

Comments on January 2012 Financials

- **Balance Sheet: *Page 1***
 - Decrease in fund balance for this month is \$(830,212) which results in an overall decrease for the fiscal year of \$(2,291,916).
 - Consultant Fees credit balance remains at \$1,798.
 - Corporate Obligations (CD's)
 - Purchases \$600,000
 - Government Obligations
 - Pay downs of \$1,972
- **Balance Sheets (Comparison): *Page 2***
 - Comparison for the year - Fund balance this month is \$8,264,547 compared to \$10,996,022 a year ago. Overall assets for this fiscal year total \$8,992,184 compared to \$12,338,022 a year ago.
- **Statement of Operations and Fund Balance: *Page 3***
 - Paid \$9,724 for the quarterly fees to Magellan Behavior (the fee has been reduced by (\$4,358) due to the adjustment in benefits).
 - Paid \$60,526 for Wellness program expenses for the month (\$59,618 of this expense was for the Wellness Challenge - debit cards).
 - Paid \$3,138 for ongoing legal fees to Stoel Rives for November Services.
 - Paid \$4,051 for the renewal of Liability Insurance through Marsh (Chubb).
 - Paid \$30 for Misc expenses.
 - Paid \$53 for Office Supplies (ESEBT receiving stamp)
- **Statement of Operations and Fund Balance (Comparison): *Page 4***
 - **Actual HMA claims for the month: \$651,816**
 - Comparison - HMA claims are \$198,407 less this month than last January 2011. Overall this year's claims are \$749,636 less than in 2011.
 - **Actual ESI claims for the month: \$91,548 (-\$1,138.56 rebate check)**
 - Comparison - ESI claims are \$131,420 less this month than last January 2011. Overall this year's claims are \$35,311 less than in 2011.

Things to note:

- The Trust received two refund checks from Sun Life this month in the amounts of \$95,020.01 and \$5,118.64 for a total of \$100,138.65.
- The Trust received a rebate check from ESI this month in the amount of \$1,138.56.
- I have started the process of offsetting the IBNR liability against the HMA and ESI claims. For the month of January the offset is \$743,364 (\$651,816 for HMA and \$91,548 for ESI).

EVERETT SCHOOL EMPLOYEE BENEFIT TRUST
BALANCE SHEETS
1/31/2012

		<u>2011-2012</u>
ASSETS		
Cash & Cash Equivalents	\$	4,117,341
Corporate Obligations (CD's)		1,974,501
Government Obligations		2,898,544
Prepaid Expense		1,798
Total Assets:		<u>8,992,184</u> =====
LIABILITIES		
Liability for IBNP Self Funded		727,637
Total Liabilities:		727,637
Fund Balance January 31, 2012		8,264,547
TOTAL LIABILITIES & FUND BALANCE	\$	<u>8,992,184</u> =====

EVERETT SCHOOL EMPLOYEE BENEFIT TRUST
BALANCE SHEETS
1/31/2011 and 1/31/2012

FOR COMPARISON ONLY

	<u>2010-2011</u>		<u>2011-2012</u>
ASSETS			
Cash & Cash Equivalents	\$ 2,250,893	\$	4,117,341
Corporate Obligations (CD's)	2,768,734		1,974,501
Government Obligations	7,243,812		2,898,544
Prepaid Expense	74,583		1,798
	<hr/>		<hr/>
Total Assets:	12,338,022		8,992,184
	=====		=====
 LIABILITIES			
Liability for IBNR Self Funded	1,342,000		727,637
Total Liabilities:	1,342,000		727,637
Fund Balance January 31, 2011 and January 31, 2012	10,996,022		8,264,547
TOTAL LIABILITIES & FUND BALANCE	\$ <hr/> 12,338,022		<hr/> 8,992,184
	=====		=====

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

	<u>Current Month</u> (January)	<u>2011-2012</u>
<u>REVENUES:</u>		
Employer Contributions	\$ 1,388,301	\$ 9,703,001
Employee Contributions	318,250	2,030,609
Dividend Income	595	1,492
Interest Income	4,628	119,249
Corporate/Govt Obligations - market value adj	(7,846)	22,193
	<hr/>	<hr/>
Total Revenues	1,703,927	11,876,544
	<hr/>	<hr/>
<u>COST OF BENEFITS PROVIDED:</u>		
HMA Premium	0	179,667
HMA Claims	651,816	4,928,603
SunLife	(41,078)	(264,392)
ESI Prescriptions Paid	90,409	1,370,609
Pacific Care Premium	0	2,333,408
Group Health Premium	457,702	2,608,427
WEA/APA Insurance	1,188,835	1,188,835
Washington Dental Service Premium	0	804,538
Williamette Dental	36,409	211,383
Metropolitan Life (\$50M) Premium	10,556	74,308
Metropolitan Life (VOL) Premium	15,776	113,241
Standard Insurance	35,305	246,949
UNUM LTC	713	4,990
Alere Wellbeing	0	4,445
Magellan Behavior	9,724	37,889
Carena	0	0
HealthForce	0	26,478
Wellspring Health Solutions	0	0
	<hr/>	<hr/>
Cost of Benefits Provided	2,456,167	13,869,378
	<hr/>	<hr/>
Excess (Deficiency) of Revenues over Cost of Benefits	(752,240)	(1,992,833)
	<hr/>	<hr/>
<u>ADMINISTRATIVE EXPENSES:</u>		
Administration	1,736	11,868
Wellness Program Salaries	8,437	63,429
Wellness Program Expenses	60,526	80,789
Audit Fee	0	10,470
Regulatory Fees	0	2,075
Bank Fees	0	2,776
Investment Fees	0	8,831
Legal Fees	3,138	28,150
Liability Insurance	4,051	4,051
Misc. Expense	30	99
Office & Printing	53	4,674
Consultant Fee	0	68,733
Investment Consultant Fee	0	13,125
Trustee Expense	0	13
	<hr/>	<hr/>
Total Administrative Expenses	77,972	299,083
	<hr/>	<hr/>
Excess(Deficiency) of Revenue Over Expenses	(830,212)	(2,291,916)
Adjusted Fund Balance 1/01/12	9,094,759	10,556,464
	<hr/>	<hr/>
Fund Balance 1/31/2012	\$ 8,264,547	\$ 8,264,547
	=====	=====

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

	<u>Current Month</u> (January)	<u>2010-2011</u>	<u>Current Month</u> (January)	<u>2011-2012</u>
REVENUES:				
Employer Contributions	1,416,118	\$ 9,815,922	\$ 1,388,301	\$ 9,703,001
Employee Contributions	294,756	1,696,444	318,250	2,030,609
Dividend Income	98	4,812	595	1,492
Interest Income	6,417	136,019	4,628	119,249
Corporate/Govt Obligations - market value adj	(9,912)	(77,605)	(7,846)	22,193
Total Revenues	1,707,476	11,575,591	1,703,927	11,876,544
COST OF BENEFITS PROVIDED:				
HMA Premium	23,855	170,447	0	179,667
HMA Claims	850,223	5,678,239	651,816	4,928,603
Sun Life	(3,893)	(489,779)	(41,078)	(264,392)
ESI Prescriptions Paid	221,829	1,405,920	90,409	1,370,609
Pacific Care Premium	396,819	2,524,586	0	2,333,408
Group Health Premium	367,543	2,182,375	457,702	2,608,427
WEA/APA Insurance	0	0	1,188,835	1,188,835
Washington Dental Service Premium	138,742	977,067	0	804,538
Williamette Dental	29,147	201,764	36,409	211,383
Metropolitan Life (\$50M) Premium	10,810	76,014	10,556	74,308
Metropolitan Life (VOL) Premium	15,611	109,088	15,776	113,241
Standard Insurance	35,921	252,786	35,305	246,949
UNUM LTC	583	4,164	713	4,990
Alere Wellbeing	1,511	4,422	0	4,445
Magellan Behavior	14,082	42,246	9,724	37,889
Carena	450	900	0	0
HealthForce	0	0	0	26,478
Wellsourc Health Solutions	5,330	5,330	0	0
Cost of Benefits Provided	2,108,563	13,145,568	2,456,167	13,869,378
Excess (Deficiency) of Revenues over Cost of Benefits	(401,087)	(1,569,977)	(752,240)	(1,992,833)
ADMINISTRATIVE EXPENSES:				
Administration	1,673	11,655	1,736	11,868
Wellness Program Salaries	9,849	65,634	8,437	63,429
Wellness Program Expenses	11,610	37,684	60,526	80,789
Audit Fee	0	9,142	0	10,470
Regulatory Fees	2,075	4,150	0	2,075
Bank Fees	160	4,099	0	2,776
Investment Fees	0	10,637	0	8,831
Legal Fees	8,861	26,421	3,138	28,150
Liability Insurance	0	0	4,051	4,051
Misc. Expense	0	197	30	99
Office & Printing	13	123	53	4,674
Consultant Fee	0	25,613	0	68,733
Investment Consultant Fee	0	8,750	0	13,125
Trustee Expense	0	0	0	13
Total Administrative Expenses	34,240	204,105	77,972	299,083
Excess(Deficiency) of Revenue Over Expenses	(435,327)	(1,774,081)	(830,212)	(2,291,916)
Adjusted Fund Balance 1/01/11 and 1/01/12	11,431,349	12,770,103	9,094,759	10,556,464
Fund Balance 1/31/2011 and 1/31/2012	10,996,022	\$ 10,996,022	8,264,547	\$ 8,264,547
	=====	=====	=====	=====