

Everett School Employees Benefit Trust
Wednesday, September 25, 2013
Minutes

Attendance

Gregg Elder
Mike Gunn
Jared Kink
Susan Lindsey
Molly Ringo
Kelly Shepherd

Absent

Gail Buquicchio

Also Attending

Cris Bosket
Randi Seaberg
Darla Vanduren
Arlene Vollema-Rich
Sean White

Recorder

Kellee Newcomb

Call to Order

The meeting was called to order by Molly Ringo at 4:01 p.m.

The Trustees introduced themselves to the audience members. Guests included Ed Wolf of the Public School Employees of Washington SEIU 1948; Laura Rogers, President of the Everett Association of Paraeducators; Cathy Rupe, SEIU Food Services Representative; and Matt Edgerton, SEIU 925 Representative.

Molly reported Gail would not be in attendance due to a family emergency.

Adoption of Agenda

A motion was made by Jared Kink and seconded by Susan Lindsey to approve the agenda as written. The motion passed unanimously.

Approval of Minutes

A motion was made by Kelly Shepherd and seconded by Jared Kink to approve the minutes from the September 18, 2013 meeting as written. The motion passed unanimously.

Financials

Approval of annual audit

Darla provided an update to the audit report referenced at the September 18, 2013 meeting and reviewed the information with the group. She provided revised language for the Trustees' consideration related to estimated claims payable. A revision to the language is required as a result of the Trusts' move from self-insured plans to plans offered through the WEA. The Trustees discussed the proposed language and provided feedback. A motion was made by Mike Gunn and seconded by Jared Kink to approve the annual audit with the changes noted to the estimated claims payable section. The motion passed unanimously. Darla will provide the financials for June, July and August at the next meeting. The Trustees thanked Darla for her good work. They discussed having the auditor attend a future meeting to talk about the audit and to meet the new Trustees. Darla will invite the auditor to the October meeting.

Consultant Report

In continuation from the last meeting, the group reviewed and discussed the proposed 2014 employee contribution rates. Sean noted no revisions had been made to the materials presented at the last meeting. Molly reminded the group of the discussion they had at the previous meeting regarding the uncertainty of the state and thinking longer term. The group shared which scenario they were leaning toward and why, and which scenario(s) they would not consider. Sean provided clarification as needed. For the benefit of the audience, Mike shared some of the history of the Trust being able to highly subsidize past year's employee contribution rates knowing that there would come a time when that would no longer be possible. He said that time

came last year and now, in order for the Trust to continue to be fiscally sustainable, they must keep a certain amount of money in reserve which limits the ability to soften rate increases. This is a very painful decision for the Trustees. The group discussed the lack of contributions from the state over the past four years and the impact that this has had. Susan asked about the different percentages between the plans and why they were not presented as dollars. Sean shared what has been seen over the years with the WEA tweaking plans and coverage tiers. He said part of this is driven by the fact that most districts do not have structured strategies in place. The WEA has been adjusting premiums to help other districts get to the 3 to 1 ratio. In the future he will use dollars rather than percentages.

Molly asked for any audience questions. Sean provided clarification regarding scenario three and four. The audience members agreed that the rate increases would be tough. A motion was made by Mike Gunn and seconded by Gregg Elder to select the scenario three 2014 employee contribution rate structure and budget, as well as the Wellness Program budget.

Discussion followed regarding the Wellness Program budget. Jared asked for more evidence that the Wellness Program was lowering and stabilizing rates over time. Sean commented that the Wellness Program is helping to change employee health behaviors which will ultimately benefit the Trust. The group discussed other potential benefits that the Wellness Program offers including employee morale and setting good examples for students. When the Trust was self-insured they were able to obtain employee health data through the D2 Hawkeye Report. Unfortunately with the move to the WEA, that data is no longer available to the Trust which has been detrimental and a big loss especially to Gail. The Trust has made requests to the WEA to get the data back but have been told it is not available. Jared questioned whether the Wellness Program makes people healthier and would like to see more sophisticated data. Molly noted Gail would welcome that type of data as well. The group discussed the importance of employees being healthy but some questioned whether the Wellness Program was the right vehicle and if it has enough broad-based impact for enough employees to make it worthwhile. The group discussed the possibility of the district contributing funds to the Wellness Program and the possibility of receiving funds sometime in the future through an award offered in ESSB 5940. The motion was revised to select the scenario three 2014 employee contribution rate structure and budget. The motion passed unanimously.

The group discussed Open Enrollment communications including communications regarding the health care exchange. Randi shared that the benefit staff were already putting templates together for all forms of communications. There has been a lot of correspondence with employees or family members regarding the health care exchange. Molly thanked the audience for taking the time to attend the meeting.

Approval Annual Budget

Randi commented on the Wellness Budget in Gail's absence. She noted the budget was reduced this year as Gail is trying to maximize all of the funds she has. Through her work, the Wellness Program has received awards and recognition. Gail would also like to receive more data. She strives to design an efficient and meaningful program for employees. There is a wellness team in place at every site and Gail talks with them about likes and dislikes. She asks employees what they want and tries to accommodate their requests. The Wellness Program budget is reflective of the feedback that she has received on how to make the program more meaningful for all. She recognizes there is not an endless pot of money for the Wellness Program budget and with that in mind, is working towards the duration and longevity of the program. She wants it to be successful but also has concerns. She is aware of these difficult decisions and possible reductions. A motion was made by Jared Kink and seconded by Kelly Shepherd to approve the

2014 Wellness Program Budget. The motion passed unanimously. The group thanked Randi for her comments.

Proposed Revisions to Trust Policy 491, Open Public Meetings

Molly explained that the proposed revisions to Trust Policy 491, Open Public Meetings, were a technical update to the day the Trust meetings are held. A motion was made by Gregg Elder and seconded by Susan Lindsey to approve the proposed revisions to Trust Policy 491, Open Public Meetings. The motion passed unanimously.

Review of Annual Meeting Calendar & Annual Calendar

- ✓ Wellness end-of-year report (Gail)
- ✓ Plan documents are finalized between the Consultant and Human Resources (Sean/Randi)
- ✓ Open enrollment begins (Randi)
- ✓ Quarterly EAP report (Randi)
- ✓ Trust auditor attendance (tentative)

Other

Agenda item due dates

In response to the Trustees request last spring, timelines for providing documents to send out with the monthly Trust agenda were provided. Providing documents with the agenda in advance of the meeting allows the Trustees to review the provided materials and plan for the meeting.

Education Week article

The Education Week article *Helping Teachers Get Healthier* was provided for Trustees' information.

Adjourn to Executive Session

The meeting was adjourned to executive session by Molly Ringo at 5:10 p.m. to review compensation for Trust financial and support services. The regular meeting was reconvened by Molly Ringo at 5:22 p.m. A motion was made by Mike Gunn and seconded by Susan Lindsey to adjust the stipend amount for Kellee Newcomb and Darla Vanduren to be commensurate with the overall percentage pay increases to members on the professional technical salary schedule for the 2013-14 school year. The motion passed unanimously.

Adjournment

The regular meeting was adjourned by Molly Ringo at 5:24 p.m.

Sincerely,

Gregg Elder
Secretary

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