



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

MINUTES Full Board

Date: Thursday, May 16, 2019
Time: 12:00PM
Location: Alameda County Office of Education
313 W. Winton Ave.
Hayward, CA 94544

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

II. Roll call

Board Members

Annette Heldman	President	New Haven Unified School District
Susan Kinder	Vice President	Livermore Valley Joint USD
Dani Krueger	Alternate	Alameda Unified School District
Jackie Kim	Board Member	Albany Unified School District
Suzi Chan	Board Member	Castro Valley USD
Marie Dela Cruz	Board Member	Mission Valley ROP
Teresa Santamaria	Board Member	Mountain House Unified School District
Ruth Alahydoian	Board Member	Piedmont Unified School District
Micaela Ochoa	Board Member	Pleasanton Unified School District
Dr. Kevin Collins	Board Member	San Leandro Unified School District
Madeline Gabel	Board Member	San Lorenzo Unified School District
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
Hesam Fayaz

Guest
Guest

Keenan & Associates
SETECH

III. Acceptance of the Agenda

It was moved by Kevin Collins and seconded by Susan Kinder to accept the agenda as presented.

Ayes: Heldman, Kinder, Krueger, Kim, Dela Cruz, Santamaria, Ochoa, Collins, Gabel, Duncan

Nays: None

Abstain: None

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 agendaized and non-agendaized 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.

- **Executive Committee Minutes from February 7, 2019 and April 15, 2019**
- **PLCA Amendment**
- **2nd Quarter Financials**
- **2nd Quarter Investment Report**
- **Investment Policy**
- **Conflict of Interest Code**
- **Authorization of Signatures**
- **Posting and Mailing Address**

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

Ayes: Heldman, Kinder, Krueger, Kim, Dela Cruz, Santamaria, Ochoa, Collins, Gabel, Duncan

Nays: None

Abstain: None

General

V. Investment Custodian

Cary Allison from Morgan Stanley presented the new contracts for Benefit Trust and Morgan Stanley.

It was moved by Kevin Collins and seconded by Jackie Kim to approve the new Investment Custodian.

Ayes: Heldman, Kinder, Krueger, Kim, Chan, Dela Cruz, Santamaria, Ochoa, Collins, Gabel, Duncan

Nays: None

Abstain: None

VI. Third Quarter Investment Report

Cary Allison of Morgan Stanley reviewed the 2018/19 third quarter investment report with the Board.

Time Weighted Performance Summary (Net of fees) – March 31, 2019

Total Ending Value	\$16,523,348.91
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Rolling Periods

Quarter to Date	1.11%
Year to Date	1.11%
Last 12 Months	2.62%
Last 3 Years	0.77%
Last 5 Years	1.06%
Since 7/12/10 Inception (annualized %)	1.17%

Calendar Years

2019 ytd	1.11%
2018	1.01%
2017	0.59%
2016	0.99%
2015	0.87%
2014	1.01%
2013	-0.03%
2012	2.44%
2011	1.91%
2010 (partial year)	0.29%

Fiscal Years

2018-19	2.43%
2017-18	-0.42%
2016-17	-0.35%
2015-16	2.13%
2014-15	1.09%
2013-14	1.32%
2012-13	0.48%
2011-12	1.75%

It was moved by Susan Kinder and seconded by Kevin Collins to approve the third quarter investment report as presented.

Ayes: Heldman, Kinder, Krueger, Kim, Chan, Dela Cruz, Santamaria, Ochoa, Collins, Gabel, Duncan

Nays: None

Abstain: None

VII. Third Quarter Financials

Laurena Grabert from SETECH presented the 2018/2019 third quarter financials report.

It was moved by Teresa Santamaria and seconded by Jackie Kim to approve the third quarter financial report as presented.

Ayes: Heldman, Kinder, Krueger, Kim, Chan, Dela Cruz, Santamaria, Alahydoian, Ochoa, Collins, Gabel, Duncan

Nays: None

Abstain: None

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Position
Consolidated
As of 06/30/2018 and 03/31/2019

	Audited As of 06/30/2018	Activity 07/01/2018 - 03/31/2019	As of 03/31/2019
Assets:			
Current Assets			
Workers Compensation	\$ 18,534,707	8,797,738	\$ 27,332,445
Dental	3,284,669	1,514,483	4,799,152
Vision	1,323,726	129,653	1,453,379
Property and Liability	1,317,946	378,262	1,696,208
Operations	101,261	133,078	234,339
Cash and Cash Equivalents	<u>\$ 24,562,309</u>	<u>10,953,214</u>	<u>\$ 35,515,523</u>
Investments Morgan Stanley - current	2,639,124	1,101,255	3,740,379
Accounts Receivable	8,024,200	(4,686,864)	3,337,336
Prepaid Expense	7,685	60,396	68,081
Interfund Receivable/(payable) (1)	--	--	--
Subtotal Current Assets	<u>35,233,319</u>	<u>7,428,001</u>	<u>42,661,319</u>
Noncurrent Assets			
Investments @ FMV - Morgan Stanley (3)	13,351,978	(854,446)	12,497,532
Capital - Equipment, net of depreciation	<u>2,371</u>	<u>(592)</u>	<u>1,779</u>
	13,354,349	(855,038)	12,499,311
Total Assets	<u>\$ 48,587,668</u>	<u>\$ 6,572,962</u>	<u>\$ 55,160,629</u>
Deferred Outflow of Resources:			
Deferred outflow of resources - pension	<u>546,377</u>	<u>--</u>	<u>546,377</u>
Liabilities:			
Current Liabilities			
Accounts Payable	\$ 3,446,836	\$ (3,108,231)	\$ 338,605
Prefunding deposits (2)	4,030,577	--	4,030,577
Advance Contributions	--	3,491,779	3,491,779
Other Claim Liabilities - Castlepoint Reinsurance Insolvency	908,036	86,719	994,755
Current Portion of claims and claim adjustment	<u>3,993,786</u>	<u>(366,555)</u>	<u>3,627,231</u>
Subtotal Current Liabilities	<u>12,379,235</u>	<u>103,712</u>	<u>12,482,947</u>
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	12,806,919	(1,795,588)	11,011,331
Unallocated Loss Adjustment Expense (ULAE)	<u>1,377,838</u>	<u>(133,964)</u>	<u>1,243,874</u>
Subtotal Noncurrent Claim Liabilities	<u>14,184,757</u>	<u>(1,929,552)</u>	<u>12,255,205</u>
Net Pension Liability (NPL)	<u>732,827</u>	<u>45,443</u>	<u>778,270</u>
Total Liabilities	<u>\$ 27,296,819</u>	<u>\$ (1,780,397)</u>	<u>\$ 25,516,423</u>
Deferred Inflow of Resources:			
Deferred inflow of resources - pension	<u>65,612</u>	<u>--</u>	<u>65,612</u>
Net Position:			
Undesignated Net Position - Net Assets/(Deficit)	21,769,243	8,353,949	30,123,192
Designated - Capital Assets	<u>2,371</u>	<u>(592)</u>	<u>1,779</u>
Total Net Position	<u>\$ 21,771,614</u>	<u>\$ 8,353,357</u>	<u>\$ 30,124,971</u>
Total Liabilities, Deferred Pension, and Ending Net Position	<u>\$ 48,587,668</u>	<u>\$ 6,572,960</u>	<u>\$ 55,160,629</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.

VIII. Budget 2019/2020

The Executive Director reviewed the 2019/20 Budget with the Board.

Alameda County Schools Insurance Group (ACSIG)

Consolidated

Statement of Revenues, Expenditures and Changes in Net Position As of 03/31/2019 and For The Nine Months Then Ended

	2017/2018		2018/2019			
	Budget	Audited Actuals	Budget	Activity 07/01/2018-03/31/2019	Variance	Percentage of Budget
Operating Revenue:						
Premiums Paid by Members	\$ 156,427,872	\$ 165,692,065	\$ 158,439,211	\$ 116,922,132	\$ 41,517,079	73.80 %
Return of Premiums	--	(1,145,883)	--	--	--	--
Other Income	--	--	--	--	--	--
Total Operating Revenue	156,427,872	164,546,182	158,439,211	116,922,132	41,517,079	73.80
Operating Expenditures:						
Classified Salaries	251,051	286,178	251,917	186,871	65,046	74.18
Statutory Benefits	56,552	31,954	88,316	19,288	69,028	21.84
Health & Welfare	39,000	47,510	51,190	30,979	20,211	60.52
Employer Tax Expense	3,477	4,443	4,769	3,116	1,653	65.33
Net Pension Expense	39,345	(191,171)	51,788	90,886	(39,098)	175.50
Telephone & Internet	7,350	6,102	7,350	4,712	2,638	64.11
Supplies Office	4,200	1,885	4,200	1,609	2,591	38.32
Supplies - Other	2,625	3,276	4,200	4,635	(435)	110.37
Eligibility Processing	240,000	213,141	246,077	153,082	92,995	62.21
Brokerage Fees-Dental-ACSIG	288,000	293,050	294,000	186,861	107,139	63.56
Brokerage Fees-Dental-MD	350,000	410,333	425,000	345,506	79,494	81.30
Travel and Conferences	23,100	10,458	23,100	8,239	14,861	35.67
Mileage	8,925	6,756	8,925	4,512	4,413	50.55
Dues & Memberships	1,575	1,635	7,350	885	6,465	12.04
Postage & Meter	8,350	3,875	10,000	5,989	4,011	59.89
Insurance Expense-PIPS&NCR	25,192,893	21,028,823	24,950,383	15,791,677	9,158,706	63.29
Insurance Expense-PY Adj	2,000,000	749,186	2,000,000	(233,378)	2,233,378	(11.67)
Utility - Operating Rent	39,388	36,395	36,461	34,343	2,119	94.19
Advertising	600	--	600	--	600	--
Contract Services	26,275	8,272	31,275	5,000	26,275	15.99
Contract Services - Claim Audit	20,000	15,570	--	--	--	--
Contract Services	6,375	--	6,375	--	6,375	--
Audit Fees	15,540	13,500	16,275	13,750	2,525	84.49
Other Services/Operating Expenses	10,500	5,614	10,500	4,585	5,915	43.67
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	615	1,485	29.29
Copier & Scanner	15,000	10,277	15,000	8,171	6,829	54.47
Claims Administration Services	154,000	166,909	174,000	122,538	51,462	70.42
Self-Insurance Fee	290,000	297,811	325,000	337,468	(12,468)	103.84
Claims Paid-WC	2,500,000	1,001,753	1,750,000	492,112	1,257,888	28.12
Claims Paid-PL	50,000	53,650	100,000	62,801	37,199	62.80
Physical Abilities Testing	25,000	14,004	35,000	8,730	26,270	24.94
Training	20,000	--	40,000	--	40,000	--
First-Aid Program	10,000	23,953	30,000	21,382	8,618	71.27
Food Service Training	30,000	--	--	--	--	--
Risk Mgmt Prev Program	--	--	30,000	15,989	14,011	53.30
Incentives	--	28,559	--	--	--	--
Safety Inspections	12,445	12,445	12,446	--	12,446	--
Bank Charge & WC Penalty Reimb	17,200	21,071	41,000	1,497	39,503	3.65
Cobra Premiums	242,000	246,832	250,000	170,763	79,237	68.31
Dental Insurance Premiums	123,000,000	129,945,472	123,120,000	90,040,286	33,079,714	73.13
Vision Insurance Premiums	3,340,000	4,066,932	3,950,000	3,384,710	565,290	85.69
Claim Development Expense	(2,510,000)	(357,335)	(2,000,000)	(2,209,388)	209,388	110.47
ACA Fees	--	--	--	--	--	--
Total Operating Expenditures	155,860,690	158,538,549	156,434,222	109,136,263	47,297,959	69.76 %
Net Increase/(Decrease) from Operations	567,182	6,007,633	2,004,989	7,785,869	(5,780,880)	388.32 %
Non Operating Income/(Expense)						
Interest Income	231,500	499,740	376,500	395,580	(19,080)	105.07
Net Increase/(Decrease) in Fair Value	--	(341,266)	--	171,264	(171,264)	--
Realized Gain/(Loss) on Investments	--	644	--	644	(644)	--
Cumulative effect of GASB 68	--	--	--	--	--	--
Interfund Trans, Other Inc/Exp	--	--	--	--	--	--
Total Non Operating Income/(Expense)	231,500	159,118	376,500	567,488	(190,988)	150.73 %
Net Increase/(Decrease) in Net Position	\$ 798,682	\$ 6,166,751	2,381,489	\$ 8,353,357	\$ (5,971,868)	350.76 %
Beginning Balance Prior Year End	\$ 15,604,864	\$ 15,604,864	21,771,614	\$ 21,771,614	\$ 592	100.00 %
Ending Balance, as of 03/31/2019	\$ 16,403,546	\$ 21,771,614	\$ 24,153,103	\$ 30,124,971	\$ (5,971,276)	

It was moved by Jackie Kim and seconded by Madeline Gabel to approve of the budget to as presented.

Ayes: Heldman, Kinder, Krueger, Kim, Chan, Dela Cruz, Santamaria, Alahydoian, Ochoa, Collins, Gabel, Duncan

Nays: None

Abstain: None

IX. ACSIG Salaries & Benefits

The Executive Director presented a schedule increase proposal for the ACSIG staff of 2.49% off the salary schedule. The overall cost for this increase would total \$8705.

It was moved by Marie Dela Cruz and seconded by Jackie Kim to approve ACSIG salaries and benefits as presented.

Ayes: Heldman, Kinder, Krueger, Kim, Chan, Dela Cruz, Santamaria, Alahydoian, Ochoa, Collins, Gabel, Duncan

Nays: None

Abstain: None

X. Security Guard Training Notification

SB1626 requires 24 hours of training for security guards. IMReady course offered June 17th, 18th and 19th in Fremont.

Dental

XI. Dental Rates 2019/2020

The Executive Director presented the 2019/2020 Dental Rate recommendations to the Board. The program has been performing well, with a potential 30% growth in the program with the partnership with the FBC in San Diego. The recommendation is for a flat renewal for 2019/20.

It was moved by Kevin Collins and seconded by Ruth Alahydoian to approve of the Dental Rates.

Ayes: Heldman, Kinder, Krueger, Kim, Chan, Dela Cruz, Santamaria, Alahydoian, Ochoa, Collins, Gabel, Duncan

Nays: None

Abstain: None

XII. Alliant Contract

The Executive Director reviewed the renewal contract with Alliant Insurance Services which includes a 3-year term.

It was moved by Ruth Alahydoian and seconded by Susan Kinder to approve the Alliant Contract.

Ayes: Heldman, Kinder, Krueger, Kim, Chan, Dela Cruz, Santamaria, Alahydoian, Ochoa, Collins, Gabel, Duncan
Nays: None
Abstain: None

XIII. Declare Rebate

The Executive Director discussed the rebate within the dental program. The Board is requesting to declare a surplus of \$1M in the Dental Fund.

It was moved by Kevin Collins and seconded by Jackie Kim to approve the declaration of \$1M surplus in the Dental Fund.

Ayes: Heldman, Kinder, Krueger, Kim, Chan, Dela Cruz, Santamaria, Alahydoian, Ochoa, Collins, Gabel, Duncan
Nays: None
Abstain: None

XIV. Distribute Rebate

The Executive Director discussed the distribution within the dental program. The Board is recommending \$1M distribution back to current members/ per employee from the Dental Fund.

It was moved by Julie Duncan and seconded by Suzy Chan to approve the distribution of \$1M surplus from the Dental Fund.

Ayes: Heldman, Kinder, Krueger, Kim, Chan, Dela Cruz, Santamaria, Alahydoian, Ochoa, Collins, Gabel, Duncan
Nays: None
Abstain: None

Vision

XV. Vision Rates 2019/2020

The Executive Director presented the 2019/20 Vision rates with a recommendation as a flat renewal.

It was moved by Kevin Collins and seconded by Teresa Santamarie to approve the Vision rates as presented.

Ayes: Heldman, Kinder, Krueger, Kim, Chan, Dela Cruz, Santamaria, Alahydoian, Ochoa, Collins, Gabel, Duncan
Nays: None
Abstain: None

Property & Liability

XVI. Property & Liability Rates 2019/2020

The Executive Director presented the 2019/20 Property and Liability rates. NCR Property rates and Liability rates showed adverse development in the program. ACSIG has higher experience than the NCR average. These negative factors have resulted in an increase to the ACSIG PL rates.

It was moved by Kevin Collins and seconded by Susan Kinder to approve the Property & Liability rates as presented.

Ayes: Heldman, Kinder, Krueger, Kim, Chan, Dela Cruz, Santamaria, Alahydoian, Ochoa, Collins, Gabel, Duncan

Nays: None

Abstain: None

Workers Compensation

XVII. JPA EAP Program

The Executive Director discussed the JPA EAP Program due to the increased psychological component claimed within our Workers Compensation program. ACSIG would like to have some districts volunteer to pilot the program to see if there can be a positive impact on employee morale and psychological claims filed. The cost for the 3-session option is \$1.70/employee/month— which ACSIG has budgeted \$100K to fund.

It was moved by Kevin Collins and seconded by Marie Dela Cruz to approve the EAP Program.

Ayes: Heldman, Kinder, Krueger, Kim, Chan, Dela Cruz, Santamaria, Alahydoian, Ochoa, Collins, Gabel, Duncan

Nays: None

Abstain: None

XVIII. Actuarial Study - Ultimate Loss

The Executive Director presented Actuarial study of the ultimate loss of the self-insured portion of the ACSIG Workers Compensation program. Bay Actuarial estimates that ACSIG's liability for unpaid losses were \$14.3 on December 31, 2018 and project that it will be \$13.5M on June 30, 2019. The corresponding discounted values (at 2% interest) are \$12.2M and \$11.6M.

It was moved by Susan Kinder and seconded by Kevin Collins to approve the Ultimate Loss Actuarial Study as presented.

Ayes: Heldman, Kinder, Krueger, Kim, Chan, Dela Cruz, Santamaria, Alahydoian, Ochoa, Collins, Gabel, Duncan

Nays: None

Abstain: None

XIX. Actuarial Study - Ex-Mods

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.

MEMBER	NEW EX-MOD 12/31/18	OLD EX-MOD 12/31/17
ACOE	0.750	0.750
ALAMEDA	1.250	1.250
ALBANY	0.864	1.003
CASTRO VALLEY	0.756	0.884
DUBLIN	0.750	0.750
EDEN ROP	0.750	0.750
EMERY	0.988	0.750
FREMONT	0.944	0.836
LIVERMORE	1.095	1.109
MISSION ROP	0.909	0.750
MT. HOUSE	0.750	0.750
NEWARK	1.003	0.932
NEW HAVEN	0.993	1.128
PIEDMONT	0.921	0.750
PLEASANTON	1.106	1.134
SAN LEANDRO	1.237	1.250
SAN LORENZO	1.147	1.250
SUNOL GLEN	0.750	0.750
TRI VALLEY ROP	0.751	0.750

It was moved by Suzy Chan and seconded by Jackie Kim to approve the Ex-Mods as presented.

Ayes: Heldman, Kinder, Krueger, Kim, Chan, Dela Cruz, Santamaria, Alahydroian, Ochoa, Collins, Gabel, Duncan

Nays: None

Abstain: None

XX. Workers Compensation Rates 2019/2020

The Executive Director presented 2019/20 Workers Compensation rates.

2019/2020 Workers' Compensation Rates

	2016/2017 Actual Payroll	2017/2018 Actual Payroll	Base Rate	Ex Mod	Rate per \$100 Payroll	2019/2020 PREMIUM
ACOE	\$23,717,493	\$21,779,014	2.60	0.7500	1.95	\$424,691
ALAMEDA	\$70,301,878	\$69,969,982	2.60	1.2500	3.25	\$2,274,024
ALBANY	\$27,858,715	\$28,827,474	2.60	0.8640	2.25	\$647,580
CASTRO VALLEY	\$64,078,083	\$64,201,756	2.60	0.7560	1.97	\$1,261,950
DUBLIN	\$68,658,689	\$74,306,015	2.60	0.7500	1.95	\$1,448,967
EDEN ROP	\$4,583,000	\$4,609,783	2.60	0.7500	1.95	\$89,891
EMERY	\$5,808,634	\$6,174,193	2.60	0.9880	2.57	\$158,603
FREMONT	\$255,927,440	\$263,110,684	2.60	0.9440	2.45	\$6,457,789
LIVERMORE	\$84,264,612	\$91,199,583	2.60	1.0950	2.85	\$2,596,452
MISSION ROP	\$4,351,284	\$4,545,012	2.60	0.9090	2.36	\$107,417
MT. HOUSE	\$183,365	\$213,409	2.60	0.7500	1.95	\$4,161
NEWARK	\$43,509,192	\$42,083,492	2.60	1.0030	2.61	\$1,097,453
NEW HAVEN	\$89,658,169	\$89,417,409	2.60	0.9930	2.58	\$2,308,579
PIEDMONT	\$24,365,158	\$24,624,141	2.60	0.9210	2.39	\$589,650
PLEASANTON *	\$102,590,453	\$105,028,007	2.60	1.1060	2.88	\$3,020,185
SAN LEANDRO	\$63,320,230	\$65,160,985	2.60	1.2370	3.22	\$2,095,708
SAN LORENZO	\$78,240,528	\$77,840,991	2.60	1.1470	2.98	\$2,321,374
SUNOL GLEN	\$2,031,253	\$2,155,623	2.60	0.7500	1.95	\$42,035
TRI VALLEY ROP	\$2,121,140	\$2,430,723	2.60	0.7510	1.95	\$47,462
TOTAL PREMIUMS	\$1,015,569,318	\$1,037,678,275				\$26,993,971
Average Ex Mod				1.00000		

Payrolls based upon 2017/2018 Unaudited Actuals Reports provided by ACOE

* includes apprentice program

Unfortunately the handouts for the 19-20 workers' compensation rates were incorrect. Attached is the correct information, which was distributed in February. It was moved by Jackie Kim and seconded by Marie Dela Cruz to approve the Workers Compensation rates

Ayes: Heldman, Kinder, Krueger, Kim, Chan, Dela Cruz, Santamaria, Alahydoian, Ochoa, Collins, Gabel, Duncan

Nays: None

Abstain: None

XXI. Informational Report for Fiscal Year End

Laurena Grabert from SETECH presented the 2018/2019 Informational Report for the Fiscal Year Ended June 30, 2018. 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 06/30/2018

Members		Sub-Total From Page 12		Program Years										Total		
				2016/2017					2017/2018							
				Pro Rata Share %	Net Assets	Pro Rata Share %	Net Assets	Pro Rata Share %	Net Assets	Pro Rata Share %	Net Assets					
Alameda COE	\$	(51,354)	2.03 %	\$	153,917	1.93 %	\$	103,728	-- %	\$	--	-- %	\$	--	\$	206,291
Alameda		(474,040)	7.07		536,055	8.40		451,461	--		--	--		--		513,476
Albany		(69,101)	3.53		267,649	2.82		151,562	--		--	--		--		350,110
Castro Valley		(190,866)	6.27		475,399	6.85		368,156	--		--	--		--		652,689
Dublin		124,516	5.45		413,225	5.26		282,700	--		--	--		--		820,441
Eden ROP		(141,651)	0.37		28,054	0.30		16,124	--		--	--		--		(97,473)
Emery		(103,900)	0.48		36,394	0.44		23,648	--		--	--		--		(43,858)
Fremont		1,145,562	23.56		1,786,346	22.88		1,229,693	--		--	--		--		4,161,601
Livermore		(71,140)	9.10		689,972	8.87		476,721	--		--	--		--		1,095,553
Mission ROP		(64,863)	0.32		24,263	0.31		16,661	--		--	--		--		(23,939)
Mt. House		(4,567)	0.03		2,275	0.02		1,075	--		--	--		--		(1,217)
Newark		(348,671)	5.60		424,598	4.47		240,242	--		--	--		--		316,169
New Haven		(659,704)	8.32		630,832	9.13		490,695	--		--	--		--		461,823
Piedmont		(131,201)	1.90		144,060	1.85		99,429	--		--	--		--		112,288
Pleasanton		(155,834)	7.77		589,130	9.53		512,193	--		--	--		--		945,489
San Leandro		88,006	7.57		573,966	6.97		374,605	--		--	--		--		1,036,577
San Lorenzo		(820,550)	10.12		767,310	9.57		514,343	--		--	--		--		461,103
Sunol Glen		(13,622)	0.16		12,131	0.15		8,062	--		--	--		--		6,571
Tri Valley ROP		4,601	0.35		26,538	0.25		13,435	--		--	--		--		44,574
Pleasanton Apprentice		--	--		--	--		--	--		--	--		--		--
Totals \$		(1,938,379)	100.00 %	\$	7,582,114	100.00 %	\$	5,374,533	-- %	\$	--	-- %	\$	--	\$	11,018,268

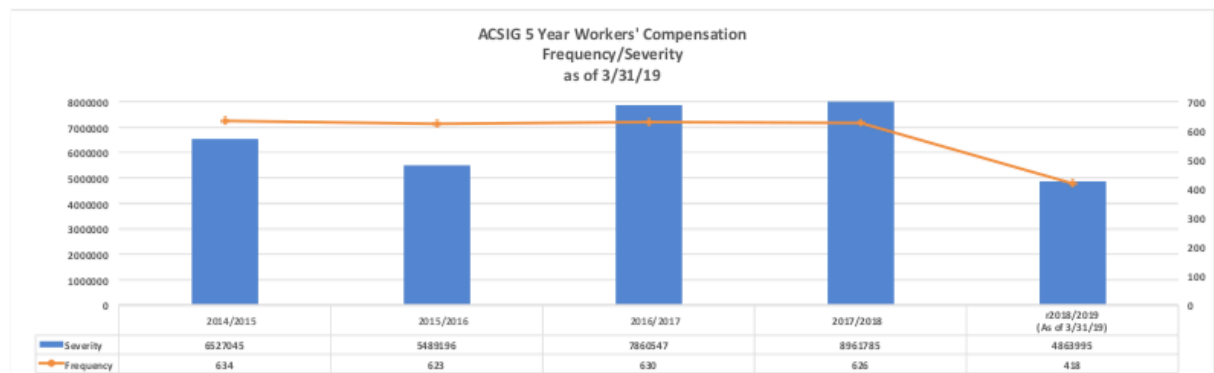
XXII. 5-year Point in Time Comparison

Michael Clark from Keenan and Associates discussed the 5-year workers compensation claim trend. As resources are dedicated to improve frequency and severity of injuries within ACSIG, it is important to review claims data to evaluate the effectiveness of programs. Through analysis, we can identify trends within the districts.



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

	2014/2015 FY		FY 2015/2016		FY 2016/2017		FY 2017/2018		FY 2018/2019	
	As of 6/30/15		As of 6/30/16		As of 6/30/17		As of 6/30/18		As of 3/31/19	
	Frequency	Severity	Frequency	Severity	Frequency	Severity	Frequency	Severity	Frequency	Severity
Alameda County Office of Education	5	\$ 245,761	7	\$ 132,586	0	\$ -	6	\$ 91,007	10	\$ 64,224
Alameda Unified School District	58	\$ 708,697	53	\$ 499,039	56	\$ 449,298	42	\$ 871,776	27	\$ 465,230
Albany Unified School District	17	\$ 69,264	17	\$ 183,033	14	\$ 352,831	21	\$ 574,032	20	\$ 282,387
Castro Valley Unified School District	55	\$ 586,919	33	\$ 176,976	43	\$ 522,336	34	\$ 370,162	16	\$ 245,999
Dublin Unified School District	32	\$ 128,121	27	\$ 117,678	59	\$ 434,166	45	\$ 305,866	28	\$ 342,917
Eden Area ROP	3	\$ 2,078	4	\$ 13,313	5	\$ 88,666	3	\$ 2,654	3	\$ 2,814
Emery Unified School District	2	\$ 312	5	\$ 92,827	8	\$ 87,389	5	\$ 71,210	3	\$ 2,248
Fremont Unified School District	112	\$ 1,339,750	129	\$ 1,179,715	119	\$ 2,172,400	144	\$ 2,289,693	100	\$ 1,530,807
Livermore Valley Joint Unified School District	56	\$ 663,930	60	\$ 760,828	59	\$ 653,590	44	\$ 590,296	39	\$ 223,699
Mission Valley ROP	0	\$ -	1	\$ 531	8	\$ 222,088	4	\$ 36,672	5	\$ 116,753
Mountain House	0	\$ -	0	\$ -	0	\$ -	0	\$ -	0	\$ -
New Haven Unified School District	64	\$ 416,916	70	\$ 431,612	53	\$ 623,189	56	\$ 436,259	32	\$ 254,863
Newark Unified School District	32	\$ 228,605	29	\$ 290,531	26	\$ 310,595	27	\$ 682,119	14	\$ 54,533
Piedmont Unified School District	12	\$ 101,511	14	\$ 168,071	13	\$ 323,791	15	\$ 47,741	4	\$ 4,139
Pleasanton Unified School District	72	\$ 828,819	50	\$ 817,013	66	\$ 873,097	69	\$ 825,793	44	\$ 621,641
San Leandro Unified School District	46	\$ 503,938	47	\$ 344,360	34	\$ 219,660	47	\$ 1,003,100	29	\$ 295,340
San Lorenzo Unified School District	66	\$ 699,106	71	\$ 274,373	64	\$ 489,323	62	\$ 758,638	42	\$ 356,038
Sunol Glen School District	0	\$ -	2	\$ 1,934	0	\$ -	1	\$ 33	0	\$ -
Tri Valley Regional Occupational Program	2	\$ 3,316	4	\$ 4,775	3	\$ 38,130	1	\$ 4,734	2	\$ 363
Grand Total	634	\$ 6,527,045	623	\$ 5,489,196	630	\$ 7,860,547	626	\$ 8,961,785	418	\$ 4,863,995



XXIII. Update on Service Plan

Tara Cooper-Salaiz reviewed the Service Plan 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.

XXIV. Run Off Claims Agreement

The Executive Director will reviewed the renewal contract for Run Off Claims Administration with the Board.

It was moved by Kevin Collins and seconded by Madeline Gabel to approve the Run Off Claims Agreement as presented.

Ayes: Heldman, Kinder, Krueger, Kim, Chan, Dela Cruz, Santamaria, Alahydoian, Ochoa, Collins, Gabel, Duncan

Nays: None

Abstain: None

Administrative

XXV. Executive Director Contract

The Executive Director reviewed the Executive Director's 2018- 2020 contract with the Full Board.

XXVI. Election of Executive Committee

Due to Raul Parungao, Dr. Kevin Collins and Joe Sorrrera's terms expiring, they have all agreed to serve another 2-year term.

It was moved by Madeline Gabel and seconded by Jackie Kim to approve the Executive Committee serving another 2-year term.

Ayes: Heldman, Kinder, Krueger, Kim, Chan, Dela Cruz, Santamaria, Alahydroian, Ochoa, Collins, Gabel, Duncan

Nays: None

Abstain: None

XXVII. Meeting Calendar

The Executive Committee reviewed the 2019/20 draft calendar. A motion was made to change the start time to the May 7, 2020 Executive Committee meeting from 9:30am to 12:00pm to avoid conflict with the CBO meeting held as ACOE.

2019/ 2020 Calendar (DRAFT)

October 31, 2019	Executive Committee	9:30am – 12:00pm
November 7, 2019	Joint Full Board Lunch will be served	12:00pm – 3:00pm
December 19, 2019	Executive Committee	9:30am – 12:00pm
February 6, 2020	Executive Committee	9:30am – 12:00pm
May 7, 2020	Executive Committee	12:00pm – 3:00pm
May 14, 2020	Joint Full Board Lunch will be served	12:00pm – 3:00pm

It was moved by Kevin Collins and seconded by Susan Kinder to approve of the draft meeting calendar with the motion of time change.

Ayes: Heldman, Kinder, Krueger, Kim, Chan, Dela Cruz, Santamaria, Alahydoian, Ochoa, Collins, Gabel, Duncan

Nays: None

Abstain: None

XXVIII. Attendance Raffle

A raffle was held to give recognition to members who participate in our Board meetings.

XXIX. Future Planning

XXX. This meeting was adjourned at 1:45pm.