

# **UUA Employee Benefits Trust Trustees Meeting**

MINUTES

DECEMBER 13, 2013

10:00 A.M. EST

TELECONFERENCE

<b>ATTENDEES</b>	Trustees: Brent Wilkes (Chair), Tim Brennan, Paul Bluestein, Jan Sammons, Kathy Burek  UUA Staff: Jim Sargent, Richard Nugent, Ibrahim Essa
<b>GUEST PRESENTERS</b>	McGladrey: Meghan Cassidy, Greg Natalucci

## Agenda topics

10:00 AM      REPORT OF EBT AUDITORS OF THE RESULTS OF FY 2013 AUDIT      GREG NATALUCCI,  
MCGLADREY &  
ASSOCIATES

<b>DISCUSSION</b>	<p>Greg Natalucci began by reporting that the FY13 audit is complete except for receipt of the Eastern Bank SOC1 statement, and that the results were shared earlier with the UUA Audit Committee. There are no differences between the report to the Audit Committee and the data to be shared this morning. He then reported that the report is a clean one, with no exceptions to report. Next, he reviewed the <b>FY13 Financial Statements</b> and 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.</p> <p>He then discussed the IBNR calculation that was done by the Plan actuaries at Milliman prior to the July EBT Board meeting. Because McGladrey has the benefit of looking at an additional three months of claims development, they could propose a reduction of \$100,000, which management could accept or not, and has chosen not to do. Tim Brennan stated that the IBNR adjustment will be noted in the FY14 financials, and that in the future we will have Milliman delay the IBNR calculation by two months, to be presented to the EBT Board at its October meeting.</p> <p>Natalucci then discussed the Written Communication – Report to the Board of Trustees. There were no followup questions from the Board. The board and auditors noted that the timing of this year’s discussion allowed for timely receipt of the Highmark SOC1 (formerly the SSAE16, and before that the SAS70).</p> <p>Natalucci’s ended his comments by noting the great cooperation of the management team during the audit process.</p> <p>RELATED VOTE: Moved by Kathy Burek, seconded by Paul Bluestein, to accept the report of the auditors. APPROVED unanimously.</p> <p>The Board thanked everyone from McGladrey and excused the team at 10:45.</p>
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10:45 AM      DIRECTOR’S REPORT      JIM SARGENT

<b>DISCUSSION</b>	<p>Jim Sargent reported on the preliminary results of the 2014 open enrollment. This was the first open enrollment of the ACA era, so the results were being closely monitored for any indication that the Plan was losing membership to state exchanges, or that the migration to the new Bronze plan was out of synch with the Milliman projections. The Plan saw a modest net gain of 25 employees, or about 3% in the congregational enrollment. There was no significant exchange migration. Uptake for the Bronze plan was significantly less than Milliman had forecast, and the average age of migrating members was higher than projected. Both variances create a small but measurable advantage for the Plan in 2014.</p> <p>Sargent then reviewed the cash flow analysis through week 48, which indicated that the Plan was likely to experience a small negative variance in surplus. The size of the projected variance continues to shrink compared to mid-year projections.</p>
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11:15 AM

FINANCIAL REVIEW

TIM BRENNAN

<b>DISCUSSION</b>	Tim Brennan reviewed the September and October statements, which show the same small negative impact on surplus evident in the calendar year cash flow analyses.
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11:40 AM

TRUSTEE TERM EXPIRATIONS

BRENT WILKES

<b>DISCUSSION</b>	Brent Wilkes reviewed the upcoming expirations and urged members to consider who they might know who could be suitable candidates
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11:45 AM

OTHER BUSINESS

BRENT WILKES

<b>DISCUSSION</b>	<ol style="list-style-type: none"><li>1. Election of a chair for 2014. Moved by Paul Bluestein, seconded by Jan Sammons, to appoint Kathy Burek for 2014. APPROVED unanimously.</li><li>2. Approval of October 4 EBT minutes. Moved by Paul Bluestein, seconded by Jan Sammons, APPROVED unanimously.</li><li>3. Set meeting dates for 2013: <b>February 7</b>, 10 - 12, telephone; <b>May 9</b>, 10 - 12, telephone; <b>August 1</b>, 9 - 2, in person in Boston; <b>October 3</b>, 9 - 2, in person, in Boston; <b>December 12</b>, 10 - 12, telephone.</li></ol>
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ADJOURNED at 12:00 PM.