

Everett School Employee Benefit Trust
Preliminary 2013 and Illustrative 2014 Budgets

	2011 Actual ¹	% Growth	2012 Estimated	% Growth	2013 Status Quo Preliminary	% Growth	2014 Status Quo Illustrative
Estimated Income							
Employer Contributions	\$ 16,822,443	1.4%	\$ 17,049,600	0.0%	\$ 17,049,600	0.0%	\$ 17,049,600
Additional Supplemental District Contribution	\$ -	n/a	\$ -	0.0%	\$ -	0.0%	\$ -
Employee Contributions	\$ 3,444,049	48.5%	\$ 5,113,080	10.0%	\$ 5,624,388	10.0%	\$ 6,186,827
2 Investment Income	<u>\$ 261,401</u>	14.3%	<u>\$ 298,788</u>	0.0%	<u>\$ 150,000</u>	0.0%	<u>\$ 150,000</u>
Total Estimated Revenues	\$ 20,527,893	9.4%	\$ 22,461,468		\$ 22,823,988		\$ 23,386,427
Estimated Expenses							
MetLife Life / AD&D Premiums	\$ 128,863	-8.4%	\$ 118,024	0.0%	\$ 118,024	0.0%	\$ 118,024
MetLife Voluntary Term Life Premiums	\$ 193,732	1.9%	\$ 197,382	0.0%	\$ 197,382	0.0%	\$ 197,382
3 Standard Voluntary STD Premiums	\$ 132,942	0.1%	\$ 133,093	0.0%	\$ 133,093	0.0%	\$ 133,093
Standard LTD Premiums	\$ 428,036	0.9%	\$ 431,797	0.0%	\$ 431,797	0.0%	\$ 431,797
WDS Dental Premiums	\$ 1,638,274	0.1%	\$ 1,640,675	5.0%	\$ 1,722,709	5.0%	\$ 1,808,844
Willamette Dental Premiums	\$ 349,344	23.3%	\$ 430,595	5.0%	\$ 452,125	5.0%	\$ 474,731
WEA Medical Premiums	\$ -		\$ 15,864,134	10.0%	\$ 17,450,547	10.0%	\$ 19,195,602
Premiera WEA Vision	\$ -		\$ 365,895	5.0%	\$ 384,190	5.0%	\$ 403,399
PPO Plans Projected Claims	\$ 10,904,286	-100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
4 HMA PPO Admin Funding & Stop-Loss	\$ 779,025	-100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
5 IBNP Reserve Adjustment	\$ 157,000	-100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Group Health Medical Premiums	\$ 4,342,203	0.5%	\$ 4,365,892	10.0%	\$ 4,802,481	10.0%	\$ 5,282,729
UnitedHealthcare Medical Premiums	\$ 4,706,801	-100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
UNUM Voluntary LTC Premiums	\$ 8,294	-2.2%	\$ 8,109	0.0%	\$ 8,109	0.0%	\$ 8,109
Wellness Program Internal Support	\$ 43,875	11.1%	\$ 48,739	0.0%	\$ 48,739	0.0%	\$ 48,739
Magellan EAP	\$ 56,328	-27.8%	\$ 40,682	0.0%	\$ 40,682	5.0%	\$ 42,716
Carena	\$ 1,823	-100.0%	\$ -	0.0%	\$ -	0.0%	\$ -
Quit for Life Tobacco Cessation	\$ 49,017	-93.9%	\$ 3,000	0.0%	\$ 3,000	0.0%	\$ 3,000
Mind & Body		n/a	\$ 18,750	0.0%	\$ 18,750	0.0%	\$ 18,750
Weight Watchers	\$ -		\$ 26,250	0.0%	\$ 26,250	0.0%	\$ 26,250
HRA & Web Portal	\$ 53,542	2.4%	\$ 54,824	0.0%	\$ 54,824	0.0%	\$ 54,824
6 Wellness Incentive	\$ 160,470	n/a	\$ 112,950	0.0%	\$ 112,950	0.0%	\$ 112,950
7 Mercer Consulting Fee	\$ 71,656		\$ 100,000	5.0%	\$ 105,000	5.0%	\$ 105,000
8,9 ESEBT Administration	<u>\$ 270,261</u>	-7.5%	<u>\$ 250,000</u>	3.0%	<u>\$ 257,500</u>	3.0%	<u>\$ 265,225</u>
Total Estimated Expenses	\$ 24,475,772	-1.1%	\$ 24,210,790	8.9%	\$ 26,368,151	9.0%	\$ 28,731,164
Estimated Surplus / (Deficit)	\$ (3,947,879)		\$ (1,749,322)		\$ (3,544,163)		\$ (5,344,737)
PEPM (Medical Plan Enrollment)	\$ (194.90)		\$ (85.25)		\$ (175.07)		\$ (264.02)
% of Medical Plan Costs	-18.9%		-40.1%		-73.8%		-101.2%
Unallocated reserve at December 31	\$8,351,396		\$6,602,073		\$3,057,910		(\$2,286,827)
Months of expenses	4.1		3.3		1.4		(1.0)

1 Unless otherwise noted 2011 amounts are based on 2010-2011 and 2011-2012 ESEBT Statement of Operations and Fund Balance

2 Manually assumed \$150,000 investment income for 2013 and 2014

3 The Standard - premiums paid report

4 From 2011 experience report

5 Prior year final IBNP estimate

6 From final 2011 Mercer projection

7 Consulting fees after commissions

8 ESEBT Administration includes administration, wellness program salaries, audit fees, regulatory fees, bank charges, investment fees, legal fees, liability insurance, misc. exp, office printing, investment consultant fee, and trust expense line items

9 2012 Estimate based on July 2011-March 2012 annualized administration from ESEBT Statement of Operations and Fund Balance