

**Everett School Employees Benefit Trust**  
**January 12 2009**  
**Board Room**  
**4:00 pm**

**Attendance**

John Morrill  
Wayne Kettler  
Susan Lindsey  
Molly Ringo  
Betsy Selders

**Also Attending**

Darla Van Duren  
Randi Seaberg  
Curt Haldorson

**Recorder**

Susan Sacha

**1. Call to Order**

The meeting was called to order by Betsy Selders at 4:05 pm.

**2. Adoption of Agenda**

The agenda was adopted as written.

**3. Approval of Minutes**

The minutes of the December 8<sup>th</sup> meeting were approved as written.

**4. Financial Report**

Darla distributed and reviewed the financial report for December. She reported that:

- Trust Consultants invoicing for November was more than the offset of commissions so there is no change to the prepaid balance \$(12,905).
- Increase in fund balance for December was \$378,340 resulting in an overall increase for the year of \$646,137.
- December 2009 fund balance was \$12,152,305 compared to \$9,658,351 a year ago. Overall assets for this fiscal year total \$13,289,604 compared to \$10,879,351 a year ago.
- Investments for December included the purchase of two CDs and the maturity of six CDs.
- Net appreciate in market value included the purchase of one government bond and the redemption of two government bonds.
- Legal fees of \$15,741 were paid in December for a total of \$43,126 for the fiscal year.
- HMA claims were \$125,570 less than December 2007 with overall claims totaling \$329,329 more than in 2007.
- ESI claims were \$12,046 less than December 2007 partly due to the quarterly rebate (\$17,280.75) that was received. Overall claims were \$51,530 more than in 2007.

Darla reported that the Auditor from the Office of Financial Management was in the district. Betsy was able to hear the reports at the end of the audit. The auditor was very impressed with the Trust, its record keeping, administrative book and accounting practices. He stated that it was always nice to start with a district that was doing well since many are not.

### **5. 2<sup>nd</sup> Quarter Investment Update**

Curt Haldorson presented the second quarter investment update. The Trust already owns a number of CDs and the current rate is 1.4% in the money market. This will change depending on what is happening with the federal rates. Curt is looking at government agency one year call or one & a half to two year features however they are currently very far and few between. Performance wise last year was positive by 4.3%. After fees 4%. Rates are coming down and there is more demand for higher yield investments. Callable agency bond was purchased to replace what was sold. Since the interest rate is low, its a big challenge for Curt to find good investments. Larger investments are in a number of banks where we have \$230,000 or \$240,000 but Curt doesn't want to go over \$250,000 due to the FDIC. The demand for the really good investments that the Trust already owns has gone up which makes more money for the Trust.

Curt has had several good conversations with investment consultant Jayson Davidson, and will be doing some due-diligence meetings. They will be reviewing the last seven years to see what commissions were paid and what were not and whether the commission costs were paid by the banks. Curt has a tentative meeting scheduled with Jayson in mid-February and requested a letter of authorization so that he can share information with Jayson. Curt is continuing to look for four to eight year-out maturity investments, but the best rates right now are around the ten year maturity. He feels it will be huge challenge to find those rates and currently thinks CDs are the best investment for now.

### **6. Fiduciary Liability Insurance Update**

Molly reported that Melanie Curtice and Howard Bye are recommending the Trust renew their fiduciary liability insurance coverage at the current price. A motion was made and seconded to renew the fiduciary liability insurance policy at \$1 million. The motion passed.

### **7. Open Enrollment Update**

Randi provided the trustees with the open enrollment numbers (November 30, 2008 to January 1, 2009). Overall the plans stayed pretty stable with some members changing within plans. PPO1 stayed the same, PPO2 increased by two, PPO3 lost fourteen members, Group Health lost one member, Pacific Care stayed the same, WDS dropped by eighteen, Willamette was down by three and short-term disability gained four. For the most part the enrollment process went very smoothly. Randi said that plans are to register via Employee On-line next year.

Six or seven members had consults with Sound Health Solutions before winter break to decide if they wanted to use their flexible plan. Randi said nine people visited the program but she doesn't know how many registered.

Randi was very pleased with the working relationship with Magellan. She said they have already sent more information than the other company did in the two years they were with the Trust. For example Magellan provided information about flooding. Information was distributed to principals for their buildings.

### **8. Wellness**

Randi spoke on behalf of Gail who was attending a meeting with the Wellness representatives where over 40 people were scheduled to attend. Other Wellness program highlights included:

- Weight Watchers at Work. Weight loss to date was approximately 750 pounds. New meetings were beginning at the end of the month at Eisenhower and Gateway.
- Eight Weeks to Wellness. Class began with over 65 people registered at six district sites. Gail has received very favorable responses and enthusiasm from members of the group.
- Activity Classes. Strength and Tone classes offered at Athletics are full with six participants receiving training from a personal trainer. Yoga classes will continue at Jefferson with three additional classes being added at several other sites. Zumba classes have been opened up at several elementary schools and an additional class will be added at a location not yet determined. An e-mail had been sent out to all staff regarding discount memberships to local gyms.

Randi presented a proposal from Gail regarding Weight Watchers at Work. A minimum amount of people are required to conduct a meeting and there could be a possibility that the minimum might not be met at some sites. She asked if the Trust would consider subsidizing three to five memberships or provide scholarships so that meetings can proceed at all proposed locations. Discussion followed.

Gail also asked for direction from the trustees regarding what she should say about the funding for the Wellness program and her salary. Randi said she had advised Gail to continue what she has been doing to get the word out that she was paid by the Trust and not a district employee. Molly suggested Gail distribute information at various classes or meetings. Principals could also distribute information at their faculty meetings.

### **9. Annual Calendar**

N/A

### **10. Other**

N/A

### **11. Adjournment**

Meeting was adjourned at 5:20 pm.

Sincerely,

Molly Ringo  
Secretary