



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

MINUTES Full Board

Date: Thursday, November 7, 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 Susan Kinder at 12:06pm.

II. Roll call

Full Board

Susan Kinder USD	Vice President	Livermore Valley Joint
Raul Parungao Education	Secretary	Alameda County Office of
Dani Krueger District	Board Member	Alameda Unified School
Jackie Kim	Board Member	Albany Unified School District
Dora Siu	Board Member	Emery Unified School District
Marcus Battle	Board Member	Fremont USD
Teresea Santamaria School District	Board Member	Mountain House Unified
Marie Dela Cruz	Board Member	Newark Unified School District
Ruth Alahydoian	Board Member	Piedmont Unified School District
Ahmad Sheikholeslami	Board Member	Pleasanton Unified School District
Dr. Kevin Collins District	Board Member	San Leandro Unified School
Madeline Gabel District	Board Member	San Lorenzo Unified School
Kimberly Dennis Schools Insurance	Executive Director	Alameda County
Celina Flotte Schools Insurance	Executive Assistant	Alameda County

Tara Cooper-Salaiz	Guest	Keenan & Associates
Patrice Grant	Guest	Keenan & Associates
Ron Martin	Guest	Keenan & Associates
Michael Clark	Guest	Keenan & Associates
Dave Kundert	Guest	Keenan & Associates
Hesam Fayaz	Guest	SETECH
Heather Daud	Rubio	Christy White & Associates
Cary Allison	Guest	Morgan Stanley

III. Acceptance of the Agenda

It was moved by Kevin Collins and seconded by Raul Parungao to accept the agenda as presented.

IV. Public Comment on Closed Session Agenda Items

No public present to comment.

V. Closed Session

Closed session began at 12:11 PM.

Open Session

Open session began at 12:37 PM.

VI. Public Comment on Open Session Agenda Items

No public present to comment.

VII. Report of Action Taken in Closed Session

The Board took action to approve settlement authority for claim numbers 2503013, 99001125, 9901861, 2510407, 2202377, and 2202360.

A. Settlement Authorization

• Claim Numbers:

Murcia	2503013	Jackson	2510407
Ali-Sullivan	99001125	Parker	2202377
Murphy	9901861	Nese-Forte	2202360

B. Settlement Notification

• Claim Numbers:

Taylor	478029	Texeira	517274	Fallon	536413	Guzman	555537
Supnet	482303	Johnson	522455	Pagni	536821	Keese	557531
		Villanueva					
Goulet	487607	a	523695	Edwards	538692	Javeed	561424
Hunter	487985	Cheung	523869	Dawn	540240	Cheng	561561
Martins	491308	Guzman	528284	Anaya	541956	Morett	562971

Velazquez	498313	Gordon	529062	Ibarra	542339	Carpenter	563512
Pence	503237	Idris	533424	Baker	543756	Delgado	564034
Middleton	505313	Ostlund	534669	Holthe	545445		
Johnson	505638	Reynado	535263	Grier	547829		
Hanford	514309	Carone	536209	Shadd	554040		

C. CastlePoint/ Reinsurance Update

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

VIII. Approval of Minutes

The Board reviewed the Executive Committee meeting minutes from May 9, 2019 and the Full Board minutes from May 16, 2019.

It was moved by Dani Krueger and seconded by Jackie Kim to approve the minutes with fixed typos on page 8 and 9 of the agenda packet.

Ayes: Parungao, Krueger, Kim, Siu, Battle, Santamaria, Cruz, Alahydoian, Collins, Gabel, Gabel

Nays: None

Abstain: None

Consent Calendar

Review Items listed on the consent agenda for any adjustments and adoptions.

- **2018/19 Fourth Quarter Financials**
- **2018/19 Fourth Quarter Investment Report**

It was moved by Ruth Alahydoian and seconded by Madeline Gabel to accept the consent calendar.

Ayes: Parungao, Krueger, Kim, Siu, Battle, Santamaria, Cruz, Alahydoian, Collins, Gabel, Gabel

Nays: None

Abstain: None

General Business

IX. Members to Executive Committee

The Board has suggested recruiting Fremont USD to the Executive

Committee.

It was moved by Susan Kinder and seconded by Madeline Gabel to recruit Fremont USD to the Executive Committee.

Ayes: Parungao, Krueger, Kim, Siu, Battle, Santamaria, Cruz, Alahydoian, Collins, Gabel, Gabel

Nays: None

Abstain: None

X. Annual Report

The Executive Director reviewed the annual report with the Full Board.

XI. 2018/ 19 Audit

Heather Daud of Christy White reviewed the 2018/19 Audit with the Board. This was the 7th year with Christy White Associates and the audit went very smoothly with no findings.

It was moved by Raul Parungao and seconded by Kevin Collins to approve the Audit.

Ayes: Parungao, Krueger, Kim, Siu, Battle, Santamaria, Cruz, Alahydoian, Collins, Gabel, Gabel

Nays: None

Abstain: None

XII. 2019/ 20 First Quarter Financials

Laurena Grabert from SETECH presented the 2019/20 1st Quarter Financials.

It was moved by Kevin Collins and seconded by Teresa Santamaria to approve the 1st Quarter Financials with a motion to move \$5M to investments.

Ayes: Parungao, Krueger, Kim, Siu, Battle, Santamaria, Cruz, Alahydoian, Collins, Gabel, Gabel

Nays: None

Abstain: None

Alameda County Schools Insurance Group (ACSIG)
Consolidated
Statement of Revenues, Expenditures and Changes in Net Position
As of 09/30/2019 and For The Three Months Then Ended

	2018/2019		2019/2020			
	Budget	Actuals	Budget	Activity 07/01/2019 - 09/30/2019	Variance	Percentage of Budget
Operating Revenue:						
Premiums Paid by Members	\$ 158,439,211	\$ 158,713,739	\$ 198,422,112	\$ 40,514,658	\$ 157,907,454	20.42 %
Return of Premiums	--	(999,989)	--	--	--	--
Other Income	--	--	--	--	--	--
Total Operating Revenue	158,439,211	157,713,750	198,422,112	40,514,658	157,907,454	20.42
Operating Expenditures:						
Classified Salaries	251,917	295,213	278,593	73,638	204,955	26.43
Statutory Benefits	88,316	22,941	88,316	7,848	80,468	8.89
Health & Welfare	51,190	42,912	51,190	11,934	39,256	23.31
Employer Tax Expense	4,769	4,551	4,769	1,167	3,602	24.47
Net Pension Expense	51,788	199,053	74,804	39,592	35,212	52.93
Telephone & Internet	7,350	5,739	7,926	980	6,946	12.36
Supplies Office	4,200	2,148	3,000	422	2,578	14.05
Supplies - Other	4,200	5,141	4,000	2	3,998	0.06
Eligibility Processing	246,077	203,801	250,000	50,340	199,660	20.14
Brokerage Fees-Dental-ACSIG	294,000	279,662	325,000	46,026	278,974	14.16
Brokerage Fees-Dental-MD	425,000	470,289	500,000	123,055	376,945	24.61
Travel and Conferences	23,100	10,118	22,000	2,125	19,875	9.66
Mileage	8,925	7,119	8,500	2,179	6,321	25.64
Dues & Memberships	7,350	885	12,000	1,400	10,600	11.67
Postage & Meter	10,000	2,764	8,000	3,945	4,055	49.32
Insurance Expense-PIP&NCR	24,950,383	21,043,123	24,818,844	5,542,355	19,276,489	22.33
Insurance Expense-PY Adj	2,000,000	(233,378)	1,000,000	--	1,000,000	--
Utility - Operating-Rent	36,461	36,901	48,432	16,864	31,569	34.82
Advertising	600	--	2,000	--	2,000	--
Contract Services - Actuarial	31,275	18,096	32,414	--	32,414	--
Contract Services -Claim Audit	--	--	20,000	--	20,000	--
Contract Services	6,375	--	3,125	--	3,125	--
Audit Fees	16,275	13,750	15,000	7,013	7,988	46.75
Other Services/Operating Expenses	10,500	6,137	27,248	1,540	25,708	5.65
Capital Equipment/Depreciation	3,900	592	4,000	592	3,408	14.80
Repairs & Maintenance	3,675	--	3,500	--	3,500	--
Legal	2,100	928	10,000	--	10,000	--
Accounting Services	15,750	14,850	15,500	3,750	11,750	24.19
County Courier	4,200	3,872	4,200	--	4,200	--
Shredding	2,100	813	1,080	198	882	18.33
Copier & Scanner	15,000	11,058	16,700	2,539	14,161	15.21
Claims Administration Services	174,000	166,650	155,000	33,750	121,250	21.77
Self-Insurance Fee	325,000	337,468	431,959	--	431,959	--
Claims Paid-WC	1,750,000	1,022,116	1,250,000	88,570	1,161,430	7.09
Claims Paid-PL	100,000	57,219	100,000	25,687	74,313	25.69
Physical Abilities Testing	35,000	11,180	50,000	980	49,020	1.96
Training	40,000	6,031	--	(5,116)	5,116	--
First-Aid Program	30,000	26,579	50,000	2,515	47,485	5.03
Food Service Training	--	--	--	--	--	--
Risk Mgmt Prev Program	30,000	15,989	100,000	--	100,000	--
EPA Program	--	--	100,000	--	100,000	--
Safety Inspections	12,446	12,446	12,446	--	12,446	--
Bank Charge & WC Penalty Reimb	41,000	1,943	25,000	475	24,525	1.90
Cobra Premiums	250,000	224,938	270,000	67,933	202,067	25.16
Dental Insurance Premiums	123,120,000	122,360,987	163,000,000	31,964,735	131,035,265	19.61
Vision Insurance Premiums	3,950,000	4,234,168	4,375,000	901,435	3,473,565	20.60
Claim Development Expense	(2,000,000)	(2,823,823)	1,000,000	(92,184)	1,092,184	(9.22)
ACA Fees	--	--	--	--	--	--
Total Operating Expenditures	156,434,222	148,122,968	198,579,546	38,928,284	159,651,262	19.60 %
Net Increase/(Decrease)						
from Operations	2,004,989	9,590,782	(157,434)	1,586,374	(1,743,808)	(1,007.64) %
Non Operating Income/(Expense)						
Interest Income	376,500	681,274	574,500	282,025	292,476	49.09
Net Increase/(Decrease) in Fair Value	--	342,202	--	(152,812)	152,812	--
Realized Gain/(Loss) on Investments	--	644	--	644	(644)	--
Cumulative effect of GASB 68	--	--	--	--	--	--
Interfund Trans, Other Inc/Exp	--	--	--	--	--	--
Total Non Operating						
Income/(Expense)	376,500	1,024,120	574,500	129,857	444,644	22.60 %
Net Increase/(Decrease)						
in Net Position	\$ 2,381,489	\$ 10,614,902	417,066	\$ 1,716,231	\$ (1,299,164)	41.150 %
Beginning Balance Prior						
Year End	\$ 21,771,614	\$ 21,771,614	32,386,515	\$ 32,386,515	\$ 592	100.00 %
Ending Balance, as of						
09/30/2019	\$ 24,153,103	\$ 32,386,515	\$ 32,803,581	\$ 34,102,746	\$ (1,298,572)	

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XIII. 2019/ 20 First Quarter Investment Report

Cary Allison presented the 2019/20 1st Quarter investment report.

Time Weighted Performance Summary (Net of fees) – September 30, 2019

Total Ending Value	\$16,889,324.05		
<i>Rolling Periods</i>			
Quarter to Date	0.75%		
Year to Date	3.35%		
Last 12 Months	4.43%		
Last 3 Years	1.32%		
Last 5 Years	1.43%		
Since 7/12/10 Inception (annualized %)	1.34%		
<i>Calendar Years</i>		<i>Fiscal Years</i>	
2019 YTD	3.35%	2019-20 YTD	0.75%
2018	1.01%	2018-19	1.31%
2017	0.59%	2017-18	-0.42%
2016	0.99%	2016-17	-0.35%
2015	0.87%	2015-16	2.13%
2014	1.01%	2014-15	1.09%
2013	-0.03%	2013-14	1.32%
2012	2.44%	2012-13	0.48%
2011	1.91%	2011-12	1.75%
2010 (partial year)	0.29%		

Morgan Stanley uses Interactive Data Concepts (IDC) for its bond pricing services. More details on the portfolio summary are attached and can also be found in the monthly statements.

It was moved by Raul Parungao and seconded by Dora Siu to approve the 1st Quarter Investment Report.

Ayes: Parungao, Krueger, Kim, Siu, Battle, Santamaria, Cruz, Alahydoian, Collins, Gabel, Gabel

Nays: None

Abstain: None

XIV. FBC Contract

The Executive Director presented the new contract with FBC for the dental coalition.

It was moved by Kevin Collins and seconded by Marcus Battle to approve the contract.

Ayes: Parungao, Krueger, Kim, Siu, Battle, Santamaria, Cruz, Alahydoian, Collins, Gabel, Gabel

Nays: None

Abstain: None

XV. Strategic Planning

The strategic planning meeting will take place on Decemeber 17, 2019

at 5776 Stoneridge Mall Rd. in Pleasanton CA.

Workers Compensation

XVI. Workers Compensation Rates 2019/ 2020

The Executive Director reviewed the 2019/ 2020 Workers Compensation Rates with the Board.

It was moved by Kevin Collins and seconded by Ruth Alahydoain to approve the workers compensation rates.

Ayes: Parungao, Krueger, Kim, Siu, Battle, Santamaria, Cruz, Alahydoian, Collins, Gabel, Gabel

Nays: None

Abstain: None

XVII. Service Plan 2019/ 2020

The Executive Director reviewed the 2019/20 Service Plan with the Board.

The service team consists of Tara Cooper-Salaiz as Account Manager, Michael Clark as Claims Analyst, Dave Kundert as Loss Control Consultant, Patrice Grant as Claims Manager, and Ron Martin as Account Executive. The Service Plan is a tool to show what the team wants to complete within the upcoming year.

XVIII. EAP Update

The Executive Director discussed the EAP Program with the Board.

XIX. Workers Compensation Claims History

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

XX. Future Planning

XXI. The meeting was adjourned at 1:38pm by Susan Kinder.