



**HAMPSHIRE COUNTY  
GROUP INSURANCE TRUST**

**98 KING STREET  
NORTHAMPTON, MA 01060**

**TO:** All Trust Member Units

**RE: Minutes of November 20, 2019**  
Executive Committee Meeting  
HCGIT Office

**MEMBERS PRESENT:**

|                    |               |                  |
|--------------------|---------------|------------------|
| Russ Kaubris       | Lisa Banner   | Michael Sullivan |
| Deb Kuhn           | Lisa Blackmer | Michelle Hill    |
| Rich Carmignani Jr | Denise Cashin |                  |

**OTHERS PRESENT:**

|                |               |                |
|----------------|---------------|----------------|
| Joseph Shea    | Cynthia Smith | Karen Karowski |
| Michele Komosa | Patrick Brock |                |

**CALL TO ORDER**

Chairman Russ Kaubris called the meeting to order at 9:01 a.m. with a quorum present.

**APPROVAL OF MINUTES**

A motion to accept the minutes of September 25, 2019 was made by Michael Sullivan seconded by Lisa Banner and passed unanimously.

**FINANCIAL REPORT**

*Financial Report*

Karen presented the Financial Report for the month of October reflecting a starting balance of \$9,582,833.36 with a total monthly income received of \$5,878,253.58 and monthly expenses of \$5,666,994.71 with a total net monthly income of \$211,258.87 and an ending month balance of \$6,794,092.23 with accounts receivable of \$686,015.51 leaving a total of \$36,101,021.27. Karen also stated \$3 million was transferred to a CD.

*Investments and CD's for August 2019*

Karen also reported that the investments portfolio value was \$11,048,878.37 with a market change of \$128,082.81 leaving a total of \$11,176,961.18. Karen also reported a starting balance in CD's of \$9,832,384.04, with interest earned of \$22,269.37, plus the addition of the \$3 million, leaving a balance of \$12,854,653.41.

A motion to accept the Financial Report as written was made by Michael Sullivan, and seconded by Lisa Banner. The motion passed unanimously.

## **WELLNESS UPDATE**

Michele gave an update on the Wellness Initiative program:

- **Fall Challenge** – This wrapped up with 417 participants.
- **On-Site Seminars** – Three units have just booked an onsite seminar.
- **Mini Grants** – Michele plans to reach out to all mini grant recipients to follow up on their programming and usage of funds.
- **AHealthyMe** – Usage is just under 400 participants.

For more information on any wellness programs contact Michele Komosa by phone at 413-584-1300 ext 173 or email at [mkomosa@hampshirecog.org](mailto:mkomosa@hampshirecog.org).

## **MEDEX OPEN ENROLLMENT**

Joe stated we mailed out over 2,000 letters for open enrollment to members currently on the Medex plan. Our mailing included the information on the new reduced rates and prescription copay changes.

## **CURRENT ESTIMATED RESERVE**

Joe provided a statement of net assets as of 6/30/19, unaudited. Joe explained per our policy, our target reserves should reflect 3 months' worth of all expenses which approximates \$17.1 million. He stated we are currently over reserved. Claim experience has deteriorated over the last six months but has been offset by extremely good results in our investment portfolio. He also explained that we still do not know the impact of the July 1<sup>st</sup> benefits changes and may not have a good grasp on that until the new year.

## **BANKING TRANSFER**

As was stated during the financial report, Joe reiterated that \$3 million was moved into a new CD.

## **INVESTMENTS**

Joe provided a summary of our investments account showing our current allocations. He stated we've received a little over \$1.5 million in returns on our investments YTD. When asked if our investments followed the state municipal investment guidelines, Joe stated the Trust has our own investment policy in place that is being followed. It was also suggested to possibly invest in some natural resources.

## **2019 AUDIT**

Joe reported that our FY2019 audit was done at the end of October. There were no major concerns from the initial review; we are still waiting for it to be finalized. This was the last audit for the Trust falling under the HCOG. Some EC members raised concerns about internal control procedures now that the Trust is independent. They inquired what the auditors recommended and asked if we have to follow MGL on warrants and signatures.

## **PARAGUS IT UPDATE**

Joe stated he met with Paragus IT and signed a 2 year contract with them to provide our IT services for support, backups, virus controls, etc. We are planning to upgrade 3 of the office's PC's in December. Joe explained Paragus is also working to clean up old HCOG items such as emails and information on the server. We are still working to figure out the best long term plan

for the Trust's information and storage of it. Joe also explained that we had two internet providers and are dropping one.

### **TOWN OF TEMPLETON**

Joe stated he met with the Town of Templeton's IAC to explain to them about the Trust's operations and they have now formally requested to join the Trust. Joe explained since they are a unit with less than 100 subscribers, they cannot provide their claims data for review. Templeton is currently with MIIA and have similar benefits with higher rates. It was discussed that if Templeton were allowed entry to the Trust, they would be accepted with contingencies such as only allowing enrollment in the HMO, and entry would be allowed for one year pending an evaluation of their claims. There was some discussion on creating a formal guideline of criteria new units must meet to enter the Trust and a guideline for the one year evaluation process.

Michael Sullivan made a motion to move this item to the December EC meeting for further discussion providing more research. This was seconded by Lisa Banner and passed unanimously.

### **HCOG UPDATE**

Joe stated the bill that was put forth for the Trust to become an independent member of the Hampshire County Retirement System (HCRS) should be signed today. Since our separation from the HCOG, we have kept making our regular payment to the HCRS as we waited for it to become official.

Joe also stated that the HCOG's official dissolution should be effective 12/31/19 and Lydia King has remained on as the only active employee until then. All their retirees will be transferred from the Trust's coverage to the GIC effective 1/1/20.

### **PERSONNEL HANDBOOK UPDATE**

Joe stated he's still working on updating a personnel policy for the Trust. Once he has this completed, he will present it to the EC for approval.

### **NEW BUSINESS**

There was no new business to report at this time.

### **ADJOURNMENT**

On a motion by Michael Sullivan and seconded by Lisa Blackmer, the meeting was adjourned at 10:14 a.m.

Respectfully submitted,  
Cynthia Smith

### **Meeting Schedule**

Executive Committee – December 18, 2019, 9:00 a.m., 98 King St, Northampton  
Executive Committee – January 15, 2020, 9:00 a.m., 98 King St, Northampton  
Insurance Advisory Committee – January 22, 2020, 10:00 a.m., Deerfield Town Hall  
Executive Committee – February 19, 2020, 9:00 a.m., 98 King St, Northampton