

**PERU ELEMENTARY SCHOOL DISTRICT 124 BOARD OF EDUCATION  
FINANCE COMMITTEE MEETING MINUTES  
PARKSIDE SCHOOL CONFERENCE ROOM  
WEDNESDAY, JUNE 22, 2011, 10:00 A.M.**

Present: Jim Renk and Cindy Gustat

Others Present: Mark Lamboley, Mark Cross, Jeanine Sonnenberg, John Weiss, Lynn Anderson and Andrea Visione

The meeting was called to order by Jim Renk at 10:00 a.m.

- Mr. Cross briefly explained the purpose of the meeting, which is giving the school district options to help control future health insurance costs. A recent meeting with district employees showed some interest in the concept of health reimbursement arrangements (HRAs) as one option to consider.
- Andrea Visione from Employee Benefits Corporation (EBC) gave some history of the company and explained in some detail how the HRA concept works with EBC acting as a potential third party administrator (TPA). She stated that typically 80 percent of the claim activity is from 20 percent of the staff.
- The HRA concept allows the district to self insure to some degree with the third party administrator reimbursing employees for out-of-pocket health insurance costs. Ms. Visione stated that in every case in her experience, the employer has never had higher costs as a result of following this concept, and has always saved more in premium than what had to be paid out in third party claims.
- After some questions and discussion, the committee directed Mr. Cross to seek more information from other districts who have utilized the HRA concept and report back to the Board of Education at a later date.

The committee adjourned at 11:21 a.m.

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Committee Chairperson

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Superintendent