

**Everett School Employees Benefit Trust**  
**January 24, 2011**  
**Minutes**

**Attendance**

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

**Absent**

**Also Attending**

Gail Buquicchio  
Melanie Curtice  
Beverly Rogers  
Randi Seaberg  
Darla Vanduren  
Sean White

**Recorder**

Kellee Newcomb

**Call to Order**

The meeting was called to order by Susan Lindsey at 4:03 p.m.

**Adoption of Agenda**

Molly Ringo requested an item regarding follow-up to a SEIU leadership meeting be added to the agenda. A motion was made by David Jones to approve the agenda with the additional agenda item. The motion was seconded by Betsy Selders and it passed unanimously.

**Approval of Minutes**

The minutes from the December 13, 2010 meeting were presented for approval. A motion was made by John Morrill and seconded by Mike Gunn to approve the minutes as written. The motion passed unanimously.

**Wellness Report**

Gail Buquicchio provided the group with current highlights from the Wellness Program. The Wellness Challenge was launched January 1, 2011. To date, there are 571 benefit eligible employees enrolled and 288 have taken the Health Risk Assessment (HRA). Gail reported that there was an issue with the vendor not having the HRA available when the program first launched. As a result of the delay, there are lower numbers of staff who have completed the HRA. Gail stated, because they are below their projected goal, they have been targeting employees with posters, postcards and emails. Gail has also presented information to school staffs and will be meeting with union groups. The first 500 employees who take the HRA will receive a self-care book. Gail commented that one of her strategies was to be able to present to the leadership team groups and principals at their meetings and was disappointed that this option was not possible. She feels that when there is strong leadership support with administrators and wellness teams, more staff will want to participate. Molly explained the change in structure of principal and leadership team meetings which did not allow Gail to present at their meetings.

An email was sent to the Trustees from an employee asking if the Trust would consider extending the Wellness Challenge to all staff not just benefit eligible staff. Gail indicated that she has been approached by numerous staff members who are disappointed that they can not participate due to their non benefit eligible status. She asked the Trustees if they would like to offer the Wellness Challenge to all staff not just benefit eligible staff. She said those staff that are not benefit eligible could be offered a prize of some kind but not the monetary prize. Another consideration in allowing non benefit eligible staff to participate would be the impact on the program in future years. If they are included this year, they would be included in future campaigns. The group discussed the possibilities and implications of including non benefit eligible employees in the Wellness Challenge. Melanie Curtice commented that there are considerations relating to the definition of an eligible participant that was stated in the letter to the IRS.

Gail indicated there are a number of employees who are eligible to receive benefits through Everett Public Schools that choose not to. She thought it could potentially be around 360 employees.

The group discussed the mission statement and the goal of the program which is to help staff feel better and to support the overall health of all employees. The group discussed exceeding the amount paid for the program vs. what the cost will be. Gail indicated that she did not think they would exceed the cost. Randi stated she has heard from several employees who are not benefit eligible (or choose not to enroll in Everett Public Schools benefits) that they feel left out and wonder why they are able to participate in other Wellness campaigns such as Walktober, and are eligible for EAP services, but are not eligible to participate in the Wellness Challenge. She stated she has heard conversations among employees around healthy eating and tracking what they eat for the Wellness Challenge which makes those non eligible employees feel left out and not welcome in those conversations. The different eligibility categories are taking away from the camaraderie at buildings and that is what needs to be promoted. The group discussed the impact of adding non benefit eligible or non benefit participating employees in the future, the meaning of the mission statement and the need to be clear on who is eligible to participate.

David said it is to the benefit of the people they are representing that the work environment and colleagues are as healthy as possible. However, thinking into the future there is the potential to have a very high price tag. Gail provided examples of possible future plans including pre-paying for health risk assessments and attaching the cost to premiums and not awarding the \$200. The group discussed communicating with staff regarding eligibility for future campaigns and the fact that they had not been exclusionary with any wellness activities so far; however, due to potential costs they may have to be. The Trust members asked that Benefits prepare a chart for the next meeting indicating what Wellness programs are offered to benefit eligible employees, as well as employees not receiving benefits. All the facts need to be provided and reviewed prior to a decision from the Trust. Melanie indicated she can review the materials to be sure the paperwork submitted to the IRS is being followed. A decision will be made at the next meeting on February 14<sup>th</sup>. Gail will communicate that the Trust has had a discussion regarding the request to include non benefit eligible employees but that they need to ensure compliance with IRS regulations. The Trust will respond to the email from the employee.

### **Financial Report**

Darla reviewed the financials with the group.

Balance Sheet – The fund balance for the month of December increased \$9,989 resulting in an overall decrease for the fiscal year of \$(1,338,754). Corporate obligation (CD's) sales were \$90,000. Government obligations purchases were \$1,226,602 and pay downs were \$2,694.97. Overall assets for this fiscal year total \$12,773,349 compared to \$14,466,438 a year ago.

The Statement of Operations and Fund Balance – indicates payments to Free and Clear for the setup fee for the Mind & Body program in the amount of \$2,500. Wellness program expenses for the month were \$20,616 which were offset by fall fit pass sales and Weight Watchers program of \$674. Darla indicated one reason for the big expense this month was payment to Safeway pharmacy for the flu shots.

Bank fees for the month were \$182.64 and \$1,496.54. Darla stated a review is underway to analyze and determine why Trust earnings are not offsetting bank fees. Payment was made to Stoel Rives for ongoing legal fees through October in the amount of \$8,397. The last payment to ENA Couriers for courier fees was made in the amount of \$32.90. Darla stated the service ended November 30, 2010. She will now be taking the deposits to the bank herself. Payment was made to Hyas Group for the next quarter beginning December 1, 2010 in the amount of \$4,375.

HMA claims are \$4,102 more this month than last December 2009 and overall claims this year are \$1,255,482 more than in 2009. ESI claims are \$59,706 more this month than last December 2009 and overall claims this year are \$309,643 more than in 2009.

Darla noted a refund check was received from Sun Life this month in the amount of \$980.04. Also received was a rebate check from ESI in the amount of \$32,950.75.

#### Claims Audit Follow-Up

Darla reported that she has been working with Moss Adams to negotiate the three year audit. She provided the potential timeline to the group. The price range is what the Trustees had previously agreed to and will stay the same for the next three years.

#### Policy & Procedure Revisions

Melanie reported that she provided Jayson at Hyas Group and Sean at Mercer the investment and fund approval policies and procedures. Suggestions for revisions were made and have been provided for the Trustees review. Regarding training on the requirements of the Open Public Meetings Act, Val Hughes will attend the February meeting to provide the training. Melanie did not think it was necessary for the group to wait until they had the training to adopt the policy and procedure. Having had the opportunity to review the revisions to the Trust policies and procedures, Melanie recommended that the Trust move forward with adoption. A motion was made by Mike Gunn and seconded by Betsy Selders to adopt the revisions to the Trust's policies and procedures as presented. The motion passed unanimously.

#### Resolution

Melanie explained there was a requirement by the Washington State Office of Financial Management for a resolution to bring the Trust into compliance with the new rules in WAC 82-65. Melanie provided the resolution for the Trustees review. A motion was made by Mike Gunn and seconded by David Jones to approve the resolution. The motion passed unanimously.

#### New Free & Clear Mind & Body Program

Randi provided information on the Free & Clear Mind & Body program. As of today there are 60 participants. She showed the group where to access the site on the district's web page and provided a demonstration of the program. Staff members who are engaged stated they like the program so far. The program will cap at 100 enrollees. Enrollment has recently been slowing down so more information will be provided to employees to try to boost enrollment. If enrollment goes over 100, employees wishing to enroll will receive an email with contact information on being added to a wait list. Randi stated the program is well run and has been easy to access. A report will be provided quarterly unless a request for an earlier report is made.

#### Open Enrollment Update

Randi provided the group with open enrollment information. She stated the IFAS upgrade caused the report to be deleted so it will be provided at a later date. The flex account "Benny" card is working great. It only allows for purchases of flex plan eligible items. Randi anticipates more participants in the future.

#### Quarterly EAP Report

Randi reported that Magellan continues to provide wonderful service, and as a result, there has been increased usage. Even though they have had some recent staffing changes and there is a new account representative, there has been no lapse in their service. A part of the EAP that has not been used in the past are short professional development "lunch and learns" for classified administrators. These opportunities have received good feedback from staff on. From October to December there was an increase of thirteen new members.

The crisis intervention team was activated in October when a teacher's death highly impacted the staff at two schools. Feedback was very complimentary and employees found this service helpful. These services were also used with another employee death at Denney. This service will be very helpful when school counselors are also impacted by these types of incidents. Randi will provide a summary of their services at a later date.

#### **Consultant Report – Healthcare Reform Update**

Sean provided copies of the Health Care Reform: Estimated Financial Implications for Everett School Employee Benefit Trust that was presented at the November meeting. There have been no changes to results of analysis since November. Sean discussed the cost impacts to the Trust. He stated that things could change over time with the federal government, but presented the analysis as it stands at this point and time. Melanie indicated that because the regulators are frequently updating the FAQs (frequently asked questions) on the web site, it has been hard to keep up with the changes. Sean's focus for this meeting is the cost impact to the Trust and in the absence of change he presented the projected expectations. The group discussed the possible future implications with the reform.

The group discussed how they would like Melanie and Sean to keep them apprised of future changes. It was agreed that mid year updates and/or when major breaking events occurred the Trust would be updated. Also, updates will be built into the renewal processes. Updates might also be included on the Trust's web page.

#### **Review of Annual Calendar & Meeting Calendar**

The group reviewed the calendar.

#### **Other**

Darla reported that the fiduciary total is now in the \$5,000 dollar range and has been renewed. The commission increased but the premium is lower.

Molly reported that she attended a recent SEIU meeting to provide information on the Trust. She stated periodically new representatives ask questions about the function and role of the Trust. A Trust overview and history was provided. As a result of the meeting, a couple of different issues surfaced including why SEIU was not represented on the Board of Trustees and how do employees have input into benefit plans and plan design. Molly and Carol Stolz discussed the possibility of having leadership or focus groups of what staff would like to see regarding their benefit plans. The Trustees discussed the possibility of offering some type of Zoomerang survey to gather staff input. Agents for SEIU may attend a future meeting. The Trust supported having Carol obtain employee feedback.

#### **Adjournment**

The meeting was adjourned at 7:29 p.m.

Sincerely,

David Jones  
Secretary