

# **UUA Employee Benefits Trust Trustees Meeting, Jointly with the UUA Audit Committee**

MINUTES

DECEMBER 09, 2011

9:00 A.M.

TELECONFERENCE

<b>ATTENDEES</b>	<p>Trustees: Brent Wilkes, David Tedesco, Tim Brennan, Paul Bluestein (Chair), Mindy Scharlin, Kathy Burek, Dan Brody</p> <p>UUA Audit Committee: James Key, Carol Gable, David Friedman (Dan Brody is also a member of the Audit Committee)</p> <p>UUA Staff: Jim Sargent, Richard Nugent, Rob Molla, Ibrahim Essa, Karen Wheeler</p>
<b>GUEST PRESENTERS</b>	<p>McGladrey: Tom Barrick, Meghan Cassidy, Greg Natalucci</p>

## Agenda topics

9:00 AM	REPORT OF EBT AUDITORS OF THE RESULTS OF FY 2011 AUDIT	GREG NATALUCCI, MCGLADREY & ASSOCIATES
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<b>DISCUSSION</b>	<p>Greg Natalucci began with a review of the <b>FY11 Financial Statements</b>. He first noted that the report is a clean one, with no exceptions to report. He reviewed the numbers and all of the notes, saying that there were no new accounting pronouncements this year, that the change in net assets was unremarkable, and that there was nothing remarkable in the notes. He noted the addition of a line for GIP liability, a change from past years due to the integration of GIP lines into the monthly billing process.</p> <p>Natalucci then discussed the Written Communication – Report to the Board of Trustees. The relationship to Plan management, Plan administrative procedures, IBNR calculations were all reported as acceptable. He made one suggestion regarding the treatment of unrecorded investment income, which management will address for FY12. Because the Highmark SAS70 had not been received as of 12/9, the audit is to be considered a draft, to be declared final when the SAS70 has been received and reviewed.</p> <p>Natalucci’s final comments were: in this 3<sup>rd</sup> year with McGladrey, timing continued to improve; the process of collecting participant verifications was better than last year; and congregations’ attention to recordkeeping continues to improve.</p> <p><b>VOTE:</b> The combined Boards having no further questions of McGladrey, it was moved and seconded to accept the report of the Auditors. The report was accepted unanimously, with Tim Brennan abstaining.</p> <p>Following the Report &amp; Discussion, the UUA Audit Committee signed off.</p>
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10:15 AM	DIRECTOR’S REPORT	JIM SARGENT
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<b>DISCUSSION</b>	<p>Jim Sargent reported on the preliminary results of the 2012 open enrollment. The Plan expected significant gains with renewal pricing set at a 5% reduction prior to factoring in age changes. As of 12/8, the Plan had added 61 employees, an overall 7.5% gain; excluding the slight gain in the UUA staff enrollment, the gain in congregations was 9.1%. The Plan also added 4 new congregations, bringing the total participating congregations to 323, roughly half of all congregations with staff who would qualify for the Plan.</p> <p>Sargent then reported of the recent Church Benefits Association Annual Meeting, where he had the opportunity to hear from a wide range of denomination plans. The major concern for every plan reporting was the uncertainty surrounding implementation of the Affordable Care Act, the slow pace of the release of proposed regulations, and the uncertainty around the Supreme Court, the 2012 presidential election, and the potential for a power shift in Congress. Without exception, church plans are conducting demographic analyses of their work populations using as much data as they can obtain, to judge the likely impact on plan enrollment under a variety of possible Insurance Exchange scenarios combined with multiple scenarios for the tax status of church plans.</p>
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10:30 PM OTHER BUSINESS PAUL BLUESTEIN

<b>DISCUSSION</b>	<p>I. Approval of minutes of October 1, 2011 M-David Tedesco; S-Brent Wilkes. Discussion – In the Related Vote on 2012 benefit changes, clarify what the 2011 benefit was for the modified co-pays. APPROVED unanimously as amended.</p> <p>II. Set meeting dates for 2012. The dates will be: <b>Monday, April 30</b>, 9-12, conference call: <b>Friday August 3</b>, 9-2, in person; <b>Friday, October 5</b>, 9-2, in person; Friday, <b>December 14</b>, 9-12, conference call.</p> <p>III. Elect a Chair for 2012. MOVED by Paul Bluestein, to elect Brent Wilkes as Chair; SECONDED by Kathy Burek; APPROVED unanimously</p>
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10:40 AM OTHER BUSINESS – GOODBYE TO MINDY SCHARLIN PAUL BLUESTEIN

<b>DISCUSSION</b>	<p>Paul Bluestein thanked Mindy Scharlin for her service as a founding Board member, for always offering a valuable, unique perspective, and for adding her voice to the Board's deliberations and decisions. Paul noted that Mindy joined the Board to help launch a risky and critically important initiative, and she stayed to see it succeed beyond all expectations.</p>
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10:45 AM ADJOURNED

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