

**FILED**  
**MAR 12 2026**  
Department of Insurance  
State of Idaho

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE**

**STATE OF IDAHO**

In the Matter of:

CITY OF NAMPA EMPLOYEE WELFARE  
BENEFIT TRUST

Idaho Certificate of Authority No. 3968

Docket No. 18-4905-26

**ORDER ADOPTING REPORT  
OF EXAMINATION AS OF  
SEPTEMBER 30, 2024**

The State of Idaho, Department of Insurance (“Department”), having conducted an examination of the affairs, transactions, records, and assets of the CITY OF NAMPA EMPLOYEE WELFARE BENEFIT TRUST ( the “Trust”) to ascertain compliance with title 41, Idaho Code, and related rules, pursuant to Idaho Code §§ 41-219(1) and (5) and 41-4013(1), as incorporated and made applicable by Idaho Code § 41-4021, hereby alleges the following facts that constitute a basis for issuance of an order, pursuant to Idaho Code § 41-227(5)(a), adopting the Report of Examination of the Trust for the period of October 1, 2019, through September 30, 2024 (“Report”), as filed.

**FINDINGS OF FACT**

1. The Trust is an Idaho-domiciled self-funded health care plan, which was duly registered with the Department on June 18, 2009, under Idaho Certificate of Authority No. 3968.
2. The Department completed an examination of the Trust pursuant to Idaho Code §§ 41-219(1) and (5) and 41-4013(1) on or about February 12, 2026. The Department’s examination disclosed no adverse material findings or any adjustments that impacted the Trust’s

reported net assets.

3. Pursuant to Idaho Code § 41-227(4), a copy of the Report, verified under oath by the Department's Deputy Chief Examiner, was filed with the Department on February 12, 2026, and was transmitted to the Trust on the same date. A copy of the verified Report is attached hereto as Exhibit A.

4. Pursuant to Idaho Code § 41-4013(3), the Trust had four (4) weeks from the service of the Report within which to review, comment, or request a hearing on the Report. No written submissions or rebuttals with respect to any matters contained in the Report were received by the Department from the Trust.

### **CONCLUSIONS OF LAW**

5. Idaho Code § 41-227(5)(a) provides that, after expiration of "the period allowed for the receipt of written submissions or rebuttals, the Director shall fully consider and review the report, together with any written submissions or rebuttals and relevant portions of the examiner's work papers" and shall enter an order adopting the report of examination as filed or with modifications or corrections.

6. Having fully considered the Report, the Director concludes that, with regard to the matters examined and information provided by the Trust, the comments and recommendations contained in the Report are appropriate and are incorporated herein as if set forth in full.

### **ORDER**

NOW, THEREFORE, based on the foregoing, IT IS HEREBY ORDERED that the Report of Examination of the CITY OF NAMPA EMPLOYEE WELFARE BENEFIT TRUST for the period of October 1, 2019, through September 30, 2024, is hereby ADOPTED as filed, pursuant to Idaho Code § 41-227(5)(a).

IT IS FURTHER ORDERED, pursuant to Idaho Code § 41-227(8), that the Report is a

public record and shall not be subject to the exemptions from disclosure provided in chapter 1, title 74, Idaho Code.

IT IS FURTHER ORDERED, pursuant to Idaho Code § 41-227(6)(a), that within thirty (30) days of the issuance of the adopted Report, the CITY OF NAMPA EMPLOYEE WELFARE BENEFIT TRUST shall file with the Department's Deputy Chief Examiner, affidavits executed by each of its trustees or, if none, its principal officers, stating under oath that they have received a copy of the adopted Report and related orders.

IT IS SO ORDERED.

DATED this 12 day of March 2026.

STATE OF IDAHO  
DEPARTMENT OF INSURANCE



DEAN L. CAMERON  
Director

### NOTIFICATION OF RIGHTS


This Order constitutes a final order of the Director. Any party may file a motion for reconsideration of this final order within fourteen (14) days of the service date of this order. The Director will dispose of the petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. *See*, Idaho Code § 67-5246(4).

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order may appeal it by filing a petition for judicial review in the district court of the county in which: (1) the hearing was held; or (2) the final agency action was taken; or (3) the aggrieved party resides or operates its principal place of business in Idaho; or (4) the real property or personal property that was the subject of the agency decision is located. An appeal must be filed within twenty-eight (28) days of: (a) the service date of this final order; or (b) an order denying a petition for reconsideration; or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. *See*, Idaho Code § 67-5273. The filing of a petition for judicial review does not itself stay the effectiveness or enforcement of the order under appeal.

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that, on this 12<sup>th</sup> day of March 2026, I caused a true and correct copy of the foregoing ORDER ADOPTING REPORT OF EXAMINATION AS OF SEPTEMBER 30, 2024, to be served upon the following by the designated means:

City of Nampa Employee Welfare Benefit Trust Doug Racine, Finance Official 411 3 <sup>rd</sup> St S Nampa, ID 83651-3721	<input type="checkbox"/> First Class Mail <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input type="checkbox"/> Email: <a href="mailto:racined@cityofnampa.us">racined@cityofnampa.us</a>
James Anderson Deputy Chief Examiner Idaho Department of Insurance 700 W. State Street, 3 <sup>rd</sup> Floor P.O. Box 83720 Boise, ID 83720-0043	<input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email: <a href="mailto:james.anderson@doi.idaho.gov">james.anderson@doi.idaho.gov</a>

  
\_\_\_\_\_  
Jan Noriyuki  
Paralegal

**EXHIBIT**

**A**

exhibitster.com

DEPARTMENT OF INSURANCE

STATE OF IDAHO



REPORT OF EXAMINATION

Of

CITY OF NAMPA EMPLOYEE WELFARE BENEFIT TRUST  
(a self-funded health care plan)

as of

September 30, 2024

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Nampa, ID  
February 12, 2026

The Honorable Dean L. Cameron  
Director of Insurance  
State of Idaho  
700 West State Street  
P.O. Box 83720  
Boise, Idaho 83720-0043

Dear Director:

Pursuant to your instructions, in compliance with Idaho Code § 41-219(1) and in accordance with the practices and procedures promulgated by the National Association of Insurance Commissioners (NAIC), we have conducted an examination as of September 30, 2024, of the financial condition and corporate affairs of:

City of Nampa Employee Welfare Benefit Trust  
411 3<sup>rd</sup> Street S.  
Nampa, ID 83651

Hereinafter referred to as (the "Trust"). The following report of examination is respectfully submitted.

## **SCOPE OF EXAMINATION**

### *Period Covered*

We have performed our single state examination of City of Nampa Employee Welfare Benefit Trust (the “Trust”). The prior exam was completed as of September 30, 2019. This examination covers the period of October 1, 2019, through September 30, 2024, and subsequent.

### *Examination Procedures Employed*

Our examination was conducted in accordance with Idaho Code §§ 41-219(1) and 41-4013(1). Due to the nature of the Trust the examination was conducted as a modified risk-focused examination; key exhibits from the NAIC *Financial Condition Examiners Handbook* were utilized and customized as appropriate for this examination.

The Trust retained the services of a certified public accounting firm, Eide Bailly, LLP, to audit its financial records for the years under examination. The firm provided the examiner with access to requested work papers prepared in connection with its audit. The external audit work was relied upon when deemed appropriate.

All accounts and activities of the Trust were considered during the examination process. The initial phase of the examination focused on evaluating the Trust’s corporate governance and control environment, as well as its business approach, in order to develop an examination plan tailored to the Trust’s individual operating profile.

Interviews were held with key personnel associated with the Trust to gain an understanding of entity’s operating profile and control environment.

The examination relied on the findings of the actuarial firm, Lewis & Ellis Actuaries and Consultants, contracted by the Idaho Department of Insurance (the “Department”) to review the Trust’s Incurred But Not Paid (IBNP) liability.

A letter of representation certifying that administrative staff disclosed all significant matters and records was obtained from the Finance Official and was included in the examination work papers.

### *Status of Prior Examination Findings*

The prior examination of the Trust resulted in no adverse regulatory findings, with no recommendations included in the Report of Examination as of September 30, 2019.

## **SUMMARY OF SIGNIFICANT FINDINGS**

Our examination did not disclose any material adverse findings or any adjustments that impacted the Trust’s reported net assets.

## **SUBSEQUENT EVENTS**

We noted no significant subsequent events as of the date of this report.

## **TRUST HISTORY**

The City of Nampa (the “City”), as the plan sponsor and employer, created the Trust effective April 20, 2009. The purpose of the Trust is to receive contributions to the Employee Welfare Benefit Trust established by the City; to hold, manage, invest and reinvest the Trust property and all income from property; and to make distributions from the Trust Fund for covered expenses among other things.

The Trust was registered with the Department as a self-funded health care plan under the name “City of Nampa Employee Welfare Benefit Trust”, registration number 3968, effective June 18, 2009, and registered and regulated under Title 41, Chapter 40, Idaho Code.

Prior to October 19, 2016, the Trust provided health care benefits to all full-time employees of the City who regularly work thirty (30) hours or more per week and are paid on a regular, periodic basis through City payroll, and their dependents. Coverage began on the first day of the following month after hire date.

Subsequent to October 19, 2016, the Trust began providing health care benefits to individuals (and their dependents) who work for the City on a regular basis, working at least twenty (20) hours per week and paid through City payroll. Coverage starts on the first day of the month following the hire date. Individuals paid by commission only, seasonal employees, and contractors are not eligible for health care benefits.

### *Dividends and Capital Contributions*

During the examination period, the Trust reported no dividends or capital contributions.

### *Mergers and Acquisitions*

During the examination period, the Trust reported no mergers and acquisitions.

### *Surplus Debentures*

During the examination period, the Trust reported no surplus debentures.

## **TRUST RECORDS**

The meetings of the Board of Trustees (the “Board”) were conducted anywhere from two to five times per fiscal year based on meeting minutes that were made available to the Department. The Finance Official indicated in writing that Trustees meet more than quarterly to discuss Trust issues, but documentation of these meetings was not retained in accordance with Idaho Code § 41-4011.

The Trust Agreement does not require a minimum number of meetings; however, the Trust Agreement allows any one of the Trustees to call a meeting of the Trustees at any time by giving at least seven (7) days written notice. Meeting minutes contained documentation of insurance policy renewal, review of claims trends, financials, reserves, and other matters affecting the Trust.

The Prior Examination Report as of September 30, 2019, was distributed to and reviewed by the Board in December 2021, in accordance with Idaho Code § 41-227(6)(a).

**MANAGEMENT AND CORPORATE GOVERNANCE**

The Trust Agreement gives the power to create a Board of Trustees consisting of City of Nampa employees who hold key positions within the City related to Finance and Human Resources. In an amendment to the Trust Agreement, effective January 13, 2023, the Trust Agreement allows for up to three Trustees: [1] employee with the highest supervisory responsibility over the city finances and finance department (“Finance Official”), [2] employee with the highest supervisory responsibility within the Human Resources Department (“HR Official”), and [3] an eligible employee selected and appointed by the first two Trustees detailed above. If any key position is vacant, the Trust Agreement allows for either the Finance Official or the HR Official to act as the sole Trustee.

The Trustees serve until death, incapacity, resignation, disqualification, or removal as provided under the Trust Agreement. Trustees who serve as the Finance Official or HR Official continue in such capacity only for the duration of their employment in their respective positions with the City of Nampa. Any third Trustee appointed to the Board serves a maximum term of three years and may not serve more than two consecutive terms.

As of September 30, 2024, the following were serving as Trustees:

<u>Name</u>	<u>Principal Occupation</u>	<u>Trust Position</u>
Doug Racine	Chief Financial Officer	Finance Official
Marissa O’Brien*	Human Resources Director	HR Official
Peter McPherson	Chief Operations Officer	Trustee

*\*Marissa O’Brien resigned from her role on September 19, 2025 and the position has not been replaced as of the date of this report.*

The Trust did not have any committees during the examination period.

## *Agreements and Contracts*

The Trust had the following agreements in effect on September 30, 2024:

### Administrative Service Agreement

Effective February 1, 2017, the Trust entered into an Administrative Service Agreement with the City of Nampa. The agreement is perpetual in nature and either party can terminate the agreement by providing ninety (90) days' written notice to either party. The agreement states that the City will make certain administrative services available to the Trust. Those services include accounts payable, claims reconciliation, investment oversight, annual audit preparation, Trustee management, and other related services.

The Trust maintains an Administrative Service Agreement with Blue Cross of Idaho Health Service, Inc., (BCI) that automatically renews unless terminated by either party with 90 days written notice. Under the agreement, BCI provides general administrative services including preparation of the Summary Plan Document, maintenance of eligibility files, issuance of ID cards, and preparation of weekly, monthly, and annual claims reports. The agreement was amended twice in 2023: first, to include COVID-19 related benefit provisions, and second, to increase service fees within allowable limits.

### Consulting Agreement

Effective October 1, 2019, the Trust is party to a Consulting Agreement with Arthur J. Gallagher & Co. and remains in effect through September 30, 2024. The consultant will provide the Trust consulting services, including periodic plan financial reports, renewal analysis, benefit administration assessment and various other services. The consulting period automatically gets renewed on each anniversary date and either party can terminate this agreement by giving the other party at least thirty (30) days written notice of its intent to terminate.

## **FIDELITY BONDS AND OTHER INSURANCE**

A fidelity bond was maintained by the Trust for the protection against fraud or dishonesty of losses or damages to an employee benefit plan committed by an employee. The policy meets the minimum requirements specified in Idaho Code § 41-4014(3). The insurance company providing coverage to the Trust is licensed or otherwise authorized in Idaho.

## **PENSION AND INSURANCE PLANS**

The Trust provides health care benefits to individuals who work for the City on a regular basis, working at least the number of hours in a normal work week, but not less than twenty (20) hours per week and are paid on a regular, periodic basis through City payroll, and their dependents. Benefits include health, dental, prescription, and vision insurance, as well as retirement through the Public Employees Retirement System of Idaho (PERSI). Individuals compensated by commission only, seasonal employees, and contractors are not eligible for health care benefits.

## PLAN OF OPERATION

The Trust was registered with the Department under the name “City of Nampa Employee Welfare Benefit Trust” effective June 18, 2009. It operates as a self-funded health care plan under Title 41, Chapter 40 of Idaho Code. The Trust maintains and administers medical, dental, and pharmacy benefits. Participants include full-time and part-time (20 hours/week) employees of the City and their dependents.

## GROWTH OF THE TRUST

The following is a summary of significant financial data for the fiscal years covered by the examination based upon the audited financial statements filed by the Trust with the Department:

<u>Year</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Net Assets</u>	<u>Change in Net Assets</u>
2020	\$ 3,758,997	\$ 419,253	\$ 3,339,744	\$ 736,394
2021	\$ 3,921,389	\$ 368,956	\$ 3,552,433	\$ 212,689
2022	\$ 3,354,455	\$ 299,340	\$ 3,055,115	\$ (497,318)
2023	\$ 2,985,126	\$ 480,008	\$ 2,505,118	\$ (549,997)
2024	\$ 2,773,217	\$ 621,708	\$ 2,151,509	\$ (353,609)

## EXCESS OF LOSS COVERAGE

Throughout the examination period, the Trust maintained Excess of Loss coverage with BCI. This coverage establishes a per-individual claim limit per year. As of September 30, 2024, the agreement provided for specific excess of loss in the amount of \$175,000 and an aggregate excess loss factor of \$1,488.50 per enrollee per month. The provider is authorized as an insurer in the State of Idaho.

## ACCOUNTS AND RECORDS

### *General Accounting*

The Trust’s business and accounting records were maintained at the office of the City of Nampa. The Trust utilizes Tyler Technologies to maintain and track financial information. Claims data were maintained by the Trust’s claims service administrator, BCI.

### *Independent Auditor*

The annual independent audits of the Trust for the fiscal years ending September 30, 2020, through September 30, 2024, were performed by Eide Bailly, LLP, Boise, Idaho. In the auditor’s opinion, the financial statements presented fairly the financial position of the Trust in accordance with accounting principles generally accepted in the United States of America. Work papers and other documents as requested were provided to the examiners during the examination. Audit workpapers were relied upon where deemed appropriate.

*Actuarial Certification*

Actuarial certifications during the examination period were prepared by Arthur J. Gallagher & Co.

Review of the IBNP claim reserve by the examining actuary determined that the actuarial methodology utilized in the reserve process appeared to be reasonable, and that the IBNP reported at September 30, 2024 appeared to be reasonable.

**FINANCIAL STATEMENTS**

The following financial statements are based on the audited financials filed by the Trust with the Department and present the financial condition of the Trust for the period ending September 30, 2024.

The financial section of this report contains the following statements:

Statement of Fiduciary Net Position

Statement of Changes in Fiduciary Net Position

Reconciliation of Fiduciary Net Position

## Statement of Fiduciary Net Position

Assets	
Cash and cash equivalents	\$ 375,634
Investments	2,071,998
Employer contributions receivable	300,472
Plan member contributions receivable	<u>25,113</u>
Total assets	<u>2,773,217</u>
Liabilities	
Claims and accounts payable	197,708
Health claims incurred but not paid	<u>424,000</u>
Total liabilities	<u>621,708</u>
Fiduciary Net Position	<u><u>\$ 2,151,509</u></u>

## Statement of Changes in Fiduciary Net Position

### Additions

#### Contributions

Employer contributions	\$ 6,102,959
Plan member contributions	517,116
COBRA contributions	<u>26,059</u>

Total contributions 6,646,134

Prescription rebates	192,374
Transfer in from City	635,000
Unrealized gain on investments	68,738
Interest income	<u>100,478</u>

Total additions 7,642,724

### Deductions

Health claim benefits	6,894,677
Premiums	709,396
Administrative expenses	<u>392,260</u>

Total deductions 7,996,333

Change in Fiduciary Net Position	(353,609)
Fiduciary Net Position, Beginning of Year	<u>2,505,118</u>
Fiduciary Net Position, End of Year	<u>\$ 2,151,509</u>

### Reconciliation of Fiduciary Net Position

	<u>9/30/2020</u>	<u>9/30/2021</u>	<u>9/30/2022</u>	<u>9/30/2023</u>	<u>9/30/2024</u>
Fiduciary net position, end of previous year	\$ 2,603,350	\$ 3,339,744	\$ 3,552,433	\$ 3,055,115	\$ 2,505,118
Net change in net position	<u>736,394</u>	<u>212,689</u>	<u>(497,318)</u>	<u>(549,997)</u>	<u>(353,609)</u>
Fiduciary net position, end of current year	<u>\$ 3,339,744</u>	<u>\$ 3,552,433</u>	<u>\$ 3,055,115</u>	<u>\$ 2,505,118</u>	<u>\$ 2,151,509</u>

Analysis of Changes in Financial Statements Resulting from Examination

There were no changes to the notes to the financial statements as a result of this examination.

Comments on Financial Statement Items

There were no adverse findings or material changes to the financial statements resulting from the examination.

**SUMMARY OF RECOMMENDATIONS**

There were no material findings or recommendations rising to the level deemed necessary for inclusion into this report of examination.

## ACKNOWLEDGEMENT

Michael A. Mayberry, FSA, MAAA, of Lewis & Ellis Actuaries and Consultants, performed the actuarial phases of the examinations. He joins the undersigned in acknowledging the assistance and cooperation extended during the course of the examination by representatives of the Trust.

Respectfully submitted,

*Sophia Hernandez*

Sophia Hernandez (02/12/2026 14:02:25 MST)

Sophia Hernandez, APIR  
Examiner-in-Charge  
Idaho Department of Insurance



James Anderson, CFE  
Deputy Chief Examiner  
Idaho Department of Insurance

**AFFIDAVIT OF EXAMINER**

State of Idaho  
County of Ada

Sophia Hernandez, APIR, being duly sworn, deposes and says that they are a duly appointed Examiner for the Department of Insurance of the State of Idaho, that they have made an examination of the affairs and financial condition of City of Nampa Employee Welfare Benefit Trust for the period October 1, 2019 through September 30, 2024; that the information contained in the report consisting of the foregoing pages is true and correct to the best of their knowledge and belief; and that any conclusions and recommendations contained in this report are based on the facts disclosed in the information.

*Sophia Hernandez*

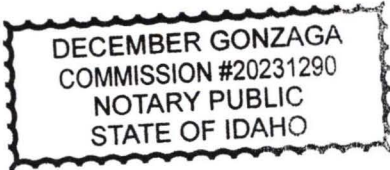
Sophia Hernandez (02/12/2026 14:02:25 MST)

Sophia Hernandez, APIR  
Examiner-in-Charge  
Idaho Department of Insurance

Subscribe and sworn to before me the 12<sup>th</sup> day of, FEBRUARY, at BOISE (City),  
IDAHO (State).

*[Signature]*

Notary Public



My Commission Expires: MARCH 15, 2029

# AFFIDAVIT OF EXAMINER

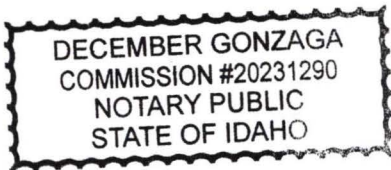
State of Idaho  
County of Ada

James Anderson, CFE, being duly sworn, deposes and says that they are a duly appointed Examiner for the Department of Insurance of the State of Idaho, that they have made an examination of the affairs and financial condition of City of Nampa Employee Welfare Benefit Trust for the period October 1, 2019, through September 30, 2024, that the information contained in the report consisting of the foregoing pages is true and correct to the best of their knowledge and belief; and that any conclusions and recommendations contained in this report are based on the facts disclosed in the information.



James Anderson, CFE  
Deputy Chief Examiner  
Idaho Department of Insurance

Subscribe and sworn to before me the 12<sup>th</sup> day of FEBRUARY, at BOISE (City),  
IDAHO (State).

  
Notary Public

My Commission Expires: MARCH 15, 2029