



**FINAL**  
**Minutes of Board of Trustees Quarterly Trust Meeting**  
**Teleconference**  
**Thursday, December 08, 2022, 8:30 AM**

**The following Trustees were present and a quorum was met:**

<b>Ryan Hackmann, Chairperson</b>	<b>Desert View Schools</b>
<b>David Coolidge, Vice-Chairperson</b>	<b>City of Winslow</b>
<b>Linda Watson, Treasurer</b>	<b>City of Page</b>
<b>Jessica Vaughan</b>	<b>Town of Eagar</b>
<b>Pat Nichols</b>	<b>City of Holbrook</b>
<b>Eric Lillis</b>	<b>Kingman Academy of Learning</b>
<b>Amy Putnam</b>	<b>Town of Parker</b>
<b>Raymond Headings</b>	<b>Pine-Strawberry Water Improvement District</b>
<b>Danielle Palma</b>	<b>City of Safford</b>
<b>Katie Melser</b>	<b>Town of Snowflake</b>
<b>Kelsi Miller</b>	<b>Town of Springerville</b>
<b>Richard Marsh</b>	<b>Town of Wellton</b>
<b>Pamela Galvan</b>	<b>City of Williams</b>

**The following Alternate Trustees were present:**

<b>Rick Ogston</b>	<b>Desert View Schools</b>
<b>Amy Hunt</b>	<b>Kingman Academy of Learning</b>
<b>Karen Norris</b>	<b>Town of Miami</b>
<b>Rachell French</b>	<b>City of Page</b>
<b>Megan Poe</b>	<b>Town of Parker</b>
<b>Morgan Motz</b>	<b>Pine-Strawberry Water Improvement District</b>
<b>John Cassella</b>	<b>City of Safford</b>
<b>Heidi Wink</b>	<b>Town of Springerville</b>
<b>Geri Judd</b>	<b>Town of Taylor</b>
<b>Sue Bennett</b>	<b>City of Williams</b>
<b>Kelley Pugh</b>	<b>City of Winslow</b>

**The following Vendors were present:**

<b>Jared Loo</b>	<b>Ameritas</b>
<b>Rose Stamps-Proper</b>	<b>Ameritas</b>
<b>Michael Hensley</b>	<b>Jones, Skelton, &amp; Hochuli</b>
<b>Erin Collins</b>	<b>Gallagher</b>
<b>Missy Jensen</b>	<b>Gallagher</b>

**Amanda Weaver**  
**Michael Cote**  
**Marina Phillips-Waddle**  
**David Medeiros**

**Gallagher**  
**Meritain**  
**Meritain**  
**Navitus**

**The following Guests were present:**

**Charlie Cassens**

**Town of Parker**

**1. Call to Order**

The meeting was called to order at 8:30 a.m. by Ryan Hackmann, Chairperson.

**2. Roll Call**

Roll Call was taken by Amanda Weaver.

**3. Discussion, Consideration of and Possible Action Regarding Approval of the November 03, 2022 Trust Meeting Minutes and Executive Session Minutes**

Ryan Hackmann asked if Trustees had any changes to the minutes and if not to please provide a motion to approve as presented. Ryan also reminded Trustees that the Executive Session Minutes must be deleted from email and then deleted from trash folder. Those that printed the minutes, must shred them.

Linda Watson made a motion to approve the November 03, 2022 Trust Meeting Minutes and Executive Session as presented. Amy Putnam seconded the motion.

The motion passed unanimously **15-0**

**4. Discussion, Consideration of and Possible Action Regarding Approval of the RAGHT Financials Through October 31, 2022**

Amanda Weaver provided Trustees with an overview of the Trust financials ending October 31, 2022, letting Trustees know that the Cash Position was at \$9,530,823, taking into account the Actuary's Incurred But Not Paid (IBNP) liability of \$1,571,956, the Trust reported an estimated surplus position of \$7,958,867. Amanda stated that the Trust showed a YTD gain of \$1.2M.

Amanda also provided an overview of the large cases, informing Trustees that as of the end of October there was one (1) large case over \$75,000 totaling \$110,488.

Amanda Weaver noted that this Plan Year was off to a good start, asked if there were any questions and noted that a motion to approve the financials as presented was needed.

Raymond Headings made a motion to approve the financials through October 31, 2022 as

presented. Amy Putnam seconded the motion.

The motion passed unanimously **15-0**

## **5. Wellness Update**

Missy Jenson provided an overview of the dates and participation for the following Wellness Screenings:

1. Cardiac and Organ
2. Flu Vaccinations
3. Mammograms
4. Health Risk Assessment

An update and participation numbers were provided for the Omada Program, which addresses prevention, Hypertension, and Diabetes and to date has shown an overall weight loss of 1,008 lbs by participating members since July 2018.

Missy discussed with Trustees that a Wellness Program Survey was sent out to the RAGHT entities and the Wellness Ambassadors sent it on to Employees. Results showed that 99% of Members that participated in the Wellness Program are somewhat or extremely satisfied, onsite screenings and services ranged from 98% to 100% satisfaction, and the Omada Program satisfaction ranged from 90% to 91%.

No motion was needed.

## **6. Discussion, Consideration of and Possible Action Regarding LGIP Investments**

Erin Collins provided an update with Trustees regarding a discussion that occurred at the September 08, 2022 RAGHT Meeting regarding losses to the LGIP account. A volunteer group of Trustees and Gallagher met electronically with staff at the Arizona State Treasurer's Office Local Government Investment Pool to understand better why the losses were occurring and what could be done differently. The following takeaways were provided:

1. The losses reflected on the LGIP statements are "unrealized", meaning they are essentially paper losses. The unrealized losses reflect the rapidly rising interest rates being experienced as the Fed attempts to get inflation under control. Since Pool 700 is populated largely by Treasury Bills with 1-2 year durations, the net effect is that we (and all other investors in LGIP) have older T-Bills whose interest rates are lower than more recent purchases. Hence, the paper loss in value.
2. Were RAGHT to liquidate any portion of its Pool 700 holdings, a proportionate share of the losses would be "realized" (locked in).
3. The expectation is that, at some point, the Fed will get inflation sufficiently under control that rates will once again be cut. At that point, RAGHT and other investors will find themselves in the opposite, and more favorable, position of having older T-Bills that were purchased at higher rates than more recent purchases.
4. Pool 5 is comprised of shorter duration holdings and is therefore more responsive to the rapid ups and downs in interest rates and lacks the penalties that apply to Pool 700.

Trustees discussed and agreed that it would be beneficial to transfer a greater portion of excess cash from the Chase Account to Pool 5 for a period of time

No motion was needed

## **7. Discussion, Consideration of and Possible Action Regarding Renewal Meeting Format and Materials**

Erin Collins discussed that with the Annual Conference scheduled for February, Gallagher has had several discussions regarding how to make it more effective for the Member Entities due to the following challenges:

1. Difficulty members face in digesting the large volume of information included in the Renewal meeting packet in advance of the meeting.
2. Difficulty understanding (or having a starting point for discussion of) benefit options to be reviewed and considered at the meeting.
3. Challenges seeing the screen during the rate and benefit options discussion.
4. How to encourage and facilitate Trustee participation and engagement in the conversations in order to build “investment” in the success of the Trust.

The following suggestions were provided to Trustees:

1. Splitting the work session packet into two parts:
  - a. An Executive Summary packet with transmittal memos and vendor PowerPoint presentations; and
  - b. The detail packet with the full reports from each vendor.
2. Including in the Executive Summary packet a single sheet/page with the current rates and three pre-priced exemplar options:
  - a. The “no changes” rates assuming the current benefits and only those changes mandated by law;
  - b. A Middle Ground with a handful of suggested changes; and
  - c. A “Dracula Option” with more substantial changes (presumably, benefit cuts to offset increases)
3. Working with the hotel to restructure the layout of tables and add two side-screens to the room (total of three screens) to ease viewing and encourage participation by Trustees.
4. Incorporating a “theme” or “area of emphasis” into the renewal meeting and having vendors emphasize that theme in their material and presentations.

No additional suggestions were provided and Trustees discussed that they were in agreement with Gallagher and looked forward to seeing what accommodations/changes are made.

No motion was needed.

## **8. Administrative Update**

Erin Collins and Amanda Weaver gave a brief overview of the following items to Trustees:

- Change in Trustees/Alternates – Parker – Trustee; Amy Putnam/Alternate; Megan Poe; Winslow – Alternate Trustee; Kelley Pugh
- Prescription Benefit Manager (PBM) Request for Proposal (RFP) – RFP was released November 28<sup>th</sup> with responses deadline due December 14<sup>th</sup>. Finalist Meeting TBD with vendor chosen by February 1<sup>st</sup>.
- Medicare D Letters – Letters sent out by Meritain on September 14, 2022 to inform member if the Plan they are enrolled under is credible or non-credible. All Plans through

RAGHT are creditable.

- Employer Paid Basic Dependent Life – If entities want to add this benefit, please let Gallagher know, prior January 01, 2023 to add to the budget
- 2023-2024 Benefits/Additional Products to Price Out – Although the RMP serves as a guideline to different options to review or price out for the upcoming Plan Year, Trustees are always welcome to make suggestions
- SmartBen-Pending Management Qualifying Life Event Effective Date – When approving QLE's out of Pending Management, the effective date needs to be changed to the Date of Birth or Date of Marriage
- SmartBen Portal Username & Password – Reminder that the Username Format is RAGHT+Last 5 of SSN and the Password is Employee's Date of Birth MMDDYYYY. Gallagher correct 58 incorrect Usernames.
- Life Conversion & Portability Coverage – Reminder when Members voluntarily or involuntarily term from the Plan, HR should be providing information that the coverage may be able to continue outside of group coverage if handled within 31 days.
- RAGHT Annual Conference – Conference is scheduled for February 22-February 24, 2023 at the Renaissance Hotel in Glendale, Arizona.

**9. Next Meeting Date – RAGHT Annual Conference Wednesday, February 22 - February 24, 2023**

**10. Individual Entity Updates**

None

**11. Call to the Public**

No public was present.

**12. Adjourn**

Ryan Hackmann asked for a motion to adjourn. David Coolidge made a motion to adjourn. Pamela Galvan seconded the motion. The meeting adjourned at 9:34 a.m.

The motion passed unanimously **15-0**.