

DULUTH JPE TRUST
BOARD OF TRUSTEES MEETING MINUTES
Wednesday, July 20, 2011

Board Members Present: Rick Ball, David Montgomery, Dan Russell, Brian Ryks

Board Members Absent: None

Others Present: Barb Akervik, Amy Diedrich, Keely Downs, Terri Fitzgibbons, Cookie Gilmore, Kim Hall, Steve Hanke, Adele Hartwick, Alison Lutterman, Tom Maida, Randy Overby, Wayne Parson

Chair Montgomery called the meeting to order at 10:32 a.m.

Approval of Minutes: The June 8, 2011, Minutes were considered. Motion to approve by Ball and seconded by Russell. **Vote:** Motion passed unanimously.

Treasurer's Report

- City Auditor, Wayne Parson, presented June insurance fund financials. The Health Fund is reporting a loss year-to-date of \$490,506.51. The fund is under budget forecasts and the loss reflects an effort to bring the reserves down. June 2011 claims (\$1,265,561.60) were slightly less than June of last year.
- Ryks asked why medical claims in May of 2010 were so low, and Trustees discussed how claims are not reliable or predictable from month to month and year to year. Projected medical and drug claims use the same percentage; however, in the future Trustees will look at more detailed projections.
- Montgomery stated the run-off clause with BCBS runs through March of 2012.
- The Dental Fund is reporting a net gain year-to-date of \$16,767.95. Dental claims are under budget.

Old Business

- Status of Vendor Contracts
 - Assistant City Attorney Steve Hanke reviewed the terms and expiration timelines of the contracts.
 - Russell asked who will be negotiating terms in the future and if there is a standard practice. Hanke stated the City Attorneys Office will provide legal services as requested by the Board. Standard practices include undergoing an RFP process every five years for the health care provider. Amy Diedrich of CBIZ clarified the stop-loss is the only component that is required to be bid every five years. Montgomery stated the previous selection process was thorough and discussed the benefits of the RFP process.

- o Ryks asked about the automatic renewal clause and clarified this does not apply to rates, which was confirmed.
- o When the City last solicited for dental carriers, only two expressed interest including Delta Dental, which is a national carrier.
- o The NPS agreement will have to be re-negotiated after one year.

New Business

- Business Associate Agreement for Data Analysis with Zywave, Inc.
 - o Cookie Gilmore, Human Resources Benefits Specialist, stated CBIZ partners with Zywave to perform data analysis to indicate where our dollars are going. This agreement is in compliance with HIPPA regulations and has no compensation clause.
 - o Motion to approve Resolution **JPE 0711-16** Business Associate Agreement for Data Analysis with Zywave, Inc., by Russell, seconded by Ryks. **Vote:** Motion passed unanimously.

Other Business

- Montgomery stated though there is no August meeting; however, the July financials will be sent out to the Board and interested parties. In September we'll begin compiling data for rate setting with premiums set at the October meeting.
- Ball will not be present at the September meeting and Barb Akervik will attend on his behalf. Montgomery clarified three members represent a quorum.
- Ryks introduced Randy Overby who is the Finance Director for the Airport.

Next meeting: Wednesday, September 14, 2011, at the Duluth City Hall Room 303 at 10:30 am.

The meeting adjourned at 11:04 a.m. (Montgomery, Russell)

Minutes respectfully submitted by,
 Terri Fitzgibbons
 Executive Assistant
 City of Duluth