



## San Mateo County Schools Insurance Group EXECUTIVE COMMITTEE MEETING MEETING SUMMARY

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San Mateo County Schools Insurance Group  
Conference/Telephonic Meeting

Friday, May 5, 2023 Web  
9:00 a.m.  
Fourth Meeting – 2022-2023

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### **Members Present**

Patrick Gaffney – President  
Valerie Miller  
Marites Fermin  
Amanda Bonivert  
Amy Wooliever  
Roberta Zarea  
Mei Chan

### **Members Absent**

Josie Peterson

### **Meeting Minutes**

The March 9, 2023, meeting minutes was approved unanimously.

### **Consent Agenda**

The consent agenda items Ratification of P/L Check Register, Ratification of Accounts Payable, Deposit Permit Summary, Quarterly Interest Report, and Quarterly Financial Report were approved unanimously.

### **Equity Analysis**

Jim Marta provided a twenty-one-year equity analysis showing the minimum target equity, actual equity, and other factors for all programs as of March 31, 2023.

### **Strategic Plan 3 Year Objective**

The Draft Strategic plan was adopted by the Executive Committee at our March Executive Committee Meeting. Each objective item is highlighted based on progress: green- achieved and ongoing, yellow- progress and work is continuing, red- projects still underway.

Strategic Planning objectives that are achieved include: maintaining fiscal stability, continuous self improvement, Provide targeted/comprehensive professional development Training for Superintendents, CBOs and HR members in Risk Management, and lastly, Communication/Engagement Plan.

The yellow highlighted objective *Update Web Site with more information. Enhance and market website tools. Improve Organizational Document on Web Site.* This item will continuously be in progress.

### **WC Underwriting and Rate Policy**

The Executive Committee approved to change the underwriting policy to incorporate the actuarially provided system of credibility factors.

#### **The following factors were approved:**

- Use 5 years of incurred loss data capped at \$250k per loss (phased in over next 3 years; 3 years of data, 4-years, 5-years)
- Use 5 years of payroll data phased in like the loss data.
- Retain the cap of change in the exmod to .20 as in the current policy.
- Retain the floor of .70 as in the current policy.

### **Acceptance of Actuarial Report**

The Executive Committee Board approved the Worker's Compensation actuarial report as of June 30, 2023 by Bickmore Actuarial. The actuary also provides loss rate funding information for the 2023/2024 fiscal year.

### **Recommended 23/24 WC rates**

The Executive Committee approved the draft Worker's Compensation rates for 2023/2024, and recommended it for adoption by full SMCSIG JPA Board at its May 18, 2023, annual meeting.

#### **Rate Indications**

1. Payroll is estimated to increase by 8.24%
2. Addition of new member: Ravenswood
3. Loss cost at 80% confidence level is \$16,290,000 (including ULAE) increases increased 8.48%
4. Excess insurance increased 4.01%
5. Operational costs of \$1,827,000 increased 20.83% from the prior year. This includes cost to administer claims (InterCare), which is budgeted to increase \$224,000; also includes DIR fraud assessment, and personnel and program costs which increased 10%.
6. Rate per \$100 increased .58%; overall projected contribution increases \$1,683,000 or 8.91% largely due to payroll increases and addition of new member.

### **Acceptance of Property and Liability Actuarial Report**

The Executive Committee Board approved the Property/Liability actuarial report as of June 30, 2023 by Bickmore Actuarial. The actuary also provides loss rate funding information for the 2023/2024 fiscal year.

### **Recommended 23/24 Property/Liability Rates**

The Executive Committee approved the proposed Property/Liability rates for 2023/2024 and recommended it for adoption by full SMCSIG JPA Board at its May 18, 2023, annual meeting.

Preliminary Rate Indications – overall increase of 23% year over year

1. Preliminary estimates for excess and other insurance has increased \$3,458,382 or 35%.
2. Operational costs decreased 15% due to the removal of the property appraisal cost being budgeted in the prior year.

### **SELF-SAM Assessment**

The Executive Committee approved paying the SELF bill in full, net of the discount by June 30, 2023. It was approved that the bill be paid early, and to collect this back from members through the Property/Liability rate over continuing our member SAM assessment to members over the next years.

### **Recommended 23/24 Dental Rates**

The Executive Committee approved the proposed rate for 2023/2024 be maintained at the same level as 2023 (no change) and recommended it for adoption by the SMCSIG JPA Board at the May 18, 2023, annual meeting.

### **Dividend for Dental Program**

There was a discussion about adding benefits or reducing premiums. We will continue to monitor equity and make a decision before the 2024 benefit calendar year begins.

### **Recommended 23/24 Vision Rates**

The Executive Committee approved the proposed rate for 2023/2024 be maintained at the same level as 2023 (no change) and recommended it for adoption by the SMCSIG JPA Board at the May 18, 2023, annual meeting.

### **Recommended Adoption of 23/24 SMCSIG Budget**

The Executive Committee approved the adoption of the proposed Preliminary 2023/2024 SMCSIG budget and recommend it for adoption by the SMCSIG JPA board at the May 18, 2023, annual meeting.

Overall, the contributions increased 8.6% over the prior year, while expenditures increased 10.2% from the prior year.

### **Investment Funds Transfer**

The Executive Committee approved transferring \$10 million to the longer term investment portfolio.

### **Review Chandler Contract**

The Executive Committee approved the new contract with Chandler. Chandler will be moving San Mateo County Schools Insurance Group from the Guided Portfolio Strategy agreement executed in June 2019, to a direct agreement as the investment portfolio managed by Chandler has grown.

**Executive Director's Contract**

The Sub-Committee created an Evaluation Form and a timetable for future evaluations. This year we will do an abbreviated process in-order to complete this process in a timely manner. The Sub-Committee will be doing the evaluation to take to the board at our May meeting.

**Adoption of 22/23 Meeting Calendar**

The JPA meeting will be held on May 18, 2023. The proposed meeting dates for the next year are:

- September 7, 2023
- November 2, 2023
- January 4, 2024
- March 7, 2024
- May 2, 2024
- May 16, 2024