

Post-Retirement Medical Plan & Trust

*A single employer plan sponsored by
Truckee Meadows Water Authority*



January 18, 2022 MINUTES

The meeting of the TMWA Post-Retirement Medical Plan and Trust (Trust) Trustees was held on Tuesday, January 18, 2022.

Michele Sullivan, Chairman, called the meeting to order at 01:01 P.M.

1. ROLL CALL AND DETERMINATION OF PRESENCE OF A QUORUM.

A quorum was present.

Voting Members Present:

Michele Sullivan
Juan Esparza
James Weingart
Steve Enos

Voting Members Absent

Members Present

Rosalinda Rodriguez
Gus Rossi

Members Absent:

Jessica Atkinson
Mike Venturino

2. PUBLIC COMMENT

There was no public comment

3. APPROVAL OF THE AGENDA

Upon motion made and seconded, and carried by unanimous consent of the Trustees present, the Trustees approved the agenda.

4. APPROVAL OF THE OCTOBER 21, 2021 MINUTES

Upon motion made and seconded, and carried by unanimous consent of the Trustees present, the Trustees approved the October 21, 2021 minutes.

5. DISCUSSION AND DIRECTION ON SIGNING §501-C-9 POST-RETIRMENT MEDICAL PLAN AND TRUST BOARD OF TRUSTEES ANNUAL PLEDGE OF PERSONAL COMMITMENT/ DISCLOSURE FORM

Ms. Rodriguez advised that this is just to officially document the Trustees signing the annual disclosure forms, this is informational only. Trustees need to review and sign the pledge of personal commitment/disclosure form and return them to Ms. Rodriguez

6. REVIEW AND APPROVAL OF POST-RETIREMENT MEDICAL PLAN & TRUST CALCULATIONS FOR TMWA RETIREE ALAN DRAPER

Ms. Rodriguez presented the benefits calculation for Alan Draper. Mr. Draper will retire on April 04, 2022, with a benefit effective date of May 1, 2022. Ms. Rodriguez met with the retiree and confirmed the information on the benefit calculation form. Mr. Draper has elected to continue on TMWA coverages as a Retiree + Spouse for medical dental and vision coverages. Mr. Draper has elected for any remaining premium balance paid from his RHS or PERS check.

Upon motion made and seconded, and carried by unanimous consent of the Trustees present, the Trustees approved the benefits calculation for Alan Draper.

7. REVIEW AND CONSIDERATION FOR APPROVAL OF REQUEST(S) FOR REIMBURSEMENT OF PREMIUMS

Ms. Rodriguez presented a reimbursement request received for Medicare premiums, paid through Social Security.

Upon motion made and seconded, and carried by unanimous consent by the trustee's present, the reimbursement request for Medicare, RX coverage, paid through Social Security, were approved

Ms. Rodriguez presented a second reimbursement request received for United Health Care premiums, paid for directly by the retiree.

Upon motion made and seconded, and carried by unanimous consent by the trustee's present, the reimbursement request for United Health Care premiums paid for directly by the retiree were approved

Ms. Rodriguez presented a reimbursement request received for Medicare Premiums, Humana RX coverage, and AARP United Healthcare supplement coverages paid for directly by the retiree.

Upon motion made and seconded, and carried by unanimous consent by the trustee's present, the reimbursement request for Medicare premiums, Humana RX coverage, and AARP United Healthcare supplemental coverages paid for directly by the retiree, were approved

Ms. Rodriguez presented a reimbursement request received for supplemental Medicare premiums paid for through Social Security, and for United Health Care supplemental coverage paid for directly by the retiree

Upon motion made and seconded, and carried by unanimous consent by the trustee's present, the reimbursement request for Medicare premiums paid for through Social Security and United Health Care supplemental coverage paid for directly by the retiree were approved.

8. DISCUSSION AND POSSIBLE DIRECTION TO STAFF REGARDING ACH TRANSFERS AS A PAYMENT METHOD FOR REIMBURSEMENT REQUESTS

Matthew Bowman, Financial Controller presented for Ms. Sophia Cardinal in her absence. Mr. Bowman advised that staff had received recent complaints in regard to turnaround time for reimbursement requests. To expedite the payment process staff would like to disburse funds through ACH transfers rather than paper checks. Dual trustee authorization for payments would still be required.

The proposed change would result in an increase in transaction costs associated with ACH transfers and decrease in transaction costs associated with check issuance. Staff believes the net difference would be negligible.

This would not be something that would be implemented immediately, and staff is just looking for trustee approval to begin researching and changing the method of payment to retirees. Staff does not want to begin to research and change the process without approval. If approved a new system would need to be used, also want to move the accounting from Quickbooks and into Microsoft Dynamics 365, perhaps in the next six months, and the new HRIS system would need to be selected and implemented before ACH payment could be used as a method.

A motion was made and seconded and carried by unanimous consent by the trustee's present the request to implement ACH as a payment method for retirees was approved.

9. PRESENTATION OF THE BUDGET FOR CALENDAR YEAR 2022

Mr. Bowman presented the budget for calendar year 2022 in Ms. Cardinal's absence. Mr. Bowman advised that there are increases related to more upcoming retirements and more benefits being paid out. There are no employer contributions to be made in 2022, based on the actuarial analyses The trust is adequately funded and investment returns have done well that is why there is a \$0 for Employer contributions.

A motion was made and seconded, and carried by unanimous consent by the trustee's present the request to approve the 2022 budget was approved.

10. REVIEW OF RETIREMENT BENEFITS INVESTMENT FUND (RBIF) PERFORMANCE REVIEW

Ms. Sullivan advised that there is no new updated RBIF this will be deferred to the next meeting for review.

For informational purposes only, no action required.11. UPDATE REGARDING STATUS OF TRUST DOCUMENT REVISIONS

During the April 20, 2021 trust meeting, Ms. Atkinson advised that staff had received an inquiry from an employee considering retirement options asking about premium payment options. Based on this retiree's age, his preference was to defer enrolling in NV PERS to avoid an age penalty. The premium payment policy approved by trustees allows only for premiums to be paid via NV PERS or a Retiree's RHS account. Neither of which will apply to this retiree if indeed enrollment in NV PERS is delayed.

In researching this issue further, staff became aware of language in the Nevada Revised Statutes (NRS) 287.023 as well as in the health plan documents that require a retiree to be enrolled in PERS to continue on TMWA's insurance plan.

Sections 4.1.2, 4.1.3, 4.1.4(a), and 4.1.4(b), of the VEBA document conflict with both the NRS and TMWA's health plan eligibility requirements.

4.1.2 – Specific Post Retirement Benefits for Health Plan Coverage for MPAT Employees. “A participant who was an MPAT Employee at his or her Retirement Date may elect coverage under the Health Plans that are made available to TMWA's active employees who are entitled to receive health and life benefits.”

4.1.3 – “All IBEW 1245 Employees hired on or after January 1, 1998, and “IBEW Transfer Employee's Receiving Sierra Plan Benefits” hired before January 1, 1998, are entitled to receive Post-Retirement Benefits for coverage under the Health Plans made available to Benefited Employees of TMWA or other Health Plans as described in Section 2.5.”

4.1.4 (a) – “A Participant who was an IBEW Transfer Employee, was hired by Sierra before January 1, 1998 and is at least age 55 and under age 65 on his or her retirement date, is entitled to receive Post-Retirement benefits only for coverage under a Health Plan that is offered by TMWA to its benefited employees until the Plan Year in which the Participant attains age 65.”

4.1.4 (b) – “A Participant who was an IBEW Transfer Employee, was hired by Sierra before January 1, 1998 and is age 65 or over on his retirement date, is eligible to receive Post-Retirement benefits for coverage under Health Plans offered by TMWA to its benefited employees...”

During that meeting, Ms. Atkinson recommended further review and revision of the VEBA document to ensure that there is no conflicting language. Ms. Atkinson also recommended trustees discuss implications of the NRS and health plan language on the intent of the benefits to be provided to retirees and determine if other changes may be necessary.

Trustee's discussed Ms. Atkinson's recommendation and agreed that this should be reviewed and that the VEBA document should be revised to ensure there is no conflicting language with regards to the entire document, so no further revisions are needed. It was determined that a

subcommittee would meet, this committee would consist of Human resources staff and Trustee's Juan Esparza and Steve Enos as they may have insight to the document's original intent. Once a draft is ready for review it will be brought before trustees for review and approval to then be presented for approval before the TMWA Board of Trustees.

As of the April meeting, trustee members Steve Enos, and Juan Esparza, along with HR Manager, Jessica Atkinson and HR Coordinator Rosalinda Rodriguez, met to review the current VEBA plan and discuss the original intent of the plan. An agenda item will be added for the next Trustee Meeting and the outcome of the subcommittee meeting will be presented.

As of the October 21, 2021, meeting, there is no update to this item. This is still pending and once an update is available it will be brought to the trustees.

This was for informational purposes only, no action required.

12. TRUSTEE COMMENTS AND REQUEST FOR FUTURE AGENDA ITEMS*

RBIF

Reimbursement Requests

Trust document revision update if available

13. PUBLIC COMMENT

There was no public comment.

14. ADJOURNMENT

With no further business to discuss, Chairman Sullivan adjourned the meeting at 1:17 PM.

Minutes were approved by the Trustees in session on 04/19/2022.

Respectfully Submitted,

Rosalinda Rodriguez, Recording Secretary