



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

MINUTES
Full Board

Date: Wednesday, November 9, 2016
Time: 12:00PM
Location: Alameda County Office of Education
 313 W. Winton Ave.
 Hayward, CA 94544

I. The meeting was called to order by Dr. Candi Clark at 12:02pm.

II. Roll call

Executive Committee Members

Dr Candi Clark	President	Castro Valley USD
Susan Kinder	Secretary	Livermore Valley Joint USD
Gary Jones	Board Member	Alameda County Office of Education
Allan Garde	Board Member	Albany Unified School District
Dina Stewart	Board Member	Mountain House Unified School District
Akur Varadarjan	Board Member	New Haven Unified School District
Bryan Richards	Board Member	Newark Unified School District
Song Chin-Bendib	Board Member	Piedmont Unified School District
Micaela Ochoa	Board Member	Pleasanton Unified School District
Ofelia Roxas	Alternate	San Leandro Unified School District
Annette Heldman	Board Member	San Lorenzo Unified School District
Kimberly Dennis	Executive Director	Alameda County Schools Insurance
Celina Flotte	Executive Assistant	Alameda County Schools Insurance
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
Laurena Grabert	Guest	SETECH

III. Acceptance of the Agenda

It was moved by Susan Kinder and seconded by Micaela Ochoa to accept the agenda as presented.

Ayes: Clark, Kinder, Jones, Garde, Stewart, Varadarajan, Richards, Chin-Bendib, Ochoa, Roxas, Heldman

Nays: None

Abstain: None

IV. Approval of Minutes

The Full Board reviewed meeting minutes from the Executive Committee meetings from May 19, 2016 and the Full Board minutes from May 26, 2016 and May 31, 2016. It was moved by Annette Heldman and seconded by Song Chin-Bendib to approve the Executive Committee Meeting minutes from May 19, 2016 and the Full Board minutes from May 26, 2016 and May 31, 2016.

Ayes: Clark, Kinder, Jones, Garde, Stewart, Varadarajan, Richards, Chin-Bendib, Ochoa, Roxas, Heldman

Nays: None

Abstain: None

Consent Calendar

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

- **2015/16 Fourth Quarter Financials**
- **2015/16 Fourth Quarter Investment Report**
- **Annual Report**

General Business

V. 2015/16 Audit

The Executive Director will present the 2015/16 Audit. The Board will be asked to approve this report.

It was moved by Gary Jones and seconded by Micaela Ochoa to accept the 2015/16 Audit.

Ayes: Clark, Kinder, Jones, Garde, Stewart, Varadarajan, Richards, Chin-Bendib, Ochoa, Roxas, Heldman

Nays: None

Abstain: None

VI. Strategic Planning Summary

The Executive Director will present the Strategic Planning Summary. It was noted that more training will be planned for Para-Educators.

VII. 2016/17 First Quarter Financials

Laurena Grabert from SETECH presented the 2016/17 1st Quarter Financials to the Board. It was noted that the deficit has been eliminated.

Alameda County Schools Insurance Group (ACSIG)
Consolidated
Statement of Revenues, Expenditures and Changes in Net Position
For The Three Months Ended 09/30/2016

	Cash Activity		Change in Accruals	Balance Year to Date	2016/2017 Budget	Variance	Percentage of Budget
	07/01/2016	09/30/2016					
Audited - Beginning Net Position, as of 07/01/2016				\$ 7,729,244			
Beginning Cash	\$ 30,401,138				\$ 7,729,244		
Operating Revenue:							
Premiums Paid by Members	\$ 41,134,805	\$ --	\$ (1,762,685)	\$ 39,372,120	\$ 147,408,159	\$ (108,036,039)	26.71 %
Other Income	8,642	(8,642)	--	--	--	--	--
Total Operating Revenue	41,143,447	(8,642)	(1,762,685)	39,372,120	147,408,159	(108,036,039)	26.71
Operating Expenditures:							
Classified Salaries	27,170	32,678	(185)	59,663	236,778	(177,115)	25.20
Statutory Benefits	6,112	13,339	(4,948)	14,504	55,498	(40,994)	26.13
Health & Welfare	2,696	1,797	--	4,493	39,000	(34,507)	11.52
Employer Tax Expense	--	863	--	863	3,411	(2,548)	25.31
Net Pension Expense	--	--	--	--	--	--	--
Telephone & Internet	1,164	--	(108)	1,056	5,250	(4,194)	20.11
Supplies Office	245	--	--	245	5,250	(5,005)	4.67
Supplies - Other	336	--	(107)	229	5,250	(5,021)	4.36
Eligibility Processing	55,614	--	--	55,614	252,000	(196,386)	22.07
Brokerage Fees-Dental-ACSIG	61,832	--	--	61,832	276,000	(214,168)	22.40
Brokerage Fees-Dental-MD	60,077	--	--	60,077	300,000	(239,923)	20.03
Travel and Conferences	3,005	1,104	(430)	3,679	21,000	(17,321)	17.52
Mileage	1,497	--	--	1,497	8,925	(7,428)	16.77
Dues & Memberships	--	--	--	--	1,575	(1,575)	--
Postage & Meter	5,314	--	--	5,314	3,400	1,914	156.29
Insurance Expense-PIPS&NCR	6,003,481	--	(850,000)	5,153,481	23,989,931	(18,836,450)	21.48
Insurance Expense-PIPS Adj	--	--	--	--	1,500,000	(1,500,000)	--
Utility - Operating-Rent	20,010	(12,345)	--	7,665	35,420	(27,755)	21.64
Advertising	--	--	--	--	2,100	(2,100)	--
Contract Services	--	--	--	--	8,426	(8,426)	--
Contract Services -Claim Audit	--	--	--	--	--	--	--
Contract Services	--	--	--	--	10,000	(10,000)	--
Audit Fees	--	--	--	--	14,175	(14,175)	--
Other Services/ Operating Expense:	(34)	--	--	(34)	5,250	(5,284)	(0.65)
Capital Equipment/Depreciation	--	--	--	--	2,550	(2,550)	--
Repairs & Maintenance	--	--	--	--	4,800	(4,800)	--
Legal	--	--	--	--	2,550	(2,550)	--
Accounting Services	2,450	1,050	--	3,500	15,750	(12,250)	22.22
County Courier	--	--	--	--	3,675	(3,675)	--
Shredding	104	26	--	130	1,575	(1,445)	8.25
Copier & Scanner	2,290	20	(1,455)	854	15,000	(14,146)	5.70
Claims Administration Services	85,227	--	(227)	85,000	190,000	(105,000)	44.74
Self-Insurance Fee	--	--	--	--	245,000	(245,000)	--
Claims Paid-WC	146,618	--	31,937	178,555	3,000,000	(2,821,445)	5.95
Claims Paid-PL	1,103	--	--	1,103	80,000	(78,897)	1.38
Physical Abilities Testing	2,205	--	(1,225)	980	22,445	(21,465)	4.37
Training	(154)	--	--	(154)	5,000	(5,154)	(3.08)
First-Aid Program	4,578	--	(553)	4,025	10,000	(5,975)	40.25
Food Service Training	--	--	--	--	10,000	(10,000)	--
Special Ed Training	--	--	--	--	10,000	(10,000)	--
Bank Charge & WC Penalty Reimb	6,066	--	--	6,066	15,000	(8,934)	--
Cobra Premiums	44,674	--	--	44,674	250,000	(205,326)	17.87
Dental Insurance Premiums	31,199,957	--	(362,585)	30,837,372	113,877,908	(83,040,536)	27.08
Vision Insurance Premiums	1,032,233	--	(215,749)	816,484	2,758,000	(1,941,516)	29.60
Claim Development Expense	--	--	(340,200)	(340,200)	(2,430,000)	2,089,800	14.00
ACA Fees	--	--	--	--	--	--	--
Total Operating Expenditures	38,775,870	38,532	(1,745,836)	37,068,567	144,867,892	(107,799,325)	25.59 %
Net Increase/(Decrease) from Operations	2,367,577	(47,174)	(16,849)	2,303,553	2,540,267	(236,714)	%
Non Operating Income/(Expense)							
Interest Income	98,470	(4)	(18,793)	79,673	218,250	(138,577)	36.51
Net Increase/(Decrease) in Fair Value	(91,616)	--	--	(91,616)	--	(91,616)	--
Realized Gain/(Loss) on Investments	13,981	--	--	13,981	--	13,981	--
Cumulative effect of GASB 68	--	--	--	--	--	--	--
Interfund Trans, Other Inc/Exp	204,821	--	(204,821)	--	--	--	--
Total Non Operating Income/(Expense)	225,656	(4)	(223,614)	2,038	218,250	(216,212)	0.93 %
Ending Cash	\$ 32,994,371	(47,178)					
Net Increase/(Decrease) in Net Position		\$ (47,178)	\$ (240,463)	2,305,591	\$ 2,758,517	\$ (452,926)	%
Unaudited - Ending Net Position, as of 09/30/2016				\$ 10,034,835	\$ 10,487,761	\$ (452,926)	

It was moved by Gary Jones and seconded by Micaela Ochoa to accept the 2016/17 1st Quarter Financials.

Ayes: Clark, Kinder, Jones, Garde, Stewart, Varadarajan, Richards, Chin-Bendib, Ochoa, Roxas, Heldman

Nays: None

Abstain: None

VIII. 2016/17 First Quarter Investment Report

The Executive Director presented the 2016/17 1st Quarter Investment Report to the Board.

<i>Investment Summary Dollar Weighted Return % (Net of fees)</i>	
Date of Report	09/30/16
Inception date	07/12/10
Beginning Total Value	\$9,999,850.00
Net Contributions/Withdrawals	\$5,033,025.75
Investment Earnings	\$1,207,554.99
Total Ending Value	\$16,240,430.74
Current Quarter	-0.09%
Year to Date	1.97%
Since Inception (annualized % per year)	1.35%

<i>Time Weighted Return % by Period (Net of fees)</i>	
Last 3 Years (annualized % per year)	1.30%
Last 5 Years (annualized % per year)	1.32%
Since Inception (annualized % per year)	1.36%
Year 2016 (YTD)	1.97%
Year 2015	0.87%
Year 2014	1.01%
Year 2013	-0.03%
Year 2012	2.44%
Year 2011	1.91%
Year 2010 (partial year)	0.29%
Corporate bonds as percentage of portfolio	28.89%

It was moved Annette Heldman and seconded by Akur Varadarajan to accept the 2016/17 1st Quarter Investment Report.

Ayes: Clark, Kinder, Jones, Garde, Stewart, Varadarajan, Richards, Chin-Bendib, Ochoa, Roxas, Heldman

Nays: None

Abstain: None

Workers Compensation

IX. Company Nurse Update

Michael Clark of Keenan presented the Board with an update on the Company Nurse program expansion. ACSIG will be providing shoes for all Food Services Employees as a precaution to work hazards. Michael Clark will be contacting districts for a headcount of these workers.

X. 2016/17 Service Plan

Tara Salaiz of Keenan reviewed the 2016/17 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. The team has chosen 4 target districts, including Alameda USD, Fremont USD, Newark USD, and Pleasanton USD.

XI. Workers Compensation Claims History & Deficit Review

The Executive Director reviewed the Workers Compensation Claims History and deficit review with the Executive Committee. Based upon a 2011 audit report, the program has an operating deficit of \$19.6M ACSIG has accomplished milestone of eliminating this deficit. With the 2016/17 1st Quarter Financial Report, ACSIG is now projected to end the fiscal year with a surplus in this fund.

XII. Post Offer- Pre Placement Program

The Executive Director discussed a Post Offer/ Pre- Placement program to districts, in efforts to improve their ability to select healthy, work ready employees. ACSIG partnered with Ability USA in pilot program within Albany and Piedmont USD, which has seen improvement within the past 3 years. We haven broadened the reach of the program by partnering with a facility in Hayward who can administer exams to districts nearby.

XIII. Future Planning

XIV. The meeting was adjourned at 1:07pm by Dr. Candi Clark.