

EVERETT SCHOOL EMPLOYEE BENEFIT TRUST  
STATEMENT OF OPERATIONS AND FUND BALANCE  
For the Year Ended June 30, 2011 and June 30, 2012

FOR COMPARISON ONLY

|                                                         | Current Month<br>(May) | 2010-2011            | Current Month<br>(May) | 2011-2012           |
|---------------------------------------------------------|------------------------|----------------------|------------------------|---------------------|
| <b>REVENUES:</b>                                        |                        |                      |                        |                     |
| Employer Contributions                                  | \$ 1,419,854           | \$ 15,493,606        | \$ 1,400,745           | \$ 15,297,050       |
| Employee Contributions                                  | 285,204                | 2,843,540            | 317,066                | 3,299,599           |
| Dividend Income                                         | 50                     | 5,094                | 253                    | 2,781               |
| Interest Income                                         | 37,178                 | 256,466              | 19,664                 | 168,370             |
| Corporate/Govt Obligations - market value adj           | 23,846                 | (66,126)             | (6,353)                | 2,457               |
| <b>Total Revenues</b>                                   | <b>1,766,133</b>       | <b>18,532,580</b>    | <b>1,731,375</b>       | <b>18,770,256</b>   |
| <b>COST OF BENEFITS PROVIDED:</b>                       |                        |                      |                        |                     |
| HMA Premium                                             | 23,803                 | 265,545              | 0                      | 179,667             |
| HMA Claims                                              | 826,029                | 8,145,145            | 41,489                 | 5,429,073           |
| SunLife                                                 | 42,857                 | (316,134)            | 0                      | (244,978)           |
| ESI Prescriptions Paid                                  | 216,505                | 2,328,357            | 358                    | 1,334,393           |
| Pacific Care Premium                                    | 395,600                | 4,104,108            | 0                      | 2,333,408           |
| Group Health Premium                                    | 365,273                | 3,639,577            | 459,162                | 4,458,695           |
| WEA/APA Insurance                                       | 0                      | 0                    | 1,193,044              | 5,978,840           |
| Washington Dental Service Premium                       | 139,567                | 1,532,586            | 0                      | 804,538             |
| Williamette Dental                                      | 29,001                 | 318,060              | 35,949                 | 354,649             |
| Metropolitan Life (\$50M) Premium                       | 10,881                 | 119,454              | 9,593                  | 112,682             |
| Metropolitan Life (VOL) Premium                         | 16,317                 | 173,346              | 16,124                 | 176,724             |
| Standard Insurance                                      | 36,168                 | 397,170              | 35,531                 | 388,724             |
| UNUM LTC                                                | 713                    | 6,885                | 722                    | 8,334               |
| Alere Wellbeing                                         | 0                      | 43,773               | 817                    | 5,669               |
| Magellan Behavior                                       | 0                      | 56,328               | 0                      | 47,613              |
| Carena                                                  | 0                      | 1,800                | 0                      | 0                   |
| HealthForce                                             | 0                      | 18,362               | 3,202                  | 43,257              |
| <b>Cost of Benefits Provided</b>                        | <b>2,102,713</b>       | <b>20,834,363</b>    | <b>1,795,991</b>       | <b>21,411,287</b>   |
| <b>Excess (Deficiency) of Revenues over Cost of Ben</b> | <b>(336,581)</b>       | <b>(2,301,784)</b>   | <b>(64,615)</b>        | <b>(2,641,031)</b>  |
| <b>ADMINISTRATIVE EXPENSES:</b>                         |                        |                      |                        |                     |
| Administration                                          | 1,674                  | 18,351               | 1,704                  | 21,833              |
| Wellness Program Salaries                               | 9,900                  | 105,217              | 7,378                  | 95,104              |
| Wellness Program Expenses                               | 1,510                  | 46,382               | 2,696                  | 90,437              |
| Audit Fee                                               | 0                      | 9,142                | 0                      | 10,470              |
| Regulatory Fees                                         | 0                      | 4,150                | 0                      | 2,075               |
| Bank Fees                                               | 1,405                  | 7,298                | 298                    | 4,182               |
| Investment Fees                                         | 4,689                  | 20,308               | 2,420                  | 15,415              |
| Legal Fees                                              | 5,457                  | 47,457               | 6,024                  | 42,260              |
| Liability Insurance                                     | 0                      | 5,582                | 0                      | 4,051               |
| Misc. Expense                                           | 0                      | 298                  | 0                      | 99                  |
| Office & Printing                                       | 0                      | 1,172                | 0                      | 4,693               |
| Consultant Fee                                          | 0                      | 25,613               | 0                      | 68,733              |
| Investment Consultant Fee                               | 0                      | 13,125               | 0                      | 17,500              |
| Trustee Expense                                         | 0                      | 70                   | 0                      | 13                  |
| <b>Total Administrative Expenses</b>                    | <b>24,635</b>          | <b>304,165</b>       | <b>20,520</b>          | <b>376,864</b>      |
| <b>Excess(Deficiency) of Revenue Over Expenses</b>      | <b>(361,215)</b>       | <b>(2,605,948)</b>   | <b>(85,136)</b>        | <b>(3,017,896)</b>  |
| <b>Adjusted Fund Balance 5/01/11 and 5/01/12</b>        | <b>10,483,370</b>      | <b>12,728,103</b>    | <b>8,124,878</b>       | <b>11,057,638</b>   |
| <b>Fund Balance 5/31/2011 and 5/31/2012</b>             | <b>\$ 10,122,155</b>   | <b>\$ 10,122,155</b> | <b>8,039,742</b>       | <b>\$ 8,039,742</b> |