

**Employee Medical Benefits Board
Regular Meeting**

Monday, September 12, 2016 @ 6:15 p.m.

Newtown Municipal Center
Newtown, CT

THESE MINUTES ARE SUBJECT TO APPROVAL BY THE
EMPLOYEE MEDICAL BENEFITS BOARD

The Employee Medical Benefits Board held a regular meeting on Monday, September 12, 2016 in Meeting Room #1 of the Newtown Municipal Center, Newtown, CT. The meeting was called to order at 6:15 p.m.

Present: Mark Mattioli, Donna Van Waalwijk, Jim Loring, Dan McAloon

Absent: Robert Tait

Also Present: Ron Bienkowski, Clerk Ann LoBosco

Ms. Van Waalwijk made a motion to accept the minutes from the June 27, 2016 Special Meeting with a correction to the date under "Review of Self-Funded Insurance Reserve Fund: The estimate for "2016" was \$13,600,000. Mr. Mattioli seconded and unanimously approved.

Voter Comments: None.

New Business

Appointment of Alternate Member

Ms. Van Waalwijk made a motion to appoint James O'Sullivan as an alternate member of the Employee Medical Benefits Board for a term to expire 01/16/18. Mr. McAloon seconded and unanimously approved.

Review Updated Claim Months of July/August: In Bob Tait's absence, Ron Bienkowski shared the report. The fund balance @ June 30, 2016 is 2,743,634 which is very close to budget. It's too early for claims analysis. First two months claims for 2016-2017 were \$2,299,000 compared to 2015-2016 which was \$2,465,000. This does not include the employer contribution to H.S.A. plans (\$300,000).

Review Current Status of Self-Insurance Reserve Fund: The preliminary fund balance balance will be above claims, 3.1 versus 2.7 which is above 20%. Typically, the balance

is at 20% to 25%. Contributions are \$1 million more than last year. The Education contributions are 25% and Municipal contributions are 19.5%. Different percentages for H.S.A. (Education at 19% and Municipal at 14%).

Next year it will be mandatory for all teachers to participate in H.S.A. The Town will contribute 50% towards the H.S.A. (i.e., \$4,000 family deductible – teacher pays \$2,000 and Town pays \$2,000). At the next meeting, the Board would like Bob Tait to provide the percentage of those enrolled in an H.S.A.

Communications: None.

Announcements: None.

Mr. McAloon made a motion to adjourn the meeting at 6:52 p.m. Mr. Mattioli seconded and unanimously approved.

Respectfully submitted,

Ann M. LoBosco, Clerk

TOWN OF NEWTOWN
 MEDICAL SELF INSURANCE FUND ANALYSIS @ AUG 31, 2016
 FISCAL YEAR 2016 - 2017 FORECAST

FUND BALANCE @ JULY 1, 2016 2,743,634

ESTIMATED REVENUES

EMPLOYER CONTRIBUTIONS:

MUNICIPAL (37,200 added for new soc svs positions) 3,218,400
 EDUCATION 8,685,360

11,903,760

EMPLOYEE CONTRIBUTIONS:

MUNICIPAL 360,000
 EDUCATION 2,397,000

2,757,000

COBRA/AGENCY CONTRIBUTIONS:

MUNICIPAL 350,000
 EDUCATION 50,000

400,000

INTEREST EARNED ON INVESTMENTS

10,000

TOTAL REVENUES

15,070,760

ESTIMATED EXPENSES

CLAIMS/NAF:

MUNICIPAL
 EDUCATION

3,800,000
 9,800,000

ADMINISTRATIVE FEES:

MUNICIPAL
 EDUCATION

285,000
 760,000

CONSULTANT FEES

55,000

TOTAL EXPENSES

14,700,000

ESTIMATED FUND BALANCE @ JUNE 30, 2017

3,114,394

20% OF TOTAL CLAIMS =

2,720,000

Too early for claims analysis. First two months claims:
 2015-16 \$2,465,000
 2016-17 \$2,299,000
 This does not include the employer contribution to H.S.A. plans (\$300,000)

UNAUDITED

TOWN OF NEWTOWN

MEDICAL SELF INSURANCE FUND ANALYSIS @ JUNE 30, 2016

FISCAL YEAR 2015 - 2016

FUND BALANCE @ JULY 1, 2015

3,143,967

REVENUES

EMPLOYER CONTRIBUTIONS:

MUNICIPAL
EDUCATION

2,814,525
8,161,098

10,975,623

EMPLOYEE CONTRIBUTIONS:

MUNICIPAL
EDUCATION

339,524
2,197,764

2,537,288

COBRA/AGENCY CONTRIBUTIONS:

MUNICIPAL
EDUCATION

346,622
48,935

395,557

INTEREST EARNED ON INVESTMENTS

8,057

TOTAL REVENUES

13,916,525

EXPENSES

CLAIMS/NAF:

MUNICIPAL
EDUCATION

3,639,042
9,477,418

ADMINISTRATIVE FEES:

MUNICIPAL
EDUCATION

336,436
808,962

CONSULTANT FEES

55,000

TOTAL EXPENSES

14,316,858

FUND BALANCE @ JUNE 30, 2016

2,743,634

20% OF TOTAL CLAIMS =

2,623,292

← Close to estimate during budget preparation time period