



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

MINUTES Executive Committee

Date: Tuesday, May 16, 2023

Time: 2:00 PM

Location: Video Meeting

Join Zoom Meeting

[https://us02web.zoom.us/j/7358807014?](https://us02web.zoom.us/j/7358807014?pwd=SzJEa1BUSzNNMzBYN3VzajB2UEVPQT09)

[pwd=SzJEa1BUSzNNMzBYN3VzajB2UEVPQT09](https://us02web.zoom.us/j/7358807014?pwd=SzJEa1BUSzNNMzBYN3VzajB2UEVPQT09)

Meeting ID: 735 880 7014

Passcode: acsig23

I. Annette Heldman called the meeting to order 2:00PM

Executive Committee Members

Annette Heldman	President	New Haven USD
Dr. Kevin Collins	Vice President	San Leandro USD
Jackie Kim	Secretary	Albany USD
Leigh Ann Blessing	Board Member	ACOE
Ruth Alahydoain	Board Member	Piedmont USD
Ahmad Sheikholeslami	Board Member	Pleasanton USD

Kimberly Dennis
Celina Flotte

Executive Director	ACSIG
Executive Assistant	ACSIG

Ron Martin
Tara Cooper-Salaiz
Patrice Grant
Margot Bringas
Michael Clark
Laurena Grabert
Mark Payne

Guest	Keenan & Associates
Guest	Keenan & Associates
Guest	Keenan & Associates
Guest	Keenan & Associates
Guest	Keenan & Associates
Guest	SETECH
Guest	Morgan Stanley

II. Acceptance of the Agenda

It was moved by Kevin Collins and seconded by Jackie Kim to approve the agenda as presented.

Ayes: Heldman, Collins, Kim, Blessing, Alahydoain, Sheikholeslami

Nays: None

Abstain: None

III. Public Comment on Closed Session Agenda Items

No public present to comment.

Closed Session

Closed session began at 2:02pm

A. Settlement Notification

● Claim Numbers:

552110, Perez

559142, Sen

562971, Morett

573439, Bettis

583767, Hamilt

587448, Perez

587770, Siu

597561, Ramesh

B. Settlement Authorization

● Claims Numbers: *None*

C. Executive Director Evaluation

The Executive Committee discussed the Executive Director's Annual Job Performance Review with all positive feedback.

Open Session

Open session began at 2:04pm

IV. Public Comment on Open Session Agenda Items

No public present to comment.

V. Report of Action Taken in Closed Session

No action was taken in closed session.

VI. Approval of Minutes

It was moved by Kevin Collins and seconded by Jackie Kim to approve the meeting minutes from February 9, 2023.

Ayes: Heldman, Collins, Kim, Blessing, Alahydoain, Sheikholeslami

Nays: None

Abstain: None

General

VII. Executive Committee Membership

The Executive Committee has suggested recruiting Alameda USD to the Executive Committee. ACOE, Piedmont USD, Pleasanton USD and San Leandro USD has agreed to continue sitting on the committee.

VIII. Third Quarter Investment Report

Mark Payne from Morgan Stanley reviewed the 2022/23 third quarter investment report with the Executive Committee.

Time Weighted Performance Summary (Net of fees) – March 31, 2023

Total Ending Value **\$26,961,814.45**

Rolling Periods

Quarter to Date	1.72%
Year to Date	1.72%
Last 12 Months	0.35%
Last 3 Years	-0.74%
Last 5 Years	1.07%
Last 10 Years	0.82%
Since 7/12/10 Inception (annualized %)	1.01%

Calendar Years

Fiscal Years

2023 YTD	1.72%	2022-23 YTD	1.03%
2022	-4.11%	2021-22	-4.11%
2021	-1.13%	2020-21	-0.17%
2020	3.92%	2019-20	4.74%
2019	3.69%	2018-19	1.31%
2018	1.01%	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 Kevin Collins and seconded by Jackie Kim to recommend approval of the third quarter investment report as presented to the Full Board.

Ayes: Heldman, Collins, Kim, Blessing, Alahydoain, Sheikholeslami

Nays: None

Abstain: None

IX. Investment Policy

The Executive Committee conducted the annual review of the written Investment Policy and found no changes necessary.

It was moved by Kevin Collins and seconded by Jackie Kim to recommend approval of the Investment Policy as presented to the Full Board.

Ayes: Heldman, Collins, Kim, Blessing, Alahydoain, Sheikholeslami

Nays: None

Abstain: None

X. Third Quarter Financial Report

Laurena Grabert from SETECH presented the 2022/2023 third quarter financial report.

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Position
Consolidated
As of 06/30/2022 and 03/31/2023

	Audited As of 06/30/2022	Activity 07/01/2022 - 03/31/2023	As of 03/31/2023
Assets:			
Current Assets			
Workers Compensation	\$ 21,541,662	(7,830,654)	\$ 13,711,008
Dental	8,455,131	(1,742,930)	6,712,201
Vision	3,124,646	303,403	3,428,049
Property and Liability	2,269,592	3,486,807	5,756,399
Operations	206,026	264,950	470,976
Cash and Cash Equivalents	<u>\$ 35,597,057</u>	<u>(5,518,424)</u>	<u>\$ 30,078,633</u>
Investments Morgan Stanley - current	1,214,684	(1,006,420)	208,264
Accounts Receivable	10,567,278	581,391	11,148,669
Prepaid Expense	64,339	2,310,537	2,374,876
Interfund Receivable/(payable) (1)	--	--	--
Subtotal Current Assets	<u>47,443,358</u>	<u>(3,632,916)</u>	<u>43,810,443</u>
Noncurrent Assets			
Investments @ FMV - Morgan Stanley (3)	25,373,290	1,190,993	26,564,283
Capital - Equipment, net of depreciation	--	--	--
	<u>25,373,290</u>	<u>1,190,993</u>	<u>26,564,283</u>
Total Assets	<u>\$ 72,816,648</u>	<u>\$ (2,441,922)</u>	<u>\$ 70,374,726</u>
Deferred Outflow of Resources:			
Deferred outflow of resources - pension	<u>487,872</u>	<u>--</u>	<u>487,872</u>
Liabilities:			
Current Liabilities			
Accounts Payable	\$ 6,236,531	\$ (1,856,912)	\$ 4,379,619
Prefunding deposits (2)	4,928,200	--	4,928,200
Advance Contributions	--	--	--
Other Claim Liabilities - Castlepoint Reinsurance Insolvency	425,235	62,195	487,430
Current Portion of claims and claim adjustment	3,238,706	(187,408)	3,051,298
Subtotal Current Liabilities	<u>14,828,672</u>	<u>(1,982,125)</u>	<u>12,846,547</u>
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	4,514,320	(738,868)	3,775,452
Unallocated Loss Adjustment Expense (ULAE)	561,452	(158,157)	403,295
Subtotal Noncurrent Claim Liabilities	<u>5,075,772</u>	<u>(897,025)</u>	<u>4,178,747</u>
Net Pension Liability (NPL)	<u>339,272</u>	<u>--</u>	<u>339,272</u>
Total Liabilities	<u>\$ 20,243,716</u>	<u>\$ (2,879,150)</u>	<u>\$ 17,364,566</u>
Deferred Inflow of Resources:			
Deferred inflow of resources - pension	<u>588,658</u>	<u>--</u>	<u>588,658</u>
Net Position:			
Undesignated Net Position - Net Assets/(Deficit)	52,472,146	437,228	52,909,374
Designated - Capital Assets	--	--	--
Total Net Position	<u>\$ 52,472,146</u>	<u>\$ 437,228</u>	<u>\$ 52,909,374</u>
Total Liabilities, Deferred Pension, and Ending Net Position	<u>\$ 72,816,648</u>	<u>\$ (2,441,922)</u>	<u>\$ 70,374,726</u>

Footnote:

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

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

Ayes: Heldman, Collins, Kim, Blessing, Alahydoain, Sheikholeslami

Nays: None

Abstain: None

XI. Budget 2023/2024

The Executive Director reviewed the Budget with the Executive Committee. Because there continues to be a need for trainings, there has been allocated funds to support release time for regional trainings for Special Education and Food Service staffing as well as Skechers expansion and a County-wide EAP program.

Alameda County Schools Insurance Group (ACSIG)

**Consolidated
2023/2024 Budget**

	Budget 2023/2024		Change in Allocations Accruals		2022/23 Budget	2021/2022 Actuals	2020/2021 Actuals	2019/2020 Actuals	2018/2019 Actuals	2017/2018 ACTUAL		
Audited - Beginning Net Position, as of 07/01/2023												
Beginning Cash	\$	48,671,045			\$	48,671,045						
Operating Revenue:												
Premiums Paid by Members	\$	178,453,110	\$	--	\$	178,453,110	160,166,608	165,555,533	161,037,627	\$ 143,824,407	\$ 158,713,739	164,546,182
Total Operating Revenue		178,453,110	--	--		178,453,110	160,166,608	165,555,533	161,037,627	143,824,407	158,713,739	164,546,182
Operating Expenditures:												
Classified Salaries	649,907	--	--	649,907	412,449	357,350	331,598	323,830	295,213			286,178
Statutory Benefits	111,225	--	--	111,225	77,995	36,941	28,746	36,288	22,941			31,954
Health & Welfare	76,250	--	--	76,250	56,750	47,125	65,039	47,741	42,912			47,510
Employee Tax Expense	8,439	--	--	8,439	6,439	5,347	5,219	5,048	4,550			4,443
Net Pension Expense	307,625	--	--	307,625	229,772	151,505	(202,608)	365,809	199,053			(191,171)
Telephone & Internet	11,100	--	--	11,100	10,450	6,523	6,453	4,625	5,739			6,102
Supplies - Office	8,000	--	--	8,000	8,000	397	6,541	3,593	2,148			1,885
Supplies - Other	12,000	--	--	12,000	6,000	3,803	1,467	1,181	5,141			3,276
Eligibility Processing	255,000	--	--	255,000	250,000	219,791	210,615	210,724	203,801			218,600
Reckage Fees-Dental-ACSIG	340,000	--	--	340,000	325,000	303,141	290,054	281,605	279,662			293,550
Reckage Fees-Dental-MD	750,000	--	--	750,000	725,000	694,592	607,679	500,851	470,289			410,333
Travel and Conferences	29,100	--	--	29,100	22,925	5,043	2,842	13,770	10,118			10,458
Mileage	11,850	--	--	11,850	11,850	6,500	6,051	7,255	7,119			6,756
Dues & Memberships	8,550	--	--	8,550	8,550	685	2,077	7,635	885			1,635
Postage & Meter	7,330	--	--	7,330	7,330	2,458	6,338	2,963	2,764			3,875
Insurance Expense-PFPS&NCR	26,927,199	--	--	26,927,199	24,334,504	23,847,452	24,013,809	22,199,152	21,043,123			21,028,823
PFPS payroll adjustment	500,000	--	--	500,000	500,000	86,069	584,688	476,909	(233,378)			749,146
Utility - Operating Rent	50,740	--	--	50,740	57,820	49,440	41,919	38,074	31,366			36,395
Advertising	--	--	--	--	--	--	--	--	5,535			--
Contract Services	--	--	--	--	20,500	14,020	--	15,750	18,096			8,272
Contract Services- actuals	17,500	--	--	17,500	--	15,750	18,670	8,570	--			--
Contract Services	--	--	--	--	--	--	--	12,150	--			15,570
Audit Fees	23,000	--	--	23,000	16,500	14,575	14,300	14,221	13,750			13,500
Other Services/Operating Expenses	12,300	--	--	12,300	12,300	5,764	3,236	10,386	6,137			5,614
Capital Equipment/Depreciation	9,500	--	--	9,500	9,500	595	592	1,462	--			--
Repairs & Maintenance	5,000	--	--	5,000	5,000	--	--	--	--			--
Legal	6,750	--	--	6,750	6,750	--	--	--	928			--
Accounting Services	17,000	--	--	17,000	16,480	16,000	15,500	15,000	14,850			14,420
County Counsel	2,800	--	--	2,800	1,520	4,163	32	5,604	3,872			3,567
Shredding	1,600	--	--	1,600	900	227	619	1,413	813			848
Copy & Scanner	17,900	--	--	17,900	17,900	7,558	12,465	7,676	11,058			10,277
Claims Administration Services	107,000	--	--	107,000	111,400	118,870	139,411	140,232	166,650			166,909
Self-Insurance Fee	650,000	--	--	650,000	300,000	281,372	388,794	432,095	357,468			297,811
Claims Paid-WC	1,000,000	--	--	1,000,000	100,000	537,775	936,718	725,255	1,022,116			1,001,753
Claims Paid-PL	100,000	--	--	100,000	100,000	25,205	10,263	82,411	57,219			53,650
		--	--	--	--	--	--	--	--			--
Safety Inspection	20,000	--	--	20,000	19,000	12,819	12,819	12,445	12,445			12,445
Physical Ability Testing	20,000	--	--	20,000	20,000	9,660	3,403	4,165	6,031			26,449
First-Aid Programs	35,000	--	--	35,000	35,000	3,749	1,208	8,384	26,579			28,559
Risk Management Prevention Program	250,000	--	--	250,000	250,000	97,500	27,610	85,115	15,989			--
EAP	200,000	--	--	200,000	200,000	162,038	119,315	29,602	--			--
Bank Charge & WC Penalty Reimb	6,000	--	--	6,000	6,000	--	112	4,144	1,943			21,071
Cobra Premiums	300,000	--	--	300,000	300,000	218,392	268,395	225,931	224,938			246,832
Dental Insurance Premiums	137,190,000	--	--	137,190,000	127,590,000	131,487,423	123,344,909	106,421,564	122,360,987			129,945,472
Vision Insurance Premiums	7,300,000	--	--	7,300,000	5,521,000	6,304,171	5,022,017	3,676,970	4,254,168			4,066,932
Claim Development Expense	(300,000)	--	--	(300,000)	(700,000)	(2,989,709)	(992,480)	(3,540,853)	(2,823,823)			(357,335)
Prior Year Adjustment	--	--	--	--	--	651,600	--	--	--			--
Total Operating Expenditures	177,055,665	--	--	177,055,665	161,010,584	162,823,679	155,356,405	132,926,746	148,111,194			158,531,903
Net Increase/(Decrease) from Operations	1,397,445	--	--	1,397,445	(843,976)	2,751,854	5,681,132	10,897,661	10,602,545			6,014,279
Non Operating Income/(Expense)												
Interest Income	149,000	--	--	149,000	199,000	526,681	640,000	734,153	681,271			499,738
Change in FMV	--	--	--	--	--	(2,305,443)	--	663,387	342,202			(341,266)
Realized Gain/(Loss)	--	--	--	--	--	940,339	--	--	--			644
GASB 68	--	--	--	--	--	--	--	--	--			--
Total Non Operating Income/(Expense)	149,000	--	--	149,000	199,000	(838,423)	640,000	1,397,540	1,023,473			159,116
Ending Cash	\$	50,217,490	--	--								
Net Increase/(Decrease) in Net Position	\$	--	\$	--	1,546,445	(644,976)	1,893,431	6,321,132	\$ 12,295,201	\$ 11,626,018		6,173,395

It was moved by Kevin Collins and seconded by Ahmad Sheikholeslami to recommend approval of the budget to the Full Board.

Ayes: Heldman, Collins, Kim, Blessing, Alahydoain, Sheikholeslami

Nays: None

Abstain: None

XII. ACSIG Salaries & Benefits

In 2019, a formula was developed by the Executive Committee for ACSIG employee compensation increases. The formula yielded an average increase of 7.72%. 2022/2023 was the second year of the 3-year, 10%/year for the Executive Assistant to fully implement the classification study from 2021/2023. There is 1 more year remaining in that agreement. As part of the formula, 50% of the funded COLA was put on the schedule effective 7/1/2022. 3.28% was added 7/1/2022. Therefore additional increase to the salary schedule will be 4.44% (7.72-3.28). The total cost of all increases is \$31,265.21.

It was moved by Kevin Collins and seconded by Ruth Alahydoain to recommend approval of the salary increase to the Full Board.

Ayes: Heldman, Collins, Kim, Blessing, Alahydoain, Sheikholeslami

Nays: None

Abstain: None

XIII. Meeting Calendar

The Executive Committee reviewed the 2023/24 draft meeting calendar.

It was moved by Kevin Collins and seconded by Jackie Kim to recommend approval of the meeting calendar to the Full Board.

Ayes: Heldman, Collins, Kim, Blessing, Alahydoain, Sheikholeslami

Nays: None

Abstain: None

XIV. CAJPA Fall Conference 2023

2023 CAJPA Fall Conference held September 12 -15, 2022 in South Lake Tahoe.

Workers Compensation

XV. Run Off Claims Agreement

The Executive Director presented the renewal contract for Run Off Claims Administration.

It was moved by Kevin Collins and seconded by Jackie Kim to recommend approval of the Run Off Claims Agreement to the Full Board.

Ayes: Heldman, Collins, Kim, Blessing, Alahydoain, Sheikholeslami

Nays: None
Abstain: None

XVI. EAP Update

The Executive Director reviewed the utilization of the EAP with the Executive Committee. Implementation has been slow due to the current remote working environment and direct access to employees for program introduction. With that said, those who have utilized the services have given very positive feedback.

XVII. EAP Contract Extension

The Executive Director provided the proposed contract extension with Claremont. The current contract renewal is reduced to \$1.20/employee/month with the stipulation that the ACSIG program will not exceed 5% utilization. This is a 3-year agreement. Should we exceed 5%, the additional utilization will be invoiced at the current rate of \$1.64/employee/month.

It was moved by Kevin Collins and seconded by Ruth Alahydoian to recommend approval of the EAP Contract to the Full Board.

Ayes: Heldman, Collins, Kim, Blessing, Alahydoain, Sheikholeslami

Nays: None

Abstain: None

XVIII. COVID Claims Update

The Claims manager provided an update regarding open COVID claims.

XIX. Claims Trends - 5 year Point in Time

The Risk Management Analyst reviewed the current claim trends by Job Classification, Age and Month with the Executive Committee.

XX. Tail Claims Report

The Claims manager provided an update regarding tail claims.

Dental

XXI. Dental Program & Rates 2023/2024

The Executive Director presented the Dental Rate recommendations with the Executive Committee. The recommendation is for a flat renewal.

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

Ayes: Heldman, Collins, Kim, Blessing, Alahydoain, Sheikholeslami

Nays: None

Abstain: None

XXII. Dental & Vision Actuarial Study

The Executive Director presented the Dental & Vision actuarial study.

It was moved by Kevin Collins and seconded by Leigh Ann Blessing to recommend approval of the Dental & Vision Actuarial Study to the Full Board.

Ayes: Heldman, Collins, Kim, Blessing, Alahydoain, Sheikholeslami

Nays: None

Abstain: None

Vision

XXIII. Vision Program & Rates 2023/2024

The Executive Director presented the Vision Rate recommendations with the Executive Committee. The recommendation is for a flat renewal.

It was moved by Kevin Collins and seconded by Ahmad Sheikholeslami to recommend approval of Vision Rates to the Full Board.

Ayes: Heldman, Collins, Kim, Blessing, Alahydoain, Sheikholeslami

Nays: None

Abstain: None

Property & Liability

XXIV. Property & Liability Rates 2023/2024

The Executive Director presented the Property and Liability rates.

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

Ayes: Heldman, Collins, Kim, Blessing, Alahydoain, Sheikholeslami

Nays: None

Abstain: None

XXV. PLCA Agreement Renewal

The Executive Director reviewed the amendment for Property and Casualty Claims Administration Services.

It was moved by Ruth Alahydoian and seconded by Jackie Kim to recommend approval of the PLCA Amendment to the Full Board.

Ayes: Heldman, Collins, Kim, Blessing, Alahydoain, Sheikholeslami

Nays: None

Abstain: None

Administrative

XXVI. Dispute Resolution Policy

The Executive Committee conducted the annual review of the Dispute Resolution policy and found no changes necessary.

It was moved by Kevin Collins and seconded by Leigh Ann Blessing to recommend approval the Dispute Resolution policy as presented to the Full Board.

Ayes: Heldman, Collins, Kim, Blessing, Alahydoain, Sheikholeslami

Nays: None

Abstain: None

XXVII. Underwriting Policy

The Executive Committee conducted the annual review of the Underwriting Policy and found no changes necessary.

It was moved by Kevin Collins and seconded by Leigh Ann Blessing to recommend approval the Underwriting Policy as presented to the Full Board.

Ayes: Heldman, Collins, Kim, Blessing, Alahydoain, Sheikholeslami

Nays: None

Abstain: None

XXVIII. Conflict of Interest Code

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

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

Ayes: Heldman, Collins, Kim, Blessing, Alahydoain, Sheikholeslami

Nays: None

Abstain: None

XXIX. Authorization of Signatures

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

It was moved by Kevin Collins and seconded by Leigh Ann Blessing to recommend approval the Authorization of Signatures as presented to the Full Board.

Ayes: Heldman, Collins, Kim, Blessing, Alahydoain, Sheikholeslami

Nays: None

Abstain: None

XXX. 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 Kevin Collins and seconded by Leigh Ann Blessing to recommend approval the Posting and Mailing address to the Full Board.

Ayes: Heldman, Collins, Kim, Blessing, Alahydoain, Sheikholeslami

Nays: None

Abstain: None

XXXI. Future Planning

XXXII. This meeting was adjourned by Annette Heldman at 3:21PM



**LOCATION CALL- IN SHEET
ALAMEDA COUNTY SCHOOLS INSURANCE GROUP
EXECUTIVE COMMITTEE MEETING**

May 16, 2023
2:00 PM

Join Zoom Meeting

<https://us02web.zoom.us/j/7358807014?pwd=SzJEa1BUSzNNMzBYN3VzajB2UEVPQT09>

Meeting ID: 735 880 7014 Passcode: acsig23

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

Alameda County Office of Education

313 W Winton Ave.
Hayward, CA 94544
Leigh Ann Blessing (510) 670-4218

Albany Unified School District

819 Bancroft Way
Berkeley, CA 94710
Jackie Kim (510) 558-3751

New Haven Unified School District

34200 Alvarado-Niles Rd.
Union City, CA 94587
Annette Heldman (510) 471-1100 ext 60413

Piedmont Unified School District

760 Magnolia Ave
Piedmont, CA 94611
Ruth Alahydoian (510) 594-2608

Pleasanton Unified School District

4665 Bernal Ave
Pleasanton, CA 94566
Ahmad Sheikholeslami (925) 426-4307

San Leandro Unified School District

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