

Everett School Employees Benefit Trust
Wednesday, September 19, 2012
Minutes

Attendance

Mike Gunn
Jennifer Green
David Jones
Jared Kink
Susan Lindsey
John Morrill
Molly Ringo

Absent

Also Attending

Liz Abersold
Rene Boswell
Gail Buquicchio
Aanya Lee
Randi Seaberg
Darla Vanduren
Arlene Vollema-Rich
Sean White

Recorder

Kellee Newcomb

Call to Order

The meeting was called to order by Susan Lindsey at 4:04 p.m. Susan welcomed new Trustee Jennifer Green to the meeting. Clarification was made that for tonight's meeting, John Morrill would be the acting Trustee. Jennifer was in attendance as a non-voting member. John will retire after tonight's meeting and Jennifer will become a voting member of the Trust.

Adoption of Agenda

A motion was made by David Jones and seconded by Mike Gunn to approve the agenda as written. The motion passed unanimously.

Approval of Minutes

A motion was made by John Morrill and seconded by Jared Kink to approve the minutes from the August 29, 2012 meeting as written. The motion passed unanimously.

Financials

Monthly Financials

Darla provided a draft statement of benefit obligations and net assets available for benefits – modified cash basis as of June 30, 2012. Monthly financials for July and August will be provided when finalized.

Annual Audit Review & Approval

Darla provided the group with draft notes to the financial statements for the annual audit. She noted there have been no changes since the Trustees last reviewed the information in July. The group discussed the information and Darla provided clarification. She explained that run out claims are still coming in weekly and adjustments will be made for claims but that they will eventually stop. The Trustees asked for corrections to be made that Darla will share with the auditor. A motion was made by Molly Ringo and seconded by Jared Kink to approve the annual audit report with the corrections and modifications discussed at this meeting. The motion passed unanimously.

Policy Review

At the August meeting the Trustees asked Melanie and Howard to review Trust policies 220, Investment Guidelines and Rules and 250, Fund Balance and Solvency to determine whether changes needed to be made in light of the move from self-funding medical benefits to purchasing group medical insurance through Premera. Molly provided a summary statement from them stating they did not recommend any changes to the policies at this time.

Also provided was an outline with suggestions that the Trustees exercise restraint when considering any reduction in the Trust fund balance for the 2013 plan year due to uncertainty caused by federal and state law changes. For the 2011-13 fiscal biennium the state provides \$768 per full-time equivalent employee.

At this point in time, it is impossible to know whether this amount will be increased, decreased or remain the same for the next fiscal biennium. If the state-provided funding is reduced, the difference between the \$768 and the reduced amount will need to be funded, either by the district or by participants. Again, for these reasons, Melanie and Howard feel it seems prudent to not reduce the Trust fund balance during the 2013 plan year in connection with 2013 health insurance renewal. 2014 will also be a big year for changes and there is still a lot that is unknown.

Consultant Report – Sean White

Finalize plan renewals and rates for upcoming fiscal year

Sean reviewed the scenarios with the group. He noted the employee contributions in the scenarios are lower than the benchmarks. The group reviewed the benchmarking data and discussed the differences in benefit costs for Everett Public Schools staff vs. the market average. Sean pointed out that assuming the same levels of increase if the Trust continued with the status quo, projected year end reserves would run out at the end of 2014. The Trustees discussed this information and how to provide the best benefit to employees while still maintaining a fair and equitable distribution of the cost and complying with the primary requirements of ESSB 5240. In the past the Trust could modify the plan offerings to assist in the cost to employees, but with the move from self-insured plans the Trust no longer has that option. A motion was made by David Jones and seconded by John Morrill to adopt the 2013 Budget – Scenario 4 with the suggested rate structure adjustments discussed at this meeting. The motion passed unanimously.

Approve Annual Budget

A motion was made by Mike Gunn and seconded by Jared Kink to adopt the 2013 budget based on the rate structure adjustments previously approved for the scenario 4 plan renewal. The motion passed unanimously.

Wellness Program

Gail provided an employee wellness program report for September 2012 and reviewed it with the group. She talked about the goals for the fifth year of the wellness program. With the approval of the 2013 budget, Gail can now move forward with the Weight Watchers at Work program for this year. She also talked with the group about the awards recognition the wellness program has received.

Human Resources

Randi reported the annual open enrollment period will begin on October 19 and run through November 15. Communication to staff will be provided starting the week of October 19. Enrollment will be all electronic through the Employee Online system. Support for employees will be offered through meetings with representatives from the benefits office and representatives from Premiera and Group Health. The group discussed how the process went last year and what a good job the benefits staff did, especially with the maintenance and food services departments. Randi asked the Trustees to contact her with any questions they may have or any questions they receive from employees.

The group discussed how the discontinuation of WEA Plan 1 was going for district employees affected by the change. Randi reported thirty-four employees were affected by the change and all but three have been taken care of. The Trustees thanked the benefits staff for their work in this area. Another area for the benefits staff to work through this year is regarding FSA and HSA plans. Payroll staff and benefit staff have met to discuss these plans. For this year they are looking into flex plans.

Review of Annual Calendar & Meeting Calendar

The group reviewed the planned October meeting topics.

Other

The group thanked John for his hard work on the Trust and wished him well in the future.

Adjournment

The meeting was adjourned by Susan Lindsey at 5:36 p.m.

Sincerely,



Molly Ringo
Secretary

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