



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

MINUTES Executive Committee

Date: Thursday, May 19, 2022
Time: 9:30 AM
Location: Video Meeting
Join Zoom Meeting
[https://us02web.zoom.us/j/7358807014?
pwd=OWtmZkdmdmZmVwT0hCZklsNXA4RURXUT09](https://us02web.zoom.us/j/7358807014?pwd=OWtmZkdmdmZmVwT0hCZklsNXA4RURXUT09)
Meeting ID: 735 880 7014
Passcode: acsig20

I. Annette Heldman called the meeting to order 9:31 AM

II. Roll call

Executive Committee Members

Annette Heldman	President	New Haven USD
Susan Kinder	Vice Present	Livermore Valley Joint
USD		
Dr. Candi Clark	Board Member	ACOE
Jackie Kim	Board Member	Albany USD
Dr. Kevin Collins	Board Member	San Leandro USD
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
Michael Clark	Guest	Keenan & Associates
Laurena Grabert	Guest	SETECH
Cary Allison	Guest	Morgan Stanley

III. Acceptance of the Agenda

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

Ayes: Heldman, Kinder, Kim, Collins

Nays: None

Abstain: None

IV. Public Comment on Closed Session Agenda Items

No public present to comment.

Closed Session

Closed session began at 9:32am

A. Settlement Notification

● Claim Numbers:

Diaz	584973
Nguyen	567167
Walker	574997
Lozano	582302
Ynzunza	546986
Anaya	587224
Bagaoisan	547091
Cabrera	582619

B. Settlement Authorization

● Claims Numbers:

Souza (Siegfried)	2207076
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C. Executive Director Evaluation

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

D. CastlePoint Memo

Ron Martin from Keenan and Associates discussed the CastlePoint Memo and Loss Run with the Executive Committee.

Open Session

Open session began at 9:50am.

V. Public Comment on Open Session Agenda Items

No public present to comment.

VI. Report of Action Taken in Closed Session

Motion was moved to approve settlement authorization number 2207076.

It was moved by Kevin Collins and seconded by Candi Clark to approve the settlement authorization.

Ayes: Heldman, Kinder, Clark, Kim, Collins

Nays: None

Abstain: None

VII. Approval of Minutes

It was moved by Kevin Collins and seconded by Jackie Kim to approve the meeting minutes from February 17, 2022.

Ayes: Heldman, Clark, Kim, Collins

Nays: None

Abstain: Kinder

General

VIII. Executive Committee Membership

The Executive Committee has suggested recruiting Pleasanton USD to the Executive Committee. Livermore JUSD, New Haven USD and San Leandro USD has agreed to continue sitting on the committee.

IX. Third Quarter Investment Report

Cary Allison from Morgan Stanley reviewed the 2021/22 third quarter investment report with the Executive Committee.

Time Weighted Performance Summary (Net of fees) – March 31, 2022

Total Ending Value **\$26,882,534.37**

Rolling Periods

Quarter to Date	-2.80%
Year to Date	-2.80%
Last 12 Months	-3.35%
Last 3 Years	0.80%
Last 5 Years	0.96%
Last 10 Years	0.95%
Since 7/12/10 Inception (annualized %)	1.07%

Calendar Years

Fiscal Years

2022 YTD	-2.80%	2021-22 YTD	-0.56%
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, Kinder, Clark, Kim, Collins

Nays: None

Abstain: None

X. Third Quarter Financial Report

Laurena Grabert from SETECH presented the 2021/2022 third quarter financial report.

Alameda County Schools Insurance Group (ACSIG)
Treasurer's Report- Statement of Net Position
Consolidated
As of 06/30/2021 and 03/31/2022

	Audited As of 06/30/2021	Activity 07/01/2021 - 03/31/2022	As of 03/31/2022
Assets:			
Current Assets			
Workers Compensation	\$ 26,528,298	(7,781,195)	\$ 18,747,103
Dental	7,267,399	(1,097,016)	6,170,383
Vision	2,743,178	87,830	2,831,008
Property and Liability	2,425,090	(838,260)	1,586,830
Operations	247,859	(24,055)	223,804
Cash and Cash Equivalents	<u>\$ 39,211,824</u>	<u>(9,652,696)</u>	<u>\$ 29,559,128</u>
Investments Morgan Stanley - current	111,295	219,590	330,885
Accounts Receivable	8,185,017	2,799,637	10,984,654
Prepaid Expense	8,785	2,318,489	2,327,274
Interfund Receivable/(payable) (1)	--	--	--
Subtotal Current Assets	<u>47,516,921</u>	<u>(4,314,980)</u>	<u>43,201,941</u>
Noncurrent Assets			
Investments @ FMV - Morgan Stanley (3)	22,474,368	3,956,320	26,430,688
Capital - Equipment, net of depreciation	595	(595)	--
	<u>22,474,963</u>	<u>3,955,725</u>	<u>26,430,688</u>
Total Assets	\$ 69,991,884	\$ (359,255)	\$ 69,632,629
Deferred Outflow of Resources:			
Deferred outflow of resources - pension	375,108	--	375,108
Liabilities:			
Current Liabilities			
Accounts Payable	\$ 3,020,547	\$ 165,239	\$ 3,185,786
Prefunding deposits (2)	4,276,600	--	4,276,600
Advance Contributions	--	--	--
Other Claim Liabilities - Castlepoint Reinsurance Insolvency	510,869	(52,952)	457,917
Current Portion of claims and claim adjustment	3,570,825	(326,710)	3,244,115
Subtotal Current Liabilities	<u>11,378,841</u>	<u>(214,423)</u>	<u>11,164,418</u>
Noncurrent Liabilities			
Unpaid claims and claim adjustment expenses less current	6,919,552	(2,360,497)	4,559,055
Unallocated Loss Adjustment Expense (ULAE)	728,177	(199,694)	528,483
Subtotal Noncurrent Claim Liabilities	<u>7,647,729</u>	<u>(2,560,191)</u>	<u>5,087,538</u>
Net Pension Liability (NPL)	755,022	73,504	828,526
Total Liabilities	\$ 19,781,592	\$ (2,701,110)	\$ 17,080,482
Deferred Inflow of Resources:			
Deferred inflow of resources - pension	6,684	--	6,684
Net Position:			
Undesignated Net Position - Net Assets/(Deficit)	50,578,121	2,342,450	52,920,571
Designated - Capital Assets	595	(595)	--
Total Net Position	\$ 50,578,716	\$ 2,341,855	\$ 52,920,571
Total Liabilities, Deferred Pension, and Ending Net Position	\$ 69,991,884	\$ (359,255)	\$ 69,632,629

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 Susan Kinder to recommend approval of the third quarter financial report as presented to the Full Board.

Ayes: Heldman, Kinder, Clark, Kim, Collins

Nays: None

Abstain: None

XI. Budget 2022/2023

The Executive Director reviewed the 2022/23 Budget with the Executive Committee.

Alameda County Schools Insurance Group (ACSIG)

**Consolidated
2022/2023 Budget**

	Budget		Change in	Accruals	2021/2022 Budget	2020/2021 Actuals	2019/2020 Actuals	2018/2019 Actuals	2017/2018 ACTUAL	
	2022/2023	Allocations								
Audited - Beginning Net Position, as of 07/01/2022					\$ 50,226,021					
Beginning Cash					\$ 50,226,021	50,583,454	44,715,022	\$ 32,390,067	\$ 21,774,574	34,318,790
Operating Revenue:						154,947,536	161,037,627	143,824,407	158,713,739	164,546,182
Premiums Paid by Members					\$ 160,166,608					
Total Operating Revenue					160,166,608	154,947,536	161,037,627	143,824,407	158,713,739	164,546,182
Operating Expenditures:										
Classified Salaries					412,449	338,030	331,598	323,830	295,213	286,177
Statutory Benefits					77,995	51,737	28,746	36,288	22,941	31,951
Health & Welfare					56,750	56,750	65,039	47,741	42,912	47,510
Employer Tax Expense					6,439	5,510	5,219	5,048	4,550	4,443
Net Pension Expense					229,772	416,155	(202,608)	365,809	199,053	(191,171)
Telephone & Internet					10,450	7,451	6,453	4,625	5,739	6,102
Supplies Office					8,000	5,000	6,541	3,593	2,148	1,885
Supplies - Other					6,000	8,500	1,467	1,181	5,141	3,276
Eligibility Processing					250,000	241,468	210,615	210,724	203,801	218,600
Reckage Fees-Dental-ACSIG					325,000	293,760	290,054	281,605	279,662	293,050
Reckage Fees-Dental-MD					725,000	520,000	607,679	500,851	470,289	410,333
Travel and Conferences					22,925	22,925	2,842	13,770	10,118	10,458
Mileage					11,850	12,000	6,051	7,255	7,119	6,756
Dues & Memberships					8,550	11,400	2,077	7,635	885	1,635
Postage & Meter					7,330	3,910	6,338	2,963	2,764	3,875
Insurance Expense-PIPS&NCR					24,334,504	23,900,848	24,013,869	22,199,152	21,043,123	21,028,823
PIPS payroll adjustment					500,000	500,000	584,688	476,909	(233,378)	749,186
Utility - Operating-Rent					57,820	42,629	41,919	38,074	31,366	36,395
Advertising					--	--	--	--	5,535	--
Contract Services					--	20,000	--	15,750	18,096	8,272
Contract Services- actual					20,500	--	18,670	8,570	--	--
Contract Services					--	--	5,000	10,069	--	15,570
Audit Fees					16,500	16,500	14,476	14,300	13,571	13,500
Other Services/Operating Expenses					12,300	12,300	11,400	3,236	10,386	6,137
Capital Equipment/Depreciation					9,500	9,500	9,500	592	1,462	--
Repairs & Maintenance					5,000	5,000	--	--	--	--
Legal					6,750	6,500	--	--	928	--
Accounting Services					16,480	15,500	15,500	15,000	14,850	14,420
County Courier					1,520	4,400	32	5,604	3,872	3,567
Shredding					900	1,600	619	1,413	813	848
Copier & Scanner					17,900	17,900	12,465	7,676	11,058	10,277
Claims Administration Services					111,400	143,219	139,411	140,232	166,650	166,909
Self-Insurance Fee					300,000	553,082	388,794	432,095	337,468	297,811
Claims Paid-WC					1,200,000	1,300,000	936,718	725,255	1,022,116	1,001,753
Claims Paid-PL					100,000	100,000	10,263	82,411	57,219	53,650
					--	--	--	--	--	--
Safety Inspection					19,000	18,819	12,819	12,445	12,445	12,445
Physical Ability Testing					20,000	20,000	3,403	4,165	6,031	26,449
First-Aid Program					35,000	35,000	1,208	8,384	26,579	28,559
Risk Management Prevention Program					250,000	250,000	27,610	85,115	15,989	--
EAP					200,000	200,000	119,315	29,602	--	--
Bank Charge & WC Penalty Reimb					6,000	6,000	112	4,144	1,943	21,071
Gross Premiums					300,000	250,000	268,395	225,931	224,938	246,832
Dental Insurance Premiums					127,590,000	123,100,000	123,344,909	106,421,564	122,360,987	129,945,472
Vision Insurance Premiums					5,521,000	4,520,000	5,022,017	3,676,970	4,234,168	4,066,932
Claim Development Expense					(700,000)	(1,000,000)	(992,480)	(3,540,853)	(2,823,823)	(357,335)
Prior Year Adjustment					--	--	--	--	--	--
Total Operating Expenditures					162,110,584	156,045,469	155,356,495	132,924,015	148,111,194	158,531,903
Net Increase/(Decrease) from Operations					(1,943,976)	(1,097,933)	5,681,132	10,900,392	10,602,545	6,014,279
Non Operating Income/(Expense)										
Interest Income					199,000	650,500	640,000	734,153	681,271	499,738
Change in FMV					--	--	--	663,387	342,202	(341,266)
Realized Gain/(Loss)					--	--	--	--	--	644
GASB 68					--	--	--	--	--	--
Total Non Operating Income/(Expense)					199,000	650,500	640,000	1,397,540	1,023,473	159,116
Ending Cash					\$ 48,481,045					
Net Increase/(Decrease) in Net Position					\$ --	(447,433)	6,321,132	\$ 12,297,932	\$ 11,626,018	6,173,395

It was moved by Kevin Collins and seconded by Candi Clark to recommend approval of the budget to the Full Board with a correction of line item: Claims Paid for workers compensation \$1.2M to \$1M on page 60 of the agenda packet

Ayes: Heldman, Kinder, Clark, Kim, Collins

Nays: None

Abstain: None

XII. SETECH Contract Renewal

The Executive Director reviewed the renewal contract with SETECH.

It was moved by Susan Kinder and seconded by Kevin Collins to recommend approval of contract to the Full Board.

Ayes: Heldman, Kinder, Clark, Kim, Collins

Nays: None

Abstain: None

XIII. ACSIG Salaries & Benefits

The Executive Director presented a wage classification study for all ACSIG positions. The Executive Committee agreed to hold a sub-committee meeting to further discuss and have a proposal to present to the Full Board.

XIV. Executive Director Job Description

The Executive Director presented the job description of the role of ACSIG's Executive Director with the Executive Committee.

XV. ACSIG Meetings

The Executive Director discussed with the Executive Committee on preference for future meetings. The Committee agreed to hold our Fall Full Board meeting in person and the rest of them virtually.

It was moved by Susan Kinder and seconded by Candi Clark to recommend approval of future meetings to the Full Board.

Ayes: Heldman, Kinder, Clark, Kim, Collins

Nays: None

Abstain: None

XVI. Meeting Calendar

The Executive Committee reviewed the 2022/23 draft meeting calendar.

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

Ayes: Heldman, Kinder, Clark, Kim, Collins
Nays: None
Abstain: None

XVII. CAJPA Fall Conference 2022

2022 CAJPA Fall Conference held September 13 -16, 2022 in South Lake Tahoe.

Workers Compensation

XVIII. Claims Audit

The Executive Director reviewed the claims audit with the Executive Committee.

It was moved by Susan Kinder and seconded by Kevin Collins to recommend approval of the claims audit to the Full Board.

Ayes: Heldman, Kinder, Clark, Kim, Collins

Nays: None

Abstain: None

XIX. 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.

XX. COVID Claims Update

The Claims manager provided an update regarding open COVID claims.

XXI. Special Education Claims

The Risk Management Analyst reviewed the special education claims with the Executive Committee.

XXII. Work Force Age Report

The Risk Management Analyst reviewed the work force age report with the Executive Committee.

Recommendation: For discussion

XXIII. Post Offer-Pre Placement Program Results

The Executive Director reviewed the post offer-pre placement program results with the Executive Committee.

XXIV. Skechers Incident at Dublin USD

The Executive Director updated the Committee about the workers compensation shoe program gift card incident that happened at Dublin USD.

Dental

XXV. Dental Program & Rates 2022/2023

The Executive Director presented the 2022/2023 Dental Rate recommendations to the Executive Committee. The recommendation is for a flat renewal with the addition of 2 enhancements including D&P maximum waiver and cone beam CT scans.

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

Ayes: Heldman, Kinder, Clark, Kim, Collins

Nays: None

Abstain: None

Vision

XXVI. Vision Program & Rates 2022/2023

The Executive Director presented the 2022/23 Vision rates with a recommendation of a flat renewal with the addition of 2 enhancements

including updated open access schedule (out of network reimbursements) and UV protection lens.
It was moved by Candi Clark and seconded by Kevin Collins to recommend approval of the Vision rates as presented to the Full Board.
Ayes: Heldman, Kinder, Clark, Kim, Collins
Nays: None
Abstain: None

Property & Liability

XXVII. Property & Liability Rates 2022/2023

The Executive Director presented the 2022/23 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, Kinder, Clark, Kim, Collins
Nays: None
Abstain: None

XXVIII. P&L Actuarial Study

The Executive Director presented the P&L actuarial study.
It was moved by Susan Kinder and seconded by Jackie Kim to recommend approval of the P&L Actuarial Study to the Full Board.
Ayes: Heldman, Kinder, Clark, Kim, Collins
Nays: None
Abstain: None

XXIX. PLCA Agreement Renewal

The Executive Director reviewed the amendment for Property and Casualty Claims Administration Services.
It was moved by Kevin Collins and seconded by Susan Kinder to recommend approval of the PLCA Amendment to the Full Board.
Ayes: Heldman, Kinder, Clark, Kim, Collins
Nays: None
Abstain: None

XXX. Loss Control Agreement

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

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

Ayes: Heldman, Kinder, Clark, Kim, Collins

Nays: None

Abstain: None

Administrative

XXXI. Dispute Resolution Policy

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

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

Ayes: Heldman, Kinder, Clark, Kim, Collins

Nays: None

Abstain: None

XXXII. Underwriting Policy

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

It was moved by Candi Clark and seconded by Kevin Collins to recommend approval the Underwriting Policy as presented to the Full Board.

Ayes: Heldman, Kinder, Clark, Kim, Collins

Nays: None

Abstain: None

XXXIII. Investment Policy

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

It was moved by Candi Clark and seconded by Kevin Collins to recommend approval the Investment Policy as presented to the Full Board.

Ayes: Heldman, Kinder, Clark, Kim, Collins
Nays: None
Abstain: None

XXXIV. 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 Candi Clark and seconded by Kevin Collins to recommend approval of the Conflict of Interest Code as presented to the Full Board.

Ayes: Heldman, Kinder, Clark, Kim, Collins
Nays: None
Abstain: None

XXXV. 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 Kevin Collins to recommend approval the Authorization of Signatures as presented to the Full Board.

Ayes: Heldman, Kinder, Clark, Kim, Collins
Nays: None
Abstain: None

XXXVI. 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 Kevin Collins to recommend approval the Posting and Mailing address to the Full Board.

Ayes: Heldman, Kinder, Clark, Kim, Collins
Nays: None
Abstain: None

XXXVII. Future Planning

XXXVIII. This meeting was adjourned by Annette Heldman at 12:11PM



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

May 19, 2022
9:30 AM

Join Zoom Meeting

<https://us02web.zoom.us/j/7358807014?pwd=OWtmZkd mZmVwT0hCZklsNXA4RURXUT09>

Meeting ID: 735 880 7014 Passcode: acsig20

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
Dr. Candi Clark (510) 670-4218

Albany Unified School District

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

Livermore Unified School District

685 East Jack London Blvd.
Livermore, CA 94501
Susan Kinder (925) 606-3255

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

San Leandro Unified School District

835 E 14th St

San Leandro, CA 94577
Kevin Collins (510) 667-3504