

**Everett School Employees Benefit Trust**  
**May 19, 2008**  
**Board Room**  
**4:00 pm**

**Attendance**

Mike Gunn  
John Morrill  
Wayne Kettler  
Susan Lindsey  
Molly Ringo  
Betsy Selders

**Also Attending**

Darla Van Duren  
Randi Seaberg  
Gail Buquicchio

**Recorder**

Susan Sacha

**1. Call to Order**

The meeting was called to order by Mike Gunn at 4:01 pm

**2. Adoption of Agenda**

The agenda was approved as written.

**3. Approval of Minutes**

The minutes from the April 21<sup>st</sup> meetings were approved as written.

**4. Financial Report**

Darla provided the Trustees with the April financials. The fund balance increased by \$147,333 for the month. One mortgage/bond, two government bonds, and four CDs were purchased. Three CDs matured and there was a full call of one CD. The Trust consultants invoicing was offset by commissions which resulted in a new credit balance of \$(34,022). HMA claims are \$77,699 less this month than last April 2007 and overall the monthly average is still lower than a year ago with the current total for this fiscal year being \$284,909 less compared to last year at this time. ESI & NMHC claims are \$9,552 more this month than last April 2007. Overall for the year ESI claims are approximately \$149,773 less than ESI & NMHC claims for this fiscal year through April 2008. The fund balance this month is \$11,032,944 compared to \$7,973,328 a year ago. Overall assets for this fiscal year total \$12,253,944 compared to \$9,137,328 a year ago.

**5. Review auditor engagement proposal for annual audit**

Darla distributed a letter from Toyer & Associates regarding their engagement proposal. She said they will be doing a full audit including coming on site and reviewing our processes. The quote for the coming year is \$8,950 slightly higher (\$250 more) than last year. Darla gave an overview of the history of the audit process and how we selected Toyer & Associates. She felt they have done a great job for the Trust and is recommending that we continue using them to do the audit. Darla asked the group to review the engagement letter and provide her with a decision at the next meeting

#### **6. Review performance of investment advisor**

Darla gave an overview on the performance of investment advisor Curt Haldorson. Curt meets with the trustees on a quarterly basis. He is in contact with Darla twice a month to keep her informed about investments he makes on behalf of the Trust. Darla feels that she has a good relationship with Curt and that he does a good job. Trustees commented that they feel he has the Trust's best interest at heart and that the investments he has made have been good. Darla routed a letter around from the manager of Smith Barney that gave personal, financial and account information about the Trust.

#### **7. Annual investment policy review by Trustees**

At the last Trust meeting, Curt recommended staying away from high risk investments. The current policy protects against that. Curt and Darla feel that the policy is very effective with regard to how Curt handles the business.

#### **8. Review consultant engagement & budget for upcoming fiscal year**

This item will be tabled to the next meeting

#### **9. Wellness Program Update**

Gail has been on the job for a week and reported that it was a very good week. She has visited quite a few schools and was able to get on some staff meeting agendas. Gail plans to make many contacts inside and outside the district. She would like to get around to all of the schools and sites in order to herself and the Wellness Program known. To help promote wellness she'll be sending out a notice to staff regarding a Summer Wellness Challenge. This challenge is in cooperation with Washington States "Healthiest State" Campaign. Schools and sites will compete with one another and Gail felt it would be a nice easy way to get the Wellness Program going.

#### **10. Review Trust Operations Manual**

Mike gave a summary on the Operations Manual for the benefit of the newest trustees. The manual was created about three years ago and is a good basic document designed to be consistent with legal requirements however, Mike felt that there was always room for improvement and the yearly review was a good idea. He suggested clarifying some of the wording in the manual. In particular:

1. *policies and procedures of the school district*
2. *wellness budget approval.*

Melanie will be providing some clarification for the *policies and procedures of the school district* and Mike felt that the *wellness budget approval* should be included in Mercer's scenario and approved at the same time.

#### **11. Review annual calendar**

Molly requested an executive session at the June meeting regarding compensation for Trust financial services.

## **12. Other**

### Mammograms

Betsy reported that she had e-mailed a mammogram benefit request to Sean White. She felt that it should be a covered item in the PPO plans. Deductible currently does apply.

### Part-time employee contributions

Betsy said that a part-time member brought a concern to her regarding the high rates part-timers had to pay. Several of the trustees felt that it would be a good idea to hear the rational and history surrounding the higher cost for part-timers from either Sean or Tom and then have a discussion once everyone hears Mercer's information.

## **13. Adjournment**

Meeting was adjourned at 5:00 pm.

Sincerely,

John Morrill  
Secretary