

METROPOLITAN EMPLOYEES BENEFITS ASSOCIATION (MEBA)  
Regular Meeting of Board of Trustees  
Fullerton School District  
Wednesday, August 27, 2008  
**MINUTES**

Jeff Bristow called the meeting to order at 2:00 p.m.

**1. Roll Call**

• Union Trustees:

*Classified Union Trustees:*

John Lynch (CAPO CSEA)

Dianna Mullen (FSD CSEA)

Cheri Smith (FJUHSD CSEA)

Alternate Trustee: Joe Ahlert (FSD CSEA)

Professional Staff Trustee:

Pat Prezioso (CSEA)

Absent: John Lynch, Joe Ahlert, Pat Prezioso, and Karen Hall

*Certificated Union Trustees:*

Karen Hall (FSTO)

Frank Weirath (CUEA)

Joyce Wills (BPTA)

Alternate Trustee: \_\_\_\_\_ (\_\_\_)

Professional Staff Trustee:

Steve Balentine (CTA)

• District Trustees:

Jeff Bristow, (Capistrano)

Ken Chandler, (La Habra)

Mark Douglas, (Fullerton)

John Fogarty (Brea Olinda)

Alternate: Matthew Krause, (Capistrano)

Absent: Matthew Krause and Steve Wagner

Doug Kimberly, (FJUHSD)

Greg Magnuson, (Buena Park)

Barbara Ott, (Brea Olinda)

Steve Wagner, (OCHSA)

Alternate: Phil Fleming, (FJUHSD)

- Also Present: Tom Cahill, Ron Riley, and Pam Stinson HUB; Cheryl Masters and Gary Ward, Mercer

**2. Approval of Minutes**

- The approval of the July meeting minutes were deferred to the next meeting due to lack of quorum.

**3. Chairs Report**

- *Web Site Presentation* – Phil Fleming, MEBA Web Site Committee Chair, reported that the MEBA Web site [MyMeba.org](http://MyMeba.org) is now live. Mr. Fleming thanked Jason Riley from HUB for his help with the development of the Web site and stated that the Web site will continue to be developed and updated. Please send your recommendations to Phil Fleming.
- *Health Benefits Update* – A conference call with Doug Kimberly, Joyce Wills, and Jeff Bristow regarding the renewal of health benefits with Bob Susterich of Anthem Blue Cross to express concerns about the renewal.

**5. HUB Report** – A copy of the HUB Report was distributed to all MEBA Board members.

*Administration*

- *Eligibility / Kaiser* – Ron Riley reported that eligibility is current and that HUB is planning on getting together with Kaiser to work out a timing system for premium payments.
- *Move Complete* – HUB has moved to the Riverside. The address is in the HUB Report.

*Finance/Accounting*

- Mr. Riley reported that the attached payment approval is for August, 2008. The payment approval listing includes checks #3751 through #3773 totaling \$6,443,617.36 for Board ratification; and checks #3774 through #3778 totaling \$488,001.53 for Board approval. Wire transfers for Delta Dental, dated July 28, 2008, through August 21, 2008, totaling \$151,893.51 are presented for Board ratification.
  - The motion was deferred until the next Board meeting due to a lack of Quorum.
- *Additional Financial Data* – Please note that there is a gap in the check numbers. The checks with HUB’s new Riverside address are being used and all the checks with the old Redland’s address have been shredded. HUB received \$50,000 for wellness from Anthem Blue Cross for MEBA and it was deposited in July. The MEBA fund balance on cash basis exceeded expenses by over 5.5 million for the seven months ending July 31, 2008. The large cash balance is primarily due to timing differences. Premiums for August were received and deposited in late July from four districts and the premium was paid to the carriers in August. Additional financial data is provided in the HUB report.

*CPEEHCC (California Public Employers/Employees Health Care Coalition)*

- *Training Conference Reminder* – Battling the Rising Costs of Health Care is the theme of the upcoming training conference in Las Vegas on January 21-23, 2009.
- *Delta Dental Administration* – Renewal will be a rate pass.
- *Vision Service Plan (VSP)* – Renewal will be a rate pass.

*Other*

- *MEBA Minute* – The MEBA Minute was reviewed by the Medical Benefits Committee.
- *International Foundation of Employee Benefit Plans (IFEBP) Conference* – The conference is November 16-19, 2008, in San Antonio, Texas. Early registration is October 3, 2008, and will go up from \$1,065 to \$1,215. Attached is conference information with offerings for Board members’ information.

**6. Mercer Report**

*Medical Benefit Renewal* – Gary Ward and Cheryl Masters distributed the handout of “Negotiated 2009 Renewal Results for MEBA.” Mr. Ward went over the Anthem Blue Cross (ABC) renewal results with the MEBA Board. Mr. Ward expressed frustration regarding the renewal and stated that it was felt that the renewal was too high and that MEBA should be at the lower end of the trend rather than the higher end. The base period for the renewal is July 1 to July 1. Mercer’s analysis is in the Appendix of the handout. Broken down is the incurred claims cost contract comparison for the past two years and MEBA’s pooling history for the last five years, from July 1, 2003. In order to move forward, MEBA needs to select an option on page three of the handout. The MEBA Trustees adjourned for a caucus on the options and upon reconvening, it was agreed that more information is needed from ABC. Ms. Masters and Mr. Ward said that by the second week in September additional information should become available. The Board agreed to meet on Tuesday, September 9, 2008, at 2:00 p.m. Greg Magnuson said that he would check his District’s calendar for a room for the meeting. An email will be sent out to the MEBA Board announcing the time and place for the meeting on September 9, 2008.

The renewals from other vendors: the Kaiser renewal rate is 0.0 percent; Reliance Standard is renewing with no increase; Vision Service Plan (VSP) is renewing at a 1.9 percent increase over the current rates and will guaranteed the rates for two years, through October 31, 2010; and Delta Dental renews October 1, 2008 is a “rate pass,” no change in fees.

## 7. Committee Reports

### *Governance/Marketing/Finance (GMF) Update – Governance*

- *Audit Service* – Doug Kimberly said that the committee is recommending that a Request for Proposal (RFP) go out for audit services this year.
- *Web Site* – The MEBA Web site is now “live” and for \$2,000 less than originally estimated.
- *International Foundation Conference* – The MEBA budget allows for four MEBA members to attend the International Foundation Conference in San Antonio. Release and travel time will be allotted, if needed. Please let Jeff Bristow and Ron Riley know if you would like to attend.
- *Kaiser Charges* – The Kaiser late charges on premiums (APP load) could climb up to thirty to forty thousand dollars a year if left as is. This is an operational issue and the GMF Committee wants to coordinate a schedule for payment to avoid charges in the future.
- *HUB Proposal* – Dr. Kimberly informed the Board that he has received a proposal from HUB for expanded services. It will be brought to the Board after review by the GMF Committee. This item will be deferred until the September Board meeting.

### *Medical Benefits/Wellness –*

- *Flu Shot Clinics* – Kaiser has a room that we can have for a clinic on November 10, 2008. The charge for the shots would be \$26.00. Blue Cross’s charge is \$28.00 per shot. The committee is waiting on St. Jude’s Hospital to give a price for flu shots. Saddleback Medical Center is offering \$17.00 per shot. The times and locations of the flu clinics are to be determined. An update will be given at the next Board meeting.

8. **Old Business** – none.

9. **New Business** – none.

10. **Closed Session** – None.

**Next Meeting:** The next regular business meeting will be held at 2:00 p.m. on Wednesday, September 24, 2008, at the Fullerton Joint Union High School District Board Room.

The meeting adjourned at 3:25 p.m.

Respectfully submitted,

Diana

Diana Dorado, MEBA Secretary