

Everett School Employees Benefit Trust
Monday, January 30, 2012
Minutes

Attendance

Mike Gunn
David Jones
Susan Lindsey
John Morrill
Molly Ringo
Betsy Selders

Absent

Also Attending

Gail Buquicchio
Randi Seaberg
Darla Vanduren

Recorder

Kellee Newcomb

Call to Order

The meeting was called to order by David Jones at 4:01 p.m.

Adoption of Agenda

The agenda was accepted as written.

Approval of Minutes

A motion was made by Molly Ringo and seconded by John Morrill to approve the minutes from the December 12, 2011 meeting as written. The motion passed unanimously.

Financials – Darla Vanduren

Monthly financials

Darla provided the December financials and reviewed the highlights with the Trustees.

Balance Sheet – The fund balance for December 2011 decreased \$(127,344) resulting in an overall decrease for the fiscal year of \$(1,461,705). The consultant's fees credit balance remains at \$1,798. Corporate obligations (CD's) had no activity. Government obligations had pay downs of \$1,731.

The fund balance comparison was \$8,351,396 compared to \$11,431,349 in December 2010. Overall assets for this fiscal year total \$9,822,396 compared to \$12,773,349 a year ago.

The Statement of Operations and Fund Balance indicates payments to: Alere Wellbeing for the "Quit for Life" program of \$817; HealthForce for the Wellness Challenge portal of \$8,756; the Wellness Program for monthly expenses of \$13,597; the bank for fees in the amount of \$11; Stoel Rives for ongoing legal fees for October services of \$2,435; for office supplies in the amount of \$82; and \$4,375 for Investment Consulting to Hyas, Inc. for quarterly fees.

HMA claims were \$34,516 more this December than December 2010. ESI claims were \$35,133 more this December than December 2010. Overall HMA claims this year were \$551,228 less than in 2010 and ESI claims were \$96,110 more this year than in 2010. This amount includes a rebate of \$38,657.50.

Things to note: The Trust received a refund check from Sun Life this month in the amount of \$1,424.06. The Trust received a rebate check from ESI this month in the amount of \$38,657.50.

In follow up from last month's meeting, Darla reported she had renewed the fiduciary liability insurance. She noted the cost went down again. She also noted that all 1099 forms have been mailed out on behalf of the Trust. Darla informed the Trustees that next month's expenses will be higher as all premiums and claims will be paid in January.

Darla will be out of town and will miss the February meeting; however, she will provide the Trustees with the January financials prior to the February meeting.

Wellness Program Report – Gail Buquicchio

Gail provided the Trustees with a report of Employee Wellness Program activities for the month of January. She noted the 2011 Wellness Challenge is completed. Debit card incentives will be provided to 326 participants which Gail will hand deliver. She noted she has received wonderful testimonials from participants who felt the Wellness Challenge helped them to stay on track. She was encouraged by the positive feedback received. The 2012 Wellness Challenge is underway with 501 staff enrolled and 440 who have taken the health risk assessment. She noted that health coaching is an area being underutilized and participation in fitness classes is low. She is not sure why this is but will continue to monitor it. Weight Watchers at Work meetings have begun and users are very excited about the subsidy the Trust is providing. February is American heart month and events are planned throughout the district that includes healthy potlucks and blood pressure screenings.

Human Resources Update

- **Open Enrollment Update**

Randi reported the change to Premera has gone smoothly and Premera continues to be very responsive to the district. They are planning next steps including service days with Premera representatives visiting buildings to answer staff questions regarding the new plans and utilization of services. Once scheduled the service days will be advertised to staff. One area of difficulty has been for staff who have adult disabled dependents and have to recertify their dependents. Premera has been helpful in working with staff regarding the new criteria and helping to process the paperwork.

Gail commented on the WEA's Wellness Program. She met with staff from Premera and AON Hewitt last month. She was concerned that WEA's Wellness plans might conflict with the launch of the 2012 Wellness Challenge. They have their own health risk assessment and will be advertising that soon to staff. Gail requested that they use language for their plan that is different from Everett Public Schools; however, they indicated they were not able to do that. As previously noted, the WEA will not provide the district with any specific data from their HRA.

Betsy asked Randi to request that Premera bring a representative or information packets for Medco, the new online pharmacy, during the services days. Some staff have reported to her that prescriptions that were previously covered are now being denied. She said clarity for staff is needed on the whole process for getting new prescriptions. Randi said she will make the request.

- **Quarterly EAP Report**

Randi provided the Trustees with a summary of the EAP report and reviewed the information with the group. Molly asked what the usage comparison was between 2010 and 2011. Randi stated the comparison was within 2%. Randi indicated some employees have suffered significant losses this year and were thankful for the referral to Magellan. They continue to be a good provider for Everett Public Schools; however, Randi wishes more employees used the service.

Investment Policy Update – Molly Ringo

Molly provided information from Jayson in follow up to a question from the Trustees at the December meeting regarding specifying the duration time frame of the Trust's investments. The previous policy had a reference to no longer than 10 years for length of investments. Jayson clarified in an email to Molly that the reference was removed because the duration time frame is not necessary due to the fact that the revised policy specifies maturities will be ladder to match cash flow requirements. This means that securities would not be purchased outside of the time frames required to meet the provided cash flows.

HCA K-12 Health Benefits Update – Molly Ringo

Molly provided copies of The K-12 Public School Employee Health Benefits Report Executive Summary. She noted the recommendation from the HCA is a hot topic right now in the legislative session. John added that there is a statewide consolidation bill in the senate (SB 6442) that has 26 senators signed on in support. He noted the WEA is in opposition to this bill and is taking steps to lobby against it. The group discussed the intent of the HCA's recommendations and the possible ramifications of the proposed senate bill.

Review of Annual Calendar & Meeting Calendar

No changes.

Adjournment

A motion was made by Betsy Selders and seconded by Mike Gunn to adjourn the meeting. The meeting was adjourned at 4:32 p.m.

Sincerely,



John Morrill
Secretary

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