



Alameda County Schools Insurance Group

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July 15, 2014

Clerk of the Board
1221 Oak Street
Room 536
Oakland, CA 94612

Dear Board of Supervisors:

As per the Political Reform Act (Government Code 82011 et seq) I am writing you to request that we are placed on the agenda for the board's approval for our current Conflict of Interest Policy.

I have attached the 2014 Local Agency Biennial Notice, ACSIG Conflict of Interest Code and the minutes from the full board meeting in which they were approved.

If you have any questions or concerns, please feel free to contact me at DEndert@acsig.com or (925) 225-1030.

Thank you for your time,

A handwritten signature in black ink that reads "Desiree J. Endert". The signature is written in a cursive style.

Desiree J Endert
Administrative Assistant to the Executive Director
Alameda County Schools Insurance Group

Alameda County Schools Insurance Group

Conflict of Interest Code

Amended September 2014

Conflict of Interest Code for
Alameda County Schools Insurance Group

This Conflict of Interest Code is promulgated under the authority of the Political Reform Act, Government Code section 81000 et seq., which requires all state and local government agencies to adopt and promulgate a conflict of interest code. Regulation 2 Cal. Code of Regs., Section 18730 , as adopted by the Fair Political Practices Commission contains the terms of a standard conflict of interest code; which may be incorporated by reference and may be amended by the Fair Political Practices Commission after public notice and hearings to conform to amendments in the Political Reform Act.

Therefore, the terms of the 2 Cal. Code of Regs., Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commissions are hereby incorporated by reference and, along with the attached Appendix in which positions are designated and disclosure categories are set forth constitute the Conflict of Interest Code of Alameda County Schools Insurance Group.

Designated employees shall file their statements of economic interest with the District Secretary who will make the Statements available for public inspection and reproduction (Gov. Code Section 81008). The original statement of the Executive Director and each member of the Board shall be forwarded to the Clerk, Board of Supervisors and a copy retained by Alameda County Schools Insurance Group.

Appendix of Designated Positions
Alameda County Schools Insurance Group

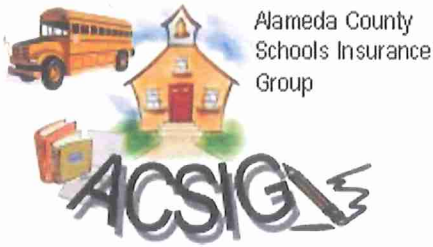
<u>Position</u>	<u>Disclosure Category</u>
Board Members	1
Executive Director	1
Consultants	*

*Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:

The Executive Director may determine in writing that a particular consultant, although a designated position, is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in the section. Such written determination shall include a description, a statement of the extent of disclosure requirements. The Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

Appendix of Disclosure Categories
Alameda County Schools Insurance Group

<u>Category</u>	<u>Disclosure Required</u>
1	Persons in this category must disclose all investments and business positions in business entities, sources of income and interests in real property, gifts and honoraria.



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

MINUTES
Full Board

Date: Thursday, May 22, 2014
Time: 12:00PM
Location: Alameda County Office of Education
 313 W. Winton Ave. Board Room
 Hayward, CA 94544

I. Meeting was called to order by Susan Kinder at 12:30 PM

Board Members in attendance

Susan Kinder	President	Livermore Valley Joint USD
Dr. Candi Clark	Secretary	Castro Valley USD
Allan Garde	Board Member	Albany USD
Marites Fermin	Board Member	Eden Area ROP
Raul Parungao	Board Member	Fremont USD
Marie De La Cruz	Board Member	Mission Valley ROP
Vickie Chang	Board Member	Mountain House USD
Michael Brady	Board Member	Piedmont USD
Song Chin-Bendib	Board Member	San Leandro USD
Miki Whetfield	Board Member	Sunol Glen USD
Julie Duncan	Board Member	Tri-Valley ROP
Teresa Kapellas	Alternate	Alameda County Office of Ed
Lydia Lotti	Alternate	Dublin USD
Annette Heldman	Alternate	New Haven USD
Kimberly Dennis	Executive Director	Alameda County Schools Insurance
Desiree Endert	Admin Assistant	Alameda County Schools Insurance
Ron Martin	Guest	Keenan & Associates
Tara Cooper-Salaiz	Guest	Keenan & Associates
Patrice Grant	Guest	Keenan & Associates
Chris Stout	Guest	Keenan & Associates
Laurena Grabert	Guest	SETECH
Jack Joyce	Guest	Bay Actuarial

II. Acceptance of the Agenda

It was moved by Michael Brady and seconded by Raul Parungao to approve the agenda.

Ayes: Brady, Chang, Chin-Bendib, Clark, De La Cruz, Duncan, Fermin, Garde, Heldman, Kapellas, Kinder, Lotti, Parungao and Whetfield.

Nays: None

Abstain: None

Open Session

III. Public Comment on Open Session Agenda Items

No public present to comment

IV. Approval of Minutes

The Full Board reviewed the meeting minutes from the November 7, 2013 Full Board Meeting and minutes from the October 31, 2013, December 20, 2013 and March 14, 2013 Executive Committee meetings.

It was moved by Candi Clark and seconded by Marites Fermin to approve the November 7, 2013 Full Board Meeting and minutes from the October 31, 2013, December 20, 2013 and March 14, 2013 Executive Committee meetings.

Ayes: Brady, Chang, Chin-Bendib, Clark, De La Cruz, Duncan, Fermin, Garde, Heldman, Kapellas, Kinder, Lotti, Parungao and Whetfield.

Nays: None

Abstain: None

Consent Calendar

The Board reviewed the items listed on the consent agenda for adjustments and adoptions.

- **PLCA Contract**
- **Safety Inspection Contract**
- **Third Quarter Investment Report**
- **Investment Policy**
- **Conflict of Interest Code**
- **Underwriting Policy**
- **Authorization of Signatures**
- **Posting and Mailing Address**

It was moved by Teresa Kapellas and seconded by Raul Parungao to approve the items on the Consent Calendar.

Ayes: Brady, Chang, Chin-Bendib, Clark, De La Cruz, Duncan, Fermin, Garde, Heldman, Kapellas, Kinder, Lotti, Parungao and Whetfield.

Nays: None

Abstain: None

General

V. Third Quarter Financials

Laurena Grabert from SETECH presented the Board with the third quarter financial statements.

Alameda County Schools Insurance Group (ACSIG) Consolidated Statement of Revenues, Expenditures and Changes in Net Position For The Nine Months Ended 03/31/2014							
	Cash Activity		Change in Accruals	Balance Year to Date	2013/2014 Budget	Variance	Percentage of Budget
	07/01/2013	03/31/2014					
Audited - Beginning Net Position, as of 07/01/2013				\$ (4,999,807)			
Beginning Cash	\$ 29,311,374				\$ (4,999,807)		
Operating Revenue:							
Premiums Paid by Members	\$ 105,640,303	\$ (36,611)	\$ (5,286,371)	\$ 100,353,932	\$ 132,561,418	\$ (32,207,486)	75.70 %
Total Operating Revenue	105,640,303	(36,611)	(5,286,371)	100,353,932	132,561,418	(32,207,486)	75.70
Operating Expenditures:							
Classified Salaries	136,071	--	(13,214)	122,857	212,107	(89,250)	57.92
Statutory Benefits	44,077	--	(4,871)	39,206	51,695	(12,489)	75.84
Health & Welfare	16,011	--	(726)	15,285	27,246	(11,961)	56.10
Employer Tax Expense	41,914	--	--	41,914	63,834	(21,920)	65.66
Telephone & Internet	7,167	--	--	7,167	12,000	(4,833)	59.73
Supplies Office	7,903	--	(219)	7,684	7,000	684	109.77
Supplies - Other	1,941	--	--	1,941	3,000	(1,059)	64.70
Eligibility Processing	134,838	--	--	134,838	195,000	(60,162)	69.15
Brokerage Fees-Dental-ACSIG	171,680	--	--	171,680	270,000	(98,320)	63.59
Brokerage Fees-Dental-MD	115,272	--	--	115,272	410,000	(294,728)	28.12
Travel and Conferences	825	10,277	(825)	10,277	12,000	(1,723)	85.64
Mileage	4,624	--	--	4,624	9,740	(5,116)	47.47
Dues & Memberships	385	--	--	385	5,000	(4,615)	7.70
Postage & Meter	3,866	--	--	3,866	7,000	(3,134)	55.23
Insurance Expense-PPS&NCR	13,500,537	--	(162,809)	13,337,728	17,875,770	(4,538,042)	74.61
Insurance Expense-PPS Adj	148,569	--	--	148,569	--	148,569	--
Utility - Operating-Rent	53,504	(36,611)	711	17,604	101,640	(84,036)	17.32
Advertising	--	--	--	--	2,000	(2,000)	--
Contract Services	7,775	--	--	7,775	29,500	(21,725)	26.36
Contract Services -PI-Investigation	--	--	--	--	5,000	(5,000)	--
Contract Services	--	5,750	--	5,750	--	5,750	--
Audit Fees	12,500	--	--	12,500	56,900	(44,400)	21.97
Other Services/Operating Expenses	13,475	--	(4,000)	9,475	6,000	3,475	157.92
Capital Equipment/Depreciation	10,781	--	593	11,374	24,000	(12,626)	47.39
Repairs & Maintenance	--	--	--	--	2,000	(2,000)	--
Legal	--	--	--	--	2,000	(2,000)	--
Accounting Services	3,250	--	--	3,250	13,000	(9,750)	25.00
County Courier	--	2,241	--	2,241	3,400	(1,159)	65.90
Shredding	--	1,100	--	1,100	1,500	(400)	73.35
Copier & Scanner	--	8,521	--	8,521	20,000	(11,479)	42.60
Claims Administration Services	179,193	--	(34,121)	145,072	193,429	(48,357)	75.00
Self-Insurance Fee	234,866	--	--	234,866	285,760	(50,894)	82.19
Claims Paid-WC	2,459,673	--	--	2,459,673	5,000,000	(2,540,327)	49.19
Claims Paid-PL	63,937	--	53,040	116,977	75,000	41,977	155.97
Physical Abilities Testing	4,751	--	(490)	4,261	5,000	(739)	85.22
Training	2,067	--	(2,067)	--	10,000	(10,000)	--
First-Aid Program	8,328	--	(493)	7,835	15,000	(7,165)	52.23
Food Service Training	--	--	--	--	10,000	(10,000)	--
Special Ed Training	--	--	--	--	30,000	(30,000)	--
Bank Charge & WC Penalty Reimb	8,135	--	--	8,135	--	8,135	--
Cobra Premiums	143,140	--	--	143,140	316,000	(172,860)	45.30
Dental Insurance Premiums	84,525,860	--	--	84,525,860	108,952,000	(24,426,140)	77.58
Vision Insurance Premiums	1,703,894	--	(171,300)	1,532,594	1,950,000	(417,406)	78.59
Claim Development Expense	--	--	(2,855,721)	(2,855,721)	(3,009,800)	154,079	94.88
Prior Year Adjustment	--	--	--	--	--	--	--
Total Operating Expenditures	103,770,808	(8,722)	(3,196,512)	100,565,574	133,260,721	(32,695,147)	75.47 %
Net Increase/(Decrease) from Operations	1,869,495	(27,889)	(2,089,859)	(211,642)	(699,303)	487,661	%
Non Operating Income/(Expense)							
Interest Income	334,310	--	(99,636)	234,674	381,750	(147,076)	61.47
Change in FMV	(151,015)	--	--	(151,015)	--	(151,015)	--
Realized Gain/(Loss)	60,051	--	--	60,051	--	60,051	--
Net, Interfund Transfer	1,435,712	--	(1,435,712)	--	--	--	--
Total Non Operating Income/(Expense)	1,679,058	--	(1,535,348)	143,710	381,750	(238,040)	37.65 %
Ending Cash	\$ 32,859,927	(27,889)					
Net Increase/(Decrease) in Net Position	\$ (27,889)	\$ (3,625,207)	(67,932)	\$ (317,553)	\$ 249,621	%	
Unaudited - Ending Net Position, as of 03/31/2014				\$ (5,067,739)	\$ (5,317,360)	\$ 249,621	

It was moved by Song Chin-Bendib and seconded by Mark Bonnett to approve the Third Quarter Financial Report.

Ayes: Brady, Chang, Chin-Bendib, Clark, De La Cruz, Duncan, Fermin, Garde, Heldman, Kapellas, Kinder, Lotti, Parungao and Whetfield.

Nays: None

Abstain: None

VI. 2014/2015 Budget

The Executive Director presented the 2014/15 Budget.

Alameda County Schools Insurance Group (ACSIG)							
Consolidated							
2014/2015 Budget							
	Cash Activity			Actuals	2013/2014	2014/2015	
	07/01/2013	3/31/2014	Allocations	Change in Accruals	As of 3/31/14	Budget	Budget
Audited - Beginning Net Position, as of 07/01/2013					\$ (4,999,807)		
Beginning Cash	\$ 29,311,374					\$ (4,999,807)	\$ (5,317,360)
Operating Revenue:							
Premiums Paid by Members	\$ 105,640,303	\$ (24,266)	\$ (5,274,026)	\$ 100,353,932		\$ 132,561,418	\$ 128,003,769
Total Operating Revenue	105,640,303	(24,266)	(5,274,026)	100,353,932		132,561,418	128,003,769
Operating Expenditures:							
Classified Salaries	136,071	--	(13,214)	122,857		212,107	169,000
Statutory Benefits	44,077	--	(4,871)	39,206		51,695	58,617
Health & Welfare	16,011	--	(726)	15,285		27,246	20,992
Employer Tax Expense	41,914	--	--	41,914		63,834	57,561
Telephone & Internet	7,167	--	--	7,167		12,000	8,000
Supplies Office	7,903	--	(219)	7,684		7,000	20,000
Supplies - Other	1,941	--	--	1,941		3,000	5,500
Eligibility Processing	134,838	--	--	134,838		195,000	180,000
Brokerage Fees-Dental-ACSIG	171,680	--	--	171,680		270,000	258,000
Brokerage Fees-Dental-MD	115,272	--	--	115,272		410,000	183,600
Travel and Conferences	825	10,277	(825)	10,277		12,000	15,000
Mileage	4,624	--	--	4,624		9,740	7,000
Dues & Memberships	385	--	--	385		5,000	1,000
Postage & Meter	3,866	--	--	3,866		7,000	5,000
Insurance Expense-PIPS&NCR	13,500,536	--	(162,809)	13,337,727		17,875,770	19,323,300
PIPS payroll adjustment	--	--	--	148,569		--	--
Utility - Operating-Rent	53,504	(36,611)	711	17,604		101,640	25,000
Advertising	--	--	--	2,000		2,000	--
Contract Services	7,775	--	--	7,775		29,500	12,500
Contract Services -PI-Investigation	--	--	--	5,000		5,000	--
Contract Services-PI-Legal	--	5,750	--	5,750		--	6,000
Audit Fees	12,500	--	--	12,500		56,900	15,000
Other Services/Operating Expenses	13,475	4	(4,000)	9,475		6,000	10,000
Capital Equipment/Depreciation	10,781	1	593	11,375		24,000	7,500
Repairs & Maintenance	--	--	--	--		2,000	2,000
Legal	--	--	--	--		2,000	2,000
Accounting Services	3,250	--	6,500	9,750		13,000	13,000
County Courier	--	2,241	--	2,241		3,400	2,500
Shredding	--	1,100	--	1,100		1,500	1,500
Copier & Scanner	--	8,521	--	8,521		20,000	10,000
Claims Administration Services	179,193	--	(34,121)	145,072		193,429	194,000
Self-Insurance Fee	234,866	--	--	234,866		285,760	280,000
Claims Paid-WC	2,445,232	--	14,440	2,459,672		5,000,000	3,100,000
Claims Paid-PL	63,937	--	53,040	116,977		75,000	75,000
Physical Abilities Testing	4,751	--	(490)	4,261		5,000	5,000
Training	2,067	--	(2,067)	--		10,000	10,000
First-Aid Program	8,328	--	(493)	7,835		15,000	15,000
Food Service Training	--	--	--	--		10,000	10,000
Special Ed Training	--	--	--	--		30,000	20,000
Bank Charge & WC Penalty Reimb	8,134	--	--	8,134		--	12,000
Cobra Premiums	143,140	--	--	143,140		316,000	240,000
Dental Insurance Premiums	84,525,860	--	--	84,525,860		108,952,000	103,400,000
Vision Insurance Premiums	1,703,894	--	(171,300)	1,532,594		1,950,000	2,044,000
Claim Development Expense	--	--	(1,405,412)	(1,405,412)		(3,009,800)	(2,810,000)
Prior Year Adjustment	--	--	--	--		--	--
Total Operating Expenditures	103,607,798	(8,717)	(1,725,263)	102,022,383		133,260,721	127,014,570
Net Increase/(Decrease) from Operations	2,032,505	(15,549)	(3,548,763)	(1,668,451)		(699,303)	989,199
Non Operating Income/(Expense)							
Interest Income	319,867	--	(85,195)	234,673		381,750	265,750
Change in FMV	(151,015)	--	--	(151,015)		--	--
Realized Gain/(Loss)	60,051	--	--	60,051		--	--
Net, Interfund Transfer	1,435,712	--	(1,435,712)	--		--	33,450
Total Non Operating Income/(Expense)	1,664,615	--	(1,520,907)	143,709		381,750	299,200
Ending Cash	\$ 33,008,494	(15,549)					
Net Increase/(Decrease) in Net Position		\$ (15,549)	\$ (5,069,670)	(1,524,742)		\$ (317,553)	\$ 1,288,399
Unaudited - Ending Net Position as of 3/31/2013				\$ (6,524,549)		\$ (5,317,360)	\$ (4,028,961)

It was moved by Michael Brady and seconded by Raul Paraungao to approve the 2014/2015 Budget.

Ayes: Brady, Chang, Chin-Bendib, Clark, De La Cruz, Duncan, Fermin, Garde, Heldman, Kapellas, Kinder, Lotti, Parungao and Whetfield.

Nays: None

Abstain: None

VII. New Website Update

The Executive Director reviewed the new ACSIG website with the board. The ACSIG staff can now update the website and the Board can access the Board packets and minutes on the site.

No action needed. Informational only.

VIII. ACSIG Salaries & Benefits

The Executive Director presented a 2% cost of living increase proposal for the ACSIG staff. The Executive Committee recommended 2% to better reflect average increases within the county.

It was moved by Marites Fermin and seconded by Candi Clark to approve the 2% cost of living increase for ACSIG staff.

Ayes: Brady, Chang, Chin-Bendib, Clark, De La Cruz, Duncan, Fermin, Garde, Heldman, Kapellas, Kinder, Lotti, Parungao and Whetfield.

Nays: None

Abstain: None

IX. Accreditation Status

The Executive Director informed the Full Board that ACSIG has received Accreditation. There were no findings and only one recommendation of which ACSIG is not implementing because it would require a change to the JPA agreements, which would then require each member gain approval again at their Board level. We will go through accreditation again in 3 years!

No action needed. Informational only.

Dental

X. Dental Rates 2014/2015

The Executive Director presented the 2014/15 Dental program proposed rate changes. There is a decrease of 5 cents in the administration fee for self-funded members and a one-time \$200,000 rebate to be divided among all members. Fixed-rate members will see a 0% increase to acknowledge the reduction of the ACSIG administration fee.

It was moved by Marites Fermin and seconded by Michael Brady to approve the 2014/2015 Dental Rates.

Ayes: Brady, Chang, Chin-Bendib, Clark, De La Cruz, Duncan, Fermin, Garde, Heldman, Kapellas, Kinder, Lotti, Parungao and Whetfield.

Nays: None

Abstain: None

Vision

XI. Vision Rates 2014/2015

The Executive Director presented the 2014/15 vision rates showing a 5.2% decrease. The 5.2% decrease was last years trend. Although we have seen various trends throughout the past few years, we are recommending using the latest tend numbers. We are making this recommendation because the program has experienced recent growth and the newest trend data includes the experience of these new members.

It was moved by Raul Paraungao and seconded by Candi Clark to approve the 2014/2015 Vision Rates.

Ayes: Brady, Chang, Chin-Bendib, Clark, De La Cruz, Duncan, Fermin, Garde, Heldman, Kapellas, Kinder, Lotti, Parungao and Whetfield.

Nays: None

Abstain: None

Property & Liability

XII. Property & Liability Rates 2014/2015

The Executive Director presented the 2014/15 Property and Liability rates. Due to large property losses and other significant claims the Property & Liability rates have increased. Additionally, SAFER implemented an ex-mod to NCR in 2014/2015 and ACSIG's ex-mod within NCR increased in Property & Liability. The rates reflect approximately a 15% increase.

2014/2015 Property & Liability Program Rates			
ACSIG	Property	Liability	Total
ACOE	\$30,635	\$26,880	\$57,515
Albany	\$77,994	\$129,782	\$207,776
Dublin	\$192,737	\$259,445	\$452,182
Emery	\$15,161	\$26,404	\$41,566
Piedmont	\$73,886	\$93,503	\$167,389
ACSIG TOTAL	\$390,414	\$536,014	\$926,428

It was moved by Michael Brady and seconded by Candi Clark to approve the 2014/15 Property & Liability rates.

Ayes: Brady, Chang, Chin-Bendib, Clark, De La Cruz, Duncan, Fermin, Garde, Heldman, Kapellas, Kinder, Lotti, Parungao and Whetfield.

Nays: None

Abstain: None

XIII. Mandatory Reporter Training

Ron Martin provided an overview of the newly established SAFER/Nor Cal ReLiEF Abuse Molestation Program Policy. Effective July 1, 2014, all NCR member districts are required to annually train 80% of district supervisory employees on mandatory reporter requirements by December 31 of the fiscal year. Ron explained the on-line training resources available through Keenan Safe Schools which meet the policy requirement. Districts can also utilize other on-line training resources or live trainings to satisfy the policy requirement as long as proof is provided to NCR by the deadline. In addition, District's are required to post a mandatory reporter poster on each district site that includes contact information for the local police and child protective services. He advised that posters are also available on Keenan Safe Schools. Ron advised that NCR is also requiring all district new hires after July 1, 2013 complete the new hire training modules on Keenan Safe Schools. Members were advised that the Keenan account managers would be in contact with each individual district to assist in the implementation. No action needed. Informational only.

XIV. Underlying Layer MOC

The Executive Director presented a memorandum of coverage document, which clearly states that ACSIG will follow form with the NCR MOC for the JPA's Member Retained Limit of \$25,000 per occurrence. This is a new requirement for CAJPA accreditation.

It was moved by Raul Parungao and seconded by Teresa Kapelles to approve the Underlying Layer MOC.

Ayes: Brady, Chang, Chin-Bendib, Clark, De La Cruz, Duncan, Fermin, Garde, Heldman, Kapellas, Kinder, Lotti, Parungao and Whetfield.

Nays: None

Abstain: None

Administrative

XV. Election of Executive Committee

Executive Committee members Susan Kinder, Luz Cázares, Michael Brady and Mark Bonnett (originally Debbie Scanlon) terms are expiring on July 1, 2014. The

Full Board was asked to nominate four representatives to the Executive Committee.

It was moved by Michael Brady and seconded by Teresa Kapellas to nominate Susan Kinder, Mark Bonnett, Marie De La Cruz and Raul Parungao to the Executive Committee.

Ayes: Brady, Chang, Chin-Bendib, Clark, De La Cruz, Duncan, Fermin, Garde, Heldman, Kapellas, Kinder, Lotti, Parungao and Whetfield.

Nays: None

Abstain: None

XVI. Meeting Calendar

The Executive Committee reviewed the 2014/15 calendar. It was noted that the CBO meeting schedule has not been finalized yet and this may result in a change to the Full Board meeting schedule.

No action needed. Informational only.

XVII. Special Recognition

The Executive Director presented 3 members with a special recognition. They were:

Livermore USD's Human Resource Department for the Online Training Program, Newark USD's Human Resource Department for Successful Return to Work Program, and Pleasanton USD's Maintenance and Operations Department for Successful Return to Work Program.

Each of these departments will be presented with a framed certificate and have lunch provided.

No action needed. Informational only.

Workers Compensation

XVIII. Actuarial Study - Ultimate Loss

Jack Joyce from Bay Actuarial presented the April 30, 2014 Actuarial study of the ultimate loss of the self-insured portion of the ACSIG Workers Compensation program. The 4 most recent years of claims have increased but there were sufficient decreases in the other years that resulted in a net decrease of \$28,000. ACSIG is still estimating a payoff of deficit by 2017/18 with ACSIG's unfunded ultimate loss being just under \$10 million.

It was moved by Michael Brady and seconded by Marites Fermin to approve the Actuarial Study-Ultimate Loss.

Ayes: Brady, Chang, Chin-Bendib, Clark, De La Cruz, Duncan, Fermin, Garde, Heldman, Kapellas, Kinder, Lotti, Parungao and Whetfield.

Nays: None

Abstain: None

XIX. Actuarial Study – Ex-Mods

The Executive Director presented the February 2014 actuarially determined 2014/2015-program year experience modification factor. This is the 4th year that Alameda County Schools Insurance Group has used an Actuary to determine the ex-mods.

Member	New Ex-Mod	Old Ex-Mod 12/13/12
ACOE	0.750	0.812
Alameda	0.929	0.948
Albany	0.951	0.942
Castro Valley	0.750	0.750
Dublin	0.858	0.750
Eden ROP	0.973	0.750
Emery	0.750	0.997
Fremont	1.207	1.250
Livermore	1.103	1.086
Mission ROP	0.878	0.810
Mt. House	1.250	1.250
Newark	1.250	1.018
New Haven	0.815	0.899
Piedmont	0.786	0.750
Pleasanton	0.791	0.867
San Leandro	0.980	0.800
San Lorenzo	1.221	1.210
Sunol Glen	0.750	0.750
Tri Valley ROP	1.250	1.250

It was moved by Marie De La Cruz and seconded by Marites Fermin to approve the Actuarial Study-Ex Mods.

Ayes: Brady, Chang, Chin-Bendib, Clark, De La Cruz, Duncan, Fermin, Garde, Heldman, Kapellas, Kinder, Lotti, Parungao and Whetfield.

Nays: None

Abstain: None

XX. Workers Comp Rates 2014/2015

The Executive Director provided details on the Workers' Compensation Rates for the 2014/15 year. By using the 2012/13 actual audited payrolls from the state, along with the ex-mods, ACSIG is able to give the members their 2014/15 premiums. As a reminder each member needs to divide the premium by the total estimated payroll to determine the percentage to be used in his or her payroll system. ACSIG is also on track to eliminate the deficit by the 2017/18 year.

	2012/2013 Actual Payroll	Base Rate	Ex Mod	Rate per \$100 Payroll	2014/2015 PREMIUM
ACOE	\$24,296,949	2.50	0.7500	1.88	\$455,568
ALAMEDA	\$58,630,906	2.50	0.9290	2.32	\$1,361,703
ALBANY	\$23,391,712	2.50	0.9510	2.38	\$556,138
CASTRO VALLEY	\$50,900,948	2.50	0.7500	1.88	\$954,393
DUBLIN	\$43,645,636	2.50	0.8580	2.15	\$936,199
EDEN ROP	\$2,950,784	2.50	0.9730	2.43	\$71,778
EMERY	\$5,769,336	2.50	0.7500	1.88	\$108,175
FREMONT	\$190,702,524	2.50	1.2070	3.02	\$5,754,449
LIVERMORE	\$68,986,381	2.50	1.1030	2.76	\$1,902,299
MISSION ROP	\$3,623,289	2.50	0.8780	2.20	\$79,531
MT. HOUSE	\$220,969	2.50	1.2500	3.13	\$6,905
NEWARK	\$37,133,179	2.50	1.2500	3.13	\$1,160,412
NEW HAVEN	\$69,409,990	2.50	0.8150	2.04	\$1,414,229
PIEDMONT	\$20,361,901	2.50	0.7680	1.92	\$390,948
PLEASANTON	\$85,215,119	2.50	0.7910	1.98	\$1,685,129
SAN LEANDRO	\$50,894,534	2.50	0.9800	2.45	\$1,246,916
SAN LORENZO	\$59,704,106	2.50	1.2210	3.05	\$1,822,468
SUNOL GLEN	\$1,439,393	2.50	0.7500	1.88	\$26,989
TRI VALLEY ROP	\$2,740,485	2.50	1.2500	3.13	\$85,640
TOTAL PREMIUMS	\$800,018,141				\$20,019,868
Average Ex Mod			1.00000		
Payrolls based upon 2012/2013 Unaudited Actuals Reports provided by ACOE					
* Includes apprentice program					

It was moved by Raul Parungao and seconded by Song Chin-Bendib to accept the 2014/2015 Workers Comp Rates as presented.

Ayes: Brady, Chang, Chin-Bendib, Clark, De La Cruz, Duncan, Fermin, Garde, Heldman, Kapellas, Kinder, Lotti, Parungao and Whetfield.

Nays: None

Abstain: None

XXI. Claim Data Development by Program Year

Laurena Grabert from SETECH presented the Financial Management Information Report for the Fiscal Year Ended June 30, 2012 to June 30, 2013 to the Board. It is important for the members to understand what portion of the unfunded liability belongs to their district if they ever decided to leave the pool.

No action required. Informational only.

XXII. Workers Compensation Claims Audit

The Executive Director presented the Bi-annual Audit report performed by Wells Fargo. The audit staff looked at 100 claims. 26 were closed claims and 74 were open claims. The claims administration received an 82.25% or 3.5 out of 5. This shows improvement over the last audit, which scored a 3.0. The audit team summarized what they look at by Disability Claims management, Return to Work management and Medical management, etc. The Executive Director has spoken with Keenan concerning areas in which ACSIG would like to see better

improvement. They will be working together in the near future to implement the suggested improvements. Patrice Grant of Keenan & Associates wrote a response to the audit that was enclosed in agenda packet.
No action needed. Informational only.

XXIII. Company Nurse

The Executive Director gave an update of the Company Nurse Program to the Board. ACSIG started using Company Nurse in the 2011/12 year with only San Leandro USD. PIPs was concerned that one district didn't provide a large enough sample size to collect accurate data. In 2013/14 the program was extended to San Lorenzo, Pleasanton, Castro Valley, New Haven and Newark. ACSIG has the opportunity to expand the coverage once more.

Alameda County Schools Insurance Group wants to compliment and be of service to members with this program. Members will see their frequency go up but this will not affect the ex-mod unless it turns into a claim. The program helps Chris and Arcenio mediate issues at hand in a much more efficient and timely way.
No action needed. Informational only.

XXIV. Future Planning

None to discuss.

XXV. Meeting was adjourned by Susan Kinder at 2:07pm.