented.

Ayes: Clark, Kinder, Parungao, and Varadarajan

Nays: None

Abstain: None

Dental

XI. Dental Rates 2015/2016

The Executive Director presented the 2015/2016 Dental rate recommendations to the Executive Committee. It is requested that this year we continue with no rate increase due to growth of 2.4% in the program. ACSIG dental pool has exceeded 90,000 lives so the administrative rate from Delta Dental has gone from 5.87% of claims to 5.86%. The Executive Director would like to maintain 0% renewal increase and issue another rebate due to the success of the program and good PR that was received with the rebate last year. The rebate benefits all members where as maintaining a flat rate only benefits the Self-Insured clients.

It was moved by Candi Clark and seconded by Raul Parungao to approve Dental Rates plus a \$200,000 rebate.

Ayes: Clark, Kinder, Parungao, and Varadarajan

Nays: None

Abstain: None

XII. Actuarial Study-Dental

The Executive Director presented the March 31, 2015 Actuarial study for the Dental Program. Jack Joyce of Bay Actuarial recommends a reserve of \$1.716 million to meet the financial liability of the program. ACSIG currently has a reserve of \$4 million.

It was moved by Raul Parungao and seconded by Candi Clark to approve the Dental Actuarial Study to the Full Board consent calendar.

Ayes: Clark, Kinder, Parungao, and Varadarajan

Nays: None

Abstain: None

Vision

XIII. Vision Rates 2015/2016

The Executive Director presented the 2015/16 Vision rate recommendations to the committee. The program has shown 14.9% growth and continues to grow due to ACSIG allowing members to design their own custom plans in which the member (group) assumes liability for. Other programs being offered tend to be more regimented. Due to the programs growth, trends in performance, and VSP's administrative fees being reduced from 13.5% to 10.5% the Executive Director recommend a 0% fee renewal.

It was moved by Candi Clark and seconded by Raul Parungao to approve the Vision rates as presented with no increase.

Ayes: Clark, Kinder, Parungao, and Varadarajan

Nays: None

Abstain: None

Property & Liability

XIV. Property & Liability Actuarial Study

The Executive Director presented the Property & Liability Actuarial Study. Based on projections Jack Joyce of Bay Actuarial estimates our reserve should be \$77.2 (\$77.6 undiscounted) with a discounted .5% interest.

There are only 5 members in the ACSIG pool and they attach at NCR \$25,000 layer.

It was moved by Akur Varadarajan and seconded by Candi Clark to approve Property & Liability Actuarial Study to the Full Board consent calendar. .

Ayes: Clark, Kinder, Parungao, and Varadarajan

Nays: None

Abstain: None

XV. Property & Liability Rates 2015/2016

The Executive Director presented the 2015/16 Property and Liability rates. ACSIG has 5 members in the Property & Liability pool, which attaches to NCR at the \$25,000 SIR. In 2014/15 there were zero claims but the years before had sizable claims which have not dropped off. ACSIG's current ex-mod is 1.29 within NCR. NCR rates have increased significantly. The rates for ACSIG are currently showing a 19.5% increase. Additionally, ACSIG needs to fund a \$100,000 loss fund to pay our SIR for 2 claims in Property and 2 claims in Liability along with the \$12,250 safety inspection.

It was moved by Raul Parungao and seconded by Candi Clark to approve the Vision rates as presented with no increase.

Ayes: Clark, Kinder, and Parungao.

Nays: None

Abstain: Varadarajan

2015/2016 estimated Property & Liability Program Rates

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

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

General

XVI. Third Quarter Financial Report

Laurena Grabert from SETECH presented the 2014/2015 third quarter financials report.

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

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

Footnote:

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

Alameda County Schools Insurance Group (ACSIG)

Consolidated

Statement of Revenues, Expenditures and Changes in Net Position

For The Nine Months Ended 03/31/2015

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

Unaudited - Ending Net Position, as of 03/31/2015 \$ 1,515,160

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XVII. Third Quarter Investment Report

The Executive Director reviewed the 2014/15 third quarter investment report with the Executive Committee.

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

Date of Report 12/31/14

Inception date 07/12/10

Beginning Total Value \$9,999,850.00

Net Contributions/Withdrawals \$5,033,025.75

Appreciation + Income \$756,482.16

Total Ending Value \$15,789,357.91

Current Quarter 0.37%

Year to Date 1.02%

Since Inception (annualized % per year) 1.24%

Historical Time Weighted Return % (Net of fees)

Last 3 Years (annualized % per year) 1.14%

Last 5 Years (annualized % per year) -

Year 2010 0.29%

Year 2011 1.91%

Year 2012 2.44%

Year 2013 -0.03%

Year 2014 1.01%

Corporate bonds as percentage of portfolio 28.87%

XVIII. 2015/2016 Budget

The Executive Director reviewed the 2015/16 Budget with the requested Workers Compensation changes.

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

	Budget 2015/2016	Allocations	Change in Accruals	Actuals As of 3/31/14	2015/2016 Budget	2014/2015 Budget
Audited - Beginning Net Position, as of 07/01/2014				\$ (2,424,500)		
Beginning Cash	\$ (6,468,552)				\$ (2,424,500)	\$ (2,379,968)
Operating Revenue:						
Premiums Paid by Members	\$ 136,326,495	\$ --	\$ --	\$ 136,326,495	\$ 136,326,495	\$ 128,003,769
Total Operating Revenue	136,326,495	--	--	136,326,495	136,326,495	128,003,769
Operating Expenditures:						
Classified Salaries	221,043	--	--	221,043	221,043	169,000
Statutory Benefits	78,846	--	--	78,846	78,846	58,617
Health & Welfare	39,000	--	--	39,000	39,000	20,992
Employer Tax Expense	67,938	--	--	67,938	67,938	57,561
Telephone & Internet	10,500	--	--	10,500	10,500	8,000
Supplies Office	10,500	--	--	10,500	10,500	20,000
Supplies - Other	10,500	--	--	10,500	10,500	5,500
Eligibility Processing	185,808	--	--	185,808	185,808	180,000
Brokerage Fees-Dental-ACSIG	284,000	--	--	284,000	284,000	258,000
Brokerage Fees-Dental-MD	276,000	--	--	276,000	276,000	183,600
Travel and Conferences	19,500	--	--	19,500	19,500	15,000
Mileage	7,350	--	--	7,350	7,350	7,000
Dues & Memberships	1,300	--	--	1,300	1,300	1,000
Postage & Meter	2,750	--	--	2,750	2,750	3,000
Insurance Expense-PIPS&NCR	21,125,746	--	--	21,125,746	21,125,746	19,323,300
PIPS payroll adjustment	500,000	--	--	500,000	500,000	--
Utility - Operating Rent	27,648	--	--	27,648	27,648	25,000
Advertising	2,100	--	--	2,100	2,100	--
Contract Services	19,025	--	--	19,025	19,025	12,500
Contract Services -PL-Investigation	--	--	--	--	--	--
Contract Services-PL-Legal	10,000	--	--	10,000	10,000	6,000
Audit Fees	16,350	--	--	16,350	16,350	15,000
Other Services/Operating Expenses	7,125	--	--	7,125	7,125	10,000
Capital Equipment/Depreciation	5,250	--	--	5,250	5,250	7,500
Repairs & Maintenance	5,250	--	--	5,250	5,250	2,000
Legal	5,250	--	--	5,250	5,250	2,000
Accounting Services	15,750	--	--	15,750	15,750	13,000
County Courier	3,675	--	--	3,675	3,675	2,500
Shredding	2,100	--	--	2,100	2,100	1,500
Copier & Scanner	15,000	--	--	15,000	15,000	10,000
Claims Administration Services	193,429	--	--	193,429	193,429	194,000
Self-Insurance Fee	246,609	--	--	246,609	246,609	280,000
Claims Paid-WC	4,000,000	--	--	4,000,000	4,000,000	3,100,000
Claims Paid-PL	100,000	--	--	100,000	100,000	75,000
Physical Abilities Testing	22,500	--	--	22,500	22,500	5,000
Training	5,000	--	--	5,000	5,000	10,000
First-Aid Program	25,000	--	--	25,000	25,000	15,000
Food Service Training	10,000	--	--	10,000	10,000	10,000
Special Ed Training	10,000	--	--	10,000	10,000	20,000
Bank Charge & WC Penalty Reimb	--	--	--	--	--	12,000
Cobra Premiums	235,000	--	--	235,000	235,000	240,000
Dental Insurance Premiums	106,652,000	--	--	106,652,000	106,652,000	103,400,000
Vision Insurance Premiums	2,550,000	--	--	2,550,000	2,550,000	2,044,000
Claim Development Expense	(3,000,000)	--	--	(3,000,000)	(3,000,000)	(2,810,000)
Prior Year Adjustment	(50,000)	--	--	(50,000)	(50,000)	--
Total Operating Expenditures	133,974,843	--	--	133,974,843	133,974,843	127,014,570
Net Increase/(Decrease) from Operations	2,351,652	--	--	2,351,652	2,351,652	989,199
Non Operating Income/(Expense)						
Interest Income	218,250	--	--	218,250	218,250	265,750
Change in FMV	--	--	--	--	--	--
Realized Gain/(Loss)	--	--	--	--	--	--
Net, Interfund Transfer	--	--	--	--	--	33,450
Total Non Operating Income/(Expense)	218,250	--	--	218,250	218,250	299,200
Ending Cash	\$ (3,898,650)	--	--			
Net Increase/(Decrease) in Net Position		\$ --	\$ --	2,569,902	\$ 2,569,902	\$ 1,288,399

It was moved by Raul Parungao and seconded by Candi Clark to approve the 2015/2016 Budget with the \$200,000 Dental rebate added.

Ayes: Clark, Kinder, Parungao, and Varadarajan

Nays: None

Abstain: None

XIX. ACSIG Salaries & Benefit

The Executive Director presented a cost of living increase proposal for the ACSIG staff of 3%. The average from 12 settled agencies was 3.61363636%. The overall cost for this increase would total \$8,632.

2014-2015 salary settlements		
ACOE	2.5	mgmt
ALAMEDA UNIFIED	1.75	
ALBANY	not settled	
CASTRO VALLEY	5	
DUBLIN	5	
EDEN ROP	0	
EMERY	5	
FREMONT	5.9	
LIVERMORE	2.58	
MISSION VALLEY ROP		
MT HOUSE		
NEWARK	3% retro 7/1/13, 2.5% effective 4/1/14 and 1.83% effective 7/1/14	
NEW HAVEN	not settled	
PIEDMONT	3	
PLEASANTON	2%	
SAN LEANDRO		
SAN LORENZO	4.02	+ 2.02% bonus
SUNOL GLEN		
TRI VALLEY ROP		
average from 12 settled agencies 3.61363636		

It was moved by Susan Kinder and seconded by Akur Varadarajan to approve the cost of living increase for ACSIG staff and added to the approved budget.

Ayes: Kinder, Parungao, and Varadarajan

Nays: None

Abstain: Clark

XX. Strategic Plan Update

The Executive Director presented an update on the status of the 2014 Strategic Plan. HR representatives requested a snapshot of how they were doing. Both the Executive Director and Tara Salaiz presented a new snapshot form to help the HR departments better understand their claims to help elicit conversations between HR and the Keenan staff. It was suggested that percentages be added to the form and colors changed to include green, red and yellow to alert areas for improvement.

Castro Valley		October - December 2014				
District Specific Quarterly Data Report						
WORKERS' COMPENSATION						
Quarterly Claims Data		12/13	13/14	14/15		
frequency		5	8	22		
severity						
	\$	13,673.00	\$ 58,189.00	\$ 110,323.00		
Top 3 causes by District for last quarter		1 fall/slip 2 cumulative frame 3 struck by				
Top 3 causes by JPA for last quarter		1 strain by/repetitive motion 2 struck by 3 struck by falling object				
Quarterly		Company Nurse	43	7	Return to Work Success	
Claims Open	20	Treated with triage			Temporary Disability	
Claims Closed	2	Emergency Visits	3	3		
		Lag Days	2.17			
EMPLOYEE TRAINING						
Top 3 KSS Courses completed by District		1 10-things you should know 2 mandatory reporting 3 sexual misconduct/staff:student				
Top 3 KSS Courses completed JPA-wide		1 mandatory reporting 2 child abuse identification/intervention 3 sexual harassment/staff:staff				
Upcoming Live Training Opportunity						
Lunch 'n Learn - Workers' Comp 101						
18 th Aug-15						

The Executive Director also presented the budget comparative for multiple years as requested in previous meeting. It was requested that an additional year be added.

ACSIG BUDGET COMPARATIVE

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

XXI. Strategic Plan 2015

The Executive Committee decided to forego the Strategic Plan Meeting for 2015.

Administrative

XXII. Investment Policy

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

It was moved by Akur Varadarajan and seconded by Raul Parungao to approve the Investment Policy as presented.

Ayes: Clark, Kinder, Parungao, and Varadarajan

Nays: None

Abstain: None

XXIII. Conflict of Interest Code

The Executive Committee conducted the annual review of the Conflict of Interest policy and found no changes necessary.

It was moved by Raul Varadarajan and seconded by Candi Clark to approve the Conflict of Interest Code as presented to added to the Full Board consent calendar.

Ayes: Clark, Kinder, Parungao, and Varadarajan

Nays: None

Abstain: None

XXIV. Authorization of Signatures

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

It was moved by Candi Clark and seconded by Raul Parungao to approve the Investment Policy as presented to be added to the Full Board consent calendar.

Ayes: Clark, Kinder, Parungao, and Varadarajan

Nays: None

Abstain: None

XXV. Meeting Calendar

The Executive Committee reviewed the 2015/16 draft calendar. The dates of the Full Board Meetings may change once ACOE sets the CBO meeting dates. The Strategic Planning Meeting in July will also be removed.

XXVI. Posting and Mailing Address

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

It was moved by Candi Clark and seconded by Raul Parungao to approve the Posting and Mailing address as presented to be added to the Full Board consent calendar.

Ayes: Clark, Kinder, Parungao, and Varadarajan

Nays: None

Abstain: None

XXVII. Recruitment of Executive Committee Members

The Executive Committee discussed possible Board Members for the recruitment to the Executive Committee.

XXVIII. Future Planning

XXIX. The meeting was adjourned at 10:48 am by Susan Kinder.