

FDAC Employment Benefits Authority
Board of Directors Meeting
Monday, October 20, 2008

In Attendance

Mike McMurry, President
Jim Hill, Vice President
Ron Collier, Treasurer
Charlene Virts, Director
Lisa MacCubbin, Director

Not In Attendance

Catherine Smith, Administrator
Melissa Dixon, Deputy Administrator
Jason Andrew, LHI
Jon Hilgers, LHI
John Miller, LHI
Rosa Soria, LHI
Paul Schafer, BRMS
Nick Perrin, BRMS
Dave Turner
Tom Sher, CSAC EIA
Catherine Malden, CSAC EIA

President Mike McMurry called the meeting to order at 10:02 a.m. A quorum was established, and there was no public comment.

The Board addressed the consent calendar. Director Ron Collier moved to approve the consent calendar, with the September meeting minutes as amended. Director Charlene Virts seconded. Motion passed with one abstention. Administrator Catherine Smith noted that she opened an account for the EBA with the Bank of Sacramento, to ensure all EBA funds are FDIC insured. David Turner recommended that we stagger the placement of money into CDs to ensure liquidity.

The Board then addressed the issue of Novato's Kaiser Medicare bill. The outstanding \$15,000 had been paid by the EBA to ensure continuation of coverage, however the responsibility for those dollars is still being negotiated. Representatives of LHI will meet with Kaiser executives on Thursday to discuss the issue from now through July 2009. The Board requested a written process on how to handle retirees approaching Medicare eligibility.

Administrator Smith mentioned the need for a 2007-08 audit, and requested direction on choosing an auditor. The Board requested an RFP be sent, with staff bringing a recommendation back to the Board.

The Board briefly discussed the possibility of a reserve policy for the EBA. Staff will work with Directors Collier and Virts to draft.

The Board was joined at 10:36 a.m. by Tom Sher and Catherine Malden, representatives from the CSAC EIA who provided an overview to the Board on the structure of the EIA's pooled insurance products, and how the EBA might fit into the program. After an extensive discussion, the Board requested a formal

proposal from the CSAC EIA, to be presented to the Board at the December meeting along with other options such as carrier and plan changes.

The next meeting is scheduled for December 16, 2008.

Having nothing further to discuss, the meeting was adjourned at 1:23 p.m.

Respectfully submitted,

Catherine Smith
Administrator