

**ASSOCIATION OF WASHINGTON CITIES
EMPLOYEE BENEFIT TRUST
HEALTH CARE PROGRAM**

Meeting Minutes
Seattle Airport Marriott, SeaTac and Online
Tuesday, December 10, 2024
12:30 pm

Present:

Chair & Northeast Region Trustee, Paul Schmidt, Councilmember, Cheney
Northwest Region Trustee, Julie Struck, Mayor, South Bend
Southeast Region Trustee, Francis Benjamin, Mayor, Pullman
Southwest Region Trustee, Jennifer Jensen, Councilmember, Ruston
AWC Trustee, Wendy Weiker, Councilmember, Mercer Island, *joined at 12:45 pm*
EBAC Chair, Emily Schuh, Administrative Services Director, Anacortes
EBAC Vice-Chair, Jennifer Gorsuch, Administrative Services Director, Camas

Staff Present:

Deanna Dawson, CEO
Alicia Seegers Martinelli, Deputy CEO/COO
Gene Emmans, CFO
Carol Wilmes, Director, Member Pooling Programs
Beverly Lakey, Program Director
Harizon Odembo, Employee Benefits Manager
Laurell Kaiser, Health Promotion Supervisor
Terri Luther, Marketing and Field Service Manager
Bobbi Fox, Employee Benefits Analyst
Betsy Hildreth, Executive Assistant/Recording Secretary

Absent:

Vice Chair & AWC Trustee, Josh Penner, Mayor, Orting

Others:

Laura Luther, Nicole Persson, Aon
Kiran Griffith, Stoel Rives
Jake Kalina, Kyle Plitt, RVK
Brian Barney, Jesse Cauble, Dan Ryan, Parametric

1. Call to Order, Welcome, and Introductions

1.1 Welcome and introductions

Chair Paul Schmidt called the meeting to order at 12:30 pm. A quorum was established.

2. CEO Report

2.1 Meeting Overview

Ms. Dawson gave an overview of the meeting.

3. Governance

3.1 Open Public Meeting Act: Call for Public Comment

Ms. Lakey gave a brief overview of the Open Public Meetings Act in relation to the AWC Trust Health Care Program meeting.

In accordance with the Open Public Meetings Act RCW 42.30, the AWC Trust Health Care Program Board of Trustees invited public comment.

There was no public comment.

4. Administration/Operations

4.1 September 25, 2024 Health Care Program Board meeting minutes

The Board reviewed the minutes of the September 25, 2024, Health Care Program Board of Trustees meeting.

Motion:

Motion by Emily Schuh to approve the September 25 2024, Health Care Program Board of Trustees meeting minutes, second by Francis Benjamin; motion carried.

5. Governance/Policy

5.1 Resolution 2024-03 Public Records Request Policy

Ms. Lakey reviewed the proposed change to the AWC Trust HCP Public Records Request Policy for Board consideration.

Motion:

Motion by Francis Benjamin to approve Resolution 2024-03, Amendment to the AWC Trust Health Care Program Public Records Request Policy and Declaration of Statutory Default Costs, second by Julie Struck; motion carried.

6. 2025 Renewal

6.1 Stop Loss Renewal

Ms. Lakey updated the Board on large claims activity and provided updated rate quotes for 2025 stop loss coverage. Aon consultants reviewed scenarios on increasing the stop loss threshold from \$2 million to \$2.5 million, as well as price differential between the two levels of coverage. Their analysis concluded that remaining at \$2 million individual stop loss was most prudent for the Trust at this time.

Motion:

Motion by Jennifer Gorsuch to adopt 2025 rates as provided by United State Fire Insurance Company, second by Jennifer Jensen; motion carried.

7. Financial Reports

7.1 Self-Insured Plan Experience Reports

Nicole Persson of Aon reviewed the claims experience reports for the self-insured plans through September 2024 and provided a historical comparison from 2020-2024.

7.2 Trust Health Care Program Investment Report and Investment Manager Interview with Parametric

Kyle Plitt of RVK gave an overview of Trust's investment performance and market update through September 30, 2024.

Chair Schmidt moved to 7.3 agenda item.

Kyle Plitt gave a brief overview on RVK's recommendation for the Trust Health Care Program to hire a second investment firm.

Jesse Cauble, Brian Barney, and Dan Ryan of Parametric presented information on their firm, provided a fixed income overview, and shared their strategies as a potential second HCP investment firm.

Motion:

Motion by Jennifer Jensen to hire Parametric to manage a targeted one-third (33%) of the HCP, with the remaining two-thirds (67%) continuing to be managed by Merganser, second by Julie Struck; motion carried.

7.3 Third Quarter 2024 Trust Health Care Program Financial Report

Mr. Emmans presented the 2024 third quarter unaudited financial report.

Chair Schmidt moved to agenda item 7.4.

7.4 Proposed 2025 Trust Health Care Program Budget

Ms. Lakey reviewed the proposed 2025 Trust Health Care Program budget, including year-end 2024 projections and proposed 2025 income and expenses.

Motion:

Motion by Wendy Weiker to approve the proposed 2025 Trust Health Care Program Operating Budget, second by Julie Struck; motion carried.

Chair Schmidt moved back to agenda item 7.2 for the Parametric presentation.

8. *Other Business*

8.1 2025 Health Care Program Board Meeting Schedule & Fiduciary Training

The 2025 Health Care Program Board meeting schedule and fiduciary training opportunities were provided in the agenda packet.

9. *Adjournment*

9.1 Adjourn

Chair Schmidt adjourned the meeting at 1:58 pm.

The foregoing minutes were approved by the Board of Trustees on 4/24/2025.
Date

Signed by:

Paul Schmidt

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Chair

ATTEST:

DocuSigned by:

Betsy Hildreth

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Recording Secretary