

**Everett School Employees Benefit Trust**  
**September 22, 2008**  
**Board Room**  
**4:00 pm**

<b>Attendance</b>	<b>Also Attending</b>	<b>Recorder</b>
Mike Gunn	Randi Seaberg	Susan Sacha
John Morrill	Gail Buquicchio	
Wayne Kettler	Sean White	
Susan Lindsey	Tom Pursley	
Molly Ringo	David Williams (Mercer)	
Betsy Selders	Melanie Curtice	
	Arlene Vollema-Rich	
	Rene Boswell	

**1. Call to Order**

The meeting was called to order by Betsy Selders at 4:05 pm. Tom Pursley introduced David Williams an investment analyst from Mercer.

**2. Adoption of Agenda**

The agenda was approved as written.

**3. Approval of Minutes**

The minutes from the August 25<sup>th</sup> meeting were revised and approved.

**4. Consultant Report**

**a. Investment Management Report**

Tom provided a handout entitled "Fixed Income Investment Education, Guideline and Fee Review" and briefly reviewed the purpose of the report. David Williams provided clarification on interest rate risk and gave his opinion on the investment guidelines, fee information and options for the trustees. Discussion followed. It was felt that the purchase of long-term securities was a concern; there was a need to tighten up the investment policy statement language, regular performance and commission reporting from the investment manager was needed, and obtaining a fee commission schedule and determining fiduciary standing was important. Mercer presented several asset management options including continuing the current direct relationship with the investment manager (Curt Haldorson, Smith Barney); hiring an investment consultant to assist the trustees with fiduciary obligations of selection and monitoring the investment manager; or outsourcing the fiduciary obligation for selecting and monitoring the investment manager. John felt maintaining a direct relationship with Curt with clear guidelines and monitoring was enough. Molly felt the Trust should have another discussion with Darla present. Tom felt it was also important to have the investment manager attend to give his perspective. It was decided that Attorney Melanie Curtice would work with David and bring back a revised draft policy for the trustees to review however Melanie felt it was important for Curt to talk with the trustees before the policy was finalized. In the meantime, it was decided that Betsy would have Darla inform Curt not to buy any securities with an asset duration over five years.

**b. 2009 Plan renewals and rates (continued)**

Sean reviewed the Paid Claims Experience report which provided information on self-insured medical claim activity, including prescriptions, for the first eight months of the 2008 plan year. He reported that the recommended plan funding is up 1.9% and that the plans are performing well.

Sean summarized the results of the decision matrix review that was done at the last meeting and asked the trustees for their approval. A motion was made and seconded to approve the 2009 budget and plan offerings as described by Sean. The motion passed. Sean will provide a summary for the October 13<sup>th</sup> meeting.

Molly recommended setting up a meeting in the next couple of weeks to make some final decisions about program participation fees. It was decided to meet on Monday, September 29<sup>th</sup> at 4:00 p.m.

Sean distributed information on the health risk assessment. The report was a summary and detailed analysis of the vendor options for health risk assessment, lifestyle management and web portal services. Sean reported that there was a fair amount of overlap between the web services that are included with Health Fitness and Staywell and what is offered through Health Force Partners. As a result, Mercer requested a proposal from Wellsource to provide health risk assessment and lifestyle management services that could be plugged into the Health Forcer Partner web portal so that Health Force could remain an option for consideration by the trustees. The three vendors were rated and based on these ratings Mercer is recommending Health Fitness and Health Force Partners/Wellsource and is suggesting these vendors provide the trustees with 30-45 minute presentations. The trustees agreed with Mercer's recommendation and the presentations will be held in November.

**c. Stop Loss Insurance**

Sean reported that the preliminary increase from Sunlife is 9.6% which is well below what's in the market place. Mercer says this is a very favorable renewal.

**5. Open Enrollment**

Randi reported that open enrollment is scheduled for October 20 through November 17. Information will be communicated in several ways including the HR/Payroll monthly e-mail, posters that will be distributed to sites, and staff presentations. Gail will be visiting schools during lunch and after school to provide information about the Wellness program and open enrollment. The goal is to communicate with staff without overwhelming them. Randi asked the trustees to notify HR about any questions they may receive so that communications can be adjusted if needed.

**6. Wellness**

Gail provided a wellness update and a list of accomplishments.

**7. Annual Calendar**

N/A

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Minutes - continued

**8. Other**

N/A

**9. Adjournment**

The meeting was adjourned at 6:45 pm.

Sincerely,

Molly Ringo  
Secretary