

## Comments on February 2014 Financials

- **Balance Sheet: *Page 1***
  - Decrease in fund balance for this month is (\$47,676) which results in an overall increase for the fiscal year of \$65,284.
  - Corporate Obligations (CD's)
    - Purchase of \$250,000
  - Government Obligations
    - Purchase of \$262,636.72
- **Balance Sheets (Comparison): *Page 2***
  - Comparison for the year - Fund balance this month is \$8,052,047 compared to \$7,824,218 a year ago. Overall assets for this fiscal year total \$8,052,047 compared to \$8,000,004 a year ago.
- **Statement of Operations and Fund Balance: *Page 3***
  - Paid \$20,346 in Wellness Program expenses for the month.
  - Paid \$33 in bank fees:
    - \$33 to Union Bank for activity during the month of January 2014.
  - Paid \$1,567 to Becker Capital for investment fees for the quarter (Jan - Mar 2014).
  - Paid \$1,277 to Stoel Rives for legal services for Dec 2013.
  - Paid \$46 for office supplies (postage stamps).
- **Statement of Operations and Fund Balance (Comparison): *Page 4***
  - Comparison - previous year monthly financials under WEA - Medical included vision.
  - Added the line item "Weight Watchers" for better tracking of this program. It was previously listed under "Wellness Program Expenses".

### Things to note:

- Final adjustment was made in February to reduce the liability of \$25,000 to \$0.00.
- Large portion of Wellness program expenses for the month was \$16,626 for wellness challenge for July - Dec 2013.
- Removal of Trust computer from inventory. Cost in June 2008 \$642.51. Due to technology and software updates by the District - newer computer provided.
- Fiduciary liability insurance still under review - new contract language with our payment in April 2013.

EVERETT SCHOOL EMPLOYEE BENEFIT TRUST  
BALANCE SHEETS  
2/28/2014

|                                  | <u>2013-2014</u>             |
|----------------------------------|------------------------------|
| ASSETS                           |                              |
| Cash & Cash Equivalents          | \$ 3,073,515                 |
| Corporate Obligations (CD's)     | 3,649,847                    |
| Government Obligations           | 1,328,685                    |
|                                  |                              |
| Total Assets:                    | <u>8,052,047</u><br>=====    |
|                                  |                              |
| LIABILITIES                      |                              |
| Liability for IBNP Self Funded   | 0                            |
|                                  |                              |
| Total Liabilities:               | 0                            |
|                                  |                              |
| Fund Balance February 28, 2014   | 8,052,047                    |
| TOTAL LIABILITIES & FUND BALANCE | \$ <u>8,052,047</u><br>===== |

EVERETT SCHOOL EMPLOYEE BENEFIT TRUST  
BALANCE SHEETS  
2/28/2013 and 2/28/2014

FOR COMPARISON ONLY

|  | <u>2012-2013</u>                 | <u>2013-2014</u>              |
|--|----------------------------------|-------------------------------|
| <b>ASSETS</b>  |                                  |                               |
| Cash & Cash Equivalents                                  | \$ 3,613,365                     | \$ 3,073,515                  |
| Corporate Obligations (CD's)                             | 2,243,596                        | 3,649,847                     |
| Government Obligations                                   | 2,143,043                        | 1,328,685                     |
| <br>Total Assets:  | <br><u>8,000,004</u><br>=====    | <br><u>8,052,047</u><br>===== |
| <br><b>LIABILITIES</b>                                   |                                  |                               |
| Liability for IBNR Self Funded                           | 175,786                          | 0                             |
| <br>Total Liabilities:                                   | <br>175,786                      | <br>0                         |
| <br>Fund Balance February 28, 2013 and February 28, 2014 | <br>7,824,218                    | <br>8,052,047                 |
| <br>TOTAL LIABILITIES & FUND BALANCE                     | <br><u>\$ 8,000,004</u><br>===== | <br><u>8,052,047</u><br>===== |

EVERETT SCHOOL EMPLOYEE BENEFIT TRUST  
STATEMENT OF OPERATIONS AND FUND BALANCE  
For the Year Ended June 30, 2014

|   | <u>Current Month</u><br>(February) | <u>2013-2014</u>      |
|---|------------------------------------|-----------------------|
| <u>REVENUES:</u>  |                                    |                       |
| Employer Contributions                                    | \$ 1,472,878                       | \$ 11,598,581         |
| Employee Contributions                                    | 475,909                            | 3,433,972             |
| Wellness Grant  | 0                                  | 0                     |
| Dividend Income   | 0                                  | 0                     |
| Interest Income   | 302                                | 35,363                |
| Corporate/Govt Obligations - market value adj             | (658)                              | (8,726)               |
| <br>Total Revenues  | <br><u>1,948,430</u>               | <br><u>15,059,191</u> |
| <u>COST OF BENEFITS PROVIDED:</u>                         |                                    |                       |
| HMA   | 0                                  | (2,232)               |
| ESI   | 0                                  | (72)                  |
| Group Health Premium                                      | 566,830                            | 4,104,902             |
| WEA - Medical   | 1,137,866                          | 8,611,026             |
| WEA - WA Dental   | 126,563                            | 1,009,086             |
| WEA - Willamette Dental                                   | 35,931                             | 277,959               |
| WEA - Vision  | 33,415                             | 259,198               |
| Metropolitan Life (\$50M) Premium                         | 9,942                              | 78,193                |
| Metropolitan Life (VOL) Premium                           | 15,912                             | 125,107               |
| Standard Insurance  | 36,509                             | 289,315               |
| UNUM LTC  | 768                                | 6,245                 |
| Alere Wellbeing   | 0                                  | 0                     |
| Magellan Behavior   | 0                                  | 19,218                |
| HealthForce   | 0                                  | 19,075                |
| Weight Watchers   | 0                                  | 2,621                 |
| <br>Cost of Benefits Provided                             | <br><u>1,963,734</u>               | <br><u>14,799,641</u> |
| <br>Excess (Deficiency) of Revenues over Cost of Benefits | <br><u>(15,304)</u>                | <br><u>259,549</u>    |
| <u>ADMINISTRATIVE EXPENSES:</u>                           |                                    |                       |
| Administration  | 1,701                              | 13,396                |
| Wellness Program Salaries                                 | 7,403                              | 58,486                |
| Wellness Program Expenses                                 | 20,346                             | 53,864                |
| Audit Fee   | 0                                  | 8,951                 |
| Bank Fees   | 33                                 | 2,006                 |
| Investment Fees   | 1,567                              | 5,185                 |
| Legal Fees  | 1,277                              | 16,606                |
| Liability Insurance                                       | 0                                  | 0                     |
| Misc. Expense   | 0                                  | 0                     |
| Office & Printing   | 46                                 | 137                   |
| Consultant Fee  | 0                                  | 26,885                |
| Investment Consultant Fee                                 | 0                                  | 8,750                 |
| Trustee Expense   | 0                                  | 0                     |
| <br>Total Administrative Expenses                         | <br><u>32,372</u>                  | <br><u>194,266</u>    |
| <br>Excess(Deficiency) of Revenue Over Expenses           | <br><u>(47,676)</u>                | <br><u>65,284</u>     |
| Adjusted Fund Balance 2/01/14                             | 8,099,723                          | 7,986,764             |
| <br>Fund Balance 2/28/2014                                | <br>\$ 8,052,047                   | <br>\$ 8,052,047      |
|   | =====                              | =====                 |

EVERETT SCHOOL EMPLOYEE BENEFIT TRUST  
STATEMENT OF OPERATIONS AND FUND BALANCE  
For the Year Ended June 30, 2013 and June 30, 2014

FOR COMPARISON ONLY

|  | <u>Current Month</u><br>(February) | <u>2012-2013</u>    | <u>Current Month</u><br>(February) | <u>2013-2014</u>    |
|--|------------------------------------|---------------------|------------------------------------|---------------------|
| <b>REVENUES:</b>   |                                    |                     |                                    |                     |
| Employer Contributions                                       | \$ 1,506,440                       | \$ 11,492,052       | \$ 1,472,878                       | \$ 11,598,581       |
| Employee Contributions                                       | 402,907                            | 2,738,885           | 475,909                            | 3,433,972           |
| Wellness Grant   | 0                                  | 0                   | 0                                  | 0                   |
| Dividend Income  | 0                                  | 441                 | 0                                  | 0                   |
| Investment Income  | 3,735                              | 52,254              | 302                                | 35,363              |
| Corporate/Govt Obligations - market value adj                | (2,740)                            | (32,136)            | (658)                              | (8,726)             |
| <b>Total Revenues</b>  | <b>1,910,343</b>                   | <b>14,251,497</b>   | <b>1,948,430</b>                   | <b>15,059,191</b>   |
| <b>COST OF BENEFITS PROVIDED:</b>                            |                                    |                     |                                    |                     |
| HMA  | 0                                  | 44,792              | 0                                  | (2,232)             |
| ESI  | 0                                  | (46)                | 0                                  | (72)                |
| Pacific Care Premium   | 0                                  | (57,226)            | 0                                  | 0                   |
| Group Health Premium   | 506,444                            | 3,790,672           | 566,830                            | 4,104,902           |
| WEA/APA Insurance  | 1,214,862                          | 9,619,697           | 1,137,866                          | 8,611,026           |
| WEA - WA Dental  | 0                                  | 0                   | 126,563                            | 1,009,086           |
| WEA - Willamette Dental                                      | 0                                  | 245,890             | 35,931                             | 277,959             |
| WEA - Vision   | 0                                  | 0                   | 33,415                             | 259,198             |
| Metropolitan Life (\$50M) Premium                            | 9,676                              | 76,960              | 9,942                              | 78,193              |
| Metropolitan Life (VOL) Premium                              | 15,218                             | 125,766             | 15,912                             | 125,107             |
| Standard Insurance   | 35,942                             | 285,008             | 36,509                             | 289,315             |
| UNUM LTC   | 836                                | 6,689               | 768                                | 6,245               |
| Other Benefits   | 0                                  | (551)               | 0                                  | 0                   |
| Alere Wellbeing  | 0                                  | 2,359               | 0                                  | 0                   |
| Magellan Behavior  | 0                                  | 19,449              | 0                                  | 19,218              |
| HealthForce  | 12,124                             | 35,204              | 0                                  | 19,075              |
| Weight Watchers  | 0                                  | 0                   | 0                                  | 2,621               |
| <b>Cost of Benefits Provided</b>                             | <b>1,795,102</b>                   | <b>14,194,662</b>   | <b>1,963,734</b>                   | <b>14,799,641</b>   |
| <b>Excess (Deficiency) of Revenues over Cost of Benefits</b> | <b>115,240</b>                     | <b>56,835</b>       | <b>(15,304)</b>                    | <b>259,549</b>      |
| <b>ADMINISTRATIVE EXPENSES:</b>                              |                                    |                     |                                    |                     |
| Administration   | 1,619                              | 13,151              | 1,701                              | 13,396              |
| Wellness Program Salaries                                    | 7,111                              | 56,533              | 7,403                              | 58,486              |
| Wellness Program Expenses                                    | 970                                | 103,254             | 20,346                             | 53,864              |
| Audit Fee  | 0                                  | 9,129               | 0                                  | 8,951               |
| Bank Charges   | 955                                | 3,569               | 33                                 | 2,006               |
| Investment Fees  | 0                                  | 4,535               | 1,567                              | 5,185               |
| Legal Fees   | 0                                  | 32,664              | 1,277                              | 16,606              |
| Liability Insurance  | 678                                | 1,128               | 0                                  | 0                   |
| Misc. Expense  | 0                                  | 0                   | 0                                  | 0                   |
| Office & Printing  | 0                                  | 313                 | 46                                 | 137                 |
| Consultant Fee   | 0                                  | 42,911              | 0                                  | 26,885              |
| Investment Consultant Fee                                    | 0                                  | 8,750               | 0                                  | 8,750               |
| Trustee Expense  | 0                                  | 0                   | 0                                  | 0                   |
| <b>Total Administrative Expenses</b>                         | <b>11,333</b>                      | <b>275,937</b>      | <b>32,372</b>                      | <b>194,266</b>      |
| <b>Excess(Deficiency) of Revenue Over Expenses</b>           | <b>103,907</b>                     | <b>(219,102)</b>    | <b>(47,676)</b>                    | <b>65,284</b>       |
| <b>Adjusted Fund Balance 2/01/13 and 2/01/14</b>             | <b>7,720,311</b>                   | <b>8,043,320</b>    | <b>8,099,723</b>                   | <b>7,986,764</b>    |
| <b>Fund Balance 2/28/2013 and 2/28/2014</b>                  | <b>\$ 7,824,218</b>                | <b>\$ 7,824,218</b> | <b>8,052,047</b>                   | <b>\$ 8,052,047</b> |
|  | =====                              | =====               | =====                              | =====               |