

FDAC Employment Benefits Authority
Board of Directors Teleconference Meeting
Thursday, June 21, 2012

In Attendance

Charlene Virts, President
Jean Moore, Vice President
Tom Keating, Secretary/Treasurer

Consultants

Melissa Dixon, Administrator
Anna Marie White, Thoits
Rosa Soria, Thoits
Derek Culligan, Thoits
David McMurchie, Legal Counsel
David Turner, Actuary
Paul Schafer, BRMS
Jane Phong, BRMS
Sidney Dominico, BRMS
Denise Salas, BRMS

President Charlene Virts called the meeting to order at 10:06 a.m. President Virts welcomed everyone, and introductions were made. A quorum was established. There was no public comment.

Consent Calendar

The Board addressed the consent calendar, which included minutes from the April 3, 2012 meeting, financials through May 31, and the membership accounts receivable report for May 2012. Director Tom Keating moved to approve the consent calendar, with the minutes amended to correct a typo; Director Jean Moore seconded.

Ayes: Charlene Virts, Tom Keating, Jean Moore
Noes: None

Consultant Contract – BRMS

Administrator Melissa Dixon informed the Board that the consultant contract for BRMS was set to expire at the end of the month. The contract with BRMS is extensively and was not ready for Board action at the last meeting. Since that April meeting, Administrator Dixon and Legal Counsel David McMurchie have met with representatives from BRMS to establish a contract that was fair to both parties and adequately outlined all potential additional fees. Director Keating moved to approve the BRMS contract as presented. Director Moore seconded.

Ayes: Charlene Virts, Tom Keating, Jean Moore
Noes: None

2012-13 Budget

Administrator Dixon presented to the Board the proposed budget for the 2012-13 fiscal year. The net income for the year is projected to be just over \$370,000. It was noted that any excess funds would be transferred to the Margin Fund at year's end. Director Keating moved approve the budget as presented; Director Moore seconded.

Ayes: Charlene Virts, Tom Keating, Jean Moore
Noes: None

2013 Renewal Rates

Anna Marie White from Thoits indicated that while the first renewal numbers received from the carriers were promising, they were not yet done negotiating. The individual at Health Net who is working with Thoits on the rates is on vacation, and will return the following week. The EBA will meet via teleconference on July 2, 2012 to finalize the renewal percentages.

LAIF Accounts

Administrator Dixon presented to the Board a proposal to open a LAIF account to house the Margin Fund. Currently our interest rate is only .01%; LAIF would provide an interest rate of .38%. This would increase our annual interest income by over \$1200. Director Moore suggested the EBA utilize a broker, as she was able to get .5% through ING. The Board approved moving forward with a broker; Director Moore will assist the EBA staff in developing an investment plan to be brought back to the Board at the next full meeting.

Update on Board Vacancy

Administrator Dixon informed the Board that Director Randy Casto had resigned from Penn Valley Fire Protection District, which effectively resigned him from the EBA Board as well. A request for those interested in filling the vacancy on the Board left by Mike McMurry was sent on June 1, with a deadline of July 10 to respond.

Consultant Reports

Administrator Dixon informed the Board that Penn Valley Fire and Central Calaveras Fire have both submitted their letter of intent to withdraw from the pool effective January 1, 2013. Both are aware that they are able to rescind their letter upon written notice at least 90 days prior to the end of the plan year.

Next Meeting

The next meeting will be via teleconference on July 2, with an in-person meeting set for July 18.

The meeting was adjourned at 11:32 a.m.

Respectfully submitted,

Melissa Dixon
Administrator