

**Minutes of Meeting
Board of Trustees
Police & Firemen's Retirement Fund
October 18, 2005**

A meeting of the Board of Trustees was called to order at 8:17 p.m. in the conference room on the fourth floor of City Hall.

Members in attendance: Gordon Myers, Catherine Smith, Julianne Niemann, Diane Sher, Alison Markenson

Members absent: Carol Jackson (excused), Don Miner (excused)

Others in attendance: Frank Ollendorff, City Manager & Board Secretary
Willie Norfleet, Finance Director & Board Treasurer
Yolanda Williams, HR Director
(Cassandra Colquitt, Council Liaison)

Minutes

Member Sher moved to approve the Board minutes of August 23, 2005 as submitted. The motion was seconded by Member Niemann and carried.

Vouchers

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

Applications for Membership

Terrence Lott, Police Department – Police Officer

Member Niemann moved to accept the above membership application. The motion was seconded by Member Smith and carried.

Applications for Retirement

None

Investment Advisors Report

Member Niemann commented that we were underrepresented on energy side so we have stepped it up and investments have already turned around. Member Niemann also suggested that we have a presentation/overview by Fiduciary at the next meeting—January 17, 2006.

Death Benefit

The Finance department solicited bids from life insurance companies and one response was received from The Standard. The bid response was distributed for the Board's review and this item was tabled from the previous meeting.

Mr. Keith Huffman with The Standard presented the product and service offerings which included: Life Insurance, Portability, Accelerated Death Benefits, Waiver of Premium, and MedEx Travel Assist Access. He offered the following policy options:

Life Option 1 – Monthly Cost = \$6,804 (\$81,648 annually)
Waiver of Premium prior to age 60 to age 65
Portability
MedEx Travel Assist
75% Accelerated Death Benefit

Life Option 2 – Monthly Cost = \$6,156 (\$73,872 annually)
Waiver of Premium prior to age 55 to age 60
Portability
MedEx Travel Assist
75% Accelerated Death Benefit
2 year suicide exclusion

Life Option 3 – Month Cost = \$5,832 (\$69,984 annually)
Portability
MedEx Travel Assist

The Board discussed the advantages of having a life insurance policy vs. self insurance. The advantages include: known cost for budgeting purposes, greater level of benefits and services and tax-free benefit to beneficiaries. Mr. Huffman further commented that The Standard is an industry leader in providing these services for municipal governments and they have A or better ratings. Member Fitch added that no other company responded to the bid and when she made inquiries other companies advised her that they do not cover municipal groups.

In deciding among the options, the Board determined it would be most responsible to start with a basic plan and to perhaps look at adding the wavier of premium and/or accelerated death benefit at some time in the future. Mr. Huffman stated that all plans include portability and MedEx Travel at no additional cost so even electing the basic plan gives employees a greater benefit than does our self insurance as before noted.

Member Neimann moved to accept Life Option 3 with an effective date of November 1, 2005. The motion was seconded by Member Sher and carried.

Pension Improvements

Yolanda Williams, HR Director, reported that an ordinance was passed to change the base salary calculation so that the defined benefit is based on three-year average compensation—formerly five-year. The approved ordinance was included in the package mailed to Board.

Fiduciary Liability Insurance

At the last meeting, Member Niemann asked if the City has fiduciary liability insurance for Pension Board Members. Yolanda Williams, HR, reported that the Board is not covered under the City's Public Officials liability policy and that a separate policy is needed. She further reported that an application had been forwarded to the City's

insurance company and she would check on the status and keep the Board Members informed.

Next Meeting Dates

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

Adjournment

There being no further business, the meeting adjourned at 8:35 p.m.

Respectfully submitted,

Frank Ollendorff
Secretary