

MARICOPA COUNTY SELF-INSURED TRUST

BOARD OF TRUSTEES MEETING

301 W. Jefferson Street, Suite 3200
North Conference Room, 3rd Floor, Maricopa County Administration Building
Monday, March 17, 2014
Open Meeting Time: 11:00 A.M.

MINUTES

TRUSTEES PRESENT: Beverly Dupree, Rex Jorgensen, Frank Hinds

TRUSTEES ABSENT: Dan Robledo, Jim Steinkamp, Brad Arnett

STAFF PRESENT: Meg Blankenship, Christopher Bradley, Dave Hansen,
Tawn Austin, Curtia Hunter-Richard

GUESTS: None

Curtia Hunter-Richard distributed a presentation folder to each Trustee and Staff member present and an updated Contact List. The folder included the meeting agenda, November 18, 2013 and January 27, 2014 meeting minutes, and the financial statements.

The Open Session meeting was called to order by Trustee Dupree, as acting Chairperson, at 11:05 A.M. A quorum was present.

Meg Blankenship introduced and welcomed Trustee Frank Hinds, representing District 4 on the Board of Trustees.

Presentation and Action – Election of New Board of Trustee Chairperson

Deputy County Attorney Austin provided information on the process for electing a new Board of Trustees Chairperson, using a majority vote method. However, discussion ensued regarding deferring the election of the Chairperson to the next Board of Trustees meeting so that all Trustees have the opportunity to weigh in on the decision.

Trustee Dupree called for the motion to defer the election of the Board of Trustees Chairperson. The motion was made by Trustee Jorgensen, seconded by Trustee Hinds, and approved unanimously.

The question by Trustee Hinds in reference to the appropriate procedure for Trustees to use to interact with each other without violating the Open Meeting Law was addressed and clarified. Attorney Austin advised that communication one-on-one between members is allowed, but no emails may be sent to all Trustees.

Attorney Austin suggested that perhaps attendance at the next Board of Trustees meeting could be either in person or via conference call, making it easier for all Trustees to participate. Meg Blankenship confirmed she would arrange the next meeting with this added flexibility.

Presentation and Discussion - Review of Financial Statements

Dave Hansen presented a review of the current assets and liabilities related to the Employee Benefits Trust Fund as reflected in the following financial reports:

- Financial Commentary – February 2014
- Statement of Revenues, Expenses, and Changes in Net Assets – YTD as of February 28, 2014
- Statement of Net Assets – February 28, 2014, June 30, 2013, June 30, 2012, and June 30, 2011
- Employee Benefits Trust Funds – Excluding Impact of Benefit Holiday:
Pro-Forma Fund Balance Roll-Forward – Eight months Ended February 28, 2014
- Fund Balance Roll-Forward – Eight Months Ended February 28, 2014
- Balance Sheet Details – February 28, 2014, June 30, 2013, June 30, 2012 and June 30, 2011
- Revenue & Expenses – Eight Months Ended February 28, 2014

The question by Trustee Jorgensen in reference to the drop in cash of \$8 million was addressed and clarified. The County anticipated the cash loss due to the strategy designed to reduce the Reserve Levels. At the start of the Plan Year, the Reserve Levels were approximately \$20 million too high. Christopher Bradley provided background on the County strategy to liquidate excess reserves during this Plan Year and commented that actual results have been better than expected.

Presentation and Action – Health Insurance Premium Holiday for Self-Insured Benefits

Dave Hansen presented the recommendation to provide a second Premium Holiday for the 2013-14 Plan Year which would waive both the employer and employee premium on the three bundled Health and Welfare plans (Medical, Pharmacy, and Behavioral Health), along with any applicable premium reductions for the Wellness Screenings (Biometric, Health Assessment, and Non-Tobacco Use).

The motion to support the staff's recommendation for a second Premium Holiday and to recommend approval by the Board of Supervisors was made by Trustee Jorgensen, seconded by Trustee Hinds, and approved unanimously.

Presentation and Action – Health and Welfare Benefits for Plan Year 2014-2015

Christopher Bradley presented an update to the change in the eligibility requirements for participation in the health benefit plans and wellness programs for Plan Year 2014-2015. Although previously approved by the Board of Supervisors in December 2013, the County Manager recommended rescinding the action to change part-time employee eligibility requirements for Plan Year 2014-15. The decision was approved by the Board of Supervisors on March 12, 2014. Part-time employees will be benefits-eligible.

The questions by Trustee Jorgensen in reference to the Board of Supervisors' decision to rescind the change in eligibility requirements were clarified and addressed. The eligibility definition for part-time employees has been adjusted to 19 hours minimum per week, as opposed to the original minimum of 20 hours per week. The maximum 29.99 hours per week remains the same. It was confirmed that since this presentation was to update the Trustees on the change based on action by the Board of Supervisors, no further action would be required.

Approval of Meeting Minutes

Approval of the November 18, 2013 and January 27, 2014 meeting minutes was deferred to the next Board of Trustees meeting.

Call to Public

Trustee Dupree made a call to the public. There was no one from the public in attendance.

Motion to Adjourn

Trustee Dupree called for a motion to adjourn. The motion to adjourn was made by Trustee Jorgensen and seconded by Trustee Hinds. The motion passed unanimously.

The meeting was adjourned at 11:30 A.M.