

**Minutes of Meeting
Board of Trustees
Police & Firemen's Retirement Fund
January 17, 2006**

A meeting of the Board of Trustees was called to order at 8:37 p.m. in the Century One room at Heman Park Centennial Common, 7210 Olive.

Members in attendance: Catherine Smith, Julianne Niemann, Diane Sher, Alison Markenson, Don Miner

Members absent: Gordon Myers (excused), Carol Jackson (excused),
Councilmember Colquitt

Others in attendance: Willie Norfleet, Finance Director & Board Treasurer
James Rubie, Actuary
Councilmember Stefany Brot
Wiley Angell, Fiduciary Asset Mgmt
Mo Riad, Fiduciary Asset Mgmt

Minutes

Member Miner moved to approve the Board minutes of October 18, 2005 as submitted. The motion was seconded by Member Sher and carried.

Vouchers

The attached listing of vouchers was reviewed. Member Miner moved to authorize payment of these vouchers. The motion was seconded by Member Niemann and carried.

Applications for Membership

None

Applications for Retirement

An application for retirement from Robert Metcalf was reviewed. The applicant had worked for the City for 39 years. The monthly retirement benefit will be \$3806.16. The spouse benefit will be 1903.08.

Due to the ordinance change to calculate base salary based on final 3 years compensation, Michael Toomey will now be 3038.57, effective January 1, 2006. The spouse benefit will be 1519.28

Due to the ordinance change to calculate base salary based on final 3 years compensation, Timothy Gannon will now be 2316.65, effective January 1, 2006.

After review Member Miner moved to accept the above retirement application and amendments. The motion was seconded by Member Smith and carried.

2006 Actuarial Fees

	Non –Uniformed Plan	Uniformed Plan
Annual Actuarial Valuation	\$4,750	\$6,800
Attendance at Board Meetings	300	300
Preparation of information for auditors	900	900
Benefit calculations	250	350
Actuarial certifications	375	375

Member Miner moved to approve the 2006 Uniformed Plan Actuarial fees as noted above. The motion was seconded by member Smith and carried.

Fiduciary Asset Management Presentation

Wiley Angell, Executive Managing Director and Mo Riad, Managing Director, presented and discussed the strategies for managing pension funds (presentation attached).

Actuarial Assumptions

Actuary Jim Rubie explained the Assumptions at this time. The City Manager recommended the following changes:

1. mortality table from 1983 to 1994
2. earning assumptions = 6% (from 7%)
3. wage increase assumptions = 3% (from 4%)

Member Miner moved to approve the above three changes. The motion was seconded by Member Smith and carried.

Fiduciary Liability Insurance

St. Paul Travelers provided the following quotes for Fiduciary Liability Coverage:

Option 1:

Carrier: Travelers Casualty and Surety Company of America (A.M. Best Rated A + XV)
Limit: \$1,000,000 annual aggregate, \$1,000,000 each loss
Deductible: \$5,000 per claim
Premium: \$5,308

Option 2:

Carrier: Travelers Casualty and Surety Company of America (A.M. Best Rated A + XV)
Limit: \$1,000,000 annual aggregate, \$1,000,000 each loss
Deductible: \$10,000 per claim
Premium: \$5,042

Board members posed the following questions:

- 1) Were competitive bids sought for this insurance, with St. Paul Travelers' quote being either the best or the only one responding? In other words, does the city consider this quote "reasonable"?
- 2) Is the quote an annual fee covering board members' service on both the non-uniformed and the police and fire boards?

3) Does the quote cover all board members (including any employee representatives not already covered by the city's fiduciary liability insurance as well as citizen members)?

Based on an assumption that the bids are considered competitive and that the fee of \$5,308 is an annual one covering all members of both boards, the board voted to approve purchasing the insurance.

Miner moved to approve purchasing Option 1 based on the above assumptions. The motion was seconded by Member Smith and carried.

Next Meeting Dates

The Board affirmed the following meeting dates for 2006: April 18, July 18, and October 17.

Adjournment

There being no further business, the meeting adjourned at 8:45 p.m.

Respectfully submitted,

Frank Ollendorff
Secretary