

**Everett School Employees Benefit Trust**  
**April 17, 2019 – Regular Meeting**  
**Minutes**

**Attendance**

Gregg Elder  
Larry Fleckenstein  
Susan Lindsey  
Jeff Moore  
Kelly Shepherd

**Absent**

Katy Bursch  
Adam Goldstein  
Darla Vanduren

**Also Attending**

Angela Erickson  
Shelly Henderson  
Randi Seaberg

**Recorder**

Kellee Newcomb

**Call to Order**

The meeting was called to order by Larry Fleckenstein at 4:01 p.m.

**Adoption of Agenda**

A motion was made by Jeff Moore and seconded by Kelly Shepherd to adopt the agenda as written. The motion passed unanimously.

**Adoption of Minutes**

A motion was made by Kelly Shepherd and seconded by Susan Lindsey to approve the minutes from the March 13, 2019 Regular Trust meeting as written. The motion passed unanimously.

**Investment Manager Presentation**

Jayson presented to the Trustees remotely. He explained that in the past the Hyas Group would also participate in this presentation; however, with the status of liquidity in the portfolio and the plan to wind down investments due to the move to SEBB, there was no need to have them participate. Jayson reviewed the March 31, 2019 Performance Report with the group.

With regard to the Trust's investment policy, Jayson said the total portfolio benchmark perspective is 0-5 years, the actual benchmark is now under one year. At this time, he recommends no revisions to the Trust's investment policy.

Jayson reviewed activity in the bond market and shared first quarter bond market data. He explained how the US Treasury yield curve has changed and is experiencing an inversion. Because of the liquidity of the portfolio, it has been harder for the managers to keep up with the benchmark. To meet the expenses of the Trust, Darla is drawing out approximately \$300,000 per month. With this in mind, and if everything continues the same, Jayson said after the month of May there is an estimated five months left in the total market value.

Jayson reviewed the maturity schedule with the group. He noted overall the portfolio retains a high-quality low risk focus. There are no specific action items for the Trustees to consider. Becker will continue to make sure there is enough cash in the account for Darla to pay the Trust's bills. This will continue unless the Trustees want something to change. An example of potential change would be to move to a money market account; however, Jayson said it might not be worth it with only 4-5 months left of the Trust.

Jayson also reminded the Trustees of some investments made by a previous investment manager. The sale of these holdings will be difficult as they are long maturity products with an end date of 2033. The Trustees asked Jayson to explore the sale of these products. He asked if the Trustees would be interested in selling all now and moving to a money market. They agreed to wait until Darla's return to delve deeper into that option. Jayson will get more details on selling the long maturity products and provide the information to Darla.

Jayson noted this may be his last presentation to the Trustees and said it has been a pleasure serving the Trust and he appreciates the relationship. The Trustees thanked Jayson and Becker for the work they have done on the Trust's behalf and said it has been a pleasure working with such a professional company.

The Trustees said they would like to discuss with Darla at the next meeting where the Trust sits financially going forward.

### **Financials**

The March 2019 financials were previously provided electronically but were not discussed because Darla was not present at the meeting.

### **Wellness Program Update**

Based on the move to PEBB, Shelly asked whether or not she should begin to cut some programs, such as Weight Watchers. At this time, the Trustees do not know all of the details of PEBB but feel there will be some difficult decisions to be made regarding the Wellness program. Shelly shared that she is waiting to hear what will happen to the Wellness program once the Trust ends but is also planning for her family's future. The Trustees noted they understood the position she is in. Shelly reviewed the March 2019 Wellness Program report with the group.

### **Benefits Department Update**

- **Quarterly EAP Report**

Randi reviewed the quarterly EAP report with the group. Overall utilization of the program is on track with past usage. Magellan has provided translated brochures in Spanish. Randi has requested additional translations be provided (e.g., Vietnamese).

- **Employee's Health Coverage Issue**

Randi shared that an employee contacted the benefits team, as well as some Trustees, regarding an issue with the employee's coverage. This employee has been with the district for a number of years. During open enrollment, the employee wanted to switch from an Aetna plan to a Kaiser Permanente plan. On Employee Online there are two portals that staff can use to make changes to their medical plans. One is for staff who are new to the district and hired in the middle of the school year (not during Open Enrollment). The other portal is designated for staff to use during Open Enrollment. When the employee logged into Employee Online to make the modification, the wrong portal was selected. This triggered an error to the benefit's team which generated an email back to the employee letting them know that their modification request was in error and was not accepted. The email stated that they needed to complete the change request in the correct portal. However, the employee did not make the change as requested. The Trustees asked if someone from the benefits team reached out to the employee. Randi explained the process for communicating with employees when changes are made. Typically, all communications from the benefits team are done by email.

In March, the employee reported to the benefits team that they had attempted to use their Kaiser Permanente medical coverage but were told by Kaiser Permanente that they were not covered. When researching this issue for the employee, the benefits team determined that the employee was still covered under their Aetna plan. However, the employee is asking that the Trustees allow them to switch now from Aetna to Kaiser Permanente, which is the plan they had attempted to change to during Open Enrollment.

The Trustees discussed the employee's situation and shared their thoughts. Randi shared that there are a small number of employees who make this same mistake annually. She also noted there are other employees who incorrectly made or did not make modifications to their medical plans, and then were disappointed when they found out after Open Enrollment closed that they could not make the change they had wanted. Employees may only make modifications to their existing plans during Open Enrollment. Outside of Open Enrollment, the only way an employee can change an existing plan is in the event of a life-changing event, such as marriage, divorce, birth of a child, etc.

After discussion, a motion was made by Gregg Elder and seconded by Jeff Moore to allow the staff member to switch from their current Aetna medical plan to a Kaiser Permanente plan. The motion did not pass. Yes votes: Gregg Elder and Susan Lindsey. No votes: Larry Fleckenstein, Jeff Moore, and Kelly Shepherd. Randi will follow up with the employee regarding the Trustees' decision.

- Follow up regarding decision for Dr. Monica Meadows' medical plan

In follow up to public comment at the March 13, 2019 Trust meeting, Randi shared that after talking with the Trust's legal counsel, Dr. Meadows' family will be enrolled in dental and vision coverage retroactive to January 1, 2019. They were already covered on her current medical plan. Additionally, information was provided to Dr. Meadows regarding her option to enroll in a health savings plan. Randi noted that at this time, Dr. Meadows has yet to take required steps needed to enroll. Since Gregg works at the same school as Dr. Meadows, he offered to touch base with her regarding the next steps she needs to take if she wishes to enroll in a health savings plan.

### **Approve Annual Regular Meeting Calendar**

The Trustees reviewed the draft 2019-20 regular Trust meeting calendar which was presented at the March 13, 2019 Trust meeting. A motion was made by Gregg Elder and seconded by Jeff Moore to approve the 2019-20 regular Trust meeting calendar. After the motion was made the Trustees discussed if the schedule as proposed would be accurate without knowing what was going to happen with the move to PEBB. Because of the uncertainty with the move to PEBB, the motion was withdrawn. The Trustees agreed to wait until the May 15, 2019 Trust meeting to make a decision on the 2019-20 meeting calendar.

### **Upcoming May Agenda items**

The Trustees reviewed the upcoming May meeting items.

### **Adjournment**

The meeting was adjourned by Larry Fleckenstein at 5:30 p.m.

Sincerely,

Larry Fleckenstein  
Secretary

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