



LAKE HAVASU UNIFIED SCHOOL DISTRICT EMPLOYEE BENEFIT TRUST

NOTICE OF PUBLIC MEETING

**Thursday, July 18, 2019 5:00 p.m.
2200 Havasupai Blvd. – Governing Board Conference Room
Lake Havasu City, AZ 86403**

MEMBERS OF THE LAKE HAVASU UNIFIED SCHOOL DISTRICT EMPLOYEE BENEFIT TRUST BOARD OF TRUSTEES WILL ATTEND EITHER IN PERSON OR BY TELEPHONE CONFERENCE CALL.

AGENDA

REGULAR MEETING SESSION:

5:00 p.m.

1. Routine Opening of Meeting - Call to Order

Chairperson

- 1.1 Roll Call
- 1.2 Pledge of Allegiance/Moment of Silence
- 1.3 Call for an Executive Session

(If the situation warrants, an Executive Session may be held during the meeting, pursuant to A.R.S. §38.431.03 (A)(2) for "Discussion or consideration of records exempt by law from public inspection, including the receipt and discussion of information or testimony that is specifically required to be maintained as confidential by state or federal law" or (A)(3) for "Discussion or consultation for legal advice with the attorney or attorneys of the public body.")

2. Call to the Public

Chairperson

(Form BEDH-E is required to address the Board during Call to the Public. Form must be turned in to the Secretary before the meeting starts. There will be a five (5) minute time limit. At this time, the Chairperson will call for comments from members of the public on items not on the agenda. Because of restrictions imposed by A.R.S. §38.431.01, discussion and action on items brought before the Board during this time will be limited to directing staff to study the matter or rescheduling the matter for further consideration and decision at a later date.)

3. Old Business

- 3.1 Update on Clinic Closure

Chairperson/ECA

4. New Business

- 4.1 Update on 2019-20 Open Enrollment and Renewal
- 4.2 Approval of Meeting Minutes - 03/20/19 & 06/03/19
- 4.3 Approval of February-May Financial Reports
- 4.4 Updates and Announcements

ECA
Chairperson
ECA
ECA

5. Adjournment

Chairperson

**NEXT SCHEDULED MEETING OF
THE LHSEBT TRUST BOARD**

October 17, 2019 @ 5:00 p.m.

MEMORANDUM

TO: LHSEBT Trustees

FROM: ERIN P. COLLINS & ASSOCIATES, INC. (ECA)
Jaime Schulenberg, Sr. Account Manager

DATE: July 11, 2019

RE: Update on 2019-20 Open Enrollment and Renewal

Due to the significant changes made to the benefit plan effective July 01, 2019, I wanted to provide you with an update on the Open Enrollment / Renewal process.

Open Enrollment

- The District held Open Enrollment from April 22 through May 10, 2019 using their new online portal. While we are unaware of how the actual OE process went from the perspective of the new portal, we do know there were some issues with the eligibility file transfer between the District's portal and Gilsbar. Mailing of ID cards was delayed as a result of these problems but were mailed on July 01, 2019.
- According to the District, a total of 13 employees and retirees enrolled in the High Deductible Health Plan.
- Summaries of Benefits & Coverage (SBCs) were mailed to each benefit-eligible employee's home in early June to comply with the requirements of healthcare reform.
- Summary Plan Documents were revised and finalized in June for Medical/Rx, Flexible Spending Account and Health Savings Account. Final copies were submitted to the District for the website.
- Finally, a retiree emailed the District and requested that the following be shared with Trustees:

"Thank you for emailing the 2019-20 Medical/Rx plan and rates. If I go with the Gold Plan, then my monthly premium for my wife and I, if I read the rates correctly, would be \$718.57? That is a 20% increase over last year! I just question why the rates keep going up so much for the retirees and their dependents. I can't say that I'm happy about this, but I have three more years to worry about it until I qualify for medicare. I only wish that the EBT board would take better care of the

district's retirees and dependents (some of whom have dedicated over 30 years of service to the LHUSD)."

Renewal

- All of the contract renewals have been completed with copies provided to the District.
- The reinsurance renewal was finalized and the budget updated accordingly; the updated 2019-20 Final Budget will be provided at the meeting for your reference and information. As a reminder, once the reinsurance is bound, we update the budget to properly reflect the premiums which are estimated at the time premium rates are adopted. Normally, we add or subtract any difference between what was budgeted versus the actual renewal from the General Admin line, however, since the renewal came in so high, there was no way we could do that. Instead, we made the following changes to the budget:
 - We had budgeted \$8.52/PEPM (per employee per month) for Clinic Operating Expenses which are no longer necessary since the Clinic closed effective 12/31/18. As a result, we zeroed out that line and added \$8.52 back into the Medical/Rx Claim Funds for Gold and HDHP.
 - We reduced the Medical/Rx Claim Funds for Gold and HDHP by the difference in what was budgeted for Specific and Aggregate reinsurance and the actual renewal.
- Teladoc has been updated to reflect that members enrolled in the HDHP have a \$49 consultation fee with a lower PEPM expense to the Trust. We have added that line to the 2019-20 Budget as well and adjusted the Medical/Rx Claim Funds for HDHP to reflect the lower fee without changing the adopted premium.
- The Trustee's Fiduciary Liability Insurance was renewed for the 2019-20 plan year with RLI Insurance Company with the same coverage as 2018-19. The premium increased slightly from \$3,848 to \$3,998.

If you should have any questions between now and the date of the meeting, feel free to call or email me at (928) 753-4700 x302 or jaimes@ecollinsandassociates.com.

MEMORANDUM

TO: **LHSEBT Trustees**

FROM: **ERIN P. COLLINS & ASSOCIATES, INC. (ECA)**
Storm Kinion, Group Benefits Specialist

DATE: July 11, 2019

RE: March 20 and June 03 Regular and Executive Meeting Minutes

Attached are the minutes from the Trust meetings held March 20 and June 03, 2019. Please note that Executive Meeting Minutes will be distributed for your review at the meeting in accordance with guidance from legal counsel. These minutes were previously distributed for review and any requested revisions have been incorporated.

We would request approval of the minutes as presented.

If you should have any questions between now and the date of the meeting, feel free to call or email me at (928) 753-4700 x305 or stormk@ecollinsandassociates.com.

LAKE HAVASU SCHOOLS EMPLOYEE BENEFIT TRUST

2200 Havasupai Blvd., Lake Havasu City, AZ 86403

Trust Board Minutes

March 20, 2019

REGULAR MEETING:

1. Routine Opening of Meeting – Call to Order

The Regular Meeting of the Board of Trustees of the Lake Havasu Schools Employee Benefit Trust was called to order by Trust Chairperson, Marcia Cox, in the District Boardroom, 2200 Havasupai Blvd., Lake Havasu City, Arizona at 5:06 p.m. on March 20, 2019.

1.1 Roll Call

BOARD MEMBERS PRESENT: Marcia Cox, Chairperson
Hal Christiansen, Vice Chairperson (via phone)
Amy Barney, Trustee
Julie Sasseen, Trustee

BOARD MEMBERS ABSENT: Dr. Fadi Atassi, Trustee

GOVERNING BOARD MEMBERS
PRESENT: N/A

ADMINISTRATION PRESENT: Mike Murray, Director of Business Services

OTHERS:

Michael Hensley, J, S & H Legal
Storm Kinion, ECA – Broker/Consultant
Jaime Schulenberg, ECA – Broker/Consultant
5 Others

1.2 Pledge of Allegiance/Moment of Silence

1.3 Call for an Executive Session

Ms. Schulenberg confirmed there were two items requiring an Executive Session to discuss a dental appeal and the Report of Investigation of Prior Trust Consultant.

Trustee Sasseen moved to adjourn to Executive Session regarding the dental appeal and investigation, seconded by Trustee Barney and unanimously approved.

Regular session resumed at 6:02 p.m.

2. Call to the Public

None

3. Old Business

Trustee Sasseen made a motion to review old business, seconded by Trustee Barney and unanimously approved.

3.1 Update on the "Action on Clinic Lease" agenda item from the 02/05/19 meeting.

Chairperson Cox reported she had signed the termination agreement to end the Trust's obligation with the lease of the former Health and Wellness Clinic. She further reported she received \$1,000.00 for the phone system and \$1,175.00 for the remainder of the security deposit. Chairperson Cox delivered those checks to Mike Murray and they were deposited. The Trust is responsible to pay the owner of the clinic \$12,575.00; ECA requested payment from Gilsbar. If the new tenant doesn't buy the remaining equipment, a day needs to be scheduled to allow interested parties the opportunity to go to the clinic and make offers on what is left.

4. New Business

Trustee Barney made a motion to review new business, seconded by Trustee Sasseen and unanimously approved.

4.1 Discussion and Possible Action re Dental Appeal (Executive Session)

Vice Chairperson Christiansen made a motion to deny the appeal, seconded by Trustee Sasseen and unanimously approved.

4.2 Report on Review of EBT Consultant (Executive Session)

4.3 Trustee Training

Mr. Hensley suggested moving the Trustee training to the end of the meeting to allow those that did not want to listen to the training the opportunity to hear the remaining business and then leave.

4.4 Approval of Meeting Minutes: January 17, February 04, and February 05, 2019.

Vice Chairperson Christiansen moved to approve the meeting minutes for January 17, February 04, and February 05, 2019 as presented, seconded by Chairperson Cox and unanimously approved.

4.5 Review of Financial Report for January 2019.

Ms. Kinion reviewed the financial report for the month ending January 31, 2019. Ms. Kinion reported the Trust lost money due to only one deposit being made as well as large claims. The overall YTD deficit is primarily due to large claims. Medical/Rx is running high also due to large claims. The Trust has 10 large claims that exceed 50% of the specific deductible of \$130,000; ECA tracks any claims over \$65,000. The claims total approximately \$1,723,214; four of which have exceeded the specific deductible by \$623,418. The Trust is still in the process of receiving those dollars.

Vice Chairperson Christiansen moved to approve the January 2019 Financial Report, seconded by Trustee Sasseen, and unanimously approved.

4.6 Updates and Announcements

Ms. Schulenberg provided a follow-up to the January 17, 2019 Call to the Public. Kathryn Hubert had asked the Board to consider reinstating the Employee Assistance Program (EAP) and asked about the disclaimer that members hear when they call Gilsbar. Ms. Schulenberg explained that on July 01, 2017 the EAP was discontinued due to cost and low utilization. Ms. Schulenberg further reported the benefits and rates were already approved for 2019-20 and an EAP was not considered for this plan year. The Board would like an EAP considered for the future and ECA is happy to obtain quotes. She also reported that members have access to mental health counseling through the medical insurance; there are over 30 mental health professionals serving Lake Havasu City. Ms. Schulenberg will have Gilsbar prepare a claims report for mental health.

Ms. Schulenberg also addressed the disclaimer members hear when they call Gilsbar. The disclaimer indicates Gilsbar cannot guarantee that the information provided regarding benefits are accurate and in all cases, policy documents prevail. These disclaimers are common among third-party administrators most often because benefits can never be guaranteed until an actual claim is submitted. Chairperson Cox requested that ECA provide Ms. Hubert with a summary of the follow-up.

Chairperson Cox previously inquired how many members would be positively impacted by the reduction in the deductible. Based off the reports provided by Gilsbar, 89 members would see a reduction in their out-of-pocket expenses based on the same medical scenarios.

Vice Chairperson Christiansen approached Lake Havasu Eyecare about joining the United Healthcare Vision network and they agreed to meet with a representative. ECA contacted UHC and they are currently in negotiations.

Vice Chairperson Christiansen excused himself from the meeting at 6:31 p.m.

4.3 Trustee Training

Mr. Hensley presented Legal Updates for Group Health Plan Trustees. The presentation included benefit plan fiduciary responsibilities, definitions of duties, open meeting and Executive session laws, public records and HIPPA. At the conclusion of the presentation Ms. Schulenberg told the Board she would send the slides to the LHSEBT to have them added to their website

5 Adjournment

Trustee Barney moved to adjourn at 7:15p.m., seconded by Chairperson Cox and unanimously carried.

Video of the entire meeting may be seen on the District website (www.havasu.k12.az.us) under EBT Documents.

Minutes of the Special Trust Board Meeting of March 20, 2019 are approved as submitted.

Marcia Cox, Chairperson

Hal Christiansen, Vice Chairperson

LAKE HAVASU SCHOOLS EMPLOYEE BENEFIT TRUST

2200 Havasupai Blvd., Lake Havasu City, AZ 86403

Trust Board Minutes

June 03, 2019

SPECIAL TELEPHONIC MEETING:

1. Routine Opening of Meeting – Call to Order

The Special Meeting of the Board of Trustees of the Lake Havasu Schools Employee Benefit Trust was called to order by Trust Chairperson, Marcia Cox, telephonically at 5:23 p.m. on June 03, 2019.

1.1 Roll Call

BOARD MEMBERS PRESENT: Marcia Cox, Chairperson
Hal Christiansen, Vice Chairperson
Julie Sasseen, Trustee

BOARD MEMBERS ABSENT: Dr. Fadi Atassi, Trustee
Amy Barney, Trustee

GOVERNING BOARD MEMBERS
PRESENT: N/A

ADMINISTRATION PRESENT: N/A

OTHERS: Erin Collins, ECA – Broker/Consultant
Michael Hensley, J,S&H – Legal Counsel
Storm Kinion, ECA – Broker/Consultant

2. Call to the Public – None.

3. New Business

Vice Chairperson Christiansen made a motion to discuss possible action re reinsurance renewal, seconded by Trustee Sasseen and unanimously approved.

3.1 Discussion and Possible Action re Reinsurance Renewal

Mr. Collins reviewed the reinsurance renewal with the Board explaining reinsurance was originally budgeted at 20% for both specific and aggregate, however due to several high claims, the quotes ranged from an increase of between 115% and 72% with three lasers. Chairperson Cox inquired as to how many quotes were requested; Mr. Collins advised they requested 13 quotes and were rejected by all except the incumbent due to the significant claims.

ECA recommended approving the reinsurance renewal with an increased specific deductible of \$170,000 and three lasers.

Vice Chairperson Christiansen moved to accept the reinsurance renewal at \$170,000 with three lasers for July 2019 – June 2020 as recommended, seconded by Chairperson Cox and unanimously approved.

4. Adjournment

Vice Chairperson Christiansen moved, seconded by Chairperson Cox, to adjourn at 5:34 p.m.

Minutes of the Special Telephonic Trust Board Meeting of the June 03, 2019 are approved as submitted.

Marcia Cox, Chairperson

Hal Christiansen, Vice Chairperson

MEMORANDUM

TO: **LHSEBT TRUSTEES**

FROM: **ECA Inc.**
 Storm Kinion, Group Benefits Specialist

DATE: June 18, 2019

RE: Financial Summary for May 2019

Attached please find the LHSEBT financial report for the month ending May 31, 2019 for your review and information.

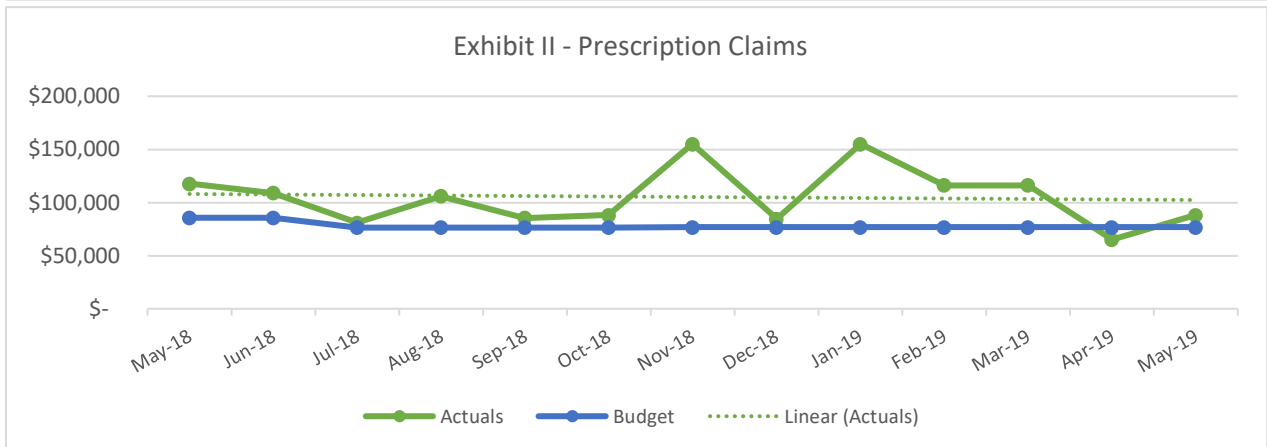
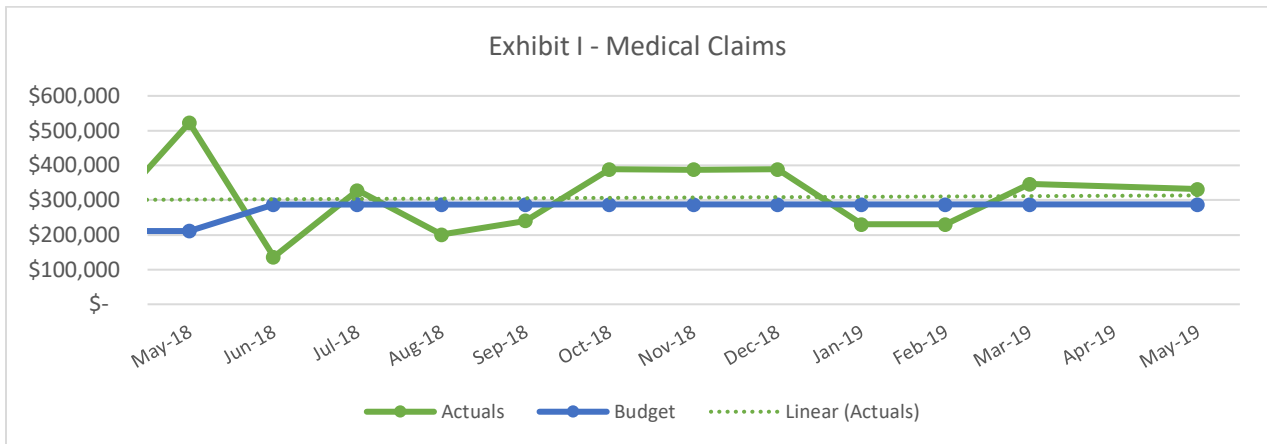
Below is a summary for your quick reference and information.

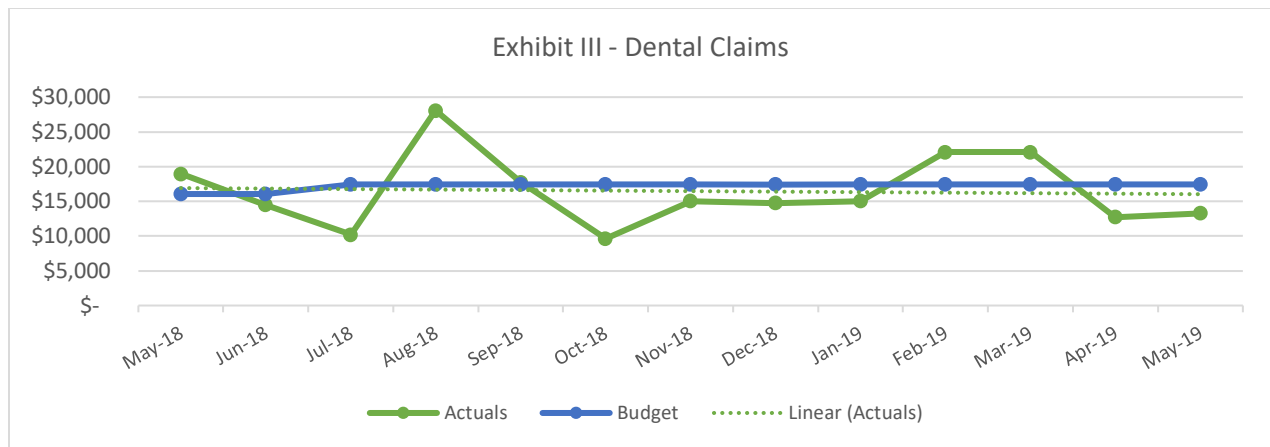
	May
REVENUE	\$631,256
EXPENSES	
- Claims	\$307,075
- Premiums	\$52,516
- Claims Administration	\$20,379
- General Operating	\$8,673
Expense Total:	\$388,644
Monthly Financial Position	\$242,612
YTD Cash Position	\$210,844
All Years Cash Position	\$3,795,475
Estimated IBNP Liability	(\$1,451,836)
All Years Surplus/Deficit Position	\$2,343,639

With regards to the May 2019 financial report, the following items merit your attention:

1. Gross Revenue came in at 119% for the month and 96% for the year. Please note the following:
 - a. Interest & Investment Income came in at 416% for the month and 401% for the year due to the Trust's ability to invest more funds that earned interest than originally anticipated; and

2. Claim Funds include Medical, Rx and Dental claims as well as the Health & Wellness Center Lab and Rx charges, less any stop loss reimbursements and Rx rebates. This line item is running under budget at 81% for the month and at 99% for the year. The plan received a stop loss reimbursement in May totaling \$75,265.99 and an Rx rebate totaling \$50,313.09, both of which contributed to the month's positive financial position. More specifically, claims are running as follows (See Exhibits I, II and III below):
 - a. Gold Plan Medical claims at 120% for the month and 119% for the year;
 - i. Gold Plan Medical claims are running over budget due to 2 new large claims in May totaling \$148,074.
 - b. Silver Plan Medical claims at 5% for the month and 17% for the year;
 - c. Gold Plan Rx claims at 122% for the month and 140% for the year;
 - i. Gold Plan Rx claims are running over budget due to specialty medications and high utilization.
 - d. Silver Plan Rx claims at 469% for the month and 238% for the year:
 - i. Silver Plan Rx claims are running over budget due to utilization and under-budgeting; and
 - e. Dental claims at 76% for the month and 89% for the year.





3. Premiums are running at 102% for the month and at 103% for the year. Please note the following:
 - a. Basic Life, VTL and STD are running over budget for the month due to higher enrollment than budgeted. Year to date, these lines are running over budget as follows:
 - i. Basic Life is running over budget at 111% due to the employees who have waived medical but are covered under Life and the Census running over budget;
 - ii. VTL is running over budget at 108% due to high enrollment; and
 - iii. STD is running over budget at 110% due to residual changes that occurred during open enrollment as well as higher than anticipated enrollment.
4. Claim Administration came in below budget at 99% for the month and year.
5. General Operating is running at 11% for the month and 54% for the year.
6. The Trust has 14 large claims that exceed 50% of the specific deductible (\$65,000) as of May 31, 2019. The 14 cases total \$2,789,066 and five of the claims have exceeded the specific deductible of \$130,000 by a total of \$1,328,959 of which only \$912,347 is reimbursable, due to two claimants having lasers. To date, \$443,561 has been received and Gilsbar is in the process of seeking reimbursement for the remaining \$468,785 due. ECA will continue to monitor the large cases and keep the Board apprised.

Please note that figures used in this overview have been taken from the financial reports attached. The numbers are rounded, and therefore may not calculate to the penny.

If you have any questions on anything included here, please don't hesitate to contact me. I can be reached at your convenience at 928.753.4700 x305 or via email at stormk@ecollinsandassociates.com.

c: Michael Murray, Director of Business Services

LHSEBT - Lake Havasu Schools Employee Benefit Trust

2018-19

May-19

	Annual Budget	MTD Budget	MTD Actual	YTD Budget	YTD Actual	% Total MTD	% Total YTD
GROSS REVENUE	\$6,374,085	\$531,173.72	\$631,256	\$5,842,911	\$5,625,144	118.84%	96.27%
Contributions	\$6,245,881	\$520,490	\$616,239	\$5,725,391	\$5,448,852	118.40%	95.17%
Interest & Investment Income	\$16,932	\$1,411	\$5,877	\$15,521	\$62,209	416.49%	400.80%
COBRA/ASRS	\$111,271	\$9,273	\$9,140	\$101,998	\$114,083	98.57%	111.85%
CLAIM FUNDS	\$4,571,912	\$380,993	\$307,075	\$4,190,919	\$4,141,379	80.60%	98.82%
Medical (Gold)	\$3,306,366	\$275,530	\$331,000	\$3,030,835	\$3,616,300	120.13%	119.32%
Medical (Silver)	\$33,677	\$2,806	\$146	\$30,870	\$5,184	5.19%	16.79%
Medical (Clinic Labs)	\$101,065	\$8,422	\$0	\$92,643	\$9,554	0.00%	10.31%
Stop Loss Reimbursement		\$0	(\$75,266)	\$0	(\$578,238)		
Rx (Gold)	\$845,572	\$70,464	\$86,274	\$775,107	\$1,088,291	122.44%	140.41%
Rx (Silver)	\$5,000	\$417	\$1,955	\$4,583	\$10,891	469.16%	237.62%
Rx (Clinic)	\$71,007	\$5,917	\$0	\$65,090	\$9,928	0.00%	15.25%
Rx Rebates		\$0	(\$50,313)	\$0	(\$191,711)		
Dental	\$209,225	\$17,435	\$13,280	\$191,790	\$171,180	76.16%	89.25%
PREMIUMS	\$619,302	\$51,609	\$52,516	\$567,694	\$585,099	101.76%	103.07%
Specific Stop Loss (American Fidelity)	\$446,533	\$37,211	\$37,358	\$409,322	\$411,818	100.40%	100.61%
Aggregate Stop Loss (American Fidelity)	\$17,082	\$1,424	\$1,389	\$15,659	\$15,292	97.58%	97.66%
Basic Life Insurance (Guardian)	\$26,486	\$2,207	\$2,453	\$24,279	\$29,125	111.14%	119.96%
VTL (Guardian)	\$59,639	\$4,970	\$5,358	\$54,669	\$64,110	107.82%	117.27%
STD (Guardian)	\$25,891	\$2,158	\$2,381	\$23,734	\$28,871	110.35%	121.65%
Vision (United Health Care)	\$43,670	\$3,639	\$3,577	\$40,031	\$35,882	98.28%	89.64%
CLAIM ADMINISTRATION	\$247,222	\$20,602	\$20,379	\$226,620	\$223,757	98.92%	98.74%
Medical Admin (Gilsbar)	\$106,541	\$8,878	\$8,664	\$97,662	\$95,129	97.58%	97.41%
Cobra Admin (Gilsbar)	\$9,523	\$794	\$774	\$8,730	\$8,507	97.58%	97.45%
% of Savings	\$2,831	\$236	\$0	\$2,595	\$7,035		
Dental Admin (Ameritas)	\$19,773	\$1,648	\$1,625	\$18,125	\$13,388	98.62%	73.87%
FSA Admin (Gilsbar)	\$672	\$56	\$44	\$616	\$492	78.57%	79.87%
Utilization Review (AHG)	\$11,904	\$992	\$968	\$10,912	\$10,626	97.58%	97.38%
Case Management (AHG)	\$3,900	\$325	\$875	\$3,575	\$7,060		
Medical Network (BCBSAZ)	\$89,280	\$7,440	\$7,260	\$81,840	\$79,695	97.58%	97.38%
Rx Admin (CVS Caremark/WI Rx)	\$2,797	\$233	\$169	\$2,564	\$1,825	72.58%	71.17%
GENERAL OPERATING	\$935,649	\$77,802	\$8,673	\$855,823	\$464,065	11.15%	54.22%
Benefit Administrator (ECA)	\$72,019	\$6,002	\$6,000	\$66,018	\$66,000	99.97%	99.97%
Management Fee (Cerner)	\$662,696	\$55,225	\$0	\$607,471	\$274,480		
Clinical Operating Expenses	\$85,709	\$7,142	\$0	\$78,566	\$72,315	0.00%	92.04%
Wellness Programs	\$0	\$0	\$0	\$0	\$900		
Actuary (Cheiron)	\$12,559	\$1,047	\$0	\$11,512	\$0		
Actuary - GASB (Cheiron)	\$17,558	\$1,463	\$0	\$16,095	\$0	0.00%	0.00%
Accountant (GDK)	\$3,631	\$303	\$600	\$3,328	\$3,300		
Auditor (Henfeld Meech)	\$6,012	\$501	\$0	\$5,511	\$0	0.00%	0.00%
Legal	\$12,142	\$1,012	\$0	\$11,130	\$10,654	0.00%	95.72%
Legal - Investigation	\$50,000	\$4,167	\$0	\$45,833	\$17,626	0.00%	38.46%
PCORI	\$2,024	\$0	\$0	\$1,571	\$0	0.00%	0.00%
Telemedicine (Teladoc)	\$0	\$0	\$2,070	\$0	\$10,468		
General Administration	\$11,300	\$942	\$3	\$10,358	\$6,752	0.35%	65.18%
GRAND TOTAL BUDGET	\$6,374,085	\$531,005	\$388,644	\$5,841,056	\$5,414,300	73.19%	92.69%

Gold Active/Cobra Census					
	EE	ES	EC1	EC1+	EF
Budget	304	43	20	24	64
Actual	304	43	43	0	59
% Budget	100.0%	100.0%	215.0%	0.0%	92.2%

Gold Retiree Census					
	EE	ES	EC1	EC1+	EF
Budget	26	8	0	0	0
Actual	24	7	0	0	0
% Budget	92.3%	87.5%	0.0%	0.0%	0.0%

Silver Census					
	EE	ES	EC1	EC1+	EF
Budget	6	1	0	0	0
Actual	7	2	0	0	0
% Budget	116.7%	200.0%	0.0%	0.0%	0.0%

Total Medical Census					
	EE	ES	EC1	EC1+	EF
Budget	336	52	20	24	64
Actual	335	52	43	0	59
% Budget	99.7%	100.0%	215.0%	0.0%	92.2%

Active/ Cobra Dental Census					
	EE	ES	EC1	EC1+	EF
Budget	362	44	18	25	58
Actual	330	36	44	0	58
% Budget	91.2%	81.8%	244.4%	0.0%	100.0%

Retiree Dental Census					
	EE	ES	EC1	EC1+	EF
Budget	0	0	0	0	0
Actual	30	6	0	0	1
% Budget	0.0%	0.0%	0.0%	0.0%	0.0%

Active/ Cobra Vision Census					
	EE	ES	EC1	EC1+	EF
Budget	369	54	16	20	49
Actual	334	41	34	0	50
% Budget	90.5%	75.9%	212.5%	0.0%	102.0%

Retiree Vision Census					
	EE	ES	EC1	EC1+	EF
Budget	0	0	0	0	0
Actual	31	6	0	0	1
% Budget	0.0%	0.0%	0.0%	0.0%	0.0%

YTD Aggregate Calculations					
Contracted Aggregate Factors					
	EE	ES	EC1	EC1+	EF
	\$550	\$1,095	\$969	\$969	\$1,645
Total	\$4,185,155.10				
Med/Rx	\$4,740,147.74				
Difference	(\$554,992.64)				
Estimated % Attachment Point					113.26%

Cash Position As Of June 30, 2018		\$3,584,631
Cash Position MTD	May-19	\$242,612
Cash Position YTD	May-19	\$210,844
Cash Position All Years		\$3,795,475

Prior Year Surplus	Cash Position	June 30, 2018	\$3,584,631
Calculations	IBNP	June 30, 2018	\$0
Current Year Surplus	Surplus Position	June 30, 2018	\$3,584,631
Calculations	Cash Position	May 2019	\$3,795,475
	IBNP	May 2019	(\$1,451,836)
	Surplus Position	May 2019	\$2,343,639

General Administration Expenses Detail													
LHSEBT													
	July	August	September	October	November	December	January	February	March	April	May	June	YTD
Expenses													
Bank Fees													\$0.00
Cobra Dental Fees					\$6.50	\$6.50	\$3.25	\$3.25	\$3.25	\$3.25	\$3.25		\$29.25
Depreciation													\$0.00
Investment Management	\$1,598.51			\$1,609.05			\$1,620.95			\$1,629.62			\$6,458.13
Meeting Expenses								(\$1,000.00)	\$250.20				(\$749.80)
Misc. Expenses										(\$650.16)			(\$650.16)
Printing		\$300.00		\$250.00	\$51.00		\$1,059.52						\$1,660.52
State Fees				\$0.88			\$1.59			\$1.59			\$4.06
Trustees E&O													\$0.00
	\$1,598.51	\$300.00	\$0.00	\$1,859.93	\$57.50	\$6.50	\$2,685.31	(\$996.75)	\$253.45	\$984.30	\$3.25	\$0.00	\$6,752.00

Clinic General Administration Expenses Detail													
LHSEBT													
	July	August	September	October	November	December	January	February	March	April	May	June	YTD
Expenses													
Cleaning	\$1,170.00	\$1,170.00	\$1,170.00	\$1,170.00	\$1,170.00	\$1,170.00	\$1,170.00						\$8,190.00
Electric		\$1,319.64	\$556.11	\$391.83	\$558.06			\$242.33	\$150.13	\$121.09			\$3,339.19
Gas	\$22.83	\$22.09	\$22.09	\$19.34	\$19.71		\$38.68	\$22.42		\$44.18			\$211.34
Landscaping	\$200.00	\$200.00	\$200.00	\$200.00		\$200.00	\$400.00	\$200.00					\$1,600.00
Misc. Expenses		\$685.60	\$98.71	\$2.37			\$383.54						\$1,170.22
Pest Control		\$120.00	\$60.00	\$120.00									\$300.00
Phone	\$748.66	\$750.30	\$751.13	\$760.03	\$762.96	\$758.63	\$379.64	\$1,884.92	(\$1,000.00)	\$587.77			\$6,384.04
Property Insurance					\$2,173.00								\$2,173.00
Property Taxes				\$4,590.22									\$4,590.22
Rent	\$3,275.00	\$3,275.00	\$3,275.00	\$3,275.00	\$3,275.00	\$3,275.00	\$6,550.00	\$3,275.00	\$11,400.00				\$11,400.00
Repairs and Maintenance				\$737.89	\$144.40		\$30.00						\$912.29
Security													\$0.00
Trash		\$123.14	\$59.07	\$64.07	\$59.07	\$59.07	\$63.20	\$63.20	(\$69.62)				\$421.20
Water	\$155.35	\$154.10	\$163.27	\$154.43	\$168.21	\$178.49	\$158.56	\$166.44		\$317.48			\$1,616.33
Western Alarm	\$76.50		\$290.70				\$105.00		\$60.00				\$532.20
	\$5,648.34	\$7,819.87	\$6,646.08	\$11,485.18	\$8,330.41	\$5,641.19	\$9,278.62	\$5,854.31	\$10,540.51	\$1,070.52	\$0.00	\$0.00	\$72,315.03

LHSEBT - Lake Havasu Schools Employee Benefit Trust

2018-19

Apr-19

	Annual Budget	MTD Budget	MTD Actual	YTD Budget	YTD Actual	% Total MTD	% Total YTD
GROSS REVENUE	\$6,374,085	\$531,173.72	\$514,906	\$5,311,737	\$4,993,888	96.94%	94.02%
Contributions	\$6,245,881	\$520,490	\$503,114	\$5,204,901	\$4,832,613	96.66%	92.85%
Interest & Investment Income	\$16,932	\$1,411	\$6,562	\$14,110	\$56,332	465.05%	399.23%
COBRA/ASRS	\$111,271	\$9,273	\$5,230	\$92,726	\$104,943	56.40%	113.18%
CLAIM FUNDS	\$4,571,912	\$380,993	\$255,806	\$3,809,927	\$3,834,303	67.14%	100.64%
Medical (Gold)	\$3,306,366	\$275,530	\$346,043	\$2,755,305	\$3,285,300	125.59%	119.24%
Medical (Silver)	\$33,677	\$2,806	\$164	\$28,064	\$5,038	5.83%	17.95%
Medical (Clinic Labs)	\$101,065	\$8,422	\$0	\$84,221	\$9,554	0.00%	11.34%
Stop Loss Reimbursement		\$0	(\$168,265)	\$0	(\$502,972)		
Rx (Gold)	\$845,572	\$70,464	\$63,891	\$704,643	\$1,002,017	90.67%	142.20%
Rx (Silver)	\$5,000	\$417	\$1,266	\$4,167	\$8,936	303.76%	214.46%
Rx (Clinic)	\$71,007	\$5,917	\$0	\$59,173	\$9,928	0.00%	16.78%
Rx Rebates		\$0	\$0	\$0	(\$141,398)		
Dental	\$209,225	\$17,435	\$12,708	\$174,355	\$157,900	72.89%	90.56%
PREMIUMS	\$619,302	\$51,609	\$63,353	\$516,085	\$532,583	122.76%	103.20%
Specific Stop Loss (American Fidelity)	\$446,533	\$37,211	\$37,986	\$372,111	\$374,460	102.08%	100.63%
Aggregate Stop Loss (American Fidelity)	\$17,082	\$1,424	\$1,424	\$14,235	\$13,903	100.00%	97.67%
Basic Life Insurance (Guardian)	\$26,486	\$2,207	\$4,853	\$22,072	\$26,672	219.89%	120.84%
VTL (Guardian)	\$59,639	\$4,970	\$10,714	\$49,699	\$58,752	215.57%	118.21%
STD (Guardian)	\$25,891	\$2,158	\$4,811	\$21,576	\$26,491	222.96%	122.78%
Vision (United Health Care)	\$43,670	\$3,639	\$3,566	\$36,391	\$32,306	98.00%	88.77%
CLAIM ADMINISTRATION	\$247,222	\$20,602	\$20,412	\$206,018	\$203,378	99.08%	98.72%
Medical Admin (Gilsbar)	\$106,541	\$8,878	\$8,878	\$88,784	\$86,465	100.00%	97.39%
Cobra Admin (Gilsbar)	\$9,523	\$794	\$794	\$7,936	\$7,732	100.00%	97.43%
% of Savings	\$2,831	\$236	\$0	\$2,359	\$7,035		
Dental Admin (Ameritas)	\$19,773	\$1,648	\$1,641	\$16,478	\$11,763	99.61%	71.39%
FSA Admin (Gilsbar)	\$672	\$56	\$44	\$560	\$448	78.57%	80.00%
Utilization Review (AHG)	\$11,904	\$992	\$992	\$9,920	\$9,658	100.00%	97.36%
Case Management (AHG)	\$3,900	\$325	\$455	\$3,250	\$6,185		
Medical Network (BCBSAZ)	\$89,280	\$7,440	\$7,440	\$74,400	\$72,435	100.00%	97.36%
Rx Admin (CVS Caremark/WI Rx)	\$2,797	\$233	\$168	\$2,331	\$1,656	72.07%	71.03%
GENERAL OPERATING	\$935,649	\$77,802	\$18,451	\$778,021	\$455,392	23.72%	58.53%
Benefit Administrator (ECA)	\$72,019	\$6,002	\$6,000	\$60,016	\$60,000	99.97%	99.97%
Management Fee (Cerner)	\$662,696	\$55,225	\$0	\$552,246	\$274,480		
Clinical Operating Expenses	\$85,709	\$7,142	\$1,071	\$71,424	\$72,315	14.99%	101.25%
Wellness Programs	\$0	\$0	\$0	\$0	\$900		
Actuary (Cheiron)	\$12,559	\$1,047	\$0	\$10,466	\$0		
Actuary - GASB (Cheiron)	\$17,558	\$1,463	\$0	\$14,632	\$0	0.00%	0.00%
Accountant (GDK)	\$3,631	\$303	\$0	\$3,026	\$2,700		
Auditor (Henfeld Meech)	\$6,012	\$501	\$0	\$5,010	\$0	0.00%	0.00%
Legal	\$12,142	\$1,012	(\$9,329)	\$10,118	\$10,654	-921.97%	105.29%
Legal - Investigation	\$50,000	\$4,167	\$17,626	\$41,667	\$17,626	423.02%	42.30%
PCORI	\$2,024	\$0	\$0	\$1,571	\$0	0.00%	0.00%
Telemedicine (Teladoc)	\$0	\$0	\$2,100	\$0	\$8,398		
General Administration	\$11,300	\$942	\$984	\$9,417	\$6,749	104.53%	71.67%
GRAND TOTAL BUDGET	\$6,374,085	\$531,005	\$358,023	\$5,310,051	\$5,025,656	67.42%	94.64%

Cash Position As Of June 30, 2018		\$3,584,631
Cash Position MTD	April-19	\$156,883
Cash Position YTD	April-19	(\$31,768)
Cash Position All Years		\$3,552,863

Prior Year Surplus	Cash Position	June 30, 2018	\$3,584,631
Calculations	IBNP	June 30, 2018	\$0
Current Year Surplus	Surplus Position	June 30, 2018	\$3,584,631
Calculations	Cash Position	April 2019	\$3,552,863
	IBNP	April 2019	(\$1,430,757)
	Surplus Position	April 2019	\$2,122,106

Gold Active/Cobra Census					
	EE	ES	EC1	EC1+	EF
Budget	304	43	20	24	64
Actual	309	43	42	0	59
% Budget	101.6%	100.0%	210.0%	0.0%	92.2%

Gold Retiree Census					
	EE	ES	EC1	EC1+	EF
Budget	26	8	0	0	0
Actual	24	7	0	0	0
% Budget	92.3%	87.5%	0.0%	0.0%	0.0%

Silver Census					
	EE	ES	EC1	EC1+	EF
Budget	6	1	0	0	0
Actual	8	2	0	0	0
% Budget	133.3%	200.0%	0.0%	0.0%	0.0%

Total Medical Census					
	EE	ES	EC1	EC1+	EF
Budget	336	52	20	24	64
Actual	341	52	42	0	59
% Budget	101.5%	100.0%	210.0%	0.0%	92.2%

Active/ Cobra Dental Census					
	EE	ES	EC1	EC1+	EF
Budget	362	44	18	25	58
Actual	334	35	44	0	57
% Budget	92.3%	79.5%	244.4%	0.0%	98.3%

Retiree Dental Census					
	EE	ES	EC1	EC1+	EF
Budget	0	0	0	0	0
Actual	29	6	0	0	1
% Budget	0.0%	0.0%	0.0%	0.0%	0.0%

Active/ Cobra Vision Census					
	EE	ES	EC1	EC1+	EF
Budget	369	54	16	20	49
Actual	339	40	34	0	50
% Budget	91.9%	74.1%	212.5%	0.0%	102.0%

Retiree Vision Census					
	EE	ES	EC1	EC1+	EF
Budget	0	0	0	0	0
Actual	31	6	0	0	1
% Budget	0.0%	0.0%	0.0%	0.0%	0.0%

YTD Aggregate Calculations					
Contracted Aggregate Factors					
	EE	ES	EC1	EC1+	EF
	\$550	\$1,095	\$969	\$969	\$1,645
Total	\$3,805,398.42				
Med/Rx	\$4,320,773.07				
Difference	(\$515,374.65)				
Estimated % Attachment Point	113.54%				

LHSEBT - Lake Havasu Schools Employee Benefit Trust

2018-19

Mar-19

	Annual Budget	MTD Budget	MTD Actual	YTD Budget	YTD Actual	% Total MTD	% Total YTD
GROSS REVENUE	\$6,374,085	\$531,173.72	\$641,212	\$4,780,563	\$4,478,982	120.72%	93.69%
Contributions	\$6,245,881	\$520,490	\$617,783	\$4,684,411	\$4,329,499	118.69%	92.42%
Interest & Investment Income	\$16,932	\$1,411	\$4,659	\$12,699	\$49,770	330.21%	391.91%
COBRA/ASRS	\$111,271	\$9,273	\$18,770	\$83,453	\$99,713	202.42%	119.48%
CLAIM FUNDS	\$4,571,912	\$380,993	\$524,928	\$3,428,934	\$3,578,497	137.78%	104.36%
Medical (Gold)	\$3,306,366	\$275,530	\$415,085	\$2,479,774	\$2,939,257	150.65%	118.53%
Medical (Silver)	\$33,677	\$2,806	\$75	\$25,258	\$4,874	2.68%	19.30%
Medical (Clinic Labs)	\$101,065	\$8,422	\$0	\$75,799	\$9,554	0.00%	12.61%
Stop Loss Reimbursement		\$0	\$0	\$0	(\$334,707)		
Rx (Gold)	\$845,572	\$70,464	\$96,190	\$634,179	\$938,126	136.51%	147.93%
Rx (Silver)	\$5,000	\$417	\$0	\$3,750	\$7,670	0.00%	204.54%
Rx (Clinic)	\$71,007	\$5,917	\$0	\$53,256	\$9,928	0.00%	18.64%
Rx Rebates		\$0	\$0	\$0	(\$141,398)		
Dental	\$209,225	\$17,435	\$13,577	\$156,919	\$145,192	77.87%	92.53%
PREMIUMS	\$619,302	\$51,609	\$56,459	\$464,477	\$469,230	109.40%	101.02%
Specific Stop Loss (American Fidelity)	\$446,533	\$37,211	\$37,698	\$334,900	\$336,474	101.31%	100.47%
Aggregate Stop Loss (American Fidelity)	\$17,082	\$1,424	\$1,412	\$12,812	\$12,479	99.19%	97.41%
Basic Life Insurance (Guardian)	\$26,486	\$2,207	\$2,426	\$19,865	\$21,819	109.91%	109.84%
VTL (Guardian)	\$59,639	\$4,970	\$5,361	\$44,729	\$48,038	107.86%	107.40%
STD (Guardian)	\$25,891	\$2,158	\$2,465	\$19,418	\$21,680	114.23%	111.65%
Vision (United Health Care)	\$43,670	\$3,639	\$7,097	\$32,752	\$28,740	195.02%	87.75%
CLAIM ADMINISTRATION	\$247,222	\$20,602	\$20,142	\$185,416	\$182,966	97.77%	98.68%
Medical Admin (Gilsbar)	\$106,541	\$8,878	\$8,807	\$79,906	\$77,587	99.19%	97.10%
Cobra Admin (Gilsbar)	\$9,523	\$794	\$787	\$7,142	\$6,939	99.19%	97.15%
% of Savings	\$2,831	\$236	\$0	\$2,123	\$7,035		
Dental Admin (Ameritas)	\$19,773	\$1,648	\$1,622	\$14,830	\$10,122	98.42%	68.26%
FSA Admin (Gilsbar)	\$672	\$56	\$44	\$504	\$404	78.57%	80.16%
Utilization Review (AHG)	\$11,904	\$992	\$984	\$8,928	\$8,666	99.19%	97.07%
Case Management (AHG)	\$3,900	\$325	\$350	\$2,925	\$5,730		
Medical Network (BCBSAZ)	\$89,280	\$7,440	\$7,380	\$66,960	\$64,995	99.19%	97.07%
Rx Admin (CVS Caremark/WI Rx)	\$2,797	\$233	\$168	\$2,098	\$1,488	72.24%	70.91%
GENERAL OPERATING	\$935,649	\$77,971	\$20,776	\$701,737	\$436,941	26.65%	62.27%
Benefit Administrator (ECA)	\$72,019	\$6,002	\$6,000	\$54,014	\$54,000	99.97%	99.97%
Management Fee (Cerner)	\$662,696	\$55,225	\$0	\$497,022	\$274,480		
Clinical Operating Expenses	\$85,709	\$7,142	\$10,541	\$64,282	\$71,245	147.58%	110.83%
Wellness Programs	\$0	\$0	\$0	\$0	\$900		
Actuary (Cheiron)	\$12,559	\$1,047	\$0	\$9,419	\$0		
Actuary - GASB (Cheiron)	\$17,558	\$1,463	\$0	\$13,169	\$0	0.00%	0.00%
Accountant (GDK)	\$3,631	\$303	\$300	\$2,723	\$2,700		
Auditor (Henfeld Meech)	\$6,012	\$501	\$0	\$4,509	\$0	0.00%	0.00%
Legal	\$12,142	\$1,012	\$1,583	\$9,107	\$19,983	156.45%	219.43%
PCORI	\$2,024	\$169	\$0	\$1,518	\$1,571	0.00%	103.49%
Telemedicine (Teladoc)	\$0	\$0	\$2,100	\$0	\$6,299		
General Administration	\$61,300	\$5,108	\$253	\$45,975	\$5,764	4.96%	12.54%
GRAND TOTAL BUDGET	\$6,374,085	\$531,174	\$622,305	\$4,780,563	\$4,667,633	117.16%	97.64%

Gold Active/Cobra Censur					
	EE	ES	EC1	EC1+	EF
Budget	304	43	20	24	64
Actual	306	43	43	0	59
% Budget	100.7%	100.0%	215.0%	0.0%	92.2%

Gold Retiree Censur					
	EE	ES	EC1	EC1+	EF
Budget	26	8	0	0	0
Actual	24	7	0	0	0
% Budget	92.3%	87.5%	0.0%	0.0%	0.0%

Silver Censur					
	EE	ES	EC1	EC1+	EF
Budget	6	1	0	0	0
Actual	8	2	0	0	0
% Budget	133.3%	200.0%	0.0%	0.0%	0.0%

Total Medical Censur					
	EE	ES	EC1	EC1+	EF
Budget	336	52	20	24	64
Actual	338	52	43	0	59
% Budget	100.6%	100.0%	215.0%	0.0%	92.2%

Active/ Cobra Dental Censur					
	EE	ES	EC1	EC1+	EF
Budget	362	44	18	25	58
Actual	332	35	44	0	56
% Budget	91.7%	79.5%	244.4%	0.0%	96.6%

Retiree Dental Censur					
	EE	ES	EC1	EC1+	EF
Budget	0	0	0	0	0
Actual	30	6	0	0	1
% Budget	0.0%	0.0%	0.0%	0.0%	0.0%

Active/ Cobra Vision Censur					
	EE	ES	EC1	EC1+	EF
Budget	369	54	16	20	49
Actual	338	40	34	0	49
% Budget	91.6%	74.1%	212.5%	0.0%	100.0%

Retiree Vision Censur					
	EE	ES	EC1	EC1+	EF
Budget	0	0	0	0	0
Actual	32	6	0	0	1
% Budget	0.0%	0.0%	0.0%	0.0%	0.0%

YTD Aggregate Calculations					
Contracted Aggregate Factors					
	EE	ES	EC1	EC1+	EF
	\$550	\$1,095	\$969	\$969	\$1,645
Total	\$3,423,312.91				
Med/Rx	\$3,909,409.54				
Difference	(\$486,096.63)				
Estimated % Attachment Point				114.20%	

Cash Position As Of June 30, 2018		\$3,584,631
Cash Position MTD	March-19	\$18,907
Cash Position YTD	March-19	(\$188,651)
Cash Position All Years		\$3,395,980

Prior Year	Cash Position	June 30, 2018	\$3,584,631
Surplus	IBNP	June 30, 2018	\$0
Calculations	Surplus Position	June 30, 2018	\$3,584,631
Current Year	Cash Position	March 2019	\$3,395,980
Surplus	IBNP	March 2019	(\$1,433,794)
Calculations	Surplus Position	March 2019	\$1,962,185

LHSEBT - Lake Havasu Schools Employee Benefit Trust

2018-19

Feb-19

	Annual Budget	MTD Budget	MTD Actual	YTD Budget	YTD Actual	% Total MTD	% Total YTD
GROSS REVENUE	\$6,374,085	\$531,173.72	\$785,890	\$4,249,390	\$3,837,770	147.95%	90.31%
Contributions	\$6,245,881	\$520,490	\$762,853	\$4,163,921	\$3,711,715	146.56%	89.14%
Interest & Investment Income	\$16,932	\$1,411	\$4,217	\$11,288	\$45,111	298.87%	399.63%
COBRA/ASRS	\$111,271	\$9,273	\$18,820	\$74,181	\$80,944	202.96%	109.12%
CLAIM FUNDS	\$4,571,912	\$380,993	\$328,852	\$3,047,941	\$3,053,569	86.31%	100.18%
Medical (Gold)	\$3,306,366	\$275,530	\$229,961	\$2,204,244	\$2,524,171	83.46%	114.51%
Medical (Silver)	\$33,677	\$2,806	\$468	\$22,451	\$4,799	16.67%	21.37%
Medical (Clinic Labs)	\$101,065	\$8,422	\$0	\$67,377	\$9,554	0.00%	14.18%
Stop Loss Reimbursement		\$0	\$0	\$0	(\$334,707)		
Rx (Gold)	\$845,572	\$70,464	\$115,882	\$563,714	\$841,936	164.45%	149.36%
Rx (Silver)	\$5,000	\$417	\$228	\$3,333	\$7,670	54.75%	230.11%
Rx (Clinic)	\$71,007	\$5,917	\$0	\$47,338	\$9,928	0.00%	20.97%
Rx Rebates		\$0	(\$39,775)	\$0	(\$141,398)		
Dental	\$209,225	\$17,435	\$22,088	\$139,484	\$131,615	126.68%	94.36%
PREMIUMS	\$619,302	\$51,609	\$49,167	\$412,868	\$412,771	95.27%	99.98%
Specific Stop Loss (American Fidelity)	\$446,533	\$37,211	\$37,541	\$297,689	\$298,776	100.89%	100.37%
Aggregate Stop Loss (American Fidelity)	\$17,082	\$1,424	\$1,392	\$11,388	\$11,067	97.78%	97.18%
Basic Life Insurance (Guardian)	\$26,486	\$2,207	\$2,427	\$17,658	\$19,393	109.96%	109.83%
VTL (Guardian)	\$59,639	\$4,970	\$5,379	\$39,759	\$42,677	108.24%	107.34%
STD (Guardian)	\$25,891	\$2,158	\$2,428	\$17,261	\$19,215	112.52%	111.32%
Vision (United Health Care)	\$43,670	\$3,639	\$0	\$29,113	\$21,642	0.00%	74.34%
CLAIM ADMINISTRATION	\$247,222	\$20,602	\$20,366	\$164,814	\$162,823	98.85%	98.79%
Medical Admin (Gilsbar)	\$106,541	\$8,878	\$8,682	\$71,027	\$68,780	97.78%	96.84%
Cobra Admin (Gilsbar)	\$9,523	\$794	\$776	\$6,349	\$6,152	97.78%	96.89%
% of Savings	\$2,831	\$236	\$0	\$1,887	\$7,035		
Dental Admin (Ameritas)	\$19,773	\$1,648	\$1,622	\$13,182	\$8,500	98.42%	64.48%
FSA Admin (Gilsbar)	\$672	\$56	\$44	\$448	\$360	78.57%	80.36%
Utilization Review (AHG)	\$11,904	\$992	\$970	\$7,936	\$7,682	97.78%	96.80%
Case Management (AHG)	\$3,900	\$325	\$830	\$2,600	\$5,380		
Medical Network (BCBSAZ)	\$89,280	\$7,440	\$7,275	\$59,520	\$57,615	97.78%	96.80%
Rx Admin (CVS Caremark/WI Rx)	\$2,797	\$233	\$168	\$1,865	\$1,319	71.89%	70.75%
GENERAL OPERATING	\$935,649	\$77,971	\$13,682	\$623,766	\$416,164	17.55%	66.72%
Benefit Administrator (ECA)	\$72,019	\$6,002	\$6,000	\$48,013	\$48,000	99.97%	99.97%
Management Fee (Cerner)	\$662,696	\$55,225	\$0	\$441,797	\$274,480		
Clinical Operating Expenses	\$85,709	\$7,142	\$5,854	\$57,139	\$60,704	81.97%	106.24%
Wellness Programs	\$0	\$0	\$0	\$0	\$900		
Actuary (Cheiron)	\$12,559	\$1,047	\$0	\$8,372	\$0		
Actuary - GASB (Cheiron)	\$17,558	\$1,463	\$0	\$11,706	\$0	0.00%	0.00%
Accountant (GDK)	\$3,631	\$303	\$0	\$2,420	\$2,400		
Auditor (Henfeld Meech)	\$6,012	\$501	\$0	\$4,008	\$0	0.00%	0.00%
Legal	\$12,142	\$1,012	\$725	\$8,095	\$18,400	71.65%	227.30%
PCORI	\$2,024	\$169	\$0	\$1,349	\$1,571	0.00%	116.42%
Telemedicine (Teladoc)	\$0	\$0	\$2,100	\$0	\$4,199		
General Administration	\$61,300	\$5,108	(\$997)	\$40,867	\$5,511	-19.51%	13.49%
GRAND TOTAL BUDGET	\$6,374,085	\$531,174	\$412,067	\$4,249,390	\$4,045,328	77.58%	95.20%

Gold Active/Cobra Census					
	EE	ES	EC1	EC1+	EF
Budget	304	43	20	24	64
Actual	303	42	44	0	60
% Budget	99.7%	97.7%	220.0%	0.0%	93.8%

Gold Retiree Census					
	EE	ES	EC1	EC1+	EF
Budget	26	8	0	0	0
Actual	24	7	0	0	0
% Budget	92.3%	87.5%	0.0%	0.0%	0.0%

Silver Census					
	EE	ES	EC1	EC1+	EF
Budget	6	1	0	0	0
Actual	8	2	0	0	0
% Budget	133.3%	200.0%	0.0%	0.0%	0.0%

Total Medical Census					
	EE	ES	EC1	EC1+	EF
Budget	336	52	20	24	64
Actual	335	51	44	0	60
% Budget	99.7%	98.1%	220.0%	0.0%	93.8%

Active/ Cobra Dental Census					
	EE	ES	EC1	EC1+	EF
Budget	362	44	18	25	58
Actual	333	35	44	0	56
% Budget	92.0%	79.5%	244.4%	0.0%	96.6%

Retiree Dental Census					
	EE	ES	EC1	EC1+	EF
Budget	0	0	0	0	0
Actual	30	6	0	0	1
% Budget	0.0%	0.0%	0.0%	0.0%	0.0%

Active/ Cobra Vision Census					
	EE	ES	EC1	EC1+	EF
Budget	369	54	16	20	49
Actual	338	39	35	0	50
% Budget	91.6%	72.2%	218.8%	0.0%	102.0%

Retiree Vision Census					
	EE	ES	EC1	EC1+	EF
Budget	0	0	0	0	0
Actual	31	6	0	0	1
% Budget	0.0%	0.0%	0.0%	0.0%	0.0%

YTD Aggregate Calculations					
Contracted Aggregate Factors					
	EE	ES	EC1	EC1+	EF
	\$550	\$1,095	\$969	\$969	\$1,645
Total	\$3,041,907.31				
Med/Rx	\$3,398,058.52				
Difference	(\$356,151.21)				
Estimated % Attachment Point					111.71%

Cash Position As Of June 30, 2018		\$3,584,631
Cash Position MTD	February-19	\$373,823
Cash Position YTD	February-19	(\$207,558)
Cash Position All Years		\$3,377,073

Prior Year	Cash Position	June 30, 2018	\$3,584,631
Surplus	IBNP	June 30, 2018	\$0
Calculations	Surplus Position	June 30, 2018	\$3,584,631
Current Year	Cash Position	February 2019	\$3,377,073
Surplus	IBNP	February 2019	(\$1,437,468)
Calculations	Surplus Position	February 2019	\$1,939,605

MEMORANDUM

TO: **LHSEBT Trustees**

FROM: **ERIN P. COLLINS & ASSOCIATES, INC. (ECA)**
Jaime Schulenberg, Sr. Account Manager

DATE: July 11, 2019

RE: Updates & Announcements

Formerly called “Admin Update,” this item is intended to allow for staff and/or Trustees to provide updates on outstanding items, provide information about items of note that don’t require an agenda item for discussion, and to make any relevant announcements.

I have the following items for your information:

Gilsbar Eligibility Feed Error

ECA discovered an error in the Gilsbar eligibility file feed to Caremark/CVS regarding retirees enrolled in the Silver Plan.

Retroactive to July 01, 2016, when the Silver Plan was implemented, the file feed did not have an indicator to notify Caremark/CVS of any plan selection other than Gold. As a result, retirees underpaid co-payments for nearly 3 years, which naturally means that the Trust paid more than it was obligated. After negotiating with Gilsbar, they agreed to repay the Trust the total amount underpaid in the amount of \$8,060, which was deposited in June. The error has been corrected and retirees were notified of the error and its impact on their co-payments.

Retiree Eligibility Issue

As a result of the prescription file feed error discussed above, ECA learned in June that 2 retirees had been enrolled in the wrong plans retroactive to July 01, 2018. One retiree was enrolled in Silver and should have been in Gold and the other was enrolled in Gold and should have been enrolled in Silver. These errors caused the Plan and members to under- and overpay based on the particular situation.

The exact cause of these errors is unknown, however, with the implementation of the electronic eligibility portal, errors such as these should not occur in the future. Having said that, this situation does highlight the fact that the District is not auditing monthly bills from Gilsbar to ensure proper enrollment; as a result,

we are recommending that this process be undertaken at least on a quarterly basis to catch any errors that may occur.

As it stands today, Gilsbar has reprocessed all of the associated medical claims and is in the process of sending revised Explanations of Benefits (EOBs) to providers and the members, which will in turn require rebilling, refunds, etc. Caremark/CVS was asked to either re-adjudicate affected claims or provide ECA a list of all claims processed for the 2 involved members so that we can determine the overall impact and come up with a recommendation as to how to address over- and under-payments. Unfortunately, their system is showing different eligibility information than Gilsbar's system so that discrepancy is currently being researched to determine next steps. We will continue to keep the Trust apprised as this progresses.

Claremont Capital Annual Compliance Documents

Claremont Capital, the firm who provides investment services to the Trust, provided the attached documents as required by the SEC:

- 1) Client Brochure which details information on Claremont's business practices; and
- 2) Claremont's privacy policy.

We are distributing these documents as required and requested for your reference and information.

Lake Havasu Family Eyecare

UHC/Spectera reached an agreement with Lake Havasu Family Eyecare. The contracting process is underway and they should be officially in-network in the next 30-60 days. As soon as we receive confirmation, we will notify members.

If you have any questions between now and the date of the meeting, I can be reached at (928) 753-4700 ext. 302 or via email at james@ecollinsandassociates.com.

Claremont Capital Management, LLC

Client Brochure

This brochure provides information about the qualifications and business practices of Claremont Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at (602) 222-2135 or by email at: pkohnen@claremontcapital.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Claremont Capital Management, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. Claremont Capital Management, LLC's CRD number is: 155189

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(602) 222-2135
pkohnen@claremontcapital.com

Registration does not imply a certain level of skill or training.

Version Date: 3/12/2019

Item 2: Material Changes

Material changes (since last update 3/7/2018):

4e - Assets Under Management updated as of 12/31/2018

Item 3: Table of Contents

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Item 4: Advisory Business

A. Description of the Advisory Firm

This firm has been in business since 10/01/2003, and the principal owner is Thomas Payne Palmer.

B. Types of Advisory Services

Claremont Capital Management, LLC (hereinafter "CCM") offers the following services to advisory clients:

Investment Supervisory Services

CCM offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. CCM creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the Investment Policy Statement) to aid in the selection of a portfolio that matches each client's specific situation. Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

CCM evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. CCM will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

Services Limited to Specific Types of Investments

CCM limits its investment advice and/or money management to mutual funds/ equities/ bonds/ fixed income/ debt securities/ ETFs/REITs/ government securities. CCM may use other securities as well to help diversify a portfolio when applicable.

C. Client Tailored Services and Client Imposed Restrictions

CCM offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan. Clients may restrict investments and this will be reflected in their investment policy.

D. Wrap Fee Programs

CCM does not participate in any wrap fee programs.

E. Amounts Under Management

CCM manages over \$435,000,000 in assets (as of 12/31/2018) All client assets are managed on a discretionary basis.

Item 5: Fees and Compensation

A. Fee Schedule

Investment Supervisory Services Fees

Total Assets Under Management	Annual Fee
First \$5,000,000	0.95%
Next \$5,000,000	0.85%
Above \$10,000,000	0.75%

These fees are negotiable and the final fee schedule is included in the Investment Advisory Contract.

Clients may terminate their contracts with thirty days' written notice. Refunds are given on a prorated basis, based on the number of days remaining in the billing period at the point of termination. Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the advisory contract.

Assets under management will be determined by the market value shown on the monthly custodian statements, to include accrued interest.

B. Payment of Fees

Payment of Investment Supervisory Fees

Advisory fees may be withdrawn directly from the client's accounts with client written authorization. Clients may also pay by check. Fees are paid quarterly in advance based on the amount of assets under management according to most recent monthly custodial statement. Some accounts are billed monthly or quarterly in arrears.

C. Clients Are Responsible For Third Party Fees

Clients are responsible for the payment of all third party fees (i.e. custodian fees, mutual fund fees, transaction fee etc.). Those fees are separate and distinct from the fees and expenses charged by CCM. Please see Item 12 of this brochure regarding broker/custodian.

D. Prepayment of Fees

CCM collects some client fees in advance. Fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period. Fees will be returned within fourteen days to the client via check.

E. Outside Compensation For the Sale of Securities to Clients

Neither CCM nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges, commissions or services fees from the sale of mutual funds. CCM only uses “no-load” mutual funds for clients.

Item 6: Performance-Based Fees and Side-By-Side Management

CCM does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7: Types of Clients

CCM generally provides investment advice to the following Types of Clients:

- ❖ High-Net-Worth Individuals
- ❖ Insurance Pools

Minimum Account Size

\$5,000,000*

(*may be waived at the discretion of the Advisor)

Item 8: Methods of Analysis, Investment Strategies and Risk, of Investment Loss

A. Methods of Analysis and Investment Strategies

CCM's methods of analysis include charting analysis, fundamental analysis, technical analysis, and cyclical analysis.

Charting analysis involves the use of patterns in performance charts. CCM uses this charting technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Technical analysis involves the analysis of past market data; primarily price and volume.

Cyclical analysis involved the analysis of business cycles to find favorable conditions for buying and/or selling a security.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

B. Material Risks Involved

CCM uses Long Term/Short Term strategies and does not feel that there are any material risks with either method. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

C. Risks of Specific Securities Utilized

CCM utilizes a number of different securities, none of which include a significant or unusual risk.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of this advisory business or the integrity of our management.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

Neither CCM nor its representatives are registered as a broker/dealer or as representatives of a broker/dealer.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither CCM nor its representatives are registered as a FCM, CPO, or CTA.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

Neither CCM nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections

CCM does not utilize nor select other advisors or third party managers. All assets are managed by CCM management.

Item 11: Code of Ethics, Participation in Transactions, Personal Trading

A. Code of Ethics

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Clients may request a copy of our Code of Ethics from management.

B. Recommendations Involving Material Financial Interests

CCM may recommend that clients buy or sell securities in which a related person to CCM has a financial interest.

C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of CCM may buy or sell securities for themselves that they also recommend to clients. CCM does not believe that this presents a conflict of interest. CCM will always document any transactions that could be construed as conflicts of interest.

D. Trading Securities At/Around the Same Time as Clients' Securities

From time to time, representatives of CCM may buy or sell securities for themselves at or around the same time as clients. CCM will always transact client business before their own when similar securities are being bought or sold.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

The Custodian was chosen based on their relatively low transaction fees and access to mutual funds and ETFs. CCM will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

1. *Research and Other Soft-Dollar Benefits*

CCM receives no research, product, or service other than execution from a broker-dealer or third-party in connection with client securities transactions (“soft dollar benefits”).

2. *Brokerage for Client Referrals*

CCM receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. *Clients Directing Which Broker/Dealer/Custodian to Use*

CCM does not allow clients to direct brokerage. CCM attempts to get the best execution for clients and feels directed brokerage would limit that ability.

B. Aggregating (Block) Trading for Multiple Client Accounts

CCM maintains the ability to block trade purchases across accounts and will do so if we feel that it would benefit the client. While block trading may benefit clients by purchasing larger blocks in groups, it may also increase trading costs under some circumstances.

Item 13: Reviews of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

Client accounts are reviewed at least quarterly by Thomas Payne Palmer or Patrick Kennedy Kohnen. Mr. Palmer and Mr. Kohnen are the chief advisors and are instructed to review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at IA are assigned to these reviewers.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

C. Content and Frequency of Regular Reports Provided to Clients

Each client will receive monthly a written statement detailing the clients account holdings and market values which will come directly from the custodian. Additional performance reports may be provided as requested by clients.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

CCM does not receive any economic benefit, directly or indirectly from any third party for advice rendered to CCM clients.

B. Compensation to Non –Advisory Personnel for Client Referrals

CCM does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

Item 15: Custody

CCM does not take custody of client accounts at any time. Custody is held by the custodian for each account. Clients will receive account statements from the custodian and should carefully review those statements. CCM does have the ability to directly debit fees from some client accounts.

Item 16: Investment Discretion

CCM generally has discretionary authority over buying and selling of securities in client accounts. For those client accounts where CCM provides ongoing money management or investment advice with ongoing supervision, CCM maintains limited power of authority over client accounts with respect to securities to be bought and sold and amount of securities to be bought and sold. All buying and selling of securities is explained to clients in detail before an advisory relationship has commenced.

Item 17: Voting Client Securities (Proxy Voting)

CCM will not ask for, nor accept voting authority for client securities. CCM believes that the cost associated with this service is not in the client's best interest. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security. Clients may also contact CCM directly if they have any questions.

Item 18: Financial Information

A. Balance Sheet

CCM does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

CCM nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

CCM nor its management have been the subject of a bankruptcy petition in the last ten years.

Claremont Capital Management, LLC

333 E. Osborn Road, Suite 300 Phoenix, Arizona 85012
(602) 222-2135

A Registered Investment Adviser

PRIVACY POLICY

Investment advisors, like all providers of personal financial services, are now required by law to inform their clients of their policies regarding privacy of client information. Investment advisors have been and continue to be bound by professional standards of confidentiality that are even more stringent than those required by law. Therefore, we have always protected your right to privacy.

TYPES OF NONPUBLIC PERSONAL INFORMATION WE COLLECT

We collect nonpublic personal information about you that is either provided to us by you or obtained by us with your authorization.

PARTIES TO WHOM WE DISCLOSE INFORMATION

For current and former clients, we do not disclose any nonpublic personal information obtained in the course of our practice except as required or permitted by law. Permitted disclosures include, for instance, providing information to our employees and, in limited situations, to unrelated third parties who need to know that information to assist us in providing services to you. In all such situations, we stress the confidential nature of information being shared.

PROTECTING THE CONFIDENTIALITY AND SECURITY OF CURRENT AND FORMER CLIENT'S INFORMATION

We retain records relating to professional services that we provide so that we are better able to assist you with your professional needs and in some cases, to comply with professional guidelines. In order to guard your nonpublic personal information, we maintain physical, electronic, and procedural safeguards that comply with our professional standards.

Please call if you have any questions, because your privacy, our professional ethics, and the ability to provide you with quality financial services are very important to us.